

## **Technical change, lobbying and the demand for temporary foreign workers |**

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The Temporary Foreign Worker Program (TFWP) in Canada has grown considerably over the last 15 years with greater input from employers. But it is not just the size of the TFWP that is growing--the composition of temporary foreign workers is shifting towards STEM occupations. The share of Labour Market Impact Assessments in STEM jobs that turn up positive for employers increased between 2014-19. However, some industrial sectors had more success in filling vacant positions with STEM temporary foreign workers than others. Gera, Gu & Lin (2001) show that, in Canada, the impact of technical change on the relative demand for skilled labour is uneven across industries. Exploiting this variation across industries, I estimate the impact of technical change on the demand for temporary foreign workers. Following Rheault (2013), the observed relationship between technical change and the demand for temporary foreign workers is rationalized by lobbying behaviour. I show that industries are better able to form coalitions and lobby for more temporary foreign workers.