The Rise of Temporary Migration and Employer-Driven Immigration in Canada: Tracing policy shifts of the late 20th and early 21st centuries

by Salimah Valiani

One decade ago, taking a long view of Canadian immigration policy, policy analyst Ravi Pendakur (2000: 3) underlined that “permanent migration has constituted the cornerstone of Canadian immigration policy since Confederation.” Not so long afterward, political economist Nandita Sharma (2006:20) argued that with the introduction of the Non-Immigrant Employment Authorization Program (NIEAP) in 1973, the Canadian state shifted immigration policy “away from a policy of permanent immigrant settlement towards an increasing reliance on temporary migrant workers.” Using the latest official statistical data available, this paper maps the shift from permanent to temporary migration in Canada, linking it to a new shift in the early 21st century. Though the legal framework for temporary migration was introduced in the early 1970s, it is demonstrated that a material shift did not occur until the mid-1980s, when the number of workers entering Canada on temporary work permits of longer than one year began outpacing the number of workers entering as permanent residents. In turn, it is argued that a new policy shift occurred in the early 21st century, when primary decision making around access to permanent residency was transferred by the Canadian state to Canadian employers. Using data from the Live-in Caregiver Program, the longest-standing Canadian immigration program in which employers hold primary decision-making power, it is demonstrated that an employer-driven immigration system does not bode well for the long term needs of building an inclusive society and stable labour supply in Canada.

Permanent Migration and Family Reunification: 1940-1970

In his study of the intersection of post World War II labour market formation and immigration policy in Canada, Ravi Pendakur (2000) traces two waves of permanent migration in the post World War II period. The first wave, occurring in the 1940s and 1950s, was based on family reunification and
immigration from Europe. Reflecting international discussions around human rights and principles of anti-racism, and perhaps more importantly, the diminishing number of immigration applications from Europe, discriminatory selection criteria were removed from Canadian immigration legislation beginning in 1962. The second wave of permanent migration was thus based on family reunification and labour force requirements, leading to increasing numbers of Asian, African and Latin American immigrants settling in Canada in the 1960s and 1970s.

Family reunification was key in both waves of migration following World War II. Due to the socially accepted notion that workers should migrate along with their families, workers were able to settle with the crucial support of spouses and other immediate family members. Society as a whole was seen to benefit via immediate population growth and future labour force expansion. As shown in the table below, each worker migrating to Canada was likely accompanied by at least one family member in most years.

Along with family reunification, permanent migration and the accompanying legal status of permanent residency consists of several other rights and entitlements which have come to be known as the basic starting point for inclusion in Canadian society. Most important among these are rights protection under municipal, provincial and federal legislation, mobility rights, or the right to choose one’s place(s) of work and residence, eventual access to citizenship and hence participation in political decision making.
Table 1. Permanent Migration and Family Reunification, 1966-1979

<table>
<thead>
<tr>
<th></th>
<th>Immigrant Workers*</th>
<th>Immigrant Non-Workers**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966</td>
<td>99,210</td>
<td>95,533</td>
</tr>
<tr>
<td>1967</td>
<td>119,539</td>
<td>103,337</td>
</tr>
<tr>
<td>1968</td>
<td>95,446</td>
<td>88,528</td>
</tr>
<tr>
<td>1969</td>
<td>84,349</td>
<td>77,182</td>
</tr>
<tr>
<td>1970</td>
<td>77,723</td>
<td>69,990</td>
</tr>
<tr>
<td>1971</td>
<td>61,282</td>
<td>60,618</td>
</tr>
<tr>
<td>1972</td>
<td>59,432</td>
<td>62,574</td>
</tr>
<tr>
<td>1973</td>
<td>92,228</td>
<td>91,972</td>
</tr>
<tr>
<td>1974</td>
<td>106,083</td>
<td>112,382</td>
</tr>
<tr>
<td>1975</td>
<td>81,189</td>
<td>106,692</td>
</tr>
<tr>
<td>1976</td>
<td>61,461</td>
<td>87,968</td>
</tr>
<tr>
<td>1977</td>
<td>47,625</td>
<td>67,289</td>
</tr>
<tr>
<td>1978</td>
<td>35,211</td>
<td>51,102</td>
</tr>
<tr>
<td>1979</td>
<td>48,234</td>
<td>63,862</td>
</tr>
</tbody>
</table>

Sources: Manpower and Immigration; Immigration Division (1970-1978); Employment and Immigration Canada (1978-1979)

*Counted by “intended occupational groups.”
**Includes spouses, children, students and others.

Material Shift, 1980s: from Permanent Migration to Temporary Labour Migration

From around the mid-1980s, workers in Canada on temporary employment authorizations for more than one year began outpacing the number of workers permitted entry on a permanent basis. (Please refer to Tables 2 and 3 below) Through the 1980s, workers in the teaching, services, clerical, and fabricating/assembly/repair sectors figured in the top five sectors for which temporary work authorizations of more than one year were issued. (Employment and Immigration Canada 2005) For the most part, workers on temporary employment authorizations do not enjoy the basic rights and entitlements accorded to permanent residents: family reunification, rights protection under various levels of legislation, mobility rights, and eventual access to citizenship.

The increased use of temporary migrant workers was part and parcel of growing employer preference for what is known today as a flexible labour force, the major driver of labour market
restructuring occurring in Canada from the late 1970s onward. Two key aspects of labour market
restructuring are legislative changes and changing employment forms. Beginning with legislative
changes, the federal Anti-Inflation Program of 1975-78 limited the increase of salaries of
employees of federal and crown corporations, federal and some provincial public sector
employees, and employees of large private sector firms. Following from this, several provinces
instituted wage restraint programs through the 1980s and 1990s. Combined with back-to-work
legislation introduced by the federal and provincial governments through the 1970s and 1980s,
wage restraint programs severely affected the collective bargaining power of unionized workers,
rendering them more ‘flexible’ to the plans and needs of employers. (McBride and Shields 1997,
67-69) Another major element of labour market restructuring via legislative change is the easing of
state regulation of workplaces, including decreased state monitoring of employers and enforcement
of employment contracts – a process which began unfolding in the 1980s and continues today in
some provinces.

The abandoning of full employment policies in most rich countries in the early 1980s went hand-in-
hand with the rise of non-standard employment forms. In Canada, between 1975 and 1985, the
number of part-time employment positions (i.e. 30 hours per week or less) increased by 78 per
cent while the number of full-time positions increased by a mere 15 per cent. (Shields and Russell
1994, 330) Taking into account the broad range of non-standard employment beyond part-time
work, including temporary-help agency work, short-term work, and self-employment, non-standard
employment represented one half of all new jobs created between 1981 and 1986. (Economic
employment forms allows employers to shift the risk of business downturns to workers and
persisted following the end of the 1982-1984 recession. Non-standard employment forms also
allow employers to reduce labour costs. In 1984, for instance, the average hourly wage of a part-time worker was two thirds that of an average full-time worker performing the same work. (Burke 1986 as cited by Shields and Russell 1994, 335) Similarly, in the same year, temporary and casual workers – many of which were likely temporary migrant workers – earned 43 per cent less than full time, permanent workers in equivalent positions. (Shields and Russell 1994, 335)

Table 2. The Rise of Temporary Migration: Immigrant Workers and Temporary Migrant Workers Compared, 1980-1989

<table>
<thead>
<tr>
<th>Year</th>
<th>Immigrant Workers*</th>
<th>Employment Authorizations, Long-Term**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>63,745</td>
<td>29,181</td>
</tr>
<tr>
<td>1981</td>
<td>56,969</td>
<td>44,990</td>
</tr>
<tr>
<td>1982</td>
<td>55,472</td>
<td>n/a***</td>
</tr>
<tr>
<td>1983</td>
<td>37,109</td>
<td>n/a</td>
</tr>
<tr>
<td>1984</td>
<td>38,500</td>
<td>n/a</td>
</tr>
<tr>
<td>1985</td>
<td>38,453</td>
<td>69,953</td>
</tr>
<tr>
<td>1986</td>
<td>48,200</td>
<td>78,244</td>
</tr>
<tr>
<td>1987</td>
<td>76,712</td>
<td>97,624</td>
</tr>
<tr>
<td>1988</td>
<td>76,350</td>
<td>126,313</td>
</tr>
<tr>
<td>1989</td>
<td>98,227</td>
<td>n/a****</td>
</tr>
</tbody>
</table>

Sources: Manpower and Immigration; Immigration Division (1970-1978); Employment and Immigration Canada (1978-1989)
*Counted by “intended occupational groups.”
**Includes workers employed in Canada on temporary work authorizations for more than one year (as defined in Immigration Regulations, 1978/Immigration Act, 1976).
***For the years 1982-1984, only aggregated figures are available: long-term and short-term employment authorizations combined. They are excluded here due to the extremely high number of short-term (i.e. less than one year) work authorizations.
****Without explanation, from 1989 to 1996, data on temporary residents cease to be included in immigration statistic archives.
Table 3. Skilled Workers and Temporary Migrant Workers Compared, 1999-2009*

<table>
<thead>
<tr>
<th>Year</th>
<th>Skilled Workers, Principal Applicants</th>
<th>Employment Authorizations, Short and Long-Term**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>41,544</td>
<td>107,139</td>
</tr>
<tr>
<td>2000</td>
<td>52,123</td>
<td>116,565</td>
</tr>
<tr>
<td>2001</td>
<td>58,911</td>
<td>119,714</td>
</tr>
<tr>
<td>2002</td>
<td>52,974</td>
<td>110,915</td>
</tr>
<tr>
<td>2003</td>
<td>45,377</td>
<td>103,239</td>
</tr>
<tr>
<td>2004</td>
<td>47,894</td>
<td>112,553</td>
</tr>
<tr>
<td>2005</td>
<td>52,269</td>
<td>122,723</td>
</tr>
<tr>
<td>2006</td>
<td>44,161</td>
<td>139,103</td>
</tr>
<tr>
<td>2007</td>
<td>41,251</td>
<td>164,905</td>
</tr>
<tr>
<td>2008</td>
<td>43,360</td>
<td>192,519</td>
</tr>
<tr>
<td>2009</td>
<td>40,729</td>
<td>178,640</td>
</tr>
</tbody>
</table>


*In the most recent official statistical compilations available, for the years 1984-1998, skilled workers are counted as part of the “economic immigrant” category rather than as a distinct category. In order to maintain a consistent pattern of comparison with the earlier period featured in Table 2, Table 3 begins with the year 1999, from which time disaggregated figures for skilled workers as principal applicants are available.

**Unlike in the earlier period, disaggregated figures are unavailable for short and long-term temporary work authorizations. The figures included here represent initial entries and re-entries of temporary migrant workers on both long and short-term employment authorizations. Given the lack of disaggregation, these numbers risk overstating, to a certain extent, the proportion of temporary migrant workers employed in Canada for one year or more.

The increasing number of workers entering Canada on employment authorizations also reflects the various bilateral and multilateral trade agreements of the 1990s onward permitting labour mobility for highly skilled workers. (Fudge and MacPhail 2009) Also driven by the interests of employers, temporary migration of highly skilled workers is seen to increase the competitiveness of Canadian industries in the global context. Though Fudge and MacPhail (2009, 13) underline the lower number of entry requirements imposed on highly skilled temporary migrant workers relative to those imposed on lesser skilled temporary migrants, as Sharma (2006, 125) points out, both groups are unfree in that their mobility is restricted within Canada. More specifically, unlike workers with permanent resident status, under the 1973 Non-Immigrant Employment Authorization Program (NIEAP) and the subsequent, Temporary Foreign Worker Program, both sets of temporary
migrants are bound to particular employers and hence particular geographic locations. Given that the legal status of temporary migrant workers is tied to employers, employers of temporary migrant workers hold yet more power in the already unequal employer-employee relationship and temporary migrant workers are thus more vulnerable to coercion or/and abuse in the workplace.

From 2001, following the pattern of the NIEAP and increased temporary labour migration through trade agreements, the Immigration and Refugee Protection Act (IRPA) allowed employers the possibility of further access to temporary migrant workers through an array of different mechanisms. (Fudge and MacPhail 2009, 11) This was in spite of projections of economists and some government policy analysts that net labour force growth, as well as net population growth, would occur solely through permanent migration by 2011 and 2031 respectively. (Denton et al. 1999; Gluszyski and Dhawan-Biswal 2008)

Rather than reverting back, then, in the early 21st century, to the longer history of permanent migration and family reunification in light of long term needs to build an inclusive society and stable labour force, the Canadian state moved to deepen the shift to temporary migration. For example, the federal government created the Low Skilled Pilot Project in 2002, primarily in response to claims of shortages by employers having neglected to invest in apprenticeship training in the skilled trades sectors from the 1990s. (Canadian Labour Congress 2006) In 2006, in consultation with employers and provincial governments, the federal government created the Occupations Under Pressure Lists. (Valiani 2007) This program reduced from six weeks to one week the time employers in particular sectors were required to advertise job openings within Canada before being able to claim a labour shortage, and become eligible to recruit temporary migrant workers. In 2007 and 2008, the Expedited Labour Market Opinion guaranteed expedited government assessment of
employer applications to recruit temporary migrant workers in certain categories previously listed as ‘occupations under pressure’. Through these various streams of the Temporary Foreign Worker Program, Canadian employers gained accelerated access to temporary migrant workers in a range of occupations and skill levels, while being required to provide less evidence of efforts to recruit and train workers within Canada.

**Policy Shift, Early 21st Century: From public to private decision-making around permanent residency**

In August 2008, the federal government announced the creation of a new immigration program, the Canadian Experience Class (CEC). The CEC offers the “carrot” of permanent residency to international students and internationally trained workers of various skilled categories following the completion of 12 or 24 months of work (respectively) in Canada, on the basis of a temporary work authorization. The CEC thus further entrenches the “stick” held by Canadian employers to whom legal status of temporary migrant workers is bound through the temporary work authorization. Within the context of weakened and poorly enforced employment standards legislation in most Canadian provinces, migrant workers hoping to remain permanently in Canada and eventually sponsor their families are rendered yet more exploitable by employers well aware of their employees’ precarious legal and economic status.

Additionally, the CEC follows the 2006 recommendation of the Citizenship and Immigration Section of the Canadian Bar Association that some temporary migrant workers be retained permanently in Canada where there is employer support. (CBA, Citizenship and Immigration Section 2006, 9) In other words, applications of temporary migrant workers and international students to remain in Canada as permanent residents are dependent on employer approval. Only after the completion of 12-24 months of full-time employment, during which employers can test workers for their suitability,
are applicants accepted as worthy of remaining in Canada permanently. The language in Canada’s 2007 federal budget elaborates further on this shared employer-state vision, rationalizing a $33.6 million budgetary allocation for the establishment of a new immigration program based on temporary migration as a path to permanent residency:

To ensure that Canada retains the best and brightest with the talents, skills and knowledge to meet rapidly evolving labour market demands, the Government will introduce a new avenue to immigration by permitting, under certain conditions, foreign students with a Canadian credential and skilled work experience, and skilled temporary foreign workers who are already in Canada, to apply for permanent residence without leaving the country. Recent international graduates from Canadian post-secondary institutions with experience and temporary foreign workers with significant skilled work experience have shown that they can succeed in Canada, that they have overcome many of the traditional barriers to integration, and that they have formed attachments to their communities and jobs (sic). (Department of Finance Canada: 2007, 218, emphasis added)

Amendments to the Immigration and Refugee Protection Act (IRPA) quietly passed in June 2008, through the Budget Implementation Bill (C-38), sealed the shift of primary decision-making power around permanent residency from the state to employers. The amendments gave the power to the Minister of Citizenship and Immigration Canada to issue periodically changing instructions regarding the processing of applications for permanent residency, thereby replacing the first-come, first-serve system of application processing previously enshrined in IRPA. By way of example, these instructions may include limiting the number of permanent residency applications to be processed, prioritizing the processing of applications of workers in certain occupations, or capping the number of permanent residency applications accepted by category and otherwise.

The first set of instructions published by Citizenship and Immigration Canada (CIC) in November 2008 specified that new permanent residents to Canada under the Federal Skilled Worker category would be selected according to a list of 38 occupations. The 38 occupations – mainly in the health, construction, and other skilled trades sectors – were considerably similar to those appearing in the
employer-driven lists of "occupations under pressure" published in 2006 and additionally, were all drawn from the same skill levels included in the Canadian Experience Class.iii (Valiani 2009) The criteria accompanying the November 2008 list of 38 occupations stated that people already working in Canada on temporary work permits, and people able to secure employment contracts prior to arrival would be given priority in being considered for permanent residency. In June 2010, CIC released a revised list of 29 occupations prioritized for permanent residency drawn from the same skills levels as the previous list but reflecting slight changes in the labour demand of Canadian employers.

The shift of primary decision-making power to employers around access to permanent residency follows logically from the pattern of increased temporary labour migration driven by employers, but how well does it serve the long-term needs of Canadian society as a whole, particularly given a low birth rate and decreasing labour force due to retirement? An examination of the federal Live-in Caregiver Program (LCP) is useful in answering this question given that prior to the Canadian Experience Class program, the LCP was the only employer-driven immigration program in Canada offering temporary migrant workers a path to permanent resident status.

Formerly known as the Foreign Domestic Movement, the LCP is a program enabling individuals in Canada to employ live-in caregivers from other countries on the basis of temporary work authorizations. In 1982, due to political pressure from live-in caregivers and their allies, the program was amended, allowing live-in caregivers to apply for permanent residency upon completion of 24 months of live-in care work in Canada. How well does the LCP serve as a means of recruiting workers to eventually remain in Canada as permanent residents, as the CEC is ostensibly designed to do?
Calculating on the basis of CIC data for the period 2003-2007, and taking into account the LCP requirement that workers complete 24 months of live-in work in Canada to qualify for permanent residency, the overall estimated retention rate for the period is 53 per cent (Valiani 2009). In other words, of the 19,072 live-in caregivers entering Canada from 2003-2005, only 10,043 attained permanent resident status by 2007. (see Table 4 below)


<table>
<thead>
<tr>
<th>Year</th>
<th>Initial Entry Live-in Caregivers (all Canada)</th>
<th>Permanent Residency Live-in Caregivers, principal applicants (all Canada)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>5,110</td>
<td>2,230</td>
</tr>
<tr>
<td>2004</td>
<td>6,741</td>
<td>2,496</td>
</tr>
<tr>
<td>2005</td>
<td>7,221</td>
<td>3,063</td>
</tr>
<tr>
<td>2006</td>
<td>9,387</td>
<td>3,547</td>
</tr>
<tr>
<td>2007</td>
<td>13,840</td>
<td>3,433</td>
</tr>
</tbody>
</table>


Complicating matters further is the well-documented fact that many live-in caregivers are not able to complete the 24-month requirement within a period of two years of employment in Canada. For this reason, LCP requirements for permanent residency were changed, requiring workers to complete 24 months of live-in work within a period of three, rather than two years. It is therefore useful to examine estimated retention rates (ERR) over time, or, the ability of the program to retain migrant live-in caregivers as permanent residents by year, over a period of time. (Valiani 2009) The table reproduced below provides an estimation of the dynamics caused by discrepancies between official expectations underlying the LCP design, and the lived reality of workers having to change
employers at least once prior to being able to fulfill the 24 month live-in requirement. What must be underlined is that each time a temporary migrant worker changes employers, s/he is required to leave the workforce and obtain a new temporary work permit, which diminishes the time available to complete the 24 month requirement.

<table>
<thead>
<tr>
<th></th>
<th>ERR 2003*</th>
<th>ERR 2004**</th>
<th>ERR 2005***</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>60%</td>
<td>40%</td>
<td>28%</td>
</tr>
</tbody>
</table>

* This ratio is based on the assumption that all live-in caregivers entering in 2003 attained permanent resident status in 2005, as per the official expectations underlying the LCP design. Given the weaknesses of this assumption, this ratio is an over-estimation.

** This ratio allows for the widely-known exception that not all live-in caregivers are able to fulfill the 24 month requirement within 2 years.

*** This ratio allows for the possibility that some live-in caregivers complete the 24 month requirement over a period of three to four years.

Though growing numbers of migrant workers were granted entry to Canada under the LCP from 2003 to 2007, the estimated retention rate of the Program fell as low as 28 per cent, despite ongoing demand for labour in this occupational category. (Valiani 2009) For the 2003-2007 period, the decreasing ERRs over time indicate that each year, the LCP was less successful in retaining temporary migrant workers as permanent residents. The ERR diminishes over time because though drawing-in more migrant caregivers due to high demand and the LCP promise of permanent residency, the number of permanent residencies granted remained fairly stable as workers could not fulfill Program requirements and were obliged to extend their temporary status for periods up to four years. All of this suggests that the LCP, and the model of employer-driven, temporary migration as path to permanent residency are unsuccessful in terms of building labour supply.
Adding a longer term dimension are the figures tracking the number of spouses and dependents of live-in caregivers attaining permanent residency between 2003 and 2007. The numbers are low in comparison to the number of spouses and dependents obtaining permanent residency under principal applicants of the Federal Skilled Worker and Self-Employed Worker categories in the same period. (See Figures 1 and 2 below) This confirms that with regard to the long term needs of Canadian society – labour force expansion and social inclusion – the historical model of permanent migration and family reunification offers far more promise than the employer-driven model of temporary migration as a path to permanent residency

**Figure 1. Family Reunification, Labour Force Expansion, Live-in Caregivers**

![Family Reunification/Labour Force Expansion: Live-in Caregivers](image)

With regard to the ability of the Canadian Experience Class to retain temporary migrants as permanent residents, a fair evaluation is difficult given the relatively recent introduction of the program. Thus far the figures reflect the pattern traced for the LCP. In 2009, 1,774 primary applicants and 770 dependents were admitted to Canada under the CEC, amounting to a total of 2,544. (CIC 2010a) This is far below the 25,500 permanent residents the federal government expected to retain through the CEC program in 2009. (Mamann: 2010)
Conclusion

This chapter traces two major, inter-related shifts in Canadian immigration policy: the shift from permanent to temporary migration, and the shift from a publicly-determined immigration system to one driven by private interests. As part of labour force restructuring reflecting the changing needs of employers from the late 1970s, employer-driven temporary migration replaced permanent migration as the principal means of entry of internationally-trained workers to Canada. In turn, in the early 21st century, the Canadian state transferred primary decision-making around access to permanent residency of internationally-trained workers to Canadian employers. Drawing from retention data calculated for one sample period of the Live-in Caregiver Program – the longest-standing immigration program in Canada based on employer-driven determination of entry and access to permanent residency – it is demonstrated that an employer-driven immigration system is unlikely to provide for the long-terms needs of building a stable labour force and socially inclusive society in Canada.

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Tomasz Gluszyski and Urvashi Dhawan-Biswal (2008). “Reading skills of young immigrants in Canada: the effects of duration of residency, home language exposure and schools.” Publication of the Learning Policy Directorate, Strategic Policy and Research, Human Resources and Social
Development Canada.  


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i The figures presented here are taken from the Citizenship and Immigration Statistics Archives (1966-1996), dated April 12, 2005. These are the most recent official data available and differ considerably from those presented in Nandita Sharma’s (2006) Home Economics. The discrepancies are likely due to changes and improvements in counting methods.

ii Skilled workers included in both the Canadian Experience Class and the permanent residency priority lists to date fall within managerial, professional, technical and skilled trades occupations (i.e. Skill Types 0, A and B of the Canadian National Occupation Categories list). For more details on the Minister’s instructions, refer to the Citizenship and Immigration web page,  
http://www.cic.gc.ca/english/immigrate/skilled/apply-who-instructions.asp#list

iii Due to privacy laws, it is impossible to match initial entry figures with those of permanent residents by individual applicant. The retention rates calculated here must therefore be taken as estimate. Please refer to the Appendix (Valiani 2009) for the calculations and rationale underlying these estimated rates.

iv This figure is based on the assumption that all live-in caregivers entering in this period applied for permanent residency. In December 2009, as part of an announcement of changes to the LCP, CIC stated, without providing any data, that over 90 per cent of LCP workers apply for permanent residency. Citizenship and Immigration Canada,  


vi At the time of writing, a further extension was implemented, allowing temporary live-in caregivers to complete 24 months of live-in work within four years. Citizenship and Immigration Canada,  