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Abstract

This study examines annual trends in the employment and earnings of foreign workers in the Canadian food manufacturing industry and in specific subsectors (e.g., meat product manufacturing, dairy product manufacturing). The main objective of the analysis is to provide a deeper understanding of the use of foreign workers in food manufacturing—a sector with relatively high concentrations of foreign workers.

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Introduction

Foreign workers are a growing segment of the Canadian labour force. Yet, they make up only a relatively small percentage of all workers and spread across Canada's many industries. Therefore, it is difficult to fully assess their impact on the labour market. The main objective of this study is to provide a deeper understanding of the use of foreign workers in food manufacturing—a sector with relatively high concentrations of foreign workers.

Based on its total production value, the food and beverage processing industry is the second-largest manufacturing industry in Canada, accounting for 17% of total manufacturing sales and 2% of national gross domestic product in 2019 (Agriculture and Agri-Food Canada 2020). It was the largest manufacturing employer in 2019, with 290,000 workers. Meat product manufacturing was the largest subsector of this industry, accounting for 25% of all manufacturing sales, followed by dairy product manufacturing (12.3%).

The food manufacturing industry is a highly innovative one (Statistics Canada 2019).¹ A large majority of firms in the industry (72%) introduced either a product, process, organizational or marketing innovation during the fiscal years 2016 to 2018, and almost half introduced a process innovation (48%). However, despite high innovation rates, many of the food manufacturing industry's processes require strenuous manual labour and remain physically demanding. Like employers in the agricultural sector, many employers in the food manufacturing industry have difficulties attracting domestic employees and—therefore—experience labour shortages. One of the ways in which the industry is attempting to alleviate such shortages is by turning to foreign workers. Although the prevalence of foreign workers in food manufacturing is well below that in agriculture, the share of foreign workers in food manufacturing is substantial and warrants a detailed analysis.

For the purpose of this study, the term “foreign worker” refers to a temporary resident who is working in Canada and receiving a T4 slip (Statement of Remuneration Paid) from an employer in the food manufacturing industry. This captures temporary residents who are authorized to work with a work permit (i.e., under the Temporary Foreign Worker Program [TFWP] or International Mobility Program [IMP]), as well as those who are authorized to work without a permit (e.g., refugee claimants), certain study permit holders and those who hold any other type of permit except visitor visas. Permanent residents are not considered foreign workers.

The study examines annual trends in the employment and earnings of foreign workers in the food manufacturing industry and in specific subsectors (e.g., meat product manufacturing, dairy product manufacturing). The analysis covers the period from 2005 to 2017—the latest year for which information about foreign workers was available at the time of writing. The longitudinal aspect of the data allows the study to also examine the transition from temporary to permanent resident status among foreign workers in this industry.

1. This study was conducted using the Innovation in the Food Processing Industry Survey 2018, in which an innovation is defined as “the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organization method in business practices, workplace organization or external relations.” (Innovation in the Food Processing Industry Survey 2018 questionnaire). Details on the definition of each of the four types of innovation (i.e., product innovation, process innovation, marketing innovation and organizational innovation) can be found in the survey questionnaire.

Data

The main data source used for this study was the Canadian Employer–Employee Dynamics Database (CEEDD). The CEEDD is a linkage environment that contains information from multiple administrative files that can be linked to each other through unique individual and business identifiers. Among its main components are T4 files (Statement of Remuneration Paid) issued to all employees by their employers at the end of each calendar year and also submitted to the Canada Revenue Agency (CRA). The T4 files contain information on firm-specific individual annual earnings. More importantly, because T4 files contain both business identifiers and the individual identifiers of the workers these firms employed, they serve as a key link for identifying all paid workers—including foreign workers—employed by all Canadian enterprises from 2005 to 2017.²

Another CEEDD component is the temporary residents files—a subset of the Longitudinal Immigration Database (IMDB), which contains essential information on non-permanent Canadian residents, such as their basic demographic characteristics (e.g., age and sex), country of origin and document type (e.g., refugee claimant, study permit, work permit). The temporary residents files cover all permits (excluding visitor visas) issued from 1980 to 2018. Through unique individual identifiers, individuals in the temporary residents files can be linked to the T4 files to identify foreign workers and establish their work and earnings histories in Canada.

One of the advantages of the T4 files is the availability of the enterprise’s four-digit North American Industry Classification System (NAICS) code, which makes it possible to identify firms and workers in food manufacturing (NAICS code 311). The three-digit NAICS code can be broken down further into four-digit subsector codes, such as dairy product manufacturing (3115), meat product manufacturing (3116), seafood product preparation and packaging (3117), and bakeries and tortilla manufacturing (3118). The detailed industry codes can be used in combination with geographic information to paint a detailed picture of the firms employing foreign workers.

The unique individual identifiers available in the T4 files are longitudinally consistent and each individual can be followed over time, which makes it possible to analyze foreign workers’ employment and earnings trajectories, as well as their rate of transition to permanent residence in Canada.

Analysis

The first step in the analysis is to shed light on the relative importance of foreign workers in the food manufacturing industry. Table 1 shows the distribution of all workers and foreign workers in the food manufacturing industry across the five subsectors mentioned in the previous section.^{3,4} The top panel shows the annual distribution of all workers for each year from 2005 to 2017. More than one-quarter of all workers in food manufacturing were employed in meat product manufacturing, and the share of those employed in this subsector remained fairly stable from 2011 to 2017 (between 28% and 28.7%). The second-largest subsector was bakeries and tortilla manufacturing, with about 20.5% of all employees in food manufacturing employed in this subsector in 2017. Dairy product manufacturing and seafood product preparation and packaging employed similar shares of workers in both 2005 (11.8% and 13.6%, respectively) and 2017 (10.3% and 9.8%, respectively).

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2. If a worker had multiple T4 records, any record showing employment in the food manufacturing industry was used. Therefore, this study included workers whose main job (i.e., the one with the highest earnings) was in food manufacturing, as well as those whose main job was not in food manufacturing but who had other jobs in this industry.
 3. All workers in year *t* include all individuals who were issued a T4 slip in that year, regardless of their immigrant status (e.g., Canadian citizen, permanent resident, temporary resident). The term “foreign workers” is defined in the introduction.
 4. Other food manufacturing includes snack food, coffee and tea, flavouring syrup, seasoning, and dressing manufacturing.

The bottom panel of Table 1 shows the distribution of foreign workers across the same five subsectors. Meat product manufacturing was the largest employer of foreign workers among all subsectors from 2005 to 2016 and was the second largest in 2017. The share of foreign workers employed in this subsector was lower in 2017 (27.1%) than in 2005 (33.8%), and substantially lower than in 2008 (50%). The share of foreign workers in the seafood product preparation and packaging subsector increased nearly fivefold from 2005 (3.2%) to 2017 (14.7%), while the share of those in dairy product manufacturing declined from 8.5% to 3.9% over the same period.⁵ The bakeries and tortilla manufacturing subsector employed over one-quarter of all foreign workers in food manufacturing in 2017 (27.9%), and this percentage was slightly lower in 2005 (24.2%).

Table 1
Distribution of workers, by industry subgroup in food manufacturing

	Food manufacturing	Dairy	Meat	Seafood	Bakeries and tortilla	Other food manufacturing
	percent					
All workers						
2005	100.0	11.8	26.0	13.6	16.3	32.3
2006	100.0	11.5	30.4	12.9	16.8	28.3
2007	100.0	11.8	30.4	12.0	16.8	28.9
2008	100.0	11.9	29.3	12.0	17.0	29.8
2009	100.0	12.3	28.9	13.0	16.8	29.1
2010	100.0	12.6	29.1	12.0	16.5	29.7
2011	100.0	12.3	28.5	11.8	16.8	30.6
2012	100.0	12.4	28.1	11.5	17.5	30.5
2013	100.0	10.9	28.0	11.3	19.2	30.5
2014	100.0	11.2	28.2	11.0	19.1	30.5
2015	100.0	11.0	28.7	10.6	19.1	30.6
2016	100.0	11.4	28.2	10.5	18.5	31.5
2017	100.0	10.3	28.6	9.8	20.5	30.8
Foreign workers						
2005	100.0	8.5	33.8	3.2	24.2	30.3
2006	100.0	4.8	42.5	3.8	22.8	26.2
2007	100.0	4.9	49.2	3.9	20.0	22.0
2008	100.0	4.1	50.0	4.4	22.2	19.3
2009	100.0	4.3	47.7	5.3	21.5	21.3
2010	100.0	4.1	44.3	6.9	20.1	24.6
2011	100.0	4.2	35.8	11.7	21.6	26.6
2012	100.0	4.0	31.8	14.6	23.4	26.3
2013	100.0	3.2	29.5	15.3	23.5	28.4
2014	100.0	3.5	30.8	17.1	22.3	26.2
2015	100.0	3.7	32.9	15.6	22.8	25.1
2016	100.0	4.1	29.1	16.3	25.1	25.4
2017	100.0	3.9	27.1	14.7	27.9	26.5

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

Table 2 compares the overall trends in the percentage of foreign workers in all industrial sectors with the trends specific to food manufacturing. The growth in the overall share of foreign workers in food manufacturing from 2005 to 2017 outpaced the growth in the share of foreign workers as a whole, reaching 3.9% in 2017. Among the subsectors studied, the highest share of foreign workers in 2017 was observed in seafood product preparation and packaging (5.9%), where it had more than doubled since 2011 (2.5%). With the exception of the seafood subsector, the growth in the share of foreign workers

5. However, almost all of the decline occurred between 2005 and 2006.

seems to have slowed in all subsectors following the recession in 2008 and 2009. The lowest percentage of foreign workers in 2017 was observed in dairy product manufacturing (1.5%).

Table 2
Counts and shares of foreign workers among all workers in food manufacturing

	All industry		Food manufacturing		Dairy		Meat		Seafood		Bakeries and tortilla		Other food manufacturing	
	count	share percent	count	share percent	count	share percent	count	share percent	count	share percent	count	share percent	count	share percent
2005	180,600	1.1	4,700	1.2	400	0.9	1,600	1.6	100	0.3	1,100	1.9	1,400	1.2
2006	201,900	1.2	5,000	1.4	200	0.6	2,100	1.9	200	0.4	1,100	1.9	1,300	1.3
2007	240,900	1.4	6,500	1.8	300	0.7	3,200	2.9	300	0.6	1,300	2.1	1,400	1.4
2008	289,500	1.6	8,800	2.5	400	0.8	4,400	4.2	400	0.9	2,000	3.2	1,700	1.6
2009	313,000	1.8	9,200	2.8	400	1.0	4,400	4.6	500	1.1	2,000	3.6	2,000	2.0
2010	327,700	1.9	8,800	2.7	400	0.9	3,900	4.1	600	1.6	1,800	3.3	2,200	2.3
2011	343,900	1.9	8,500	2.6	400	0.9	3,000	3.2	1,000	2.5	1,800	3.3	2,300	2.2
2012	378,700	2.1	9,300	2.8	400	0.9	3,000	3.2	1,400	3.6	2,200	3.8	2,400	2.5
2013	412,100	2.3	9,900	3.0	300	0.9	2,900	3.2	1,500	4.1	2,300	3.7	2,800	2.8
2014	439,200	2.4	10,500	3.2	400	1.0	3,200	3.5	1,800	4.9	2,400	3.7	2,800	2.7
2015	450,000	2.4	11,000	3.3	400	1.1	3,600	3.8	1,700	4.8	2,500	3.9	2,800	2.7
2016	479,900	2.6	12,100	3.5	500	1.2	3,500	3.6	2,000	5.5	3,000	4.8	3,100	2.8
2017	547,400	2.9	14,100	3.9	500	1.5	3,800	3.7	2,100	5.9	3,900	5.3	3,700	3.4

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

From a different perspective on the relative importance of foreign workers in food manufacturing, Table 3 shows the annual earnings shares of foreign workers as a proportion of earnings received by all workers in different subsectors of the food manufacturing industry.

Although the employment share of foreign workers in food manufacturing was 3.9% in 2017 (Table 2), their earnings share was only 2.3% (Table 3). The difference in their employment and earnings likely results from the combination of fewer months of work and lower wages among foreign workers relative to Canadian-born workers. Although the earnings share for foreign workers in food manufacturing was smaller than the employment share, the relative gap was slightly smaller than that between the earnings (1.6%) and the employment (2.9%) shares of all foreign workers in Canada.

The earnings share of foreign workers in seafood product preparation and packaging in 2017 (5.1%) was 2.7 percentage points higher than that in meat product manufacturing (2.4%), although the total earnings of foreign workers in the latter sector were about two and a half times as high (\$89.9 million) as in the former (\$35.6 million).

Table 3
Annual T4 earnings and shares of foreign workers among all workers in food manufacturing

	All industry		Food manufacturing		Dairy		Meat		Seafood		Bakeries and tortilla		Other food manufacturing	
	total earnings (\$1000)	share percent	total earnings (\$1000)	share percent	total earnings (\$1000)	share percent	total earnings (\$1000)	share percent	total earnings (\$1000)	share percent	total earnings (\$1000)	share percent	total earnings (\$1000)	share percent
2005	6,217,811	0.8	129,005	1.1	24,061	1.1	34,596	1.2	1,786	0.2	20,348	1.4	48,213	1.1
2006	6,174,440	0.8	137,459	1.2	19,666	1.0	52,357	1.5	2,083	0.3	22,231	1.5	41,121	1.1
2007	7,519,422	0.9	185,711	1.6	23,577	1.1	73,076	2.1	2,428	0.4	25,973	1.7	60,657	1.5
2008	8,861,219	1.1	257,192	2.2	24,250	1.2	129,531	3.7	5,208	0.7	37,994	2.4	60,208	1.5
2009	9,656,687	1.2	296,606	2.5	26,847	1.3	140,948	4.1	6,650	0.9	50,076	3.2	72,085	1.9
2010	10,016,329	1.2	284,753	2.4	28,405	1.3	131,112	3.7	8,863	1.4	40,820	2.7	75,553	1.9
2011	10,661,811	1.3	259,848	2.3	27,047	1.3	98,398	2.9	17,619	2.6	41,021	2.8	75,762	2.0
2012	12,115,067	1.4	235,580	2.1	26,044	1.2	77,373	2.3	25,743	3.8	37,400	2.5	69,021	1.8
2013	13,748,378	1.6	249,422	2.1	18,743	1.1	83,026	2.4	27,304	4.0	49,231	2.6	71,117	1.8
2014	14,363,364	1.6	277,113	2.3	21,953	1.2	96,060	2.8	31,765	4.8	47,750	2.4	79,584	2.0
2015	14,090,719	1.5	283,889	2.2	25,050	1.3	108,762	2.4	30,293	4.4	41,071	2.2	78,713	1.9
2016	13,981,961	1.6	287,876	2.3	34,868	1.8	97,400	2.7	32,703	4.6	37,413	2.2	85,491	2.0
2017	14,713,654	1.6	297,695	2.3	26,736	1.5	89,919	2.4	35,599	5.1	63,527	2.9	81,914	1.9

Note: All dollar amounts are presented in 2017 constant dollars.

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

Foreign nationals working in food manufacturing are primarily young men with work permits under the International Mobility Program and an unspecified skill level

Most foreign workers in the food manufacturing industry were aged 34 or younger in 2017 and close to half (43.3%) were in the 25 to 34 age group (Table 4). Only 10.1% were 45 or older. Although a large majority of foreign workers in food manufacturing in 2017 were men, the majority of foreign workers in bakeries and tortilla manufacturing were women (52.9%). In contrast, only 24.1% of foreign workers in meat product manufacturing were women.

Table 4
Characteristics of foreign workers in food manufacturing, 2005 and 2017

	Food manufacturing		Meat		Seafood		Bakeries and tortilla		Other food manufacturing (including dairy)	
	2005	2017	2005	2017	2005	2017	2005	2017	2005	2017
All	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Age					percent					
0 to 24	14.9	22.6	14.6	11.8	x	18.5	19.1	34.7	11.8	23.2
25 to 34	39.5	43.3	41.4	41.2	x	40.6	40.7	47.2	36.3	42.9
35 to 44	29.7	24.0	31.0	34.8	x	30.9	24.8	13.4	32.9	20.7
45 and older	15.9	10.1	13.1	12.2	x	10.0	15.3	4.7	19.0	13.2
Gender										
Male	69.4	60.3	77.9	75.9	x	53.2	60.3	47.1	68.8	61.9
Female	30.6	39.7	22.1	24.1	x	46.8	39.7	52.9	31.2	38.1
Permit type										
Work-TFWP	28.9	26.1	38.2	28.1	x	73.8	10.9	3.9	33.3	21.6
Work-IMP	68.5	62.1	59.9	65.3	87.8	16.7	84.4	77.6	64.5	66.8
Study, refugee or other permit holder without a work permit	2.6	11.9	x	6.6	x	9.5	x	18.6	x	11.6
Skill level on work permit										
High skill	10.7	7.5	x	8.0	x	x	12.6	8.0	13.5	9.3
Low skill	24.4	25.5	35.6	30.5	x	74.2	x	x	30.3	19.8
Skill level unknown	62.3	55.2	57.2	54.9	79.1	14.7	80.6	72.3	53.9	59.3
No work permit	2.6	11.9	x	6.6	x	9.5	x	18.6	x	11.6
Firm size										
1 to 20	16.1	19.1	x	2.7	x	x	31.0	35.0	16.6	26.4
21 to 100	22.9	22.7	10.0	8.9	x	13.2	32.4	36.2	25.7	27.2
Over 100	61.0	58.2	85.3	88.4	x	82.6	36.6	28.8	57.7	46.4
Province										
Atlantic provinces	x	14.5	x	x	x	90.0	x	x	x	x
Quebec	17.8	24.1	10.9	33.2	x	x	27.8	23.8	18.6	26.8
Ontario	50.9	29.7	29.2	18.3	x	x	59.1	42.2	67.8	42.2
Prairie provinces	21.9	17.2	56.7	43.3	x	x	x	8.6	x	9.8
British Columbia	7.6	14.4	x	3.5	x	6.2	x	23.9	7.5	19.4
Territories/unknown	x	x	x	x	x	x	x	x	x	x
Average earnings (2017 constant dollars)	27,600	21,100	21,900	23,500	12,100	17,200	17,900	16,100	39,800	25,300
Relative average earnings (%)	87.8	59.5	71.7	63.2	78.9	85.6	74.5	54.8	100.6	62.0

x suppressed to meet the confidentiality requirements of the *Statistics Act*

Notes: All earnings are rounded to the nearest 100. TFWP stands for Temporary Foreign Worker Program and IMP stands for International Mobility Program.

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

Foreign nationals can be authorized to work in Canada under two major programs: the TFWP and the IMP. In addition, some foreign nationals may be authorized to work in Canada without a work permit. In 2017, the overall share of foreign workers in the industry whose work permits were issued under the IMP was 62.1%—a decline from 2005 (68.5%). By comparison, the share of students, refugee claimants and other permit holders who did not hold a valid work permit increased from 2.6% in 2005 to 11.9% in 2017. For these individuals, information specifically available on a work permit (e.g., skill level) was missing. The share of foreign workers with no work permit was particularly high in bakeries and tortilla manufacturing (18.6%) compared with other subsectors in 2017.

Of all foreign workers in the food manufacturing industry, 25.5% were low skilled and 7.5% were high skilled. More than half of all foreign workers (55.2%) had a valid work permit, but the skill level on the work permit was unknown. This is likely because these foreign workers had an open work permit, which

does not require them to specify their skill level. However, 74.2% of foreign workers employed in the seafood sector were known to work in low-skilled occupations. The share of foreign workers with an unknown skill level on their work permit was particularly high in bakeries and tortilla manufacturing (72.3%).

A much smaller share of foreign workers in food manufacturing worked in Ontario in 2017 compared with 2005

The data show a substantial geographic shift in the share of foreign workers in the food manufacturing industry (Table 4). In 2005, more than half of all foreign workers in food manufacturing worked in Ontario (50.9%). This share fell to 29.7% in 2017, driven by large declines in each subsector. By comparison, the share of foreign workers in the Atlantic provinces was essentially negligible in 2005, but increased to 14.5% in 2017. This increase was driven by a significant increase in seafood product preparation and packaging, a subsector in which the presence of foreign workers was minor in 2005 but grew substantially by 2017 (Table 1). By 2017, 90% of all foreign workers in this subsector were employed in the Atlantic provinces (Table 4).

Most foreign workers (58.2%) in 2017 worked in firms with more than 100 employees. This percentage has declined slightly since 2005, when 61% of all foreign workers in food manufacturing worked in such firms.

Overall there was a noticeable drop in the average earnings of foreign workers between 2005 and 2017, with certain subsectors showing some increases

Although the average annual earnings of foreign workers in the food manufacturing industry decreased from \$27,600 in 2005 to \$21,100 in 2017, they increased among those employed in two subsectors: meat product manufacturing (from \$21,900 in 2005 to \$23,500 in 2017), and seafood product preparation and packaging (from \$12,100 in 2005 to \$17,200 in 2017). The variation in annual earnings over time could be driven by many factors, such as changes in required skill levels, hourly wages and annual working hours. An in-depth analysis of the factors behind these variations has not been done because important information on these factors with regard to foreign workers in the industry is not available in the data.

Foreign workers in food manufacturing came from various countries

Foreign workers in food manufacturing represented a broad spectrum of source countries and no single source country dominated the distribution (Table 5). Three of the five source countries with the highest shares of foreign workers in food manufacturing were the same in 2017 as in 2005 (i.e., Mexico, China and the Philippines). However, while the shares of foreign workers from Mexico and China remained stable in both years, the share of foreign workers from the Philippines increased from 5.5% in 2005 to 12.8% in 2017. Foreign workers from the Philippines represented nearly one-third of foreign workers employed in meat product manufacturing (30.2%) and 16.7% of those employed in seafood product preparation and packaging.

Table 5
Source country of foreign workers in food manufacturing, 2005 and 2017

	Food manufacturing	Meat	Seafood percent	Bakeries and tortilla	Other food manufacturing (including dairy)
2005					
Top five source countries that year					
El Salvador	8.9	25.5	x	x	x
Mexico	9.8	x	x	x	19.0
Jamaica	4.3	x	x	x	10.8
China	5.2	x	x	x	x
Philippines	5.5	10.2	x	x	x
Other countries	66.2	54.8	86.5	86.5	61.8
2017					
Top five source countries that year					
Mexico	10.2	3.7	34.6	x	11.9
France	7.1	x	x	16.0	7.4
China	6.4	4.0	10.0	5.6	7.6
Philippines	12.8	30.2	16.7	4.2	3.2
India	12.1	7.8	x	18.3	14.8
Other countries	51.4	52.9	35.7	54.0	55.0

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

The two other countries with substantial shares of foreign workers in food manufacturing in 2017 were France and India. Foreign workers from India represented the largest single share of foreign workers in bakeries and tortilla manufacturing (18.3%), followed by foreign workers from France (16%).

The shares of foreign workers making a transition to permanent resident status fell for cohorts entering food manufacturing in the early 2010s compared with previous cohorts

At some point, foreign workers in Canada may apply and obtain permanent resident status if they meet applicable eligibility criteria. This study looked at the eight entry cohorts that obtained their first permit between 2005 and 2013. The transition rates to permanent resident status⁶ are shown in Table 6. Almost two-thirds (63.2%) of the 2005 entry cohort made a transition to permanent resident status at some point between their entry year and 2018—the end of the observation period. Of the 2005 cohort, 49.5% made a transition in the first five years since entry (i.e., between 2006 and 2010), and 23% made a transition in the first two years following their entry into Canada. In contrast, only 41.7% of the 2013 cohort made a transition to permanent resident status in the first five years following entry (i.e., from 2014 to 2018), and only 5.4% made this transition in the first two years.

6. The transition rates to permanent resident status were calculated for the share of each entry cohort that became a permanent resident at some point since they first entered, as well as the share of each cohort that made the transition in the first, second, third, fourth, or fifth year after entry.

Table 6
Transition to permanent resident status among foreign workers in food manufacturing

	Number of years since first entry to Canada with a temporary permit					
	First five years	1	2	3	4	5
	percent					
2005 entry cohort	49.5	2.9	20.1	12.1	9.4	5.1
2006 entry cohort	46.6	4.6	14.6	10.5	11.9	5.1
2007 entry cohort	51.5	1.3	14.8	15.7	10.9	8.8
2008 entry cohort	47.9	2.9	11.4	15.2	11.1	7.3
2009 entry cohort	43.4	1.6	8.6	13.8	10.2	9.3
2010 entry cohort	41.6	2.0	6.4	9.6	12.7	11.0
2011 entry cohort	37.3	1.1	5.7	8.9	10.7	11.0
2012 entry cohort	39.7	1.4	6.2	9.3	9.8	13.0
2013 entry cohort	41.7	1.0	4.4	10.1	13.1	13.1

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

Conclusion

The share of foreign workers in the food manufacturing industry—the second-largest manufacturing industry in Canada—increased steadily from 2005 to 2017, especially in seafood product preparation and packaging, where it reached 5.9% in 2017. In 2017, most foreign workers in food manufacturing arrived through the IMP, which does not require a Labour Market Impact Assessment. Although no particular country dominated as a source of workers, almost half of all foreign workers employed in food manufacturing in 2017 came from Mexico, France, China, India or the Philippines.

The study examines the employment and earnings of foreign workers in the food manufacturing industry and several of its key subsectors, including meat product manufacturing, dairy product manufacturing, and seafood preparation and packaging. The relative earnings of foreign workers in the food processing industry showed significant variations over time and by subsector. An in-depth analysis of the factors behind these variations has not been conducted because important information on the skill levels required, hourly wages and duration of employment of the foreign workers in the industry is not available in the data.

Following their entry into food manufacturing, many foreign workers made a transition to permanent resident status. However, the share of those who did so over the five-year post-entry period fell sharply—from 49.5% for the 2005 entry cohort to 41.7% for the 2013 entry cohort.

In response to the growing need for full-time, non-seasonal workers in the Canadian agri-food sector, the government recently launched a new three-year pilot that began accepting applications on May 15, 2020, and will run until May 2023. The pilot “will test an industry-specific approach to help employers in the meat processing, mushroom and greenhouse production, and livestock-raising industries fill ongoing labour needs for full-time, year-round employees” (Immigration, Refugees and Citizenship Canada 2020). It has created a new pathway for foreign workers in the agri-food sector to obtain permanent resident status.

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