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# Caregiver Policy in Canada and Experiences after the Wildfire: Perspectives of Caregivers in Fort McMurray



Sara Dorow, PhD Associate Professor

Department of Sociology University of Alberta

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# Abbreviations

CIC	Citizenship and Immigration Canada
ESDC	Employment and Social Development Canada
IRCC	Immigration, Refugees and Citizenship Canada
LCP	Live-in Caregiver Program
LMIA	Labour Market Impact Assessment
PR	Permanent Residence
TFWP	Temporary Foreign Work Program

## **Executive Summary: Key Findings**

A survey of 56 live-in caregivers in Fort McMurray found continuing problems with the policy changes made to Caregiver Programs in 2014 by the Government of Canada. A follow-up survey with a sub-group of survey participants found that caregivers face a number of uncertainties in the wake of the May 2016 Fort McMurray wildfire. Issues affecting caregivers are exacerbated and exposed by the events of the fire and the oil price collapse.

#### RE: Policy and Procedural Changes Affecting Caregivers' Lives

- Caregivers are highly aware of changes to policies and procedures in Caregiver Programs, but find policy information difficult to access and interpret.
- Constant changes to policies and procedures are stressful and destabilizing.
- Policy changes made in 2014 compound or create new problems:
  - The new live-out option is an unattainable ideal due to cost, recruiter practices, and employer expectations.
  - The new annual cap on applications for Permanent Residence (PR) is experienced as an indignity and could discourage new applicants to the program.
  - The increase in Labour Market Impact Assessment fees (to \$1,000) and processing times has put caregivers at risk of exploitation.

#### **RE: Transitions in Caregiver Status**

- Changing employers is marked by financial precarity, emotional stress, and diminished agency.
- Transitioning to PR status promises freedom but is a long road with few bridging resources.

#### RE: Effects and Experiences of the Fire

- The uncertainty of continued employment and housing which, for caregivers, are tightly bound together has been emotionally and financially stressful for caregiver evacuees.
- The fire has contributed to fears of disruption to income and to the pathway to PR.
- Caregivers have received multiple forms of assistance in the wake of the fire.

The report recommends that policy reforms focus on the root cause of many of these problems, namely, that the status of caregivers, like other temporary foreign workers, is directly tied to a single employer, greatly curtailing their choices as workers and members of Canadian society.

## Introduction

The main aim of this report is to inform policymakers and the public about live-in caregivers' perspectives on the policies and procedures that affect their lives. The focus of the report is on caregivers in Fort McMurray, Alberta who are in Canada as temporary foreign workers. Results are based on two surveys: 1) a January 2016 survey of caregivers' views of, and experiences with, current government policies and procedures (especially changes implemented in November 2014), and 2) a brief follow-up study with a sub-sample of survey participants regarding the effects of the May 2016 Fort McMurray wildfire. General insight was also gained from 30 members of the Fort McMurray Nanny Network who attended workshops in July 2015 and March 2016 at which survey results were shared and discussed.

n late 2014, the Government of Canada instituted a host of changes to the Live-In Caregiver Program (LCP). Most notable among these changes were the creation of two streams (high-wage and low-wage), the removal of the live-in requirement, and the introduction of an annual cap on the number of Permanent Resident (PR) applications (Table 1). While it was not entirely clear why these changes were put into place, the then Conservative Government seemed concerned about alleged abuses in the program (Curry 2014) and about the number of caregivers and dependents in the PR processing backlog (Citizenship and Immigration Canada 2014). Although the LCP was officially exempt from the reforms, the changes did further align the LCP with broad market-oriented reforms to the Temporary Foreign Worker Program (TFWP) announced the previous June (Dorow, Cassiano, and Doerksen 2015). One TFWP reform that immediately affected caregivers was the June 2014 increase in the Labour Market Impact Assessment (LMIA) fee - the fee that employers pay to have the need for a temporary foreign worker assessed by the federal government – from \$275 to \$1,000.<sup>1</sup>

How these policy changes affect caregivers, and how caregivers perceive these policies, has not been well researched, although advocacy groups have been pointing to some of the problems stemming from the reforms (Tungohan 2015). Building on a previous survey with caregivers in Fort McMurray (Dorow et al. 2015), this report helps to fill the gap by presenting findings from a January 2016 survey that asked caregivers about their awareness of the policy changes, their perspectives on the policy changes, and how

#### TABLE 1: Caregiver Policy Timeline

June 2014 – Conservative Government announces LMIA fee increase and the overhaul of the Temporary Foreign Worker Program (TFWP)

Nov 2014 – Conservative Government implements major changes to the Caregiver Program (two streams, live-out option, PR cap, increased language requirement, market-driven wages)

*Feb 2016* – Liberal Government announces full review of the Temporary Foreign Worker Program

May-June 2016 – House of Commons Standing Committee on Human Resources, Skills, and Social Development conducts review of TFWP

cover the increased costs of program delivery incurred when the TFWP was reformed (http://www.esdc.gc.ca/eng/jobs/foreign\_workers /reform/raise.shtml). Accessed May 2016.

<sup>&</sup>lt;sup>1</sup> ESDC (Employment Services and Development Canada) announced that the fee was necessary to

the changes impact them. Given changes to processing fees and waiting times, caregivers were also asked about their experiences with various government application procedures: the Labour Market Impact Assessment, Work Permit, Permanent Residence (PR), and Open Work Permit.

Policy and procedural changes do not happen in a vacuum. Two factors are especially salient for understanding the experiences of caregivers in Fort McMurray, the population centre of some 80,000 people that serves as urban service area to the Regional Municipality of Wood Buffalo and to the Athabasca Oil Sands. The first of these factors is the sustained oil price collapse: from \$90 a barrel in November 2014, when the new caregiver policies went into effect, to as low as \$30 a barrel in January 2016, when the survey was conducted. In the heart of the oil sands, this has a real impact on employers of caregivers (Figure 1), and thus on caregivers. The second factor is the wildfire that occurred in Fort McMurray in early May 2016, when this report was being drafted. Knowing that the fire would impact caregivers in a number of ways, a brief follow-up survey with a subset of respondents was initiated; the results of that survey are also included in this report.

The timing of these results is significant, as the Liberal Government has launched a muchneeded review of the Temporary Foreign Worker Program. The two reports in our series help point to where reforms are needed in the LCP, in Canada's Caregiver Program (the two new streams) and, to some degree, in the TFWP more generally. Our January 2015 report, Live-in Caregivers in Fort McMurray: A Socioeconomic Footprint, outlined the under-recognized contributions caregivers make to the oil economy: the long and variable hours they put in (mirroring and exceeding those of oil sands workers), the extra work they perform for employers, and the challenges they face in this context. This

second report points to the burden of material and emotional stress experienced by caregivers in the wake of *unpredictable and sometimes confusing policy changes, long and uncertain transition periods as applications are processed, and increased fees and requirements,* while also highlighting the variety of experiences among people in the program.

All survey participants had entered Canada under the "old" program, the Live-in Caregiver Program (LCP), and more than onethird of them had already applied for PR status. Their responses thus bring a set of seasoned perspectives on policy changes and procedural issues. By attending to the oil price collapse and wildfire, the report also demonstrates how the delimited status of foreign workers in Canada increases their vulnerability to economic, social, and environmental risks.

Research for this project was conducted under the project "On the Move: Employment-Related Geographical Mobility in the Canadian Context."



Source: Statistics Canada. Table 282-0008

## About the Study

In December 2015, caregivers in Fort McMurray were invited to participate in an online survey about policy and program issues affecting foreign workers in caregiving jobs. The invitation was extended via the Fort McMurray Nanny Network, including through a short video posted on the Network's Facebook site. The survey was available for several weeks, from mid-December 2015 until early January 2016.

The main survey took about 20 minutes to complete, and included sections on basic background of participants, understanding and awareness of policy changes, perspectives on individual policy reforms, effects of policy changes on their lives, and experiences with application procedures. Questions included closed-ended questions (such as scalar ratings, yes-no questions, and checklists) as well as open-ended comment boxes. Quantitative information was coded and analyzed using descriptive statistics; open-ended comments were analyzed using basic qualitative coding.

Following the Fort McMurray wildfire, a brief follow-up survey was conducted in late May 2016 with a sub-group of survey participants. Respondents were asked how the fire had affected their living and working situation, what kinds of assistance they had received, and what most concerned them in the wake of the fire.

Both surveys received approval from Research Ethics Board 1 of the University of Alberta.

The study was conducted as part of the *On the Move Partnership*, a project of the SafetyNet Center for Occupational Health and Safety Research at Memorial University. *On the Move* is supported by the Social Sciences and Humanities Research Council, the Canada Foundation for Innovation, the Research and Development Corporation of Newfoundland and Labrador, Memorial University, Dalhousie University and numerous other university and community partners in Canada and elsewhere. For more information, visit <u>www.onthemovepartnership.ca</u>.

Marcella Cassiano facilitated one of the workshops, contributed to devising the survey and preparing the data for analysis, and served as research assistant to the overall project for two years. Adam Belton provided assistance with statistical analysis. Many thanks to both for their expert assistance.

Wood Buffalo YMCA Immigrant Settlement Services is the Fort McMurray-based community partner to the On the Move project. My profound thanks to Ramazan Nassery, Coordinator at the YMCA, Cindy Julaton, Coordinator with the Nanny Network, and all participants from the Nanny Network for the opportunity to work with them on this project. It is an honour.

## **About the Participants**

A total of 56 individuals in Fort McMurray filled out the original survey. Given that the population of live-in caregivers in Fort McMurray is estimated to be between 400 and 500, the survey sample most likely represents at least 10% of the target population.

All but one of the respondents were female, and all but one were originally from the Philippines (n=55). More than ninety percent (n=51) had postsecondary education, with almost half (n=25) holding Bachelor degrees.

The vast majority (n=52) had worked in one or two other countries before coming to Canada, with Hong Kong, Taiwan, and Saudi Arabia being the most common.

All of the respondents had entered Canada under the "old" Live-in Caregiver Program, most of them within the last one to three years. All but two reported living in their employer's home.

Most of the respondents cared for pre-school children (n=44), with others caring for school age children, disabled, or elderly people. Sixty percent cared for 1-2 people, while the remaining forty percent cared for three or more individuals. In addition to direct caregiving duties, some seventy percent (n=40) also carried out light duty housecleaning, a valid task under the program regulations. A number of respondents reported being asked to perform activities outside of the scope of the LCP: almost one-fourth reported caring for people other than those for whom they were hired to provide care (n=14) and one in six (n=9) did general household maintenance (such as lawn care, cleaning the car, grocery shopping, etc.). (See Dorow et al. 2015 for more information on the kinds of work performed by caregivers in Fort McMurray.)

More than 50% (n=16) of the 25 invited participants filled out the post-fire survey. Invitations were based on those who had voluntarily provided email addresses in the original survey. All who participated in this brief follow-up survey were female, all had postsecondary education, and all but one were from the Philippines.

## Section One

## **Caregiver Views on Policies and Procedures Affecting Their Lives**

#### Highlights

- Caregivers are highly aware of policy changes, but find them difficult to access and understand.
- The constant changes in policies affecting caregivers' lives are stressful and destabilizing.
- The new live-out option is viewed as an unattainable ideal due to various pressures to live in, especially in the context of Fort McMurray.
- Caregivers view the new cap on Permanent Residence applications as a disincentive for new caregivers and an indignity for all caregivers.
- Increased LMIA fees and processing times put caregivers at risk of additional costs and exploitation, especially amid an economic downturn and especially when they are in the latter part of their 24 months of required work.

Policy changes put in effect by the Conservative government in November 2014 centred on the introduction of the Caring for Children (low-wage) and Caring for People with High Medical Needs (high-wage) streams. The distinctive features of these new pathways were the option to live outside of the employer's home, more stringent language and education requirements, the marketization of wages, and a cap on the annual number of Permanent Residence (PR) approvals. The latter was accompanied by a promise by the federal government to process PR applications within six months. These pathways displaced the existing Live-in Caregiver Program (LCP) while grandfathering in the caregivers who had originally come in under the LCP (i.e., those who entered Canada on an LMO/LMIA application filed before November 30, 2014). (See Dorow et al. 2015 for a more in-depth explanation.)

Effectively, the policy changes of November 2014 created three parallel programs with somewhat different requirements and procedures. Adding to the complexity were first, the possibility for people in the LCP to opt into one of the new categories, and second, the subjection of all caregivers (no matter their program) to the increase in administrative fees (from \$275 to \$1,000) and to the requirements of the Labour Market Impact Assessment. The LMIA determines the market need for a particular category of work and must be secured by a prospective employer before a work permit will be issued to a foreign worker.

While all of the survey participants were in Canada under the "old" LCP program, the implementation of the new policies affected them both directly and indirectly. They were faced with some new choices (e.g., is it worth it to switch to one of the new pathways?), obstacles (e.g., the quadrupling of the LMIA fee imposed on employers and an increased LMIA refusal rate), and uncertainties (e.g., how long PR applications would take, relative to applications in the new streams). In addition, as seasoned participants in migrant caregiving, they could offer important perspectives on the implications of the new policies, especially in the context of Fort McMurray. Survey participants were asked in both closedand open-ended questions about their perspectives on:

- access to, awareness of, and understanding of Canadian policy on foreign caregivers
- the impacts of the policy changes (including on their rights as caregivers)
- specific policy changes: the implementation of two streams, the option to live out, the language requirement, the cap on PR approvals, and the increased LMIA fee.

### I. Challenges of the Changing Policy Landscape

In workshops and interviews conducted with caregivers in Fort McMurray from 2012 to 2016, a consistent theme was the anxiety caregivers experienced in an environment of unpredictable changes in federal policies and procedures (see also Salami et al. 2016). Much of this anxiety stemmed from trying to understand how specific policies or procedures might affect their particular individual and family situation.

The survey began by assessing the degree to which caregivers in Fort McMurray felt they were able to navigate and understand federal policies, including the slate of policy revisions that went into effect in November 2014.

Survey findings indicated that policies are difficult to access and understand. A majority of respondents reported that it was somewhat or very difficult to find information (59%) and to understand the rules (67%) regarding Caregiver Program rules and regulations (Figure 2).



Regarding the specific policy reforms implemented in 2014, 57% (n=32) of participants felt that they understood them only somewhat or not at all.

When respondents were asked if they were *aware* of specific policy changes, the majority indicated awareness of the changes, although this varied from 66% to 93% depending on the policy issue (Figure 3). Respondents were least aware of the linking of wages to regional market conditions and were most aware of their option to apply for PR under one of the new streams.



It is difficult to assess why caregivers might have more awareness of some policy changes over others. It is likely that the higher awareness regarding the continued option to live in (91%) and the option to apply for PR under one of the new streams (92%) is a reflection of the importance of these issues to LCP caregivers. In both open-ended survey responses and informal workshop discussions, caregivers in Fort McMurray showed great interest in these two issues as especially impactful in their lives (see Section II below).

### **II. Views on Specific Policy Changes**

Respondents were asked to rate how positively or negatively they perceived each of a series of 2014 policy changes affecting the Caregiver Program. After rating a specific policy change, they were invited to explain their positive or negative assessment and to offer comment on how that policy might have impacted them.

The introduction of two new policy streams was given a relatively neutral assessment by the participants: 43% gave a neutral rating to the general changes in November 2014, and 39% rated the creation of the two new streams (Caring for Children and Caring for People with High Medical Needs) as neutral.

However, these were the only two assessments where the highest proportion of responses fell into the neutral category. Respondents felt more strongly about the implementation of the new language testing requirement and the removal of the live-in requirement (Figure 4), although as discussed below, their comments reveal complex and context-specific reasons for their varying assessments of these policy changes.

Two areas of policy where caregivers were more united in their perspectives were the new annual cap on PR applications and the higher LMIA fee of \$1,000 (Figure 4). Their comments reveal frustration over the PR cap, especially given the history of the importance to Canada of the Live-in Caregiver Program (and its predecessor, the and the Foreign Domestics Movement – see Tungohan 2014). Respondents' experiences with the changes in LMIA fees and procedures demonstrate new vulnerabilities for caregivers.



Note: five-point scale (very positive, somewhat positive, neither, somewhat negative, very negative) re-coded to a three-point scale; "don't know" was an option but no respondents chose it on these questions.

The sections that follow consider perspectives on each specific policy change in turn, moving from what caregivers saw as the least to the most negative and problematic changes.

#### a. the language requirement

Caregivers applying for permanent residency under one of the two new streams (i.e., for those whose employer submitted an LMIA application after November 30, 2014) must pass a language test in English or French and show completion of the equivalent of one year of post-secondary credentialing. While survey respondents were asked only about the language requirement, their comments spoke to both requirements.

In general, those who saw the new requirement as a positive change (30%) emphasized the importance of building and demonstrating one's skills. Caregivers remarked that it "shows our proficiency" and focused on the importance of language for communicating successfully in Canada. At the workshop discussion in March 2016, some participants pointed out that caregivers who felt positively about this new requirement might be those who emphasize the importance of other career goals.

Respondents who felt negatively about the change provided extensive commentary. They pointed to the extra stress of yet another requirement, as well as the additional costs in time and money to what was already a complicated process. As one workshop participant pointed out, the test itself is \$200 and for some there is the additional cost of traveling 450 kilometres to Edmonton to sit the exam. Others felt that the language test was an unnecessary added burden for people who had already worked hard to meet the requirements of the program and had been using English in their jobs for two or more years. One survey comment capture the range of issues raised:

"We're all gonna work here for 24 months in our English-speaking employers and family. It means that we know and understand how to speak in English. It makes the processing longer. And this [requirement] is very degrading." Of further concern were the barriers to improving education and skill while working as a caregiver or while transitioning to PR, which was most profoundly felt while on an Open Work Permit (see Section 5).

# b. discontinuation of the requirement to live in

While the dissolution of the requirement for caregivers to live in their employers' home was the policy revision most lauded by the federal government in 2014, respondents' comments highlight the importance of context and of restricted trade-offs. Some of their comments about the near impossibility of living out focused on what can be summarized as "the Fort McMurray factor": a combination of high cost of living (in October 2015, a one-bedroom apartment rented for  $(1,500^2)$ , long cold winters, a lean public transportation system, and highly variable working hours. Some respondents pointed out that living out was inconvenient for caregivers and also, sometimes, for employers. In addition, several indicated that as newcomers to Canada and to Fort McMurray, they felt more secure with live-in arrangements.

Those who offered positive comments on living out noted the chance for "more freedom," increased privacy, and, importantly, the ability to control working conditions – especially given the potential for employers to abuse working hours. This is a salient point in Fort McMurray, where long and nonstandard shift rotations in the oil sands can translate into unpredictable and extra working hours for caregivers (Dorow et al. 2015).

However, respondents were in general agreement that the practicalities of their context made living out an unattainable ideal. As one survey respondent put it:

"For me I prefer to be live-in but just want to say how happy we are if we live out because we have freedom, but on the other side we can't have enough money to sustain the rent. Especially in Fort McMurray."

Under the LCP, employers can deduct room and board from the minimum wages paid to caregivers, thus simultaneously saving on the cost of childcare and home ownership (Dorow et al. 2015). While employers are no longer allowed to deduct room and board if a live-in arrangement is established with a caregiver under one of the two new streams, the Fort McMurray context – high rent for caregivers and nonstandard working hours for employers - strongly sets up both employers and caregivers to prefer live-in arrangements (thus complicating the "positives" of the policy change). This context, especially when combined with the economic downturn of 2015-16, has also led to informal and exploitative arrangements around paying for room and board.<sup>3</sup>

Caregivers' preference for living in also stems from the fact that their goals of supporting and eventually sponsoring their families to

<sup>&</sup>lt;sup>2</sup> Wood Buffalo Labour Market Information http://www.woodbuffalo.net/CommunityInfo/Co mmunityResources/Housing/housing.html. Accessed May 2016.

<sup>&</sup>lt;sup>3</sup> The ESDC makes it clear that employers cannot post a job as a live-in arrangement (www.esdc.gc.ca/en/foreign\_workers/hire/caregiv er/requirements.page). However, a quick review of the websites of recruiting agencies revealed that some continue to treat living in as the default arrangement in their advertising and handling of contracts.

immigrate to Canada continue to be tied up in a single employment relationship. For example, some caregivers worried that living out might cause dissatisfaction on the part of the employer (e.g., if their bus was consistently late or they could not be available at a moment's notice) and thus potentially disrupt caregivers' goals: work hard, send money home, and eventually receive PR for them and their family members. Furthermore, paying for housing in Fort McMurray would greatly curtail their ability to save money to support and sponsor family members.

Both of these concerns – upsetting an employer, and the cost of housing – are intensified, as discussed below, by the increase in LMIA fees in a time of economic downturn. In short, the position of caregivers in Canada – a pathway to PR that depends on steady income from a single employer – has the potential to make the new emphasis on living out a double-edged sword.

#### c. annual cap on PR approvals

The caregivers who responded to the survey were almost unanimous in their negative assessment of the federal government's decision to place an annual cap on the number of PR approvals granted per year. In 2016, the cap is set at 2,750 per stream (not including dependents).<sup>4</sup> Even though none of them was directly affected, respondents were concerned about the negative implications for caregivers and their families, employers, and for the Caregiver Program in Canada. For many, the removal of the previously guaranteed pathway to PR (guaranteed as long as program requirements were met) felt like an indignity, especially given how hard caregivers work to support Canadian families and to gain Canadian citizenship, and given what they can offer based on their education and training. In the words of one survey respondent:

"Coming here as a live-in caregiver cost us not just money but our dignity and professions. We deserve to [process our PR] as long as we completed our requirements. That is just our wish: to work here, embrace Canadian beliefs and bring our family so we can be together again."

Interestingly, those few who thought the PR cap was a positive change pointed to a similar ideal: the importance of screening future citizens of Canada.

The most common critique of the new cap among survey respondents was the reduced incentive for international caregivers to apply for jobs in Canada. They pointed out that the uncertainty of reuniting with families and making a life here in Canada would discourage caregivers from applying to the program, and might mean being separated from families for even longer periods. Respondents pointed out that this lost incentive could translate into further difficulty filling caregiving needs for families in Canada.<sup>5</sup>

Along with the introduction of quotas, the federal government promised to reduce the PR processing time to six months for applicants under the two new streams, but for caregivers under the "old" LCP this was

<sup>&</sup>lt;sup>4</sup> The target including dependents is 22,000 for 2016. "Notice – Supplementary Information 2016 Immigration Levels Plan" (IRCC 2016) http://www.cic.gc.ca/english/department/media/ notices/2016-03-08.asp

<sup>&</sup>lt;sup>5</sup> It is difficult to separate out the uncertainties of new rules and procedures from other factors, including the economic downturn and the increased LMIA fee. However, applications for Canada's Caregiver Program were markedly down in 2015, from a quarterly average of positive LMIAs in 2014 of 800, to a quarterly *high* of 278 in July-September 2015 (last quarter reported). ESDC LMIA Quarterly Statistics

<sup>(</sup>http://www.esdc.gc.ca/en/reports/foreign\_worke rs/2015/lmia\_quarterly\_statistics/caregiver.page?).

little comfort. As discussed below (see Section 2), not only are waiting times long, but the processes of applying for work permits, open work permits, and PR are also difficult transition periods for live-in caregivers. These transitions have been further destabilized by two salient events at the epicenter of oil sands production: the economic downturn and the May 2016 wildfire.

# d. increased LMIA fee (\$1,000) and refusal rate

From the perspectives of caregivers, changes in LMIA procedures are highly problematic. Most notable is the increase in the Labour Market Impact Assessment fee (from \$275 to \$1,000) that took effect in July 2014, a change that is compounded by a higher refusal rate for LMIAs. More than three-quarters (77%) of respondents rated the fee increase negatively, and it was a strong negative reaction: more than half of all survey participants rated the fee increase as "very negative."

Open-ended responses reveal several key factors behind caregivers' negative rating of the increased LMIA fee. First, the \$1,000 fee was an added expense for prospective employers that might contribute to their unwillingness or inability to hire a caregiver in the first place, given that they also pay (at least technically) airfare, recruitment, and advertising fees.<sup>6</sup> As one respondent put it,

"For sure the employer will think twice before hiring a caregiver, and the recruitment agency has the reason to charge more from the applicant."

A second and related concern, then, was that the \$1,000 fee could be passed on to caregivers even though the fee is officially to be paid by the employer. Survey comments and workshop discussions surfaced several informal practices by which this can occur. For example, some or all of the cost of an LMIA might be rolled into the service fees charged by the international recruiters that act as gobetweens for employers and caregivers. Once in Canada, other practices arise, such as informal "agreements" between employers and caregivers when a new LMIA is needed, e.g., when changing jobs. For example, respondents knew of situations where a prospective employer had said they would only apply for an LMIA if the caregiver agreed to informally pay or split the \$1,000 fee.

It is crucial to note a number of contextual circumstances that have put downward pressure on caregivers and employers in the two years since the LMIA fee hike, thus leading to informal arrangements.

First, the economic downturn has meant an increased likelihood that a) employers will lay off a caregiver before they have fulfilled their 24 months, b) caregivers will not be able to find another job if laid off, and c) employers will think twice about hiring a caregiver given the extra \$1,000 required. There were more than 40,000 layoffs in the oil sands industry between fall 2014 and early 2016<sup>7</sup>, and continuing cuts to working hours and overtime. As many caregivers pointed out in their survey responses, the new fee was just too expensive for some families, especially in these circumstances. One caregiver wrote:

"For the employers, there's the tendency that some of them can't afford that, especially single mom or dad working alone for their kids."

<sup>&</sup>lt;sup>6</sup> Under the new regulations, employers have to first advertise a position to demonstrate market need to hire a non-Canadian.

<sup>&</sup>lt;sup>7</sup> Many of these layoffs were of mobile workers, but residents were certainly also affected. Home sales in the Fort McMurray area, for example, dropped by 41% in 2015 compared to 2014 (Fort McMurray Realtors, <u>http://www.fmreb.com</u>). Accessed June 2016.

Second, it was apparent by spring 2015 that LMIA applications at ESDC were meeting a higher rate of refusal than in the past. While meant to ensure employers were meeting the new rules, the higher rate of refusal prolonged the LMIA process (see Section 2), putting caregivers who were between employers in a vulnerable position (i.e., unable to work legally, sometimes for months on end) and making them skittish about changing employers – including, importantly, when they faced difficult working conditions.

Third, and perhaps most importantly, these circumstances deepened the vulnerability of caregivers who were in the latter part of the 24 months of work required for PR eligibility. If a caregiver had to change employers with just a few months left before eligibility, they faced difficulties finding an employer willing to pay \$1,000 for an LMIA. Their choices were often limited to employers who happened to hold an active LMIA (LMIAs are good for just six months) or to "bargaining" on pay or other working conditions. Caregivers sometimes take the chance of leaving a job because of unbearable working conditions, but in most cases their loss of employment is due to changing circumstances for the employer, such as loss of work, moving, or going on parental leave.

This combination of factors threatens to further undermine the rights of caregivers and to compound the difficulty of transition points along the pathway to PR, as discussed below (see Section 2).

#### III. Rights

It is apparent that caregivers are aware of policy changes and have much to offer about how those changes might affect their lives, even as they face a variety of individual circumstances. When asked on the survey if they felt that the policy changes weakened or strengthened their rights as caregivers, the respondents were almost evenly split in saying they were "stronger," "weaker," or that the policy had "no effect." When asked about this split opinion at the workshop, participating caregivers said that it was probably due to the fact that there was no general answer: the effects of policies would depend on people's individual situations. Indeed, this is an important lesson of the research. Policy cannot take into account all individual situations, but it must be able to anticipate and mitigate a range of circumstances that can contribute to caregiver vulnerability:

- particularities of regional context
- economic downturn
- employer mistreatment
- loss of employment
- inadequate support programs.

## Section Two

## **Constrained Transitions: Changing Employers, Changing Status**

#### Highlights

- Changing employers is fraught with financial and emotional stress, loss of ability to work, and dependence on employer and government processing.
- The transition to Permanent Residence brings the freedom of new job possibilities, but also the challenges of long waiting times and few supports for bridging to other work.

aregivers face a long road to get to Canada, but they also face a long and uncertain road once they arrive. Some of the more difficult times are when transitioning from one job or status to another (see also Nakache 2013). These are times when caregivers can find themselves in limbo: unable to work, unable to find appropriate work, and/or ineligible for services. And unfortunately, some of these transition times are quite long due to new rules and/or longer processing times.

### I. Changing Employers

One-fourth of the participants had changed employers at least once since arriving in Canada, and some had had to change employers twice or even three times. Survey respondents indicated that their change of employer was due in some instances to abusive or highly stressful working conditions, but in most instances it was due to a change in their employer's situations, i.e., the employer lost their job, moved, or took up parental leave. Changing employment was, for some, a positive experience. Two respondents had found themselves in better circumstances – a "new start," as one respondent put it – or had smoothly found a new employer. Most respondents, however, reported that losing employment had a number of negative effects: stress, financial instability, inability to work legally, and uncertainty about processing time and rules. Many of them summed this up as "wasting time": time to make money for their families, and time toward fulfilling eligibility requirements for Permanent Residence. As a couple of respondents put it:

"My new employer's LMO was approved after 6 months. I have to wait before I can process my Work Permit. I was stuck."

"The application of the LMO takes almost 6 months then a month for my work permit. It affects my application and I cannot even work."

Among the 14 respondents whose new employers had received a positive LMIA (formerly the LMO), half of them reported that it took five or more months to process. These delays may have been due in part to a higher refusal rate for LMIAs (i.e., employers being asked to make changes to their application, or being denied).<sup>8</sup> For caregivers, the stress of a long or uncertain processing time is compounded by a lack of control over the application process. Several participants at a

<sup>8</sup> 

http://www.bdplaw.com/content/uploads/2015/06/ BDP-BI-NL-615.pdf (accessed May 2016)

Nanny Network workshop observed that it is up to a prospective employer to submit the paperwork, and it is only when the LMIA is approved that a caregiver can apply for a new Work Permit; most of the survey respondents who had already received the Permit had waited 3-4 months (some shorter, some longer).

In short, losing employment puts caregivers at the mercy of employers and government systems, with little other recourse for supporting themselves or their families.<sup>9</sup> The economic downturn, followed by the May 2016 wildfire, has made these vulnerabilities all the more apparent (see Section 3).

### II. Applying for Permanent Residence

About one-third of survey respondents (n=22) had applied for Permanent Residence in Canada. The few who had already received it encountered processing times that varied from six months to four years. As recently as January 2016, IRCC reported a 47-month processing time for caregivers who entered Canada under the "old" LCP<sup>10</sup>, although the Government of Canada has pledged a processing time of just six months for complete PR applications received from caregivers under one of the two new streams.<sup>11</sup>

Even with the waiting time, many respondents expressed hope regarding the PR process, writing that the completion of the LCP requirements and the eventual reunification with family spelled a "new beginning." At the same time, respondents spoke of the stress brought by the long processing time. The longer wait meant prolonged family separation, the continued cost of sending money home, and postponed educational opportunities for themselves and their families:

"It affects my life as a bread winner to my children because if the processing is not that long then my family should be here and that way I will not be spending remittance charges by sending financial support to my kids and most of all I will not be worrying about their conditions back home."

Causing further stress was the time it took to process the Open Work Permit, which allows those who have applied for PR to look for work that is not tied to a particular employer. Caregivers who had received an Open Work Permit (n=14) had waited 3-4 months. Delays in receiving the Open Work Permit can mean that crucial documents expire, and caregivers feel "stuck" – sometimes in difficult conditions. As two respondents put it:

"I don't really have a good working relationship with the boss and I need to get out of the house immediately but I can't do anything because I don't have open work permit to start my life after the LCP."

"I don't know what happen on my application. I am trying to contact their office but their phone is sooo busy. It affects my working conditions. My SIN # is expired, my Health Card is expired. 6 months is a long wait. Trying to look for extra job but I can't."

Caregivers expressed that receipt of the Open Work Permit is simultaneously daunting and freeing. On the one hand, it is difficult to build networks and nearly impossible to pursue further education while working as a caregiver. On the other hand, the Permit opens up work opportunities and allows former caregivers to prepare for their family's arrival:

"Having an Open Work Permit is really good because you are given the opportunity to work where you want and earn more legally."

<sup>&</sup>lt;sup>9</sup> While in some cases caregivers are eligible for Employment Insurance, some are concerned that applying for EI might put their status in jeopardy, or disrupt their path to PR (see Section 3).

http://www.thestar.com/news/immigration/2016/01 /17/foreign-caregivers-wait-years-to-call-canadahome.html (accessed May 2016)

<sup>&</sup>lt;sup>11</sup> Respondents were not asked whether they had chosen this path. However, the vast majority of respondents (over 90%) were aware that they were eligible to apply for PR under one of the new streams.

## **Section Three**

## Caregivers' Experiences after the May 2016 Fire

#### Highlights

- Impacts of the Fort McMurray wildfire expose the pre-existing vulnerabilities of participants in the LCP and other TFWP streams.
- The uncertainty of continued employment and housing – tied together through dependency on a single employer – is emotionally and financially stressful for caregiver evacuees.
- The fire compounds fears of disruption to income and to the pathway to Permanent Residence.
- Caregivers have received assistance from employers, friends and family, government, and charitable donations; few have applied for Employment Insurance.

n May 3, 2016, a major wildfire in the region led to a full evacuation of the city of Fort McMurray and some surrounding communities. The fire destroyed ten percent of the city and left smoke, water, and chemical damage over much of the rest of it.

In late May, survey participants who had voluntarily included email addresses on the original survey (n=25) were re-contacted and invited to answer a short survey about how the wildfire had affected them.<sup>12</sup> Sixteen people responded. The survey asked caregivers about their current circumstances, assistance received, and concerns for the future. Of particular interest were caregivers' housing and job situations since these are, in turn, directly tied to their employers' housing and job situations. Also of interest were caregivers' perceptions of how the fire affected both their status and wellbeing.

#### I. Job Situation

Uncertainty about future employment was the key theme of caregivers' responses. Of the fifteen respondents who answered the question about their current job situation, only one-third (n=5) had been told by their employers that they still had a job to go back to (Table 2). Among these, at least two had been told they would not be paid until their employers were back at work:

"I'm still working but my employer told me she won't be able to pay me until she'll be back to work, and right now they provide some of my basic needs."

The remaining ten were not sure if their employer would keep them on (n=6), did not have a job when they were evacuated (n=2), or had been told they no longer had a job (n=2) (Table 2). In some cases, employers had been "freed up" to care for their own children, and with an uncertain timeline for returning to homes and work in Fort McMurray, caregivers were left in limbo. One of the respondents was between jobs and waiting for her work permit when the fire occurred:

"I don't know if my employer still pursues our contract. Since they are not working they are the ones who care for the children now. My work permit is in process and expected to come soon."

<sup>&</sup>lt;sup>12</sup> After data from the two surveys were linked, all personal identifiers were removed.

In the most extreme case of loss, the caregiver's employer no longer had a house or job to which to return.

#### **II. Housing Situation**

Half of the respondents (n=8) were staying with friends or family (e.g., in Edmonton or Calgary), while all but one of the remaining respondents were being housed by their employers (n=7). Sometimes this was with the employer's family or friends, creating its own new challenges of rooming with strangers or sharing a bed. The caregiver quoted above whose employer had said she could not currently pay her ended up working even harder as an evacuee:

"We stayed in a relative's house. The house is big and lots of work that I need to do...new environment. I'm helpless and I am working long hours, like 24 hours kids are with me."

# III. Housing, Employment, and Transitions

It is important to consider housing and job situations together given that these are one and the same for individuals working as caregivers under the LCP. In the context of Fort McMurray, the combination of costly housing and collapsed oil prices makes these connections between housing and employment all the more salient. As seen below (Table 2), all of those who still had a job were being housed by their employer, while only two of the six people unsure of their future employment were receiving continued housing support from their employers. Three of the four who were not receiving such support had already applied for PR and had received their Open Work Permit, and thus were in transition out of the program.

In all three cases where caregivers were in the challenging transition to Permanent Resident status, they were unsure if they would still have employment and were not being housed by their employers. One of them had recently rented a house in anticipation of starting a business; in the meantime, she was counting on continued caregiving employment. All of this was on hold in the wake of the fire, with the added worry of how to pay the rent. Another respondent had recently received Permanent Residence and was awaiting the imminent arrival of her family after years of separation; she had no access to the suite in Fort McMurray where she had prepared everything for their arrival. The third caregiver (the only respondent already on an Open Work Permit) wrote:

"I hope that I still have a stable job and a safe place to stay. And my employers also have a stable job and our economy becomes better.

Job Situation	Housing Situation (who is providing)		
	Employer	Friends/Family	Other
My employer has told me I still have a job	5		
I am unsure if my employer will keep me	2	3	1
I did not have a job when we were evacuated		2	
My employer has told me I don't have a job anymore		2	

### III. Increased Stress and an Uncertain Future

Respondents indicated that the fire caused three key kinds of stress: anxiety over the disruption and devastation of the fire, stress over disruption to their pathway to permanent residency, and the stress of uncertainty about employment income.

Disruption included the loss of familiar people, places, and things:

"It is a 360 turnaround in my life because all of a sudden I need to leave the place I already love and my shelter for almost 3 years. I was separated from my employers and friends. Even though I will come back soon but the place is totally different now."

It also included, in some cases, separation from key documents:

"I am afraid to apply for various benefits like EI and stuff as I am afraid it may affect my hours and employment records. I was not able to bring some of my important documents as well like SIN, employment records, pay stub and the like."

And perhaps most importantly, disruption in employers' work and housing situation spelled uncertainty for caregivers:

"Since my employer was affected as well, I am worried about the stability of my job, even though they want me to stay."

Most important was the desire to continue working so that two related goals could be fulfilled: complete the number of months (24) or hours (3900) of work required for PR, and create income to support family. One survey participant wrote that in the short term, "My main concern was Start working as soon as possible" and in the long term, "My main concern for the next 12 months is to complete my LCP hours (3900hours)." The stress of fulfilling these goals was deepened by the fire:

"I am so stress coz I have 2 kids who rely on me, I can't even sleep well because I'm worried having no work and money to support my kids...the fire really affects my life now."

"What will happen to me if my employer will release me? My worry is about my paper as a live in caregiver. Will it affect later on when I need to apply my OWP and PR application."

As indicated in an earlier quote, some even feared that these goals might be upended by applying for government support like Employment Insurance. Only three respondents (including the two who had definitively lost their jobs) had applied for EI.

In short, the event of the fire foregrounds some of the pre-existing gaps and vulnerabilities built into this and other TFW streams. The caregivers who had lost their jobs in the wake of the fire summed up the problems inherent to having one's life chances tied to a single employer and to the bureaucratic procedures surrounding that status:

"Since I don't have savings I'm just wishing for the fast release of my permanent residency application from CIC so I could apply for a job right away."

"I want to have permanent work and I was praying that the govt will allow us especially those like me who lost our job to grant us to have open permit/permanent residency... I want to have my permanent residency/open permit so I can work in any field of work and can be with my family here." (caregiver whose employer's house was destroyed by the fire)

#### **IV. Assistance Received**

Most respondents had received emergency relief funds and donations, and many expressed gratitude for the help they had received. Only three (out of a potential eight who had lost jobs or were unsure about their employment situation in the wake of the fire) had applied for Employment Insurance.

As indicated above, most were being housed either by their employer or friends and family. Temporary foreign workers from the Philippines may have somewhat stronger social ties in Canada than some other temporary foreign workers. By the same token, caregivers may in some cases have stronger ties to employers than those in other categories of the TFWP: of the five who reported receiving help from their employers, four were referring to help other than housing. Given that LCP workers' employment contracts include housing, it is perhaps unsurprising that caregivers who reported being housed by their employers did not necessarily count this as emergency assistance.

I have received emergency donations (clothing, toiletries, etc.)	11
I have received emergency housing	1
I have received help from friends or family	5
I have received help from my employer	5
I have received the provincial debit assistance card (\$1250)	12
I have received the Red Cross assistance (\$600)	15
I have applied for EI (Employment Insurance)	3

#### TABLE 4: Forms of Assistance Received After the Fire (n = 16)

Participants were asked to check as many as apply.

## **Summary and Recommendations**

## 1. Remove Dependence on Employers: expansion of open work permit as one option

As with other streams within the Temporary Foreign Worker Program, many of the problems caregivers encounter stem from their status in Canada being tied to one employer (Fudge and MacPhail 2009). Survey participants faced a number of issues that could in one way or another be traced back to this dependence as well as to the realities of low-wage employment:

- capitulation to paying extra fees (including the increased LMIA fee)
- waiting times for LMIAs and work permits when changing jobs
- no control over necessary paperwork (especially the LMIA)
- little choice but to stay with stressful or abusive employment situations (see also Dorow et al. 2015)
- little choice but to live in, despite the "option" to live out.

The oil price collapse and Fort McMurray wildfire both exacerbate and illuminate these pre-existing precarities.

An expanded Open Work Permit is one solution. If caregivers and other foreign workers had the right to change employers without penalty to status and income, employers would have less leeway to abuse the system and employees would have more freedom.

### 2. Remove Barriers to Permanent Residence, including the annual cap and long processing time

Caregivers in Canada have been given the right to permanent residence upon completion of their required months or hours of service as far back as the establishment of the Foreign Domestics Movement in 1981 (Tungohan 2014). The annual cap on PR applications introduced in November 2014 remains mostly unexplained. Rather than bring the LCP closer in line with the TFWP, policy should bend in the other direction: access to PR for all temporary foreign workers.

The number of applicants for PR under the two new streams of Canada's Caregiver Program has so far been under the annual cap, and caregivers currently in Canada under the LCP are eligible to apply under one of the two new streams. However, some are reluctant to apply under the new program in case numbers rise and they come up against the cap. Meanwhile, caregivers under the "old" LCP face inordinately long waiting times for the processing of PR applications.

## 3. Improve Support for Transitions, especially for change of employers and application for work permits

Caregivers and other temporary foreign workers face extra burdens and vulnerabilities in case of loss of employment. These include the uncertainty of finding an employer with an existing LMIA (or who is willing to apply for one) and very delimited possibilities for legally continuing to make income while awaiting the proper documentation for a new position (LMIA, employment offer, work permit). Given that caregivers and other temporary foreign workers are supporting families back home and sometimes paying off extra fees charged by recruiters or employers, facing months without work is onerous both emotionally and financially (see also Salami et al. 2016).

While an ongoing Open Work Permit (see above) would help to solve this problem, other possible policy solutions could allow for work while awaiting approval of documentation. One clear area of vulnerability in this regard is the LMIA fee. The fee of \$1,000, especially in the case of caregivers (who are hired individually by families, not by businesses) puts them in a compromised position relative to their employers - especially during an economic downturn, and especially when they are in the latter portion of their required 24 months of work. The LMIA fee should be reduced or eliminated to help prevent abuse, especially in the case of an LMIA for a worker already in Canada.

For those who have applied for PR and are on Open Work Permits, the transition to supporting the arrival of sponsored family members is especially crucial. And yet, this is a difficult period. Caregivers often continue to work in low wage employment, including caregiving – in part because the cost of education and training that would help them bridge to other kinds of work is too onerous. Given the large proportion of caregivers and other "low skill" foreign workers with postsecondary education, further provision of bridging support makes sense.

## 4. Use Clearer Language and Provide Ample Notice regarding policy changes and implications of policies for caregivers (and other temporary foreign workers)

Survey respondents were unsure about how to access and interpret policies. In addition, the constantly changing environment of policies and application procedures affecting their lives was a source of stress and concern. One area of confusion, for example, was the parameters surrounding the live-out option: with whom does the decision rest? how is the application assessed? is it now harder to get a live-in arrangement? More generally, caregivers expressed anxiety over the uncertain future of policies affecting them and wished for a more stable and predictable policy landscape that recognized their skill and dedication to making a life in Canada.

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