



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

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

HUMA • NUMBER 082 • 1st SESSION • 41st PARLIAMENT

EVIDENCE

Tuesday, May 21, 2013

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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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•(1100)

[English]

The Chair (Mr. Ed Komarnicki (Souris—Moose Mountain, CPC)): Good morning, everyone. Thank you for being here. We still have one member who hasn't arrived, Rodger Cuzner, but he will probably be here shortly.

I'd like to thank the witnesses that have come here today on relatively short notice.

We're dealing with clauses 161 to 166 of Bill C-60, primarily dealing with changes to the temporary foreign worker program.

We are happy to have with us today Joyce Reynolds, the executive vice-president of government affairs with the Canadian Restaurant and Foodservices Association. It's good to see you here today for sure.

A special welcome to Dan Davidson from the Red Barn in Moosomin, Saskatchewan, a small business. We certainly want to hear from you today. Thank you for coming.

From the Air Canada Pilots Association we have Captain Craig Blandford, president. We're happy to see you here—I see you have others as well—and to hear from you with respect to this legislation.

The process is that each of you has about five to seven minutes to present. Then we'll open it up to questions from each of the parties. We'll alternate party to party. You're the first panel for the first hour. Then we'll suspend briefly to allow our second panel to attend.

You'll be with us from now until about 12 o'clock. We'll start with Ms. Reynolds.

Ms. Joyce Reynolds (Executive Vice-President, Government Affairs, Canadian Restaurant and Foodservices Association): Thank you, Mr. Chairman.

I really appreciate the opportunity to speak to you today about budget implementation measures impacting the temporary foreign worker program.

The temporary foreign worker program is extremely important to our members, particularly in communities in western Canada and in pockets in other parts of the country where labour shortages are acute.

I should be clear that 98% of the 1.1 million workers in Canada's food service industry are Canadians or landed immigrants. Of the 2%

of our workforce comprised of TFWs, temporary foreign workers, almost 90% are located in Alberta, Saskatchewan, and Manitoba.

I want to give you an idea of the challenges our members are experiencing in sourcing labour. Between 2011 and 2012 the number of restaurants in Saskatchewan grew by 64. With sales growth of 8%, the demand for restaurant employees was estimated to increase by 2000. In reality, employment fell by 400. The unemployment rate in Saskatchewan is 3.8%. Restaurants are delaying expansion plans and reducing their services because they simply can't find workers.

Demographics tell us that the labour shortages our members are experiencing in western Canada will spread across the country and get progressively worse as the labour force ages because our workforce is so skewed toward youth.

About 44% of today's food service workers are 15 to 24 years of age, but this age group has reached its demographic peak and is now in decline. By the year 2021 the population of 15-year-olds to 24-year-olds will decline by 340,000, while our industry's needs will grow by 200,000.

Our members have responded to labour shortages by enhancing their recruitment and retention strategies, increasing wages and benefits, and putting more emphasis on attracting and accommodating under-represented groups, such as aboriginals and persons with disabilities.

A recent survey of CRFA members revealed the extent employers in our industry go to hire individuals from groups under-represented in the Canadian labour market. For example, almost 76% of respondents hire first nation individuals; 84% hire new immigrants; 79% hire persons with disabilities or other abled individuals; and 60% hire social assistance recipients.

Reflecting their preference to recruit domestically, our members have moved far beyond simple job postings in their efforts to attract potential employees, including job fairs and interaction with community groups and social agencies.

Despite these best efforts, in some regions a restaurant's only option is to turn to the temporary foreign worker program.

This program is already cumbersome and costly. We are concerned that the changes proposed will make it more so. However, we also appreciate the need to protect the integrity of the program and to ensure the intent of the program, which is to hire Canadians first, is respected by all users of the program. We are supportive of measures that will ensure that appropriate monitoring and compliance mechanisms are in place, and that abusers of the program are denied access.

We understand the intent of the changes in clause 161 is to give the government authority to deny a labour market opinion, LMO, or revoke an LMO if there are abuses to the program. However, it is difficult to comment on the proposed changes without understanding the parameters of the ministerial instructions.

We are concerned about giving department officials blanket authority to reject an application without due cause or natural justice. What is the oversight process concerning the ability of an individual officer to reject an application? Is there an appeal process? How would it work? What happens to the prospective worker if he or she is already at point of entry or in Canada? If the worker must be returned to their country of origin, who is responsible for the cost? What happens if a Canadian comes forward after the LMO and work permit have been approved to say that they want the temporary foreign worker's job?

The principles that we would like to see established pertaining to clause 161 are as follows:

Public policy considerations in ministerial instructions for rejection or revocation of an opinion must be clear and unambiguous; revoking a work permit should only be considered in egregious cases; and there must be an appeals process.

With regard to imposing a user fee for LMO applications, our members are prepared to help bear the cost of the program, particularly if it leads to improvements that will speed up the application and approvals process. An effective and cost-efficient administration system is in all of our interests.

According to a background document on the TFW program, only 40% of approved LMO positions result in TFW work permits. I want to be clear that employers do not want to obtain or be charged for an LMO without it resulting in a TFW permit.

There is often a lengthy delay between when the employer applies for the LMO and when it is approved. By the time it is approved, the TFW or TFWs identified in the application are no longer available. This is often because TFWs have applied for multiple permits and contract with the first employer whose LMO is approved, or the TFW is not available because embassy officials reject the TFW application following background or health checks. In either case, the employer is forced to begin the application process all over again.

•(1105)

Some principles that we would like to see implemented in the process to establish user fees are as follows. The LMO should apply to the LMO application regardless of the number of TFWs listed on the applications. There should be checks to ensure that the paperwork is in order and that documentation required to verify recruitment activities are the same whether the employer is applying

for one worker or ten. There should be a way to fast-track or replace an LMO if the TFW listed in the LMO is no longer available or denied access. The fee for the TFW permit should be set high enough to discourage TFWs from applying for multiple permits with multiple employers.

CRFA would also recommend that the government establish a social insurance number verification process so employers can be sure they are not hiring illegal workers. If that were in place, then CRFA would recommend that in the event a TFW has overstayed his or her work permit and is working illegally, the current employer should bear the cost of deportation and not the Canadian government. However, this could only work if a SIN verification process were in place.

To conclude, Mr. Chairman, the TFW program is critical to the continued viable operation of Canada's restaurant industry, particularly in those regions of the country experiencing acute labour shortages. We are interested in working with you to put policies in place that will reinforce and further strengthen the efficiency, integrity, and reputation of this invaluable program.

•(1110)

The Chair: Thank you very much, Ms. Reynolds. I'm sure you'll get some questions.

We'll move to Mr. Dan Davidson. Dan, go right ahead.

Mr. Dan Davidson (Owner and President, The Red Barn, Owner, Subway): Thank you, Mr. Chairman.

Thanks, everyone, for having me here.

This is quite an opportunity for a small Saskatchewan boy who's never really spoken in front of many people before, to come to Ottawa, to the Parliament Buildings, to speak to everyone here.

I'm just a small restaurant guy who has a restaurant we built in southeast Saskatchewan when the boom started about five years ago. We found a way to grow our restaurant business by 325% in five years, with 225% growth in employment in the last five years, and it's just a family-run business.

What I've always been happy with is the government has said they want entrepreneurs to grow. One thing with the LMO process, I felt that the government was always behind me, supporting me to make sure I had extra employees if I could not hire.

We are in a tough market where we are right now.

The foreign worker program has been the single most successful government-sponsored effort in assisting companies in Saskatchewan to overcome the manpower shortage problem throughout the province. Most drastically, it is in the outlying rural areas.

Saskatchewan is made up of a few cities and a lot of rural communities. We're considered a larger town of 2,700 people. We are situated right on the Trans-Canada Highway.

Recently, controversies surrounding the RBC outsourcing and the Chinese miners appear to have triggered a review of the foreign worker program. Undoubtedly, measures can be taken to improve the system to ensure that similar controversial practices do not recur. However, we hope this does not jeopardize the interests of the overwhelming majority that have been compliant with and cooperative with the foreign worker program.

This program does work. It's worked for us. It's worked for a lot of southeast Saskatchewan businesses that have found ways to grow drastically and make sure we keep their entrepreneurial spirit going. Our thought process doesn't change to sell. It is in growth mode.

As of February 2013, the province of Saskatchewan has the lowest unemployment rate, at 3.8%, among all the other provinces, compared to the national unemployment rate of 7%. The unemployment rate in Regina, Saskatchewan, our capital city, is 3.7%. It's the lowest among all Canadian cities. The unemployment rate in Saskatoon is at 4.7%, which is the fourth lowest among Canadian cities. Most of Saskatchewan is booming, and we do need the support of our government to help with labour shortages.

We do not have enough local manpower to staff our businesses. The shortage is dramatically more pronounced in the outlying rural areas, where we have small populations, but we still have extreme construction and building going on.

We're huge in natural resources, as you all know. There's potash and oil. We have wind power now. It's all caused construction right along the Trans-Canada Highway in a very small community. All communities have seen growth that they can barely handle.

Employers have continuously advertised their job vacancies, but the simple truth is that it's hard to find Canadian locals to even respond to the advertisements. We run lots of advertisements; we do not get much. We do advertise all around the region. It can be taxing on dollars, but mostly on time, because it doesn't produce anything for us.

I'm going to tell you something. On December 11, 2011, Tim Hortons opened a restaurant on the Trans-Canada Highway right in Moosomin. Thirty days later, the retired police officer and the retired nurse handed the keys back to Tim Hortons. They were 25 employees short. They advertised for two months and could not get anyone. Of course, if the foreign worker program doesn't work quickly enough, and it does lag, people can't survive. They can't.

It's the same with me. Two years ago my heart was falling away from the business. I had just built it. It was a 9,000 square foot restaurant. I have a lot of debt. I financed my life away. I wondered why I did it. I was the one flipping eggs. I had 60 employees. I tried to grow it from 23 to 60 to operate, but I could not operate because I could not get workers. They just weren't out there. The other industries were grabbing them up. Food service and hospitality were the last places people wanted to work.

• (1115)

Another factor that compounds the situation of the food service and hospitality industry is the lack of interest among the available local workforce in joining our industry, as I just said, much less pursuing a long-term career in it.

We are a stepping stone for a lot of people. Given the required hard work and modest pay in our industry, the available local workers are more inclined to pursue more rewarding jobs in the fields of oil, potash, construction. But the biggest growth in numbers of businesses is in food service and hospitality during the booms. All the other businesses grow, but we get phone calls at our restaurant from all the other industries literally asking for one of my employees to go for an interview, "Do you want a job?" They are coming right into our businesses and getting people. We are a stepping stone, so we are always 10, 15, 20 people short.

Now a young entrepreneur who wants to go to the bank and build something new can't. My heart isn't there anymore; I don't want to do it, because I'm too stressed and I can't do my job properly." It is called maintaining disaster, almost; that is how it is. But when the LMO process came around and I was able to subsidize the market, which is at 3.8% unemployment, my entrepreneur juices started flowing again. A year ago, I built a little strip-mall building and opened a Subway.

I know that if I do my best to hire Canadian workers in my area, my government has my back. They are going to make sure I can grow my business in any way possible, because they are going to give me a foreign worker whom I can hire to bring the situation back. We are businesses that aren't taking advantage of the program; we're utilizing it, because we have to.

They are great people. We're trying to turn these people into residents, if that's their interest, through SINP, the Saskatchewan immigrant nominee program. Because of our small population, we want to retain employees and make sure we can grow our businesses.

That's the most of it. I just wanted to come—thanks for the invitation, Mr. Chairman—to tell a little bit of the Saskatchewan and small-town story of the small business guy who struggles, if he doesn't have opportunities, in a very tight labour market in the stepping stone industry, which is food service and hospitality. It is very important.

The Chair: Thank you very much, Mr. Davidson.

If any committee members are travelling down Highway 1 at Moosomin, Saskatchewan and want some great food and great hospitality, be sure to stop by at the Red Barn.

Thank you for that presentation. It does give us a sense of the smaller businesses that are operating in the more remote parts of the country where the economy is humming. It's important to hear from people like you, for sure.

We'll now move to Captain Craig Blandford.

Please go ahead on behalf of the pilots.

[Translation]

Capt Craig Blandford (President, Air Canada Pilots Association): Mr. Chair, honourable members of the committee, thank you for the invitation to appear before you today. Since I only have 10 minutes at my disposal, I think it would be preferable for you and for everyone if I continued in English. It will be quicker.

[English]

I was born and raised in the small coastal town of Springdale, Newfoundland, which is basically a small service community for—believe it or not—the smaller communities outlying Springdale. Much like most of the youth of Newfoundland since Confederation, which is now part of our history, youth have left the town to find work elsewhere in Canada, when they can.

I'm not here to protect work for Newfoundlanders or suggest that it should be protected, but I wanted to give you that as part of the context of what is my moral and ethical character. Pilots are equally mobile; it is an essential and inherent part of our profession. Mobility is essential for us.

I'm no different from many Newfoundlanders. I left home when I was 18 years old. I joined the Royal Canadian Air Force. I graduated from the Royal Military College of Canada. I spent 20 years in the air force, met a nice young lady from Winnipeg, had some children, decided to leave the air force, and I've been with Air Canada as a professional airline pilot now for 15 years. Winnipeg is my home.

The Air Canada Pilots Association is the largest professional pilot group in this country. We represent more than 3,000 pilots who fly the mainline fleet for Air Canada, and I'm the elected president of the pilots association. For some time now we've been concerned about the way the temporary foreign worker program has been abused, as we see it, by certain airlines in the country.

I should point out right from the start that we have no financial stake or interest in this. We're not affected one way or the other, as Air Canada does not take advantage of the temporary foreign worker program whatsoever to recruit pilots. Therefore, we have nothing to gain or lose by what is decided among your committee. However, our association prides itself on championing and being leaders in our profession in Canada, and we feel obliged to speak out when we see foreign-licensed pilots being brought into our country when we know that there remains a pool of qualified Canadian pilots here.

While we understand that this program may be useful in other sectors, as I heard quite eloquently from Dan, we believe it has been abused in the aviation sector.

Aviation is a highly competitive global business which has been and will continue to be subject to dramatic economic swings and nearly constant restructuring. Canada has not been exempt from this volatility. As a result, many highly qualified Canadian pilots are being forced to leave this country to work elsewhere when these restructuring events occur.

One of the most recent examples was in 2010, with the receivership and subsequent demise of Skyservice airlines. About 200 Canadian pilots lost their jobs when that occurred. Yet at the same time as these licensed, qualified Canadian pilots were seeking work—many of them leaving the country to do so—other Canadian

companies were using the temporary foreign worker program to bring in foreign-licensed pilots to operate their flights.

We've been drawing attention to this issue for some time, for several years now, yet we feel that very little has been done to address these issues. Prime Minister Harper's recent public statements that problems with the program have been identified and that they will be addressed have reassured us. We also believe that any government that is concerned about its fiscal situation should be concerned about providing such supports to business while simultaneously paying EI benefits to pilots who could be gainfully employed in this country.

Regardless, the abuse of the program resulted in the de-capitalization of Canadian aviation through the loss of this investment and of the many years of training and experience that these pilots are taking to their new employers in other jurisdictions. This results in a brain drain of experienced pilots and their skills which may not be recovered for many years, if at all. Canadian pilots are being forced to leave their country to find work. This is not the same as a Newfoundlander moving to Alberta.

It has also stalled the upward mobility and the careers of younger Canadian pilots. Junior pilots who enter the workforce will typically work for more than one employer over their careers, gaining skills and experience, then moving on to fly progressively larger and more complex aircraft. Airlines such as Air Canada and its competitors are at the apex of this progression. When airlines are allowed to bring in foreign-licensed pilots and pay them at a reduced rate of pay, it damages the career prospects of young Canadians and puts downward pressure on the overall market for their skills.

● (1120)

In short, it works against the economic interests of Canadians. Surely this can't be allowed to continue.

Many believe that a serious pilot shortage exists or is on the horizon. I don't see it that way. What I see is a shortage of pay and of employment opportunities in this country to entice young Canadians to enter the profession. Why would you consider a career with significant financial and training investment, when your mother, father, uncle, aunt—qualified pilots—are sitting at home without work?

One avenue to gain regulatory approval permitting the employment of foreign-licensed pilots is the use of the labour market opinion. The LMO rationalizes and proves that there are no Canadians suitably skilled to fill the available jobs. Under this scenario, I would not be a qualified or skilled pilot to fly with, say, Sunwing Airlines. They fly a 737 airplane. I have not converted or had a type rating on that airplane. I have thousands of hours: I'm a military-trained pilot; I have flown small, medium, and large airplanes all over the world; I've done air-to-air refuelling in NATO AWACS over Bosnia; for 15 years I've flown jet airliners as a first officer and captain at Air Canada, but under the LMO, I wouldn't be skilled or qualified to fly with Sunwing.

The temporary foreign worker program should not be used by airlines as an ongoing subsidy from government used to gain a commercial advantage over their competitors through the avoidance of these type-rating training costs, which are normally accepted in the business.

Air Canada constantly invests in the skills of its pilots as they advance through their careers and operate increasingly large and more complex aircraft. Air Canada's employment practice includes type-rating training as part of our professional development. This training investment not only creates a talented professional workforce able to meet the challenge of global competition, but also makes our airline one of the safest and most highly respected in the world.

There are mechanisms that work and which provide a net benefit to Canadian airlines helping to employ Canadian pilots, based on reciprocity. There are business models that take advantage of our peak winter season to import some foreign pilots to help with it and then use our Canadian pilots in, say, the U.K. in their peak season. There are models that work based on reciprocity.

Canadian companies should be encouraged to invest more in the skills and training of Canadian pilots before being permitted to bring in foreign-licensed pilots. We congratulate the government for the reforms to the temporary foreign worker program that have been announced, and to the extent that they address these issues, we would urge their passage into law.

I should acknowledge here that there are other actions under way within government to address different aspects of this issue. Our association is also taking part in Transport Canada's review of what is known as "wet leasing". This has become the practice of certain companies, which lease both aircraft and pilots and operate them largely as charter flights to vacation destinations in the Caribbean and Europe.

As I've pointed out above, we're not opposed to labour mobility for professional airline pilots and to the negotiation of reciprocal arrangements between Canada and other jurisdictions. It would allow the movement back and forth of pilots to meet the seasonal demands in different countries and would be beneficial for pilots, operators, and the travelling public. The Air Canada Pilots Association has offered our advice and expertise to assist in such an effort, should the government choose to pursue such an initiative.

Finally, Canada is a country built on and connected by aviation. We have a long history of pilot-training excellence, exemplified by the creation of the Commonwealth air training plan. Our air force, in which I proudly served, exudes safety and professionalism and has throughout its history been the training ground of many pilots, both domestic and foreign.

Here in Canada we hold to a high standard of operations and maintenance, required by our very harsh and unpredictable operating conditions. Air Canada and its pilots are proof that such standards, when maintained, produce one of the safest and most highly respected airlines in the world.

Transport Canada has set, encouraged, and maintained this high level of safety and standards as the government's administrator. A

Canadian air operator certificate or a Canadian pilot licence is meaningful and is a recognition that those standards are met.

While I readily admit that we do not have a monopoly on safety and professionalism, in neither of these cases—the leasing of pilots nor the leasing of aircraft—should our standards be lowered. The Canadian public have come to expect these as a given when they fly on a Canadian airline. Their confidence in the safety and reliability of Canadian air transportation must be maintained, and I respectfully encourage you to measure all of your decisions and recommendations with these ethics in mind.

Again, thank you very much for the opportunity. Merci beaucoup.

● (1125)

The Chair: Thank you very much for bringing the Air Canada pilots' perspective to this issue. We appreciate that there are two sides to each issue, and that's why we like to hear from you.

We'll now open it up to rounds of questioning. We'll start with Mr. Sullivan for five minutes.

Mr. Mike Sullivan (York South—Weston, NDP): Thank you all for being here to tell your stories.

I'm going to start with Air Canada and Captain Blandford.

Over here on the NDP side, we've heard the same stories of the abuse of the temporary foreign worker program. I have talked to pilots who cannot get a job, who have been unemployed for several years, and yet somehow, while people are unemployed, some airlines, and I understand it was Sunwing and Canjet, have been given permission by this government to hire non-Canadians, temporary foreign workers who are sent back after two years, in theory, because they claim there is a shortage.

How is that possible? How does that actually make any sense in this day and age?

● (1130)

Capt Craig Blandford: There are a couple of aspects, as I understand it, to explain how it exists.

First of all, none of us is afraid of good competition, fair Canadian competition in which airlines compete against each other in a competitive environment. We'd like all the airlines to have the same competitive advantage. That goes whether our flight and duty time regulations are different or whether there is one safety standard in this country.

The same goes with respect to training. We've learned how the LMO can be used in some cases, as Dan has said, to help identify a shortage of workers, if it is written properly. What is in our industry a given, absolutely normal cost of doing business is the training of a pilot to fly a particular type of airplane. That training cost is anywhere from \$25,000 to \$40,000. WestJet does it; we do it; Air Transat does it. Anybody who runs an operational business with airplanes has to train their pilots to fly their particular type of airplane.

The way the LMO has been written to rationalize a shortage of pilots is to say that there are no pilots available who are trained with the type rating to go right in and fly those airplanes. If WestJet laid off all of their pilots, under that LMO, none of them would be qualified to fly at Air Canada. It just doesn't make sense to me, but that's the way I think it is rationalized.

Mr. Mike Sullivan: These two airlines seem to have found a loophole. We've seen what has happened with Air Canada and its mechanics, whereby competitive pressures between them and other airlines forced Air Canada to shut down its maintenance bases despite promises to the contrary.

Are you concerned that these competitive pressures from these smaller airlines will force Air Canada, WestJet, and Air Transat to start adopting these strange and not very Canadian-friendly rules to hire temporary foreign workers themselves and lower their overall costs to try to match Sunwing and CanJet? Are you concerned that this might be coming down the road?

Capt Craig Blandford: There is an absolute concern, yes, that airlines could be created in this country that are really shell companies for foreign operators, for which the bulk of the flying is done by an operator who doesn't have a Canadian operator certificate or whose planes are not flown by Canadian pilots.

Again, please, I'm not so naive as to think that other countries don't have excellent standards and safety records and good training systems, but they will be different from Canada's.

We are concerned about the downward pressure. The Air Canada Pilots Association and our pilots have recently agreed with our company to create a low-cost carrier called Rouge. That carrier needs to compete in the marketplace. That airline will be competing with those other carriers who are taking advantage of a lower cost structure through a leasing company for different airplanes and different pilots. I hope that when they lease pilots and airplanes, they are paying good Canadian wages for that work.

What we've agreed to with Air Canada is to keep these jobs in-country. We have those jobs; Air Canada pilots will be flying those airplanes. However, in order to compete, we've been forced to modify and reduce what we would consider the acceptable wage for flying those planes. But we're loyal to the airline. They are trying to make an effort to compete in the market you have just characterized, and we want to help them to do that. There will be Canadian pilots flying those airplanes for Air Canada.

Mr. Mike Sullivan: That is in part as a result of your collective agreement with Air Canada. There is not, I think, a union at Sunwing or CanJet for pilots.

A voice: Yes.

Mr. Mike Sullivan: Oh, they do have one?

Capt Craig Blandford: Yes, they do. I talked to my good friend who is the Canadian president of ALPA on the weekend. Of course, he knew I was coming here. We share exactly the same sentiments when it comes to this. Even though our pilots are not affected, they have some pilots who are unemployed right now who are members of their union.

The Chair: Thank you very much. Your time is up, Mr. Sullivan. We let you go on a while.

We'll now move to Mr. Butt.

Mr. Brad Butt (Mississauga—Streetsville, CPC): Thank you very much, Mr. Chair. To the witnesses, thank you, all three of you, for being here.

Perhaps I'll direct some of my questions to the restaurant and food services side and get a better understanding of your interest in the temporary foreign worker program.

Ms. Reynolds, I think you said in your testimony that only about 2% of all the workers employed within the industry across the country—the many small businesses I know—are members of your association. We're not talking about a very significant amount of the workforce. Most of the workforce are Canadians or landed immigrants, and I would assume most are working full-time in these restaurants and that this is their mainstay livelihood.

Could you give me a better sense of this 2% and of the different regions of the country? I think Mr. Davidson very well articulated his specific issue in southeastern Saskatchewan, which might be a heck of a lot different from the case in Mississauga, Ontario, where I am from.

How prevalent is the program and the need for the TFW program for your members across the country in different regions? Do you have a better regional breakdown than just saying that it's 2% across the country?

• (1135)

Ms. Joyce Reynolds: Yes, 90% of the TFWs in our industry are in Manitoba, Saskatchewan, and Alberta.

The majority would be in Alberta. Back in the mid-2000s, when the economy was booming in Alberta, our industry was in a crisis situation in that market, as was noted. Franchisees were throwing the keys back at franchisers saying that they couldn't do it: "no people; can't do it". Parts of restaurant operations were being shut down and hours of service were being cut. There were huge lineups out the door, and people from the oil patch were coming in and recruiting people right from behind the counter at restaurants.

The situation was really critical. The temporary foreign worker program has become... Well, I don't know what would have happened to our industry in that market at that time.

The other thing that happened as a result of the temporary foreign worker program is this. You have to understand that some restaurants are open 24 hours a day, seven days a week, so you have to cover three shifts a day. If we could recruit 30% to 40% of our workers, then we still had to cover off the other hours. It was often the late hours—people had child care needs and transportation problems—and the temporary foreign worker program allowed us to make up that other 60% to 70%.

What happened was it really stabilized the operations. The managers in the operation were doing everything, working 16-hour days, cleaning toilets. They were not training. They were not managing. They were doing all the work of employees who should have been at the restaurant. Graduates from community college who they would bring in to manage the restaurants would quit on them after a short period, telling them they weren't hired to do all those jobs, but were hired to manage the restaurant. When they were able to bring in temporary foreign workers, they were able to stabilize their operations to a great extent.

The demands in Alberta have spread to Saskatchewan and have spread to Manitoba, and there are pockets in northern regions in every province in which there is a real, critical shortage of workers for our industry.

Mr. Brad Butt: Do you want to comment on that, or do you want me to ask my supplementary question, which may be more specific?

Mr. Dan Davidson: You go ahead.

Mr. Brad Butt: Mr. Davidson, you have been directly involved in this program for several years now. I think you recognize the fact that we uncovered some shortcomings in the current program, which perhaps have led to some abuse of the program, which was never intended. It was actually a previous government that brought it in, for a good reason, because there was a demand for this type of labour. It was needed in certain parts of the country, and it made sense to supplement the regular Canadian workforce.

What we're trying to do is look at the changes in this bill to make the program stronger and more effective but still allow you the same level of access to it, because you're a good operator and you're using the program for what it's intended to do. We are tightening it up, so I want to ask your opinion on a couple of those aspects.

First, there certainly is going to be much greater employer accountability for the individuals who are hired through the program and for what they are specifically doing, so that they are not replacing Canadian workers.

I'll get you to comment on that first of all, whether you're comfortable with that.

Second—

The Chair: And we'll conclude with that second.

• (1140)

Mr. Brad Butt: I'm sorry.

Second, we are going to be bringing in...well, it's proposed to bring in a fee-based process whereby the employer is going to need to have some financial skin in the game, too, to pay to get the LMO process, etc., so that you can get access to those temporary foreign workers.

Did you want to quickly comment on either of those two points and whether you think those are fair changes that are being proposed?

I'm done. Thank you.

Mr. Dan Davidson: On the tightening up of the LMO process and making the businesses a little more translucent to make sure they're hiring all the Canadian workers first, I think there's nothing wrong

with that at all. Even for me, I do all of the LMO processing and everything myself. We use an agent to outsource sometimes, but we do the paperwork ourselves. If I'm forced to do a little more of that to make sure we have the proper number of people coming in to run our business, I'm prepared to do that.

The fast-track LMO process worries me a little. Sometimes labour can change, I find. I can lose three to four people just like that, then an LMO expires, and then the process takes too long. It takes 90 days. I get into a situation of being behind all of a sudden, where I don't start operating the same way either, and that's not good.

As for the best way for me to have it, whether they have regions where they have the fast-track process still, in regions where they show that the unemployment rate is below 4%, let's say, and you still have some fast-track processes.... I do realize there are issues and problems, and we're not going to paint all of Canada with the same brush because there are certain parts of Canada that shouldn't...and probably that process should be made more difficult and it should be more timely. But for some of the areas, like ours, and for any other areas that show extreme labour shortages, that timeframe can't go on too long.

The Chair: The time is up, but there was also a question about adding a fee, if you want to make a very short response.

Mr. Dan Davidson: Real quickly on the fee, I'm not going to say that I mind the fee. I don't know exactly what the intent is or if it's to make the business person think twice about doing the LMO because of the cost.

Sometimes here's how I think of it. Mine is a bigger business, but I think of the little guy who does struggle a bit to make ends meet and has no labour in his restaurant, or the small hotel that doesn't have much in. They're taxpayers. They pay taxes to our government. They're losing a bit of that government support by having that fee put on to a small business that sometimes is already struggling as it is.

The big corporations, yes, maybe they can write the cheques a little easier for all these LMOs, but truly, if the small businesses are utilizing the LMOs and they're getting hurt by it, I'm not sure. I'm kind of on the fence when it comes to that.

The Chair: All right.

We'll move to Monsieur Lapointe.

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

I will speak French. Does everyone have a translation device that works?

Ça va bien, Monsieur Davidson? Okay.

[Translation]

A balance must be found. On the one hand, there is an urgent need for human resources in the service enterprises. We want to ensure that a restaurant or an inn can provide its services and meet its business targets this year. On the other hand, we don't want programs—and this is what we fear—that encourage businesses to resort to low-cost labour everywhere in the country. In that sense, we are not certain that there is a balance in every case.

You said, Ms. Reynolds, that in several regions, some of the human resources issues were long-term problems. In other words, the problem will still be there in 5, 10 or 15 years. That is a good example.

Given those conditions, should we not ensure that immigration be normalized, and that workers be able to become Canadian citizens and enjoy the same rights and advantages as all of us around this table?

[English]

Ms. Joyce Reynolds: Absolutely. One of the criticisms of the ALMO, accelerated labour market opinion, process was that there were managers who were being fast-tracked for the ALMO process. The misunderstanding there was about what was happening in those restaurants. Again, this was in remote communities where nobody was applying for jobs. There was nobody to train for the manager jobs, so some of our members were bringing in temporary foreign workers.

If those workers were able to demonstrate potential and wanted to move up in the organization, they could be promoted to manager and be given more responsibility and higher pay, but then they had to go back and reapply for an LMO, so they would apply through the ALMO process. Once they become a manager, they could be eligible to stay, through the provincial nominee program.

Our members are interested in helping those people stay in Canada if that's their desire.

• (1145)

[Translation]

Mr. François Lapointe: Perfect. So, there could be improvements in that regard. Thank you.

Mr. Davidson, we understand your situation very well. You have an urgent need for human resources. However, you heard Mr. Blandford say that in certain cases, in certain specialized trades, some programs are poorly administered. This encourages people who should be well paid, such as pilots, to stay home. Consequently, an unemployed airplane pilot will not invite his family of four children to your restaurant. So there are direct repercussions on Canada's real economy.

We think that there should be an independent examination to find that balance, that is to say to ensure that we can meet emergencies such as the one in your field, without provoking scenarios that are absolutely nefarious for all of the members of a given trade and thus for the Canadian economy, as Mr. Blandford mentioned.

Would you be comfortable with the idea of an independent study to allow us to find a balance in that situation?

[English]

Mr. Dan Davidson: Definitely. When I'm talking, it's with regard to food service and hospitality, which is my experience. I'm hearing Craig's situation, too, with the pilots. I totally feel for that.

I don't feel we want Canadians sitting at home while foreign workers are taking jobs. I'm totally on board with that, 100%. We do not want Canadians sitting at home. A Canadian who wants to work for me, who is prepared to come and work for me, is going to work for me.

[Translation]

Mr. François Lapointe: There is something else that concerns me. If this continues to be very poorly administered, there could some day be a backlash, a crisis of confidence among Canadians with regard to these programs. At that point, people who really need those programs and want to do things properly will be affected by that crisis of confidence. That is what we are going to see if things are not done with greater care than what we have seen with the banks, the pilots, etc.

I would like to hear your reaction to another issue, and that is the need for basic skills. Twenty per cent of our fellow citizens have enormous difficulties with basic skills, that is to say with literacy, which implies that they have trouble reading. Most often, these are people who are no longer a part of the system, who no longer receive unemployment insurance benefits, and so on. There are certain legislative provisions that ensure that programs, employment insurance surpluses, for instance, will be used to help these people to acquire these skills. Often, these programs and measures have wound up helping the service industry. Thanks to these measures, someone who was ready and willing to work, but did not know how to write or count, and could not even use a cash register, was finally given access to the labour market.

In a broader perspective, would it not be important to also help those people?

[English]

Ms. Kellie Leitch (Simcoe—Grey, CPC): I have a point of order, Mr. Chair.

I would just like to ask about the relevance of this conversation with respect to EI and skills training when we're talking about temporary foreign workers and specifically the clauses relating to the budget.

The Chair: I think where the questioner is going is that if you'd done certain things, including literacy training and skills upgrading, you would have more Canadians available for jobs.

Mr. François Lapointe: Yes.

The Chair: Perhaps you could conclude. Your time is up, so you'll need a quick response.

Mr. François Lapointe: In exactly the sense expressed by the chair, would you agree that it's an effort that we should collectively do?

The Chair: [Inaudible—Editor]...opinion if you want to or not.

Mr. Dan Davidson: I think that's something we do right now. I believe there is a lot of training available for people who are unskilled or who, as you said, are missing certain aspects to take them to that next level. I believe that stuff is offered.

If the question is directed at me, then my experience, and my answer, is with regard to Saskatchewan. Once again, we can train people. We can train them in Winnipeg. We can train them in Ottawa. They're not going to come to Moosomin, Grenfell, Broadview, or anywhere like that. We don't know how we can benefit from that in Moosomin. We have a 3.7% unemployment rate, and that includes everybody, no matter how well they read.

I do agree, though, that in Canada in general, yes, it definitely would be of benefit.

• (1150)

The Chair: Thank you for that.

We'll now move to Mr. Daniel.

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

Thank you, folks, and thank you for endorsing the temporary foreign worker program. It seems as though it's very useful for growing our economy, etc.

Captain Blandford, could you help us better understand what wet leasing is?

Capt Craig Blandford: Wet leasing by definition is when an airline gets airplanes and pilots from a second party.

Let's say the government asks Air Canada to transport, on short notice, hundreds of troops from one place in Canada to somewhere else. If Air Canada says that their airplanes are in maintenance and they don't have the airplanes, but they'll get some and they'll do the job, Air Canada will wet lease. They will get airplanes and pilots from somewhere else, and then use the Air Canada system to support that flying.

Mr. Joe Daniel: Does that involve your going through the temporary foreign worker program for wet leasing?

Capt Craig Blandford: No, that currently is one of the loopholes in the temporary foreign worker program. If you want to get pilots to fly your airplanes you'll have to go through an LMO or go through the temporary foreign worker program to rationalize hiring pilots, but if you want to wet lease and get airplanes and pilots from another airline, then you can do that without using the temporary foreign worker program. That is why we've drawn attention to the wet leasing aspect of this as well.

We just submitted a report to Transport Canada with our opinions on how that should be used in conjunction with the program you're reviewing, but you should be sensitive to the fact that if you fix this program or make adjustments, you should also be aware of the loophole that exists in the aviation industry for wet leasing, which I do believe is being addressed by Transport Canada in an appropriate venue.

Mr. Joe Daniel: Since you've really talked about a huge excess of Canadian pilots, can you give me some idea of how many temporary working pilots you're actually getting in, for example, in Air Canada?

Capt Craig Blandford: We don't have any. As I said, Air Canada doesn't use them for two reasons: Air Canada is a proud supporter of the Canadian economy and the industry, and the pilots association has collective agreements with the company that say that the company will hire Canadian pilots, and we try to enforce that.

I'm almost a tiny bit embarrassed about the magnitude of the problem. You're dealing with 350,000 or 400,000 temporary foreign workers in this country and the total number of pilots you have in the country is about 6,000 to 7,000, so the perspective and the magnitude are a little different. However, I am concerned about our industry.

In our industry, when you have 200 pilots out of work, that's significant for the economy and it's significant for those people who are out of work. Sunwing, for example, might hire and employ 130, 140, 150 regular permanent Canadian pilots, but in their peak season they might employ 200 or more foreign pilots on top of that when we have 150 or 200 suitable pilots who are out of work.

Mr. Joe Daniel: That's a realistic number of pilots who are unavailable?

Capt Craig Blandford: Yes.

Mr. Joe Daniel: I was actually talking just last week to the owner of an airline that works out of Lethbridge who can't even get anybody to apply to be a pilot. Can you help me balance that with why you have all these people sitting around and nobody is applying for these jobs?

Capt Craig Blandford: Again, I would have to understand the level of operation, the type of airplane. Is it a small operation? Is it a float operation or that kind of thing?

Mr. Joe Daniel: It's a small operation.

Capt Craig Blandford: In my remarks I alluded to the fact that we're going to have a pilot shortage, because the pay and the employment opportunities are just not there anymore, and until those get corrected.... It's a significant investment. You either have to join the air force and invest your time in a career for 15 or 20 years, or you have to spend years and years and years flying in the bush. You have to pay a lot of money yourself to get trained. It's a huge investment, and unless you're sure that investment is going to produce a career.... A lot of us do it for passion. A lot of us do it for a career. You're lucky if, like me, you do it for both, but there is a significant investment and there is just not enough incentive these days for young Canadians to start flying when they see the downward pressure on wages, pensions, other benefits of being employed with, say, a legacy carrier.

Our defined benefit pension for pilots is gone. It no longer exists. That's an indicator. Why would you get into this profession without those kinds of benefits that generations before have benefited from? We're concerned about that. We really are. I seriously think that until the pay and benefits improve—it's the old supply and demand situation—to incite young Canadians to want to get into that profession, you'll get those who have the passion, but otherwise we're going to have an issue.

• (1155)

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

We'll move to Mr. Cuzner and conclude with him.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Great. Thanks very much, Mr. Chair.

Thanks to the three witnesses. It was excellent testimony today.

I'll just reiterate what my colleague Mr. Daniel said. I wouldn't want to speak on behalf of the NDP, but certainly the Liberal Party understands that this is an important program as well, and where it's gone in the last six years causes great anxiety on our part. It has to be a program that both serves the interests of Ms. Reynolds and Mr. Davidson and does not imperil Canadian jobs.

We're trying to find out...and as Mr. Lapointe said, I don't think this is going to be an extensive enough investigation into the issues around it.

The points you brought up, Ms. Reynolds, are real. The questions you asked are real. They are sincere. They are insightful and they deserve an answer. Have you been putting the questions that you posed at the end of your testimony to the government, to the department to try to get information?

Ms. Joyce Reynolds: We have participated in a consultation process in terms of the temporary foreign worker program, so we have put forward our comments in a fairly comprehensive brief to the government.

I don't know that I've put forward every question that I've raised here today, but we've certainly made very clear our position and our concern that the changes to the program could make the program more costly and less accessible to our members. We've definitely raised those concerns.

Mr. Rodger Cuzner: Again, I think the needs of the Canadian workforce have probably changed significantly since the program was initially developed, so there should be a total rethink of the program or at least of what's working well and what needs work. I don't think we're going to get that through the exercise we've been tasked with from the finance committee.

That being said, I want to ask this of Captain Blandford, if I could, because this isn't a new problem with the foreign pilots. This isn't something that has just happened in the wake of the HD Mining incident in British Columbia. How long have you guys been beating the drum on this particular issue?

Capt Craig Blandford: I have documents in front of me going back years; I can say at least four years. Every time we meet with folks of influence like yourselves, we bring this up. I will meet several MPs this week. It is on my list of things to remind you of. It has been three or four years....

As I said in my remarks, I'm very reassured that you've been given this task and that the government has acknowledged that there are issues. Whether it's a fee-for issue or an LMO issue, I'm very reassured that it's being addressed. I'm now hoping to see results that will affect our industry as much as the others need this affected in their industries, but it has been quite some time.

Mr. Rodger Cuzner: You feel reassured? It's been assured by the officials that they're going to address this? What do you base your assurance on?

Capt Craig Blandford: Well, my knowledge on the basis of how our country works is as basic as most people's. When I see the Prime Minister on national TV stating that he has acknowledged that there are issues with the program and that they will be looked at in some fashion, I'm reassured that you've invited me here to comment. Hopefully those comments will be taken and addressed and some legitimate action will result from them.

Mr. Rodger Cuzner: Because I would think the announcement that was made last year, which had been sort of reversed this year.... On this announcement of accelerated LMOs and the 15% reduction in the regional wage averaging, I would think that you would have been very concerned and your organization would have been very concerned on those two issues in particular.

Capt Craig Blandford: We have been, sir. All I can say is that I really hope the work your committee does helps to address some of these issues. We can see them as employees and workers, whether it is in flying airplanes or working in a restaurant. Hopefully we'll see some changes that are productive and realistic and address the concerns of all three of us.

• (1200)

Mr. Rodger Cuzner: Ms. Reynolds, if I could ask you—

The Chair: Your time is almost up, so please, if you could, make it very short.

Mr. Rodger Cuzner: Okay.

We're hearing that with the accelerated LMOs, many are being pushed forward or are not really scrutinized. Do your members have much contact with the officials who are doing the processing? Do they visit the employers? What would be the frequency for that? Are there e-mails or phone calls? Is there much contact with the officials on these issues?

The Chair: A short response, please, if you could.

Ms. Joyce Reynolds: My understanding is that the ALMO is now gone, which from our perspective is unfortunate, but those who were applying through the ALMO were employers who had already been using the LMO process and were very familiar with it. The officials they worked with were very familiar with their operations and with the labour market situation in those communities. It was a situation where there was a very strong relationship and a lot of contact between the officials and the employers.

The Chair: Thank you for that response.

I should make mention that this particular legislation deals with some very narrow and specific issues, and that obviously, there will be round table discussions going forward with respect to future changes to the accelerated LMO process. It was temporarily suspended, so it's not gone.

Ms. Joyce Reynolds: Okay, good.

The Chair: I want to assure you of that. It's meant to deal with the pretty restrictive, narrow issues now with the understanding that there will be modifications and discussions going forward to make it better.

Thank you very much, all of you, for appearing before us and sharing your thoughts.

We'll suspend for a very brief period as we install the second panel.

• (1200)

_____ (Pause) _____

• (1205)

The Chair: We've got some committee business, so we'll suspend a bit earlier today. I want to hear from all the members and allow an opportunity for questions, so we will commence shortly.

We have with us here today Paula Turtle, Canadian counsel to the United Steelworkers. We have David Sinclair, vice-president, human resources, Blue Mountain Resorts Limited; and Chris Roberts, senior researcher, social and economic policy department, Canadian Labour Congress.

We're dealing with some very specific amendments to the temporary foreign worker program. We're trying to get a perspective from the various sectors and industries, so we're looking forward to hearing from you.

You will present for about five to seven minutes, and then there will be questions from the members of each of the parties here.

With that, we'll start with Ms. Turtle.

Ms. Paula Turtle (Canadian Counsel, Canadian National Office, United Steelworkers): Thank you. I'm here on behalf of Ken Neumann, the Canadian national director of the United Steelworkers. I'd like to thank this committee for inviting us to appear here today.

As you may know, the Steelworkers is Canada's largest private sector trade union. We have about 225,000 members in virtually every geographic and economic sector of Canada's economy. We have a long history of negotiating and enforcing collective agreements on behalf of workers and of participating in many aspects of Canada's democratic process.

We represent workplaces in which temporary foreign workers are employed. We have organized workplaces where temporary foreign workers are employed. We were one of the first unions and we have continued to be one of the unions that have spoken up about our concerns with the application of the temporary foreign worker policy.

We're particularly concerned about changes to the temporary foreign worker policy over recent years, especially those changes that have seen a huge increase in the number of low-skilled workers who come to this country under the program. When the temporary foreign worker program was initiated many years ago, its purpose was to ensure that specific and narrow labour shortages would be addressed by bringing in workers for short-term employment. It was developed to target specific groups of workers whose skills did not exist in Canada.

Since 2002, it's been expanded hugely to cover workers, particularly those in national occupation classifications, NOCs, C and D, generally those jobs requiring secondary school and on-the-job training. Since then hundreds of thousands of workers have come to Canada to work in doughnut shops, hotels, retail stores, restaurants, and banks, typically in short-term, low-wage jobs. Most of those temporary foreign workers have come in under that aspect of the program and have little or no chance of staying in Canada. These current policies are essentially creating a permanent under-class of low-wage workers.

In short, this policy creates a pool of vulnerable workers and labour for employers who are not prepared to hire from Canada's 1.4 million unemployed.

We submit, and we have been submitting publicly for some time, that the temporary foreign worker program must be changed. Essentially there are three areas where we say the program must be changed in order for it to operate efficiently.

First, low-skilled work, that work I referred to a few minutes ago, covered by NOCs C and D should be excluded completely from the scope of the temporary foreign worker program and should be phased out.

Second, we say for the remaining temporary foreign worker categories, employers must be required to prove on the basis of rigorous tests that there exists a genuine labour shortage before an LMO can be issued. Hand in hand with this reform we say that the government should and must develop policies that will encourage employers to develop, implement, and maintain job training and apprenticeship programs that enable Canada to have a skilled and well-trained workforce.

As it stands, the temporary foreign worker program operates as a disincentive to employers to develop those kinds of training programs that we would like to see put in place.

Finally, our third concern with the temporary foreign worker program as it is currently in place is that temporary foreign workers under the existing policy are vulnerable to exploitation. The policy must be changed to ensure that workers who come to Canada are not in a situation in which they are systemically vulnerable and in a position of feeling they can't speak out against abuses. The situation in which temporary foreign workers are vulnerable and exploited harms not just temporary foreign workers but all members of Canada's domestic labour market. In other words, if temporary foreign workers are treated badly and among other things permitted to be paid up to 15% less than workers in the domestic labour market, that exerts downward pressure on the wages of all workers. That's wrong.

•(1210)

We say that the better solution to meeting Canada's labour needs is to have a fair system of immigration that ensures people can come to Canada, can work here, can contribute to Canada's social and economic fabric, and stay in Canada and become citizens, and continue to participate in our country's economic future.

That is the kind of long-term solution Canada needs, and we urge that the program be reformed. The current system, which gives rise to exploitation and vulnerability, can and should be changed to ensure that workers who come to Canada come as citizens, not as temporary migrant workers who we invite in for a short period of time and who we then tell, at the end of that period of time, "Here's the door. You can go home".

In addition, for current workers who are here and for any temporary foreign workers who come in under a revised system in the future, a quicker and more reliable path to citizenship would go a long way to reducing the potential for exploitation and vulnerability.

Thank you.

•(1215)

The Chair: Thank you for that presentation. I know your suggestion regarding making them citizens or part of the social fabric is important. A previous witness, Mr. Davidson, mentioned that in Saskatchewan the provincial nominee program has provisions for that.

Mr. Sinclair, go ahead.

Mr. David Sinclair (Vice-President, Human Resources, Blue Mountain Resorts Limited): Thanks very much.

Good afternoon, ladies and gentlemen.

We're concerned about one specific change that you are considering to how the temporary foreign worker program is administered, which may disqualify my company from participating. In the broader sense, as more changes might be considered right now or in the future, I hope that by describing to you our situation you might better appreciate how useful the temporary foreign worker program has been in the last few years.

For you to appreciate our perspective, I need to describe our business and some of the challenges. Blue Mountain is a year-round ski, golf, summer attractions, lodging, and conference resort. Located on the southern shore of Georgian Bay, it's two hours from Toronto and 15 minutes from Collingwood, a town of 18,000 people.

Though we are a year-round operation, the majority of our business occurs between the Christmas break and the March break—three months. We budget for 700,000 skier visits, and we sometimes exceed that, and we know that thousands more come who don't ski during that three-month period. To service the customer volumes during this three-month period, we recruit 1,300 seasonal employees to supplement our 500-person year-round workforce. There's a total of 1,800 people for a three-month period, and then, at the end of the ski season, we lay off the 1,300 employees.

Clearly, the recruiting process for seasonal employees in a winter business like ours is one of the company's strategic processes. Our

top priority is the condition of the ski hill, but next to that, it's the employees we recruit who generate a great guest experience.

I've been managing the human resources function at Blue Mountain since 1991. I've seen many economic peaks and valleys. I have experienced tough recruiting times and easy recruiting times.

I believe that we've tried just about every technique one could try to attract and to hold on to seasonal employees. We've raised wages over those of the local employers. We've provided free transportation from the local towns. We've provided discounted day care for kids of employees. We've offered referral incentives: refer your friends and family and we'll pay you some money. We've worked with consultants to get welfare recipients into our jobs. We've offered incentive pay to the staff in our hardest-to-fill jobs, and we've recruited around the world to bring in international employees with travelling work permits.

Each year we spend a considerable time analyzing what worked and what didn't work the previous season. However, except for the recession of the 1990s, and more recently 2008-10, hiring seasonal employees has always been a struggle in some departments. Each winter season, there are a few departments running short the entire season. We cannot find enough interested and qualified employees to fill the least desirable jobs for the three-month winter season.

Bear in mind that some of these least desirable jobs also exist on a year-round basis. We'll have the seasonal employees join the year-round employees doing the same work. For instance, we have 80 room attendants—hotel cleaners—to which we add 30 seasonal employees.

It's the seasonal aspect of the job that presents the problem. It's our experience that when you recruit an individual for a job that's not desirable and you can only offer it seasonally, the job often goes unfilled, particularly where there's higher than average employment or lower than average unemployment, and this is key.

In our region, we drive by dozens of apple orchards every day on our way to work. Every one of those apple growers is using foreign workers, because they can't make their business work at a wage that would attract Canadians to do their pruning and picking for the season. Blue Mountain can relate to them and therefore wonders why tourism might be treated differently.

Prior to the recession of 2008-10, we had as many as 60 temporary foreign workers in our toughest-to-fill jobs. These employees came from Barbados. They all had a high school education and many had a post-secondary diploma in hospitality with an emphasis on either housekeeping or kitchen work. We employed them in those two areas. They were excellent workers and proud of what they did, and they were paid the same as the Canadian employees.

During the recession of 2008-10, we did not have any temporary foreign workers. It's our preference to hire Canadians.

•(1220)

Canadians don't need us to pay for flights, housing, bus shuttling, health insurance, or any orientation to the Canadian system. However, with the recession over and companies hiring again, the seasonal recruiting challenges have returned. Hence, this past winter we had 20 temporary foreign workers in our housekeeping department and we wished we would have applied for workers in our seasonal kitchens because we ran short all winter long. There was a lot of overtime.

Our former Governor of the Bank of Canada, Mr. Mark Carney, was quoted as saying that the temporary foreign worker program should not be used to fill the lower skilled jobs. He argues we should raise the wages and improve productivity. Rest assured we have worked on and will continue to work on both of those options, but there's only so much you can do. We hired industrial engineers a few years ago to help us figure out the most efficient and safe way to clean a hotel room, and as for wages, we already have the highest wage rates of all the hotels and motels in the region.

In fact, a couple of weeks ago I was asked by our chief executive officer whether we would attract enough people for these tough-to-fill jobs if we raised the wages by 30%. I had to pause and say, "I doubt it". I said it might require a 50% wage increase to attract enough people to these seasonal jobs. But even a 30% wage increase creates problems. It creates a spillover effect into the other departments. Arguably perhaps a couple of hundred other employees would say "me too".

This would shatter our lodging and food and business models forcing big price increases and a loss of business. A 30% increase would cost us \$600,000 in wages for housekeeping employees. It's not hard to imagine another \$600,000 in the spillover effect because of pressure from other workers. A 50% increase would mean \$2 million. Either figure puts our lodging business into the red.

Several independent studies predict a labour shortage trend for the worst, partly in the short term and partly in the longer term. One by the Conference Board of Canada suggests it will be particularly acute for the tourism business. It specifically cautions tourism operators not attempt to solve their challenge with higher wages since that will force unsustainable higher prices.

A study by the Urban Futures institute suggests that Canada's demographics have us heading for tough times with respect to a supply of labour. It argues that neither a radical increase in workforce participation, i.e., you and I working into our seventies and eighties, nor a radical increase in childbirth rates nor increases in productivity nor increases in immigration will provide us with the labour force we need to support the GDP that's forecasted. I referenced both of these studies in my written submission.

It's my understanding that the temporary foreign worker program as it is written requires employers to submit a plan showing how the jobs filled by temporary foreign workers will soon be filled by domestic employees. Though this may have been written in the legislation, it's not been enforced that often in the past, but it will be in the future. Frankly we're at a loss as to what that plan would look like for the Blue Mountain jobs currently filled by temporary foreign workers.

We also understand there's a user fee coming.

The Chair: We need you to bring it to a conclusion, if you could.

Mr. David Sinclair: I will.

We respectfully request you maintain the program to be as accessible as it has been. We understand the need for a reasonable user fee. We expect that you will want good data from companies proving their need, and that you will hold companies accountable for treating their foreign workers professionally, as professionally as they treat their Canadian workers, because in times of labour shortage, it's our experience that few Canadians will do some jobs offered only as seasonal.

Thanks.

•(1225)

The Chair: Thank you for that.

We'll move now to Mr. Roberts. Go ahead.

Mr. Chris Roberts (Senior Researcher, Social and Economic Policy Department, Canadian Labour Congress): Thank you to the members of the committee. On behalf of the Canadian Labour Congress and President Ken Georgetti, I want to thank you for the opportunity to appear before you.

CLC represents 3.3 million workers across this country, as well as dozens of affiliate national and international trade unions. CLC has been an advocate and a vocal proponent of changes to the temporary foreign worker program for many years.

The Government of Canada committed in economic action plan 2013 to take action to reform Canada's TFWP to ensure that Canadians are given first chance at available jobs. The government is seeking to amend the Immigration and Refugee Protection Act to provide authorities with the means to revoke work permits issued by CIC and to suspend or revoke labour market opinions issued by HRSDC if an employer is found to be misusing the program.

In addition, the Government of Canada announced that it would introduce user fees for employers applying to hire temporary foreign workers through the LMO process. The government will use existing regulatory authority under IRPA to introduce a user fee for employers requesting an LMO, and will establish authority for a privilege fee in respect of work permits. This will ensure that taxpayers no longer subsidize the cost of processing these applications.

We have a number of key concerns with these proposals. With respect to revoking work permits, the proposal to authorize revocation of work permits will adversely affect the migrant worker, whose status in the country is dependent upon the permit. In all likelihood, revocation will take place after a worker is in the country. This is because there is currently inadequate investigation taking place at the front end of the system.

The government's decision last April to fast-track LMO applications in the high-skilled streams and their plan to extend that model to all streams of the TFWP as indicated in the background paper fails to provide adequate time to investigate LMO applications for integrity.

Punitive measures need to focus on the individual, employer, labour broker, or immigration consultant who has violated the TFW program rules. Work permit suspension penalizes the worker. At a minimum, a mechanism is needed that would allow the worker trapped in these circumstances to find another employer via an open work permit, which can be sector specific.

With respect to user fees, according to the background paper circulated at the February and March TFWP consultations earlier this year, the Canadian taxpayer has been subsidizing LMO application processing costs to the tune of \$35.5 million a year.

Charging a processing fee is long overdue, in our opinion. The CLC has also long argued that employers seeking migrant workers drawn from other countries must also be subject to an additional levy for the benefit of training, skills, and abilities that other countries have provided to these workers prior to temporary work arrangements in Canada. We refer to this as a human replenishment cost.

We argue that in addition to user fees, which should be calculated at least to cover processing fee costs, privilege fees should address such costs as human replenishment costs that sending countries have incurred in the process of educating and training workers, and should fund enforcement and newcomer integration measures for migrant workers.

In addition, all user and privilege fees must be accompanied by effective measures that would prevent employers, brokers, or immigration consultants from downloading these costs onto migrant workers.

It's our understanding that the HUMA committee is unable to make amendments that in our opinion would offer genuine and much-needed reforms to the temporary foreign worker program and related pathways through which employers are able to access temporary work permits. This is a major shortcoming, in our view, and a missed opportunity to make the situation better for workers, no matter where they come from.

Nonetheless, the CLC recently held a meeting with nearly 40 affiliates and allies, and recommends comprehensive policy change in three key areas.

One, the entire temporary foreign worker program must be immediately scaled back in scope. There must be an end to employers' access to low-skilled occupation streams in NOCs C and D, excluding the live-in caregiver program and the seasonal agricultural worker program. Strong new eligibility requirements for employers seeking temporary work permits must be established, and accountability and punitive measures to address violations must be strengthened. A meaningful consultation process must be established that would lead to the implementation of needed and wide-ranging reforms.

• (1230)

Two, comprehensive investments are needed immediately in job training and apprenticeship programs.

Three, we need a return to a robust national policy of permanent immigration that contributes to nation building.

I have brought along a detailed articulation of these policy changes for the committee members, which I believe the clerk has circulated.

With that I finish, and I welcome your questions.

The Chair: Thank you very much for that presentation.

We'll start with Ms. Charlton.

Ms. Chris Charlton (Hamilton Mountain, NDP): Thank you very much, Mr. Chair, and thank you very much to all three of the witnesses for your testimony.

I imagine, Ms. Turtle and Mr. Roberts, that you don't often find yourselves on the same page as Mark Carney, but in this case indeed you are, specifically with respect to the temporary foreign worker program and low-skilled labour shortages.

Mr. Roberts, you made the point, and you're quite right, that unfortunately the HUMA committee isn't empowered to make the kinds of far-reaching recommendations that we might want to see to actually permanently fix the temporary foreign worker program. As much as I regret that, I do hope that through your testimony and through the work we're doing here we'll continue to raise awareness, and perhaps that more comprehensive study will happen as a result of your testimonies. I want to thank you very much for being here and making your presentations.

It seems to me that although on the surface it might not seem like the three of you agreed in your presentations, you did all say that impediments for Canadians to accept some of the jobs, whether they be temporary, seasonal, or otherwise, include wages, labour mobility, and skills training. I think all three of those probably deserve further study in the context of the temporary foreign worker program as well.

I want to ask each of you to reflect for a moment. We've had this massive announcement that the temporary foreign worker program will get at least a temporary fix now. It seems to me the government was shifting some of the responsibility on to employers as if employers were the ones who had mismanaged the program somehow and therefore were to blame for some of the stories we've been seeing in the papers, whether they be about HD Mining or iGate, and it doesn't matter which, as there's been a myriad of them. I would suggest that perhaps it was the government's mismanagement because at the end of the day it's not the employers who are issuing LMOs or ALMOs, it's the government that needs to be reviewing that process and granting those permits. I wonder if you could comment on whether in your experience the problem is employers, or are employers taking advantage of a program that the government has just poorly designed?

The Chair: Please go ahead.

Ms. Paula Turtle: Sure. I'm happy to respond first.

Thank you for the question.

As I think I indicated in my presentation, one of the concerns of the Steelworkers and others in the labour movement is that the temporary foreign worker policy as it currently stands operates as a disincentive or a deterrent against employers investing in and properly considering training and apprenticeships for the future. What we have is a very easy way for employers to bring in temporary foreign workers. They sign up for their permit. They get their permit. They don't have to worry about training.

In our view, one of the reasons that employers are coming forward and saying that we have a labour shortage—one of the reasons, not the explanation in its entirety—is that they haven't anticipated their labour needs and there hasn't been investment in training and apprenticeships. As a result, the easy way out is to get an LMO.

I'd like to comment in that context on one of the observations that Mr. Sinclair made when he said that in his view, Blue Mountain is not able to operate, and I think he used these words, that they can't make the business work if they pay workers at a wage that would attract Canadians. Well, again, as Ms. Charlton said, we find ourselves in the same place as Mark Carney on that issue.

Mr. Carney said a couple of weeks ago that if you're having difficulty attracting workers, the market can deal with that, and the market can deal with that by ensuring that wages and working conditions are such that you do attract Canadians, because the alternative to bringing in temporary foreign workers is paying members of the domestic labour market wages that attract domestic workers. If we don't do that.... And it's not just Mr. Carney who has said this. *Canadian Public Policy*, in a publication issued last year, said that the effect of continued reliance on temporary foreign workers is to continue to depress wages and maintain unemployment.

If the option is that we pay domestic workers a wage that attracts them, or we continue to rely on temporary foreign workers, as the policy now stands, we have the effect of depressing wages and maintaining unemployment. In our submission, the downside to continuing to use temporary foreign workers to meet those labour market demands is far, far outweighed by the upside.

• (1235)

The Chair: Thank you for that. Your time is up.

There are probably a few comments.

Go ahead, Mr. Sinclair.

Mr. David Sinclair: You were asking if the government has been at fault or employers have been at fault, or what have you.... I can only speculate, unfortunately, and—

The Chair: You don't need to speculate if you don't wish to.

Voices: Oh, oh!

Mr. David Sinclair: I think we're all aware of the principle that it's a minority of a few who tend to mess things up for the majority who play by the rules. I suspect it's the minority few employers who are not following the program as it's intended. Unfortunately, the majority might suffer as a result.

What can the government do perhaps to help? One of my frustrations has been making our case based on lack of detail on the

unemployment or employment rate in our particular region, the area that people would tend to commute from. Geographically, we are in Grey County. Economically, we're probably more closely associated with Simcoe County. My best understanding—and I say best understanding because I'm not sure—

The Chair: Please bring it to a conclusion.

Mr. David Sinclair: —is that we are probably three points lower than the provincial average in unemployment, suggesting a labour shortage. If the government could help us quantify that and make a firm case around that, it would be very helpful, but the data is not that finite.

The Chair: Thank you.

A very short comment, please, Mr. Roberts.

Mr. Chris Roberts: Very quickly, I want to endorse what Paula said. I think this is a public policy issue that can be addressed through government reforms. I think there has been a wholesale shift toward an employer-driven immigration and migrant worker strategy, whereby employers have been given the ability and the authority, really, to determine the future economic and labour market makeup of this country.

I think that employers are doing certainly what they're invited to do under the various changes we've seen to the temporary foreign worker program. We've seen the results in an explosion of entries under the program, so—

The Chair: Thank you. We'll have to cut you off there.

Go ahead, Mr. McColeman.

Mr. Phil McColeman (Brant, CPC): Thank you, Chair, and thank you, witnesses.

Ms. Turtle and Mr. Roberts, I believe you agreed on this point. I want a yes or no answer. Are you both advocating, in your three points, that we completely exclude low-skilled workers from being able to apply for temporary foreign worker status? Am I correct? I believe it was your third point, and I believe it was Ms. Turtle's first point.

Is that correct, yes or no?

Mr. Chris Roberts: To clarify, wind down the temporary foreign worker program for those classifications, yes.

Mr. Phil McColeman: Then it is yes.

Yes?

Ms. Paula Turtle: A phase-out of the temporary foreign worker program as it applies to those classifications—

• (1240)

Mr. Phil McColeman: Okay, thank you.

We had testimony earlier today from a small-business owner from Saskatchewan, a province which has 3.8% unemployment. Statistically, it doesn't exist at that point. He is the owner of this business with around 50 or 60 employees. We went across the country, to Vancouver, Whitehorse, Estevan and such, talking to businesses, employers, workers and unions about what the labour shortage issues were in their regions, and we got the same story. In fact, I recall one owner of a hardware business in Estevan saying that he couldn't stay in business because he couldn't get the workers he needs.

Ms. Turtle, when you talk about agreeing with the free market of Mark Carney's suggestions, is it free market or is it bankruptcy?

Ms. Paula Turtle: Anecdotal stories about labour shortages are not supported by the evidence about unemployment and the use of temporary foreign workers. Between 2008 and 2012, the largest growth in the number of temporary foreign workers has taken place in those parts of the country having the highest unemployment. In fact, although we all hear from time to time of employers claiming a labour shortage and the need to bring in temporary foreign workers, the empirical evidence shows quite clearly that temporary foreign workers are increasing in parts of the country where unemployment is highest. As a labour union representing workers, our experience is that if you treat workers fairly, they will come.

Mr. Phil McColeman: Let me follow up on that with you. You're reversing, in fact, earlier testimony today from the Canadian Restaurant and Foodservices Association. The head of their association talked about a 2.8% take-up needed for temporary foreign workers, primarily in Alberta, Manitoba, and Saskatchewan, which represented 90% of the TFWs out there. I think you'd need to reconcile that with other associations, not just your own numbers.

I'll move on to talk about what you would say in my area of the country, southwestern Ontario. It is largely agricultural and traditionally, going back decades, has relied on low-skilled labourers because Canadians will not take the jobs in the harvest. They will not take the jobs in the tobacco harvest or the other food harvests that occur in my part of the country. There has always been this need. In fact, it goes back generations. There are generations of families, typically from the Caribbean, who come for the harvest.

What do you say to the farmers in my part of the country when you say, "You'll face, one day, not being able to have that low-skilled labour arrive"?

Ms. Paula Turtle: Thank you. I will respond to your last question, but I would first like to respond to your suggestion that I was somehow contradicting—I think that was the word you used—the CRFA's testimony. I don't think I was here for that. All I can say is that the empirical data I am relying on, the unemployment statistics, come from Statistics Canada. That's what I prefer to rely on rather than on anecdotal evidence from individuals.

In response to your second—

The Chair: Just a moment. Your time is up, but we'll let you conclude with a short response.

Ms. Paula Turtle: Certainly.

In response to your question about agricultural work, just to be clear, we take the same position as the CLC, which is that we're not

suggesting that the seasonal agricultural worker program, which has, as you say, existed for many years and has been used to bring in seasonal workers, be part of the phase-out. We're talking about NOCs C and D, excluding SAWP and live-in caregivers.

The Chair: Thank you for that.

We'll move to Madame Boutin-Sweet.

[Translation]

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

I thank the witnesses for being here with us today.

Concerning the amendments to this bill proposed by the government, I would like to know this: how, in the restaurant or hotel industry, can a foreign worker program help to resolve a permanent problem? Mr. Davidson, who owns a restaurant in Saskatchewan, told us earlier that he had trouble finding employees. As opposed to Mr. Sinclair's problem, that problem persists throughout the year.

First, how can a temporary worker program contribute to solving that issue?

Second, do you think that the proposed amendments involve concrete support for employers, in order to help them develop a Canadian labour force?

Third, are there concrete methods to verify whether employers are abusing the system? For instance, are employers asked, under this law, to prove that there is a real shortage?

Do you see these aspects in the proposed amendments to Bill C-60?

● (1245)

[English]

Mr. Chris Roberts: Thank you for the questions. I can answer some of them.

The question about the use of and increasing reliance on a temporary foreign worker program to solve long-term labour market needs is a good one, and I think that's where we find ourselves today. I haven't seen any projections that suggest long-term labour shortages in lower-skilled categories. In fact, it's the opposite. There's the suggestion there will be labour surpluses in many of those positions in the lower-skilled categories because of the changing knowledge-intensive nature of work and occupations in Canada. If the goal is to fill positions at the low end through access to international workers, then we would advocate shifting away from a temporary foreign worker program arrangement with all of its flaws and shifting towards increasing pathways to permanent status and expanding the economic immigration opportunities for workers with lower levels of formal training.

If people are good enough to work in Canada, they're good enough to live here. We should be giving lower-skilled workers many more opportunities to become permanent residents. The provincial nominee programs don't do that adequately, especially in Ontario where unskilled and semi-skilled workers don't have access to permanent residency through the PNP. Those pathways are reserved for higher-skilled workers.

Very quickly, on the issue of the government's role in monitoring and surveilling compliance with the process, the CLC advocates for a migrant workers commission, which would be an independently staffed and resourced authority to provide exactly that role in working with employers and working with all stakeholders. This would ensure that migrant workers' rights are protected and that the program is fulfilling the objectives that it was originally intended to.

Mr. David Sinclair: Sorry. You go ahead.

Ms. Paula Turtle: Thank you.

The Steelworkers Union adopts the submissions of the CLC. I would add just one point, which is to express our concern and our reservations about the extensive use of ministerial instructions in the legislation as it now stands. Concerns raised in connection with the issuance of work permits and labour market opinions have a significant impact on the Canadian workforce and Canadians as a whole. Therefore, we say determining the preconditions that should be satisfied before those things are issued should be part of the laws and part of the regulations. Therefore, they should be subject to full parliamentary democratic debate in which this government can be held accountable for its policy initiatives, and they should not be done through ministerial instructions.

Thank you.

The Chair: You have about 30 seconds left. Did you want to use them?

I have Mr. Sinclair, for 30 seconds, and then we'll move to the next questioner.

• (1250)

Mr. David Sinclair: I can comment only on the seasonal impact of the program. I have no interest in arguing that it solves a year-round problem. Ours is only a short season, just like the agriculture program—in, out, thank you very much—because we shrink and expand dramatically as the season starts and ends.

As to whether the checks are sufficient, I'd answer that question better in a week or two because we were informed late last week that we are going to be audited, and we haven't gone through that yet, but I invite that and am confident we'll pass with flying colours.

The Chair: Thank you for that.

We'll move to Ms. Leitch.

Ms. Kellie Leitch: Thank you all for attending.

In response to one of the comments Mr. Roberts made, just so you are aware, consultations are taking place across the country on this file. I was in Regina, Toronto, Calgary, and Vancouver last week. I will be in St. John's and Halifax this week.

Union representatives were invited. Only one came to any one of those meetings. I would encourage you, if you have issues to put on the table, and you claim here you are not being asked to participate, to step up and participate, because we're asking.

It was quite disappointing to have only one of your colleagues sit through these consultations. He was a great guy from the film industry. We were delighted to have him there, and he had some excellent and thoughtful comments.

The one thing I will raise.... This is a question which in some respects maybe the two of you should be answering to Mr. Sinclair as well as to the individuals who are still sitting in the audience from our previous panel. According to Statistics Canada—I will quote my source, and I would encourage others, if you are going to talk about empirical data, to please quote your source—in Manitoba the unemployment rate is 5.8%, and in fact it's lower in Winnipeg. It is 4.0% in Saskatchewan, which is essentially unemployment eliminated, because I think we all know how those numbers work. In Alberta it's 4.4%. Last week it was 4.2%. That's Statistics Canada data. That's empirical data. That's a quote from that reputable—I think we'd all agree—institution.

If that is the case, and there really is no one to find, then when Mr. Sinclair speaks about elevating the cost to his company and essentially putting Canadians out of work.... What I heard about all over western Canada last week and I'm confident I will hear, just as I did right after the budget, in St. John's yet again is, "We have five or ten temporary foreign workers, but that makes sure I can still employ 50 or 60 Canadians." In fact, last week a meat processor in Calgary said to me that he employs 100 to 200 temporary foreign workers to make sure that 1,800 Canadians can still go to work.

How do we reach that balance? How high should Mr. Sinclair have to escalate his prices in order to keep people employed before going out of business? How does he reach the balance without going out of business to make sure Canadians...? I have to tell you he employs hundreds of Canadians, as do the people we spoke to earlier this morning. They support hundreds of Canadians. They train them every single day.

What's the tipping point in your minds of how much they should escalate their wages to make sure that Mr. Sinclair's Canadian employees still have a job?

The Chair: Go ahead.

Mr. Chris Roberts: Thank you for the question.

One of the confusions in this whole debate is the issue of how to get at legitimate, genuine labour shortages. Much of the justification for policy-making on the assumption of labour shortages is very subjective. It's business owners, employers, reporting difficulty in attracting workers.

Ms. Kellie Leitch: The Statistics Canada data are very clear.

Mr. Chris Roberts: Well—

Ms. Kellie Leitch: Statistics Canada data, last I checked, are empirical data, and the unemployment rate in Saskatchewan is 4%. Are you saying they're not correct?

Mr. Chris Roberts: I am saying the unemployment rate itself doesn't necessarily indicate the existence of labour shortages. Ironically, one measure of labour shortages is wage pressure, but one of the functions of the temporary foreign worker program expansion has been to suppress and to hold down wage pressure.

If we want an objective measure, let's look at measures of genuine labour shortages that exist. The Bureau of Labor Statistics in the United States has a measure. HRSDC uses it. It has to do with above-average employment growth, above-average wage increases

—
Ms. Kellie Leitch: Could you answer my question about Mr. Sinclair, though?

Mr. Chris Roberts: —and above-average—

Ms. Kellie Leitch: That was my question.

Mr. Chris Roberts: —below-average—

Ms. Kellie Leitch: What's the threshold at which you would like Canadians not to have jobs?

Mr. Chris Roberts: Well, I—

Ms. Kellie Leitch: How high should he have to escalate his wages? What changes should he have to make, or the others we met with today? That was my question.

Mr. Chris Roberts: Well, the way I interpreted Mr. Sinclair's testimony was that he was in fact saying that we can't increase wages to attract Canadian workers to do these jobs because it would mean an inability to provide those services under the business model, but

• (1255)

Ms. Kellie Leitch: But you've also said that you don't think low-skilled workers should be allowed into the country to fill those roles to help him.

Mr. Chris Roberts: No, I didn't—

Ms. Kellie Leitch: How do you square that circle?

Mr. Chris Roberts: No, if I may, our point—

The Chair: We'll conclude with that response.

Mr. Chris Roberts: —was that workers in the NOCs C and D skill categories—

Ms. Kellie Leitch: I'd also like Mr. Sinclair to respond.

Mr. Chris Roberts: —should continue to come to Canada, but they should have the same access to permanent status that higher-skilled workers have. Why do we have a two-tiered standard?

The Chair: Thank you. We'll conclude with that.

Mr. Sinclair, a very short response, if you can; if not, we'll move on to Mr. Cuzner.

Mr. David Sinclair: I'm okay.

The Chair: All right.

Go ahead, Mr. Cuzner.

Ms. Chris Charlton: On a point of order, Chair, the parliamentary secretary to the minister said that a number of labour organizations have been invited to her consultations. I wonder if she would share with the committee the list of organizations that have been invited.

Ms. Kellie Leitch: I'd be happy to do so.

The Chair: I don't know if that's a point of order, but you're certainly welcome to share it with the committee.

Go ahead, Mr. Cuzner.

Mr. Rodger Cuzner: Mr. Chair, if we're not careful here, this might break out into a real discussion.

Voices: Oh, oh!

Mr. Rodger Cuzner: I'm fearful we may be into a real debate for a change.

I want to mention something first. I had the opportunity two weeks ago to address the national convention for the building trades. On the issue of temporary foreign workers, there was a resolution on the floor before I had the opportunity to address the group.

I want to recognize the fact that the interventions that were coming off the floor all had to do not so much with Canadians being displaced but with the well-being of these temporary foreign workers, the conditions they work in, the wages they're being paid, that kind of stuff. I thought it was gracious of the groups that were making the interventions.

What we're talking about here is a program that has served many well for many years. Certainly in particular sectors it has continued to maintain Canadian jobs, as Ms. Leitch has indicated. It's provided some people from other countries with income they wouldn't have access to, and in an area of labour they're very comfortable with. So it's provided a great deal.

I think the question that has to continue to be asked is, where is the tipping point? I don't disagree with you that there aren't labour shortages in certain areas. It's not so much labour shortages; it's labour availability. You're not seeing people uproot their homes in Cape Breton to move to Moosomin to work at a Subway.

Mr. Davidson addressed this earlier. He's invested his life savings, and he and his entire family are under pressure to maintain a business in that environment. He needs access to these workers.

You sort of want to phase it out, so give me an answer on how he addresses his problem. There's only so much you can make off a turkey club sub. At some point, you're going to go to a McCain's frozen pizza. There's that tipping point, which has been brought up already about that.

What's the solution for a guy in a small rural community who's scrambling to get the bodies to work in his operation?

Mr. Chris Roberts: In our view, it returns to the question asked by the other honourable member, namely, how are we addressing well-anticipated demographic and labour market challenges that are long term in nature?

Do we continue to address them the way we have, through a temporary migrant worker program that entails all of the very restrictive provisions on what migrant workers can do, and which leads to all of the vulnerability and opportunities for exploitation that we've had evidence of, or do we address those challenges and those needs through a permanent economic immigration stream? In our view, it's the latter.

• (1300)

Ms. Paula Turtle: I would add to Mr. Roberts' comments.

You mentioned the building trades. There's been some coverage in the media in the last couple of days about, I believe, the building trades union indicating some level of support for certain aspects of the temporary foreign worker program. Interestingly enough, in those articles reference is made to a University of Calgary study. Some of the honourable members on the other side were saying they want empirical data. Interestingly, this University of Calgary study supports many of the comments Mr. Roberts and I have been making, that continued reliance on the temporary foreign worker program as a solution to so-called labour shortages rather than looking at labour mobility issues, rather than looking at training issues, is going to have serious adverse long-term consequences for the Canadian economy.

The study concludes by saying that we need to have a more robust immigration policy that brings people into this country to work in Canada and welcomes them to stay here as permanent residents and citizens.

Thank you.

The Chair: Thank you very much for that.

I know we had committee business, but I've given everybody an opportunity to question you on this very important issue and we

went over time. So I would propose to the committee that we move the committee business to the front of the next meeting on Thursday.

I'd like to thank all of the witnesses who appeared today to present testimony.

Mr. Rodger Cuzner: Mr. Chair, I have a point of order.

I haven't had an opportunity to speak with the parliamentary secretary about this, but in light of the minister's recent situation.... She's supposed to appear on Thursday. I'm wondering if it would be in everybody's best interest to put that off until the following week.

Ms. Kellie Leitch: Minister Finley will not be appearing.

Mr. Rodger Cuzner: Okay. We could reschedule that.

The Chair: We might actually propose to proceed, but maybe we should have a quick discussion here after adjournment of this meeting.

I'll adjourn now because the other committee is about to start. Thank you very much.

The meeting is adjourned.

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