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Chair

Mr. Ed Komarnicki

Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

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•(1105)

[English]

The Chair (Mr. Ed Komarnicki (Souris—Moose Mountain, CPC)): I call the meeting to order.

I'd like to share two pieces of information I just got on my BlackBerry. Saskatchewan had the lowest unemployment rate in the country and is the only provincial government boasting a surplus in fiscal 2012–13. That's good news. Our economy is doing very well in Saskatchewan.

Ms. Kellie Leitch (Simcoe—Grey, CPC): I wonder where you're from, Ed.

The Chair: I'd also like to acknowledge Olivia Chow, who has been on the immigration committee for a good long time. It's good to have you here.

We have with us officials from the Department of Human Resources and Skills Development and also from the Department of Citizenship and Immigration.

You will present, of course, and then we'll have an opportunity for rounds of questioning from each of the parties. If at some point you need to interject and want me to rule on an issue, let me know.

With that, we'll start with Mr. Vermaeten.

Mr. Frank Vermaeten (Senior Assistant Deputy Minister, Skills and Employment Branch, Department of Human Resources and Skills Development): Thank you, Mr. Chair.

We welcome the opportunity to convey to the committee how the measures in the budget implementation bill will strengthen the temporary foreign worker program so that it makes an even stronger contribution to the Canadian labour market and the economy.

The key purpose of the temporary foreign worker program is to fill acute labour shortages. It's a comparatively small program—temporary foreign workers in Canada make up under 2% of Canada's workforce of 19 million or so—but it's also an essential program as Canada continues to face skills and labour shortages in many sectors and regions.

[Translation]

The government takes very seriously the important concerns raised recently with respect to the program. It has never been acceptable under the program's rules for employers to choose a foreign worker over a Canadian worker. Employers can only hire a temporary foreign worker when no qualified Canadians or

permanent residents are available. Every job opportunity counts, especially for those Canadians who are unemployed and seeking work.

Last year, the government initiated a review of the program to better align it with labour market needs, in part by ensuring that more employers look to the domestic labour force before hiring temporary foreign workers and that Canadians are not displaced. This core objective is deeply rooted in the government's vision, and in HRSDC's mission: all Canadians should have equal access to opportunities to realize their full potential, so that they can live rewarding and productive lives.

•(1110)

[English]

In recent years, the government has undertaken important changes to the temporary foreign worker program. For example, in April 2011, amendments to the immigration and refugee protection regulations were made to provide a more rigorous assessment of the genuineness of a job offer as well as the authority for HRSDC to conduct employer compliance reviews for returning employers.

In June 2011, section 91 of the Immigration and Refugee Protection Act was amended to require paid representatives used by employers to assist with the labour market opinion process to be authorized. These representatives must be members in good standing of a Canadian provincial or territorial society or students-at-law under their supervision, or the Chambre des notaires du Québec, or a paralegal in the province of Ontario's law society, or a member in good standing of the Immigration Consultants of Canada Regulatory Council. Another change was the amendments to the immigration and refugee protection regulations that are now being developed to enhance worker protection and strengthen employer compliance following budget 2012 legislative changes to the Immigration and Refugee Protection Act.

The legislative amendments contained in budget 2013 will further strengthen the temporary foreign worker program. Specifically, proposed subsections 30(1.4) to 30(1.6) of the Immigration and Refugee Protection Act, IRPA, will strengthen the government's authority to revoke work permits and allow the government to suspend, revoke, and refuse to process labour market opinions. The specific conditions outlining when those authorities would be used are proposed to be included in ministerial instructions that would be issued later.

Another change is that section 89 of IRPA will provide an exemption from the User Fees Act in respect to fees for work permits and labour market opinions. These exemptions would allow the government to quickly enact these fees through amendments to the immigration and refugee protection regulations.

Finally, another change is that proposed subsection 89.1(1) of IRPA will provide the authority to establish regulations for a privilege fee in respect of work permits and for this privilege fee to be exempted from the application of the User Fees Act.

Those are the three changes.

Proposed subsection 89.1(2) of IRPA would also exempt other service fees for temporary resident visas, work permits, study permits, and extensions to temporary resident status in Canada from the application of the User Fees Act.

I would be remiss not to also briefly note that the government has announced a range of other measures which, while not directly tied to the budget implementation bill, form part of the government's April 29, 2013 announcement on changes to the temporary foreign worker program. Specifically, these are: removing the existing wage flexibility, effective immediately on April 29, 2013; suspending temporarily the accelerated labour market opinion process, or ALMO for short, effective April 29, 2013; and adding questions to employer applications to ensure that the program is not used to facilitate outsourcing of Canadian jobs; ensuring that employers who rely on temporary foreign worker programs have a firm plan in place to transition to a Canadian workforce; and proposing regulatory changes to stipulate that English and French be the only languages that can be identified as a job requirement for a labour market opinion. The only exceptions will be where a non-official language is a demonstrable requirement for the job, such as for tour guides, translators, performers, as well as primary agricultural occupations.

Mr. Chair, these proposals complement changes made in 2011 and 2012 and will strengthen and improve the temporary foreign worker program to support our economic recovery. In particular, they will provide the tools needed to provide greater assurances that employers hire Canadians before hiring temporary foreign workers.

As highlighted in budget 2013, the Canadian economy continues to grow and create jobs, but it is also still fragile. The proposals before you today will help to ensure that Canadians have access to every job opportunity, while still allowing employers with genuine needs to fill positions when Canadians are not available.

My colleagues David Manicom and Alexis Conrad from HRSDC would be very happy to answer any questions. We also have some other experts in the background, and we may call upon them if you ask us a very difficult question.

Thank you very much.

The Chair: There may be a difficult question. We'll see.

We'll start the first round with Ms. Chow.

Ms. Olivia Chow (Trinity—Spadina, NDP): Thank you.

The Auditor General's report a few years ago said that there was no evaluation of the temporary foreign worker program and that it may or may not be displacing existing Canadian jobs.

The department, in a memo a year ago, told the minister that some of the temporary foreign workers were, in fact, displacing Canadian workers. We're talking about 300,000-plus temporary foreign workers in Canada right now. I know your departments, both the CIC and Human Resources, do not do much enforcement because you see it as a provincial responsibility, that the Labour Code is really enforced by the province. That's why I don't believe you do any of the enforcement to make sure the working conditions or what's happening out in the field are what they say is happening, whether there's a plan or not. The acceleration, before this minor change, means you get to advertise for one day, and the next day you can get your LMO approved. Also, there are loopholes which I will describe shortly.

I have three questions. You can answer them together.

First, you knew a year ago that temporary foreign workers were displacing Canadians. Why didn't you act then? Why didn't the minister act at that time?

Second, if the acceleration means you can get the LMO very quickly, why aren't you cancelling it outright? Why are you suspending this practice? Why don't you just cancel the whole acceleration piece?

Third, given that both departments see this as a provincial responsibility, how do you plan to enforce this so-called plan that these employers would, in fact, be training Canadians?

Let me give you one concrete example.

Foreign pilots are, in fact, taking away a lot of jobs from Canadian pilots. Canadian pilots are saying that Sunwing, Air Transat, and Can Air are hiring temporary foreign workers, claiming that there aren't any pilots in Canada. They have a different type of plane and refuse to train Canadian pilots. As a result, a lot of Canadian pilots are now moving abroad in order to find jobs. That is causing great turmoil among the Canadian pilots. Because of this loophole, some of these airlines are able to hire foreign pilots as these foreign pilots already had the ability to fly those planes.

How do you plan to enforce the training? How do you plan to enforce that employers are, in fact, following employment guidelines and not paying the foreign workers lower wages and violating labour laws?

• (1115)

The Chair: Go ahead and answer them in the order you would like.

Mr. Frank Vermaeten: Let me start, and I'll also turn to my colleagues.

The temporary foreign worker program is one that has evolved over time and plays an important role in the Canadian economy. In any economy, there will always be shortages. There will never be a perfect match between the domestic labour supply and what's needed. The temporary foreign worker program can play a very important role, and I think it has played a very important role.

Clearly there are some issues with it. That's why the government launched a review over a year ago. This is continuing. Changes have been announced, and more will be made.

I will say that the government has been very concerned about making sure Canadians are able to connect with employers. It's done a range of things that go well beyond what's happening in the temporary foreign worker program, for example, the whole connecting Canadians agenda of providing more labour market information, the changes to the EI program, providing funding for a range of training, including the Canada job grant announced in the last budget.

• (1120)

Ms. Olivia Chow: Sir, my question was about enforcement.

Mr. Frank Vermaeten: Well, you asked a series of questions, and then you moved on and were talking about the accelerated labour market opinion program.

I will say that it is not correct that this is a rubber-stamp process. The accelerated labour market opinion was a more efficient way to process. It had the exact same requirements as the regular process in terms of the range of things that employers need to do, including the advertising period. It wasn't a shorter advertising period.

The only difference was, do you provide the paperwork up front and is it all paper-based, or when you have employers who have a strong track record, do they attest to having done that, which can be verified after, through the compliance review?

Ms. Olivia Chow: So on that note, the acceleration—

The Chair: The time is up, but there were a number of questions that you might want to fully respond to, so if you want to finish your response with regard to that, go ahead.

Mr. Frank Vermaeten: Yes. Let me just add a few more things. Sorry, but I was speaking a little fast so that I could get in the full answer.

It's true that it was a faster way to process, but the rigour is certainly there. It's just different. It works through an attestation model, much like how we fill out our tax forms. You provide the information to Revenue Canada, the CRA, but not all of it, and they may come back to you and ask for additional information.

That's the process. It has been relatively successful, or we think quite successful, but there is heightened awareness of concerns on temporary foreign worker programs, so we put in place a temporary suspension. We will examine it and make sure it has all the rigour that's required. I would expect there may be changes to it if needed, but it certainly was in no way trying to water down the requirements of employers. They were exactly the same.

May I very quickly turn to my colleagues on enforcement?

The Chair: Sure.

Mr. Alexis Conrad (Director General, Skills and Employment Branch, Department of Human Resources and Skills Development): I'll start.

I know we're short on time, but I wanted to talk a bit about the compliance we do. I'd like to kind of correct the record, in the sense that we do hundreds and hundreds of employer compliance reviews every year. We have a very sophisticated system by which we go back to employers. We've been doing this for years, and over the last months and years, we've been putting in place more and more compliance tools.

We do work closely with the provinces in the areas they are responsible for in terms of regulating workplace safety and those kinds of issues, but we talk to employers all the time. We work through problems that we find, and we find employers to be very receptive. We do literally hundreds of them a month on things like wages, occupations, and those things. So it's a joint venture in terms of jurisdiction, but we are extremely active on the compliance front.

The Chair: Thank you very much.

I know that Ms. Chow also had a question about foreign worker pilots and some other stuff, but perhaps she will get to it in the next round.

We'll now start with Mr. Butt.

Mr. Brad Butt (Mississauga—Streetsville, CPC): Thank you very much, Mr. Chair.

Thank you, gentlemen, for being here.

It's important to note at the outset that the temporary foreign worker program is a very important program and in most sectors works extremely well and fits that acute labour shortage need.

It's also important to note that when it was brought to our attention that there were some problems within the program, the Prime Minister and the minister acted swiftly to address them, and obviously have now brought forward, through the budget implementation bill, specific legislative changes that will significantly improve the program and make sure the proper safeguards are there.

Gentlemen, perhaps you could highlight again why these specific legislative changes are necessary, and why the legislative route and the specific amendments are being proposed. Also, how will that improve the program to ensure that it is absolutely doing what it's intended to do, which is to fill that very specific labour shortage gap in a temporary timeframe? Why are these legislative changes necessary?

Mr. Frank Vermaeten: Maybe I could start.

I think it's important to understand that these legislative changes are part of a bigger framework to try to make the temporary foreign worker program more effective. We want to bring in those TFWs when they're needed, when Canadians are clearly not willing and able to do that kind of work. As you said, it does play a really important role. A large series of initiatives were announced on April 29, which make the program more effective at separating when there is a true need and when there is doubt, or when we have concerns about whether there's a true need for workers.

So the specific elements in the budget implementation bill give us some additional tools and help level the playing field. When I say additional tools, I'm referring particularly to the ability to revoke work permits and allow the government to suspend, revoke, and refuse processing a labour market opinion. This gives us a tool to correct the situation when we have an employer who has not provided the correct information, for example, or we find out later that the information isn't correct.

It also gives us that flexibility when new information becomes available. Even though questions were genuinely and honestly answered at time A, at time B conditions changed. For example, a large layoff occurs, and as a result, the labour market conditions have changed and now there may be a surplus of labour. That gives the government the ability to revoke or suspend LMO processing. That's a great tool. It has some of those abilities now, but this really strengthens that, and will help protect workers. It will help protect the Canadian economy.

Let me also talk about the exemption of the User Fees Act. Right now employers are not charged for the labour market opinions and that creates a couple of problems. One is there's not much incentive to economize. What I mean by that is if they think there's a chance they might need a temporary foreign worker, they'll ask for a labour market opinion, even though they're not sure whether they'll need it. We're spending resources to process labour market opinions that are never filled with temporary foreign workers. That's going to reduce that kind of speculative type of request for a labour market opinion.

It also levels the playing field in terms of this being a true cost to bring in temporary foreign workers. The employer should bear that cost to make sure that this is the total cost of bringing in a temporary foreign worker, relative to what it costs to use a domestic worker.

Finally, it brings fairness for the taxpayer. Right now, this is subsidized by the taxpayers and by those getting the work permits. This corrects that inequity and the user fee exemption allows us to quickly put a proper user fee in place.

I'll turn to my colleague at CIC.

• (1125)

Mr. David Manicom (Director General, Immigration Branch, Department of Citizenship and Immigration): I think Frank has covered most issues. I'd like to add a couple that are more specific to CIC.

The revocation authorities will also apply to work permits, so if the temporary foreign worker has already entered Canada and the situation has changed or the issuance of the work permit was based on incorrect information, the individual's or group of individuals' authorization to work in Canada could be removed.

I'd also like to remind the committee, if you don't know from your materials, that a very large portion of temporary foreign workers come into Canada through labour market opinion exempt categories. Many of these are not particularly controversial. They include the ability of international students to work part-time off campus when they're going to university in Canada. Others are reciprocal in nature and Canadians have an advantage from them, as is the case with NAFTA. Far more Canadians take advantage of the NAFTA labour mobility provisions going south than the reverse. Nevertheless, government does want to take a close look at all the labour market opinion exemption categories, including ones such as intercompany transfers, to make sure they are serving Canada's national interest.

So over a slightly longer timeframe, that complex set of labour market opinion exemptions will be carefully reviewed.

The Chair: Did you have a...?

Mr. Brad Butt: Yes, I just wanted to comment on starting to charge a user fee. I think the employer has to have some skin in the game here. The employer has to put his or her money on the table, too, and not expect that your department is going to process the LMO at no cost to him or her. That's an important change. I think that's a welcome change. We're going to get some criticism from the business community, but I still think that at the end of the day, if the employer benefits by the use of temporary foreign workers, because that's what they require to get the job done, then they should have to pay a fee at least to allow us, as a government, to recover the costs of processing that.

How will that revenue assist you, as Ms. Chow was concerned about, in the compliance side? Is this going to provide some additional resources that will allow you, then, to make sure that on the compliance side we are ensuring that the employer is following the rules, etc.? Is that sort of part of the work plan, once the bill is passed and you set up your system to charge for fees in the future? Is that the general idea?

• (1130)

The Chair: We'll close with the response and move on.

Mr. Frank Vermaeten: The idea for a user fee is that we would be leveraging a user fee that reflects the true cost, all the costs associated with running the program with all the integrity and protection measures that are in place. In that respect, there'll be a matching. As part of establishing the user fee, there is a review going on in terms of all the costs that are required, and all the costs that will be incurred. So it does provide a matching of the revenues and the expenditures.

The Chair: Thank you for that.

We'll now move to Madam Boutin-Sweet.

[Translation]

Ms. Marjolaine Boutin-Sweet (Hochelaga, NDP): Thank you, Mr. Chair.

Before I ask any questions, I would like to say publicly that the NDP is opposed to this bill in its present form. As part of the budget, the immigration and refugee protection legislation is being amended and so are about 50 other acts. That should be dealt with in a separate bill and in a completely separate study by the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities. In fact, in 2009, a one-year study was conducted by the Standing Committee on Citizenship and Immigration. Proposals were made, but nothing or virtually nothing was done with them.

We are only going to look at seven sections from the act that deal with the underlying problems. We might make some recommendations to the Standing Committee on Finance, which is not even required to accept them. That is not very democratic.

I will ask the same questions as my colleague because I don't think we received an answer.

A year ago, the minister was told that some employers were abusing the system. On May 29, 2012, the Minister of Human Resources and Skills Development received a memo indicating that temporary foreign workers were coming to Alberta to work at food banks while hundreds of Albertans who had similar work experience were unemployed.

Why did it take one year and two departments to amend this section of the act and why were Canadian workers not informed by the government, which is supposed to protect them? They had to find out from the media.

[English]

Mr. Frank Vermaeten: Thank you for that question.

The TFW program is a large program in the sense that we're getting a lot of applications, and a lot of employers are using it. I think around 46,000 employers used it last year. We're getting a lot of applications. The vast majority of those are employers who would prefer to have Canadian workers, who go through significant efforts to get Canadian workers, and realize that the temporary foreign worker program is a program of last resort. We've heard that over and over again when we've gone through consultations and we've talked to employers. Nevertheless, there are situations where employers are either purposely abusing the program, or misunderstanding the program. There's no doubt about that. To some extent, there will always be cases like that in a fairly large program.

[Translation]

Ms. Marjolaine Boutin-Sweet: You did not answer my question. Why did it take so much time to make so few changes?

[English]

Mr. Frank Vermaeten: This is an ongoing effort to reduce these abuses. The government has implemented a series of changes. In my opening remarks, I went through a list of what has been going on. Since I've been working at HRSDC, there've been ongoing changes in the program to try to enhance the integrity of the program.

[Translation]

Ms. Marjolaine Boutin-Sweet: I will ask you a second question, if you don't mind, because I only have five minutes.

You talked about conducting reviews. I think Mr. Conrad talked about employer compliance reviews, but are any reviews conducted on the ground? Do you go on site to make sure that employers comply with the legislation? If so, how many people are responsible for that? How many employees are working on that?

• (1135)

[English]

Mr. Alexis Conrad: Yes, as I said, we do hundreds of them in a month. There is a variety of ways that we talk to employers. They often provide a lot of information to us, documents and that sort of stuff. We have an integrity services branch at the department that handles a lot of our integrity work, including employer compliance reviews, which I referred to.

I don't know offhand the actual number of officers, but there are several in each of the regions who work directly on these files.

[Translation]

Ms. Marjolaine Boutin-Sweet: Do you just rely on what employers say or do you check yourselves?

[English]

Mr. Alexis Conrad: We verify all the documentation that they provide.

[Translation]

Ms. Marjolaine Boutin-Sweet: The documentation provided by the employers.

[English]

Mr. Alexis Conrad: Yes.

[Translation]

Ms. Marjolaine Boutin-Sweet: So the department does not do any audits on site.

[English]

Mr. Alexis Conrad: In a number of cases, there are other people who raise issues that come up in the media all the time. We talk to those people, as well. There have been cases recently. In those situations, whoever has the information often provides it to us.

[Translation]

Ms. Marjolaine Boutin-Sweet: However, it is unfortunate that you have to find out from the media.

Let me go back to the regulations. Does the act have specific sections that prevent employers from sticking the workers with the bill? Actually, there are new fees for work permits. Is there something in the legislation that prevents employers from sticking the foreign workers with the bill for these new fees?

[English]

The Chair: Would you like some clarification on that question?

Mr. Frank Vermaeten: Yes, thank you.

The Chair: Could you restate the question perhaps?

[Translation]

Ms. Marjolaine Boutin-Sweet: Absolutely.

If I am not mistaken, there are new fees for work permit applications. Is there something in the legislation that specifically states that employers cannot transfer that amount to the temporary workers? Is there something that guarantees that the employers, not the employees, are paying the bill?

[English]

Mr. Frank Vermaeten: Thank you.

The legislation only refers to the user fee exemption. It in itself doesn't address the structure of the user fee, how much it will be, whether it's one fee, or all the associated rules, so when the regulations come out, they will provide all the details, including, I am confident, protections to ensure that it isn't passed on to the individual.

If I may, I did want to come back just briefly; I didn't get a chance to finish with regard to your questions on the government and the information it had.

I just wanted to remind you that in 2012 the government introduced a number of changes to enhance compliance. There were legislative changes in budget 2012 and the Jobs, Growth and Long-term Prosperity Act, and the associated regulations are in production currently where we prepare them. They would strengthen the ability of the government, if they are adopted, to enhance its capacity to ensure the integrity of the program, including a stronger ability to deal with employers. There will be more details on that when they come out shortly.

The Chair: Thank you very much. The time is up.

We'll now move to Mr. Daniel.

Mr. Joe Daniel (Don Valley East, CPC): Thank you, Chair.

Thank you, panel, for being here.

Let me begin by first correcting the record. My colleague across the way said that this is great news that the media had put out. In fact, this information was published on May 24, 2012 on a website, so it's really old news being put out more recently on that.

Having said that, I wonder if you could perhaps make a few comments on how these proposed changes are going to support Canada's economic recovery. How are these changes going to help us in terms of making sure our economy stays on track for growth and prosperity?

• (1140)

Mr. Frank Vermaeten: Thank you for that question.

As I said before, this is a part of a larger framework of measures to support that Canadian economy. When we look at the temporary foreign worker program, we don't look at it in isolation. We look at it as part of a larger package to try to make the economy more productive so that the skills are there for employers to meet the needs of the economy, and at the same time to try to connect Canadians, domestic workers, with those jobs. So it's part of a larger package.

As I said at the outset, the temporary foreign worker program plays an important role in filling those acute shortages, so what we're doing here is improving the program to ensure that Canadians get first crack at these jobs and they get those jobs when they are available with the right skills. In that sense, it's providing greater

assurances that Canadians and domestic workers get those jobs. That's helping the growth from that perspective.

At the same time, we're very cognizant of how important this program is in terms of jobs and growth, and in terms of how we benefit, not just from foreign workers coming here, but also how we benefit as a country and as an economy from the ability of our workers to go internationally and learn new skills and have new opportunities. You do need to look at the larger picture and ensure that we've got a program that meets all our trade obligations as well, and that we can benefit from all that.

This is about finding the better balance, about making sure that the net is working properly to sort out those employers who have genuine needs from those who may not. In that sense, I think it can strengthen the Canadian economy.

Mr. Joe Daniel: Thank you.

We've heard a lot in the press about abuses to the process and the system, outsourcing of temporary jobs because of the temporary foreign worker program, etc. Could you help us understand how revoking the work permits and the opinions will help to ensure that the program is used properly, as it was intended, and not as some of these companies have been going past it?

Mr. Frank Vermaeten: Sure. Let me say that revoking the permit or suspending the labour market opinion process is a tool of last resort. What we'd like to do is signal to employers exactly what the rules are and to make sure they understand what is a legitimate use of the program, and when there are situations where the government thinks this is not appropriate use. I think it starts out well before the revocation of the LMO or the work permits, so it's to set out that framework. I think the April 29 announcement went a long way towards setting out that framework, clarifying to all employers what is expected and what is considered to be proper use of temporary foreign workers.

One of the things that was announced on April 29 was that there will be a question in the labour market opinion that explicitly asks employers: are you hiring these people as part of an outsourcing strategy? If the answer is yes, obviously there will not be an LMO issued. It's to get an understanding of the program ahead of time.

It's the same thing with the transition plan and the requirement to put in place a transition plan. It lets employers understand again that these are there for temporary purposes, the ability to bring in workers, but that they should be working towards a transition plan to bring in Canadians. Each situation is going to differ, but it's to look at the training plans, look at what the labour market is like, and put those plans in.

It's only when those things aren't working, or facts change, as I've said, or you've got an employer who isn't playing by the rules, that you'd want to use these additional powers to revoke the LMOs or the work permit. It is a tool of last resort.

Mr. Joe Daniel: With regard to that, can you tell us what tools you will need to ensure that these sorts of compliances are being properly met, or their revocation, etc?

•(1145)

Mr. Alexis Conrad: As a starting point, if the legislation authorizes something, there will be ministerial instructions that will instruct, that will explain the conditions under which we would do that.

At the end of the day, this connects with our existing compliance measures when issues come up through compliance reviews and we find that employers have misrepresented facts or have abused the program in some way. When we identify that, then the mechanism would be—and as my colleague said, it's a last resort—to revoke the work permit.

What we've been doing over time is making progress, starting from 2011 and last year's budget and pending regulations, on a means to kind of build up that compliance regime so that it all connects together in a way that at the end, when we do employer compliance reviews, we know we have all the tools to ensure that the problems are fixed and the problems don't have any future.

Mr. Joe Daniel: So you're going to have database tools that you will create and generate that will monitor and track these, and you will know which employers are being non-compliant and have records for the future.

Mr. Alexis Conrad: Indeed. In fact, we have very sophisticated databases already that we use to generate compliance reviews now and to track employer behaviour in the program.

The Chair: Mr. Daniel, your time is up.

When you're talking about transition plans, obviously there are certain areas of the country where the unemployment rate is very low. Will you have some sort of an objective standard as to what you're looking for in a transition plan? Will there be any latitude, depending on how the economy is doing in that particular case? I know that in some cases it will take a lot of time for developing through your high schools or your visible minorities and so on.

Is there an objective standard? Will there be some latitude on that?

After you answer that, we'll move to the next questioner.

Mr. Frank Vermaeten: The specific requirements of the transition plan are still being developed, but absolutely it's not going to be a one-size-fits-all; there's going to have to be a recognition that in some cases it will take a long time to develop the domestic labour supply for that.

As we know, some qualifications take many years to acquire. The system won't respond immediately to that. It will take some time.

In other cases, the transition plan would be more demanding, such as when you're looking at a low-skilled worker. How long does it take to train a domestic worker, a Canadian worker, or a permanent resident, for that job? It will take an awful lot less time when there are people available and they require only a small amount of training.

They will be geared towards the availability in the economy. They'll be geared towards how high skilled the work is and how long it takes to train an individual for that.

The Chair: Thank you.

Mr. Cuzner, I just used some of your time. I hope that's okay.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): It's your prerogative, Chair.

I have only seven minutes, so perhaps you could be concise. If you don't have the answer, perhaps an official could provide you with it and we'll get it tidied up, okay?

In 2010 the total funding for the TFW program was \$71 million. It's been cut each of the last three years. It's now at \$57 million. Is that figure correct?

Also, in that period of time there's been an increase of 60,000 temporary foreign workers. If you know the answer to that, I'll take it now. If not, an official can provide it.

I'll go on to the next question.

On construction sites, it is not an uncommon problem for a company like Syncrude to ramp up a large number on a particular project. I believe, as does my party believe, that Canadian workers should be the first people on the job and the last people off the site. Temporary foreign workers should be last in and first out, but it's not uncommon to see Canadian tradespeople going home while temporary foreign workers are still in camp.

Do you agree with that statement?

Are you familiar with those instances?

Mr. Frank Vermaeten: We perfectly agree with the statement that you want to make the jobs available to Canadian workers first, and that's—

Mr. Rodger Cuzner: But have you come across this before with temporary foreign workers still on construction sites? Have you had any conversation with building trades or anything complaining about this particular situation?

•(1150)

Mr. Frank Vermaeten: As I said at the outset, it's a fairly large program in terms of the number of employers, 46,000 employers. Absolutely there are situations where an employer will not do, is not doing everything needed to make sure that Canadian workers are hired first, to make sure that Canadian workers stay on as long as possible.

Mr. Rodger Cuzner: Should this preclude them from using the program again? If this happens, should this preclude them from using the program again if this becomes common practice or if there's a violation?

Mr. Frank Vermaeten: If it becomes common practice, absolutely. If there's a blatant violation, there are tools in place, and we are putting in place additional tools to make sure there are no abuses of the programs. Nobody wants that kind of abuse of the program.

Mr. Rodger Cuzner: This has been one of the most common problems. I would have thought it would be top of the mind awareness with you. These aren't lunch counter jobs. These are highly skilled tradespeople who are going home when temporary foreign workers remain in camps. I thought you would know.

You had said that the minister responded to the issue last year when it became a problem. Was there no response after 2009 when the Auditor General had identified that the program was going off the rails?

The AG identified in 2009 that the program was amiss.

Mr. Frank Vermaeten: I think the AG report certainly identified areas of improvement, as is very common when the AG does a review. I think the government has responded directly in a number of ways to those recommendations and—

Mr. Rodger Cuzner: Between 2009 and last year, was there any improvement?

Mr. Frank Vermaeten: Absolutely. We've got a whole range of them. I pointed out some of the changes that were made in 2011 and in 2012, and the announcements that have been made, but there's a whole range of them.

David, did you want to run through some of those?

Mr. David Manicom: We could note a few. In April 2011, amendments to IRPA were brought into place to provide a more rigorous assessment of the genuineness of the job offer as well as the authority for Human Resources to conduct employer compliance reviews and put in penalties. The work on those regulatory amendments would have started well before 2011.

Mr. Rodger Cuzner: Do you have those numbers yet?

The Chair: Two and a half minutes.

Mr. Rodger Cuzner: Excuse me?

The Chair: Two and a half minutes.

Mr. Rodger Cuzner: Two and a half? Well, that's different.

Go ahead.

Mr. David Manicom: Following budget 2012, there were the legislative changes to IRPA and amendments to the regulations that are now being proposed to enhance worker protection, give the authority to do much more robust audits, and to penalize employers immediately by removing their right to use the program.

Mr. Rodger Cuzner: That provision is in there. So if there are big contractors that still have temporary foreign workers on site and Canadian workers are being let go, that provision is in there to penalize them for further—

Mr. David Manicom: I would say that particularly and in addition, as we develop the instructions for the use of the revocation authorities, if it came to the attention of the Canadian government that someone was laying off Canadian workers before they were laying off temporary foreign workers, that's exactly the sort of situation where those revocation authorities might be brought in.

Mr. Rodger Cuzner: What I'm having trouble with is that seems to be a common problem, and certainly the Canadian building trades is a group that is very vocal and very professional. So I would think that you guys would be very much aware of that situation.

Do you have those numbers now?

Mr. Frank Vermaeten: I think it will take us until after the meeting to get the numbers.

Let me say that I would disagree with you that it's a common problem, but there are isolated incidents. I would add that as part of the connecting Canadians with available jobs strategy, one of the things the government did was to link the record of employment, the layoff records, with the application for the temporary foreign worker program, so that if we see that there have been recent layoffs, those employers will not be able to get a labour market opinion.

Mr. Rodger Cuzner: Could I ask you a question on this? We believe in the program, and it's got to be fixed. We know it's got to be fixed. A company like Maple Leaf that uses the program and uses it well, I might argue, understands the spirit of the program, but they would like to see a pathway to citizenship. We're not seeing that potential there. Is there a way we can improve that?

• (1155)

The Chair: The time is up, but go ahead and respond to that.

Mr. David Manicom: There are tens of thousands of temporary foreign workers every year who obtain permanent resident status. The government introduced the Canadian experience class in 2006. It is growing rapidly. It's one of our few programs that has no intake control measures or caps. It's an open program and applications are processed immediately. In addition, particularly with regard to Maple Leaf Foods workers, under the provincial nominee programs, which have tripled in size over the last six years, provinces can respond to that ongoing labour need by making them provincial nominees and having them get permanent resident status on a priority basis. That happens in tens of thousands of cases per year.

The Chair: Mr. Devinder Shory.

Mr. Rodger Cuzner: Can I get those numbers I requested?

The Chair: Did you say you could provide them? Okay. I don't think it's controversial with the committee. We'll expect those to come forward to our clerk.

Go ahead, Mr. Shory.

Mr. Devinder Shory (Calgary Northeast, CPC): Thank you, Mr. Chair, and thank you to the witnesses for being here.

I am from Calgary, Alberta, and I can tell you this program is wonderful. It's required not only in Alberta but also in some other regions of this country as well. This program definitely helps to address fairly genuine and acute labour shortages in our country.

Of course, there is no doubt that Canadians have to have the first crack at those jobs, but the program in general has been very successful. Definitely there has been abuse, but when abuse was noticed, there was an ongoing review. The government took action. We are trying to fix it.

I can't say there won't be any abuse in the future. It's an ongoing review. In any program there's always the potential for people to look for some kind of back door, etc.

Mr. Vermaeten, you talked about consultations. Obviously employers will have to transition into these changes we've proposed. It will have some impact on the way they deal with these files. I would like you to elaborate on what kind of stakeholder consultations are being planned for the coming months with these employers.

Mr. Alexis Conrad: Thanks very much.

I think it's fair to say that stakeholder engagement in this program is commonplace. We talk to employers and associations constantly. They communicate with us when they have program ideas or that sort of stuff. In the last three months the government ran an extensive consultation process. We talked to hundreds and hundreds of employers, with Minister Kenney, Minister Finley, a number of officials, and with provincial governments. It was an extensive process. The government recently announced plans for more consultations. Even over the next month there are several sessions planned across the country to get feedback on what was in the budget and to talk about the program and what the potential is going forward.

As I said, even outside of those planned consultations, the phone rings all the time, literally.

Mr. Devinder Shory: Obviously, these recommendations or proposed changes are based upon the consultations. Is that correct? Consultations were considered.

Mr. Alexis Conrad: Absolutely.

Mr. Devinder Shory: Mr. Manicom, obviously the integrity of the temporary foreign worker program is important to everyone. Anything we can do to strengthen it only benefits everyone involved in the program. Could you please make some comments on how the proposed user fee can help strengthen the program?

Mr. David Manicom: I first want to clarify that the number of consultative sessions we have held with ministers and officials over the last number of months included employers, labour groups, advocacy groups, and advocates for low-skilled foreign workers. We had very lively discussions at a number of those sessions.

With regard to fees, particularly if we're speaking about the labour market opinion fee, I think Mr. Vermaeten has already addressed that. We want to ensure that the cost of the labour market opinion process is not borne by the taxpayer. We want to ensure that it helps create a reasonable balance of incentive, that employers are cautious about going down the path of looking for temporary foreign workers, that they exhaust all other available avenues first, and that the fee serves as a disincentive to casual or speculative use of the program, for example, saying "We might need four or five this year, so let's apply for 20 labour market opinions", which had been a common theme in the past.

The government has also introduced legislative authority to create an additional privilege fee related to work permits, the second stage of the application process. We haven't worked out exactly what this fee will do, but it will be designed to apply particularly in labour market opinion exempt categories. There's a large number of those under provincial authorities, under international trade law, free trade agreements, youth mobility programs, to ensure that the overall cost of the administrative regime, including the analysis of whether or not a labour market opinion exemption applies, including good compliance and enforcement measures, is borne by those who are getting the advantage from the program.

• (1200)

Mr. Devinder Shory: We all would agree to one point, at least, that Canadians must have the first crack on the job when they are available.

The temporary foreign worker program we are talking about is meant to fill acute shortages in the industrial world when there are no Canadians available to take on the jobs.

This legislation of course seeks to ensure compliance with the specific purpose of this program. Is that right? Then how would the proposed changes serve the interests of Canadians and put Canadian workers first?

Mr. Frank Vermaeten: Thanks for that.

I think I've partially addressed that. Again, I'll just say there's a range of measures here, and they are all working essentially in the same direction, to make sure Canadians are getting the first crack at the jobs, putting Canadians first, and to make sure that's done in all cases.

I can tell you that in the large majority of cases it is done right now, but as we said, there are some abuses, there are some misinterpretations of the program, and that's what we're trying to correct.

I pointed out some of the measures, for example, ensuring employers who rely on temporary foreign workers have a firm transition plan in place to make sure that down the road Canadians will be trained, Canadians will be hired. Again, adding the questions on ensuring that these temporary foreign workers will not be used as an outsourcing of Canadian jobs helps protect Canadian workers. Those are a couple of the changes on the non-legislative side.

On the legislative side, the fact that we will have the ability, if the legislation and the regulations are passed, to suspend and revoke and refuse the process of the labour market opinions will give the government the tools to ensure that Canadians do have a first opportunity at these jobs.

There's a range of measures here both on the legislative front and on the policy front that will help ensure Canadians do have a first opportunity at these jobs.

The Chair: Thank you, Mr. Shory. Your time is up.

Of course, gentlemen, you agreed to appear here for an hour, but I see Mr. Cleary would like to ask a few questions. If it's okay with you, I'd like to extend the hearing just a little bit to allow Mr. Cleary to ask questions, and then perhaps we'll conclude with Ms. Leitch. We'll see how that goes, if it's all right.

Go ahead, Mr. Cleary.

Mr. Ryan Cleary (St. John's South—Mount Pearl, NDP): Thank you, Mr. Chair.

Thank you to the witnesses.

I'm a member of Parliament from Newfoundland and Labrador, and I've had a number of cases of alleged abuse of the temporary foreign worker program. I'd like to highlight two, and then I have a specific question.

The first case happened in Labrador West, Labrador City, which is basically a mining town in Labrador, and it's booming. It has a zero per cent vacancy rate. The case of abuse here was almost three dozen temporary foreign workers being lodged in a single family dwelling. That was one case.

The second case is in Mount Pearl, which is a bedroom community right next to St. John's. That case, which my office investigated directly, involved Guatemalan workers who were brought into Newfoundland to work as chicken chasers, literally to collect chickens.

Anyway, to cut to the chase, they alleged they weren't paid what they were promised they would be paid. I visited the place where they were lodged. Basically, they slept on a concrete floor. There was mould. The living conditions.... That particular residence wasn't fit to live in.

My specific question is this. When Olivia Chow was here earlier she mentioned about how it's up to the province to enforce the Labour Code. Again, my office investigated these two cases, in particular, the case with the Guatemalan workers. We went looking for an authority to do something about these living conditions. We went to the province and the Labour Board, and they basically said that all they could ensure was that the Guatemalan workers were being paid the minimum wage, vacation pay, that sort of thing.

My specific question is this. Who investigates allegations of abuse with temporary foreign workers to make sure the living conditions, the pay, and the contracts are honoured? Who investigates, and what's the timeline for the investigation?

•(1205)

Mr. Alexis Conrad: With respect to some of the issues around the wages—whether people were paid, whether they were actually doing the job that the company told us, and that the workers came in—that's something we do. Working conditions, wages, and the occupation things that are covered by our compliance regime, we will investigate through our ongoing compliance activities, or if there's a specific allegation that we follow up with.

On the other issue you referred to around where people are sleeping, that's provincial in nature. It's not to say that we don't often work very closely with the province. When we are advised of problems that may be around temporary foreign workers that affect provincial jurisdiction, we work very closely with them. In cases where they are aware of anything, they will communicate with us.

Mr. Ryan Cleary: Just so I understand correctly, then, does your department investigate anything to do with the contracts and whether or not the letter of the contract is being lived up to?

Mr. Alexis Conrad: Right.

Mr. Ryan Cleary: How many complaints have there been in recent years? How many complaints have been lodged? How many investigations have been launched? We'll start there. Do you have any numbers, in terms of investigations?

Mr. Alexis Conrad: I can't give you a precise number. I can tell you that every month we do literally hundreds of compliance reviews through a—

Mr. Ryan Cleary: How many complaints have you received? Complaints, not reviews, how many complaints have you received?

Mr. Alexis Conrad: I don't know the number offhand, to be honest.

Mr. Ryan Cleary: Can you get the number?

Mr. Alexis Conrad: Presumably. I can follow up and see what we have.

Mr. Ryan Cleary: Do you launch a review as a result of a complaint, or do you just review sporadically?

Mr. Alexis Conrad: We do both. If allegations come to light, we will follow up. But we do different types of sampling of employers, random and non-random compliance reviews, to ensure overall compliance with the program.

Mr. Ryan Cleary: In terms of a specific number of complaints that were lodged with the department by temporary foreign workers or on behalf of temporary foreign workers, is that information that you can get and present to this committee?

Mr. Alexis Conrad: Yes, presumably I can. I just don't have it with me here.

Mr. Ryan Cleary: Okay. Do you know offhand what the timeline is for responding to a complaint? Is it timely at all?

Mr. Alexis Conrad: Absolutely. In a lot of cases, when something comes up, we're literally on the phone the next day or in the days after. We take that very seriously.

Mr. Ryan Cleary: That wasn't the case with these two allegations of abuse in my province. We couldn't get anybody from your department to actually look into these allegations.

Mr. Alexis Conrad: I regret that I don't know the specific details of those cases. But I would just say that, as far as the compliance problems with the program go, oftentimes we'll talk to an employer if there are wages unpaid. Sometimes there are mistakes in terms of the deductions that come from temporary foreign worker paycheques, any number of a range of complaints, a lot of which are often unknown to the employer; it's an accounting mistake.

Mr. Ryan Cleary: In a lot of cases the temporary foreign workers are actually hesitant to complain or to lodge a complaint about the employer because they're afraid of repercussions.

I have another quick question. HRSDC is suffering from the largest job cuts of any federal government department. I think they're in the range of 3,800; some 3,800 notices have been delivered. How will those job losses impact your ability to investigate these complaints, the number which you're to get us soon?

•(1210)

Mr. Alexis Conrad: I have absolute confidence that we are correctly resourced to do the compliance reviews and compliance activities that we need to do to ensure that employers are actually complying with the program.

Mr. Ryan Cleary: How many layoffs were issued specifically to the people in your department who do those compliance reviews?

Ms. Kellie Leitch: Mr. Chair, on a point of order, how is this relevant? The gentleman was kind enough to answer the question. What is the relevance here?

Mr. Ryan Cleary: We're talking about the temporary foreign worker program.

The Chair: You're specifically asking questions about layoff notices with respect to persons who might have something to do with the existing practice relating to the subject matter we're talking about today, so in that sense it's somehow connected, but what we're dealing with today are the proposed changes to the program under the budget implementation bill.

I think it would be a stretch for department officials to start to rummage through their information to see which employees may or may not have received any notices relative to this program, given the general statement that there are the resources and staff to do what needs to be done. It would be stretching a long bow to the study of the particular sections of the IRPA that are being amended, and so I won't allow questions to go in that direction.

You won't have to provide that information is how I rule, but go ahead.

Mr. Ryan Cleary: That's it, Mr. Chairman. I was going down that line of speaking. I don't agree with your judgment, but good for you.

The Chair: I can see you may disagree with that. That's how I rule.

Next is Ms. Leitch.

Ms. Kellie Leitch: Great. Thank you very much.

I want to thank all of you for taking the time to spend with us today. I greatly appreciate it.

Obviously economic action plan 2013 is extremely important to the government, and I think to all Canadians, to make sure we're moving the economy forward.

As you are more than well aware, I think that the purpose of the temporary foreign worker program is to deal with those absolute and acute labour shortages that we see across the country when a company may be finding itself in a circumstance where it literally cannot find a single Canadian to fill a role, and therefore to maintain its productivity, it requires temporary foreign workers.

I know we have a robust program in place, and it's been in place for many years, but obviously there have been some concerns. I appreciate your input in making sure that changes are put forward that can alleviate some of those concerns we've had as a government, but also that Canadians across the country have had.

I have two sets of questions for you.

I come from a riding that is a significant rural riding in the country, Simcoe—Grey. We grow 10% of Canada's apples and 90% of Ontario's potatoes. We're the size of Prince Edward Island, and we grow almost as many potatoes as P.E.I. does.

Two items are mentioned within the suggested changes: one in economic action plan 2013, one that was made in the announcement on April 29, which you referenced, that agricultural workers and farmers in my riding are quite concerned about. I wonder if you could outline why the primary agricultural streams for temporary foreign workers differ and have been exempt from certain portions of what has been put forward. There obviously are concerns about that.

I think it's important that everyone is clear that primary agricultural workers as well as the temporary foreign worker portion of the agricultural stream are exempt.

Could you go through what the differences are and how agricultural workers are being dealt with going forward so that, if nothing else, the minds of the farmers in my riding are put at ease?

Mr. Frank Vermaeten: Sure. Let me kick that off with a few words.

In the agricultural sector, I think we can separate the primary sector from the rest of the program. When it comes to agriculture, there's a well-established need by employers, a clear demand for people to do this very difficult and demanding farm work.

There's also a clear shortage. Not enough Canadians are either available in that specific geographic location—it is very specific and sporadic across the country—or not enough people want to do that work. There's a clear demand and a clear lack of supply. That's why we treat that very differently. The program is considered to be very important for ensuring the viability of these farms.

The way we've structured the changes recognizes that. They are exempted from most of the initiatives here because it is a distinct demand and a distinct group. For example, the changes that were proposed to stipulate the job requirement that English and French be the only languages, except in exceptional circumstances, doesn't apply here. Primary agriculture is exempt from that because you've got people here who come from a foreign country, Mexico, for example, but they go back after the season. We're not thinking about pathways to residency for these people. They're here on a temporary basis, so we don't need to have that type of demand.

The same can be said for the user fee. We don't need to apply user fees here because the processing works in a very different way. It works in groups. We work with the supply countries and we have special arrangements to reduce that administrative process and make it beneficial for the farmers and those foreign workers who want to come here.

One rule that does apply is the changes being proposed with respect to the ability to revoke work permits and to allow the government to suspend, revoke, and refuse labour market opinions. We've applied that to ensure that we can protect those workers when they come here. That ability applies across the sector. The other initiatives don't apply because we recognize the special circumstances of the agricultural sector.

• (1215)

Ms. Kellie Leitch: Thank you very much.

I'd like to follow up on what you said regarding revoking work permits. Earlier, one of my colleagues had started to ask a number of questions with respect to this.

There has been an announcement about making sure there is increased compliance with regard to work permits, and that there is a revocation put in place. This is to ensure there's compliance by employers and to make sure certain standards are adhered to and maintained.

Could you give us some of the details with respect to that and what your expectations are of employers?

Canadian workers obviously are covered by provincial legislation when they are on the work site, with the exception of federally regulated workers, but what are the expectations with respect to employers when it comes to how they treat temporary foreign workers?

The Chair: Does anyone have a response?

Mr. David Manicom: It's quite a broad question but I think the fundamental obligations of Canadian employers are to do everything they can first to find Canadian workers.

They are required to pay the prevailing wage in the particular district and particular occupation so that the program is not creating downward pressure on salaries. They are required to comply with the contract. They're required to employ the person in the way they said they would.

We don't want to see a situation, and would like to use revocation authorities and penalties that we could on employers where they got the labour market opinion by describing the temporary foreign worker as a very specialized engineer, but a follow-up compliance review showed that the person was working as a low-level technologist and was not being paid the salary that the employer said they were.

Also, in some of the categories exempted from a labour market opinion, we want to make sure that the jobs are being described correctly and that an employer isn't benefiting from an LMO exemption that they shouldn't be benefiting from. A good example, just to draw one at random, might be IT workers from India. If someone is coming in under an exemption as a highly specialized worker, we want to ensure that the worker is indeed highly specialized. We don't want to find out that once they get here, they are doing the work of a routine programmer who could be hired locally.

Those are some of the things I would highlight.

• (1220)

The Chair: Thank you for that exchange.

We're going a little past the time, and I know that Monsieur Lapointe wanted to make some comments.

I would say, just as a reminder, and I know that some latitude needs to be given, that the letter required us to consider the subject matter of clauses 161 to 166 of Bill C-60, and to provide recommendations with respect to those clauses and any associated amendments, which primarily deal with the revocation and suspension of opinions provided by the Department of Human

Resources and Skills Development, and the authority to refuse to process generally in that area.

We're looking at the legislation and what we might want to do with it, whether to change it or not. It is not so much a study of the temporary foreign worker program or the policies that are currently in existence. That's what we're doing here, which is far narrower in scope than a general study might be. I just want members to keep that in mind.

Monsieur Lapointe.

[*Translation*]

Mr. François Lapointe (Montmagny—L'Islet—Kamouraska—Rivière-du-Loup, NDP): Thank you, Mr. Chair.

I would like to point something out for the record of the committee. I am referring to the tendency to use Canada's economic action plan and the budgets as steamrollers that do not allow committees to do a proper job. This trend is starting to be a real concern for the future of our country's democracy. I am pleased to have the floor, but we almost did not have a full round at this meeting with senior officials when we are studying the very important issue of temporary workers, given everything that has happened over the past several months.

As we say in my riding, it's a bit of a mess.

Let's look at the example of an engineer who wanted to come to Canada to work for three days. My office had to help him out. He was not getting his permit. This man had an expertise that no one else had in North America. He was applying for a three-day permit while our Mexican workers who work on farms come to work late.

Gentlemen, on the front lines, the current work situation

[*English*]

is a bit messy.

[*Translation*]

Suspending the accelerated process is a sort of admission of these challenges. However, suspension implies that the process will be reinstated. We are not looking for lip service. What approach will you take to ensure that the new powers granted under Bill C-60 will be used despite losing almost 40,000 members of your staff? What will be the approach to ensure that the program will be less messy if it is brought back?

[*English*]

Mr. Alexis Conrad: I would say the government did announce the suspension of the accelerated labour market opinion process, and the decision on that is obviously pending.

Mr. François Lapointe: What's the procedure when it's back?

Mr. Alexis Conrad: The question is first of all, if it does come back, will it come back in exactly the same form as it was before. I can't speak to that now.

I can finish the other part of your question. I think it's important to note that we do compliance reviews on both the applications that come through the regular labour market opinion process and through the accelerated process, and we're not seeing any difference in terms of problems with employers who applied through the accelerated process. It's important to state that, but it's also important to state that the LMO process was not program wide. It was focused particularly on the high skilled, and the employers who could participate in it had to be in good standing with the program, had to—

[*Translation*]

Mr. François Lapointe: Yes, but you don't suspend a program that is working well. So we have good reason to worry about it being brought back. How will it be changed? How will those changes actually be kept in check? I don't think that increasing the minister's power is a solution for what is happening on the front lines. If the problems on the front lines are not identified, the minister will not be able to do much, even with additional powers. Why are there no annual reports indicating why permits and opinions are suspended or revoked? The media are doing that work, but it would be better to include this information in an annual mechanism. It should not be the minister playing the bad guy one day if he happens to find out from the media that someone is abusing the system.

[*English*]

Mr. Frank Vermaeten: As we pointed out, there are consultations that have been going on, and are going on, so certainly a proposal like that, to look at providing more information publicly, is one avenue that would be considered under a review.

I will say that a part of the answer lies in ensuring that employers understand how the program works, including the questions we ask, when you look at the initial screening. We've already started to take steps on that.

These steps would account for the regular stream, but it's also clearly going to be part of any type of stream. For example, the question that we're asking about whether the job is for outsourcing would be asked regardless of the stream, and the transition plans would be asked regardless of the stream—

• (1225)

[*Translation*]

Mr. François Lapointe: So no annual report is in sight right now.

I have very little time left, about 30 seconds only.

The French and English requirements are now an absolute priority. It is not enough to be happy that this requirement is now part of the regulations. The real question is why the previous situation was allowed. How were we able to work with tenders that had Mandarin as a first requirement in the mines for a number of months and years? What happened?

[*English*]

Mr. Frank Vermaeten: The program is an evolving program. It has been around a long time. It was established, I think, in the early 1970s.

The program evolves, the labour market changes, and the government looks at the program and how it's—

[*Translation*]

Mr. François Lapointe: Canada's language laws are not recent. The program is attractive, but the language laws were not passed three years ago. They were there when you looked into the problem. I can't see how this could happen.

[*English*]

Mr. Frank Vermaeten: I think the changes they've made over time, this one included, respond to issues that have been identified. There are issues out there. This will ensure that we get a higher percentage of individuals who are able to speak in either official language or both.

As I said, it's evolving. I think the government took action to address this problem. I think these are fairly firm measures to deal with that issue.

The Chair: You have about three-quarters of a minute, if you want to use it, Mr. Lapointe.

[*Translation*]

Mr. François Lapointe: Yes, I would like to, Mr. Chair. Thank you.

There are fees in the works, but my understanding is that no amount has been determined and no time period has been defined. Do you know what the impact will be? I am putting myself in the shoes of entrepreneurs. Not all of them abuse the system. Most of them are extremely efficient and honest. They play a major role. We are talking about fees, but we don't know when they will come into force or how much they will be. Once again, I have to wear my hat as the representative of small- and medium-sized businesses.

A program with fees is always more difficult for a small business that needs one or two employees than it is for a large employer who suddenly needs 20 employees or so in one department. Often, the large employer will have a human resources department that can handle all that.

Do we know what impact something like that would have on a small business compared to a big business? We talk about fees, but do we know the amount? Will people know in advance or will they all of a sudden hear about fees that appeared overnight when they make their request?

[*English*]

The Chair: We'll conclude with your response to that.

Mr. Frank Vermaeten: As I said, the government is consulting employers on this issue. That is certainly something that has been said numerous times, that small and medium enterprises are very concerned about all costs, including this one. They're concerned on a wide range.

As far as our role as policy analysts is concerned, we take that into consideration. We're going to be looking at a wide range of issues, including the costs, the impacts it will have on employers, and how it should be structured. There are a number of ways you could structure it. You could charge for a labour market opinion regardless of how many workers you're requesting, or it could be done per worker. There are different ways to structure it to take into account the needs of small and medium enterprises.

Certainly these are factors that are going to be looked at in looking at this user fee structure.

[*Translation*]

Mr. François Lapointe: Thank you, but I think Canadians will need more clarification.

[*English*]

The Chair: Thank you, Monsieur Lapointe.

Does anyone else want to add a comment?

Thank you gentlemen for taking the extra time—

Mr. Rodger Cuzner: Mr. Chair, in regard to the question I posed 45 minutes ago, is there an answer?

The Chair: What was the question you posed 45 minutes ago?

• (1230)

Mr. Rodger Cuzner: What was their budget in 2010 and what is it now?

I gave them the numbers; I just want a concurrence.

The Chair: Did you indicate that you would try to get those figures to us?

Mr. Frank Vermaeten: We don't have them. We didn't bring them with us, but we can certainly provide them to the committee.

The Chair: I think we said we would, so Mr. Cuzner, you'll get those.

Mr. Rodger Cuzner: Holy smokes. When we're looking at a 20% reduction, when we're trying to identify a problem, with something as elementary as that, I would think the officials would know what the budget was in 2010—

The Chair: Mr. Cuzner, we are talking about the clauses of the legislation and any suggestions for amendment or change, not the

operation of programs or budgets. We allowed that to go on with some latitude, and of course, when they're able to get those figures they will provide them.

Until then, we thank you very much for appearing.

We'll suspend for a few moments because we have some committee business to deal with.

We'll give you an opportunity to leave while we ask members to stay, because there are a couple of things we want to deal with.

Thank you.

• (1230)

_____ (Pause) _____

• (1230)

The Chair: If we could get the members back to the table, I'd like to remind them of a couple of things.

I'm not sure if Mr. Cuzner is able to hear me.

When we get back on Tuesday after the break week, we will have witnesses, and you can give your suggestions to the clerk, for that meeting. We'll try to arrange that in either one or two panels, depending on how that comes. We'll probably break about 15 minutes early to talk about what we might send to the finance chair.

Mr. Joe Daniel: Mr. Chair, may we go in camera for committee business, please?

The Chair: All right. I'll finish my remark and then we'll do that.

If you forward those to the clerk, we'll do what we can to try to accommodate you.

Now we will go into committee business, and there's a request to go in camera. Is that acceptable, or do you want a roll call?

Ms. Marjolaine Boutin-Sweet: We always vote on that.

The Chair: Okay, we will vote and it will be done by roll call. I now know that's the process.

(Motion agreed to: yeas, 6; nays, 5)

[*Proceedings continue in camera*]

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