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# Temporary Foreign Workers in the Canadian Labour Force: Open Versus Employer-specific Work Permits

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# Temporary Foreign Workers in the Canadian Labour Force: Open Versus Employer-specific Work Permits

by Yuqian Lu and Feng Hou, Social Analysis and Modelling Division

This *Economic Insights* article compares the labour force participation of temporary foreign workers with open work permits and employer-specific work permits in terms of their level of labour market engagement in Canada, their distribution by province and industry, and the duration of temporary residence status and rate of transition to permanent residency.

## Introduction

Temporary foreign workers (TFWs) have become an important source of labour supply in Canada. TFWs are primarily issued work permits under either the Temporary Foreign Worker Program (TFWP) or the International Mobility Program (IMP). The goal of the TFWP is to fill short-term labour shortages. TFWP participants hold an employer-specific work permit (ESWP), which restricts them to a specific employer who could not find suitable Canadian workers. The IMP aims to advance Canada's broad economic and cultural interests (CIC 2014). The majority of IMP participants hold an open work permit (OWP), which allows them to work for any employer willing to hire them.

Job restrictions, or the lack thereof, can have large implications for TFWs and the Canadian labour market. TFWs with ESWPs are mostly recruited to fill existing job vacancies. The demand for their labour and skills has been, to a large extent, tracked and tested. In comparison, some OWP holders may not be able to find a job, and others may not intend to work. Simply counting the number of work permit holders cannot provide accurate information on the role of OWP and ESWP holders in the Canadian labour market.

This study compares the labour force participation of TFWs with OWPs and ESWPs in the following three aspects: (1) their level of labour market engagement, as measured by the percentage of TFWs with T4 earnings and, among those with earnings, their median annual earnings; (2) their distribution by province and industry; and (3) the duration of their temporary residence status and their rate of transition to permanent residency.

## Data and method

This study uses data derived from Statistics Canada's Canadian Employer–Employee Dynamics Database (CEEDD). The CEEDD is a data linkage environment with a set of linkable files at the individual, job and firm levels. For this study, foreign

nationals from the Temporary Residents File, which contains all temporary resident permit holders and refugee claimants, are matched to their earnings from the T4 Statement of Remuneration Paid files and industry information from the National Accounts Longitudinal Microdata File. These linked data files allow for both cross-sectional and longitudinal (i.e., tracking individuals over time) analyses.

Temporary residents who received T4 earnings in Canada in a given year were counted as having worked in Canada. Canadian employers generally need to complete a T4 slip annually for each employee. Therefore, receiving T4 earnings is an indication of having participated in the labour market as a paid worker. Some work permit holders may have worked in Canada but were not issued a T4 slip; these individuals were not included in this study since they could not be identified in the current data.

In the Temporary Residents File, there is no direct identifier for OWPs. OWPs are identified based on the predominant work permit type for a specific TFW program. All TFWs under the TFWP hold ESWPs. Within the IMP, some streams exclusively issue OWPs (e.g., Post-Graduation Work Permit Program [PGWPP]), some exclusively issue ESWPs (e.g., intra-company transfers), and some streams may issue both OWPs and ESWPs (e.g., significant benefits and reciprocal employment). Immigration, Refugees and Citizenship Canada provides the relevant information for identification (details are available upon request). For IMP streams that issue both OWPs and ESWPs, work permits without an occupational skill level are treated as open.<sup>1</sup>

Foreign nationals may receive multiple work permits over time, and some permits can have overlapping validity periods. In this study, OWP TFWs include individuals who hold one or more valid OWPs in a given year. Based on the size and streams, OWP holders can be disaggregated into seven

1. The skill level of a work permit can be identified only when the permit is associated with an intended occupation, which occurs mostly when a specific employer offered a job to the work permit applicant.



**Table 1**  
**Number of temporary foreign workers by work permit type, 2001 to 2016**

	2001	2003	2005	2007	2009	2011	2013	2014	2015	2016
	number									
<b>Total</b>	<b>232,600</b>	<b>255,400</b>	<b>294,300</b>	<b>375,300</b>	<b>496,700</b>	<b>560,600</b>	<b>649,700</b>	<b>644,500</b>	<b>602,800</b>	<b>613,200</b>
<b>OWP holders</b>	87,000	124,700	145,700	176,900	244,200	309,500	363,600	358,000	342,400	377,700
Post-graduation work permit	2,400	3,400	7,400	11,500	24,300	43,600	69,000	82,500	91,700	117,700
International Experience Canada	19,200	26,000	39,400	49,000	69,400	90,500	93,800	86,700	85,600	90,800
For permanent residence purpose	16,900	18,600	16,800	14,300	14,500	21,500	17,600	19,400	27,500	35,000
For study purpose	3,900	4,900	8,400	28,100	36,300	54,200	75,600	68,000	56,200	57,600
Humanitarian and compassionate	40,500	60,400	56,600	51,700	71,200	65,900	55,300	46,100	30,200	25,700
Spouses of skilled workers/students	2,200	8,900	14,600	20,400	26,200	29,900	39,400	42,600	43,200	47,200
Other OWP programs	1,700	2,600	2,500	1,900	2,300	3,900	12,800	12,700	8,100	3,700
High-skill ESWP holders	106,700	86,600	93,700	112,400	130,800	137,100	158,300	157,400	146,500	135,900
Low-skill ESWP holders	34,400	39,800	49,000	74,800	105,000	86,900	92,000	99,300	90,700	77,800
Other types <sup>1</sup>	4,500	4,300	5,900	11,200	16,700	27,100	35,800	29,800	23,200	21,800

1. Multiple type work permit holders or holders of an employer-specific work permit without an identified skill level.

**Notes:** All numbers are rounded to the nearest 100. ESWP: employer-specific work permit; OWP: open work permit.

**Sources:** Statistics Canada, Temporary Residents File and Canadian Employer–Employee Dynamics Database.

categories: (1) International Experience Canada (IEC) workers; (2) PGWPP workers; (3) spouses or common-law partners of skilled workers or international students; (4) OWP holders who are waiting in Canada while their applications for permanent residence are being processed; (5) OWP holders for study purposes; (6) refugees, refugee claimants, protected persons or their family members (humanitarian and compassionate cases); and (7) other OWP holders.

TFWs with only ESWPs are divided into two groups: high-skill ESWPs and low-skill ESWPs.<sup>2</sup> For a clear comparison between OWP and ESWP TFWs, individuals who have both OWPs and ESWPs, have both high-skill and low-skill ESWPs, or have an ESWP but no specified skill level in a given year are treated as a separate group and are not included in the comparison. This group of TFWs accounted for 1.7% to 5.5% of total TFWs, depending on the year.

### Recent trends in the number of open and employer-specific work permit holders

From 2001 to 2016, the number of foreign nationals who held a valid OWP increased from about 87,000 to 377,700. The increase was smaller among high-skill ESWP holders (from 106,700 to 135,900) and among low-skill ESWP holders (from 34,400 to 77,800) (Table 1). Among all TFWs, the share of TFWs with OWPs rose from 37% in 2001 to 62% in 2016. In comparison, the share of high-skill ESWP holders decreased from 46% to 22%. The share of low-skill ESWP holders increased from 15% in 2001 to 22% in 2008 (data not shown for 2008), then decreased to 13% in 2016.

The program composition of OWP holders also shifted considerably (Table 1). From 2001 to 2016, IEC was the largest program and accounted for 26% of total OWP holders. However, the humanitarian and compassionate category surpassed IEC from 2001 to 2009 and the PGWPP was larger than IEC in 2015 and 2016. Because of the rising number of international students coming to Canada and enhancements to the PGWPP, the number of PGWPP workers grew over 15 times, from 7,400 in 2005 to 117,700 in 2016.

### Employment and T4 earnings in Canada

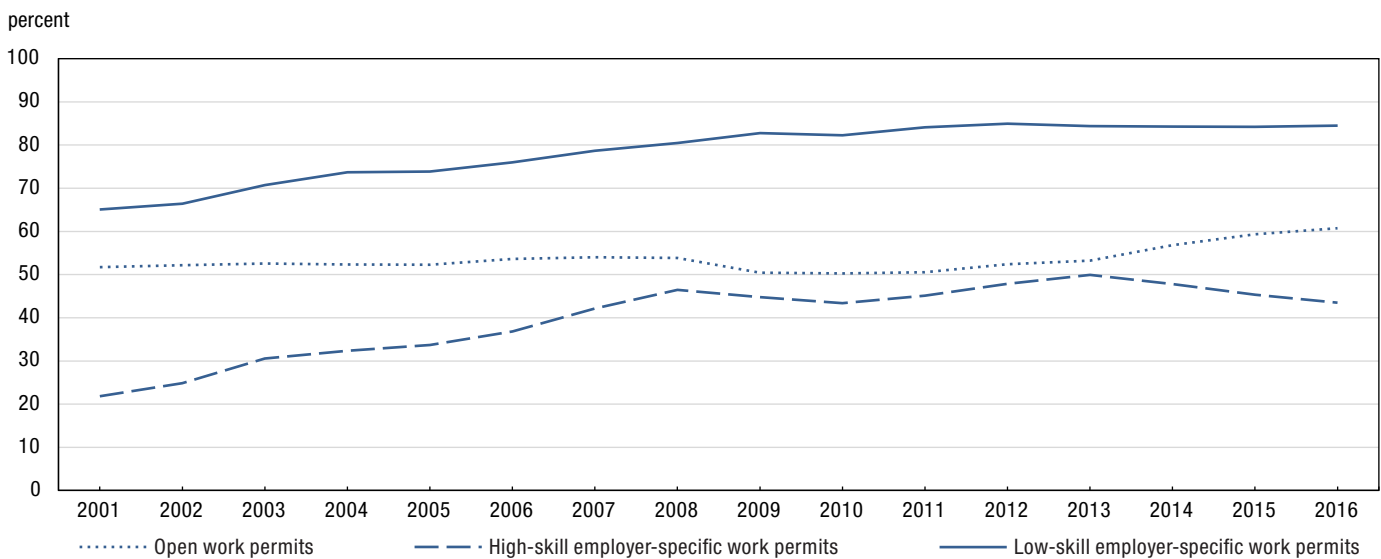
This section compares the labour force participation of OWP and ESWP holders by comparing their shares with T4 earnings and median earnings among workers who had T4 earnings.

Chart 1 presents the percentage of TFWs with T4 earnings among OWP and ESWP holders. The proportion of OWP holders with T4 earnings was higher than that of high-skill ESWP holders, but lower than that of low-skill ESWP holders. In 2001, 52% of OWP holders had T4 earnings, compared with 22% of high-skill ESWP holders and 65% of low-skill ESWP holders. Fifteen years later, the shares of work permit holders with T4 earnings in Canada among these three groups were 61%, 44% and 85%, respectively. High-skill ESWP holders had a larger share of workers without social insurance numbers (SINs) and without T4 earnings than other ESWP holders. It is possible that the high-skill ESWP holders without SINs or T4 earnings either did not actually work in Canada, or worked in Canada but were not issued a T4 (e.g., if they were paid by firm headquarters located outside Canada). The rapid growth in the share of workers with T4 earnings among high-skill ESWP holders from 2001 to 2008 was driven by workers with a level B occupation (i.e., technicians and skilled trades workers).

2. The skill level in the National Occupational Classification (NOC) is defined primarily by the amount and type of education and training required to enter an occupation and perform its duties. Four skill levels are identified in the NOC: level A, university degree (bachelor's, master's or doctorate); level B, some postsecondary education; level C, high school graduation or some job-specific training; level D, some secondary or elementary education and on-the-job training. The NOC does not assign specific educational levels to management occupations. For the purpose of this study, management, level A and level B occupations are grouped as high skill. Level C and D occupations are grouped as low skill.



**Chart 1**  
**Percentage with T4 earnings among temporary foreign workers by work permit type**

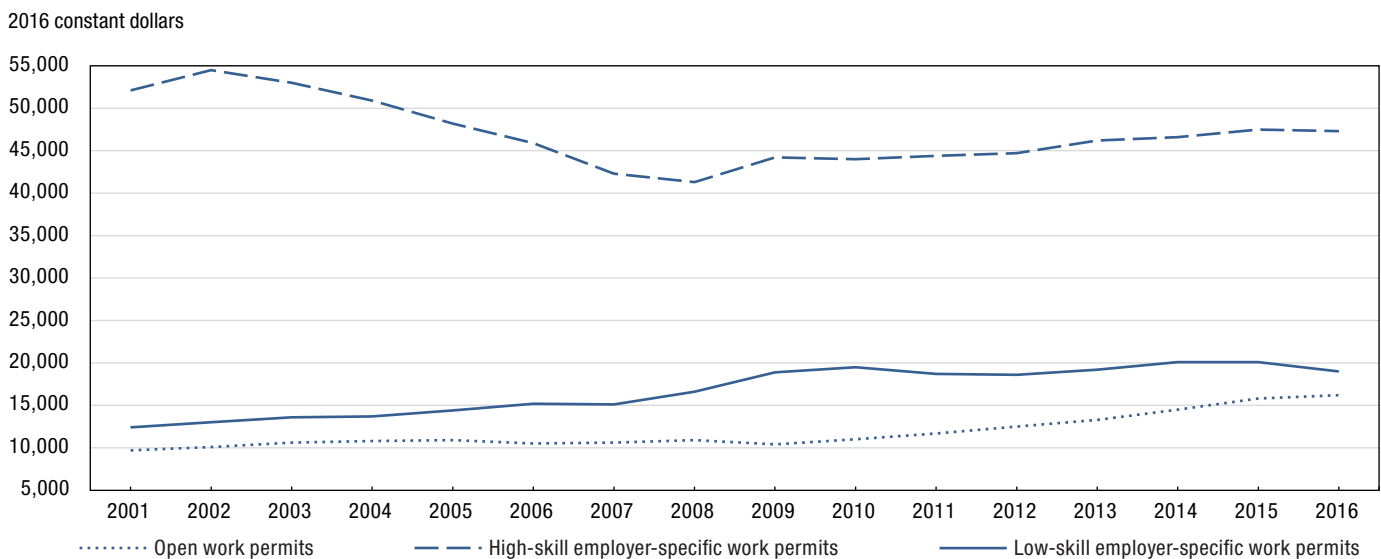


Source: Statistics Canada, Canadian Employer–Employee Dynamics Database.

Among TFWs with T4 earnings, OWP holders had the lowest median annual earnings (in 2016 constant dollars), which increased from \$9,700 in 2001 to \$16,200 in 2016. The median T4 earnings for low-skill ESWP holders increased from \$12,400 to \$19,000 over the same period (Chart 2). The sharp decline in median earnings during the early 2000s for high-skill ESWP holders echoed the increasing proportion of technicians and

skilled trades workers. The median annual T4 earnings of high-skill ESWP holders increased slightly from \$41,300 in 2008 to \$47,300 in 2016. The differences in median annual earnings by work permit type and changes over time within each group could come from the combination of total working time in a given year and wage rates, which are not available in the data used in this study.

**Chart 2**  
**Median T4 earnings among temporary foreign workers by work permit type**



Note: Results are rounded to the nearest 100.

Source: Statistics Canada, Canadian Employer–Employee Dynamics Database.



Table 2 presents the shares of TFWs in total T4 earners and total T4 earnings in Canada by province in 2006 and 2016. These shares are used here as proxy measures of TFWs' relative importance in the labour market. In 2016, OWP holders accounted for 1.2% of total T4 earners in Canada, up from 0.5% in 2006. These shares were higher than the corresponding shares of high-skill and low-skill ESWP holders. Because of their low average annual T4 earnings, OWP holders' share in the total T4 earnings was much smaller than their share in the total T4 earners. OWP and high-skill ESWP holders had similar shares in the total T4 earnings, and their shares were higher than that of low-skill ESWP holders.

**Table 2**  
**Shares of temporary foreign workers in total T4 earners and total T4 earnings by province and three territories combined, 2006 and 2016**

	In total T4 earners			In total T4 earnings		
	OWP holders	High-skill ESWP holders	Low-skill ESWP holders	OWP holders	High-skill ESWP holders	Low-skill ESWP holders
	percent					
<b>Canada</b>						
2006	0.5	0.2	0.3	0.1	0.4	0.1
2016	1.2	0.3	0.3	0.6	0.6	0.1
<b>Newfoundland and Labrador</b>						
2006	0.1	0.1	0.0	0.0	0.5	0.0
2016	0.4	0.4	0.1	0.2	1.4	0.0
<b>Prince Edward Island</b>						
2006	0.1	0.1	0.1	0.0	0.1	0.1
2016	0.5	0.1	0.9	0.3	0.3	0.5
<b>Nova Scotia</b>						
2006	0.2	0.1	0.1	0.1	0.2	0.0
2016	0.7	0.2	0.3	0.4	0.3	0.1
<b>New Brunswick</b>						
2006	0.2	0.1	0.0	0.1	0.1	0.0
2016	0.4	0.1	0.3	0.2	0.1	0.2
<b>Quebec</b>						
2006	0.3	0.1	0.1	0.1	0.3	0.0
2016	0.7	0.3	0.3	0.3	0.5	0.1
<b>Ontario</b>						
2006	0.6	0.2	0.4	0.2	0.5	0.1
2016	1.3	0.3	0.4	0.6	0.7	0.1
<b>Manitoba</b>						
2006	0.2	0.1	0.2	0.1	0.2	0.1
2016	0.9	0.2	0.2	0.5	0.4	0.1
<b>Saskatchewan</b>						
2006	0.2	0.1	0.1	0.1	0.2	0.0
2016	0.8	0.4	0.2	0.4	0.4	0.1
<b>Alberta</b>						
2006	0.5	0.3	0.3	0.1	0.5	0.1
2016	1.3	0.4	0.4	0.6	0.7	0.2
<b>British Columbia</b>						
2006	0.8	0.3	0.3	0.2	0.5	0.1
2016	2.2	0.4	0.4	0.9	0.7	0.2
<b>Territories</b>						
2006	0.3	0.3	0.1	0.1	0.5	0.0
2016	0.8	0.1	0.2	0.4	0.2	0.1

Note: ESWP: employer-specific work permit; OWP: open work permit.

Source: Statistics Canada, Canadian Employer–Employee Dynamics Database.

Across regions, British Columbia used relatively more OWP and ESWP TFWs than the national average. In British Columbia in 2016, OWP holders accounted for 2.2% of the total T4 earners and 0.9% of the total T4 earnings, while the shares for the two ESWP groups combined were 0.8% and 0.9%, respectively.

The shares of OWP and ESWP holders in the total T4 earners in Ontario and Alberta were close to or slightly higher than the national average. Quebec, Manitoba, Saskatchewan, the Atlantic region, and the three territories combined used proportionately fewer TFWs than the national average.

Table 3 presents the shares of TFWs in total T4 earners and total T4 earnings in the top 12 industrial sectors that hired the most TFWs. OWP holders were overrepresented in five sectors: accommodation and food services; professional, scientific and technical services; administrative and support, waste management and remediation services; arts, entertainment and recreation; and retail trade. In particular, OWP holders accounted for 3.4% of the total T4 earners and 2.6% of total T4 earnings in accommodation and food services in 2016. High-skill ESWP holders were overrepresented in professional, scientific and technical services, and in arts, entertainment and recreation. In comparison, low-skill ESWP holders were overrepresented in agriculture, forestry, fishing and hunting. In 2016, low-skill ESWP holders accounted for 12.8% of total T4 earners and 8.5% of T4 earnings in agriculture, forestry, fishing and hunting.

### Duration of work permits and transition

This section examines the yearly residency status of new work permit holders by year since they obtained their first work permit. Three types of valid residence status are identified: remaining in the same work permit type, having other residence status (either other work permit program, study or other Canadian residence status) and gaining permanent residence status. The analysis follows individuals longitudinally from the year their first work permit was signed until they no longer held valid residence status in Canada. New OWP holders are defined as those who had no other work permits issued before their initial OWP. Similarly, new ESWP holders are defined as those who had no other work permits issued before their initial ESWP.

Table 4 compares OWP holders with high-skill and low-skill ESWP holders in terms of work permit duration and transition into permanent residence status. To simplify the table, only two arrival cohorts (those who arrived in 2006 and 2011) are presented for each group.

OWP holders tended to maintain valid residence status in Canada for longer than high-skill ESWP holders, but for less time than low-skill ESWP holders. About one-half of OWP holders still had valid residence status five years after obtaining their first work permit. In comparison, only about one-quarter of high-skill ESWP holders and two-thirds of low-skill ESWP holders still had valid residence status five years after their first permit was issued.

**Table 3**  
**Shares of temporary foreign workers in total T4 earners and total T4 earnings in the top 12 industrial sectors that hired the most temporary foreign workers, 2006 and 2016**

Industry sector (NAICS code)	In total T4 earners			In total T4 earnings		
	OWP holders	High-skill ESWP holders	Low-skill ESWP holders	OWP holders	High-skill ESWP holders	Low-skill ESWP holders
	percent					
<b>Agriculture, forestry, fishing and hunting (NAICS 11)</b>						
2006	0.3	0.2	5.6	0.1	0.2	2.6
2016	0.5	0.3	12.8	0.3	0.4	8.5
<b>Construction (NAICS 23)</b>						
2006	0.3	0.3	0.1	0.1	0.3	0.0
2016	0.7	0.3	0.0	0.4	0.5	0.0
<b>Manufacturing (NAICS 31, 32, 33)</b>						
2006	0.4	0.2	0.1	0.2	0.5	0.0
2016	0.9	0.3	0.2	0.4	0.8	0.1
<b>Wholesale trade (NAICS 41)</b>						
2006	0.5	0.3	0.1	0.1	0.5	0.0
2016	0.9	0.3	0.1	0.5	0.9	0.1
<b>Retail trade (NAICS 44, 45)</b>						
2006	0.5	0.0	0.0	0.2	0.1	0.0
2016	1.3	0.1	0.1	0.8	0.3	0.1
<b>Professional, scientific and technical services (NAICS 54)</b>						
2006	0.5	0.8	0.1	0.2	0.8	0.0
2016	1.8	1.3	0.1	0.9	1.6	0.0
<b>Administrative and support, waste management and remediation services (NAICS 56)</b>						
2006	1.3	0.1	0.1	0.5	0.3	0.0
2016	2.7	0.2	0.1	1.4	0.5	0.1
<b>Educational services (NAICS 61)</b>						
2006	0.5	0.5	0.0	0.1	0.4	0.0
2016	0.9	0.4	0.0	0.3	0.4	0.0
<b>Health care and social assistance (NAICS 62)</b>						
2006	0.2	0.2	0.1	0.1	0.2	0.0
2016	0.6	0.1	0.0	0.4	0.2	0.0
<b>Arts, entertainment and recreation (NAICS 71)</b>						
2006	1.2	0.6	0.1	0.4	3.2	0.0
2016	2.3	0.6	0.1	1.0	4.7	0.1
<b>Accommodation and food services (NAICS 72)</b>						
2006	1.2	0.2	0.1	0.6	0.3	0.1
2016	3.4	0.4	0.2	2.6	0.6	0.3
<b>Other services (NAICS 81)</b>						
2006	0.5	0.1	2.2	0.2	0.2	0.9
2016	1.0	0.3	0.2	0.6	0.5	0.1

**Notes:** NAICS: North American Industry Classification System, ESWP: employer-specific work permit; OWP: open work permit.

**Source:** Statistics Canada, Canadian Employer–Employee Dynamics Database.

Over one-half of OWP holders still held OWPs one year after their initial permit was issued, but this percentage declined sharply afterward and, by the fifth year after the initial permit was issued, was below 10%. Almost 30% of OWP holders held other temporary residence permits one year after their initial OWP was issued. This share steadily decreased afterward. About 40% of the 2006 arrival cohort of OWP holders gained permanent residence status by the 5th year after their initial permit was issued, and this rate rose to 47% by the 10th year. Compared with the 2006 cohort, the 2011 OWP arrival cohort stayed in the OWP programs for longer and were more likely to hold other types of temporary resident permits in Canada by the fifth year after their initial permit was issued.

Relative to OWP holders, high-skill ESWP holders rarely switched to other temporary residence permits, and their rate of transition to permanent residence status was much lower. In comparison, most low-skill ESWP holders stayed in the low-skill category for their initial two years, and then their shares declined rapidly. For both arrival cohorts, more than 40% of low-skill ESWP holders gained permanent residence status by the 5th year, and 51% of the 2006 cohort became permanent residents by the 10th year.

These results are consistent with the findings from previous studies that suggested that opportunities and motivations jointly influence the likelihood of TFWs transitioning to permanent residence status in Canada (Lu and Hou 2017;





Table 4

**Residence status of new work permit holders by year since the initial work permit type, 2006 and 2011 arrival cohorts**

	Year <sup>1</sup> after initial work permit									
	1	2	3	4	5	6	7	8	9	10
	percent									
<b>OWP holders</b>										
<b>2006 arrival cohort</b>										
Only had OWP	55.1	16.0	10.7	8.4	6.2	3.9	2.4	1.6	1.1	0.8
Had other types of temporary residence status	29.4	23.7	15.6	9.4	5.6	3.6	2.3	1.6	1.1	0.7
Received permanent residence status	11.7	22.6	31.4	36.7	40.0	42.9	44.7	46.0	46.8	47.4
No valid residence status in Canada	3.8	37.7	42.3	45.5	48.2	49.6	50.5	50.9	51.0	51.1
<b>2011 arrival cohort</b>										
Only had OWP	59.9	29.8	19.9	12.7	8.5	...	...	...	...	...
Had other types of temporary residence status	30.9	25.3	16.8	10.6	7.2	...	...	...	...	...
Received permanent residence status	3.8	11.2	21.5	28.8	33.9	...	...	...	...	...
No valid residence status in Canada	5.5	33.7	41.7	48.0	50.4	...	...	...	...	...
<b>High-skill ESWP holders</b>										
<b>2006 arrival cohort</b>										
Only had high-skill ESWP	59.2	31.8	20.0	12.2	8.6	6.2	4.6	3.3	2.5	1.8
Had other types of temporary residence status	2.6	2.6	2.1	1.7	1.4	1.1	1.0	0.8	0.6	0.4
Received permanent residence status	2.6	7.2	11.7	14.5	16.0	17.4	18.2	19.0	19.5	19.8
No valid residence status in Canada	35.5	58.4	66.2	71.5	74.0	75.2	76.1	76.9	77.4	78.0
<b>2011 arrival cohort</b>										
Only had high-skill ESWP	67.5	39.9	24.5	12.9	8.0	...	...	...	...	...
Had other types of temporary residence status	2.4	3.3	3.0	2.1	1.6	...	...	...	...	...
Received permanent residence status	1.6	4.8	10.9	14.4	16.6	...	...	...	...	...
No valid residence status in Canada	28.6	52.0	61.6	70.6	73.9	...	...	...	...	...
<b>Low-skill ESWP holders</b>										
<b>2006 arrival cohort</b>										
Only had low-skill ESWP	79.7	60.5	26.1	17.3	14.9	13.7	12.7	12.3	11.3	10.2
Had other types of temporary residence status	3.5	8.8	25.7	14.5	11.3	6.2	4.5	3.0	1.9	1.2
Received permanent residence status	0.9	4.1	18.0	35.7	40.2	45.6	47.3	48.9	50.0	50.7
No valid residence status in Canada	16.0	26.6	30.2	32.5	33.6	34.5	35.5	35.8	36.8	37.9
<b>2011 arrival cohort</b>										
Only had low-skill ESWP	81.1	53.9	29.7	18.5	11.4	...	...	...	...	...
Had other types of temporary residence status	5.3	20.4	26.5	16.7	10.7	...	...	...	...	...
Received permanent residence status	0.5	4.3	18.5	35.5	43.4	...	...	...	...	...
No valid residence status in Canada	13.0	21.4	25.4	29.2	34.5	...	...	...	...	...

... not applicable

1. Use calendar year—i.e., "1" is 2007 for 2006 cohort, and 2012 for 2011 cohort.

**Note:** Percentages for each year may not add up to 100.0% because of rounding. OWP: open work permit; ESWP: employer-specific work permit.**Source:** Statistics Canada, Canadian Employer–Employee Dynamics Database.

Prokopenko and Hou 2018). High-skill TFWs have more pathways to apply for permanent residence status in Canada, but they are highly sought after internationally, and many may not have strong motivations to seek permanent residence in Canada. In comparison, low-skill TFWs have fewer pathways to permanent residence status, but many of them still find ways to become landed immigrants.

## Summary

Temporary foreign workers (TFWs) in Canada are differentiated by the job restrictions of their work permits. TFWs with employer-specific work permits (ESWPs) can work only in a designated firm or occupation, while TFWs with open work permits (OWPs) can work for any employer. From 2001 to 2016, the number of TFWs with an OWP increased from 87,000 to 377,700. The number of high-skill ESWP holders increased from 106,700 to 135,900, while the number of low-skill ESWP holders increased from 34,400 to 77,800. OWP holders accounted for 76% of the

increase in the total number of TFWs over the 15-year period, and their share among all TFWs also rose from 37% to 62%.

The proportion of OWP holders with T4 earnings tended to be higher than that of high-skill ESWP holders, but lower than that of low-skill ESWP holders. In 2016, 61% of OWP holders had T4 earnings, compared with 44% of high-skill ESWP holders and 85% of low-skill ESWP holders. Among TFWs with T4 earnings, OWP holders had lower median annual earnings than both low-skill and high-skill ESWP holders.

As a proxy measure of their role in the total labour supply, OWP holders accounted for 1.2% of total T4 earners in Canada in 2016, compared with 0.3% for high-skill ESWP holders and 0.3% for low-skill ESWP holders. Because of their low average annual T4 earnings, OWP holders had a similar share in the total T4 earnings compared with high-skill ESWP holders (about 0.6% each), while low-skill ESWP holders had the lowest share, at about 0.1%.





The three types of TFWs were concentrated in different industrial sectors. High-skill ESWP holders were overrepresented in professional, scientific and technical services, and in arts, entertainment and recreation. Low-skill ESWP holders were overrepresented in agriculture, forestry, fishing and hunting. In comparison, the industrial distribution of OWP holders was more diverse. On one hand, they were overrepresented in sectors where young and less-educated Canadian workers are highly concentrated, such as accommodation and food services; administrative and support, waste management and remediation services; and retail trade. On the other hand,

they were also overrepresented in professional, scientific and technical services—the segment of the labour market where university-educated Canadian workers are relatively concentrated.

In terms of their transition pathways in Canada, low-skill ESWP holders tended to maintain valid residence status in Canada longer than high-skill ESWP holders and OWP holders. In particular, low-skill ESWP holders had the highest rate of transition to permanent residence status, followed by OWP holders.

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