

Title: Construction Workers' Perception of Temporary Foreign Workers in Metro Vancouver

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Research Question:

What is construction workers' perception of the impact of temporary foreign workers on their economic well-being and specifically on their labour market opportunities?

Importance: The Canadian Temporary Foreign Worker (TFW) Program has requirements concerning wage and job conditions for hiring abroad to ensure there is no adverse effect on local workers. Specifically, the wage offered to TFWs must be the same as the one received by local workers. Basic economic theory predicts, however, that such a requirement is likely to affect short- and long-term economic prospects of resident workers: Pay raises may be delayed and pension benefits diminished accordingly. However, in case of a true shortage of labour, the hiring of temporary foreign workers may prevent delays or cancellation of projects, thereby maintaining economic growth at a higher rate. If employers were compelled to attract workers from within Canada, wages would have to rise and employment would grow less quickly, but already employed workers would see their financial prospects improve. The literature on the public perception of immigrants and the labour market shows that degrees of negative perception vary with workers characteristics. Hence, a temporary foreign worker program such as the one in place in Canada can generate negative perceptions from some employed resident workers and result in resentment and possibly discriminatory attitudes in the workplace in industries experiencing labour shortages.

Research Findings:

The results of a survey of resident construction workers in Metro Vancouver show that a large minority of them consider financial prospects and job competition altered by the presence of TFWs. They also believe TFWs do not have adequate language or training skills. As expected, the degree of negative perception varies with personal characteristics: Younger workers and those with lower skill levels tend to feel more vulnerable to the presence of foreign workers. However, resident workers also greatly overestimate the size of the temporary foreign workforce, which has been shown to be a factor enhancing negative perception.

Implications:

There are strong doubts among construction workers about the ability of TFWs to fill labour shortages without adversely affecting the local workforce. Some responsibility for such perception lies in the lack of information and/or mistrust that the TFW program functions as it should. Hence, two issues that should be considered to improve perception are: first, to develop tools to advertise vacancies within the industry circles and not just generally in the region before requesting TFWs so that resident workers are aware of job opportunities; and second, improve monitoring of foreign workers' employment conditions through policies such as advising services (like in Alberta) where TFWs can check their situation against the program's requirements.