WORK: MYTHS ABOUT THE ECONOMIC IMPACT OF IMMIGRATION

DO IMMIGRANTS STEAL OUR JOBS AND REPRESENT A BURDEN FOR OUR COUNTRY?

THE MYTH OF IMMIGRANTS AS JOB THIEVES

The myth of immigrants as job thieves has three complementary aspects. First, there is a prevalent idea that immigrants come and take the jobs of the native-born. In other words, immigration is thought to have a negative impact on the employment of native populations. Yet numerous studies conducted in North America and elsewhere show that immigration has no effect on the employment of native populations.

The second aspect concerns the fact that immigration would have the effect of lowering the incomes of the natives. One of the most quoted American economists on this issue is George Borjas. His most important conclusion is that current research is unable to detect a single piece of evidence showing that immigrants would have a negative impact on the incomes and employment opportunities of the native-born in the United States. Why is this the case? This is because immigrants and national workers do not compete in the labour market but are rather complementary.

We could go further — and this is the third aspect — and affirm that not only do immigrants not take the jobs of the natives, but many of them - more so than natives - create their own jobs. This is particularly the case in the United States, but the same is also true for Canada. In addition, in many cases, immigrants also create jobs for nationals: according to a U.S. report, the entry of 1000 new immigrants creates 1200 new jobs, the majority of which are held by national workers.

But another way to look at the issue is to ask the question: what would have happened if some companies, or even some sectors, had not had access to migrant labour? Although it is not easy to answer this question statistically, we can nevertheless establish certain guidelines. Take, for example, the case of agricultural enterprises. It is recognized that without the Mexican labour force in the United States, the agri-food industry could not have survived. The impact is therefore not measured by considering only Mexican workers but all the actors involved in this industry: for example, other national workers who would lose their jobs as well as those from related services (transport, processing, wholesale and in detail, etc.). We can think that the impact would be enormous.

The example of temporary workers in the agricultural sector in Quebec is also interesting to consider. It is the employers themselves who are putting pressure on governments (federal and provincial) to set up worker recruitment programs without which, they say, they would have to close shop or triple even quadruple the prices of their products on the market, which would effectively make them uncompetitive. Whether we agree or disagree with temporary migration, no one would dispute the positive economic impact of this type of migration.

In short, not only are immigrants not job thieves, but they often create their own jobs and even create new jobs for the natives and fill job shortages in areas where it is difficult to find native workers.

THE ECONOMIC IMPACT OF IMMIGRATION: NEW RESULTS

Work on the economic impact of immigration has until recently produced mixed, sometimes contradictory results. Two basic methodological deficiencies greatly limited previous research. The most important is the cross-sectional nature of the data. Economic integration of immigrants is a long-term process, which necessarily involves longitudinal approaches. Another important gap was the inability to conduct firm-level analyses when looking at the impact of immigration on the economy and therefore the need to use aggregated data.

The conference organized by the QICSS (Quebec Interuniversity Center for Social Statistics) in October 2018 set as an objective the examination of the extent to which the twinning of several sources of information in new longitudinal databases could make it possible to provide new light on a highly debated issue, namely the economic impact of immigration.

Based on this new data linking companies and employees, the studies presented at this conference tackled the impact of immigration on entrepreneurship, productivity, international trade and exports. In all cases, the results show a positive impact of immigration (see Victor Piché, summary report available on the QICSS website).

That said, the effects remain weak. Should we be surprised? Not really. We need to think about what "weak" effects mean in the specific case of immigration. On the one hand, the demographic argument is important here: at the global level (for example at the national level), when we examine the impact of the number of immigrants, measured as the proportion of immigrants on the total population, the denominator (the national population) is very high, so adding immigrants to the numerator can only produce weak results. For this reason, firm-level analyses, now possible thanks to new databases, as seen in the studies presented at the conference, give better results.

On the other hand, another type of argument could be invoked to better understand the real significance of effects. Take the example of a company of 20 employees that hires two immigrant workers. The usual result would predict that these two workers would have a positive, but weak, effect on the company's performance indicators (productivity, profits, etc.). Yet hiring these two workers may have allowed the company to survive and/or avoid decay. Current methodologies do not measure this type of effect. In short, in this context, the idea of a "weak statistical effect" makes perfect sense and could, on the contrary, be a significant result.

In fact, it is the opposite question that should be asked: what would happen if we removed immigrant workers from companies (the past) or if companies could not recruit the required workers (the future)? There is no real methodology for measuring this type of effect. For the moment, one possible approach would be to poll employers of immigrant workers, asking what would have happened without the input of these workers. In addition, beyond the firm, other unmeasured effects could indirectly affect the employment of native workers (job losses) and other service enterprises (transport, intermediate products, etc.).

The table is set for other innovative studies.

DO FEWER IMMIGRANTS MEAN BETTER ECONOMIC INTEGRATION?

During the Quebec election campaign (October-November 2018), two political parties, the PQ and the CAQ, suggested that immigration must be reduced to allow for better economic integration of immigrants. However, recent studies, both in the United States (see Villarreal and Tamborini's 2018 study in the American Sociological Review) and in Canada (see Green and

Worswick, University of British Columbia, 2009), show that difficulties in economic integration are mainly due to "structural" factors, in particular labour market developments and discrimination. The impact of "numbers" is never mentioned as a factor of "non-integration".

While governments have less and less control over labour market developments, they can play a key role in combating discrimination. Reducing immigration will have no impact on integration difficulties: there would be fewer immigrants discriminated against in absolute numbers, but the percentage would remain the same.

A final word on the state of the labour market: immigrants are not the only group who periodically face difficulties. Indeed, when the economy is in trouble (for example, in a recession), all new entrants, including young people, face the same difficulties. However, when the economy is doing well, as is currently the case in Canada and Quebec, there are job shortages, which can facilitate the economic integration of new entrants into the labour market.

It has nothing to do with the number of immigrants.

DISCRIMINATION IN EMPLOYMENT EXISTS. THE QUESTION IS, WHAT CAN A COMMISSION OF INQUIRY DO?

If there is one result that the many scientific studies have repeatedly confirmed, it is the existence of discrimination in the labour market. This is a very old tradition of research in Quebec, Canada, the United States as well as in several European countries. So, it is not a phenomenon specific to Quebec.

This tradition is based on a proven quantitative methodology that measures the economic gaps (e.g., income) between immigrant groups and native groups. Once the key factors of economic integration (age, gender, education, language, social class, etc.) are taken into account, if the gaps remain significant, we must factor in discrimination.

We are referring here to a "residual" definition of discrimination, an approach that has played a central role in exposing economic inequalities between men and women. It must be recognized, of course, that this approach remains limited in that it does not say what is behind the statistical finding of discrimination.

Our work has clearly shown that discrimination in employment is most prevalent in the initial stages of the process. How best to explain this fact? A first avenue of reflection concerns the hiring process and directly involves employers and selection committees. There is a complex process involved in a job search. The first step concerns access to information about available jobs. This process is often biased to the extent that employer networks, often informal, do not reach immigrant groups. This is particularly the case for unposted temporary positions, which are very common during periods of tight budgets, and which favour networks of friends and acquaintances from which recent immigrant groups are often absent.

Then there is the CV examination stage, which often leads to the rejection of some resumes for reasons specific to immigrant groups, such as the sound of names, but especially the non-recognition of diplomas, particularly those acquired abroad, as well as the non-recognition of previous experience outside Canada.

To some extent we are in unknown territory because the hiring process is confidential. The fate of immigrant groups' job applications is thus placed in the hands of employers and their selection committees. It is the strictly confidential nature of the hiring process that makes work on residual discrimination so crucial, as it measures the results of these selective and discriminatory practices on immigrant groups. This is a first priority issue that should be addressed by any commission of inquiry.

But we must go further. Many recent studies from the field of psycho-sociology have documented the importance of culture in the hiring processes, a phenomenon they have called cultural matching. Thus, discrimination may result from the sometimes unconscious and unintentional application of stereotypes that have permeated our cultural environment. We are talking here about deep mental structures that fuel indirect discrimination through the relative impacts of apparently neutral practices on racial, ethnic, gender or other groups.

A second approach for the Commission of Inquiry would therefore be to explore the issue of stereotypes rooted in organizational culture and propose measures to promote greater openness to diversity in the labour market.

For me, it is discrimination in employment that must be given the highest priority by a committee of inquiry, because it is through work commensurate with qualifications that true integration into any society begins.

A final crucial remark: the discrimination examined here does not automatically imply that there is racism. Our work has shown that levels of discrimination can be detected among groups that are not associated with being black.

INTEGRATION INDICATORS: CANADA AMONG THE LEADERS

The OECD has just published its second report (2018) on integration indicators in OECD countries and some G20 countries. A total of 41 countries, including Canada, are compared with each other. In all cases, Canada is in the TOP 10, and very often in the TOP 5, along with other traditional immigration countries such as New Zealand and Australia.

This publication is one of the most comprehensive documents providing international comparisons of the integration outcomes of immigrants and their children. The performance of immigrants, defined here as those born abroad, is always compared to that of native populations. Overall, the good news, according to the report, is that in several countries, integration indicators have improved. That said, in almost all countries, including Canada, the labour market and social performance of immigrants still lags behind that of the native-born.

The indicators cover various dimensions of integration. With regard to economic integration, five indicators are used: the employment rate (percentage of the employed population out of the working-age population), the participation rate (percentage of the employed and unemployed population out of the working-age population), the unemployment rate, the percentage of workers with temporary contracts (a precariousness indicator) and the poverty level. In all cases, these indicators indicate that Canadian immigrants perform better than the OECD average (35 countries) or the European Union average (28 countries). This translates into higher participation rates, lower unemployment rates, less precarious work and lower poverty rates.

Another significant indicator is housing overcrowding: this phenomenon is almost non-existent in Canada (2% for immigrants), while it reaches 17% in the European Union countries.

On other non-economic criteria, Canada continues to perform well. For example, the percentage of access to citizenship in Canada is 90% compared to 59% for all European Union countries.

Immigrant voter turnout is also higher in Canada than in other European countries.

In terms of (self-reported) perception of their health status, immigrants to Canada rank first.

It should be noted that Canada's comparisons with other countries presented above for immigrants also apply to children with an immigrant background, that is, those born in the country to immigrant parents or to mixed marriages (see Chapter 7 of the same report).

The fact that Canada's immigrants perform better than most of the 41 countries examined should not overshadow the fact that the integration of immigrants in Canada is not smooth. As has often been demonstrated, immigrants continue to be disadvantaged, both economically and socially. Discrimination remains a real phenomenon. Moreover, it is in this dimension that Canada most closely resembles the 40 other countries examined - the proportion of immigrants who report having been victims of discrimination is 12% in Canada compared to 14% for the European Union countries.

For some time now in Quebec, we have regularly heard the slogan "fewer immigrants so as to better care for them". Perhaps the most important lesson to be learned from this report is that immigrants and their children perform best in more diverse countries. This is the case in Canada, Australia, New Zealand, Luxembourg, Switzerland and elsewhere.

These indicators are far from perfect. These are "raw" indicators, i.e. they do not take into account key factors that could explain the differences between countries. This is particularly true of the state of the labour market (for example, unemployment is much higher in Europe than in Canada). The most important criticism that can be made of these indicators is that they do not take into account the composition of migration flows and in particular the categories of immigration (economic, family, refugee, irregular). It should be noted that Canada's immigration policy is one of the most selective and restrictive in the world, which means that immigrants are on average much more skilled and educated than those in European countries.

TEMPORARY WORKER PROGRAMS: THE WAY FORWARD?

There is currently a consensus that temporary foreign worker programs are a way forward to meet some labour needs on the market. This could legitimately be the case but only on condition that current human rights programs be improved.

The Global Commission on International Migration, the International Labour Office, the International Organization for Migration and the World Bank all advocate the use of temporary international labour mobility as the best way to address labour shortages. Many countries have followed suit, as shown by statistics on the increase in temporary foreign worker admissions around the world.

The case of Canada is particularly interesting, since the image of immigration has historically been closely associated with permanent residence. This is no longer true today. In 2016 (the most recent data available), approximately 287,000 temporary work permits were issued, a significant increase from the early 2000s when the annual admission of temporary foreign workers was about 70,000. Today, economic immigration to Canada has by far become a matter of temporary mobility. In comparison, there were only 156,000 permanent entries of economic class immigrants in 2016.

Can temporary worker programs be designed that are acceptable from a human rights perspective? Yes, but at least four conditions must be met:

- the temporary aspect must be a voluntary option on the part of the worker and the worker and the members of his or her family should have a real option of permanent residence and possibly citizenship;
- the worker must not be attached to an employer and must have the freedom to change employers;
- family reunification should be permitted at all times since the length of stay sometimes extends over several years;
- independent mechanisms must be put in place to ensure compliance with employment contracts by employers.

The current Liberal government has committed to reviewing temporary foreign worker programs. In September 2016, a Parliamentary Committee report proposed 21 recommendations to improve these programs. These are in line with compliance with the four conditions presented above. The report recommends, among other things:

- eliminating the requirement for an employer-attached work permit;
- facilitating access to permanent residence for temporary workers who meet a permanent need in the labour market;
- eliminating the regulation that prevents the renewal of a permit after four years of residence; and
- strengthening mechanisms to protect workers' rights. This report was to my mind a significant step forward.

Unfortunately, a report remains a report full of good intentions as long as it is not implemented. The Government's response came in April 2017 in a document presenting an action plan for temporary worker programs (see www.canada.ca/en/employment-social- development/services/foreign-workers/reports/plan.html).

The only concrete measure adopted was the elimination of the prohibition on renewing a work permit after four years of residence. For the rest, we remain at the level of good intentions. Overall, the Government is formally committed to complying with all the recommendations of the Parliamentary Committee, including improving the protection of temporary workers. On the other hand, the issue of access to permanent residence remains problematic in so far as this access is reserved for skilled workers.

Since April 2017, no further changes have been made to the temporary worker programs. It will be interesting to see if (and when) the new guidelines announced will actually be implemented.

P.S. A final point on the Parliamentary Committee's report and the Government's Action Plan: nowhere is there any mention of the United Nations Convention on the Protection of the Rights of Migrant Workers (which Canada refuses to sign). In an interview with the Parliamentary Secretary for Immigration (October 4, 2016), I raised this issue: he was not even aware of the existence of this agreement.