

[Home](#) > How the Conservatives built the temporary worker pipeline, and why you should care

[politics](#) [1]

How the Conservatives built the temporary worker pipeline, and why you should care

By

[Karl Flecker](#) [2]

| April 24, 2013

 [temp_immig1_copy.jpg](#) [7]

When IT worker Dave Moreau went public about the fact that the largest bank in Canada was firing him and 44 of his RBC colleagues while bringing in temporary workers from another country to learn their jobs, he blew the lid off a program hidden in plain sight.

Since coming to office in 2006, the Conservatives have massively expanded the pipeline that brings workers from around the world who often toil for less money and endure little to no meaningful workplace protections or human rights.

The RBC case shows how outsourcing, off-shoring and temporary work visas all work together to help employers disenfranchise workers and make more profit. Canadian employers together now pay outside contractors some \$15 billion for IT services alone, of which \$3 billion is for work done outside Canada.

But the full scale of the off shore pipeline which is adding to a growing temporary and vulnerable workforce is astounding.

The latest estimates suggest close to 500,000 people are in Canada with temporary work permits, the vast majority of whom have little prospect of becoming permanent residents. This is equivalent to the entire paid labour force of Nova Scotia.

Much attention has focused on the government's Temporary Foreign Worker Program (TFWP), which under the Harper government has doubled in size since 2006. This program alone accounts for the nearly 340,000 temporary workers present in the country at the end of 2012.

Most surprising has been the tremendous growth in the pipeline called the Intra-Company Transfer (ICT) visa option, which is likely what RBC/iGate used in trying to displace Dave Moreau and his colleagues.



Canada: Support Supply Chain Transparency to End Child Labor!

author: World Vision Canada

signatures: 40,144

[sign petition](#)

[start a petition](#) | [grab this widget](#)

the oversight of the Labour Market Opinion (LMO) process, . Two of the rules are to assess if the employer attempted to and to require assurances any imported worker will receive

Since coming to power, the Harper government has boosted the use of these LMO-exempt visas from 70,000 in 2006 to 120,000 in 2011.

How did this happen and why did we know so little about it?

For one thing, the temporary worker pipeline is not mentioned in the government's ubiquitous "Canada's Economic Action Plan" ads, even though it is clearly one of the cornerstones of a policy to drive down wages and working conditions and make the country an even "friendlier" place for business. In fact, 30 per cent of all net new jobs created in Canada between 2007 and 2011 were filled with temporary workers from outside the country.

Curiously, the day after CBC told Moreau's story to the country, detailed information on the number of approved passes granted to employers to import temporary workers was pulled off a government website. At a moment when the national media was paying attention to the issue, it was difficult to document the trends in the use of the program.

But make no mistake: the rise in the use of this program has relied on systematic changes to increase the pipeline of temporary workers into all areas of the economy, starting with the inclusion, in Budget 2007, of these few words: "Employers may recruit workers for any legally recognized occupation from any country."

The hundreds of thousands of people with temporary work visas are present across the Canadian economy in construction, healthcare, media and government. They fly planes, pour coffee, create menus, drive trucks and respond to trouble tickets on IT help desks.

On April 9, the Alberta Federation of Labour released a 90-page list of the thousands of employers that have been granted work visas for high-skilled temporary workers across Canada. They include Tim Hortons Dairy Queen, Extreme Pita, Quiznos, A&W and Suds Car Wash.

Why should we care?

Moreau's story is clear, for workers already in Canada, on the consequences of a pipeline that brings in replacements with no security: decent-paying jobs with dignity are lost, lives are uprooted, and peoples' futures are put in doubt.

And what about the workers coming to Canada on temporary work permits? There are countless harrowing stories from thousands of people far from their families and friends facing threats from employers and labour brokers, unsafe work, poverty wages and horrendous living conditions. The rest of us hear from and about

them after tragic -- and typically preventable -- accidents in which lives are lost: the ten Peruvian farm workers killed near Waterloo, Ontario, in February 2012, the four men who fell to their death when scaffolding failed in Toronto in December 2009; the two construction workers killed when a tank collapsed near Fort McMurray in 2007, or the three farm workers also killed there in 2007 when traveling to work in an overcrowded van in BC.

This is just a short list of troubling annual losses.

The Conservatives tipped their hand on their ambitions for this program with a little-noticed provision introduced by Human Resources Minister Diane Finley a year ago. Under a new initiative called the Accelerated Labour Market Opinion (ALMO) process employers were allowed to fast track high-skill temporary work visas and now have the ability to pay *all* people in the same workplace doing the same job as the one(s) with the visa 15 per cent less than the prevailing median wages for the job.

Simply put by bringing in one pipe fitter or food service manager, under the TFWP an employer now has the means to force down wages for all.

The law of supply demand economics understands that in hot labour markets when skills or regional labour supplies are scarce profitable employers will pay higher rates to attract and retain the very best talent. These top incomes for the highest-paid fraction raise the average wage rates above the median rate and generally put additional upward pressure on wage rates for all.

The Conservatives and their big businesses financiers are not fond of higher wage rates. Minister Finley made this point clear, a year ago, when she announced the immediate implementation of the pay less/fast track ALMO process, referring to the change as an "improvement that is a direct result of consultations that were held with employers to discuss concerns with the TFWP..."

With the pay-less/fast track rule, the Conservatives are telling employers that recruiting migrant workers offers a means to reduce wage rates for all skilled workers in their employ. Even if an employer faces no skill shortages, the federal government is in effect recommending that the employer recruit under the TFWP, since whatever fear and insecurity employers can fuel among the workforce can lead to a wage rate advantage vis-a-vis competitors.

By handing employers this mechanism to pressure existing employees to hold down wage expectations, the government has turned the TFWP into a explicit instrument of wage repression.

That the Conservative encouraged employers to recruit workers for any legally recognized occupation from any country under the TFWP back in 2007 indicates the level of foresight involved.

It's very difficult to imagine that Prime Minister Stephen Harper had no idea, until Moreau told his story and Canadians became outraged, that employers had secured 500,000 temporary worker visas without replacing or avoiding the hiring of workers already in the country.

It is also impossible to imagine that his government's promised review of the program will reduce the flow of the "temporary worker" pipeline. At least not without sustained outrage from the public.

Karl Flecker would like to acknowledge support on this article from Karen Wirsig and Chris Roberts.

Tags:

[labour](#) [8] [migrant workers](#) [9] [Migrant Justice](#) [10] [temporary foreign worker program](#) [11]

Related items

related_item1

[What Jason Kenney doesn't want you to know about Canada's Temporary Foreign Worker Program](#) [12]

related_item1_desc

Kenney often responds to critiques of the Temporary Foreign Worker Program by insulting the critics. His recent national media appearance was no different, with him saying, "There are a lot of myths that have been created by big labour unions about the program that are simply unfactual."

related_item2

[RBC and the Harper government's double message on 'guest workers'](#) [13]

related_item2_desc

The Royal Bank of Canada is furiously spinning a story about who is really responsible for bringing in foreign temporary workers to replace some of its Canadian employees.

related_item3

[RBC apologizes, but replacement and underpayment of workers remains widespread problem](#) [14]

related_item3_desc

The Royal Bank of Canada has now apologized for displacing Canadian workers following the whistle blowing by an IT specialist which revealed the plan to replace some 50 Canada-based RBC workers with outsourced work via temporary migrant workers. But the issue is ongoing and beyond RBC.

Source URL (retrieved on Nov 7 2013 - 1:12pm): <http://rabble.ca/news/2013/04/how-conservatives-built-temporary-worker-pipeline-and-why-you-should-care>

Links:

- [1] <http://rabble.ca/taxonomy/term/20>
- [2] <http://rabble.ca/taxonomy/term/1508>
- [3] <http://rabble.ca/>
- [4] [http://rabble.ca/contact/editor/\[letter to editor for rabble.ca-node-100593\]](http://rabble.ca/contact/editor/[letter to editor for rabble.ca-node-100593])
- [5] <http://rabble.ca/supportrabble>
- [6] [http://rabble.ca/contact/corrections/\[correction for article rabble.ca-node-100593\]](http://rabble.ca/contact/corrections/[correction for article rabble.ca-node-100593])
- [7] http://rabble.ca/sites/rabble/files/node-images/temp_immig1_copy.jpg
- [8] <http://rabble.ca/category/tags-issues/labour>
- [9] <http://rabble.ca/category/tags-issues/migrant-workers>
- [10] <http://rabble.ca/category/tags-issues/migrant-justice>
- [11] <http://rabble.ca/category/tags-issues/temporary-foreign-worker-program>
- [12] <http://rabble.ca/news/2013/01/truth-about-canadas-temporary-foreign-worker-program>
- [13] <http://rabble.ca/blogs/bloggers/karl-nerenberg/2013/04/rbc-and-harper-governments-double-message->

guest-workers

[14] <http://rabble.ca/news/2013/04/rbc-apologizes-replacement-and-underpayment-workers-remains-widespread-problem>