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Chair

Mr. Bryan May

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

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• (1530)

[English]

The Chair (Mr. Bryan May (Cambridge, Lib.)): Hello, everybody.

We're going to get going. We have a pretty full day today, and we have to suspend between the different panels because we have some video conferencing coming in on the second set of witnesses as well as the third.

First, I would like to welcome and thank all our panellists for attending today from far and wide. Today we have, from ACT Immigration and Business Consulting Ltd., Anthony Cochlan, who is a partner. From the Canadian Labour Congress we have Barbara Byers, secretary-treasurer, and Elizabeth Kwan, senior researcher; and from Whistler Chamber of Commerce, Val Litwin, chief executive officer. Thank you all for being here today.

Without any preamble we're going to get moving with the opening statements from each of you. Because we have the three panellists, could we limit it to seven minutes, please?

We're going to start with Anthony Cochlan, from ACT Immigration and Business Consulting Ltd., please.

Mr. Anthony Cochlan (Partner, ACT Immigration and Business Consulting Ltd.): Thank you, Mr. Chairman and committee members, for allowing me to appear and make a presentation.

I'm a partner in ACT Immigration and Business Consulting, an immigration consulting firm in northern B.C. and Alberta. In my previous career, I worked 22 years with Canada immigration. I was an officer and a manager and worked here in Canada and overseas with the Department of Foreign Affairs.

I believe the temporary foreign worker program can work better for temporary foreign workers and their Canadian employers. As we know, temporary foreign workers are requested by Canadian employers who need to fill temporary skills and labour shortages when Canadians and permanent residents are not available. We tend to talk about temporary foreign workers, but the title should be Canadian employers and temporary foreign work. Together the two add to our economy.

A few of your speakers have talked about the categories and the programs so you're pretty well versed in the LMIA, the labour market impact assessment, and the temporary foreign worker program.

The main difference is temporary foreign workers under certain immigration classes do not need an LMIA, international experience Canada or the working holiday visa. Post-grad work permit holders and such folks do not need anything more than a work permit.

The second category of interest to this committee is the labour market impact assessment. Those are high- and low-wage occupations, agricultural workers, and in that line they need both the work permit and the LMIA approval to enter Canada.

What works and what doesn't? I know it's a hackneyed expression, but Canada was built by immigrants. We heard from the former respondents that the temporary foreign workers are a feeder group for permanent residents and new immigrants—David Manicom said that last week—but temporary foreign workers need protection and the employers need options, and the current LMIA process is not answering either.

Canadian employers put their own business and family money into bringing TFWs into Canada. Most employers will tell you they have never seen the person they hired until they arrive on the shop floor or if it's a caregiver they arrive at their house.

I'm going to give two quick examples that may help a bit. First, the caregivers. If my elderly mother needed a caregiver, I would have to look for Canadians. I would put an ad in the paper for a month. I would have to keep it running for two more months. It does not matter if 100 other people have looked already. I must do it with all of them. Even if there's a caregiver next door, and that person is unemployed, they cannot work for me and my mother until I clear them with a new LMIA and a new work permit. A very slow, old system is in place here.

Second, we all hear that the demand for physicians in Canada far exceeds availability. Yet each year every foreign physician who comes into Canada must get cleared and get an LMIA approval. I would rather my doctor was cleared by the College of Physicians and Surgeons and the local health authorities. I'm not as worried about clearance by an ESDC officer.

I offer three suggestions.

One, streamline the LMIA process. There are too many inconsistencies, and there's a lack of communication between applicants and the ESDC. Employers need to know there are standard protocols for the process. Canadian employers invest a large amount of time and money in their employees.

ESDC and IRCC can see there is not a risk within the program. They could move physicians and some caregivers out of the program into a category that would help with that process.

Two, I would like to see some open occupation work permits, a system whereby the work permits are based on in-demand occupations and areas in need, rather than tie an employee to an employer. Much of the controversy is related to unhappy or vulnerable employees.

● (1535)

That would allow employers and employees to choose each other and find a fit. They could also leave if it didn't work. It would be the market that would find the balance. I do believe that the "T" is for "temporary" in "temporary foreign workers", and that would allow more choice.

My final recommendation is to place LMIA officers in local regions. One size does not fit all. We're a huge country of many regions, and ESDC could be more accountable in local communities. We could have smaller ESDC offices in hub centres. They would know the local environment and the local employers, and they could also gauge the geographic areas of our industries that should have LMIA's.

I remember that in Fort St. John the economic development person there told me that when the LMIA process had its pause back in 2014, \$20 million in projects stopped. It's not that the TFWs weren't there. It's just that the Canadian employers weren't willing to invest in their companies unless they knew they could have a mix of Canadians to work and that TFWs would be there as well.

Mr. Chair and committee members, thank you once again for allowing me to appear. I look forward to your report.

The Chair: Thank you very much.

Now, from the Canadian Labour Congress, Barbara Byers will be speaking for seven minutes.

Ms. Barbara Byers (Secretary-Treasurer, Canadian Labour Congress): Thanks for the opportunity to present our views today on behalf of the Canadian Labour Congress. We will be providing the committee with a written submission in the future. We just haven't gotten it translated yet.

We represent 3.3 million members across the country. We work in virtually all sectors of the economy. Although we are pleased to be here we're also concerned with the limited time frame allocated for the review of the temporary foreign worker program. In May, 2014, several thousand delegates to our 27th constitutional convention called for a full, open, and transparent review of the temporary foreign worker program. We feel like this review undertaken by HUMA does not meet that criterion so we hope you'll give it some further reconsideration.

I'd like to start by saying that it's long been our contention that the temporary foreign worker program is flawed in design and in use. The program is still being used by employers as a way of doing business instead of a last resort. Employers are not motivated to recruit Canadian workers in aggressive and innovative ways including under-represented workers such as immigrants, persons with disabilities, indigenous people, racialized individuals, women,

LGBTQ, and youth. They are also not motivated to invest in training for Canadians because they can access higher skilled migrant workers.

For migrant workers the design of the program creates a multitude of vulnerabilities for them. The program is completely driven by employer demand and gives employers all control over the labour relationship with the migrant workers. This allows for rampant exploitation and abuse of their human and labour rights. The perennial problem is, of course, of low compensation for migrant workers. Although employers are required to pay migrant workers the median, prevailing wage, they find ways around this.

How do they do that? They do it by hiring migrant workers at the lowest end of the wage range, not paying them for overtime, not allowing rest breaks, demanding work outside of the employment contract, and recovering fees for various business expenses. Paying migrant workers low wages does not provide employers with the incentive to raise the wage floor for all workers regardless of whether they are Canadian or migrant workers. The tactics contravene provincial employment standards and the federal government's own requirements.

I want to highlight two program elements that result in enormous vulnerabilities for migrant workers. First, the employer-specific work permit gives all control to the employer of the workers' employment and immigrant status, their compensation, their working conditions, and their health and safety. The fear of getting fired and deported traps migrant workers in involuntary servitude where they experience horrendous working conditions; diminished labour rights; wage gouging; contraventions of labour, health, and safety standards; abuse; intimidation; sexual advances; coercion of document retention such as passports; and being tricked into illegal status. The most vulnerable are lower-skilled migrant workers with language barriers who work in isolation, and in particular those who are in debt to recruiters.

The second issue is the issue of the four-in, four-out, regulation where a migrant worker can work in Canada for four years and then they're not eligible to work in Canada for the next four years. This is a revolving door of lower-skilled migrant workers, which reinforces how the program creates an underclass of disposable workers. The flawed regulation interacts poorly with other parts of the temporary foreign worker program and has a far-reaching impact on the lives of migrant workers. In Alberta, migrant workers are timing out under this rule because of the processing delays of their provincial nominee applications. Other program flaws are specific to the caregiver program and the seasonal agricultural worker program. For example, the cap on permanent residency applications where there has been none before is particularly harsh in the caregiver program. That has also imposed limitations to pursue further education and training, which has caused hardships for many migrant caregivers. For those in the seasonal agricultural worker program their living and working conditions can only be described as dire. Although migrant farm workers contribute to employment insurance they are not entitled to EI benefits. This was something that they had before 2012, at least access to special benefits. Yet it is the same seasonal agricultural worker program that requires migrant farm workers to leave by mid-December each year invalidating the social assurance and disqualifying them for EI entitlements.

● (1540)

Other concerns include predatory recruiters charging migrant workers exorbitant fees—often in the thousands—to match them with employers for lower-skill, low-wage jobs. The recruiters put migrant workers in debt bondage for years.

One of our biggest concerns is the inadequacy of enforcement of employer compliance. Only eight on-site inspections were initiated out of a total of 5,907 employers reviewed by Employment and Social Development Canada between 2013 and 2015. It's not enough, as well, when only 340 reviews have resulted from 3,395 tips received between April 14 and December 15.

Finally, more regional and timely labour market data is needed in order to implement evidence-informed operations of the temporary foreign worker program.

We want to leave you with these recommendations.

Implement new pathways to permanent residency for all lower-skill migrant workers, including those in the agricultural program, and the caregiver program.

Concurrently transition towards eliminating employers' access to temporary migrant workers on tied work permits in the national occupational classifications C and D of the temporary foreign worker program, excluding the seasonal worker program and the caregiver program.

Put in place strict new eligibility requirements for employers seeking temporary work permits, including more robust economic needs tests, providing tools to enhance employers' recruitment of Canadians, and permanent residents, including under-represented workers.

Work with employers to provide more training to Canadian workers.

Replace the employer-specific work permits with open permits for lower-skill migrant workers, including the seasonal workers and migrant caregivers. In the transition, offer pathways to permanent residency for lower-skilled temporary foreign workers who are already in Canada.

Eliminate the four-in, four-out regulation, and remove the caps on permanent residency applications and the barrier to further training and education for migrant caregivers.

Change the regulation to qualify seasonal workers for EI benefits.

Aggressively enhance enforcement of employer compliance, particularly by increasing on-site inspections.

Ratify convention 189 of the International Labour Organization on decent work for domestic workers.

And last, greatly enhance labour market data collection. Obviously, we would be pleased to collaborate on this.

These suggestions are not things that don't work. We know they work, or at least some of them work, in the international mobility program, so these are things that we have proven can work.

Thanks for your consideration, and we'll look forward to your questions.

● (1545)

The Chair: Thank you very much, Ms. Byers.

Now from the Whistler Chamber of Commerce, we have chief executive officer Val Litwin.

Go ahead for seven minutes, please.

Mr. Val Litwin (Chief Executive Officer, Whistler Chamber of Commerce): Thank you very much, Mr. Chair, committee members, and other members of Parliament.

My name is Val Litwin. I am the CEO of the Whistler Chamber of Commerce. We have been the voice of business in Whistler for the last 50 years and we represent over half of our business community, which has 700 members.

I am grateful and Whistler is grateful for the opportunity to present before you here today. Thank you.

I have been tasked by the mayor and council of Whistler to speak on behalf of the resort municipality. I have also received permission to speak on behalf of the B.C. Chamber of Commerce. The Honourable Shirley Bond is aware I'm here too, and the B.C. Ministry of Jobs, Tourism and Skills Training and Responsible for Labour is supportive of my message.

Whistler businesses have a decades-long history of being proactive, innovative, and I might even add—as my colleague from the Canadian Labour Federation just mentioned—aggressive when it comes to hiring Canadians.

Despite the flashy exterior, Whistler's business community is 93% small business. Many of these are run by solo owner-operators. Even the smallest Whistler coffee shop knows that it must recruit across Canada, in Edmonton, Montreal, and Toronto, from coast to coast to attract staff.

Whistler's biggest employer, Whistler Blackcomb travels to nine markets across Canada annually, from the interior of B.C. to St. John's, Newfoundland to meet Canadians face to face and to sell the experience of working and living in our resort town.

There are many initiatives, both old and new that have helped Whistler attract and retain Canadians that I want to highlight very quickly.

The Whistler Housing Authority was founded in 1997 on the assumption that our resort cannot succeed or be successful unless we have a stable resident workforce that has access to affordable housing. As of today, we house 80% of our workforce in resort, versus 40% in benchmark communities like Aspen and Vail, which we consider to be our chief competitors.

More recently, we have built programs in partnership with the University of Victoria's Gustavson School of Business to create specialized customer service training programs for first nations youth, so that the nations can better incorporate themselves into the Whistler workforce and community. We do work as a community very closely with the Squamish and Lil'wat nations.

Our educational partnership with the Gustavson School of Business has also allowed us to train 11,000 workers in the last two years, making university-level education available and affordable to our small businesses, and it can be leveraged as a benefit by them when hiring.

We are very familiar with the millennial market data, and we know that Canadians want to be invested in. We now advertise that all Canadians coming to our resort can receive a university education. To my knowledge, this is a Canadian first when it comes to a town that trains its employees.

In the last 18 months—and this is captured on the public record—our chamber has advocated to our business community to raise wages. This is very unusual for a chamber to do, but we see the bigger picture, and our members have responded. A recent survey showed that 78% of our members have instituted a wage increase in the last six months, and 71% of them have confirmed that the wage increase was between 6% and 25%.

Pulling back to the big picture, our resort of 10,500 people drives 25% of the tourism export dollar in B.C. and generates \$1.4 million a day in tax revenue for the three levels of government. That's over half a billion dollars in tax revenue each year. Despite our efforts on wage increases, Canadian recruitment, and innovative housing practices, we have concerns that our inability to find Canadians is damaging our ability to maximize business opportunities.

Whistler currently sits at 1.8% unemployment. We are in the middle of a labour shortage that was identified by go2HR's labour market study in 2012. The report states that we will have a labour shortage of 14,000 full-time equivalents in hospitality and tourism by 2020. Sadly, we are on track to meet that target.

When we can't find enough Canadians to fill positions in the resort, we turn to other mechanisms like the temporary foreign worker program. I want to be very clear that while we view this program as vital, TFWs represent a very limited percentage of our workforce, just under 1% in 2014 according to Statistics Canada. A

majority in recent years have been highly skilled snow-sport instructors. The seasonal nature of the ski industry, much like in agriculture, makes it difficult to obtain and keep talent.

Along with Canadians, temporary foreign workers are a valued and vital piece of our labour force. Without them we would not be able to deliver the exceptional customer experience our guests are used to in Whistler, nor would we have the international field that has made Whistler so special for decades. Therefore, Whistler would like to respectfully submit three recommendations. Let me emphasize that we are fully supportive of a program that focuses on integrity and compliance. We want a credible program with proper protections in place for vulnerable workers.

Our recommendations would be the following. First, right now the labour market statistics for the Vancouver mainland southwest catchment show an unemployment rate of 6%, but Whistler's unemployment is almost non-existent at 1.8%.

● (1550)

In spite of all our efforts to recruit, train, and retain Canadians, we have jobs to fill and no one to fill them. For micro labour markets like ours, it would be helpful for our sub-6% unemployment rate to be recognized so that we can qualify for specific urgently needed workers.

Second, the labour market impact assessment fee is high, we believe. At \$1,000 per possible job applicant, for only one year of employment, with no guarantee that the position will be filled, \$1,000 is prohibitive. The fee should be reduced, especially for small business, and/or the period for which the assessment is valid could be extended from one to two or three years. This would streamline the process and enable small business to remain competitive and viable.

Finally, Whistler would like to respectfully suggest that consideration be given to creating a stream for seasonal workers, like the agricultural program, accessible to all sectors, on the same criteria, where there is seasonal work with proven and persistent labour shortages. The Canada West Ski Areas Association data shows there are simply not enough qualified Canadians in the snow-sport instructor category to serve all the operating resorts in our country.

I hope I've made clear our case around how temporary foreign workers form a small but vital part of the Whistler workforce. I appreciate your listening today and your consideration on this pressing matter. Tourism is a growing and green industry in Canada, and Whistler would like to remain a driver of that economic growth in both British Columbia and Canada.

Thank you.

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

Before we move on to questions, I want to officially thank Mr. Bratina for joining us today in place of Ms. Tassi.

With that, over to Mr. Zimmer.

Mr. Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC): Thank you, Chair.

Thank you to the witnesses for appearing before the committee.

Anthony, I want ask you a specific question. Some of the changes to the temporary foreign worker program came in, as you know, in 2014. Some of us come from high-employment areas—Fort St. John, Dawson Creek, Prince George—where TFWs are utilized in a great way, and I would say a lot of them in a highly utilized form. But we've heard concerns, too, about Canadian workers being displaced by temporary foreign workers. That's a concern, I think, around this table. We want to make sure we get jobs for Canadians first.

I just want you to speak to the Canadian person at home who's possibly unemployed. What do you say to the unemployed Canadian who sees temporary foreign workers as a threat to their livelihood?

• (1555)

Mr. Anthony Cochlan: It's a good question. I do think a temporary foreign worker program is one tool, and I think most of us have mentioned that. Often it's said to be the last desperate tool, although I'm not sure I'd paraphrase it that way.

I'm working on a LMIA now for an oil and gas company in your area that's paying over \$150,000 to a specialized person. There may be 12 in the world who can do his job. I've already been refused once on it. I've had a horrendous number of odd questions about it. We put in another LMIA at another \$1,000, and we're waiting for the answer. That fellow has about 200 people who are going to put down their tools if he doesn't get approved at the next go-round. Most of them are union members; in fact, I suspect that all of them are. He has no intent to stay in Canada. In fact he has a wonderful life in the U.K. He's worked in Indonesia and Australia. He helped all those places with pipelines, which is what he does. It's very frustrating to see that happen.

In the same sense—I'll try to be quick here—a 20-year-old girl sat next to me on the plane yesterday. She doesn't have a job. She told me that she doesn't have anything against a temporary foreign worker; she just doesn't know how to find a job in Canada. But she's in Ottawa, where we just arrived, as opposed to your area, where she'd be picked up off the street and given a job.

Mr. Bob Zimmer: The answer you gave I think answers the question that we in government saw previously, that a lot of these areas where temporary foreign workers are being brought in are areas where there simply aren't enough applicants available to fill those jobs. Typically we look at the service sector, such as hotels, Tim Hortons, and those kinds of places, but there are other highly skilled sectors where Canada simply can't provide an individual to fill a particular job. That's why they're resourced that way.

Val, you spoke about a potential labour shortage coming, saying that, sadly, you're on track to meet that shortfall. When I was a member of government, on the other side, we saw especially in this sector that ski instructors would come across. It wasn't just Canadians appreciating the talent; it really allowed the industry to be even bigger than what it was. Just as Anthony said before, because a few workers came to instruct, it allowed hotel workers to be employed and allowed many other Canadians to be employed as a result of that temporary foreign worker.

Could you just explain, in your terms, that shortfall? How would we change to meet that shortfall? And do you see TFWs as being necessary to fill that well into the future?

Mr. Val Litwin: Absolutely.

That report is not just for Whistler. It's for the coastal mountains specifically in tourism and hospitality.

What happens especially in ski resorts is if you don't get that baseline number of ski instructors, you're just not getting the customers coming through, and you're not serving them, which means there becomes a reputation in a specific category of snow-sport instructors that they are just always sold out. You can't get a lesson on a ski hill.

When we're performing under threshold when it comes to workers in the resort filling all these key positions, it does absolutely compromise the experience for the guests, and it doesn't allow us to scale at the same time.

As an example, Whistler Blackcomb, not this ski season but previously, had 90 snow-sport instructors. That was too prohibitive a process for them to repeat. They had 53 this year, and I believe—I have the numbers in here—they figure they missed out on \$1.5 million to \$2 million in revenue this year.

Whistler has always been a community that believes in helping itself before it asks for help. I think the way we are going to overcome the shortfall is by continuing to recruit aggressively across Canada. We will look to innovative partnerships that offer world-class, in fact, post-secondary training to all Canadians who want to come and work in the resort. We will be incredibly diligent in our recruiting in the Lower Mainland as well.

• (1600)

Mr. Bob Zimmer: I'd like to speak to the LMIA. Part of the reason too that we cracked down on TFWs were...some abuses that were publicly known, and we felt we needed to do something.

I just would ask about the \$1,000 LMIA. I've certainly heard from the initial promises that it was going to make the process expedited and would make it a better process.

In both your opinions, Anthony and Val, would you see that \$1,000 LMIA as a success, or has there been no change?

Mr. Val Litwin: From my opinion and what I'm hearing from my members, it has not streamlined the process. In fact, it has become more onerous and prohibitive to employers.

Mr. Anthony Cochlan: I believe the same. I think there are lots of inconsistencies. Three or four months is the norm now for an LMIA going in easily.

The Chair: Thank you so much.

Mr. Bob Bratina, please.

Mr. Bob Bratina (Hamilton East—Stoney Creek, Lib.): Thanks very much.

I'll go to the Canadian Labour Congress, Ms. Byers and Ms. Kwan.

It's very confusing trying to determine what the real data is with regard to employment. In my city of Hamilton we have gone as low as 5.2% in the official StatsCan numbers. It may be just a little below 6% right now, which sounds to me very good, and yet there are many voices in the area saying there's an immense amount of poverty, and the jobs are not substantial jobs, so I'm not sure we're able to work from any clear data as to what the true numbers for the labour shortage are.

What would you have to say in terms of how that data is accumulated and presented? Are we able to work from numbers that are useful to us?

Ms. Elizabeth Kwan (Senior Researcher, Canadian Labour Congress): In fact, it is very difficult to get good data, and it is one of our recommendations that there be better and more timely data collection.

The data that's collected right now is pretty high-level data, and it isn't granular enough or localized enough to deal with some of the issues, including the one that Val had mentioned.

One of the things is if we can get better data, that would tell us more, and we believe this program has never been driven by a base that's evidence-informed.

Labour shortages are very difficult to determine. I know a few years back ESDC actually did some work with the Canadian Labour Congress on trying to determine the labour shortage, whether it existed or didn't exist. They are still working on it. The discussion was that it's very difficult to pinpoint.

To tell the truth, if you challenge anyone and say, prove to me there's a labour shortage, or prove to me there are skill shortages, it doesn't matter which side of the fence you're on, they will come up with numbers that really are not terribly good numbers because we haven't done the job yet.

Mr. Bob Bratina: By the way, I do want to make sure that you provide a copy of your statement and the recommendations. I was trying to keep track of them in my mind. It's a very good list. You'll have that for us after translation?

Ms. Barbara Byers: Yes, we will.

Mr. Bob Bratina: Okay.

There's another thing that happens with statistics. We have a company in Hamilton, National Steel Car, and typically they had about 1,000 employees. They grew to 2,500 employees in making railcars, but when the model run changes and a different car comes in, they may lay off some people. The headline would read that "400 were laid off" from this company, but that's a temporary retooling layoff. Once again, we're into this confusion about what the real labour market is like.

There are many small machine shops and so on in our area. There are 23,000 manufacturing jobs. I ask them what problem we can help them fix, and it's the skilled labour shortage. Unfortunately, then, we get into the question of whether they are bringing someone in from eastern Europe because they're able to work more cheaply or whether there is definitely a shortage of those particular skills.

How are we going to evaluate that? What suggestions do you have, from the CLC point of view, that will help us understand what

the real needs are in terms of skills and so on, and whether they're available or not?

• (1605)

Ms. Barbara Byers: One of the suggestions that we've had for a long time now would cut across both this area, obviously, and also other areas in employment generally, such as skills shortages, training, and all that sort of stuff. What we've promoted for a long time is that we need a labour market partners forum, where you actually bring together business, labour, government, and other stakeholders to be able to work this out. These aren't issues that can be looked at as if we'll meet today and then next week we'll come up with the solution. That usually ends up meaning that you don't have a very good solution.

We used to have opportunities for that. We had the Canadian labour force development boards all across the country. We had the Canadian Labour Market and Productivity Centre, which again brought together the workplace partners and asked if we did or did not have a skills shortage. It could get through that debate and also call on specific kinds of information.

That would be one major area, we would say. I think it would cut across the area we're talking about today, but also a number of others as well, in order to develop a national employment strategy, because we don't have that either.

Mr. Bob Bratina: I was very concerned about the question of the potential abuse of temporary foreign workers and the ratio of investigations versus complaints. What would you say to that?

The Chair: Very briefly, please.

Ms. Elizabeth Kwan: I would say that they really do need to more aggressively enforce that. They have built a much better car; the compliance framework keeps getting bigger and more complex. But quite frankly, it has to be followed by strong, aggressive enforcement.

Also, I'm sorry, but when you count reviewing paperwork as "good enough" enforcement, it's not. You have to be able to get on site and check things out.

The Chair: Thank you, Ms. Kwan.

Ms. Ashton, please, for six minutes.

Ms. Niki Ashton (Churchill—Keewatinook Aski, NDP): Thank you to our witnesses for coming here today.

Ms. Byers, I do want to reflect on some of your comments. You started off by saying that there concerns around the nature of this review. We're certainly keen to continue to highlight our concern that this is a truncated process and, unfortunately, is not even transparent.

For example, this meeting isn't even being televised for people to watch, and all the while we know—even in the last 24-hour news cycle—about the very alarming stories that are out there in terms of the kinds of exploitation that temporary foreign workers in our country are experiencing. Canadians are deeply concerned about what they're hearing. In fact, that is how I want to begin my round of questions.

Obviously today there has been much attention given to the experience of Sheldon McKenzie from Jamaica, a seasonal worker in the Leamington area, who suffered a head injury and eventually died from his injuries, and whose family had to fight—unnecessarily—to keep him in Canada to get basic health care. I want to read into the record the words of Chris Ramsaroop, from Justicia for Migrant Workers, who said this about the temporary foreign worker program:

To be blunt, I consider this an apartheid system. Migrant workers live and work under a different set of legal rights and obligation[s] than we do. We are not denied basic human rights, we are not denied health care. They are seen as disposable and temporary.

Obviously he was speaking in particular to the seasonal agricultural worker program. Do you agree that the level of exploitation we're seeing, whether it's in the seasonal agricultural worker program or in other sectors as well, means that we have to take this issue far more seriously than we are, and that it is in fact an urgent issue?

Ms. Barbara Byers: I can be short, and say, yes.

There's a reality here. I think we've seen it even in terms of the evidence that's been given. When you're talking about, and the example you gave, the very specialized person who needs to be brought in, there is a discussion to be had there.

Then there are those thousands and thousands of low-skilled, low-paid workers who are very much left vulnerable when they come into this country, and who are expecting that by coming here they might have an avenue to be able to stay at some point.

I heard the same example today on the CBC. We certainly hear it when we meet with domestic workers, who make up a hidden workforce in lots of ways. When they come into Canada looking for something.... They're looking after our children while they've had to leave their own children behind. They're looking for a different way of life. What they find is they're having their passports held. They're being underpaid. They're being asked to do more work. They're being overcharged for accommodation. There's a whole range of things.

I think it's a huge issue. That's why this work of this committee is so important, and it's also important to get it right. If it were our families experiencing that, we would want people to pay as much attention to it as possible to get it right.

• (1610)

Ms. Niki Ashton: Thank you.

I know the CLC is on record as sharing a powerful statement, which is if you're good enough to work here, you're good enough to live here. I'm wondering if you can speak to how critical access to citizenship is when we're talking about temporary foreign workers.

Ms. Elizabeth Kwan: I think one of the reasons the CLC calls for access to permanent residency is that one of the features of the temporary foreign worker program that makes workers vulnerable is the employer-specific, or tied, work permits. What happens is that everything depends on that one relationship with that one employer. That's great, if the employer is great, but if things go wrong, there is no avenue to appeal. There's no avenue to have a voice to say, "I'm being exploited. This is abusive."

The ask for the permanent residency, or pathway to permanent residency, is to take apart that employer-specific work permit element. Doing so will allow people to exercise for themselves some decisions around their own protections of their labour rights, as well as their human rights.

In your example of the seasonal worker, one of the features of the seasonal agricultural worker program that is horrible is that we have bilateral agreements with these countries, and the workers don't volunteer or queue up to come. Their government has to nominate them.

Of course, that adds a whole other layer of compliance, and people have been badly hurt because employment standards, and health and safety standards weren't adhered to. No one is going to say much. If they say anything, they don't get to come back.

There are so many ways in this program, the temporary foreign worker program, that create situations and vulnerabilities for migrant workers that they cannot.... On paper, they have rights, but in exercising them, not so much.

Ms. Barbara Byers: The past head of the machinists said, "At the CLC, we believe in immigration, not exploitation."

The Chair: Thank you very much.

Now we are going to Mr. Ruimy for questions, please.

Mr. Dan Ruimy (Pitt Meadows—Maple Ridge, Lib.): Thank you for your comments, everybody.

My questions will be geared toward Mr. Litwin.

As a fellow resident of B.C., who's been to Whistler many times—love the place—I am well aware of the challenges you have. We all know it's transient up there.

Looking at it from a different perspective now on this side of the House, or on this side in politics, the first question I have for you is could you walk us through a little more on how you are targeting local Canadians or youth for jobs, rather than relying on foreign workers? What are you doing? What are some of the things you're doing?

Mr. Val Litwin: Our biggest employer in town, Whistler Blackcomb, has a very aggressive and robust recruitment rhythm annually throughout the Lower Mainland, including digital advertising, which would include social media advertising and things like targeted Facebook ads to youth for sure. As a chamber, we partner with WorkBC. We've put on two job fairs this season in partnership with WorkBC. That's not something we used to do. That's something we now consider it our duty and responsibility to do. Many of the local employers, as well, physically go down to job fairs and make sure they're posting on job sites throughout the Lower Mainland. Again, it's very targeted, so it's not just taking out a craigslist ad in Vancouver but advertising on the island, in Victoria, in Nanaimo, and in Duncan, and getting very specific with their advertising campaigns.

• (1615)

Mr. Dan Ruimy: Thank you.

Often in the media we hear the negative stories, the stories about poor working conditions. Could you tell me a little bit more about the working conditions of the workers over there? What control or impact do you actually have on those working conditions?

Mr. Val Litwin: Of course, I can't speak to the detailed experience of everyone who comes in, but I can say, given that our business is to create happy experiences for people when they come to the resort, that we can't have unhappy staff create happy experiences for our guests. For example, at the Fairmont, they have tremendous staff accommodation for all their workers there. There are terrific benefits.

Again, this is a community that has a multi-decade history of having to be very creative, innovative, and aggressive in our hiring and retention practices. Conditions would extend from the health benefits, like discounted ski passes to the hill, to subsidized staff accommodation. To my knowledge, it's a very good situation for our front-line workers in Whistler.

Mr. Dan Ruimy: Have you heard any horror stories there?

Mr. Val Litwin: To be fair, I think there would be typical ski-town stereotypes of multiple people living in a room, but I think that is not the norm, absolutely, and it's a short-term thing.

Mr. Dan Ruimy: Okay. Thank you.

Let's talk a little about wages in Whistler. Have they increased over recent years? Have they changed at all?

Mr. Val Litwin: Yes. I quoted a statistic a little earlier. We did a survey at the end of summer 2015, heading into our last winter season, and 78% of our businesses surveyed said they had increased wages in the last six months; 71% of those businesses said that increase was between 6% and 25%.

As a note, in B.C. for workers in the tourism and hospitality sector, these numbers are coming from go2HR, which is our provincial resource for human resources in tourism. Part-time workers in tourism and hospitality in B.C. make \$14 an hour on average; full-time workers make \$20 an hour on average.

Mr. Dan Ruimy: I just want to touch on LMIA's. When you apply for your LMIA and you get approved, are there any statistics on the people actually getting in? You may be told you can go out and hire somebody, but when you find somebody, are a lot of people turned down because they're not qualified?

Mr. Val Litwin: That's a fair question. I have not heard of many examples of that. What I have heard is that more on the leading edge of the application process, it can be very difficult. With regard to some of the examples brought up here on this panel, those are very legitimate reasons to be bringing a person in, but it's a very long and difficult process to reach the finishing line.

Mr. Dan Ruimy: You mentioned before that in Whistler the unemployment threshold is about 1.8%. I'm going to give you 45 seconds to tell us why you think it should be changed for you.

Mr. Val Litwin: Just to clarify the question, you mean why should we be exempt from that 6% rule? That's a great question.

The mainland south-west catchment is currently at 6%. We're at 1.8%. I think given our distance from a large urban centre that it isn't easy for people to necessarily commute daily to the resort; and that we're well beyond full employment, given all the exceptional efforts we have put into play to recruit and keep Canadians. It's sensible and

it recognizes the actual unemployment number of 1.8%. So we would be advocating for more specific micro-market data so we can make better decisions.

The Chair: Excellent. Thank you very much.

That's the end of the first round. Beginning the second round, I believe we're going back to Mr. Ruimy.

• (1620)

Mr. Dan Ruimy: We're going to go back to that 1.8% again.

I think part of the challenge is that Whistler is such a great, beautiful place that people across the country may not really understand why it's so hard for somebody to hold down a job there. Keeping in line with that kind of questioning, what do you suspect would be the long-term implications to businesses in Whistler if these exemptions are not met?

Mr. Val Litwin: What we saw at the end of last summer and we started to see this winter—and I think we'll hit that choke point again—is that businesses started to limit their hours. I have more data, and we'll have our handouts and white papers translated for the committee here, but 40% of my members report having between four and 20 positions unfilled in their businesses. So that is, 40% of my members say they have between four and 20 positions unfilled.

So what happens, to your question, is we limit work hours. I know of restaurants that have stopped serving lunch, for example. I know some restaurants and cafes that have closed for specific days of the week. It compromises our ability to present a tremendous product for our visitors.

Mr. Dan Ruimy: Okay. So now, the percentage that you just gave us is not only referring to the highly skilled snowboarding instructor, but it's also retail. Can you try to give us a little bit of a picture of what that looks like? I understand that not serving lunch is not good, but how bad is that in the overall context of business in Whistler?

Mr. Val Litwin: What it means is, if you've ever had the experience of walking into a store when you desperately want to be helped by a member of that team, the experience is of walking around and feeling like no one is taking care of you. It does again compromise our ability to deliver those world-class experiences for people when they come to the resort.

People have longer wait times, questions are going unanswered, and guests are left wondering what is actually happening in a business in many cases.

Mr. Dan Ruimy: For those positions are we talking cooks, dishwashers, waitresses, that sort of thing?

Mr. Val Litwin: The top four most needed positions in Whistler right now are line cooks, housekeepers, front of house food services, which includes servers, bartenders, and hosts, and front desk agents, so that's guest services and reservation agents. Of note, 14% of the businesses we surveyed are desperately in need of management positions, so we're not just talking low-wage positions. We have tremendous career opportunities for people up in Whistler in high-paying jobs.

Mr. Dan Ruimy: I kind of wonder why nobody wants to go up there then to do that.

Mr. Val Litwin: Yes.

Mr. Dan Ruimy: That's what I keep coming back to. I know you've been working hard. I guess the question I'm going to keep coming back to is: how do we train the youth who we have living in Squamish, living in the neighbouring area, so that they become your long-term employees?

Mr. Val Litwin: We're in conversations with Quest University and the nations, and possibly both entities are looking at putting together a culinary school. We are looking to educational partnerships to figure out how we can get more education in the corridor for the positions we need.

To partially also answer your question, Squamish is going through a very tight labour market as well. They're experiencing very low unemployment, so we just can't draw from that market that we used to draw from in the same way any more.

Mr. Dan Ruimy: Thank you for those.

Would you happen to know, if you were to go back 20 years, has your use of temporary foreign workers gone up, down, or stayed the same?

Mr. Val Litwin: In Whistler since 2010 up to 2014, I'll read out the number of temporary foreign workers according to Stats Canada: 260 in 2010, 140 in 2011, 125 in 2012, 147 in 2013, and 106 in 2014. It shows a downward trend with a couple of little blips in between.

● (1625)

Mr. Dan Ruimy: What are the costs incurred in hiring temporary foreign workers in comparison to attracting and retaining locally? How do they compare?

Mr. Val Litwin: Hiring a Canadian versus hiring a temporary foreign worker, is that essentially the question? Yes.

What I hear from my members is that they would far prefer to hire a Canadian. It is easier and cheaper.

As I was saying, 93% of my members are small businesses. They are the backbone of the resort. Many of them are in the food and beverage industry, or retail. They have three to four, maybe five staff. To go out there and try to bring on three or four temporary foreign workers to work in a café, \$4,000 in LMIA applications, for a small business that's a marketing budget for an entire year.

We would far prefer to hire, attract, and retain Canadians.

The Chair: Thank you all very much for appearing before this committee and bringing your breadth of knowledge on this particular issue. I know some of you have come from afar to be here and this committee appreciates that commitment to this particular issue.

We do have a lot to do with this study. This is going to be a very intense study and I'm very pleased at the witness list we've seen.

Thank you all for starting us off in the right direction. We appreciate it.

We're going to break for about five minutes, so we can switch over and get the new panel on video with us.

● (1625)

_____ (Pause) _____

● (1630)

The Chair: Good afternoon everybody. We're coming back for the second panel today.

We have a few people via Skype as well as one in-house who is feeling very lonely down there.

First, from the Coalition for Migrant Workers Rights Canada, we have Gabriel Allahdua and Gina Bahiwal.

We also have via Skype video conference, from Coast Spas Manufacturing Inc., Jatinder Sidhu, executive vice-president.

We have, in-house, from the Entertainment Software Association of Canada, Jayson Hilchie, president and chief executive officer.

Welcome to all.

Since we have the video conference working, we're going to go to the presentations from the witnesses via video conference first.

I understand both Gabriel and Gina are going to split their time. I believe we have Gina going first. You're going to split your time and you have a total of seven minutes.

Please, go ahead.

● (1635)

Ms. Gina Bahiwal (Member, Coalition for Migrant Worker Rights Canada): I am Gina Bahiwal from the Philippines. I came to Canada in 2008 under the temporary foreign worker program, so I have been here for eight years. I worked as a vegetable packer for four years and moved to B.C. with the hope of getting permanent residency under the B.C. PNP. This only happened when I learned about the four-year rule, which was implemented in April 2011.

I had to pay a recruiter for the housekeeping job. While in B.C., I did not stop my advocacy work for migrant workers. I tried to help other migrant workers and I ended up losing my job. I had to pay another recruiter for my food and counter attendant job at a McDonald's restaurant in Hope, British Columbia.

Unfortunately, I did not meet the family income threshold, so my B.C. PNP application was denied.

The four-year rule is making us more vulnerable. Being here in Canada for four years or more, we have no life to go back to in our countries. We are separated from our families and most of us, migrant workers, have lost our families. One thing more, we don't have jobs to go back to.

We came with a closed work permit and we have to stick to our employers even when they are abusive. It is hard for us to get another job or a new job because of our closed work permit. Most employers are dependent on recruiters and we pay thousands to get employment.

Access to health care is a problem for migrant women and injured workers. Migrant women who get pregnant and fired from work do not have access to health care. Injured workers who are being sent home cannot access health care here in Canada.

I have been talking to many migrant workers across Canada and we are shouting the same thing. It's for status upon arrival. If other migrant workers, under the skilled category, have status upon arrival, then why can't we have that too?

They come here with their families. Why are we separated from our families?

Yet, all of us come here with the same purpose, to work and make the Canadian economy better.

The Chair: Thank you very much.

Now over to Gabriel.

Mr. Gabriel Allahdua (Member, Coalition for Migrant Worker Rights Canada): Thank you.

It is very hard for us to speak up when we have a bad employer or if we are not getting our full wages. Imagine how much harder it is when speaking up doesn't just mean losing your job, but it means being forced to leave the country. Imagine how hard it is when your employer controls your housing, and your contract is not enforceable.

What is worse is that employers know that, and bad bosses are pushing workers to work harder for less pay.

In my work with migrant farm workers there are 13 tall, wide, deep and huge dark sides of the program. I can only highlight a few of them because of the pressure of time.

One of them is that the occupational health and safety handbook of Ontario contains a lot of guidelines that came about as a result of several coroners' inquests into non-agricultural work-related deaths. To date not one has been carried out for migrant farm workers who have died in work-related accidents anywhere in Canada.

Migrant workers contribute consistently to EI every week. However, we can't access any of these benefits. The one we can access has been revised downwards in such a manner that whatever we are getting is next to nothing.

There are so many issues.

Ultimately, migrant workers are physically separated from their families and loved ones. This contributes to family breakdown of the migrant worker and a vicious cycle of poverty and social ills.

Spending time with our families is more important than spending money on them. We cannot bring our families with us to Canada.

It is very clear that all of these conditions do not reflect a modern 21st century Canada. It does not reflect good jobs or jobs with good conditions, but a dark, artificial system seeking to perpetuate 18th-century working conditions.

Canada has been a developed country that prides itself as a place of safe refuge. Canada prides itself as a place of diversity and inclusiveness. Canada prides itself as a place where human rights are guaranteed to all. We call on this Canada today to grant fairness to all workers. We ask Canada to grant fairness to migrant workers because we deserve the same rights as every worker in Canada. We ask Canada today to grant migrant workers their opportunity and ability to unionize and bargain collectively. We ask Canada to grant migrant farm workers open work permits.

Ultimately, we ask Canada to grant migrant farm workers permanent status on arrival. Permanent status on arrival removes the differential treatment of migrant workers. It ensures equal access to health care and social protection, and being united with our families.

In a nutshell, this is our recommendation, but a more detailed list of recommendations will be submitted in writing to this most esteemed parliamentary committee.

Thank you.

●(1640)

The Chair: Thank you very much, sir.

Now over to Mr. Sidhu. Seven minutes, please.

Mr. Jatinder Sidhu (Executive Vice-President, Coast Spas Manufacturing Inc.): Thank you, Mr. May.

Good afternoon.

My name is Jatinder Sidhu. I am the executive vice-president for Coast Spas, with corporate head offices in Langley, British Columbia.

I want to begin by thanking the honourable member of Parliament, Mr. Mark Warawa, of the Langley—Aldergrove area, and other honourable members of Parliament in attendance who have given us the opportunity to present and share with you our experiences regarding the federal government's temporary foreign worker program. I would like to share with you some background on Coast Spas.

Coast Spas is proud to deliver products in the wellness and home backyard industry. Our hot tub and spas deliver a world of experiences, improved health, and an environment that is meant to be shared with friends and family. We have been an innovator in the hot tub industry since our inception in 1997. Our factory operations are located in Langley, British Columbia, employing over 200 staff. Our worldwide sales operations spans around a group of 200 dealers in 40 countries. Coast Spas is the only hot tub manufacturer to have a prestigious ISO 9001:2008 quality management certification in Canada. We manufacture each and every hot tub with the finest workmanship. Our team of employees have been specifically chosen for their skills, enthusiasm, and the ability to work together effectively. We need great people to build a great product, and our employees are our most important asset.

To ensure our company's continued growth, we do expect everyone to put in their best effort and to work as a team. In return, we commit to providing fair treatment, a safe and stimulating work environment, a competitive above-minimum wage compensation, a great health and extended benefits program, monthly BBQs, opportunity for improvement, bonuses, service awards for perfect attendance, and a productivity sharing bonus program. Recognizing that we are still a new industry, we hire, train, and guide individuals with the right craftsmanship and skills to provide our customers with the world's best built spas.

Coast Spas' experience with the temporary foreign worker program is as follows. Although the federal government's temporary foreign worker program has been in place for quite some time, Coast Spas was only able to use the program in 2007 and 2008. Since then we have been unable to obtain labour market opinion approvals to continue using this program, regardless of countless efforts on our part to contact Service Canada officials and other elected government officials at the federal level. On a couple of occasions, we even wrote to the Minister of Human Resources and Social Development in Canada, which did not result in any favourable outcome for Coast Spas.

The following are some of our concerns. Raising wages to \$15 to \$20 per hour would increase our cost of production and will force us to raise our hot tub prices. Ultimately we will no longer be competitive within the hot tub industry in North America or internationally.

The hot tub industry was born in southern California in the early 1970s. American manufacturers in the hot tub business are paying a starting wage of only \$8 to \$10 per hour. How can we compete with a manufacturer who is paying half the wages we are paying to our new workers in Canada? There are approximately 100 hot tub manufacturers worldwide, with the majority of them in southern California. Of those, fewer than 10 are Canadian. Coast Spas fully loaded weighted average wage rate for production workers in 2016 is over \$20 per hour. This rate includes the base hourly wage rate, the cost of the health and extended benefits programs, and the earnings achieved over progressive work experience. It requires a level of competency for each worker to achieve this amount.

The starting wage rate for all entry-level positions with no experience is \$12 an hour, and this is the same rate we have been seeking through the foreign worker program. The cost to provide MSP and other extended benefits program runs close to \$5 per hour.

In cases when hiring a worker with previous industry experience, we do make exceptions, and the starting wage is reflected accordingly to the competitive market rate.

It is important for you to know that we manufacture to orders received only. Hot tubs or spas as a finished product are expensive and take up a lot of space, which becomes limited during our peak season, which runs through the months of March until September. Coast Spas has been honoured and has the privilege of being one of Canada's 50 best managed companies for six consecutive years, leading us to the platinum status award.

Yes, we are a leading manufacturer of quality hot tubs and spas, but operating manufacturing operations out of the west coast of Canada has been extremely challenging over the last 10-year period. We have ended every fiscal year in the red with fiscal losses. Why? It's because during our peak season of March to September, the full complement of production manpower has never been achieved due to local labour shortages in Langley, British Columbia, resulting in us not being able to fulfill customer orders within the acceptable industry lead time of two weeks from order placement.

• (1645)

Subsequently we have been forced to lengthen manufacturing lead times over the years to more than four weeks, resulting in customers not ordering the product from Coast Spas but rather from other manufacturers, in the U.S., who can deliver the product within two weeks. This has ultimately affected our business overall. It has been 30% lower, when compared year over year over the last five years.

Prior to the year 2006, Coast Spas employed more than 300 workers every year for the years 2003, 2004, and 2005. During the peak season, March to September, to fulfill customers' orders and to stay within acceptable manufacturing lead times, we were able to achieve our manufacturing goals; however, because of labour shortages, we have been unable to hire workers consistently since 2006 and were forced to look at the foreign worker program offered by the Government of Canada.

The following years, 2008 to 2010, were very disappointing for Coast Spas, as an application to obtain a labour market opinion was rejected. No worker was hired through the foreign worker program after that.

Over the years, and last year more specifically, we learned that not only were the terms and conditions of the foreign worker program changed, but now employers were being asked to submit a \$1,000 Canadian per applicant non-refundable fee to Service Canada at the time of application—a whopping 100% increase over the last 10 years. The fee was non-refundable, should Service Canada reject the application.

So imagine: if we apply for 50 workers under the program, then our cost on the application submission date is \$50,000. Should Service Canada reject the application, they keep all the money and we are now at a loss of \$50,000.

Hiring good people to work has been very challenging over the last 10-year period. For Coast Spas, our annual attrition rate has been above 70% during this time.

• (1650)

The Chair: Sir, if you could wrap up, that would be great. Make just two more points and then conclude, please.

Mr. Jatinder Sidhu: At this standing committee, look at how to reform the temporary foreign worker program. I feel, based on our experience working in several manufacturing sectors, that the following two corrective actions need to be addressed with urgency to stimulate and improve the hiring of workers in the Canadian manufacturing sector.

First, the labour market opinion evaluation process must be reviewed for prevailing wage rates, and it should be aligned with the specific industry economic indicators of costs incurred to build the product, thus falling within the profit margins. One example of such a program already existing in the Canadian manufacturing sector is the agricultural temporary foreign worker program. The government must do its part as a key stakeholder in the wage discrepancy.

Number two is, abolish the \$1,000 Canadian labour market opinion fee. The manufacturing sector itself is very limited in B.C. Over the years, the so-called manufacturing hub that was once very prevalent in this great country of ours has been moved to Mexico and is growing by the day. Eighty percent of auto manufacturing has moved from Canada and the U.S. to Mexico, and more is moving tomorrow.

To improve the manufacturing sector, the federal government must engage itself to reform the temporary foreign worker program to create the element of relationship between itself and companies such as Coast Spas. If it fails to act in a timely manner, that could result in companies such as Coast Spas and many other companies in the manufacturing sector moving out of Canada to another more labour-friendly location, ultimately losing thousands of jobs in the Canadian manufacturing sector, involving suppliers, manufacturers, and other government organizations providing the support to the very same companies as us and many others.

I apologize for making this long explanation, but I hope my insight has been useful to the committee. At this time, if there are any questions, I would be more than happy to answer them.

The Chair: Thank you very much, sir.

The final statement is from Mr. Hilchie, the president and chief executive officer from Entertainment Software Association of Canada.

Welcome, sir.

Mr. Jayson Hilchie (President and Chief Executive Officer, Entertainment Software Association of Canada): Thank you, Mr. Chairman and committee members, for your time.

My name is Jayson Hilchie. I'm the president and CEO of the Entertainment Software Association of Canada.

ESAC is the voice of the Canadian video game industry. We represent some of the biggest and most innovative companies making interactive digital entertainment in studios from coast to

coast. Our members include global companies such as Ubisoft, Electronic Arts, Warner Brothers, Glu Mobile, and Nintendo, but also Canadian-owned independent developers such as Newfoundland's Other Ocean Interactive, Nova Scotia's Silverback Games, and Vancouver's Roadhouse Interactive.

I'm here with a very simple message. We need skilled workers today. We're asking you to recommend that the government establish a foreign worker program that welcomes in-demand, highly skilled technology workers to Canada and minimizes the barriers to their entry, which includes exempting them from a labour market assessment process and allowing our employers to go straight to the immigration department for a work permit.

The Canadian video game industry produces games that are sold and played all over the world. Canadian studios are responsible for developing some of the world's best games and franchises for consoles, computers, mobile devices, and soon virtual reality.

In order to compete with the rest of the world, we need the best, brightest, and most talented workers who are innovating around the globe to fill key positions in instances where we cannot find Canadians.

We pay our talented workers very well. The average salary in our sector is just over \$71,000 per year, and our workforce is young, averaging 31 years of age.

Our industry is growing. Its contribution to GDP is now \$3 billion a year. In the two years between 2013 and 2015, our industry grew by 24% in jobs and now employs well over 20,000 workers, making us one of the largest video game industries in the world.

In contrast, the United States, which is the world's largest industry, employs 41,000 workers and has ten times the population of this country.

In some ways we're victim of our own success and of the continual innovation that underpins video game development. While Canadian colleges and universities are training fantastic future employees for our industry, we need more than just new grads, and we are growing faster than our ability to develop intermediate and senior talent in a balanced way.

Because of this, finding experienced talent who can lead teams, impart knowledge and know-how, and help us innovate has become harder and harder. The capacity to hire, support, and train junior employees depends on a solid and experienced core team. Highly skilled, experienced foreign workers can fill leadership roles and help continuously upskill current Canadian talent through mentoring and by importing best practices in innovation.

Over the past six years, as our industry was growing, the inefficiency of the temporary foreign worker program has been a constant hurdle to our competitiveness and our efforts to invest in Canada's digital economy. In the next 12 to 24 months, our industry projects it will need to fill 1,400 intermediate and senior positions. Most of these jobs will be filled by Canadians and permanent residents already here, but in cases in which we cannot find Canadians, we will need to look abroad to fill those roles.

When we finally find the right candidate and need to begin the immigration process, we hit roadblocks and obstacles that often disrupt the company's day-to-day business and sometimes ultimately derail hiring the right talent.

Program officers at Service Canada do not consistently apply the rules across the offices and applications and do not fully understand the particularities of the new jobs we create. In some instances, the jobs we're now filling didn't exist two years ago and may not exist in two years' time.

The national occupation codes can't keep up with technology sectors that create new jobs to fill new needs, and because of this the government has insufficient labour market information to determine where the actual job shortages are.

The requirement for transition plans, while perhaps useful for some sectors, is not relevant to our industry and likely not relevant for most other technology industries. We hire top talent and innovators who wouldn't necessarily be found domestically. We pay them well, and many decide to stay in Canada.

Our workforce consists 13% of employees who have come through the temporary foreign worker program. We also know that one-third of those workers go on to become permanent residents. We believe this proportion could be even higher if the process to move from being a temporary worker to a permanent resident were easier, and if there were a clearer path to citizenship for those workers who wish to take it.

Let me be clear. There is no inherent advantage to hiring a worker from abroad. It costs more in recruitment, administration, salary, and relocation costs for the worker and their family.

•(1655)

It's a risky endeavour, the delays in processing, requirements for transition plans, and other onerous requirements lead to missed opportunities as desirable candidates get offered positions at other companies and in other countries where the entrance requirements for economic visas are more efficient.

Countries like the United Kingdom that offers work visas for occupations that the country deems important or that there is a shortage of, such as video game developers, can process work permits much more efficiently than Canada because these designated occupations do not require a labour market impact assessment, which is currently the primary issue causing the delays and uncertainty in the Canadian system.

To develop a world leading cluster of video game and other innovative technology companies and to further Canada's position in the digital economy we need frictionless access to the most talented workers in the world otherwise companies that might have invested

in Canada will choose jurisdictions where they can access the talent that they need to grow.

Consequently, we urge this committee to recommend a return to the IT exemption from the temporary foreign worker program, which was abolished in 2010 and had exempted designated technology occupations from labour market impact assessment or to create a new stream for temporary foreign workers, which is better suited to the needs of technology industries like Canada's video game industry and offers a clearer path to residency and citizenship than the existing system.

Thank you.

The Chair: Thank you very much, sir.

We're going to move to questions. Monsieur Deltell is first.

Mr. Gérard Deltell (Louis-Saint-Laurent, CPC): I want to welcome everybody. We appreciate having you here.

Mr. Chairman, we have extremes here. On the one hand you have people who work on farms and on the other you have high-tech personalities working for good wages.

Mr. Hilchie, I would like to talk about a timetable. What would the best timetable be for you?

When one of your businesses has a project and is trying to hire people, you told us that two years later this job will not be available because it will be too late.

Mr. Jayson Hilchie: The best timetable for us would be the recommendation that I stated in my opening remarks, which is to abolish the requirement for a labour market impact assessment for in-demand high-tech jobs where there is a demonstrable shortage. That would lower the timetable for us to be able to find somebody and bring them in to a job because right now that mechanism is causing all the problems.

•(1700)

Mr. Gérard Deltell: Are we talking about a month, weeks, days?

Mr. Jayson Hilchie: Currently or in an ideal world?

Mr. Gérard Deltell: Before and now; what you wish for.

Mr. Jayson Hilchie: Currently we're talking sometimes four or five months, and in an ideal world we could be talking weeks. That is what we used to have when we had the IT exemptions under the temporary foreign worker program.

Mr. Gérard Deltell: Do you think just by erasing the actual regulation that it will be as fast as you wish it to be, that everything will work out?

Mr. Jayson Hilchie: I don't work for the government so I can't tell you that I can make that happen, but I can tell you that our experience when we did not have to fill out a labour market impact assessment the process was considerably more efficient than it is now. I can tell you that 99% of the complaints I receive from companies in our industry are completely related to the LMIA and its process.

I can't say whether or not it will happen in days, but it will improve it.

Mr. Gérard Deltell: How many people or businesses lost their opportunity in the last year because of this regulation?

Mr. Jayson Hilchie: Most of the companies in my industry are very secretive about their competitive advantages and the jobs they have available and those people they've lost or couldn't bring in.

Anecdotally I hear this all the time that companies are on the verge of losing the opportunity to bring in a worker for a position because they simply can't get the labour market impact assessment through, that there are jobs that are absolutely necessary for a project to happen and they are unable to bring those people in because we're unable to find them here in Canada.

In terms of giving you statistics I don't have them.

Mr. Gérard Deltell: Thank you, Mr. Hilchie.

For my next question I'll go to Madam Gina Bahiwal.

Madam Bahiwal, in the province of Quebec on the front page of *Le Journal de Montréal* and *Le Journal de Québec* there was a very sad story about farm workers who were treated like slaves. The newspapers talked about a very minor group; usually, all the people are happy.

I would like to have your point of view on that. You talked about difficulties with government, but what is the relationship between the farm workers and those who employ them?

Ms. Gina Bahiwal: Well, regarding the employer and the—

Mr. Gérard Deltell: —quality of the relationship.

Ms. Gina Bahiwal: In my experience, if you try to speak up, then you'll get fired. In my first employment here in Leamington, I was employed at one of the warehouses. I tried to speak up because of the recruitment fees that we paid. We paid more or less \$6,000 in recruitment fees before coming to Canada and, because of the involvement of this recruiter, they did not give me an extension work permit, so I had to find another job.

When I moved to B.C. I tried to help this other worker with recruitment fees, because she was fired after three months. When she came to Canada she was fired. But in coming to Canada she had to pay \$6,000 to \$7,000, including airfare. We tried to get that one and we succeeded, but I ended up losing another job.

As for the employer-worker relationship, we are tied; we cannot speak up. Even if there are problems with the work, it's so hard for us to speak up because we are afraid of losing a job, and it's hard for us to get another job if we don't pay another recruiter.

Mr. Gérard Deltell: Thank you so much, Madam, for your very important testimony.

The Chair: Now we have Mr. Sangha, please.

Mr. Ramesh Sangha (Brampton Centre, Lib.): Thank you, witnesses and everyone, for coming here today.

My first question is to Mr. Hilchie. You suggested that the labour market impact assessment system be removed totally. What is your suggestion in place of LMIA?

• (1705)

Mr. Jayson Hilchie: My recommendation is that it be removed for in-demand high-skilled jobs only. I'm not recommending it be removed for everyone. I do realize there is a use for it in certain instances.

In terms of other options, you have a list of what our main issues are with the program. For us, without seeing the complete removal of the LMIA process for certain specific designated occupations, what we need to see is a better processing system in terms of the actual application process for this. Right now, it's not suitable for us to be able to continue to efficiently make those hires.

Mr. Ramesh Sangha: Do you have any suggestion for that?

Mr. Jayson Hilchie: Well, we've been making suggestions for the last five years to the previous government and this government in regard to ways that we think this program can be improved. We actually were supporters of the increased fee because we thought it was going to reduce the number of applications.

Our members and our industry are not complaining about the fee today. We were prepared to pay that extra fee if it was going to result in increased efficiency of application. We haven't seen that. We thought the removal of the low-wage stream would free up capacity at Service Canada and we haven't seen that. The recommendations we've been trying to make, we were actually supportive of those changes two years ago.

Mr. Ramesh Sangha: Is there any special suggestion you wanted to make in place of LMIA?

Mr. Jayson Hilchie: What I'd like to suggest is the system that happens in the United Kingdom with the tier 2, high-skilled visa, which is a designated occupation list of jobs, and those people are exempt.

If we had proper labour market information in this country, we would be able to determine which jobs are actually in demand and which are having shortages.

Right now my industry is calculated underneath a number of national occupational codes which simply aren't relevant or not encompassing enough of all the various occupations that now exist. It's very difficult for us when we have meetings with government to quantify the actual labour market situation.

Mr. Ramesh Sangha: You are talking about NOC, national occupational classification. What changes do you suggest to bring in that national occupational classification?

Mr. Jayson Hilchie: Currently we're trying to work with the government in order to renew those and to create new occupations. Our industry was involved in a project with ICTC four years ago, the Information and Communications Technology Council, on a project that was funded by Human Resources and Skills Development Canada to develop 10 new job profiles for the digital media industry.

We spent a lot of time in our industry consulting on those and making sure that they were appropriate for us. They were supposed to be sent to ESDC and turned into NOC codes. To this day they haven't been.

Currently we're renewing our conversations with ESDC about trying to turn those into NOC codes.

Mr. Ramesh Sangha: My next question is to Mr. Sidhu. Mr. Sidhu, you told us that during peak seasons your company does not get enough seasonal workers from March to September. Their applications are refused. What are the reasons for the refusals?

Mr. Jatinder Sidhu: The reason for refusal is simply the prevailing wage rate. For example, I am in the business of building hot tubs, and when I need to find workers I need to pay them in accordance to the local market, but at the same time I also have to make sure that my wage is not over \$20 or \$25, so that I'm still within the cost efficiency of my program, and at the same time I'm still competitive.

I can't compare myself to a bread manufacturer down the road who is paying \$5 less or \$5 more. I can only pay what I can afford.

• (1710)

Mr. Ramesh Sangha: If you can't compete with the labour market, how can you expect to get the temporary foreign workers with less pay? A short answer, please.

Mr. Jatinder Sidhu: Because at the end of the day what we pay is not the final wage. You have to take the base plus the benefits plus the cost of bringing in these workers. By the time you calculate that amount, it's \$4 to \$5 more than a fully loaded wage rate we pay to a Canadian worker.

Mr. Ramesh Sangha: Gina, you said during your deposition that four years is the maximum period. You want that to be decreased for the live-in caregiver category. What period do you suggest it should be?

The Chair: Very quickly, please. A 10-second answer, please.

Ms. Gina Bahiwal: So maybe definitely we need the four-year program.

Mr. Ramesh Sangha: How much time—

The Chair: We don't have time, I'm sorry, Mr. Sangha. We have to move on.

We'll come back to Ms. Ashton, please.

Ms. Niki Ashton: Thank you, and thank you very much to all of our witnesses today.

I particularly want to thank Gabriel and Gina for their very compelling testimony. I think what you can see from today's meeting is that the format of this review is very troubling. We have very little time to review a major program, the temporary foreign worker program. What we are certainly concerned about is that we don't

have the proper ability to look at, in particular, the seasonal agricultural worker program, which we know has been rife with exploitation. In fact, we know from today the national attention that was given to the case of Sheldon McKenzie, who eventually died from his injuries sustained on the job in the Leamington area. We also know the example that my colleague brought up of Quebec, in the Drummondville area, where workers said they felt they were treated like donkeys and slaves. We have heard from Justicia and other organizations that have compared the seasonal agricultural worker program to an apartheid system.

There have been statements by the minister that the seasonal agricultural worker program is an important part of this review, yet unfortunately we haven't seen how in fact that is going to take place, given the limited amount of time that is being devoted to this review. We are also very concerned that today's deliberations, for example, where you are giving such powerful testimony, are not televised for other people to be able to hear from you and see you while you are telling us your stories.

I want to talk a bit about the experiences of exploitation you referred to. I know that one of the stories that have brought a lot of attention is the repatriation of migrant farm workers for health-related reasons: 787 migrant farm workers in Ontario were sent back, and the medical association report indicated that this obviously speaks to a level of neglect. I am wondering if you could comment on that, as well as on what steps we can take to protect migrant workers from exploitation and vulnerability more broadly.

Perhaps we can begin with you, Gabriel, and then go to Gina.

Mr. Gabriel Allahdua: In terms of exploitation, there are several measures on the farm. Here are some practical stories that I heard from my colleagues.

Can you believe that, on the farms where my colleagues worked, the performances, the rates at which the workers were working, were posted on a daily basis, and sometimes on a weekly basis?

On one farm in particular, where they were posted daily, the two slowest workers were sent home to the bunker every day. What do you call that? Every day they are being punished, the two workers at the bottom. You know, in life, some people are very skilled at particular tasks, and some perform really well at other tasks. Every day, those two at the bottom are sent home. What is that? What do we call that? Is that the modern Canada? Is that a place of justice? Is that a place where human rights are guaranteed to all?

What we see on the farms is that when Canadians come to work on a farm, they work at their own pace and nobody bothers them. Is that fairness? Is that justice? That is reality.

The moment you speak up, you are threatened with losing your job or being sent home. The reality is, nobody is permanent on the program. At the end of the eight months, when you go back home, there is no guarantee that you are going to go back to Canada. The employer reserves the right to request you or keep you home. Just that makes you go and work above and beyond the ordinary. Imagine, too, that you are reminded daily that there are a hundred people lined up to take your job.

What is our recommendation? Don't send sick and injured workers back home. One of the key demands we have in terms of equality is to grant residence, to grant status. That would solve all the headaches and all the issues. It would level the playing field. That is what we call for, and that is what Canada is known for. Human rights are guaranteed to all people. In a nutshell, that is what it is, and that is what we see. That is what our workers are calling for, equality for everyone, fairness. That is all we are asking for. Fairness comes with permanent status on arrival, because that will take away the power of the employers who really exploit them, and there are lots of ways and means they use to exploit them. The daily performance I just mentioned is just one.

• (1715)

Ms. Gina Bahiwal: Regarding that figure you said for the injured workers, there are actually more unreported cases of injured workers who are being sent back home. Those were the reported cases of injured workers.

I would like to mention this. Women migrant workers who get pregnant while working here in Canada get fired, so they don't have access to health care. One worker who I talked to last month lost her baby. She had to hide her tummy and put on a girdle so the employer would not see that she was pregnant, because she was afraid of being fired, and what happened is that she lost her baby.

Thank you.

The Chair: Thank you very much, both of you.

Monsieur Robillard, please, for six minutes.

[Translation]

Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.): Good afternoon everyone.

Thank you for participating today in the work of this committee's study of the temporary foreign worker program.

I would like to address my question to Mr. Hilchie.

In its March 2016 report, the ESAC states that the major challenges faced by the video game sector include "domestic and global impediments to talent supply." Quebec is one of the four provinces that employ the most workers in high-wage positions under the temporary foreign worker program.

What do you mean by domestic "impediments to talent supply"?

Mr. Jayson Hilchie: Thank you for your question. I will answer in English.

[English]

When our industry really began to grow in 1997 after the investments of Ubisoft in Montreal, and the further investments of the other video game studios that subsequently invested, there was a lot of talent available, both creative talent and technical talent, who wanted to work in the video game industry. The economy was not the same as it is today.

Keep in mind that we've grown considerably over the last 20 years, to the point where we're now one of the biggest video game industries in the world. Quebec itself is one of the most important

video game hubs in the world. Quebec and Canada represent more than 50% of the total employment in our industry.

It is a major hub, but the issue is that as our industry has grown, we have simply outgrown the number of people we are able to find within that 5-to-15-year experience range. We don't have a problem finding highly skilled junior talent, for the most part. The problem is that we don't always have jobs to offer the new graduates because we're missing the jobs in the 5-to-15-year experience realm that are needed before we even start to look at juniors.

• (1720)

[Translation]

Mr. Yves Robillard: Regarding the employees that you hire through the temporary foreign worker program, do these jobs result in the transfer of skills and knowledge for the benefit of Canadian citizens or permanent residents?

[English]

Mr. Jayson Hilchie: Yes, absolutely. That is one of the reasons why it's so imperative for our industry to be able to bring in foreign workers. Whether they're called TFWs or whatever they'll be called in the future, it is very important for us to be able to access that knowledge.

In some cases, there are video game industries in the world, such as those in the United States, the United Kingdom, and Japan, that are much older and have many more experienced people than we have here. It is those skills that have helped us to grow our industry with Canadians, to supercharge it, and to grow it as big as it is today.

[Translation]

Mr. Yves Robillard: In the press release for the ESAC report entitled "Playing for the Future," the organization that you chair states that Canadian immigration policies, which are constantly changing, still impede access to the global talent pool.

[English]

Mr. Jayson Hilchie: Absolutely. The obstacle that exists is the labour market impact assessment, which is the major problem for us. If we didn't have to be subject to that, we would be able to make job offers almost immediately to prospective employees who want to come to Canada to work, to transfer that knowledge, to mentor young new graduates, to help contribute to the economy. If we were able to do that, the uncertainty around our hiring process for global workers would be much improved.

[Translation]

Mr. Yves Robillard: I will continue with the question about access to the talent pool.

Express entry is a system for ranking qualified immigrants who wish to become permanent residents. The points system ranks the candidates in order, and the candidates with the most points are invited to apply for permanent residence. Out of a maximum of 1,200 points, candidates can earn 600 points if they have a valid job offer supported by a labour market impact assessment.

Is that true?

[English]

Mr. Jayson Hilchie: The express entry system is for permanent residency, not temporary work. While our industry does use it, it is not the mechanism we use to bring people in quickly and efficiently. But then again, I guess the temporary foreign worker program isn't that either.

The express entry system is mainly for those people who have immediately expressed an interest in becoming permanent residents. Oftentimes we hire people from abroad who don't know whether they want to become permanent residents. We fully support a path to permanent residency for all of our employees. We fully support a path to citizenship. I think that would be great, but not everybody wants to stay, and not everybody decides that Canada is where they're going to spend any longer than their TFW work permit allows.

The Chair: Thank you very much.

That wraps up the first round.

We're going to start the second round of questions right away.

We will go back to Monsieur Robillard.

Mr. Yves Robillard: Again?

The Chair: Yes.

Mr. Yves Robillard: That's something special today.

[Translation]

However, once your project is completed and a video game is delivered, for example, the job supported by a labour market impact assessment ends. This significantly decreases a candidate's points under the express entry system.

If a specialized technology company wishes to retain the employee, what steps can it take to keep the employee?

[English]

Mr. Jayson Hilchie: The work permit that is issued under the temporary foreign worker program is good, I believe, for four years. It isn't specifically related to the project. If one of the employees comes in and works on Assassin's Creed in Montreal, when Assassin's Creed is over, they have the option to stay so long as they are staying at the company that sponsored their work visa, and they can continue to work for the length of that work permit.

When somebody wants to move from the TFW program to permanent residency, there are the nominee programs in the various provinces, but I believe that express entry is also a way to do that.

The problem is that we run into many issues because the process to do that takes so long that the work permit under the foreign worker program expires before that person is able to move into permanent residency status. They're forced to go home, and they don't want to. Sometimes they're married. Sometimes they have children here. Their work permit runs out and they haven't been transitioned to permanent residency status.

When I say that we support a clear path, I mean a clear path that starts from the minute the person gets brought in as a TFW so that they know what the process is for them to stay should they wish to.

• (1725)

[Translation]

Mr. Yves Robillard: Most hiring managers in your field participated in an Industry Canada study in 2013. They stated that there was not enough Canadian talent to fill the positions, which resulted in a higher dependency on foreign talent. It was reported in 2013 that over 1,400 positions were expected to be filled in the next 12 to 24 months.

Do you consider your needs short term or long term?

[English]

Mr. Jayson Hilchie: The way that we have been advocating for our employment issues is both on a short-term and a long-term objective.

The short-term objective for us is to succeed in convincing you all that we need a streamlined process for bringing high-skilled foreign workers into this country, so that we can fill as many of those 1,400 jobs as we possibly can.

As for the long term, you referenced our March 2016 study called "Playing for the Future", which is a skills study that we have issued, and if you haven't seen it you can read it on our website, in French and English.

Long term, this country needs to adopt an approach to championing skills at a much earlier age, putting technology and computer science programs in the school system. I realize this is a provincial objective, but from a federal perspective the federal government can take a leadership role in championing this as a nation-building exercise to convince the provinces that putting computer science and technology education in elementary schools to make sure that our children have the skills that they need to take the jobs of the future, not just video games but all technology jobs, is the long-term play.

But that's a generational change. It's going to take a long time. In the meantime we need foreign workers.

Mr. Yves Robillard: My last question.

[Translation]

Do the current problems with the policies discourage you from focusing on training skilled Canadian workers?

[English]

Mr. Jayson Hilchie: Yes, absolutely.

The problem is that we have no choice. If we can't find a Canadian and we need to fill a job, we have to go and put ourselves at the hands of the TFW program. I wouldn't say that people are not using it, but their association has simply been more active on advocating for the solutions. Problems with the program certainly exist and I hear about problems with the various applications on a daily basis.

It's still being used, but I don't know if it's being used to the level that it was when we didn't have to do an LMIA during the IT workers programs.

The Chair: You said that was your last question?

You have a very brief one.

[Translation]

Mr. Yves Robillard: To what extent does the labour market impact assessment policy impede your access to the talent pool?

What is the average time required for a labour market impact assessment in your sector?

[English]

The Chair: A 30-second response, please.

Mr. Jayson Hilchie: It can be up to four or five months to get a labour market impact assessment. Oftentimes the Service Canada officers will decline the application based on a misunderstanding of what the job actually is, because the occupation code that they're applying to the job is not actually what the job is because an occupation code for that job simply doesn't exist.

The Chair: Excellent. Thank you very much.

Mr. Warawa, please.

Mr. Mark Warawa (Langley—Aldergrove, CPC): Thank you, Chair.

Thank you to the witnesses for being here today. It's very interesting testimony.

Mr. Sidhu, you are located in beautiful Langley, British Columbia, and thank you for being with us today. You said in your testimony that you had temporary foreign workers in 2007 and 2008 when you used the program, but you have not been able to use the program since.

What are the hurdles? We just heard from Mr. Hilchie that it can take up to four months. Could you share with us as an employer... I've seen your facility and it's definitely not the 18th century type, it's up-to-date and appears to be a very good working environment. You shared what you do to engage with your employees, but what are the hurdles to find workers? If you cannot find Canadians first to do the job, then what are the hurdles to get the foreign workers who are needed for manufacturing in your company?

• (1730)

Mr. Jatinder Sidhu: The number one hurdle is the inefficient element around the labour market opinion process. Many of the jobs under the NOC categories don't even exist. Many times when you apply, the application simply gets tossed out, and the person who is assessing the application doesn't understand what it takes to be at the level to hire that worker. Once that issue is there to begin with, we can't move forward.

The number two hurdle is the prevailing wage rate. As I explained earlier, if I am paying the worker a base wage in Canada, plus the benefits, the final wage is \$18 to \$20 an hour. When they're asking us to pay the prevailing wage rates, one has to take into account what it costs to bring the worker here, what it costs to provide the worker with the health and extended benefits program, what it costs to pay the recruiter, and what it costs to retain the worker.

In many cases, when you bring the fully loaded costs to manage the temporary foreign worker program, based on our calculations, it runs 30% to 35% higher than what you will pay to a Canadian worker. How are you going to get an ROI on that?

The third hurdle, as I explained earlier, is the application assessment fee has all of a sudden been doubled. If you file an application, and they don't see eye-to-eye with you, they don't agree with your assessment, and they don't agree with your application, then that application gets rejected. If you have put in 50 applications, \$50,000 goes into their coffers and now you have nothing.

The temporary foreign worker program doesn't have to be a cash cow for the federal government. It has to be there for the ease of running a manufacturing policy for Canadian companies, and in our experience, that has not been the case.

Mr. Mark Warawa: With the foreign workers you're looking for assistance from, are we talking about skilled or unskilled workers?

Mr. Jatinder Sidhu: We're talking about unskilled workers, but there are other jobs for skilled workers as well.

Mr. Mark Warawa: If it's unskilled, is there a time frame where you have to train them and get them up to speed, so they can be productive in your manufacturing facility?

Mr. Jatinder Sidhu: That is correct. There's a time frame to train them and to bring them up to speed. On-board orientation is anywhere between two to eight weeks.

Mr. Mark Warawa: Are there just not enough Canadians willing to do that type of work, or what are the hurdles to get Canadians to work there first?

Mr. Jatinder Sidhu: With all due respect to the local work force available, they simply do not want to come to work in a manufacturing facility to earn a living. We have tried day after day, week after week. For example, I shared the last five years of our attrition and retention data, and we lost 70% of our hires. We hire 10 people, and six or seven will leave after five to seven days, and we're back to square one.

There's a cost, if you hire, train, and retain these people, and now you're spending \$500 to \$600 over and above that. Every five to six days you're spending the same amount of money in a moving cycle, and you're losing \$60,000 to \$80,000 within months to hire more people.

• (1735)

Mr. Mark Warawa: Mr. Chair, have I time for one more question? It's related to the \$1,000 fee. It used to be \$275. I believe Mr. Hilchie made a comment that he hoped the \$1,000 fee would speed up the process.

I think you said you wanted the fee waived. How would the program be funded then if there were no fee?

Mr. Jatinder Sidhu: We understand there's a cost to administer this program, and we're okay with that. The problem occurs when you double the cost in less than five years, and there's no return to taxpaying, hard-working Canadian companies that are bringing millions and millions of dollars in tax income to the government and employing hundreds and hundreds of people.

If you look at the bigger scheme of things, in Langley, we are bringing in millions and millions of dollars in business to the merchants outside of our Coast Spas group of companies. When you look at the bigger scheme of things, when you raise the application fee on one side, Mr. Warawa, and on the other side there is no return, then the system doesn't balance out. As a result, in my opinion, the temporary foreign program is a broken program. It doesn't work for our manufacturing sector, period.

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

Thank you to all of our panellists here today. We are out of time for this particular panel. We are going to break for a couple of minutes to switch over to the final panel.

I just want to take this opportunity to sincerely thank everybody who came here today. All of you are bringing very diverse perspectives on this issue. It's an incredibly diverse issue, and it's a really serious one that we do need to deal with.

Thank you all for taking the time to be here today.

We're going to break for no more than five minutes, please.

• (1735) _____ (Pause) _____

• (1745)

The Chair: Welcome back, everybody.

For our third panel today, we are being visited by Ethel Tungohan, assistant professor, Department of Political Science, at York University. Also present is Ericson Santos De Leon; and from the Maritime Seafood Coalition, Chris LeClair, senior adviser; Jerry Amirault, president, Lobster Processors Association of Nova Scotia and New Brunswick; and coming to us via teleconference, from the Temporary Foreign Workers Association, Francisco Mootoo, member, and Lucio Castracani, community organizer and member.

Thank you all very much for being here today. There are quite a few of you here, so we're going to ask that opening remarks be kept to about seven minutes.

We're going to start with Dr. Tungohan.

Go ahead, please.

Ms. Ethel Tungohan (Assistant Professor, Department of Political Science, York University, As an Individual): Mr. Chair and members of the committee, good afternoon.

My name is Dr. Ethel Tungohan. I am an assistant professor in the Department of Political Science at York University. With me today is Ericson De Leon, who is currently a caregiver.

I am here today to talk to you about how the recent changes to the temporary foreign worker program and the caregiver program make workers vulnerable. Thus far we haven't talked about the needs of caregivers, so I'd like the committee to pay attention to the needs of this very vulnerable group.

Over the last seven years, I have conducted interviews with 103 caregiver activists in Toronto, Montreal, and Vancouver; 55 focus groups of current and former caregivers in Vancouver, Calgary, Edmonton, Ottawa, Toronto, and Montreal; and 25 focus groups with temporary foreign workers across Alberta. My research partners

and I have also conducted surveys of over 600 former caregivers across the country. In these studies, I have found that, first, tying work permits to employers inherently makes workers vulnerable to abuse. This is because these arrangements magnify the power discrepancy between workers and employers. In many cases employers force workers into compliance by threatening to terminate their contracts, which means that workers risk not only losing their jobs but also losing the ability to stay in Canada.

Second, measures to curb abuse, such as workplace inspections and the creation of a temporary foreign worker tip line to report abuse have failed. You can have the biggest fines and the strictest enforcement, but if the end result is that workers are out of jobs and have to leave the country because their employers are banned from hiring foreign workers, workers are not likely to report abuse.

Third, the proposal to make regulated companies hire caregivers directly does not address the immense power discrepancy between workers and employers that I just highlighted. In this scenario workers are still tied to a single employer and work permit with the same power discrepancy. In fact, this proposal may even exacerbate the abuse facing caregivers because caregivers will have to navigate two power relationships: one with the family they are working for and one with their agents. Agents also have a profit motive and may not prioritize workers' well-being. Also, because most provinces do not have clear policies regulating agencies, caregivers are made vulnerable.

Fourth, in cases where there's a technical pathway to permanent residency, as in the case of the caregiver program, workers have found the process to be cumbersome, confusing, and inhumane. For example, immigration officials require caregivers to demonstrate that they will not stay in the country after they finish their contracts, but caregivers do have the right to apply for permanent residency and must at the same time demonstrate their ability to integrate into Canada. These demands are inconsistent and contradictory.

Our studies also reveal a pattern of officials using medical inadmissibility as a blanket reason to deny permanent residency applications. Immigration officers are denying applications without fully considering the specificities of each case. These barriers create undue stress and hardship on caregivers and their families due to family separation. Caregiver advocates indicate that there are 38,000 caregivers waiting to be reunited with their families. In 2016, processing time for peer applications for caregivers is 49 months. This backlog has to be addressed.

To illustrate the human impact of these issues, I would now like to invite my colleague, Ericson De Leon, to tell his story.

• (1750)

Mr. Ericson Santos De Leon (As an Individual): My name is Ericson Santos De Leon. I'm a member of Migrante, in Quebec, or immigrants in Canada. I have a nursing degree from the Philippines and came to Canada in 2009 under the live-in caregiver program. I was able to come here after a friend referred me to an agency in Montreal. The agency told me that they could help me find work as a caregiver if I paid them \$4,300. The agency told me they were charging me a high placement fee because people don't like hiring male caregivers. I previously worked in Italy where I was employed by an agency, and I thought that what they said made sense.

When I arrived in Montreal I found myself without a job. My agency paid someone to pretend to be my employer for my papers. For three months I lived on my savings. After three months I was getting desperate. I went to the agency and told them I really needed to work. They found me a job with a family, but it was under the table.

After a year I told them I would report them to the authorities. I said that they had been abusing me, that I had a family to support. They got discouraged and finally fixed my papers. What they did was very wrong. They took advantage of me because they knew that I wanted to come to Canada. With many agents, you are tied to what they want you to do and where they want you to work.

In 2013 I applied for permanent residency, and in 2016 I received a letter saying my application was rejected because my son who has a mild case of Down's syndrome was medically inadmissible. I was surprised because I had already received my CSQ from the Quebec government. I had already saved money for my family's arrival and rented an apartment for us when I received this news.

Immigration officials wrongly assume that all people born with disabilities are a burden. They ignore what the doctors are saying, that my child is leading an independent life. Why is my child being treated differently from normal children? Their decision discriminates against people with disabilities and against caregivers like me who live apart from their families for many years, work hard, and sacrifice so much because of the promise of Canadian citizenship.

Ms. Ethel Tungohan: Thank you, Ericson.

I want to stress that these concerns are not just held by worker advocates. Many employers also see the benefits of improved conditions for workers coming into Canada. Employers need workers who can stay with them in the long term. It is difficult to have to rehire and retrain people. Having an immobile, precarious workforce is in nobody's interest. Hence, I am in full support of proposals to give all workers open permits that do not tie them to their employers. They should also be given pathways to permanent residency. In the history of Canada, people immigrated from different countries to build a nation. They worked in houses, shops, and factories, and on farms and railroads. If they were to come to Canada today, they would be temporary foreign workers. When considering policy changes I urge you, members of the committee, not to lose sight of this fact.

Thank you very much, and I look forward to your questions.

• (1755)

The Chair: Thank you.

Now we're going to hear from the Maritime Seafood Coalition, and I believe Mr. LeClair.

Mr. Chris LeClair (Senior Advisor, Maritime Seafood Coalition): Thank you very much.

The Maritime Seafood Coalition was established in the summer of 2015. It's a coalition representing seafood processors, harvesters, and the aquaculture sector. It represents the following organizations: PEI Seafood Processors Association; Lobster Processors Association of New Brunswick and Nova Scotia; Prince Edward Island Aquaculture Alliance; Nova Scotia Fish Packers Association; Prince Edward Island Fishermen's Association; Maritime Fishermen's Union; Eastern Fishermen's Federation; and Affiliation of Seafood Producers Association of Nova Scotia.

It's interesting, because it's a group of harvester and processor and aquaculture sectors. The coming together of these elements of the seafood sector indicate the importance of the temporary foreign worker program to the sector.

The coalition has worked with both bureaucratic and elected officials on trying to address some of the reforms that occurred in 2014. We appreciate the work of this committee as part of a broader review of the temporary foreign worker program.

First, I'd like to give you a very brief overview of our sector. Our sector is a highly export-oriented sector. Canadian seafood exports amounted to \$5.9 billion in 2015. That accounted for 85% of the products landed and processed.

The Maritimes are a dominant player in that area. In 2015 the three Maritime provinces accounted for 58% of all seafood exports. In this context, the export performance remains strong and aided by the value of the Canadian dollar. As an employer, the seafood sector in Atlantic Canada and Canada is significant, with 80,000 Canadians earning a living from this sector. In the Maritimes, 45,000 do, and lobster is a major focus of that.

Like many industries, the seafood industry draws upon workers from rural communities. The seafood sector is facing increasing challenges with declining labour supply in these rural communities. Our processors routinely face turnover rates of 20% amongst employees. At the same time, and I'm sure this committee will hear this story again and again, our workforce is aging. The majority of employees in the seafood processing sector are over the age of 55. Declining birth rates and out-migration are demographic factors that we are challenged to address.

In response to these challenges, commencing about 2008 the industry began utilizing the temporary foreign worker program as a way to supplement its labour supply. On average, by 2014, 20% to 25% of the overall processing workforce in the case of the lobster industry was made up of temporary foreign workers, but in some plants in rural communities, where labour supply was shorter, that amounted to almost 50%.

The temporary foreign worker changes set in motion in 2014 have had a significant impact on labour supply in our industry, with a 30% overall cap on TFW employment, dropping to 20% in 2016 and ultimately 10% in 2017. According to research carried out for the industry and for the three Maritime provinces, the reduction in this workforce results in and translates into a \$123-million reduction in the value of the product that can't be processed and sold because of a lack of labour supply if those lost temporary foreign workers cannot be replaced by local workers.

It needs to be emphasized that our plants go to great lengths to hire Canadians first. Plants have increased wages, expanded benefits, and adopted more flexible work schedules to allow for employees to manage child care and family responsibilities. Some plants provide transportation. In my home province of Prince Edward Island, the industry initiated a bursary program of \$1,000 to convince university and college students to spend the summer working in a fish plant.

These reductions in temporary foreign workers that have been imposed on the seafood sector are especially challenging in light of the trade opportunities that exist for Canada, particularly over the last number of years. CETA and the TPP are two trade agreements that hold the promise of significant tariff reductions for Canadian seafood products. However, the industry's ability to grow, to service these export markets and capitalize on these opportunities, is directly impacted by the loss of temporary foreign workers.

• (1800)

In this context, our processors will do well to service existing markets rather than take the opportunity to explore new ones. Simply put, our immigration and labour market policies appear to be working at cross purposes with our trade policy, and in export-oriented sectors like the Maritimes seafood sector, it's our provincial economies that will lose out.

Equally of concern is the manner in which Canada's major competitors in the global seafood market are making it easier rather than more difficult to access migrant workers to expand production. Seafood-producing countries such as Scotland, Norway, and Sweden rely on migrant workers and don't face the kind of caps that were put in place in Canada in 2014. Closer to home, the Department of Homeland Security in the United States announced in December 2015 significant increases in visas for foreign workers in the seafood processing sector.

I will turn it over to Jerry Amirault to talk a little bit about policy.

The Chair: You have about a minute. I'm afraid he cut into your time there.

Mr. Jerry Amirault (President, Lobster Processors Association of Nova Scotia and New Brunswick, Maritime Seafood Coalition): I'll just skip over it. One of the things we were looking at, just so you understand, is that we are in the same communities that agriculture is in. We are rural based. We go through the same process as them of having to justify bringing in workers, but it's more acceptable for them than for us.

Perhaps I could just get into some of the recommendations we have made in the submission, given the brevity of time. On September 19, 2016, when the minister introduced the changes for the seasonal industries to use 180 days, that was well received, but it

by no means got us back. In our sector, 1,200 foreign workers were used in 2014. This year it dropped to 700, that quickly. It has just taken the heart out of the industry.

The difficulty that we run into is that no one seems to understand that it's wild-card species, that it's weather dependent, and that it has to be processed alive. We cannot leave it around. We have the CFIA, Health Canada, and so forth. The recommendations that we've put forward are that, as we go forward, the committees that we're forming together with federal...Service Canada, and IRCC work to find these solutions, whether they be EI-based reforms or whatever. It's in our report to you.

The Chair: Excellent. I'm sure you'll have some time to elaborate with questions.

Now we're going to move quickly to the Temporary Foreign Workers Association by teleconference with Francisco Mootoo. Are you speaking, sir?

[Translation]

Mr. Francisco Mootoo (Member, Temporary Foreign Workers Association): Yes.

[English]

The Chair: Welcome.

[Translation]

Mr. Francisco Mootoo: My name is Francisco Mootoo. I am originally from the island of Mauritius. I came to Canada in 2012 as part of the circular migration program as a day labourer for Olymel, at a slaughterhouse in Saint-Esprit, which is about 45 minutes from Montreal.

After one year of experience as a unionized worker, I was able, thanks to my seniority, to apply for an industrial butcher position in the company.

In 2014, the company and I thought I would be able file an application for permanent residence through the Programme de l'expérience québécoise, given that the four-year period set out in the law was drawing to a close for me and that I would no longer be able to continue working.

We were wrong. In 2015, 34 of my colleagues and I were rejected because our national occupation code was no longer valid for applying to the Programme de l'expérience québécoise.

Here, we are still in a good situation. We have been working and living in Quebec for four years. Some of us have even been here for seven years. We have become well integrated, and we are determined to help build a strong society, especially in the regions, which is where we work. In Mauritius, we face a future of unemployment. Indeed, as we have been here for more than four years, we have all lost the jobs we had over there before coming to Quebec. Our permits expire after four years here, so we are then forced to leave Canada.

Many of us have invested in transportation to get us to and from work, given that we are in the regions and that the bus schedules did not meet our needs. We have therefore invested in housing and transportation. Some of us have even started families and had children in Quebec. Despite all of this, they had to leave the country at the end of their contract.

We have contributed a great deal to Canadian society and to our community, and we continue to do so. We settled in the regions and still live there, because we have become well integrated in the place we live.

The company will be expanding, and perhaps by 2017, over 200 jobs will be created. Also, I can say with some pride that it is partly because of us that the company will continue to grow and prosper, because there is a real shortage of workers in the regions.

If there is a labour shortage, I, for one, believe that granting permanent residence upon arrival would help stabilize the system, for business and workers.

That's about all I have to say. I will let my colleague Lucio tell you more about permits.

• (1805)

Mr. Lucio Castracani (Community Organizer and Member, Temporary Foreign Workers Association): Good evening everyone.

My name is Lucio Castracani. I will be giving you a brief description of our association and addressing a number of issues we have encountered in the course of our work.

L'Association des travailleuses et travailleurs étrangers temporaires was founded in November 2013 to deal with the increase in this type of recruitment, but also to respond to requests for help we were receiving from temporary foreign workers.

According to statistics on labour market impact assessments in 2014, in Quebec, there were about 16,000 applications, of which 10,000 were from the agricultural sector.

Our association includes members who work not only in the agricultural sector, but also in slaughterhouses, industrial laundry facilities, and landscaping. These workers come from many different countries.

Our experience with members of the association has taught us that there are a good number of problems with the program. Take the case of Francisco, for example, for whom access to permanent residency is difficult. These workers face other problems, such as closed work permits and difficulty accessing health care, in spite of the fact that they pay taxes in Canada.

We also have Guatemalan workers hired as chicken catchers who were forced to continue working by their employers after a workplace accident, despite a doctor's advice to the contrary, which jeopardized their health. Furthermore, when these workers took steps to obtain medical care in Quebec thanks to our support, the employer threatened to deport them.

More recently, we had a case where a Guatemalan worker was deported and kicked out of the program because his employer had decided to grow magic mushrooms. He found himself back in his home country and also in debt, because he had borrowed money to pay the agency in order to come to Canada, when he simply could have changed employers and kept working legally in Canada.

In conclusion, I would say that these stories are not bad apples. They are an expression of structural problems with the program. We think that to resolve these issues, all of the workers need to be given open work permits and permanent residence.

Thank you.

[English]

The Chair: Thank you very much, both of you.

I would like to now open it up for questions from anyone on our panel.

Starting us off is Mr. Zimmer.

• (1810)

Mr. Bob Zimmer: Thank you, Mr. Chair.

Thank you, witnesses, for coming today.

I would like to start off with my first question for you, Chris, and I might just stick with you the whole time. I'll see where the time goes.

I'm looking at a CBC article dated March 2016, I believe. It talks about fish plant issues with temporary foreign workers, and I'll quote it as follows:

"We've heard from groups across Canada that the Temporary Foreign Worker Program needs to change, including from businesses. A small number of businesses in certain sectors tell us they need more flexibility..."

...Atlantic seafood processors were lobbying government to allow them to hire more foreign workers. Dennis King, executive director of the P.E.I. Seafood Processors Association, said a deal was reached at the end of last month after the Maritime Seafood Coalition met with officials in Ottawa.

The article talks about how the TFW program has been changed and how now there's no further limit on how many TFWs you can hire. That's what the article states.

I'd like to use a comparison. In looking at StatsCan and seeing what the actual unemployment rate is in P.E.I., certainly, as a person from British Columbia, I would say that rates as high as that would be alarming. I believe that the unemployment rate in P.E.I. is 12.1%, and that the other regions in the east are around 8.5%, 9.5%, and 10% in their unemployment rates.

Again, in my riding, it would be alarming that we would even consider hiring temporary foreign workers with an unemployment rate that high. I guess I would just ask you this. Canadians will ask this question. There seem to be enough Canadians to fill those jobs in the east. Why are they not filling these jobs?

Mr. Chris LeClair: I'm going to let Jerry answer the first part about the changes that were announced to the program, and then I could speak to the Prince Edward Island experience after that if that's okay.

Mr. Jerry Amirault: The changes to the program were not as holistic as what Dennis quoted. The program is as it is, and the provision of the 120 days would change to 180 days. I know Chris is going to get into the EI. The biggest thing to understand is in the processing we're doing, there isn't a consistent supply of raw material. The standard practice when we do operate, which is from the first of May through to the end of November, is everybody opens a claim when they are working.

In all cases within the Maritimes we have a great number of workers with open claims. They may only get 20 hours or whatever. We all focus on those weeks that could go to 70 hours.

When you're doing the analysis of the EI rates because of the seasonal nature of construction, because of the entertainment or the hospitality trade and fisheries, we end up with a huge number who are working with open claims but show up as unemployed.

Mr. Bob Zimmer: I would ask you back because what we see in the west and across Canada, maybe even in the east because we get different comments about why we are hiring somebody from another country before we're hiring a Canadian for a particular job.... How would you fix that kind of data collection? That's almost an inaccurate comparison. We're setting ourselves up for this perceived unfairness to Canadians.

Mr. Jerry Amirault: One of the issues we're looking at now with Service Canada and others is to try to get access to the data.

I chaired the working group, which was federal and provincial labour, and the data wasn't able to be shared through whatever, but agreements have now been reached or nearly reached.

I think it's an educational process. There isn't anybody in any plant who isn't hiring all the time every Canadian who wants to work. We keep conveying that to people, from busing them....

If there's a culture that they don't want to take these jobs, we are international. Our competition is all over the world.

Mr. Bob Zimmer: We need to clean up the data, or we need to make EI different on how you qualify or whatever because we want to make sure Canadians are getting the jobs first.

• (1815)

Mr. Jerry Amirault: Yes. We need to be more transparent. I agree 100%.

Mr. Bob Zimmer: Thank you for your comments.

I want to talk about the caregivers, especially the way the live-in caregiver program was.

Many friends from my area have had live-in caregivers, and these certainly aren't rich people who are having their kids taken care of by

somebody else. These are people with special needs children, or they are adult special needs children. These live-in caregivers are absolutely a godsend to Canadian families.

I've seen and talked to many of these people who absolutely need these caregivers, and credit to you, have been a service to our country in a great way.

The Chair: Please be very brief.

Mr. Bob Zimmer: Yes. Sorry.

If you were to fix the program and make it different, because I see a difference between the two programs, there's a worker program versus a live-in caregiver program. Live-in caregiving is much more long term.

You talked a bit about it. What changes would you recommend to make this better?

Ms. Ethel Tungohan: For the record, I did hand out policy briefs, which I think will be translated into French. They outline in greater detail some of my recommendations.

Canada does have a care crisis. The boomers are getting older. We have an elder care crisis, and people in my generation are having a lot of children so we need to address that care crisis.

One of the main calls for action the caregiver advocates have is to give caregivers landed status upon arrival. The need for care is constant, and giving caregivers landed status upon arrival reduces a lot of the abuse that caregivers face.

This proposal to have regulated companies, in other words agencies, act as caregivers' employers will simply transfer the abusive relationship from families onto agencies. Another proposal the caregiver advocates and researchers such as I are making is this should not happen. This system of transferring employment relationships to regulated companies will exacerbate abuse.

Another proposal is to deal with the backlog. The fact is, and other people have articulated this, and certainly this is the case for Mr. De Leon, caregivers have come to Canada leaving behind their own children to care for Canadian families. The fact that we have a backlog of 49,000 people is absurd.

We all know that family separation is difficult. Caregivers and their children face a lot of anxiety, a lot of mental and emotional health difficulties. We think addressing this backlog and—

The Chair: Thank you.

Ms. Ethel Tungohan: —putting more resources to processing these applications are important as well. I'm happy that this committee also looks at the rights of people with disabilities.

The fact that there are blanket assumptions being made—

The Chair: I'm sorry, Doctor, please wrap up.

Ms. Ethel Tungohan: —when it comes to PR applications, that's absurd, and Ericson's story shows that as well.

The Chair: Thank you. I'm sorry, we do have to move onto the next question.

Mr. Long, please.

Mr. Wayne Long (Saint John—Rothsay, Lib.): Thank you, Chair.

Thank you to all the presenters this afternoon.

I have to say the testimony, on both sides, the pros and cons, of the TFW program is very compelling. We want to make sure as a committee, certainly, that we get it right, and that we're open and have a transparent discussion.

I'm from Atlantic Canada. I'm from Saint John—Rothsay, and I spent 15 years in the aquaculture industry. Certainly, I know first-hand from living in St. Andrew's and working in St. George's that there were times when there were major labour shortages.

I'll ask one of you the question. How many temporary foreign workers do you think you're going to need, your processors and harvesters, to fill the labour shortage in your industry? What per cent would that be of the workforce, total?

Mr. Jerry Amirault: It's been running about 20% of the total workforce. It's becoming more prominent as people.... Since you're in New Brunswick, up in the Acadian Peninsula, they didn't have any issues. Even they are starting...as the people are aging. As you know in New Brunswick, more people die than are born. That's joined that party.

The actual number, I think, would be determined by the labour assessments that we're calling for. We don't think there should be one cap for the whole industry in all areas, but it should be taking some of the LMIA data and determining that this particular area requires.... Take Deer Island, which is near you.

Mr. Wayne Long: Yes.

Mr. Jerry Amirault: They've been very successful in permanent residency. They've demonstrated there are not enough people on the island, but it's a very good place to put a plan.

I can't give you a general answer. I'm simply saying we have to change the process in which we determine that number.

• (1820)

Mr. Wayne Long: Can we just maybe talk about, I guess, from my industry's or from the coalition's perspective, a retention strategy, a training strategy, so ability isn't a barrier? What are you doing to target local workers? Are there campaigns? I know there have been job fairs and stuff like that.

Can you talk a little about what you're doing to attract Canadian workers and retention?

Mr. Jerry Amirault: The detail has to start with the youth, seeing what the youths' attitude is.

I know in Nova Scotia they're starting with some video training. Their view of a fish plant maybe a bit dated. The workers themselves respond very positively to having a foreign worker mix in their

population. They're members of the community. There are other aspects of it that the community gains by people coming in.

What we've done is change wage scales, looked at the needs. We would love to have people on shift work, but we do not have enough for one shift.

They have educational programs in the schools, orientation within the plants to try to get people through the initial stigma.

Mr. Wayne Long: Okay. Let's talk about wages. Is a wage increase possible to make the positions more attractive to Canadian workers?

Mr. Jerry Amirault: The wages have gone up significantly. I say that—

Mr. Wayne Long: Can you give me a ballpark, where they were paid, say, five years ago, versus now?

Mr. Jerry Amirault: Again, I'll pick on Deer Island.

Mr. Wayne Long: Sure.

Mr. Jerry Amirault: The prevailing wage in Deer Island is about \$13.95, and I think the minimum wage in New Brunswick is \$10 or \$11. So it's significantly over that.

Across the region, I think in Shediac-Cap-Pelé, they're over \$12 now. I know that one plant in P.E.I. paid another \$900,000 in payroll, and it didn't make any difference, people were coming to work.

We're teaching our kids to be lawyers or doctors, or whatever. At the school level, we think we have to try to influence them. You need a lot of truck drivers. You need a lot of labourers to keep our economy.... There just isn't the critical mass in our populations with the out-migration and the lack of birth rate to fill these jobs.

Mr. Wayne Long: Thank you.

Can you just give me maybe a sentence or two on how you see the living arrangements for temporary foreign workers?

Mr. Jerry Amirault: In the smaller villages, some of the people have converted homes to have them in.

In a number of plants, not only Deer Island, they brought in accommodations and created a village for the foreign workers. I know there's one in Pictou. In all instances, they've accommodated them by allowing them to become part of the community. It isn't like an impression that there's 10 people living in a room. They're well-quartered. They're well looked after in the way we would treat any other workers.

The Chair: Moving on, Ms. Ashton, please.

Ms. Niki Ashton: Thank you, Chair, I will be sharing my time with my colleague Jenny Kwan as well.

I want to thank our witnesses for coming in today, and I want to very much thank Dr. Tungohan and Mr. Santos De Leon for coming forward. We're concerned this study will not be spending enough time to understand the caregiver program and the level of exploitation that is taking place as part of this program.

I did want to zero in on some of the comments you already made, Doctor, particularly about the role of recruitment agencies. I'm wondering, given the concern that you've raised about potential exploitation, what do you hope to see from the Minister of Immigration or the Minister of Labour on this front in terms of support for caregivers?

Ms. Ethel Tungohan: I think one of the most important proposals being put on the table by caregiver advocates is, as I said, giving caregivers landed status upon arrival. If that isn't possible, one of the suggestions is to give sectoral specific work permits that aren't tied to their employers, whether that be employment agents, or whether that be families. It's having a caregiver visa. I think there's a lot of merit to this proposal because it also addresses Canadians' caregiving needs, while at the same time respecting workers' needs and not tying them in an abusive exploitative relationship.

I should also add that when it comes to the caregivers that we've spoken to, and Mr. De Leon's story testifies to that, if the working conditions are good, workers will stay. A lot of caregivers are happy to be in Canada, and they're happy to be providing care for Canadian families. Obviously we have to strengthen provincial labour and employment standards, as well, to make sure that their interests are protected.

• (1825)

Ms. Jenny Kwan: Thank you very much. I'm Jenny Kwan. I'm with the Immigration and Refugees Citizenship Committee.

I want to start off by saying it's a bit ironic in a way that this committee is dealing with this issue, and yet Minister McCallum has the issue referred to him in his mandate letter. With that being said, I would certainly like to ask the chair to pass on the information in the submission that's being received to our committee for examination as well.

On this question around abuse, Dr. Tungohan, I'm particularly interested in the work you have done. How rampant have you found the abuse to be with caregivers and particularly with the intermediary agency in dealing with the work in trying to refer caregivers to employment?

Ms. Ethel Tungohan: I would say that incidences of abuse are quite rampant. The fact is recruiters here oftentimes have existing relationships with recruiters in other countries. Recruiters in other countries charge caregivers illegal placement fees, but the Canadian government simply cannot enforce policies made in other countries. That's one issue.

Another issue, as Mr. De Leon's story shows, is the issue of charging workers fees that simply are illegal. Even if we do have laws against the charging of recruitment fees, these laws simply aren't enforced. As I've mentioned, this proposal to make the regulated companies into the employers of caregivers simply transfers the power of relationship and doesn't address the power imbalances facing caregivers and their employers.

Ms. Jenny Kwan: The Project Guardian proposal is ineffective in other words. Is that correct? What action should the government take? You talked about permitting and so if you can elaborate on that.

Ms. Ethel Tungohan: Sorry, Project Guardian?

Ms. Jenny Kwan: Basically it's bringing this intermediary agency to deal as an employer for live-in careworkers.

Ms. Ethel Tungohan: As I've mentioned, caregiver advocates support the provision of landed status upon arrival for caregivers, but if not that, then giving open work permits for caregivers as a caregiver visa that enables caregivers not to be tied to their employers, but also enables Canadians to have their caregiving needs met.

Ms. Jenny Kwan: On the 49,000 people who are in the backlog of those waiting, what is the time frame in which a family is waiting to be reunited with their loved ones?

Ms. Ethel Tungohan: Why don't we pass it on to Mr. De Leon?

How long have you been waiting for your papers to get processed?

Mr. Ericson Santos De Leon: I've been waiting for three years now because I applied in 2013 for my permanent residency and I just received the latest news dated February 18 that my son is medically inadmissible, but I received my CSQ from Quebec. I heard from that so I was a bit surprised by this.

Ms. Jenny Kwan: So for at least three years you've been here to take care of someone else's family and yet you're separated from your own family. So no irony there either, I guess, on this program.

On this question in terms of family members, some advocates propose the idea that on acceptance of your application to be a caregiver here your family would be allowed to come as well.

Can you share your thoughts on that?

Ms. Ethel Tungohan: How would you feel about a proposal if your family comes with you immediately upon arrival in Canada?

The Chair: Briefly, please. Sorry.

Mr. Ericson Santos De Leon: For sure it will be a big asset if my family comes here. We're both young and we're willing to share our knowledge and talents to share in the community here in Canada.

Ms. Jenny Kwan: That would require work permits then as well for anybody who is of adult age?

Mr. Ericson Santos De Leon: Yes.

Ms. Ethel Tungohan: Can I just add something?

I think with respect to having the family members of caregivers coming with them, certainly there have been pilot projects showing that has been successful, and as other studies have shown with respect to family class migrants, they are not burdens, they also work. When you look having spouses arrive with caregivers they will also be a potential source of labour for the Canadian economy.

I think very highly of such proposals.

• (1830)

The Chair: Thank you very much.

I'm very sorry, but seeing as the clock says 6:30 I do have to wrap up now.

Committee, if you can just hold on and bear with me for just a minute, I would like to thank all of the members of the committee. I know there were some via teleconference and questions were not asked of you, but I encourage you to submit, if you have not already done so, any thoughts, comments or concerns in writing to this committee and we will make sure those get to the committee members.

For those of you who have travelled, again, thank you very much.

I just have a quick statement here in closing. Unfortunately, Ms. Ashton has left and I would have preferred her to be here, but earlier in today's proceedings Ms. Ashton accused this committee of not being transparent, suggesting that we've refused to televise these

sessions. For the record, these sessions are streamed live and are open to the public to view live, and of course transcripts are available online. It was this committee that has moved this study up in the schedule given the urgency that has of course been demonstrated today.

Regarding the request to televise, this has not been rejected. My hope was to put it to the this committee to see if any concerns exist. In the meantime staff have enquired for availability for this to be televised. I can report that I have confirmed that all parties here are in agreement and we will continue with this request and televise where possible.

Thank you very much. The meeting is adjourned.

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