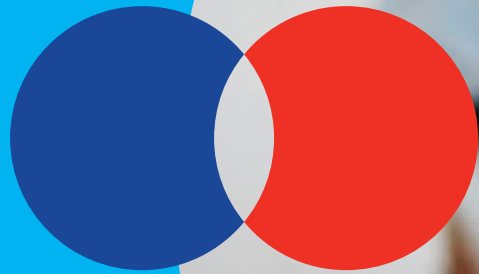
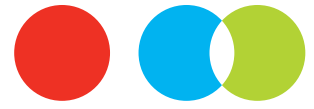


**The Conference  
Board of Canada**



# Valued Workers, Valuable Work

The Current and Future Role of (Im)migrant Talent



# Contents

<b>1 Key Findings</b>	<b>Appendix A</b>
<b>2 Introduction</b>	<b>20 Methodology</b>
<b>3 Definitions</b>	<b>Appendix B</b>
<b>3 Canada's Dependence on (Im)migrant Workers</b>	<b>22 Bibliography</b>
<b>8 The Role of (Im)migrant Talent</b>	
<b>15 (Im)migration Pathways</b>	
<b>17 Recommendations</b>	

# Key Findings

- Immigrants are an integral part of the essential workforce. They are over-represented in food manufacturing (34.9 per cent), truck transportation (29.7 per cent), and nursing and residential care facilities (29.2 per cent), compared with their overall share of the workforce (23.8 per cent).
- Temporary residents are an increasing source of labour in the farm and food manufacturing subsectors.
- Essential work is often difficult and undervalued, with low compensation and lack of job mobility, discouraging the domestic workforce. As a result, Canada relies on newcomers and temporary residents to fill jobs.
- Overqualification is frequent in essential work. Even though many immigrants are filling essential jobs, these are often not the opportunities that make the best use of their education and skills.
- Many economic immigration programs and pathways to permanent residency focus on highly educated immigrants, but as the pandemic has shown, essential work usually requires other skill levels.



## Introduction

**Essential work is critical to Canada's economy and the provision of basic goods and services. Canada relies on immigrants and temporary residents in many essential sectors and occupations. And the pandemic has put the spotlight once again on their contributions—and the vulnerabilities they face—in sectors like healthcare and agriculture.**

There are systemic challenges around who does essential work, under what conditions, and for what kind of compensation and benefits. Essential work is often devalued, marked by low wages and lack of benefits and protections (such as paid sick leave).<sup>1</sup> Many essential jobs require physical strength and are performed under dangerous conditions. That is why employers face difficulties in attracting domestic labour to essential lines of work and turn to temporary residents or new immigrants.

Canada's economic immigration system has a strong focus on highly educated immigrants, but this does not always correspond with the labour demand in essential sectors. Many essential jobs require only a high school degree and/or occupational training.

As a result of these factors, many immigrants in essential roles have qualifications and work experience above the job requirements, leading to overqualification.<sup>2</sup> They face multiple barriers in finding work in safer and better-paid occupations due to factors such as race, gender, and class. Employer bias and discrimination against new immigrants and against racialized people make the job search challenging.<sup>3</sup>

In this context, the purpose of our study is to analyze the level of Canada's dependence on immigrants and temporary residents as essential workers. We assess the extent to which the current immigrant talent pool and immigration channels are "fit for purpose" to fill essential vacancies. The following research questions guided the research:

- In which sectors and subsectors are immigrant and temporary residents currently over-represented? Which essential sectors and occupations are immigrant-intensive?
- Over the next five years, are the sectors and occupations we have identified expected to face increased job vacancies?
- To what extent are immigrants and temporary residents in essential work overqualified?
- What immigration and temporary work streams are currently being used to recruit workers in essential sectors?
- Are current immigration policies/programs adequate to address current and future labour market demands?

1 Lightman and Baay, "Will COVID-19 Finally Force Us to Address the Devaluation of Long-Term Care Workers?"; Shields and Abu Alrob, "COVID-19, Migration and the Canadian Immigration System."

2 Overqualification in this study refers to the percentage of those who hold a bachelor's degree or above, working at National Occupation Classification skill level C or D, which corresponds to jobs that do not require university education.

3 Toronto Region Immigrant Employment Council, *Building a Corporate Ladder for All*.

The Conference Board of Canada

The research first assesses the level of immigrant and temporary resident representation across different sectors and subsectors. It then provides an in-depth analysis of four subsectors through analyzing the prevalence of overqualification and projecting future labour needs to inform immigration and broader economic policies. The study concludes with recommendations on how to address the challenges in essential work and leverage immigration to meet current and future labour market demands.

The study captures immigrants and temporary residents with formal work arrangements. The data do not account for cash economies within the sectors analyzed, and they may undercount or exclude undocumented migrants.

## Definitions

There is no uniform definition of what constitutes essential work. In labour law, provincial governments have concentrated on sectors that prevent dangers/damage to human lives, safety, or health.<sup>4</sup> However, the pandemic has reaffirmed that the impact of disruptions can build up over time (e.g., food production), suggesting that a wider range of occupations than those previously identified are essential.

During the pandemic, Public Safety Canada has categorized certain workers and occupations as essential based on whether their work is part of maintaining “life, health and basic societal functioning.”<sup>5</sup> Following the same approach, this study defines essential work as work that is undertaken to meet basic societal needs, such as providing access to food and healthcare.

An immigrant is an individual who is currently a permanent resident or a naturalized citizen. A temporary resident is a person who is present in Canada through either a work or study permit, refugee claim, or as a family member of another temporary resident. A newcomer is an immigrant who has landed in Canada in the last five years or less.<sup>6</sup>

## Canada’s Dependence on (Im)migrant Workers

Analyzing dependence on immigrants and temporary residents will help Canada plan for and develop the necessary workforce for essential sectors. This study identifies sectors where the percentage of immigrant and temporary resident workers is either equal to or above their relative share of the total workforce. The study then analyzes essential subsectors that are immigrant-intensive. The research focuses on sectors and subsectors that employ at least 1.0 per cent of the total Canadian workforce. The data on over-representation within sectors differ between immigrants and temporary residents; therefore, the results are presented separately.

4 See, for example, Legislative Assembly of Manitoba, *The Essential Services Act (Government and Child and Family Services)*; Newfoundland and Labrador, *Public Service Collective Bargaining Act*; Government of Ontario, “Collective Bargaining.”

5 Public Safety Canada, “Guidance on Essential Services and Functions in Canada During the COVID-19 Pandemic.”

6 Statistics Canada, “Immigrant Status, Dictionary, Census of Population, 2016.”

## Over-Representation

According to the 2016 Census,<sup>7</sup> sectors with the highest over-representation of immigrant workers aged 15 and older are finance and insurance, transportation and warehousing, real estate and rental and leasing, along with several other sectors. (See Chart 1.)

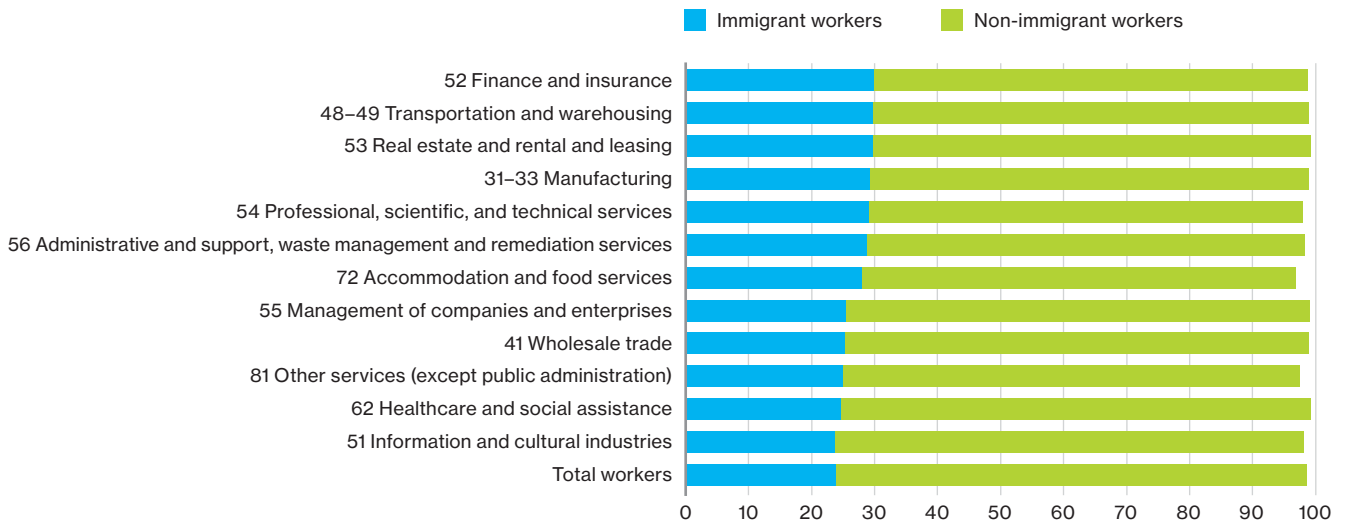
## Subsector Breakdown

The subsector-level analysis shown in Chart 2 reveals that immigrants constitute over 30 per cent of the workforce in transit and ground passenger transportation, food manufacturing, credit intermediation, and real estate, compared with 23.8 per cent of the overall labour force. We also see strong immigrant representation in subsectors such as nursing and residential care (29.2 per cent) and truck transportation (29.7 per cent).

### Chart 1

#### Industries With Equal/Over-Representation of Immigrant Workers, 2016

(share of total workers, per cent)



Note: Industry labels are North American Industry Classification System (NAICS) 2012 (425). Totals do not add up to 100, as temporary residents are not included. Their over-representation across sectors differs from immigrants and is thus presented separately.  
Sources: Statistics Canada; The Conference Board of Canada.

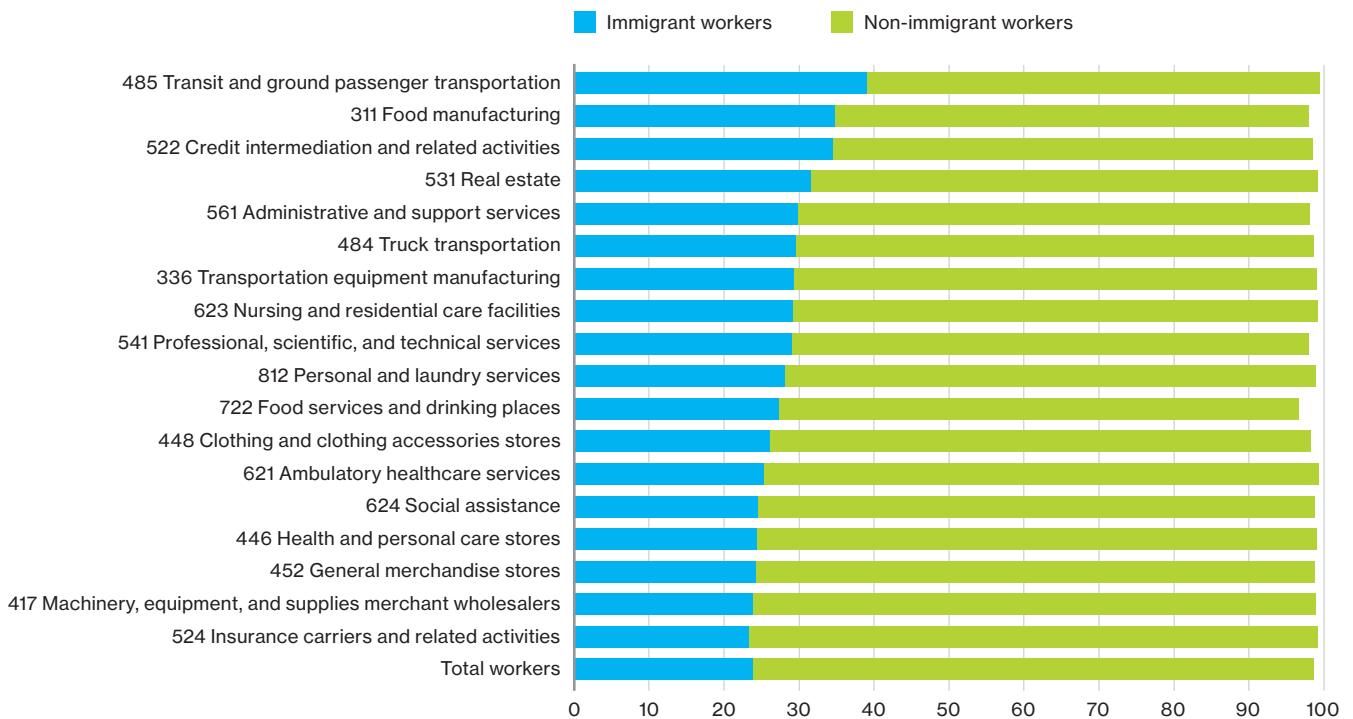
7 Statistics Canada, "Data Products, 2016 Census."

The Conference Board of Canada

## Chart 2

### Subsectors With Equal/Over-Representation of Immigrant Workers, 2016

(share of total workers, per cent)



Note: Industry labels are North American Industry Classification System (NAICS) 2012 (425). Totals do not add up to 100, as temporary residents are not included. Their over-representation across sectors differs from immigrants and is thus presented separately. Sources: Statistics Canada; The Conference Board of Canada.

## Temporary Workers' Contributions

Temporary residents, on the other hand, constitute around 1.4 per cent of the overall labour force. They are over-represented in sectors such as accommodation and food services; other services; and professional, scientific, and technical services. (See Chart 3.)

Food services and drinking places (3.4 per cent) and accommodation services (2.7 per cent) subsectors also host a larger portion of the temporary workforce. (See Chart 4.) However,

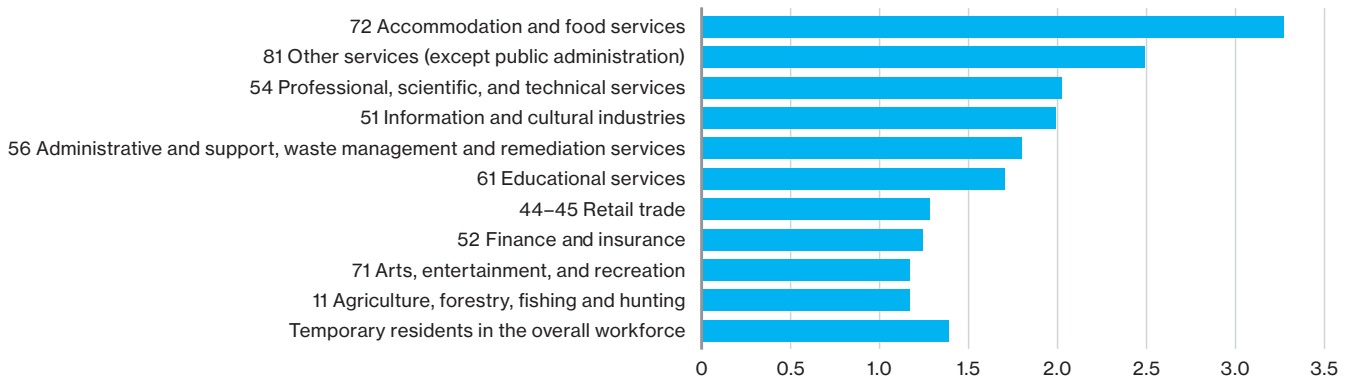
these data do not fully capture the contributions of distinct temporary resident groups. 'Temporary residents' is a broad category, including international students, highly educated migrants and expatriates, along with other foreign workers, some of whom may not be captured in census data. The data undercount some temporary resident workers such as those with seasonal visas. For example, even though the agriculture sector is ranked lower in the chart, temporary residents constituted about 21.4 per cent of the workforce on farms in 2017 based on the analysis of T4 data.<sup>8</sup>

<sup>8</sup> Statistics Canada, custom tabulation. See Methodology for details.

**Chart 3**

**Industries With Equal/Over-Representation of Temporary Residents, 2016**

(share of total workers, per cent)

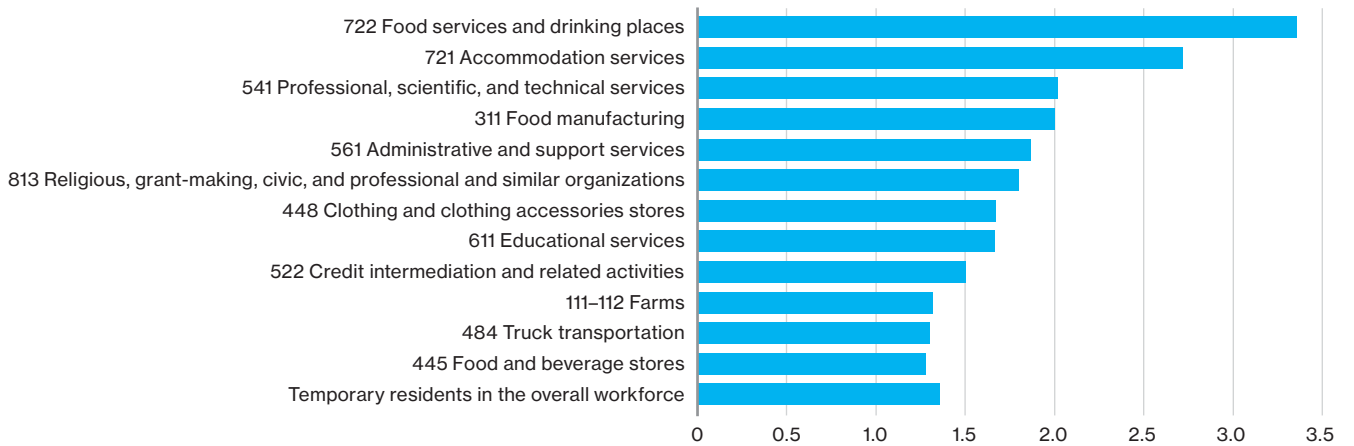


Note: Industry labels are North American Industry Classification System (NAICS) 2012 (425).  
 Sources: Statistics Canada; The Conference Board of Canada.

**Chart 4**

**Sub-sectors With Equal/Over-Representation of Temporary Residents, 2016**

(share of total workers, per cent)



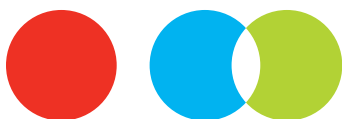
Note: Industry labels are North American Industry Classification System (NAICS) 2012 (425).  
 Sources: Statistics Canada; The Conference Board of Canada.

The Conference Board of Canada

Our in-depth analysis will concentrate on four subsectors: truck transportation, nursing and residential care facilities, farms, and food manufacturing. It considers:

- respective workforce size (selected sectors constitute >1.0 per cent of the workforce)
- the “essential” nature of the work, focusing on the provision of necessities (selected sectors instrumental to access food and healthcare)

Other immigrant-intensive sectors such as transit and ground passenger transportation, which was partially restricted during the pandemic, and private households, where the share of the labour force is smaller, were accordingly not included.



## Home Caregivers

Many home caregivers are of immigrant background. Newcomers with higher education degrees in healthcare, such as nurses who can't work in their occupation due to credential recognition challenges, often end up working as in-home caregivers. For example, over 40 per cent of newcomers among home childcare providers and home support workers are overqualified.<sup>9</sup>

However, our focus in this study is on sectors with a large number of workers (>1.0 per cent of the total workforce). The private households sector, where home caregivers are employed, was not included in further analysis as it employs around 0.4 per cent of the total workforce based on Census 2016.

Source: Statistics Canada.



<sup>9</sup> Statistics Canada, custom tabulation.

## The Role of (Im)migrant Talent

### Truck Transportation

Truck drivers are vital in sustaining the flow of essential goods. Immigrants are a key source of labour for the truck transportation sector. According to Census 2016, around 25.2 per cent of transport truck drivers are immigrants and around 1.0 per cent are temporary residents.<sup>10</sup> South Asian immigrants fill many truck driver roles in immigrant-intensive cities like Toronto and Vancouver.<sup>11</sup>

Around 15 per cent of immigrant transport truck drivers are overqualified, compared with 1.6 per cent of their non-immigrant counterparts.

Over one in four newcomer transport truck drivers have a bachelor’s degree even though their role doesn’t require one. Similarly, this rate is around 16.8 per cent for temporary residents.<sup>12</sup> This means that the full range of skills and knowledge that immigrants have are not being used.

Immigration helps minimize vacancies, or unoccupied positions, in the truck transportation sector. According to our projections, vacancies for transport truck drivers are expected to decline over 2021–26 by 42 per cent. (See Table 1.) This means fewer open roles will be left unoccupied in truck driving and result in more reliable delivery of essential goods. If immigration levels fall below the current levels, the share of these occupations filled by newcomers would be lower and make the sector more vulnerable to disruption.

**Table 1**  
**Projected Vacancies for Transport Truck Drivers**  
 (number)

	2021	2022	2023	2024	2025	2026
7511 Transport truck drivers	25,616	20,255	14,912	14,373	14,586	14,897

Source: The Conference Board of Canada.



<sup>10</sup> Statistics Canada, custom tabulation.

<sup>11</sup> Reynolds, “Punjabi-Canadians Roll Into Trucking, Rerouting a Traditional Industry.”

<sup>12</sup> Statistics Canada, custom tabulation.

## Why Is Overqualification in Essential Work a Challenge?

Our data show that overqualification is common among immigrants in essential work, particularly among newcomers and temporary residents. Factors such as the field of study, location, level of educational attainment, and gender affect the likelihood of overqualification.<sup>13</sup>

From a systems perspective, even though many immigrants are filling essential jobs, these are often not the opportunities that make the best use of their education and skills. This limits their earnings and economic contributions to Canada as well as career prospects.

Overqualification is also a challenge for employers. Perception of overqualification among employees is associated with lower job satisfaction, which in turn increases intention to leave.<sup>14</sup>

Sources: Cornelissen and Turcotte; Wassermann, Fujishiro, and Hoppe.



<sup>13</sup> Cornelissen and Turcotte, "Persistent Overqualification Among Immigrants and Non-Immigrants."

<sup>14</sup> Wassermann, Fujishiro, and Hoppe, "The Effect of Perceived Overqualification on Job Satisfaction and Career Satisfaction Among Immigrants."

## Nursing and Residential Care Facilities

The nursing and residential care facilities rely significantly on the permanent resident pool to fill essential occupations, while temporary residents constitute a very small portion of their workforce. Immigrants, overwhelmingly women and many from racialized backgrounds, constitute more than one-third of the workforce in nurse aide and patient support roles.<sup>15</sup> Close to 23 per cent of registered nurses and registered psychiatric nurses and 27 per cent of licensed practical nurses are immigrants as well,<sup>16</sup> though not all will be employed in the nursing and residential care subsector.

Many immigrants working as nurse aides and associated occupations are overqualified—24.4 per cent of immigrants and 45 per cent of newcomers (highest among analyzed occupations), compared with 5.6 per cent for Canadian-born. Temporary residents in nurse aide occupations are almost as likely to be overqualified (41.1 per cent) as newcomers as well.<sup>17</sup> Many immigrants have nursing degrees that could qualify for other essential occupations that require higher levels of education,

such as registered nurses or licensed practical nurses.<sup>18</sup> The data reaffirm that credential recognition and careers in regulated professions remain a challenge for many immigrants in healthcare, particularly internationally educated health professionals.<sup>19</sup>

Currently, immigration plays a key role in filling job openings in nursing occupations, and immigrants are expected to further contribute to a decrease in vacancies between the record-high levels in the 2020–21 period out to 2026. According to our projections, three essential healthcare occupations associated with the nursing and residential care subsector will experience declining vacancies from the 2021 high to 2026. (See Table 2.) In 2026, vacancies are estimated to be 19 per cent lower for registered nurse and registered psychiatric nurses; 20.4 per cent for licensed practical nurses; and 52.6 per cent for nurse aides, orderlies, and patient service associates, compared with 2021. This decline in vacancies is in part due to immigration. If immigration levels decrease, these sectors will face additional challenges in delivering healthcare services.

**Table 2**  
**Projected Vacancies for Registered Nurses, Licensed Practical Nurses, Nurse Aides, and Associated Occupations**  
(number)

	2021	2022	2023	2024	2025	2026
3012 Registered nurses and registered psychiatric nurses	12,736	10,546	9,914	10,107	10,284	10,320
3233 Licensed practical nurses	4,536	3,644	3,470	3,538	3,587	3,612
3413 Nurse aides, orderlies, and patient service associates	18,568	9,928	8,669	8,762	8,842	8,797

Source: The Conference Board of Canada.

15 Turcotte and Savage, “The Contribution of Immigrants and Population Groups Designated as Visible Minorities.”

16 Statistics Canada, custom tabulation.

17 Ibid.

18 Turcotte and Savage, “The Contribution of Immigrants and Population Groups Designated as Visible Minorities.”

19 Atlin, “COVID-19 and Canada’s Underutilized Internationally Educated Health Professionals.”

## Contextualizing Declining Vacancies in Essential Work

Essential work vacancies are projected to decline over the next five years (2021–26). However, the level of vacancies during 2021 and 2022 will be higher than during the pre-pandemic period. This is due to the extent of job contractions experienced in the economy during 2020, and the subsequent rebound in labour demand over the short term. As a result, many businesses may struggle to fill available positions quickly enough, even if more immigrant workers are available.

On the other hand, declining vacancies through immigration could still perpetuate overqualification or put more temporary residents in vulnerable employment conditions. Changes such as selection criteria for immigrants and pathways to permanent residence; improvements in working conditions and compensation; expansion of mobility and advancement pathways in essential jobs; and reforms in credential recognition are needed to ensure continuity in essential work. Our current vacancy projections do not factor in any such changes, except for immigration-level targets.

Source: The Conference Board of Canada.



A core challenge in the nursing and residential care sector is the devaluation of caring work, done primarily by women. Devaluation of care workers keeps wages low in nursing and residential care despite the importance of this sector in ensuring Canadians' health and well-being.<sup>20</sup> Improving compensation and benefits will empower this workforce and contribute to the quality and accessibility of healthcare.

## Farms

In the farming subsector, 21.4 per cent of the workers were temporary residents in 2017, compared with around 1.4 per cent of the overall labour force. Over half of the temporary foreign workers in agriculture come from Mexico (51 per cent), followed by Guatemala (20 per cent) and Jamaica (18 per cent).<sup>21</sup>

While temporary workers play a key role in farming work, immigrants constitute a smaller share (13 per cent) of general farm workers. However, some essential occupations in farming still rely on the immigrant talent pool. Immigrants represent a much larger portion of nursery and greenhouse workers (23.3 per cent) and more than half of harvesting labourers.

The overqualification gap is less prevalent among farm workers compared with other essential occupations under focus, including those in food manufacturing. Immigrants are only slightly more likely to be overqualified in these occupations compared with non-immigrants. (See Table 3.) It might be difficult to generalize these results among all temporary residents in agricultural work as the census data underestimate their representation.

<sup>20</sup> Lightman, "Does Care Count for Less?"

<sup>21</sup> Statistics Canada, "COVID-19 Disruptions and Agriculture."

**Table 3**  
**Overqualification Rate Among General Farm Workers, Nursery and Greenhouse Workers, and Harvesting Labourers**  
(per cent)

	Non-immigrants	Immigrants	Newcomers (arrived from 2011 to 2016)	Temporary residents
8431 General farm workers	5.00	9.29	15.10	15.05
8432 Nursery and greenhouse workers	7.51	9.97	19.08	6.20
8611 Harvesting labourers	3.93	5.13	9.76	6.94

Sources: Statistics Canada; The Conference Board of Canada.

**Table 4**  
**Projected Vacancies for General Farm Workers, Nursery and Greenhouse Workers, and Harvesting Labourers**  
(number)

	2021	2022	2023	2024	2025	2026
8431 General farm workers	6,207	7,031	5,240	5,090	5,093	5,037
8432 Nursery and greenhouse workers	2,742	2,736	2,040	1,822	1,774	1,727
8611 Harvesting labourers	917	849	571	526	507	487

Source: The Conference Board of Canada.

Vacancies for these select occupations are expected to decrease over 2021–26. (See Table 4.) The highest percentage decline in vacancies is among harvesting labourers (47 per cent), followed by nursery and greenhouse workers (37 per cent) and general farm workers (19 per cent). While immigration is again a likely factor, broader sectoral trends such as automation might also be leading to fewer unoccupied roles. Seasonal and temporary worker programs allow for more responsiveness to change in vacancies. However, they pose challenges and risks around precarious work that need to be addressed.

In the agriculture sector, perceptions about the physical intensity of work and long working hours, along with low average pay compared with many other sectors, reduce the interest of the domestic workforce.<sup>22</sup> This presumably explains the relatively low level of participation of immigrants in the agriculture workforce compared with temporary workers. Reliance on temporary workers may enable employers to keep the wages low and conditions poor, instead of improving both to compete for domestic employees.

The conditions of temporary visas create a power imbalance between migrant workers and employers in sectors such as farms and food production. Many workers depend on their employer for staying and working in Canada.

<sup>22</sup> Burt and Robinson-Meyer, "Sowing the Seeds of Growth."

The Conference Board of Canada

People with temporary visas linked to an employer risk being fired and deported from Canada or not getting invited back the following season.<sup>23</sup> These dynamics make temporary workers less likely to report any employer violations. This increases the vulnerability of the workers to challenging work environments and greater risks of injury and disease.<sup>24</sup>

Over-reliance on temporary workers in the farming sector, combined with challenging working conditions and inability to recruit domestic workers, increases the risk of disruption. Any event like the pandemic that drastically lowers the flow of temporary workers could significantly affect access to food in Canada.

## Food Manufacturing

Canada depends on both migrant and immigrant talent in the food manufacturing sector. Almost half of all industrial butchers, 45 per cent of food and beverage processors and 36.4 per cent

of process control and machine operators— are immigrants.

Based on census data, close to 5.0 per cent of industrial butchers and 3.0 per cent of fish and seafood plant workers are temporary residents.<sup>25</sup> According to T4 earnings, temporary residents constitute 3.6 per cent of the total food manufacturing labour force.<sup>26</sup> Employers who experience difficulties in filling vacancies leverage temporary workers to address those gaps, primarily through the International Mobility Program. Unlike farming, temporary residents working in the industry come from many different countries.<sup>27</sup>

Overqualification is common in food manufacturing as well, particularly for newcomers. In food and beverage processing, 34.3 per cent of newcomer process control and machine operators and 24.6 per cent of newcomer labourers hold degrees above the required level for their jobs. Similar trends can be observed for non-permanent residents. (See Table 5.)

**Table 5**  
**Overqualification Rate for Select Essential Occupations in Food Manufacturing**  
(per cent)

	Non-immigrants	Immigrants	Newcomers (arrived from 2011 to 2016)	Temporary residents
9461 Process control and machine operators, food and beverage processing	6.9	20.4	34.3	40.2
9462 Industrial butchers and meat cutters, poultry preparers, and related workers	1.1	8.9	16.0	15.9
9463 Fish and seafood plant workers	1.6	11.6	23.3	21.6
9617 Labourers in food and beverage processing	2.8	15.2	24.6	31.1
9618 Labourers in fish and seafood processing	1.1	8.1	12.2	11.1

Sources: Statistics Canada; The Conference Board of Canada.


23 Basok, Bélanger, and Rivas, “Reproducing Deportability”; Vosko, “Legal but Deportable.”

24 Matz, “Migrant Workers in Canada’s Food Industry.”

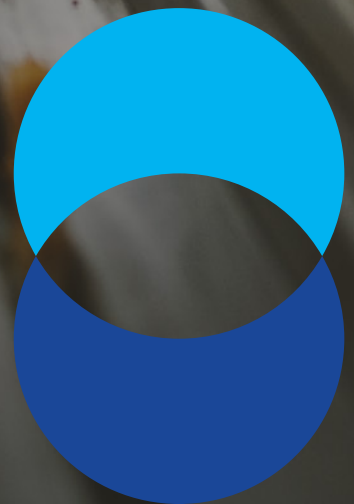
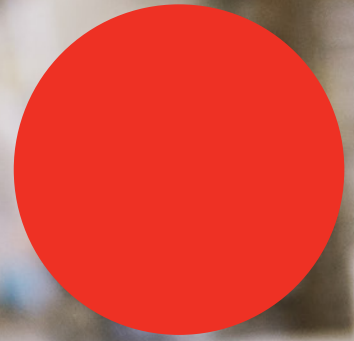
25 Statistics Canada, custom tabulation.

26 Statistics Canada, custom tabulation.

27 Zhang, Ostrovsky, and Arsenault, “Foreign Workers in the Canadian Food Manufacturing Industry.”



**In food manufacturing, closed work permits increase temporary workers' vulnerability to challenging conditions—and limit their career mobility and advancement.**



Vacancies for these select occupations are expected to decrease over 2021–26, partially due to higher levels of immigration. (See Table 6.) This includes a 76.1 per cent decrease in vacancies in industrial butchers and meat cutters, poultry preparers, and related workers; 74 per cent in process control and machine operators; 74 per cent in labourers in fish and seafood processing; 71.7 per cent in labourers in food and beverage processing; and 37.7 per cent in fish and seafood plant workers. High (im)migration is benefiting the food manufacturing sector by leaving fewer positions unoccupied. It will be key, however, to track if the vacancy decline continues over the medium to long term to inform immigration policy.

Closed work permits increase the vulnerability of temporary workers in food manufacturing to challenging working conditions.<sup>28</sup> Career mobility and advancement opportunities are also limited for these workers due to the employer or sector-specific conditions of their visa.

## (Im)migration Pathways

### Economic Immigration

Economic immigrants constitute a significant proportion of the immigrant workforce in essential subsectors. In 2015, 45.7 per cent of around 91,500 permanent residents working in food manufacturing and 52.6 per cent of approximately 89,000 permanent residents employed in nursing and residential care were economic immigrants. The share of these economic immigrants among all immigrant workers was relatively lower on farms (39.8 per cent) and truck transportation (35.8 per cent).<sup>29</sup>

Except for farms, the most common program for economic immigrants in our study's subsectors was the Federal Skilled Workers (FSW) program.

As shown in Chart 5, the Provincial Nominee Program (PNP) and the Canadian Experience Class (CEC) are gradually gaining prominence in all four subsectors. Over the 2015–17 period, the share of economic immigrants who arrived through FSW declined slightly.

**Table 6**  
**Projected Vacancies for Select Essential Occupations in Food Manufacturing**

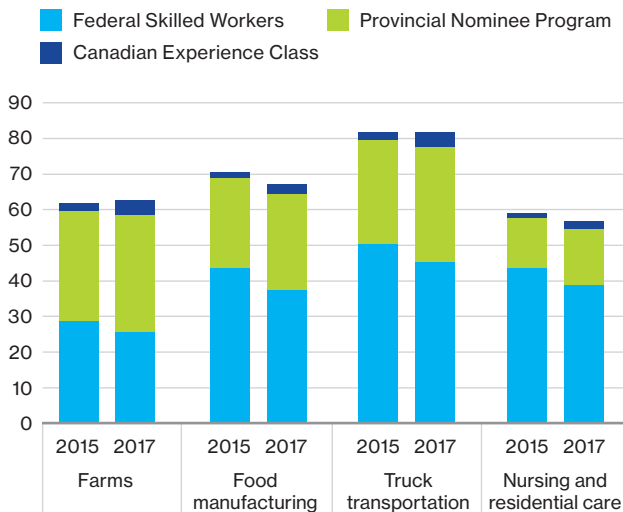
	2021	2022	2023	2024	2025	2026
9461 Process control and machine operators, food and beverage processing	3,972	1,888	1,470	1,164	1,102	1,033
9462 Industrial butchers and meat cutters, poultry preparers, and related workers	3,095	1,525	1,188	858	792	739
9463 Fish and seafood plant workers	1,020	728	693	658	648	635
9617 Labourers in food and beverage processing	10,918	5,538	4,425	3,470	3,283	3,093
9618 Labourers in fish and seafood processing	1,781	838	713	527	486	461

Source: The Conference Board of Canada.

<sup>28</sup> Matz, "Migrant Workers in Canada's Food Industry."

<sup>29</sup> Statistics Canada, custom tabulation.

**Chart 5**  
**Economic Immigrant T4 Earners by Admission Program Type**  
(share of economic immigrants, per cent)



Note: The totals do not add up to 100 as other economic immigration programs are not included in the data.  
Sources: Statistics Canada; The Conference Board of Canada.

FSW and CEC were designed to bring workers for occupations that require National Occupation Classification (NOC) skill levels O, A, and B. However, many essential occupations are considered to require NOC skill levels C and D. The high proportion of immigrants in essential work who were admitted through FSW and CEC indicate a mismatch between entry channel and employment in Canada. The high proportion of people who came to Canada under PNP may indicate a better match, since some PNP streams were designed to meet provincial labour market needs across many industries. The data suggest that the talent of many immigrants in essential work is not being leveraged effectively in the labour market.

30 Ibid.  
31 Ibid.

## Temporary Migration

The percentage representation of temporary residents in the labour force has increased in all four sectors over 2015–17.<sup>30</sup> Yet, essential sectors differ from each other on which migration programs and channels they rely on to fill labour needs. Almost 95 per cent of temporary workers on farms, for instance, came to Canada through the Temporary Foreign Worker Program (TFWP) in 2017, compared with close to 4.0 per cent who arrived through the International Mobility Program (IMP).<sup>31</sup>

The share of temporary workers coming to Canada through IMP has been increasing compared with TFWP in some essential sectors. IMP does not require employers to acquire a labour market impact assessment before hiring a temporary worker. This could make it easier for employers to fill vacancies. However, it might increase competition for jobs, particularly among previous temporary residents who transition into permanent residents and current/future temporary residents.

Food manufacturing and truck transportation sectors have relied both on TFWP and IMP. However, both sectors have experienced a recent increase in the share of workers coming through IMP. In 2015, around 37.1 per cent of temporary workers in truck transportation and 32.9 per cent in food manufacturing had work permits through IMP, which increased respectively to 51.8 per cent and 39.2 per cent in 2017. In contrast, those arriving through TFWP declined from 42.6 per cent to 22.6 per cent in truck transportation and 37.6 per cent to 27.8 per cent in food manufacturing. In addition, international students

with study and work permits constituted around 13.6 per cent of the temporary workforce in food manufacturing.<sup>32</sup>

Nursing and residential care has the smallest number of temporary residents among the sectors of focus, and around 51.7 per cent of those arrived through IMP. TWFP accounted for only 1.6 per cent of temporary workers, while international students with study and work permits constituted around 24 per cent.<sup>33</sup>

Data on immigration pathways of people in essential work is based on T4 earners, so it would not fully reflect the share and immigration pathways of migrant workers without status in essential roles.

## Recommendations for Fair and Empowering Jobs

The pandemic has shown once again that Canada is dependent on (im)migrant talent to meet the labour demand in essential work. However, over-reliance on temporary workers and widespread overqualification are risks to the resilience of essential sectors. One of the ways to mitigate these risks is to provide the pathways to bring permanent residents with the right skills, experience, and training to work in essential occupations.

## Bring Essential Workers as Permanent Residents

Immigrant selection at the federal level needs to reflect the fact that not all vacancies in essential sectors require undergraduate education and above. The current federal programs make it easier for people with higher education to get permanent residence, leaving employers in essential sectors to fill vacancies either through immigrants who are often overqualified for the position or temporary residents whose visa conditions often put them at risk of exploitation. Policy options could include granting more points to essential work experience and qualifications abroad in the comprehensive ranking system.

Learnings from pilot initiatives, such as admitting 90,000 temporary workers in essential occupations and recent international graduates as permanent residents, should further inform how a more permanent system needs to evolve.

## Turn Essential Jobs Into Quality Opportunities

Strengthening essential sectors inevitably requires addressing the current precarious conditions in essential work. The compensation and benefits framework for essential occupations is often based on rewarding skills acquired through higher education over “low” levels of skills that are more labour-intensive. This doesn’t recognize the essential contributions of the workforce. The government and employers need to collaborate to refine the current compensation and benefits model to make essential work more rewarding and attractive.

<sup>32</sup> Statistics Canada, custom tabulation.

<sup>33</sup> Ibid.

In improving employment conditions, we must be aware that temporary work visas, especially when tied to a specific employer, leave workers particularly vulnerable to exploitation.

Precarity challenges, though, go beyond the immigration status of the worker.<sup>34</sup> Decent and safe working conditions and fair wages are required to find and retain essential workers, whether immigrant or not. One part of it is government regulations and controls, where federal and provincial authorities should provide oversight over employers to ensure compliance. Employers are also responsible to uphold the Canadian labour standards.

## **Improve Recognition of Credentials and Work Experience**

One of the main drivers of immigrant overqualification is the complex, lengthy, and costly nature of recognizing qualifications gained abroad.<sup>35</sup> On one hand, this prevents immigrants from filling essential vacancies in regulated professions, such as in nursing occupations. On the other hand, many essential roles in unregulated, lower-paid professions are filled by immigrants who are experiencing difficulties in getting their qualifications recognized. This is not a sustainable or fair way to fill labour gaps. Practices such as employing nurses in nurse aide roles result in significant talent waste. Essential work should be commensurate with the previous education and skills of the workers, and not lead to underutilization.

The issue is more complex than only accrediting formal qualifications. Some occupations require further training with limited spots available, such as residencies for medical doctors. Employer perceptions and attitudes toward foreign work experience often perpetuate overqualification challenges. Bias and discrimination in hiring continue to push some immigrants to easy-to-access essential jobs that don't leverage their full set of skills. The government needs a coordinated response to this intricate web of challenges that requires close collaboration with employers, regulators, and other relevant bodies.

## **Analyze the International Mobility Program and Its Economic Impact**

There are limited public data on which temporary resident groups are coming to Canada through IMP and in which sectors and occupations they end up working. A related question is whether certain sectors and occupations overly rely on IMP. The government can expand data availability and access for more detailed analysis of IMP.

Our data show that in essential sectors like food manufacturing and truck transportation, reliance on workers with visas under IMP has been gaining more prominence over time. However, more data and insights are needed to understand whether this is a longitudinal trend, and what the implications of increasing reliance of employers on IMP would be, both in terms of access to labour and employment outcomes of immigrants.

<sup>34</sup> Preibisch and Otero, "Does Citizenship Status Matter in Canadian Agriculture?"

<sup>35</sup> Employment and Social Development Canada, "Evaluation of the Foreign Credential Recognition Program."

The absence of a labour market impact assessment in IMP could underestimate the impact of hiring a temporary worker on the local job market, potentially intensifying job competition.

## Adopt an Intersectional Policy Lens

Workers who experience bias and discrimination in the labour market often end up in essential occupations. Some occupations in healthcare have strong representation of racialized immigrant women. Across sectors like agriculture and truck transportation, many essential workers are racialized, in addition to being a temporary resident or immigrant. As a result, immigrants, particularly newcomers and women, are disproportionately affected from the challenges in essential work.

To support these groups, the government should adopt a data-driven, intersectional lens in both workforce planning and immigration policy. This starts with collecting data on multiple facets of the identities of the workforce, such as race, gender, and immigration status, and linking it to employment outcomes. This would help us understand which groups work in which occupations and sectors, under what conditions, through which immigration pathways, and what needs to change. The government could then design targeted policies for sectors and occupations and tweak immigration policy and supports as informed by data.

## Expand Career Advancement and Mobility Pathways

Many essential jobs are “dead-end” roles with limited or no possibility of career advancement. It’s equally difficult to switch to other sectors to pursue better employment opportunities, particularly for those with visa restrictions or in regulated occupations. The limited opportunities to advance are potentially another reason that discourages domestic workers from essential work.

Creating and strengthening career pathways to move up and across related sectors is critical. Part of this would include improving credential recognition and building more inclusive workplaces. But another part would be to recognize the transferable skills of essential workers and provide them with reskilling and upskilling opportunities to qualify for higher-level or better-paying roles. This might initially seem counterintuitive for retention. However, combined with measures to improve job quality and bring immigrants with the right skill sets, it will ultimately contribute to higher levels of attraction and overall a more fair and sustainable talent pipeline.



# Appendix A

# Methodology

## Overview

The findings in this impact paper were developed through a review of academic and grey literature, analysis of publicly available and custom data from Census 2016 and the Canadian Employer–Employee Dynamics Database (CEEDD) by Statistics Canada,<sup>1</sup> and economic modelling and projections by The Conference Board of Canada.

Custom data from Statistics Canada include:

- Canadian Employer–Employee Dynamics Database (CEEDD)–2019 Vintage, Period 2015 to 2017
- Select Occupations (25), Immigrant Status and Period of Immigration (7), Immigrant Status and Admission Category (8), Overqualification Status (5) and Sex (3) for the Population Aged 15 Years and Over in Private Households of Canada, 2016 Census–25 Per Cent Sample Data.

The study focuses on immigrants and temporary residents aged 15 and older in essential occupations and sectors. It follows Public Safety Canada’s essential work definition, which is work that is undertaken to meet basic societal needs, such as access to healthcare. It is not possible to quantify the contributions of migrants without status in essential sectors using these data.

We adopt Statistics Canada’s definitions for immigrants, non-immigrants, economic immigrants, newcomers, and temporary residents.<sup>2</sup> We define:

- “Immigrants” as those who are currently permanent residents or naturalized citizens;
- “Non-immigrants” as those who were born in Canada and gained citizenship through birth;
- “Economic immigrants” as those who have arrived in Canada through any of the worker, business, or provincial and territorial nominee programs;
- “Newcomers” as immigrants who have landed in Canada in the last five years or less;
- “Temporary residents” as individuals from other countries living in Canada through a work or study permit, and refugee claimants and their family members based here.

For sector representation analysis, we define “over-representation” as having a higher percentage of immigrants or migrants in a sector than the total relative share of these populations in the workforce. We include both employees and those who are self-employed. The study concentrates on essential sectors and subsectors that represent at least 1.0 per cent of the total workforce. We used Census 2016<sup>3</sup> data for classifying workers in each occupation as immigrants, non-immigrants, temporary residents, and newcomers. We used Immigration, Refugees and Citizenship Canada’s list of essential occupations that was published for the transition of 50,000 temporary workers to permanent residency to select the occupations for analysis with the matching sectors.

1 Statistics Canada, custom tabulation.

2 Statistics Canada, “Immigrant Status, Dictionary, Census of Population, 2016.”

3 Statistics Canada, “Data Products, 2016 Census.”

We define “overqualification” as the percentage of those with a bachelor’s degree or above, but working at National Occupational Classification (NOC) skill level C or D. While other forms of overqualification and education and skills mismatches are possible, we use this variable as a high-level indicator of the quality of match between immigrant workers and essential occupations.

The occupational projections for this study are based on a prototype comprehensive occupational model developed by The Conference Board of Canada that integrates components of labour demand along with labour supply and the role of technology.

The detailed underlying connections between labour demand and labour supply are based on the most recent census (2016), along with the annual findings from Statistics Canada’s Labour Force Survey (LFS) between 2016 and 2020. Projections of labour demand and labour supply for years beyond 2020 are based on aggregate national, provincial, and territorial employment projections at the two-digit North American Industry Classification System (NAICS) level and labour force projections by age from the Conference Board’s extensive range of regularly updated forecast products/services.

The process to disaggregate industry projections (from two-digit) down to the four-digit NAICS level (and to connect those projections to occupational projections at a four-digit NOC level) was based on relationships that existed using the detailed findings of the 2016 Census. However, trends observed with respect to those relationships were also introduced in the modelling by changes that were observed between the 2011 National Household Survey<sup>4</sup> and the 2016 Census. Going forward, the trends were projected to continue, albeit at a more modest pace.

Longer-term occupational projections are further influenced by factors that account for the proportion of tasks that can be automated<sup>5</sup> and the probability that the occupations themselves will see automation in the next 10 to 20 years.<sup>6</sup>

The occupational projections account for changes in immigration levels (e.g., the increased immigration targets by the federal government over 2021–23). After 2023, the model rolls back to pre-COVID immigration targets and growth trajectory. The model does not consider any changes in immigrant selection criteria, share of immigration classes or programs, overqualification trends, and any future policy changes that could influence immigration.

For the analysis of immigration and temporary worker programs, we have included tax filers aged 15 and older who can be linked to T4 from the Canadian Employer–Employee Dynamics Database. For those with multiple T4s in a single year, we have only included their main job (e.g., highest T4 earnings) in order to link them to only one subsector in a given year. Similarly, for temporary residents with multiple residence permits, only the permit that expired the last was considered.

## Limitations

Several of our data tables are based on Census 2016 and may not fully reflect the trends and changes in the most recent years.

It is challenging to account for all the nuanced effects of the pandemic on essential occupations (e.g., mental health impact, recognition, and compensation), and whether it will lead to a change in retention, as well as broader system-level adjustments. Any major policy shift in immigration, such as admitting more essential workers as permanent residents, could affect Canada’s ability to fill essential roles.

We have analyzed essential occupations associated with (im)migrant-intensive sectors and subsectors. However, these occupations could be working in sectors other than the ones we are studying. For instance, a transport truck driver does not have to be employed in the transportation and warehousing sector and truck transportation subsector and could instead work in retail trade.

Our model may overestimate the impact of immigration in filling vacancies in regulated occupations, such as nursing, due to the licensing challenges facing immigrants.

4 Statistics Canada, “NHS Profile, 2011.”

5 McKinsey Global Institute, *A Future That Works*.

6 Frey and Osborne, *The Future of Employment*.

# Appendix B

# Bibliography

Atlin, Joan. "COVID-19 and Canada's Underutilized Internationally Educated Health Professionals." *World Education News + Reviews* (October 29, 2020). Accessed September 29, 2021. <https://wenr.wes.org/2020/10/covid-19-and-canadas-underutilized-internationally-educated-health-professionals>.

Basok, Tanya, Danièle Bélanger, and Eloy Rivas. "Reproducing Deportability: Migrant Agricultural Workers in South-Western Ontario." *Journal of Ethnic and Migration Studies* 40, no. 9 (November 5, 2013): 1394–1413. <https://doi.org/10.1080/1369183X.2013.849566>.

Burt, Michael, and Robert Robinson-Meyer. "Sowing the Seeds of Growth—Temporary Foreign Workers in Agriculture." The Conference Board of Canada. Accessed September 30, 2021. <https://www.conferenceboard.ca/e-library/abstract.aspx?did=8363>.

Cornelissen, Louis, and Martin Turcotte. "Persistent Overqualification Among Immigrants and Non-Immigrants." *Insights on Canadian Society*, September 2, 2020. Accessed September 29, 2021. <https://www150.statcan.gc.ca/n1/en/pub/75-006-x/2020001/article/00004-eng.pdf?st=GEkai9uP>.

Employment and Social Development Canada. "Evaluation of the Foreign Credential Recognition Program." Evaluation Directorate, Strategic and Service Policy Branch. Accessed September 22, 2021. <https://www.canada.ca/en/employment-social-development/corporate/reports/evaluations/foreign-credential-recognition-program.html>.

Frey, Carl Benedikt, and Michael A. Osborne. *The Future of Employment: How Susceptible Are Jobs to Computerisation?* Oxford: University of Oxford. Accessed September 16, 2021. [https://www.oxfordmartin.ox.ac.uk/downloads/academic/The\\_Future\\_of\\_Employment.pdf](https://www.oxfordmartin.ox.ac.uk/downloads/academic/The_Future_of_Employment.pdf).

Government of Ontario. "Collective Bargaining." August 19, 2019. Accessed September 17, 2021. <https://www.ontario.ca/page/collective-bargaining>.

Legislative Assembly of Manitoba. *The Essential Services Act (Government and Child and Family Services)*. 1996. C.C.S.M. c. E145. Accessed September 22, 2021. <https://web2.gov.mb.ca/laws/statutes/ccsm/e145e.php>.

Lightman, Naomi. "Does Care Count for Less? Tracing the Income Trajectories of Low Status Female Immigrant Workers in Canada, 1993–2015." *Canadian Studies in Population* 48 (April 1, 2021): 29–57. Accessed September 24, 2021. <https://link.springer.com/article/10.1007/s42650-021-00040-4>.

Lightman, Naomi, and Courtney Baay. "Will COVID-19 Finally Force Us to Address the Devaluation of Long-Term Care Workers?" *Policy Options*, March 18, 2021. Accessed September 24, 2021. <https://policyoptions.irpp.org/magazines/march-2021/will-covid-19-finally-force-us-to-address-the-devaluation-of-long-term-care-workers/>.

Matz, Callie. "Migrant Workers in Canada's Food Industry: Beyond COVID-19." *Canadian Law of Work Forum*, May 15, 2020. Accessed September 24, 2021. <https://lawofwork.ca/migrant-workers-in-canadas-food-industry/>.

McKinsey Global Institute. *A Future That Works: Automation, Employment and Productivity*.

McKinsey & Company, January 2017. Accessed September 1, 2021. [MGI-A-future-that-works-Executive-summary.ashx](https://www.mckinsey.com/~/media/MGI-A-future-that-works-Executive-summary.ashx) (mckinsey.com).

Newfoundland and Labrador. *Public Service Collective Bargaining Act*. RSNL1990 Chapter P-42.

Preibisch, Kerry, and Gerardo Otero. "Does Citizenship Status Matter in Canadian Agriculture? Workplace Health and Safety for Migrant and Immigrant Laborers." *Rural Sociology* 79, no. 2 (2014): 174–99. Accessed September 1, 2021. [Does Citizenship Status Matter in Canadian Agriculture? Workplace Health and Safety for Migrant and Immigrant Laborers](https://www.sfu.ca/~rpreibisch/Does_Citizenship_Status_Matter_in_Canadian_Agriculture_Workplace_Health_and_Safety_for_Migrant_and_Immigrant_Laborers.pdf) (sfu.ca).

Public Safety Canada. "Guidance on Essential Services and Functions in Canada During the COVID-19 Pandemic." January 15, 2021. Accessed September 24, 2021. <https://www.publicsafety.gc.ca/cnt/ntnl-scrtr/crtcl-nfrstrctr/esf-sfe-en.aspx>.

Reynolds, Christopher. "Punjabi-Canadians Roll Into Trucking, Rerouting a Traditional Industry." *CTV News*, October 18, 2018. Accessed September 22, 2021. <https://www.ctvnews.ca/business/punjabi-canadians-roll-into-trucking-rerouting-a-traditional-industry-1.4139608>.

Shields, John, and Zainab Abu Alrob. "COVID-19, Migration and the Canadian Immigration System: Dimensions, Impact and Resilience." York University, 2020. Accessed September 29, 2021. <https://bmrc-irmu.info.yorku.ca/files/2020/07/COVID-19-and-Migration-Paper-Final-Edit-JS-July-24-1.pdf?x82641>.

Statistics Canada. "Immigrant Status, Dictionary, Census of Population, 2016." May 3, 2017. Accessed September 23, 2021. <https://www12.statcan.gc.ca/census-recensement/2016/ref/dict/pop148-eng.cfm>.

–. "NHS Profile, 2011. Last modified May 24, 2018. Accessed September 20, 2021. [National Household Survey \(NHS\) Profile, 2011](https://www150.statcan.gc.ca/n1/pub/36-28-0001/2021004/article/00003-eng.htm) (statcan.gc.ca).

–. "COVID-19 Disruptions and Agriculture: Temporary Foreign Workers." *StatCan Covid-19: Data to Insights for a Better Canada*. Statistics Canada, 2020. Accessed September 29, 2021. <https://www150.statcan.gc.ca/n1/en/pub/45-28-0001/2020001/article/00002-eng.pdf?st=5fqhBiLF>.

–. "Data Products, 2016 Census." Last modified August 2, 2021. [2016 Census of Population – Data products](https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00002-eng.pdf?st=5fqhBiLF) (statcan.gc.ca).

Toronto Region Immigrant Employment Council. *Building a Corporate Ladder for All: The Case for Advancing Immigrant Talent in the Greater Toronto Area*. Toronto: TRIEC, 2019. Accessed September 29, 2021. <https://triec.ca/wp-content/uploads/2019/11/Building-a-Corporate-Ladder-for-All-final.pdf>.

Turcotte, Martin, and Katherine Savage. "The Contribution of Immigrants and Population Groups Designated as Visible Minorities to Nurse Aide, Orderly and Patient Service Associate Occupations." *StatCan COVID-19: Data Insights for a Better Canada*. Last modified June 22, 2020. Accessed September 6, 2021. <https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00036-eng.htm>.

Vosko, Leah F. "Legal but Deportable: Institutionalized Deportability and the Limits of Collective Bargaining Among Participants in Canada's Seasonal Agricultural Workers Program." *Immigration and Labor Markets* 71, no. 4 (January 25, 2018): 882–907.

Wassermann, Maria, Kaori Fujishiro, and Annkatrin Hoppe. "The Effect of Perceived Overqualification on Job Satisfaction and Career Satisfaction Among Immigrants: Does Host National Identity Matter?" *International Journal of Intercultural Relations* 61 (November 2017): 77–87. Accessed September 29, 2021. <https://doi.org/10.1016/j.ijintrel.2017.09.001>.

Zhang, Yan, Yuri Ostrovsky, and Amélie Arsenault. "Foreign Workers in the Canadian Food Manufacturing Industry." Statistics Canada. Accessed September 29, 2021. <https://www150.statcan.gc.ca/n1/pub/36-28-0001/2021004/article/00003-eng.htm>.

## Acknowledgements

This impact paper was prepared by Yilmaz Ergun Dinç, Senior Research Associate. Vacancy projections were run by Gregory Hermus, Principal Economist.

The author thanks Kathryn Dennler, Iain Reeve, Erin Rose, Duangsuda Sopchokchai, and Darren De Jean from The Conference Board of Canada for their contributions. We would like to thank, without implicating them, Statistics Canada's analysts Winnie Chan and Youjin Choi for their help in providing some of the data used in this study.

The paper benefited from external review by an Advisory Board, consisting of Naomi Alboim, Senior Policy Fellow, Canada Excellence Research Chair in Migration and Integration, Ryerson University, and Distinguished Fellow, School of Policy Studies, Queen's University; Joan Atlin, Director, Strategy, Policy, and Research, World Education Services Canada; Tanya Basok, Professor, University of Windsor; and Naomi Lightman, Assistant Professor, University of Calgary.

The National Immigration Centre provided funding for this research. The National Immigration Centre is a collaborative research initiative. It brings together senior leaders from government, employers, the business community, lawyers and consultants, regulatory bodies, service provider organizations, researchers, and other stakeholders with an interest in global talent to work together to enhance Canada's immigration system.

Any errors or omissions in fact or interpretation remain the sole responsibility of The Conference Board of Canada.

## Valued Workers, Valuable Work: The Current and Future Role of (Im)migrant Talent

Yilmaz Ergun Dinç

To cite this research: Dinç, Yilmaz Ergun. *Valued Workers, Valuable Work: The Current and Future Role of (Im)migrant Talent*. Ottawa: The Conference Board of Canada, 2021.

©2021 The Conference Board of Canada\*

Published in Canada | All rights reserved | Agreement No. 40063028 | \*Incorporated as AERIC Inc.

An accessible version of this document for the visually impaired is available upon request.

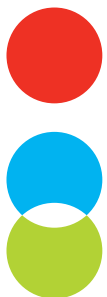
Accessibility Officer, The Conference Board of Canada

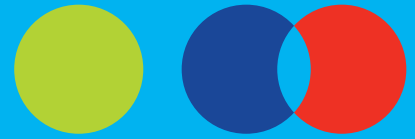
Tel.: 613-526-3280 or 1-866-711-2262

E-mail: [accessibility@conferenceboard.ca](mailto:accessibility@conferenceboard.ca)

®The Conference Board of Canada is a registered trademark of The Conference Board, Inc. Forecasts and research often involve numerous assumptions and data sources, and are subject to inherent risks and uncertainties. This information is not intended as specific investment, accounting, legal, or tax advice.

The findings and conclusions of this report do not necessarily reflect the views of the external reviewers, advisors, or investors. Any errors or omissions in fact or interpretation remain the sole responsibility of The Conference Board of Canada.





# Where insights meet impact