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Recruiting Temporary Foreign Workers

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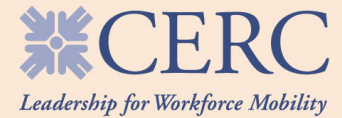
Introduction

- This session will focus on Alberta's experience with temporary foreign workers (TFWs).
- We will look at six major trends that have emerged that are relevant to the rest of Canada.



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Six Major Trends

1. The place of TFWs in Canada's immigration system.
2. The changing role of Government.
3. The role of third party service providers.
4. Source countries.
5. Opposition to TFWs.
6. Relocation issues.



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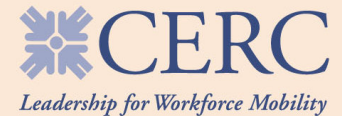
1. The Place of TFW's in Canada's Immigration System

- Immigration has always played a role in the development of Canada's labour market.
- Currently Canada has only 1.9 young workers to replace retiring workers. By 2012 immigration will be the only source of labour market growth. By 2013 there will be more workers leaving the labour market than entering.
- Canada accepts 250,000 new immigrants per year.



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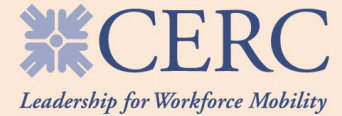
1. Cont...

- Canada's immigration system is slow and often out of sync with labour market demands. Backlogs, multi-year processing and too many immigrants who cannot find meaningful work in Canada.
- Canada's immigrant movement is uneven. Most immigrants settle in Ontario. Provinces have developed immigration programs as a way of attracting immigrants.



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1. Cont...

- TFWs are people who come to Canada on a work permit that allows them to work for a specific employer for a specific length of time.
- Work permits can be issued relatively quickly.
- Foreign workers are selected by employers and have a job when they arrive in Canada. This is how TFWs differ from immigrants who have chosen to come to Canada even though they don't have a job to come to.



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1. Cont...

- The popularity of TFWs in Alberta developed for the following reasons:
 1. A “work around” to the slow immigration system;
 2. A quick solution to immediate labour force requirements;
 3. Enabled “bulk” hiring of low skilled workers;
 4. TFWs necessary for a temporary purpose either seasonal or project based.



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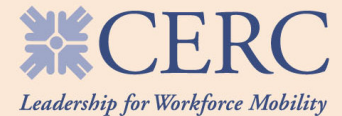
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- Influx of TFWs to Alberta grew quickly beginning in 2005.
- 2006 - 22,000 TFWs
- 2007 - 29,405 TFWs - contrast with 20,857 new immigrants
- Alberta makes up 10% of Canada's population but has 20% of all TFWs



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2. The Changing Role of Government

- Federal Government retains overall responsibility for immigration although provinces have increased their activity.
- Federal Government controls work permit issuance at embassies abroad or at ports of entry.
- Federal Government also controls Labour Market Opinion process through HRSDC.



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2. Cont...

- Federal Government became the “bottleneck”.
- LMO processing slowed from 12 weeks in 2006 to as much as 7 months in 2007.
- Employers incredibly frustrated.
- Federal officials attributed the backlog to unanticipated demand and lack of resources.
- Can be argued that Federal government deliberately slowed the process.



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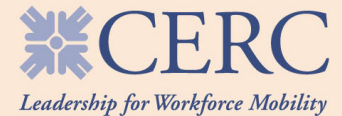


2. Cont...

- Processing times have improved in 2008 through E-LMOs, occupations under pressure, and work sharing with other Service Canada offices. Also, a slow down in applications in early 2008.
- Provincial Government of Alberta has gone through dramatic change.
- Alberta had a Provincial Nominee Program and was focused on using immigration as an economic development tool. Worked closely with employers to support the use of TFWs.



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2. Cont...

- Provincial responsibilities touch on a number of areas that were impacted by the arrival of TFWs. Eg. healthcare, settlement agencies, worker protection, labour relations, education.
- Province quickly became sensitive to complaints of TFW abuse.
- Province has responded by re-organizing and re-naming the department responsible for employment matters. Now called “Employment and Immigration”. Created a complaint and investigation mechanism.



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3. Role of Third Party Service Providers

- An industry has developed around recruitment of TFWs.
- Employers dealt with TFW issue in one of three ways:
 1. Handled the process internally;
 2. Outsourced completely to third party service providers;
 3. Developed a combination of internal and third party resources.



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3. Cont...

- The third option has proven to be most effective.
- Employers should be involved in overseas selection of TFWs. Best practice.
- Immigration processing should be outsourced. Difficult to develop in-house expertise.
- Relocation can be outsourced but there should be dedicated resources inside the company to ensure day-to-day matters are effectively dealt with by staff who are in positions of authority.



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4. Source Countries

- The whole world wants to work in Alberta and Canada.
- Employers need to look at their own workplace and assess tolerance for language skills, training and experience.
- Countries that have emerged as major sources are UK, Philippines, India, Mexico. Others include Poland, Netherlands, Venezuela. Mexico will emerge as the number one source over time.



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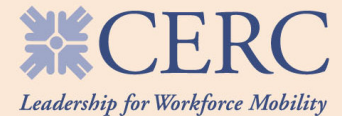


5. Opposition to TFWs

- Not everyone thinks that bringing in massive numbers of TFWs is a good idea.
- Unions play an important role in specific companies and also in shaping public opinion on the issue.
- Unions must concur with LMO before an LMO can be issued. Unions often use this as a bargaining point. Some companies have never been able to use TFWs because of union opposition.



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5. Cont...

- Unions have also been vocal in their opposition to TFWs and in their concern for TFW rights.
- One union has appointed a TFW advocate. Another union is involved in TFW recruitment.
- Important to take union concerns into account.



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5. Cont...

- Another source of opposition comes from professional associations.
- Work permits cannot be issued to workers who cannot meet the requirements for work in Canada.
- Engineers have a relatively straight forward process.
- Medical professions more complex.
- Trades certification is also difficult in Alberta.



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6. Relocation Issues

- Many ways in which relocation services are required for TFWs.
- Housing. Employers must arrange for housing for low skilled workers. Influx of TFWs into Alberta coincided with a period of inflation in residential housing in Alberta and a declining vacancy rate.



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6. Cont...

- Relocation services are valuable in securing adequate housing and providing furnishing.
- Employers have an easier time signing leases. Employers can deduct rent and other reasonable costs from employee paycheques. 30% guideline. Should be full disclosure in advance and exit mechanism clearly defined.



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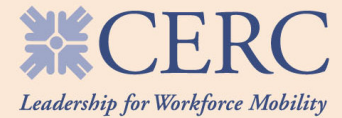
6. Cont...

- Orientation services - Airport pickup, first day services (SIN, bank account, health insurance, work clothes).
- Cross cultural training is important for both employers and TFWs. People need to be aware of the ups and downs that TFWs experience as they settle into Canada.
- Advise on family issues. When is it OK to bring family members? What are the rules for visits to home?



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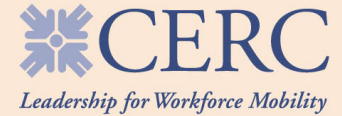
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- Employers are doing well if they achieve an attrition rate of less than 10%.
- Employers need to be convinced that relocation is necessary for retention.
- Best practice is to appoint an in-house employee who is first contact for TFWs and who has access to decision makers.



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Conclusion

- Employers need to develop an immigration strategy to address looming labour shortages.
- TFWs play an important role in Canada's economic development.
- Employers, governments and employee associations must develop an understanding and agreement around the proper place of TFWs in the Canadian workplace.