How Can We Improve Canada's Labour Market?



In light of the recent changes to the Temporary Foreign Worker (TFW) program, contributors from the Maytree Foundation and the Mowat Centre at the University of Toronto's School of Public Policy and Governance are looking for solutions to ensure the TFW program is used appropriately.

Employment and Social Development Minister Jason Kenney recently announced a number of systematic changes to the TFW program, partially as a result of controversy over the program in recent months. The changes to the program include a revamped Labour Marke Impact Assessment (LMIA) process for identifying when it is necessary to hire foreign workers, increased penalties for abuse of the TFW program, and restricted access for employers to ensure that temporary foreign workers are used only as a last and limited resort.

While many are lauding the changes made by Kenney as important steps forward for the accountability and transparency of the program, many are still raising concerns about Canadians losing jobs to temporary foreign workers and questioning the necessity of the program.

Matthew Mendelsohn of the Mowat Center at the School of Public Policy & Governance at the University of Toronto and Ratna Omidvar of the Maytree Foundation have been working on this very issue, and recently completed a mass consultation project on the Canadian labour market. Mendelsohn and Omidvar interviewed 80 experts across Canada from a variety of backgrounds, including small and large employers, government employees, immigrant settlement agencies, and industry associations and drew a number of conclusions about Canada's labour market. After this consultation, Mendelsohn and Omidvar were able to make four major recommendations to improve Canadian labour market practices, which would affect the frequency with which employers sought out temporary foreign workers:

1. When processing a Labour Market Opinion (LMO), now known as a Labour Market Impact Assessment (LMIA), the federal government should be required to consult with the provincial employment agencies as part of the approval process. Mendelsohn and Omidvar pointed to Manitoba as an excellent example of this practice, where employers looking for an LMO are linked to unemployed and underemployed Canadians to consider for the position before turning to a temporary foreign worker.
2. Local businesses should make use of local and provincial employment agencies to link individuals in the community with employers looking to hire. This would require provincial employment agencies to act in a human resources capacity for

businesses to decrease unemployment.
3. Locally based labour market information should be developed and employers, employment agencies, and the government should all be sharing this information. Many companies already create their own labour market information for their industries, and the government and other employers could be benefiting from this information.
4. Employment ads and employers should be using competency based language to clarify the skills that are needed for a particular job. The implementation of this recommendation would also lead to better labour market information.

The goal of these recommendations is to ensure that jobs in Canada are not going to temporary foreign workers when underemployed or unemployed Canadians are seeking work in Canada. If these recommendations were implemented and Canadians were being matched to available jobs, it would ensure that the temporary foreign worker program remained a program of last and limited resort.

Last Updated: July 10 2014

Article by FW CanadaInc

FWCanada Inc.