

**Brief by the
Alberta Federation of Labour**



**Temporary Foreign Worker Program –
Report on Approvals at Minimum Wage**

May, 2014



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Executive Summary

It is a requirement of the program to pay at or above the prevailing regional wage rate of any particular occupation and this notion that employers are paying substantially less than what Canadians would make is simply totally factually untrue.

- Jason Kenney, CBC The National, December 11, 2012

New research released by the Alberta Federation of Labour (AFL) shows that the federal government approved thousands of employers to hire workers through the Temporary Foreign Worker Program (TFWP) at below-market wage rates, despite a clear-cut government policy that requires these workers get paid wages on par with or higher than their Canadian counterparts.

The study is the first of its kind to zero in on work permits issued for Temporary Foreign Workers at minimum wage and to examine all Canadian provinces.

The latest AFL audit of permits issued by the Harper government focused on approvals for workers to be paid the provincial minimum wage – the lowest wage allowed by province – and compared that to the wages that the workers were *supposed* to be paid: the prevailing median wage for that particular occupation.

The results are shocking: of the 15,006 approvals, more than 14,500 were allowed to offer wages that were lower than what the government says these workers should be paid. The wages were below the prevailing wage rate anywhere from a few cents to \$11.45 an hour too low.

TFWP regulations give Minister Kenney's department the power to deny work permits if wages offered a worker in the Program are below prevailing regional wages for that particular occupation.¹

¹ See section 203 of the *Immigration and Refugee Protection Regulations*, <http://laws-lois.justice.gc.ca/eng/regulations/sor-2002-227/page-83.html#h-107>

Any wage rate below the prevailing regional wage rate will put downward on the wages of all workers in that field and region. In other words, offering workers in the TFWP below-market wages is a rip off. It's a rip off of the worker in the TFWP as well as Canadians and landed immigrant working in the same occupation.

This research only scratches the surface of negative effects the TFWP has on the Canadian labour market. Research previously released by the AFL showed 224 permits in Alberta for just above the minimum wage, but still below the prevailing market wage paid to Canadians.

TFWP Wage Policies

All workers in the TFWP, except babysitters, nannies and parents' helpers (nannies) and agricultural workers, are supposed to be paid wages “**consistent with the prevailing wage rate for the occupation**”² **within the region where they are to be employed. These prevailing wages are listed on** the federal government’s Job Bank website: <http://www.jobbank.gc.ca/>

Exceptions to the TFWP wage policy: Domestic caregiving work and agricultural workers

The wages of nannies and live-in caregivers (NOC 6474)³ and farm workers (NOC 8431)⁴ are set by the government, rather than allowing the labour market to determine them through the prevailing regional wage.

Until 2012, the government allowed employers to pay these workers the provincial minimum wage – the lowest they can legally pay a worker - rather than paying them the higher prevailing regional wage.

Since 2012, the government set these wages above the minimum wage. In the case of nannies, this wage is only slightly higher than the minimum wage. For farm workers, this wage is much higher.

Meaning, the government has set, and continues to set wages for these workers at rates below market wages, thereby undermining the Canadian labour market.

There is some discrepancy in terms of when these wages were increased and when the access-to-information requests occurred. Some, but not all, of the approvals we received break the government’s stated wage policies. Despite this, in all cases, the wages were set at rates that undermine the Canadian labour market.

² Employment and Social Development Canada, “Temporary Foreign Worker Program Manual,” http://www.edsc.gc.ca/eng/jobs/foreign_workers/manual/bul-20130204-foreign-currency.shtml

³ Minimum wages for caregivers can be found here: http://www.edsc.gc.ca/eng/jobs/foreign_workers/caregiver/index.shtml

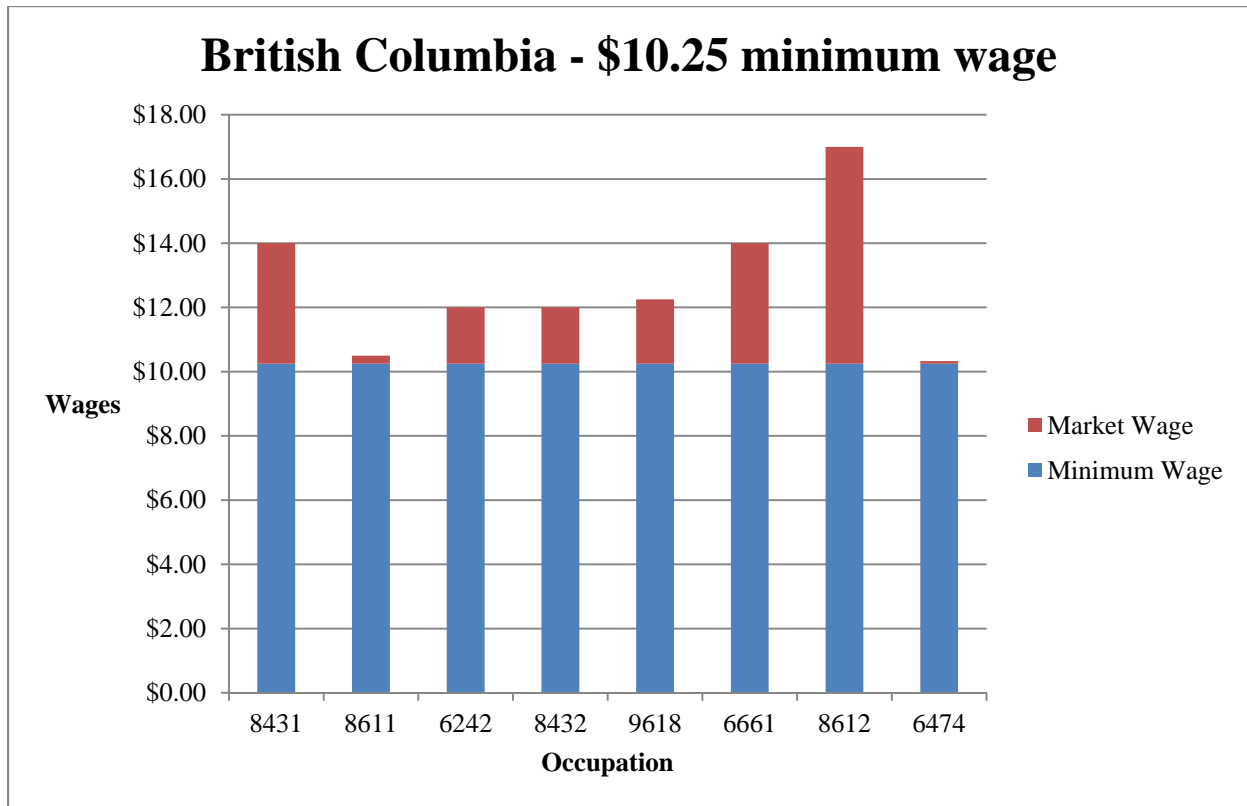
⁴ Minimum wages for agricultural workers in the TFWP can be found here: http://www.edsc.gc.ca/eng/jobs/foreign_workers/agriculture/commodities.shtml

Methods

Through *Access to Information* requests to the federal government, the AFL received information on approvals to hire workers through the TFWP (the LMOs), by province, by National Occupation Code, by minimum wages offered by province. The AFL submitted one request per province for the minimum wages as follows:

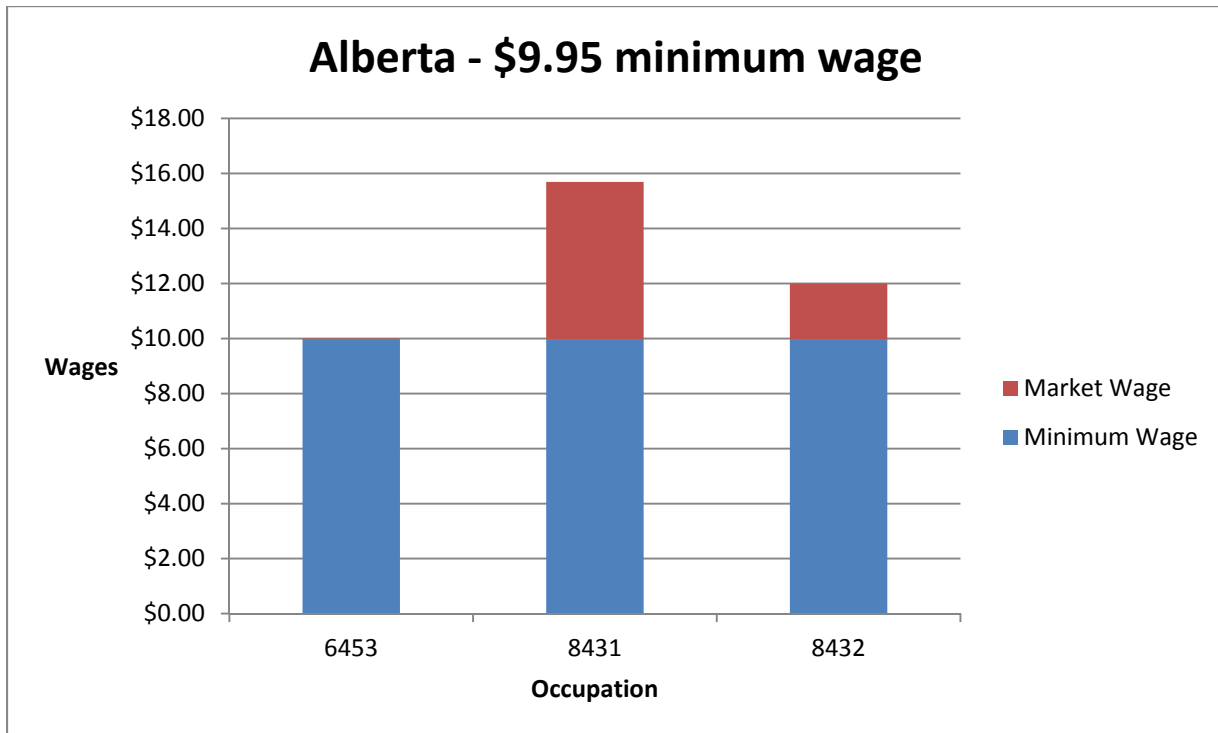
| Province | Minimum Wage | Dates | Total number of approvals for minimum-wage workers | Number of approvals for below-market wages |
|---------------------------|--------------|--|--|--|
| BC | \$10.25 | May 1, 2012 to February 10, 2014 | 26 | 25 |
| Alberta | \$9.95 | September 1, 2013 to February 10, 2014 | 30 | 30 |
| Alberta | \$9.05 | September 1, 2011 to February 10, 2014 | 2 | 2 |
| Saskatchewan | \$10.00 | December 1, 2012 to February 10, 2014 | 149 | 148 |
| Manitoba | \$10.25 | October 1, 2012 to February 10, 2014 | 41 | 41 |
| Ontario | \$10.25 | March 31, 2010 to February 10, 2014 | 13,926 | 13,924 |
| Quebec | \$10.15 | May 1, 2013 to February 10, 2014 | 581 | 248 |
| Newfoundland and Labrador | \$10.00 | July 1, 2010 to February 10, 2014 | 77 | 76 |
| New Brunswick | \$10.00 | April 1, 2012 to February 10, 2014 | 39 | 26 |
| Nova Scotia | \$10.30 | April 1, 2013 to February 10, 2014 | 74 | 65 |
| Prince Edward Island | \$10.00 | April 1, 2012 to February 10, 2014 | 36 | 30 |
| Northwest Territories | \$10.00 | April 1, 2011 to February 10, 2014 | 1 | 0 |
| Nunavut | \$11.00 | January 1, 2011 to February 10, 2014 | 10 | 9 |
| Yukon | \$10.54 | April 1, 2013 to February 10, 2014 | 1 | 1 |

British Columbia
\$10.25/hour Minimum Wage



| Province | NOCs | Occupation | Number of Approvals | Minimum Wage | Prevailing Median Regional Wage | Wage rip off |
|----------|------|---|---------------------|--------------|---------------------------------|--------------|
| BC | 8431 | General farm workers | 8 | \$10.25 | \$14.00 | (\$3.75) |
| BC | 8611 | Harvesting labourers | 6 | \$10.25 | \$10.50 | (\$0.25) |
| BC | 6242 | Cooks | 5 | \$10.25 | \$12.00 | (\$1.75) |
| BC | 8432 | Nursery and greenhouse workers | 2 | \$10.25 | \$12.00 | (\$1.75) |
| BC | 9618 | Labourers in fish processing | 1 | \$10.25 | \$12.25 | (\$2.00) |
| BC | 6661 | Light duty cleaners | 1 | \$10.25 | \$14.00 | (\$3.75) |
| BC | 8612 | Landscaping and grounds maintenance labourers | 1 | \$10.25 | \$17.00 | (\$6.75) |
| BC | 6474 | Babysitters, nannies and parents' helpers | 1 | \$10.25 | \$10.33 | (\$0.08) |

Alberta
\$9.95/hour Minimum Wage

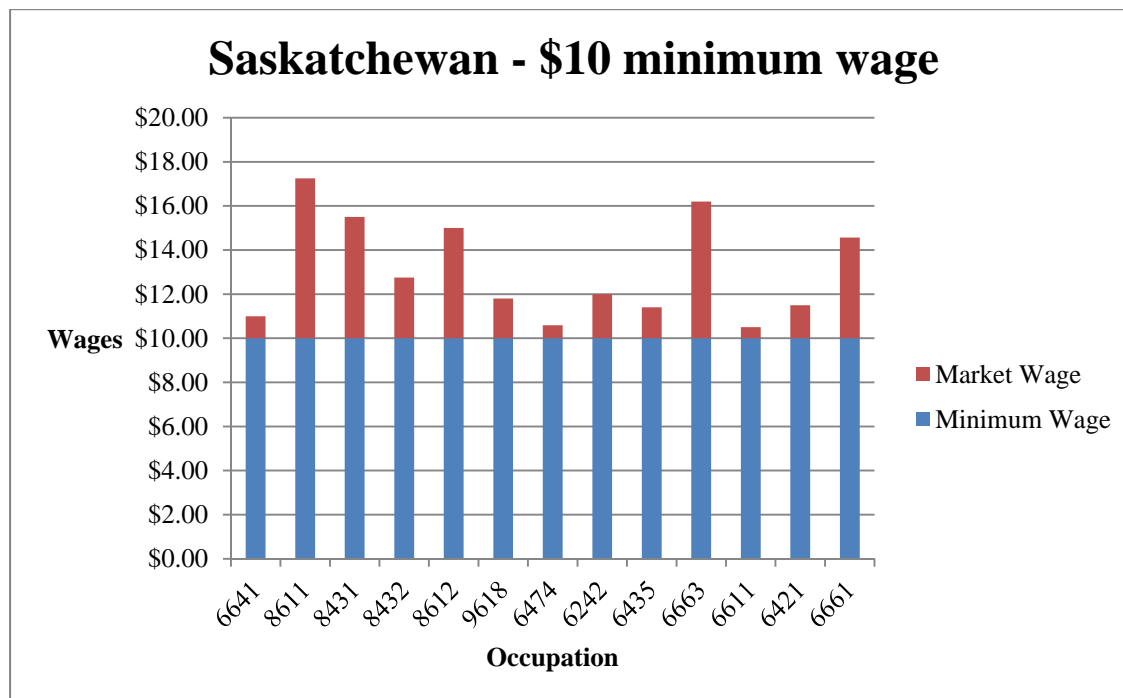


| Province | Minimum | NOCs | Occupation | Number of Approvals | Market Wage | Wage Rip Off |
|----------|---------|------|--------------------------------|---------------------|-------------|--------------|
| Alberta | \$9.95 | 6453 | Food and beverage servers | 7 | \$10.00 | (\$0.05) |
| Alberta | \$9.95 | 8431 | General farm workers | 3 | \$15.69 | (\$5.74) |
| Alberta | \$9.95 | 8432 | Nursery and greenhouse workers | 20 | \$12.00 | (\$2.05) |

Alberta
\$9.05/hour Minimum Wage (for liquor servers)

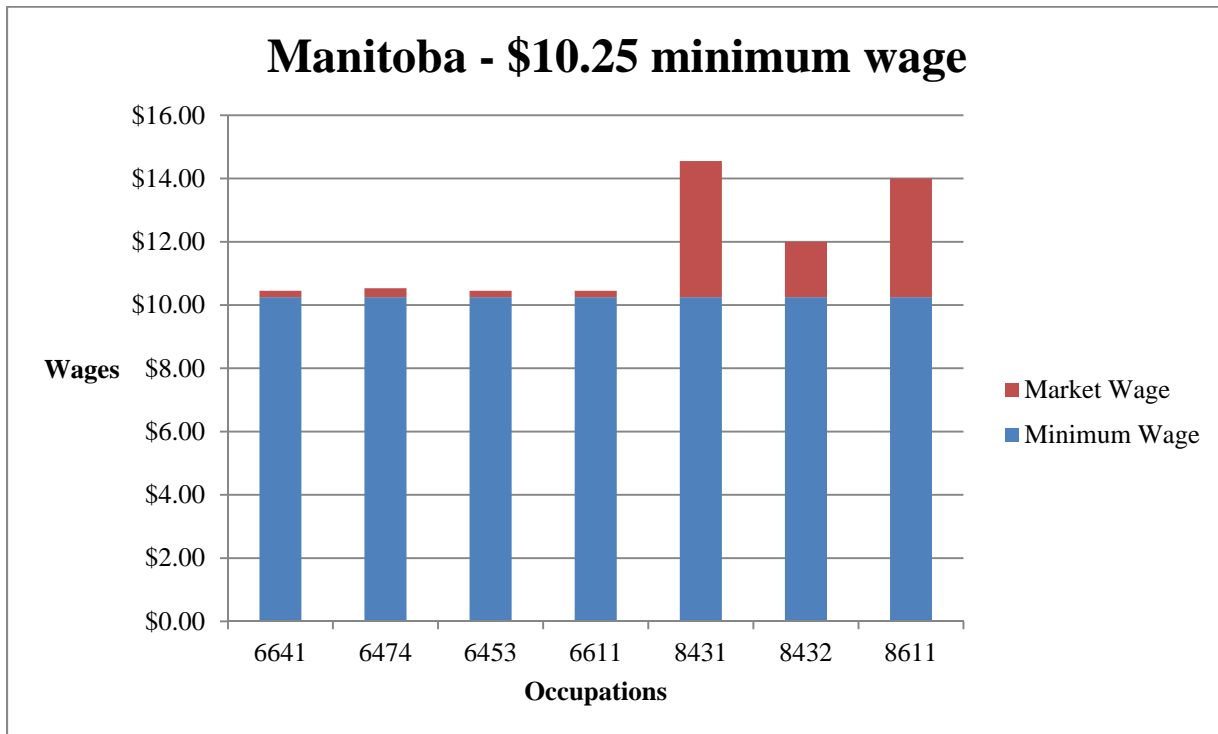
| Province | Minimum | NOCs | Occupation | Number of Approvals | Market Wage | Wage Rip Off |
|----------|---------|------|---------------------------|---------------------|-------------|--------------|
| Alberta | \$9.05 | 6453 | Food and beverage servers | 2 | \$10.00 | (\$0.95) |

Saskatchewan
\$10.00/hour Minimum Wage



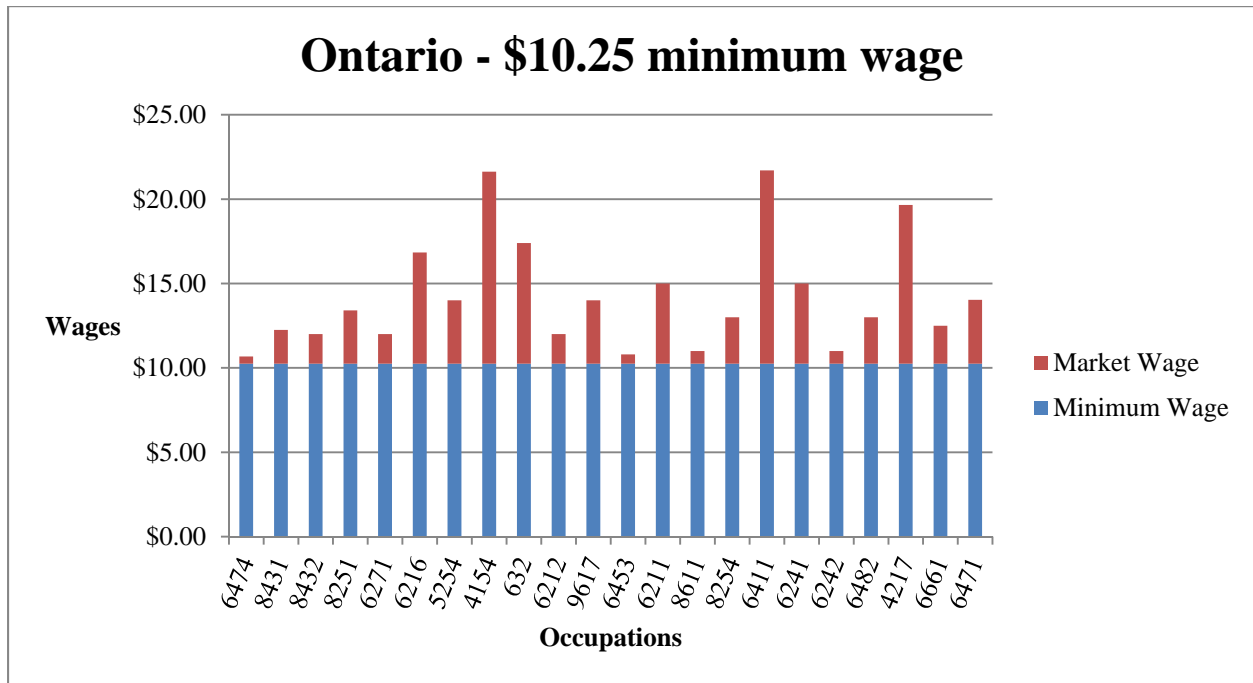
| Province | Minimum Wage | NOCs | Occupation | Number of Approvals | Prevailing Median Regional Wage | Wage Rip Off |
|--------------|--------------|------|--|---------------------|---------------------------------|--------------|
| Saskatchewan | \$10.00 | 6641 | Food counter attendants, kitchen helpers and related | 39 | \$11.00 | (\$1.00) |
| Saskatchewan | \$10.00 | 8611 | Harvesting labourers | 9 | \$17.25 | (\$7.25) |
| Saskatchewan | \$10.00 | 8431 | General farm workers | 15 | \$15.50 | (\$5.50) |
| Saskatchewan | \$10.00 | 8432 | Nursery and greenhouse workers | 7 | \$12.75 | (\$2.75) |
| Saskatchewan | \$10.00 | 8612 | Landscaping and grounds maintenance labourers | 1 | \$15.00 | (\$5.00) |
| Saskatchewan | \$10.00 | 9618 | Labourers in fish processing | 1 | \$11.80 | (\$1.80) |
| Saskatchewan | \$10.00 | 6474 | Babysitters, nannies and parents' helpers | 26 | \$10.59 | (\$0.59) |
| Saskatchewan | \$10.00 | 6242 | Cooks | 5 | \$12.00 | (\$2.00) |
| Saskatchewan | \$10.00 | 6435 | Hotel front desk clerks | 1 | \$11.40 | (\$1.40) |
| Saskatchewan | \$10.00 | 6663 | Janitors, caretakers and building supervisors | 1 | \$16.20 | (\$6.20) |
| Saskatchewan | \$10.00 | 6611 | Cashiers | 4 | \$10.50 | (\$0.50) |
| Saskatchewan | \$10.00 | 6421 | Chefs | 1 | \$11.50 | (\$1.50) |
| Saskatchewan | \$10.00 | 6661 | Light duty cleaners | 1 | \$14.57 | (\$4.57) |

Manitoba
\$10.25/hour Minimum Wage



| Province | Minimum | NOCs | Occupation | Number of LMOs | Market Wage | Wage Rip Off |
|----------|---------|------|--|----------------|-------------|--------------|
| Manitoba | \$10.25 | 6641 | Food counter attendants, kitchen helpers and related | 6 | \$10.45 | (\$0.20) |
| Manitoba | \$10.25 | 6474 | Babysitters, nannies and parents' helpers | 8 | \$10.53 | (\$0.28) |
| Manitoba | \$10.25 | 6453 | Food and beverage servers | 2 | \$10.45 | (\$0.20) |
| Manitoba | \$10.25 | 6611 | Cashiers | 3 | \$10.45 | (\$0.20) |
| Manitoba | \$10.25 | 8431 | General farm workers | 13 | \$14.55 | (\$4.30) |
| Manitoba | \$10.25 | 8432 | Nursery and greenhouse workers | 6 | \$12.00 | (\$1.75) |
| Manitoba | \$10.25 | 8611 | Harvesting labourers | 3 | \$14.00 | (\$3.75) |

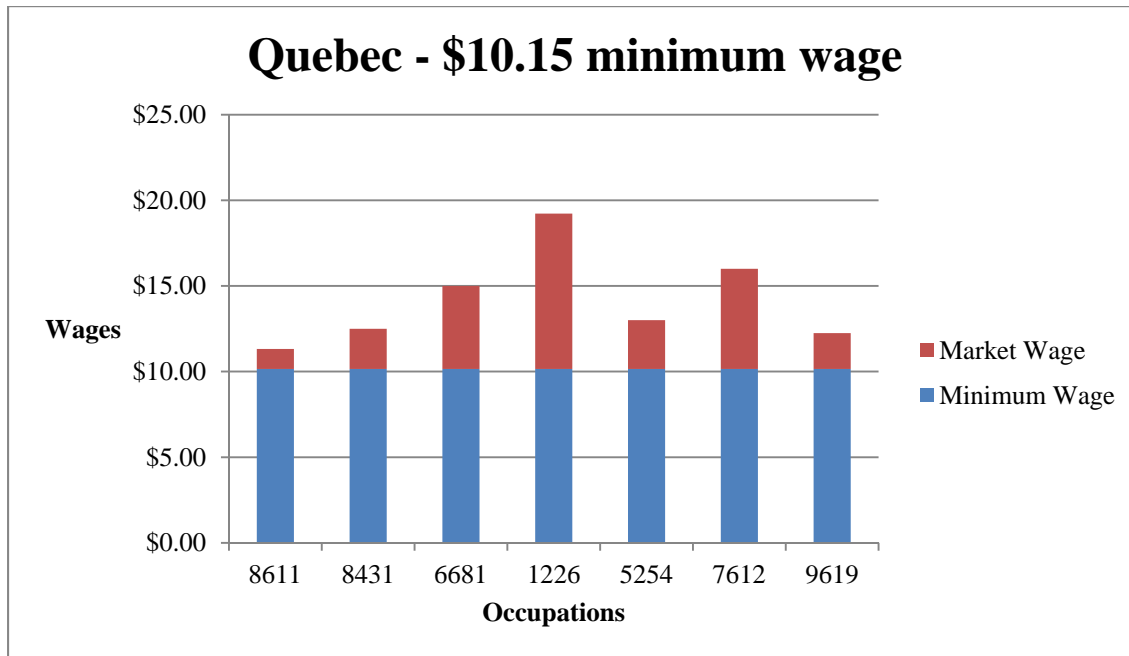
Ontario
\$10.25/hour Minimum Wage



| Province | NOCs | Occupation | Number of Approvals | Minimum | Prevailing Median Regional Wage | Wage Rip Off |
|----------|------|--|---------------------|---------|---------------------------------|--------------|
| Ontario | 6474 | Babysitters, nannies and parents' helpers | 12227 | \$10.25 | \$10.68 | (\$0.43) |
| Ontario | 8431 | General farm workers | 1267 | \$10.25 | \$12.25 | (\$2.00) |
| Ontario | 8432 | Nursery and greenhouse workers | 361 | \$10.25 | \$12.00 | (\$1.75) |
| Ontario | 8251 | Farmers and Farm Managers | 6 | \$10.25 | 13.41 | (\$3.16) |
| Ontario | 6271 | Hairstylists and Barbers | 1 | \$10.25 | \$12.00 | (\$1.75) |
| Ontario | 6216 | Campground supervisor | 1 | \$10.25 | \$16.84 | (\$6.59) |
| Ontario | 5254 | Program leaders and instructors in recreation, sport and fitness | 20 | \$10.25 | \$14.00 | (\$3.75) |
| Ontario | 4154 | Ministers of religion | 1 | \$10.25 | \$21.63 | (\$11.38) |
| Ontario | 632 | Accommodation service managers | 1 | \$10.25 | \$17.40 | (\$7.15) |
| Ontario | 6212 | Food service supervisors | 3 | \$10.25 | \$12.00 | (\$1.75) |

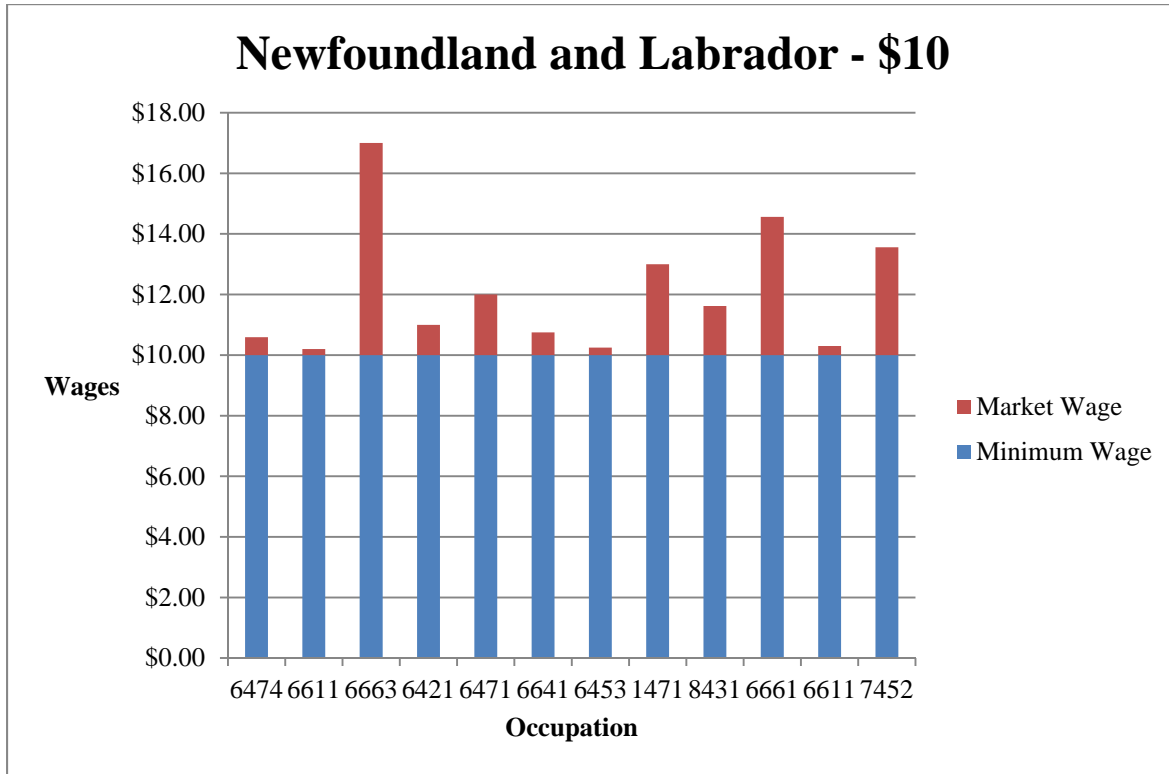
| Province | NOCs | Occupation | Number of Approvals | Minimum | Prevailing Median Regional Wage | Wage Rip Off |
|----------|------|---|---------------------|---------|---------------------------------|--------------|
| Ontario | 9617 | Labourers in food, beverage and tobacco processing | 7 | \$10.25 | \$14.00 | (\$3.75) |
| Ontario | 6453 | Food and beverage servers | 2 | \$10.25 | \$10.80 | (\$0.55) |
| Ontario | 6211 | Retail sales supervisor | 1 | \$10.25 | \$15.00 | (\$4.75) |
| Ontario | 8611 | Harvesting labourers | 7 | \$10.25 | \$11.00 | (\$0.75) |
| Ontario | 8254 | Nursery and greenhouse operators and managers | 4 | \$10.25 | \$13.00 | (\$2.75) |
| Ontario | 6411 | Sales representatives, wholesale trade | 6 | \$10.25 | \$21.70 | (\$11.45) |
| Ontario | 6241 | Chefs | 1 | \$10.25 | \$15.00 | (\$4.75) |
| Ontario | 6242 | Cooks | 4 | \$10.25 | \$11.00 | (\$0.75) |
| Ontario | 6482 | Estheticians, electrologists and related occupations | 1 | \$10.25 | \$13.00 | (\$2.75) |
| Ontario | 4217 | Other religious occupations | 1 | \$10.25 | \$19.65 | (\$9.40) |
| Ontario | 6661 | Light duty cleaners | 1 | \$10.25 | \$12.50 | (\$2.25) |
| Ontario | 6471 | Visiting homemakers, housekeepers and related occupations | 1 | \$10.25 | \$14.03 | (\$3.78) |

Quebec
\$10.15/hour Minimum Wage



| Province | Minimum | NOCs | Occupation | Number of LMOs | Market Wage | Wage Rip Off |
|----------|---------|------|--|----------------|-------------|--------------|
| Quebec | \$10.15 | 8611 | Harvesting labourers | 236 | \$11.32 | (\$1.17) |
| Quebec | \$10.15 | 8431 | General farm workers | 7 | \$12.50 | (\$2.35) |
| Quebec | \$10.15 | 6681 | Dry cleaning and laundry occupations | 1 | \$15.00 | (\$4.85) |
| Quebec | \$10.15 | 1226 | Conference and event planners | 1 | \$19.23 | (\$9.08) |
| Quebec | \$10.15 | 5254 | Program leaders and instructors in recreation, sport and fitness | 1 | \$13.00 | (\$2.85) |
| Quebec | \$10.15 | 7612 | Other trades helpers and labourers | 1 | \$16.00 | (\$5.85) |
| Quebec | \$10.15 | 9619 | Other labourers in processing, manufacturing and utilities | 1 | \$12.25 | (\$2.10) |

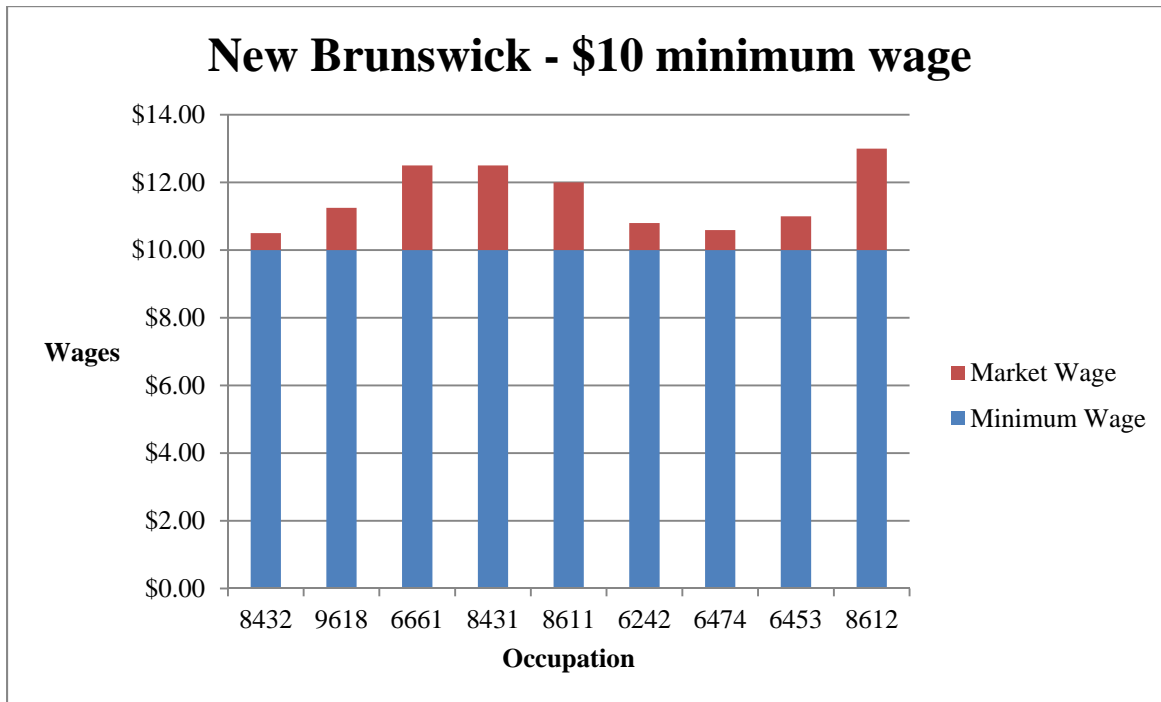
**Newfoundland and Labrador
\$10.00/hour Minimum Wage**



| Province | Minimum Wage | NOCs | Occupation | Number of Approvals | Market Wage | Wage Rip Off |
|---------------------------|--------------|------|---|---------------------|-------------|--------------|
| Newfoundland and Labrador | \$10.00 | 6474 | Babysitters, nannies and parents' helpers | 36 | \$10.59 | (\$0.59) |
| Newfoundland and Labrador | \$10.00 | 6611 | Cashiers | 4 | \$10.20 | (\$0.20) |
| Newfoundland and Labrador | \$10.00 | 6663 | Janitors, caretakers and building supervisors | 1 | \$17.00 | (\$7.00) |
| Newfoundland and Labrador | \$10.00 | 6421 | Retail sales supervisor | 3 | \$11.00 | (\$1.00) |
| Newfoundland and Labrador | \$10.00 | 6471 | Visiting homemakers, housekeepers and related occupations | 1 | \$12.00 | (\$2.00) |
| Newfoundland and Labrador | \$10.00 | 6641 | Food counter attendants, kitchen helpers and related | 13 | \$10.75 | (\$0.75) |
| Newfoundland and Labrador | \$10.00 | 6453 | Food and beverage servers | 11 | \$10.25 | (\$0.25) |
| | | | | | | |

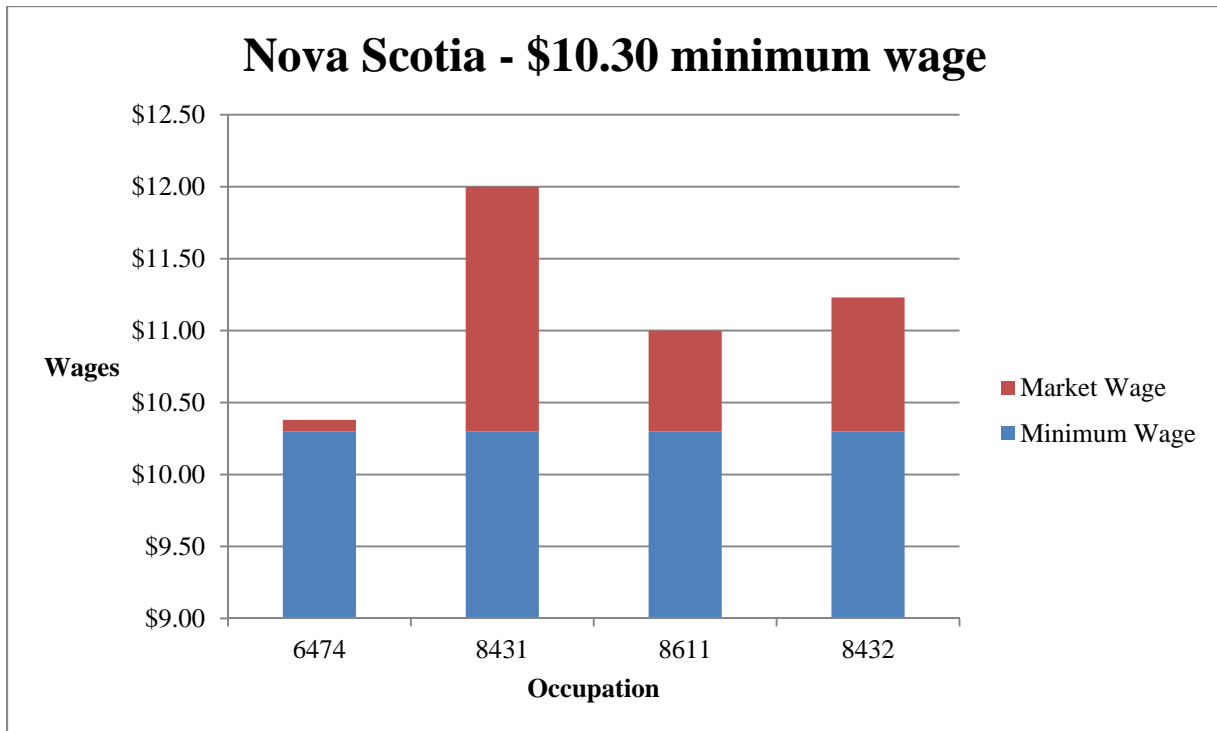
| Province | Minimum Wage | NOCs | Occupation | Number of Approvals | Market Wage | Wage Rip Off |
|---------------------------|--------------|------|------------------------|---------------------|-------------|--------------|
| Newfoundland and Labrador | \$10.00 | 1471 | Shippers and receivers | 1 | \$13.00 | (\$3.00) |
| Newfoundland and Labrador | \$10.00 | 8431 | General farm workers | 1 | \$11.62 | (\$1.62) |
| Newfoundland and Labrador | \$10.00 | 6661 | Light duty cleaners | 2 | \$14.56 | (\$4.56) |
| Newfoundland and Labrador | \$10.00 | 6611 | Cashiers | 2 | \$10.30 | (\$0.30) |
| Newfoundland and Labrador | \$10.00 | 7452 | Material handler | 1 | \$13.56 | (\$3.56) |

New Brunswick
\$10.00/hour minimum wage



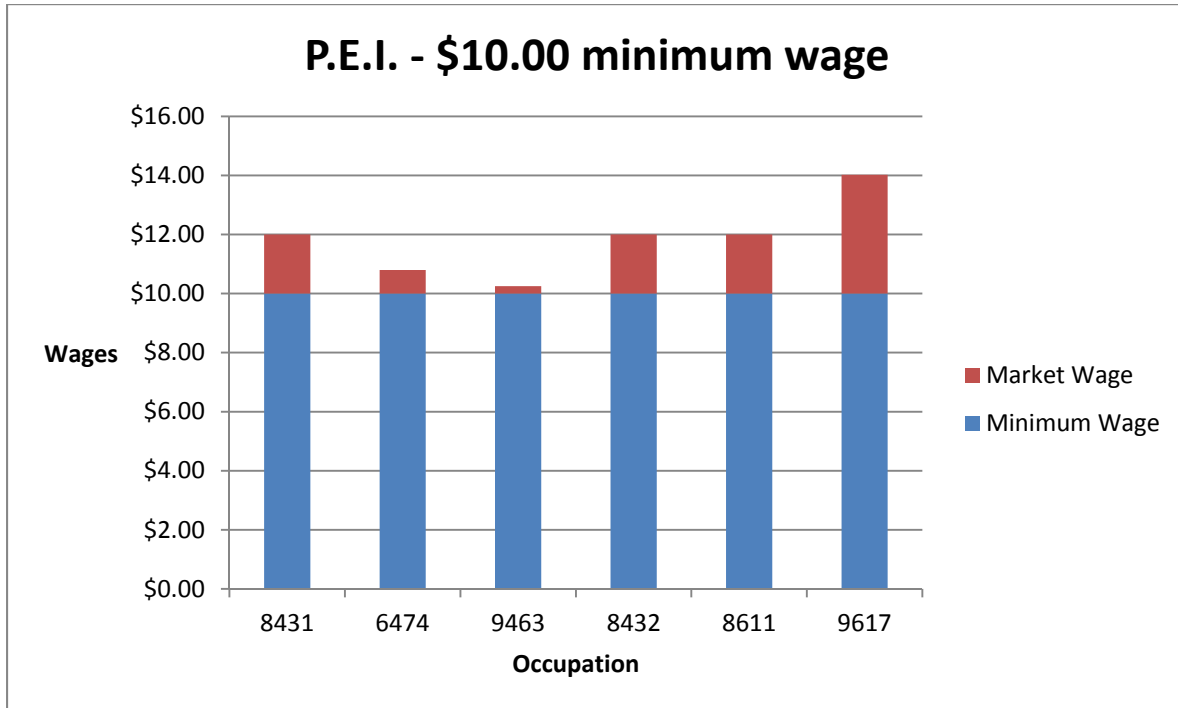
| Province | Minimum Wage | NOCs | Occupation | Number of Approvals | Market Wage | Wage Rip Off |
|---------------|--------------|------|---|---------------------|-------------|--------------|
| New Brunswick | \$10.00 | 8432 | Nursery and greenhouse workers | 2 | \$10.50 | (\$0.50) |
| New Brunswick | \$10.00 | 9618 | Labourers in fish processing | 1 | \$11.25 | (\$1.25) |
| New Brunswick | \$10.00 | 6661 | Light duty cleaners | 1 | \$12.50 | (\$2.50) |
| New Brunswick | \$10.00 | 8431 | General farm workers | 8 | \$12.50 | (\$2.50) |
| New Brunswick | \$10.00 | 8611 | Harvesting labourers | 6 | \$12.00 | (\$2.00) |
| New Brunswick | \$10.00 | 6242 | Cooks | 5 | \$10.80 | (\$0.80) |
| New Brunswick | \$10.00 | 6474 | Babysitters, nannies and parents' helpers | 1 | \$10.59 | (\$0.59) |
| New Brunswick | \$10.00 | 6453 | Food and beverage servers | 1 | \$11.00 | (\$1.00) |
| New Brunswick | \$10.00 | 8612 | Landscaping and grounds maintenance labourers | 1 | \$13.00 | (\$3.00) |

Nova Scotia
\$10.30/hour Minimum Wage



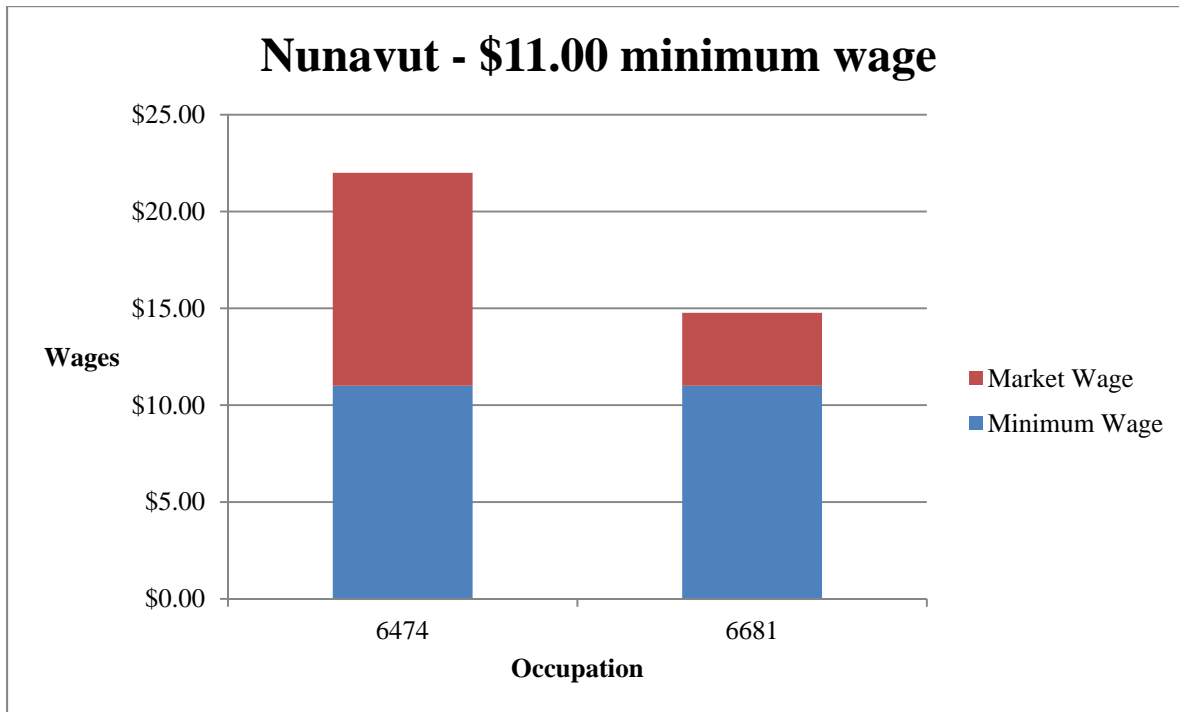
| Province | Minimum Wage | NOCs | Occupation | Number of Approvals | Market Wage | Wage Rip Off |
|-------------|--------------|------|---|---------------------|-------------|--------------|
| Nova Scotia | \$10.30 | 6474 | Babysitters, nannies and parents' helpers | 18 | \$10.38 | (\$0.08) |
| Nova Scotia | \$10.30 | 8431 | General farm workers | 40 | \$12.00 | (\$1.70) |
| Nova Scotia | \$10.30 | 8611 | Harvesting labourers | 2 | \$11.00 | (\$0.70) |
| Nova Scotia | \$10.30 | 8432 | Nursery and greenhouse workers | 5 | \$11.23 | (\$0.93) |

**Prince Edward Island
\$10.00/hour Minimum Wage**



| Province | Minimum Wage | NOCs | Occupation | Number of Approvals | Market Wage | Wage Rip Off |
|----------------------|--------------|------|--|---------------------|-------------|--------------|
| Prince Edward Island | \$10.00 | 8431 | General farm workers | 13 | \$12.00 | (\$2.00) |
| Prince Edward Island | \$10.00 | 6474 | Babysitters, nannies and parents' helpers | 2 | \$10.80 | (\$0.80) |
| Prince Edward Island | \$10.00 | 9463 | Fish plant workers | 3 | \$10.25 | (\$0.25) |
| Prince Edward Island | \$10.00 | 8432 | Nursery and greenhouse workers | 2 | \$12.00 | (\$2.00) |
| Prince Edward Island | \$10.00 | 8611 | Harvesting labourers | 9 | \$12.00 | (\$2.00) |
| Prince Edward Island | \$10.00 | 9617 | Labourers in food, beverage and tobacco processing | 1 | \$14.02 | (\$4.02) |

Nunavut
\$11.00/hour Minimum Wage



| Province | Minimum Wage | NOCs | Occupation | Number of Approvals | Market Wage | Wage Rip Off |
|----------|--------------|------|---|---------------------|-------------|--------------|
| Nunavut | \$11.00 | 6474 | Babysitters, nannies and parents' helpers | 8 | \$11.65 | (\$0.65) |
| Nunavut | \$11.00 | 6681 | Dry cleaning and laundry occupations | 1 | \$14.77 | (\$3.77) |

Yukon
\$10.54/hour Minimum Wage

| Province | Minimum Wage | NOCs | Occupation | Number of Approvals | Market Wage | Wage Rip Off |
|----------|--------------|------|---|---------------------|-------------|--------------|
| Yukon | \$10.54 | 6474 | Babysitters, nannies and parents' helpers | 1 | \$10.59 | (\$0.05) |

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