Transition to permanent residency and retention of temporary foreign workers in accommodation and food services and food manufacturing

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Foreign workers have been an important source of labour in the accommodation and food services industry and the food manufacturing industry in Canada. Concerns have been raised about whether temporary foreign workers (TFWs) with lower-skill occupations in these industries have pathways to become permanent residents and whether they stay in the same industry after obtaining their permanent residency.

In today's issue of *Economic and Social Reports*, two articles highlight the sociodemographic characteristics of TFWs who entered the industries from 2000 to 2020. They compare the rates of transition to permanent residency and retention in the same industry after immigration for TFWs with lower-skill occupations, those with higher-skill occupations and study permit holders.

Temporary foreign workers with lower-skill occupations transition to permanent residency at a lower rate than those with higher-skill occupations and study permit holders in the accommodation and food services industry

The study "Temporary foreign workers with lower-skill occupations in the accommodation and food services industry: Transition to permanent residency and industrial retention after transition" found that 29% of TFWs with lower-skill occupations who entered the accommodation and food services industry from 2010 to 2014 became permanent residents by their fifth year working in the industry. The rates were higher for TFWs with higher-skill occupations (45%) and study permit holders (49%). However, because of their large population size, the number of TFWs with lower-skill occupations who became immigrants was larger than that of TFWs with higher-skill occupations.

Overall, five years after immigration, nearly 40% of TFWs with lower-skill occupations who became permanent residents from 2011 to 2015 stayed in the accommodation and food services industry. By comparison, the rate was higher among TFWs with higher-skill occupations (52%) but lower for study permit holders (16%).

Retention in the food manufacturing industry decreases for temporary foreign workers with lower-skill occupations

The study "Temporary foreign workers with lower-skill occupations in the food manufacturing industry: Transition to permanent residency and industrial retention after transition" found that five years after starting to work in the food manufacturing industry, TFWs with lower-skill occupations who arrived in Canada from 2010 to 2014 displayed lower cumulative rates of transition to permanent residency (39%) than TFWs with higher-skill occupations (48%).

The percentage of TFWs who stayed in the food manufacturing industry fell gradually over the first five years after immigration. Among TFWs with lower-skill occupations who became permanent residents from 2011 to 2015, the retention rate decreased from 73% in the year of immigration to 36% five years later. The degree of retention of TFWs with lower-skill occupations fell with each successive landing cohort. One year after becoming permanent residents, the percentage of TFWs who stayed in the industry decreased from 69% for the 2006-to-2010 landing cohort to 57% for the 2016-to-2019 landing cohort.

For information on the other articles released today in *Economic and Social Reports* please see the Daily "Economic and Social Reports, January 2024."





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The articles "Temporary foreign workers with lower-skill occupations in the accommodation and food services industry: Transition to permanent residency and industrial retention after transition" and "Temporary foreign workers with lower-skill occupations in the food manufacturing industry: Transition to permanent residency and industrial retention after transition" are now available in the January 2024 issue of *Economic and Social Reports*, Vol. 4, no. 01 (36280001).

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