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NEWS RELEASE

Temporary Foreign Workers Program needs annual cap, says economic assessment

Montreal – Recent changes to the Temporary Foreign Worker program are a good start, but further reform is necessary to prevent excessive reliance on the program by Canadian employers. The author of a [new paper](#) from the IRPP considers four of the recent changes. Christopher Worswick of Carleton University says that an annual cap on the number of temporary workers entering Canada should be implemented while additional changes are considered.

An increasing number of companies are looking outside the country when hiring, and there are claims that this may come at the expense of younger and less-skilled Canadians. In 2012, 213,573 temporary foreign workers were admitted to Canada, almost two and a half times as many as in 1995. For Worswick, “the growth in the number of temporary foreign workers numbers is a cause for concern. Its timing, which coincides with a period of weakness in the Canadian economy, is especially troubling.”

Despite these concerns, he argues that a limited, tightly monitored temporary foreign worker program can be beneficial to Canada. However, to ensure that Canadians come first when it comes to local jobs, Worswick says there need to be ways to penalize employers’ abuse of the program and also to create incentives for them to abide by the regulations.

He notes that the changes to the program the federal government announced earlier this year are a step in the right direction. Among other things, the new rules place greater restrictions on employers’ access to foreign workers and implement new administrative fees for employers.

“These changes are sensible,” Worswick explains. They send “a strong signal that firms should not become reliant on temporary foreign workers and should instead hire and possibly train Canadians to replace them in the future.”

More broadly, he notes that improved monitoring of working conditions for temporary foreign workers is necessary to avoid the abuse of vulnerable employees. Here, provincial governments also have a responsibility, as matters such as workplace safety and discrimination are governed to a significant degree by provincial legislation and regulations.

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[Economic Implications of Recent Changes to the Temporary Foreign Worker Program](#), by Christopher Worswick, can be downloaded from the Institute’s Web site at irpp.org.

For more details or to schedule an interview, please contact the IRPP.

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