

# **Standing Committee on Public Accounts**

Tuesday, October 31, 2017

#### • (0845)

### [English]

The Chair (Hon. Kevin Sorenson (Battle River—Crowfoot, CPC)): Good morning, everyone. It is Tuesday, October 31, 2017. We are the Standing Committee on Public Accounts. We welcome you here this morning.

Pursuant to Standing Order 108(3)(g), we are studying report 5, "Temporary Foreign Worker Program", of the spring 2017 reports of the Auditor General of Canada, part of the report that was referred to the committee on Tuesday, May 16.

This morning we have witnesses from the Office of the Auditor General: Mr. Michael Ferguson, Auditor General of Canada, and Mr. Glenn Wheeler, principal. We also have from the Department of Employment and Social Development, Ms. Louise Levonian, deputy minister, and Ms. Leslie MacLean, senior associate deputy minister and chief operating officer for Service Canada. As well, we have Mr. Paul Thompson, senior assistant deputy minister, skills and employment branch.

Thank you all for being here.

Typical of this committee, we will hear your opening comments and then we will move into questions from the members of the committee.

Welcome, Mr. Ferguson. The time is now yours.

Mr. Michael Ferguson (Auditor General of Canada, Office of the Auditor General): Mr. Chair, thank you for this opportunity to present the results of our audit of the temporary foreign worker program, which is managed by Employment and Social Development Canada.

### [Translation]

The temporary foreign worker program is meant to help employers fill job vacancies when qualified Canadians are not available. Employment and Social Development Canada is supposed to make sure that employers use the program to respond only to real labour shortages.

Our audit focused on whether the department managed the program to allow employers to hire foreign workers on a temporary basis to fill labour shortages only when qualified Canadians were not available. The audit also focused on whether the department ensured that employers complied with program requirements. In addition, we assessed how well the department implemented the reforms that the federal government announced in June 2014.

Overall, the reforms introduced in 2014 contributed to a reduction in the number of temporary foreign workers. However, the department's implementation of these reforms did not ensure that employers hired temporary foreign workers only as a last resort.

### [English]

For example, in many cases, the department just took the word of employers that they couldn't find Canadian staff. The department also didn't consider sufficient labour market information to determine whether Canadians could fill jobs. We found cases in certain sectors, primarily caregivers and processing plants for fish and seafood, in which the department should have better questioned whether temporary foreign workers were filling real labour shortages. In particular, there were indications that unemployed Canadians who last worked in a fish and seafood processing plant may have been available for work.

In addition, the department committed to requiring employers to demonstrate that they had tried to fill low-wage positions by recruiting from under-represented groups. In the files we reviewed to which this commitment applied, 65% of employers didn't make adequate efforts to appeal to under-represented groups before requesting temporary foreign workers. Nevertheless, the department approved most of these applications. For example, program officers approved applications for temporary foreign workers in some fish and seafood processing plants located near first nations communities even when efforts to recruit from these communities were not found on file.

#### • (0850)

### [Translation]

We also found that the department had increased its enforcement activities since announcing program reforms. However, it did not use the information it had to focus its activities on employers of the most vulnerable workers or on employers that were most at risk of not complying with the program.

As well, most enforcement activities consisted of reviewing documents that employers were asked to provide to investigators by mail. The department conducted few on-site inspections and face-toface interviews with employers or temporary foreign workers.

# [English]

Finally, we found the department didn't measure the results or impact of the program and didn't know what impact the program had on the labour market. Appropriate analysis of results and impacts could have helped the department understand the underlying reasons why, for example, Canadians didn't appear willing to take some of the jobs that temporary foreign workers eventually filled.

We're pleased to report that the department has agreed with our recommendations and has prepared an action plan to address them.

# [Translation]

Mr. Chair, this concludes my opening remarks. We would be pleased to answer any questions the committee may have.

Thank you.

[English]

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

We'll now move to the deputy minister, Ms. Levonian.

# [Translation]

Ms. Louise Levonian (Deputy Minister, Department of Employment and Social Development): Thank you, Mr. Chair, and all the members of the Standing Committee on Public Accounts for giving me the opportunity to share with you the progress we are making to fully address the recommendations made in the Auditor General's report on the temporary foreign worker program.

#### [English]

I want to start by saying that this program plays an important role in supporting a strong Canadian economy by helping employers fill labour market gaps while ensuring that Canadians have first access to available jobs. This is a critically important balance to strive for, but in practice it can be quite difficult to achieve. There are national, regional, and industry-specific considerations, and along with these considerations, the program must also ensure the protection of the rights of foreign workers. All this is not an easy task, and we are continually working to improve on achieving the right balance.

Over the years, the program has evolved significantly to adapt to the realities of today's labour market. This includes placing a greater emphasis on ensuring that Canadians and permanent residents have first access to jobs. For instance, following program changes in recent years, we have seen a 75% decline in approved positions for low-skilled workers. This was between 2013 and 2016. Employers of high-wage workers are now required to develop plans for transitioning to a domestic workforce. These changes have been part of the evolution of the program, and we're committed to continuing to find new ways to improve it.

Mr. Chair, I want to assure you that the issues raised in the Auditor General's report are of the utmost importance to us. We have accepted all of the recommendations made in the report, and the department has already taken action on a number of fronts.

Let me begin by articulating some of the actions that have already been taken. On hiring Canadians first, we remain focused on ensuring Canadians are first in line for any available jobs. Employers must provide proof that they have been recruiting and continue to actively recruit Canadians. Employers must list every Canadian or permanent resident who has applied for the job and justify why they were not hired.

In response to the Auditor General's recommendations to strengthen the assessment of employers' recruitment efforts, new rules came into force on August 28 of this year. Employers in the low-wage stream must increase their recruitment efforts aimed at indigenous people, vulnerable youth, persons with disabilities, and newcomers. These are the four groups who are most underrepresented in the labour force.

We are increasing our use of available technology by requiring employers to use the job bank and its job matching service as one of their three advertising requirements. There are nearly 40,000 domestic jobseekers using this service nationwide, and it is a valuable tool in connecting them with employers.

Later this fall, the department is launching automatic enrolment of EI clients in the job bank's job alerts service to connect even more Canadians with jobs. We are also working to increase the recruitment of Canadians in industries that are heavy users of the program to bolster domestic recruitment.

• (0855)

# [Translation]

Our efforts are most advanced with the fish and seafood processing sector where we are finalizing a collaborative action plan.

This plan will identify resources and concrete actions for attracting, developing and retaining a domestic workforce.

On our assessment of employer applications, I am pleased to report that we have launched a new quality assurance pilot program to monitor the assessment of employer applications.

We will be launching the new quality assurance process across Canada in December.

# [English]

On the use of labour market information, labour market information is an important tool for the program. For example, we use current regional unemployment rates to focus on processing applications for certain low-wage occupations.

In April of this year, the department increased its access to information on employer layoffs. Officers now have information from the last 12 months rather than 90 days, which was the case earlier, to check that employers are not laying off domestic workers and replacing them with foreign workers. The department is also working to incorporate new sources of data into its assessment for applications. This includes making better use of data from Statistics Canada's job vacancy and wage survey. We're also incorporating private sector forecasts on sectors and regional labour market conditions into our assessment.

On wages, the Auditor General also flagged concerns in his report that the program may be negatively impacting Canadian wages. The program requires employers to advertise jobs at the median wage or higher for that occupation. Employers must therefore pay temporary foreign workers the same amount that Canadians would expect to be paid for the same job. Therefore, the program should not be putting downward pressure on Canadian wages, but we will continue to monitor this, as it is an important question.

On compliance and enforcement, the program has continued to strengthen its regime to help protect its workers from abuse and exploitation. Since April 1 of this year, we have undertaken a number of initiatives to improve the compliance regime. To better target our resources and efforts, we've launched a new risk-based predictive model to help identify who to inspect, prioritizing the highest-risk cases. More than 1,300 inspections that were launched this year have been identified using this model.

The department has also significantly increased its on-site inspections, strategically focusing on employers of the most vulnerable workers. So far this year more than 900 on-site inspections are either under way or have been completed. This is approximately five times more than last year. The investments we're making in on-site inspections are actually paying off. Of those completed this year, approximately 50% of employers needed to take some sort of corrective measure to be compliant. This is a 15% increase, more than were identified last year using primarily paper-based reviews, demonstrating that on-site inspections are an effective tool in identifying and correcting non-compliant behaviour.

Recognizing the important role that unannounced on-site visits could play in protecting foreign workers, we have accelerated our efforts and expect to complete work on this in the fall.

ESDC understands the importance of partnerships as well and is working with the provinces and territories to improve enforcement through information sharing. We have updated agreements with Ontario and Alberta that are already in place, and we are revising existing agreements with British Columbia, Saskatchewan, and Manitoba.

We have also held consultations with provinces and territories on enhancing worker protections to better prevent abuse and exploitation of workers.

Another issue I want to talk about a little is performance measurement and results. The Auditor General raised concerns about the department's lack of evidence of the program's impact on the labour market. This is a complex question requiring intricate analysis, complicated by the significant changes made by the program in recent years. ESDC will undertake an evaluation in 2018 to examine the medium- and long-term labour market impacts of the program.

In the meantime, we have completed our program information profile that enables the collection of performance indicators, including information on program trends. Notably, the performance measurement strategy for the new global talent stream will generate information on job creation and investment in skills and training by companies using the stream.

# • (0900)

# [Translation]

Mr. Chair, our department is working on many fronts to continue improving the temporary foreign worker program.

We have already made significant progress in addressing the recommendations made by the Auditor General.

I have asked my chief audit executive to undertake a follow-up audit in two years' time to confirm our progress.

I am confident that we will fully address all of the recommendations in the report within the timeframes detailed in the management action plan.

Thank you for inviting us today. Your suggestions and comments are welcome.

I will now be happy to answer any of your questions.

[English]

The Chair: Thank you very much for your testimony.

We'll now move to Mr. Lefebvre for seven minutes.

Mr. Paul Lefebvre (Sudbury, Lib.): Thank you, Mr. Chair.

Thank you, everyone, for being here this morning.

The program is certainly very important in my area, Sudbury, northern Ontario. This program is a job creator in the sense that if we didn't have these temporary foreign workers in northern Ontario.... It's very hard to recruit people from southern Ontario or the rest of Canada to come to northern Ontario. There are many challenges, so this is a very important program.

I was very interested in reading the report. I know the time frame that we're looking at is from 2013 to 2016. Certainly the angle was more about how we're looking at this, how we can reduce the abuse from employers and ensure they're doing their thorough due diligence to properly advertise and try to recruit across Canada. At the same time, in my reality, in my office, it's more on the other side, saying, "How can we help employers find temporary foreign workers because they can't fill the jobs?" It was very interesting to see the difference in my reality and the approach from the Auditor General's report.

That being said, I was certainly very interested in your comments, Ms. Levonian, with respect to under-represented groups. That has come up in the Auditor General's report. In the majority of the samples taken by the Auditor General's team, they "did not make adequate efforts to appeal to under-represented groups", so the employers did not do a proper job between 2013 and 2016.

You've come to this committee this morning and told us that you are taking steps to require employers to do more to recruit in these under-represented groups, so I'd like to hear more about your plan to address this situation. **Ms. Louise Levonian:** The government is continuing to take steps, as I mentioned, to ensure that under-represented groups are taken into consideration. As announced, also as part of the government's early actions in response to the HUMA report, as of August 28, 2017, low-wage employers are required to increase their targeted recruitment activities for under-represented groups in the workforce: indigenous peoples, vulnerable youth, persons with disabilities, and newcomers. Specifically, they will be required to demonstrate that, as of August 28, they have made efforts to recruit from at least two under-represented groups in the labour market to allow Canadians in these categories to have first access to available opportunities.

Furthermore, all employers seeking access to the program through the high-wage and low-wage streams will be required to advertise on the job bank and to use the job match service, which connects registered jobseekers with employers posting job vacancies on job bank.

### • (0905)

**Mr. Paul Lefebvre:** How will that be evaluated in the sense that if they're trying to, through the job bank...? I'm thinking of northern Ontario where it's not easy to recruit to start with, so if they are in the job bank and they have another website or another effort, will that be sufficient to say they've tried to recruit in these under-represented groups?

If the officer determines that they haven't done a proper job of trying to address that or trying to recruit in those sectors, they can be refused. That could be detrimental to these businesses if they don't have these workers coming back. Any delays would be detrimental to the businesses because from what I've heard from a lot of these employers is that without these temporary foreign workers, the Canadians they are employing would not have jobs. I'm hearing that often, so what measures are you looking at to evaluate if they're actually doing that?

**Ms. Louise Levonian:** Employers are required to advertise to two under-represented groups. The officer looking at that file would then look to see how they've gone about doing that. Has there been appropriate outreach? If there hasn't been appropriate outreach, what happens is that their labour market information assessment is turned down. We say that there hasn't been enough advertising, enough outreach. Therefore, you won't get a positive LMIA, which is necessary.

The other thing that's required in assessing that is that employers are required to write down all the Canadians who have applied and justify why they didn't hire them, so there is rigour involved in doing that.

The one thing that I would say—and I think the Auditor General's report addresses this—is that, as with taxes, not every file is audited in the nth level of detail. There are many applications and there are risk-based audits and reviews of certain files, but there's a balance there, too. To administer every single review of every single application to the nth level of detail would require significant resources. There is a lot of risk-based assessment to ensure that we're evaluating the program. We're making sure that the program is addressing its requirements and that it's done in a efficient and targeted way.

**Mr. Paul Lefebvre:** This brings me to a comment in your opening statement, where you say that you are also working to increase the recruitment of Canadians in industries that are heavy users of the program. I want to bring that back to my reality. In rural areas, if we are working to increase the recruitment of Canadians and Canadians don't want to move to those areas, that is a constant challenge. Heavy users of the program require this program in order to meet their needs, in order to hire other Canadians.

What do you mean when you say you're working to increase the recruitment of Canadians in industries that are heavy users of the program? Certainly, agriculture is one of the heavy users of the program, because it's temporary.

**Ms. Louise Levonian:** We're undertaking sectoral reviews of those heavy users. We're working with partners, the industry, and labour groups to see what can be done to make that situation better.

• (0910)

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

We'll welcome Ms. Rempel to our committee this morning.

Hon. Michelle Rempel (Calgary Nose Hill, CPC): Thank you, Mr. Chair.

Mr. Ferguson, it's my understanding that in your report you identified companies that were simultaneously laying off domestic workers and hiring temporary foreign workers. Is that correct?

**Mr. Michael Ferguson:** We looked at EI information and we found a number of people who had been laid off from fish plants and were collecting EI at the same time that fish plants were hiring temporary foreign workers. This indicated that perhaps there were people with the experience to work in the fish plants who would have been available in the market but were collecting EI.

**Hon. Michelle Rempel:** Would you consider this a clear abuse of the program?

**Mr. Michael Ferguson:** We didn't identify it as an abuse of the program. There may be many different reasons why a Canadian worker might decide not to take a job that's available. We identified it as an indication that the department should be looking into these cases to try to find out how there can be Canadian workers with experience in a particular industry collecting employment insurance at the same time that employers are hiring temporary foreign workers. Really, we couldn't get any further down than just that indication. It's the role of the department to get further down into it.

Hon. Michelle Rempel: Thank you.

Ms. Levonian, has there been any analysis done as to why this situation took place?

**Ms. Louise Levonian:** I can answer that at a reasonably high level, and if we need to get into detail, we can.

Employers seeking to hire TFWs-

**Hon. Michelle Rempel:** Has an analysis of why people on EI are not being given jobs in this industry been completed within the department?

Ms. Louise Levonian: Yes, we look into-

**Hon. Michelle Rempel:** In the interest of time, could you please table the results of that analysis with the committee?

**Ms. Louise Levonian:** We can provide information on that for sure.

Hon. Michelle Rempel: Thank you.

From that analysis, was there any indication that the reason Canadian workers weren't taking these jobs was because of unfair compensation, lower compensation, or unsafe working conditions?

**Ms. Louise Levonian:** In these circumstances, the first step is that employers have to advertise for Canadian workers, and there's a rigorous—

**Hon. Michelle Rempel:** That's not what I'm asking. In your departmental analysis, was there any indication that the reason Canadian workers weren't taking jobs was that the wages weren't deemed to be high enough to do the type of work that was indicated?

**Ms. Louise Levonian:** This is a very tricky thing to analyze, because you're looking at all kinds of reasons and the data, etc. To the extent that we have been able to dig down into these issues, there does not seem to be a wage issue. The wage advertised is supposed to be the median wage for Canadians, so the same wage is being paid. What's being offered to the temporary foreign worker is the same as what's being offered to Canadians.

Hon. Michelle Rempel: Okay. That's answer enough for my question.

You mentioned that you've put in place an action plan and a quality assurance framework. Could you table with the committee the costs associated with both building out that framework and implementing it?

**Ms. Louise Levonian:** All of that work is being done within the existing resources of the department.

**Hon. Michelle Rempel:** Were any full-time employees taken off regular duties either to implement the framework or to put the framework together?

Ms. Louise Levonian: Were they taken off other duties?

**Hon. Michelle Rempel:** Yes. You also mentioned that the cost of implementing a higher degree of rigour, rather than looking at just, to my colleague's question, spot testing, to actually look at this in a lot more detail, would require more resources. Is that correct?

#### Ms. Louise Levonian: Yes.

**Hon. Michelle Rempel:** Do you have an analysis of how much that would cost?

**Ms. Louise Levonian:** Just on the quality assurance, there are people who do that on a continuous basis. We have done it more formally and more specifically based on the Auditor General's recommendations. On that front, I would say no.

On the increased inspections, etc. I believe—Paul, correct me if I'm wrong—we actually received additional funding to undertake that.

• (0915)

Mr. Paul Thompson (Senior Assistant Deputy Minister, Skills and Employment Branch, Department of Employment and Social Development): Yes.

Hon. Michelle Rempel: How much was that?

Ms. Louise Levonian: Do you remember the exact amount?

**Mr. Paul Thompson:** There have been funding changes with the policy changes that have been introduced over the years.

Hon. Michelle Rempel: Would you be able to table that with the committee as well?

Mr. Paul Thompson: That's all available in the public accounts.

Hon. Michelle Rempel: Thank you.

I guess where I'm trying to go with this is that we've spent a lot of resources changing a program that I find, even in its naming, pejorative, and frankly I think it probably depresses wages and prevents.... First of all, I find it frankly abusive to the people who come to this country with no path to citizenship through these programs. I also think they're subject to abuse but the program itself is subject to abuse.

Mr. Ferguson, what was the time frame for your audit?

Mr. Michael Ferguson: I'll double-check to make sure I have it right.

It was January 1, 2013, to August 31, 2016.

**Hon. Michelle Rempel:** Ostensibly that data—not your findings but the data you were examining—would have been within the department, in terms of high level of usage and whatnot, and the department would have had access to it prior to the Liberal government announcing in March 2016 that they were lifting restrictions on the temporary foreign worker program in Atlantic Canada. Is that correct?

**Mr. Michael Ferguson:** The data that we used came primarily from the department. It was the department's data.

#### Hon. Michelle Rempel: Fantastic.

I'll note that in the news release around the lifting of the restrictions on the temporary foreign worker program, specifically around seafood processing plants, one of the arguments made was that essentially the companies were saying they couldn't find Canadian workers to do the jobs. Yet you said in your report, with reference to some of the seafood processing plants specifically, that these were cases you found in which the employers said they had actually done everything possible to find Canadian workers but the department was just taking their word for it. Is that correct?

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**Mr. Michael Ferguson:** A number of different issues in the seafood processing area were raised. In paragraph 5.37, for example, we say that the seafood processing plants told the department that temporary foreign workers were required because some Canadians had quit their positions because of the conditions or difficulty of the work. Also later on we say that some of the seafood processing plants said that they had to lay off Canadians in order to actually prevent them from going to work at other seafood processing plants. At a certain point in time, they wanted to be laid off.

It was particularly complex related to the seafood processing plants, and it seemed to be related not just to the temporary foreign worker program but also to the EI program. I think that's something the department needs to consider as well.

The Chair: Thank you, Mr. Ferguson.

We'll now move to Mr. Christopherson for seven minutes.

**Mr. David Christopherson (Hamilton Centre, NDP):** Thank you, Chair, and thank you all for your attendance today.

I have to say it's not a very impressive audit. It's not as if we found detail problems and we need to work at that. The whole overall program does not seem to have been given the kind of thought that normally programs of this importance have been given.

By way of some opening thoughts, in the Auditor General's opening remarks, where he talked about the reforms in 2014, the Auditor General said, "However, the department's implementation of these reforms did not ensure that employers hired temporary foreign workers only as a last resort." Yet, it seems to me, that's the whole raison d'être of the program, so I have real problems as to how seriously this was structured and managed and carried out. I have particular concern about the management culture that would allow what we find in this audit to take place. This is very disturbing.

For instance, on page 18 of the Auditor General's report, under paragraph 5.93, regarding performance measurement strategy, it says, "We found that the Department did not have a performance measurement strategy for the program, so it could not measure or adequately report on the results of the program."

Look, I don't have a lot of personal education, but I've been doing this business a long time and one of the key things I've learned is that you have to be able to measure your performance. That's a basic fundamental starting point. How, deputy, could you get it so wrong from the get-go, that you didn't even have in place the ability to measure how well your performance was? How could that be?

• (0920)

**Ms. Louise Levonian:** We do have performance measures in place that are actually reported publicly, and I can get into the details of what those are, but—

Mr. David Christopherson: Is the Auditor General wrong?

Ms. Louise Levonian: We do have performance measurements.

**Mr. David Christopherson:** That's the question. I read the exact quote and you're suggesting that's not correct, so something's not right here.

Mr. Ferguson, somebody, help me understand. We have two different points of view.

Come on, time is going. Let's go.

Mr. Michael Ferguson: I'll ask Mr. Wheeler to address the finding then.

**Mr. Glenn Wheeler (Principal, Office of the Auditor General):** Mr. Chair, what we found in the audit report is that although there was a requirement for a performance measurement strategy to be in place, there was not one, and such a strategy would indicate indicators about how to measure the success of the program and the data that would be used to populate those indicators.

The deputy minister is making reference to some data that appears in the DPR that, in and of itself, doesn't provide enough information to indicate whether the program is successful or not. An example of that would be—and we don't refer to it specifically in the report but it's public information—the amount of time it takes to do an LMIA request for a high-skilled worker.

#### Mr. David Christopherson: Deputy?

**Ms. Louise Levonian:** What I would say is that there has been information available. We're always improving that information, so certain information was available and Paul can talk about that if you wish. As of January 2017, there has been a more comprehensive performance measurement plan put in place.

**Mr. David Christopherson:** Even though you maintain you had one, it wasn't good enough. Let's move along.

I have a bit of a problem reconciling the report and what the deputy has said here today vis-à-vis the risk and benefit and the department answered.... Sorry, I'll back up. The Auditor General criticized the fact that there were certainly insufficient on-site inspections and any that were happening were not surprise visits. They were told ahead of time that you were coming.

In the department's response to the Auditor General, on page 17 it says, "The Department has also increased the number of on-site inspections that it conducts at employers' premises to enhance the protection of vulnerable temporary foreign workers. Finally, the Department will undertake an assessment of the risks and benefits by April 2018 of conducting unannounced on-site inspections." Yet today in your remarks, deputy, you said, "Recognizing the important role that unannounced on-site visits could play in protecting foreign workers, we have accelerated our efforts and expect to complete the work on this in the fall." How could we be so far away that in your written response to the Auditor General it is going to take until next April for you to decide whether or not, based on a risk and benefit assessment, on-site inspections would be a good idea, and then roll in and say, "Recognizing the important role...".

There's a disconnect there. Help me.

Ms. Louise Levonian: Thank you, Mr. Chair.

There's no question that on-site inspections are something that's recognized as being beneficial.

**Mr. David Christopherson:** Let's stop right there. That's not what you said in the response. You just said now—and I agree with you—that it's obvious that on-site inspections make sense. But in your written response, you said it was going to take until April of next year to do a risk and benefit assessment to decide whether or not conducting unannounced site inspections would be a good idea. Come on. We have a bit of a revision of history going on here.

**Ms. Louise Levonian:** I'm happy to answer that question. I was going to do it in stages, but I'll leap to the question you're asking.

Unannounced on-site inspections are not something the department has done in the past, and it is something we want to tread into carefully. We don't want to put employees at risk because those kinds of inspections can result in that. We need to consult with the unions. We need to establish the proper procedures in doing that. There are steps that—

Mr. David Christopherson: Nobody is suggesting you shouldn't.

Ms. Louise Levonian: That takes a bit of time.

**Mr. David Christopherson:** I have to tell you. I haven't yet heard one utterance, Deputy, saying, "We screwed up. We failed. We didn't do the job." You're being very defensive, and it always annoys me when there isn't some recognition. This is a bad audit, Deputy. This is a bad audit. This does not look good on you or the department, and so far, all I'm hearing are defences about how well you're doing. I'd like to start hearing some recognition about how badly you failed and about how you're going to pull up your socks.

• (0925)

**The Chair:** Thank you, Mr. Christopherson. We'll have to wait. We'll keep everyone in suspense for that. It will be coming a little later.

We'll now move to Monsieur Massé.

Monsieur Massé, you have seven minutes.

[Translation]

Mr. Rémi Massé (Avignon—La Mitis—Matane—Matapédia, Lib.): Thank you, Mr. Chair.

I would like to thank the witnesses for being here today and for taking part in the committee's work. We welcome your participation.

I know that your respective teams worked very hard to prepare for your appearance in order to be able to answer our questions.

I echo Mr. Lefebvre's comments about the importance of the temporary foreign workers program for regions such as the ones I represent in Eastern Quebec, the Gaspé in particular.

I do not want to engage in politics here and will remain objective in my comments.

Canada's economy has improved significantly. Close to 430,000 jobs were created this past month, reducing unemployment considerably in certain parts of Quebec. The unemployment rate in Quebec City is about 4%. The unemployment rate in my home region of the Gaspé also fell. This is good news for the labour market for Canadians, but it also has negative effects on employers.

Throughout the summer, I travelled around my riding and met with a number of employers. They said there is a labour shortage in the region. I am thinking of restaurant owners who had to close their restaurants at noon, something that had not happened in 52 years in some cases. They told me about the difficulty recruiting qualified workers and said they would like to be able to use the temporary foreign workers program.

The data gathered since 2009 shows that the number of temporary foreign workers approved by your department fell by 32% from 2009 to 2015. These two things might be correlated.

Did the number of foreign workers continue to fall in 2016?

Ms. Louise Levonian: The decrease has more or less stabilized.

Mr. Thompson, do you have the exact figures?

**Mr. Paul Thompson:** The decrease has levelled off for a number of program components. There was an increase in the agriculture sector, where labour needs continue to increase.

Mr. Rémi Massé: Perfect.

If you have current data, I would like to get it.

Mr. Paul Thompson: For each program component?

Mr. Rémi Massé: Yes, if you please.

Thank you.

Mr. Ferguson, in paragraph 5.44 of your report, you recommend that the department establish "a quality assurance framework for the temporary foreign worker program" and that this "framework should ensure that program officers' decisions relating to the application process are consistent with program requirements [...]".

To what extent does this apply to similar Government of Canada programs?

**Mr. Michael Ferguson:** For various programs, it is important to have a system to ensure the quality of decisions. That is one way to ensure that the program requirements are met. That is a normal part of the management of any program.

**Mr. Rémi Massé:** Ms. Levonian, I echo what my colleague Mr. Christopherson said. Why does the department not have a national quality assurance framework to evaluate the quality and consistency of the decisions made by program officers?

Ms. Louise Levonian: I will let Ms. MacLean answer that question.

Ms. Leslie MacLean (Senior Associate Deputy Minister and Chief Operating Officer for Service Canada, Department of Employment and Social Development): As the Auditor General said, the management and delivery of the temporary foreign workers program need to be improved. To ensure consistency in the decisions made by all program officers, there needs to be a quality assurance framework, as you said.

The pilot projects we have conducted since the spring show that such a framework will be a big help to our officers in making consistent decisions regarding what we call a real offer of a real job, and in ensuring that the conditions are similar to those offered to Canadians for the same kind of work.

#### • (0930)

Mr. Rémi Massé: Thank you, Ms. MacLean.

I would be interested in hearing more about your pilot projects. Can you tell us a bit about them? What have you implemented? What were the specific objectives of those projects?

**Ms. Leslie MacLean:** Officers have to evaluate various factors before they can make a decision. Unfortunately, I will have to switch to English in order to better answer your question.

# [English]

It's genuineness and labour market factors. Genuineness, for example, would be whether the offer was coming from an employer that legally exists and operates a business related to the job offer being made. In other words, is there a real job?

On labour market, will it have a positive, neutral, or negative impact on the labour market?

#### [Translation]

The pilot project is intended to create a framework to ensure that decisions are consistent from coast to coast. The results of the team's work show that the framework as set out will work well. So we will continue to implement the quality assurance framework.

**Mr. Rémi Massé:** In your response to the Auditor General's recommendations, you pointed out that a national framework will indeed be implemented by the fall of 2017.

Are you saying that implementation of the framework has already begun or will begin in the coming weeks or months?

**Ms. Leslie MacLean:** Implementation will begin in the coming weeks. Our objective is to have the framework in place in December, in a few weeks then, for all officers who make decisions.

Mr. Rémi Massé: Thank you.

The Chair: Mr. Deltell, you have the floor for five minutes.

Mr. Gérard Deltell (Louis-Saint-Laurent, CPC): Thank you, Mr. Chair.

Ladies and gentlemen, welcome to your House of Commons. I must admit that the topic we are discussing bothers me and concerns me a great deal as a Canadian.

The unemployment rate is indeed low. Consider my region, Quebec City in particular—Mr. Massé talked about it earlier—the

problem is related more to labour than employment. As a Canadian, I am not proud to see people in our country looking for work while people are being brought in from outside to take jobs, as humble, modest, and in particular as difficult as they are.

Canadians should be able to work as much as possible and contribute to the country's growth and prosperity. I see cohorts of people arriving from other countries and I welcome them with open arms, but that reminds me that there are people in Canada who are out of work. This concerns me.

My colleague from Calgary, Ms. Rempel, talked about your analysis of seafood companies in the Atlantic region. It is our understanding that people were available to work, but they did not get any work. Furthermore, in some cases people left their jobs and were replaced by foreign workers.

This is always a tricky expression to use. As the son of an immigrant myself, I do not like talking about foreigners. I would rather say future Canadians or people who want to be here.

That is probably the most worrisome example. In a city, a region, a village, people were available to work, they were doing a job, but they no longer are, and people are coming from other countries to do that job.

How can that be considered normal?

**Ms. Louise Levonian:** I will start to answer this question and perhaps someone will want to add something.

There are requirements set out in the program that everyone must meet.

I mentioned, for instance, that employers must first inform Canadians of their needs before they get a positive labour market impact assessment, or LMIA.

They also have to provide reasons for refusing to hire Canadians who have applied. They must explain why they did not hire them. The program framework sets out requirements to ensure that the situation you describe does not happen, but it is not perfect. It is not always like that. There are cases where employers do things they are not supposed to do and it is up to us to try to detect and review them, but it does happen from time to time.

• (0935)

Mr. Gérard Deltell: Yes.

**Ms. Louise Levonian:** We are in the process of consulting representatives from sectors, such as the seafood sector. We want to develop an action plan with employers to work together to ensure that this does not happen, and we are in the process of adjusting this plan.

**Mr. Gérard Deltell:** You are in the process of adjusting it, Madam Deputy Minister, but how? The CBC reported last March that the government had eased the rules in response to pressure from the seafood industry lobby and from local MPs. Their objective was in fact to be able to hire more foreign workers, even though we know that this region has the highest unemployment rate in the country. Does that mean that the discussions you mentioned earlier are intended to ease the rules or, on the contrary, to make them stricter so that Canadians who are in Canada, who live in Canada, who pay taxes in Canada, can work?

**Ms. Louise Levonian:** That is a good question. Achieving that balance is exactly what I was talking about earlier. There are also cases where employers do not have access to Canadian workers and have to close their plants if they are unable to hire people from outside Canada. That is not good for Canada either.

**Mr. Gérard Deltell:** I can understand that in some cases, such as farms in remote areas, but we are talking about the seafood industry here, which has been around forever and has employed people for generations. I enjoyed some myself during my vacation in Prince Edward Island this summer.

Why do we have to ease the rules, as was done in March, for places where the unemployment rate is the highest in the country?

**Ms. Louise Levonian:** Let me repeat what I already said. It is always hard to know whether it is really necessary to hire people from other countries for a given processing plant. That is exactly what we are trying to do with the review by sector; we are trying to find ways of preventing those situations.

#### [English]

The Chair: Thank you.

We'll now move to Mr. Arya, please. You have five minutes.

Mr. Chandra Arya (Nepean, Lib.): Thank you, Mr. Chair.

Ms. Levonian, you mentioned there has been a 75% decline in food positions between 2013 and 2016. We do see, from exhibit 5.1, to take the example of caregivers, there is a dramatic decrease from 12,695 positions in 2014 to just 3,968 positions.

While on paper it appears good, does it mean that demand has gone down? Does it mean that Canadians have started working as caregivers?

**Ms. Louise Levonian:** A number of reforms have taken place over the last number of years that have resulted in a reduction in those numbers. One of the key factors, I would say, is the increase in fees, which were increased from \$275 to \$1,000 for each position that an employer wants to—

**Mr. Chandra Arya:** Do you mean to suggest that one of the major factors is just the increase of fees? This is a dramatic decrease from close to 13,000 to less than 4,000. Is it because you stopped approving these positions?

**Ms. Louise Levonian:** There are many factors that I can go through. We've strengthened advertising requirements. We've introduced a cap on the number of TFWs. We've limited the length of time a TFW could stay working to one year. There are transition plans required. Their fees were increased.

There are many factors that go into that.

• (0940)

#### Mr. Chandra Arya: Okay.

You've said that you're increasing unannounced on-site inspections, which appears to be good on paper, but for small businesses that may mean additional stress. Small businesses are already under heavy regulations. For them, in managing their business, unannounced on-site inspections may create some problems.

**Ms. Louise Levonian:** Absolutely. That's exactly why we haven't done unannounced on-site inspections yet. It's the analysis we're doing before implementing something like this that would take into consideration those kinds of.... We want to make sure our employees are protected. We want to make sure that the procedures are properly in place. We want to collaborate with provinces to do that—

**Mr. Chandra Arya:** I am happy to hear that, because for a small business like a restaurant, where a husband and wife, the owners, work along with the temporary foreign workers, they'll all be working, say, at a busy lunchtime. If you drop in for an unannounced on-site inspection, I can imagine the impact that will have.

Coming back to this program, it has been around for quite a long time. I'll go to your remarks. You say that the program plays an important role in supporting a strong Canadian economy by helping employers fill labour market jobs while ensuring Canadians have first access to available jobs. Next, you also say that this is a critically important balance to strive for but in practice can be quite difficult to achieve.

This program has been around for a long time, and now you say that this is a very difficult balance to achieve, that there are national, regional and industry specific considerations. These have been there for a long time. Why have we not found a solution yet?

**Ms. Louise Levonian:** I wish I could say that it's an easy thing to solve, but some things are difficult. There are always demands, as you've just heard from the conversation that's taking place here today. There are always, on the one hand, those employers who are saying, "I truly cannot find employees and I need them to continue my job and continue economic growth." On the other side, there are Canadians who are asking why it is that they're not being hired.

**Mr. Chandra Arya:** I understand. My time is quite limited, and I have one last question.

You did mention that the Auditor General flagged concerns about how the program may be negatively impacting Canadian wages. You've said that the program "should not be putting downward pressure on Canadian wages". Once again, this program has been around for a long time. If the AG suggests that there may be a negative impact on Canadian wages, and you're saying that there should not be, how do we know who is correct here? **Ms. Louise Levonian:** I can answer that. To a certain extent, the program has evolved significantly. Because of all these pressures that are constantly evolving, it has different impacts on the labour market and on wages as it evolves. The primary thing we keep in mind is that when an offer is made, it has to be made at the median or above. Therefore, we would not expect there to be implications. However, that's not to say that there aren't many factors in play here, and we want to continuously analyze—

Mr. Chandra Arya: Have you tried-

The Chair: No, no, Mr. Arya. Your time is up.

Thank you.

Ms. Rempel, please, you have five minutes.

Hon. Michelle Rempel: Thank you.

I'll try to continue with the line of questions that I had before.

Going back to the March 2016 announcement on lifting the restrictions on TFWs for seafood processing plants, one of the rationales for this laid out by my Liberal colleagues was by my colleague Sean Fraser, when he said, "North Nova is a perfect example. These guys bent over backwards trying to fill jobs."

I was just wondering if you can table with the committee any data that was provided to the Liberal government to back up that particular claim in justifying the lifting of the restriction of the temporary foreign worker program for seafood companies, especially in light of the findings that Mr. Ferguson has laid out in this report.

Ms. Louise Levonian: [Inaudible—Editor]

Hon. Michelle Rempel: So will that be done?

A voice: Yes.

Hon. Michelle Rempel: Thank you.

I'm also wondering if there has been any effort made by your department, especially given the high level of humanitarian immigration that we've seen this year and the high levels of unemployment in humanitarian immigration this year, to match people who are coming to Canada through those streams with jobs that may be filled by temporary foreign workers right now. Are there any programs specifically designed to do that?

# • (0945)

Ms. Louise Levonian: Sorry, specifically designed to protect-

**Hon. Michelle Rempel:** Are there any efforts to match unemployed people who have come in through humanitarian immigration streams over the last two years, who are currently unemployed, with positions that are being filled by temporary foreign workers?

**Mr. Paul Thompson:** There are a number of actions in place with the fish and seafood sector and other heavy users of the program to tap into those very groups.

**Hon. Michelle Rempel:** How many positions have been filled through that?

**Mr. Paul Thompson:** One example is that we did a project in Prince Edward Island with youth. I believe there were 50 youth who were brought in for summer work experience, which filled jobs.

There's outreach to one of our service providers for indigenous programming in New Brunswick, and there are efforts to—

**Hon. Michelle Rempel:** Specifically, what I had asked is, for people who have come in through the humanitarian immigration stream in the last two years, how many of those people, through programs in your department, have been linked with jobs that are currently being filled by temporary foreign workers?

**Mr. Paul Thompson:** I was speaking to your previous question. On the current question, there's outreach. I don't have data on asylum seekers or Syrian refugees.

**Hon. Michelle Rempel:** Would you able to provide that? Are you tracking that?

**Mr. Paul Thompson:** There's work being done in conjunction with Immigration, Refugees and Citizenship Canada to work on Syrian refugees, for example, and settlement. That's a shared responsibility with IRCC.

**Hon. Michelle Rempel:** What I'm looking for specifically is how many people, through any efforts that your department has, who have come in through humanitarian immigration streams, including asylum seekers or PSR and GSR programming, have been matched with jobs that are currently filled by TFWs. Can you provide that to the committee?

**Mr. Paul Thompson:** We will look into providing it. There's certainly an action plan to do it. I don't know if there's data available yet on the results of those types of efforts.

**Hon. Michelle Rempel:** The actual outline of that action plan would be useful too, as well as any associated funding that's been allocated for that.

Just again, going back to the exemption or the restrictions that were lifted in March 2016, how many more temporary foreign workers are there? What's been the year-over-year increase in temporary foreign workers utilized under that particular exemption?

Mr. Rémi Massé: Mr. Chair, I have a point of order.

Just in terms of clarification—I'm a new member to this committee—are we supposed to be focusing on the audit per se? I know that Ms. Rempel wants to touch on perhaps the actions that have been taken afterward. I'm just curious as to—

**The Chair:** I think her questioning is still on the subject of the temporary foreign worker program. Her question specifically was about a certain stream of people coming in on the humanitarian side. Are there temporary foreign workers who are hired? I think it's still in line here.

Ms. Rempel, you still have a minute and a half.

Hon. Michelle Rempel: Thank you, Mr. Chair.

Again, related to the Auditor General's finding around abuse of the program and specifically since the Auditor General did focus on abuses within the seafood processing industry, I'm wondering if you can provide to the committee the number, year over year, since the lifting of the exemption on the temporary foreign worker restrictions, on TFW usage in that industry.

**Mr. Paul Thompson:** Those data are completely available by industry sector and by province. There's no problem providing that. We currently have just fewer than 1,400 temporary foreign workers in the seafood processing industry in 2016.

**Hon. Michelle Rempel:** Since the restrictions have been lifted, can you provide us with a year-over-year analysis?

Mr. Paul Thompson: Yes.

Hon. Michelle Rempel: Thank you.

I'm also just wondering if you could provide us with a comparison of the amount of resources that are expended on managing the TFW program writ large as it relates to the amount of resources that are spent matching people who have perhaps come in through humanitarian streams with jobs.

The Chair: Thank you.

Go ahead, Ms. Levonian.

**Ms. Louise Levonian:** Definitely, we have that data on how much is expended on the temporary foreign worker program.

I'm not sure about the second part, but we'll look into it.

The Chair: Thank you very much.

It looks as if you're going to have some homework to do there, and thank you for that.

I tell the committee as well that if there's a question that.... My understanding is that two of you are going to have to leave fairly soon. If there's a question that you feel wasn't answered properly or you have extra information, please just include that back to the committee, because we will be doing a report on it. Thank you for that.

I think we're going to suspend for just a moment and allow our deputy and Ms. MacLean to leave and to bring two others in from the department to take their places.

(Pause)

We'll suspend momentarily.

• (0950)

• (0950)

The Chair: We're pleased to call the meeting back to order.

Our deputy minister had to take an exit, but we welcome Elise Boisjoly and Ms. Hébert. We were very pleased that she was able to be here for the first hour and 15 minutes. Mr. Thompson stayed, as well as our Auditor General.

We'll continue with Mr. Chen.

We're still on the second round, Mr. Chen, so you have five minutes.

Mr. Shaun Chen (Scarborough North, Lib.): Thank you very much, Mr. Chair.

Welcome to the new witnesses who have joined us for the meeting.

I'm looking at this audit, and I'm focusing on the purpose. The purpose is to determine whether or not the temporary foreign worker program was properly managed. To me, that is the key question here. It's a program that is intended, as we all know, to allow Canadian employers to hire temporary foreign workers for labour shortages, and I would gather that this would be used as a last resort for these employers.

It's very clear that the Auditor General is saying in his report that management of this program "was not complete". I look on this page, and I have certain things that are jumping out at me that are clearly very troubling.

On page 19, paragraph 5.97, it says, "the Department did not conduct analyses of the labour market to determine whether there was a real labour shortage of caregivers." To me, that's a fundamental question. The whole point of the program is to fill labour shortages.

As a country, we are bringing in temporary foreign workers for providing care, and we don't know? How can we not know? How can we not know and analyze the information we have? Clearly the federal government has a lot of data. How are we not asking ourselves that simple fundamental question as to whether there's a "real labour shortage"?

Can I have a response from the department?

• (0955)

Mr. Paul Thompson: Thank you.

As with all occupations, we carefully monitor trends in the use of the program by all the different streams and all the different occupations, including caregivers.

As was noted earlier by one of your colleagues, we've seen a fairly significant reduction in the number of caregivers coming in through the program, so there's been diminished use of that provision. We're heavily reliant on recruitment efforts to demonstrate the shortage and that the employer went to the requisite efforts to find a Canadian. If they weren't able to, that is often the trigger. However, we supplement that with the use of labour market information.

That supplementing with labour market information is an ongoing challenge, and we'll be trying to do more and more of that in the future. That was one of the weaknesses pointed out by the Auditor General that we're working on further improving.

On overall impact on the labour market, that's a pretty complex question that's best suited for an evaluation. As our deputy noted, we have an evaluation planned that will do the economic analysis of the resulting impact of the program on the labour market. That can't be done on a month-by-month basis. **Mr. Shaun Chen:** A few paragraphs up, in paragraph 5.95, it says, "the Department found that almost 2,000 temporary foreign workers had claimed EI in the 2013-14 fiscal year, most of whom were laid off because of a shortage of work."

My friend across the way, Ms. Rempel, mentioned there are Canadians who are being laid off in certain industries and are unable to find work. At the same time, this finding indicates that there are also temporary foreign workers who are claiming EI. They too are facing a shortage of work and were all working within a program that is supposed to bring in workers to address temporary shortages of work.

Do we have any more information other than what is presented here? Do we know more about the 2,000 temporary foreign workers who claimed EI? What were their situations? Are there any specific industries that this is more prevalent in than others? Can we have more information about that?

**Mr. Paul Thompson:** Temporary foreign workers are fully eligible for employment insurance. They pay premiums. They have all the rights of a Canadian or permanent resident who is working. They too face interruptions in work, unanticipated interruptions, with a downturn in the business or an event that perhaps disrupts the work. Perhaps an employer has an application for a temporary foreign worker and the situation dramatically changes when the temporary foreign worker arrives. These are provisions that are in place to support TFWs, just as we would support other Canadians who are in the program. The EI program does come into play with the temporary foreign workers in that regard and we continue to track those issues.

There are a number of industry sectors where that would be the case. It is not unique to one industry sector.

**Mr. Shaun Chen:** The department representative who was here earlier mentioned that we have—

The Chair: Your time is up. I'm sorry, Mr. Chen. Good try, though.

Mr. Christopherson.

Mr. David Christopherson: Thank you, Chair.

First off, just to underscore, we've made a big point of making sure that the deputies are here since they're the legal accounting officers, and I know that the deputy had to leave. It was originally one hour. I want to underscore that it's my understanding that the deputy was really concerned about leaving for that 35 minutes in light of the importance of the deputy being here. Of course, it was originally scheduled for an hour, so we understand.

I wanted to underscore that because I'm one of the ones who scream the loudest when they don't show up, but I also want to be one of the ones who compliment them and thank them for recognizing the importance of being here. That was reflected, so I want to give the deputy something positive to go home with.

**The Chair:** I'll also add that she made it very clear that she was disappointed, but that if there was anything she had to come back for, she was more than willing to come back.

**Mr. David Christopherson:** She's lucky we won't measure her disappointment. It's human nature; I'd be glad to get out of here.

I want to turn to paragraph 5.37 on page 7. To me this underscores a lot of the concerns. By the way, I know I don't have a lot of time, but I appreciated Mr. Lefebvre opening up with the concerns in his area, pointing out to the other side, and to my own colleagues given some of the areas they represent, it's the same thing—that it is a complex issue. The broader concern I think is very much captured in paragraph 5.37. It's very brief. It says:

In addition, some employers of fish and seafood processing plants-

where we've had particular problems

—told the Department that temporary foreign workers were required because some Canadians had quit their positions because of the conditions or difficulty of the work. In our [the Auditor General's] opinion, this type of situation appeared to be a retention problem not a labour shortage problem.

This means that the working conditions are so poor and the pay is so poor that you can't keep workers. That's very different from, "I have a select need for a certain niche talent and I don't have it here."

Also, going back to paragraph 5.18 on page 4, again the Auditor General says—and this is the link, and then I'll come to our guests —"This finding matters because the number of temporary foreign workers kept increasing over the years, as some employers were building their business models on the program."

We can see a connection between the two.

My question would be to Mr. Thompson. Talk to us about how you view this issue of whether or not it's a retention problem or a labour shortage. Do you agree with the Auditor General that for some of those conditions where your department has said, "Yes, we recognize you have a need", it's actually a retention problem and therefore a misuse of the program?

• (1000)

**Mr. Paul Thompson:** There are a few points there. I would say overall the use of the temporary foreign worker program by the seafood industry has diminished over the years. There were about 1,800 temporary foreign workers in 2012, and that number has dropped significantly.

It's not a wage issue, in our view, at least as far as we can see. We have rules that require them to pay at the prevailing wage for fish processors, or above, so there are very solid wage rules that are enforced quite rigorously on what workers are paid.

I can't claim that working in a fish plant is an attractive job offer. That's something that employers work on. We have worked closely with the industry on recruitment plans. They definitely have challenges on the HR front and we're supporting them in working with provinces and territories to help recruitment. I mentioned a couple of examples of working with young people, working with indigenous groups, working with the provinces for social assistance recipients and other unemployed people in the province. These are all efforts that the federal and provincial governments are doing to help with the recruitment, and certainly the industry is seized with retention as well. **Mr. David Christopherson:** You're now doing some on-site inspections. For the ones that were completed, you're bragging that 50% needed to take some sort of corrective measure. I'm looking at that as a half of them aren't compliant. How is that a success story? How did it get to the point that they're that far into the program and 50% aren't compliant? How is that?

Mr. Paul Thompson: I can start and my colleague Elise can elaborate.

There are differences in the degree of.... There could be a minor non-compliance issue that's corrected or there could be a more significant contravention of the rules, which would lead to penalties and fines. We have significant measures in place in our framework that can lead to fines of up to \$1 million and a lifetime ban from the program, so there are significant penalties in place for serious abuses. When it's a minor contravention, as Elise can explain, we take issues to make sure they become completely compliant with the rules of the program.

Ms. Elise Boisjoly (Assistant Deputy Minister, Integrity Services Branch, Department of Employment and Social Development): As my colleague pointed out, there are various degrees in terms of non-compliance. When there's non-compliance, let's say, around wages, we strongly encourage the employer to correct it and make sure that the temporary foreign workers are paid the amount of money they should be paid, and also to ensure that working conditions such as vacation pay or overtime are paid for as well. When the situation is corrected, we say that they've been compliant with compensation, so they've compensated the worker. It allows the company or the employer to keep their jobs filled with the people that they need to continue to grow their business. It allows the temporary foreign worker to continue to have a job and be able to support himself.

It's not a good news story. We're not bragging about it. It's really trying to maintain the integrity of the program while maintaining the opportunity for the temporary foreign workers to work and for the business to grow.

When we have a case of serious abuse, we would refer them to enforcement authorities. We would make sure that we remove the worker from any employment of abuse. We would work with IRCC to find, potentially, an open permit or some other job for the temporary foreign worker.

# • (1005)

**The Chair:** Very quickly, when there is a case of abuse with the employer, are there red flags there? How does the program work with temporary foreign workers, later, if it's the same employer? Is there a red flag with that employer?

**Ms. Elise Boisjoly:** When there's serious abuse, absolutely, an employer cannot hire another temporary foreign worker. Quite often, we will refer it to an enforcement agency, and there could be criminal charges laid against that employer. From there, we would ensure that this employer is banned from the program. When there's an RCMP investigation, obviously we rely on the RCMP to do the investigation, but we follow up with our own inspection. We make sure that this employer—

The Chair: Thank you very much.

Ms. Mendès.

### [Translation]

Mrs. Alexandra Mendès (Brossard—Saint-Lambert, Lib.): Thank you very much, Mr. Chair.

Before I begin my questions, I would like to clarify something. I believe the deputy minister said earlier that on-site inspections will not begin until they determine how to do them. Now I hear that onsite inspections are being done and that 50% of them identify noncompliance. Something does not add up. I do not want an answer now because I would like to talk about something else, but I would like someone to check that.

I worked in the immigration sector for a very long time. I would like to talk about the elephant in the room, that is, that some Canadians do not want to do certain jobs, which is certainly their right. The program was established in 1966 specifically to deal with that problem. At the time, employers and farm owners were facing a major skills shortage. In the end, the solution was to create the temporary foreign workers program.

If we examine the program without considering this problem, that is very unfair to the people who were hired and to employers who have a lot of trouble finding people to do those jobs.

There have been many changes over the years. In the past 15 or 20 years, a major factor has emerged, that of family caregivers. We have increased their number greatly by recruiting people from all over the world. I am very concerned that, in 2009, there were about 20,000 applications to hire family caregivers, as compared to just 3,000 or 4,000 today, as my colleague Mr. Arya said.

Can you explain such a huge drop even though the demand for those workers has not decreased? We all know very well that the demand has not decreased in our ridings and in our communities. Families are still struggling to find family caregivers.

Why has this program been cut so much? How are we going to find people to do those jobs? I am certain—and I see this—that no Canadians want those jobs.

Mr. Paul Thompson: I can't give you a complete answer, Ms. Mendès.

The Department of Employment and Social Development receives applications under the Temporary Foreign Worker Program, and we've seen a decrease in that program category. In addition, there were changes in immigration policy for family caregivers. I expect that these changes had an impact on the number of applications.

The deputy minister mentioned that there was an increase in fees of \$175,000 per job, but the government announced a reduction in those fees. We are implementing a reduction in these fees for middleincome families. If these fees constitute a determining factor, we may see changes. • (1010)

[English]

**Mrs. Alexandra Mendès:** That brings me to the point. I think the demand is still there. There's still a huge demand on caregivers. The increase in fees was probably one of the biggest reasons for this dramatic drop in the applications, because it hasn't disappeared. Even in bad economic times, the request for caregivers has been constant, and it's something I've personally witnessed in a very direct manner through my office. I don't think the reason is that the demand has diminished. It's because the fees have increased so very much.

Okay, you've taken some steps, or IRCC is taking steps to diminish the fees, or is it you...?

Mr. Paul Thompson: It's our fee. We charge the \$1,000 fee per-

Mrs. Alexandra Mendès: On top of the application fees for immigration.

**Mr. Paul Thompson:** Immigration has its own fees for immigration. For the TFW program, we have a \$1,000-per-position fee, which as I said is going to be waved in the future for middle- and low-income family caregivers.

Mrs. Alexandra Mendès: Okay.

The Chair: Thank you, Ms. Mendès.

We'll now move back to Mr. Deltell.

[Translation]

You have five minutes.

**Mr. Gérard Deltell:** Thank you very much, Mr. Chair. I congratulate you on your French.

Ms. Boisjoly, Ms. Hébert, welcome to your House of Commons. [*English*]

Let's get back to square one.

Every government would like to see every Canadian working, a job for every Canadian, every Canadian working hard, proud to wake up every morning, enjoying Friday evening with family and being proud of having worked hard. That's the target. If we can't, there is time to open the door to foreign temporary workers.

I welcome the fact that Madam Mendès raised the issue a few minutes ago of the elephant in the room. Madam Mendès is absolutely right. That's the sad reality of Canada, and it's why I said in my earlier statement that I'm not very proud of that.

What do we do to address that? I think the best way is not to feed the famous elephant, but to instead be sure that every Canadian can have a job and work.

[Translation]

I am going to go back to recommendation 5.41, which specifies that this program is meant to be a last resort for employers. This is what the recommendation says:

 $\left[\ldots\right]$  the accuracy of employers' statements and that employers use the program only as a last resort.

However, that is not exactly followed to the letter. I would like you to tell me what measures have been put in place to ensure that, when employers call on foreign workers, this is done, beyond the shadow of a doubt, as a last resort. As was mentioned earlier, last March the program was broadened to allow for the hiring of more foreign workers, although in those regions, such as the Maritimes, many Canadians are unemployed.

Mr. Paul Thompson: Thank you.

[English]

I would make a few points.

Labour market information, as we've noted earlier, is essential to our analysis, but at the end of the day, labour market analysis is not going to guarantee that an individual shows up willing to work in the right place, at the right company, at the right time. We'll be heavily reliant on the recruitment efforts, and as noted, we've augmented our efforts to verify recruitment.

As also noted, we're working with these heavy users—a number of the sectors have been referenced here today—to strengthen their recruitment and retention strategies for Canadian workers. Then after due diligence has been shown on individual recruitment and sectorbased strategies, the residual demand for TFWs is what the program is here to deal with.

**Mr. Gérard Deltell:** Obviously, that doesn't work, because you have to lower the benchmark, as we saw last March.

**Mr. Paul Thompson:** We've seen about a 45% reduction in the program and about a 75% reduction in low-wage workers since 2013. There's been a significant diminution of demand in the program, and we take some comfort in that because we're not seeing a trend in the other direction.

Mr. Gérard Deltell: That's correct.

The Chair: You have two minutes left.

Mr. Gérard Deltell: I will give it to the next round.

**The Chair:** Can I jump in here on another question that's just come up?

In the Auditor General's report it says that there are close to 2,000 temporary foreign workers who are on employment insurance. Is that correct? We've talked a little bit about that, or is that only in the fisheries?

### • (1015)

**Mr. Paul Thompson:** No, that's not just the fisheries sector. I don't have that number in front of me, but we do have data available on the number of temporary foreign workers and foreign nationals.

**The Chair:** The deputy minister did state, when we talked about that, that they have to be able to collect EI. I think we understand that. We don't want to bring people here from another country and then see a downturn or something happen, and here they are with no jobs or no opportunities.

Are there other cases where it may not necessarily be a downturn but some employees who are wanting to come back to work? Do you analyze that? Let's say Canadians have been laid off jobs, for example, that are now being filled by temporary foreign workers. After a period of time, the Canadians want to come back into those jobs, and they let the temporary foreign workers go. Are there cases like that? Would that be an abuse?

**Mr. Paul Thompson:** That's one of the reasons we impose a time limit on the temporary foreign worker. The labour market impact assessment for a low-wage worker is generally one year in duration. If the business circumstances changed dramatically, and there were unemployed Canadians in that space, the employer would need to reapply. Then we would look at such information as the previous record of employment. As the deputy noted, we use employment insurance data as part of our review of applications, looking back to see if that employer in the recent past has laid off Canadians.

The Chair: So it is analyzed.

**Mr. Paul Thompson:** It is part of the process to look at the next cycle of applications for an employer. We have committed to looking back. We had a limited window that we looked back at. In response to the Auditor General's recommendation, we lengthened that window up to 12 months previous.

**Mr. Michael Ferguson:** Mr. Chair, I just want to make sure that people are clear on why we identified this.

For us, we felt it was something that the department needed to look at in case it indicated whether their original decision—that a job needed to be filled and therefore a temporary foreign worker needed to be brought in—was the right decision in the first place. If you bring in a temporary foreign worker and then you have to lay off that temporary foreign worker, does that indicate that there was not a job there in the first place or a job that was going to last?

That's the issue we're trying to get at. When there is that indication that the job was not going to last as long as it was originally intended, then is there something to learn from that in terms of how decisions are made in approving the temporary foreign worker positions in the first place?

The Chair: All right. Thank you.

We'll now go back to Ms. Mendès and Mr. Arya on a split.

Mrs. Alexandra Mendès: Thank you very much, Mr. Chair.

First of all, I'm sorry, because I don't think we mentioned this before, but thank you to all of you for being here. It's good that we are able to dig a little more into this subject.

One of the problems we are facing with the program right now is that for many years now, we've stopped offering a path to permanent residency through the foreign workers program. A foreign worker who comes here to fill a temporary work shortage in whatever industry and for whatever reason may not necessarily have any intention of living here permanently, but yes, they do come. I think in agriculture more than any other sector, that's what we find. They come here for the summer, for the period when they are needed, but they do want to go back to their own home countries once the season is over. In other circumstances, they probably come to Canada to fulfill the contract they were hired to do, but they also have every reason to believe they could make a life for themselves here and contribute to Canada, the way so many of us have done in the past. I think that's another issue with this program, that we are not providing a path to permanent residency or citizenship.

To Mr. Wheeler or Mr. Ferguson, I know this doesn't touch your department or have to do with your department. It would be much more with the IRCC. But perhaps you could tell us whether, in all the contacts you had with the department, this was an issue with the employers and with the employees through the analysis you did of the program.

• (1020)

**Mr. Michael Ferguson:** We didn't specifically look at that, and we say in the audit that we didn't deal with the IRCC side of this. One of the things the temporary foreign worker program has to deal with is that a number of issues that arise in other areas seem to coalesce in the temporary foreign worker program. What I mean by that is things like the situation with employment insurance, fish plants saying that workers ask to be laid off, and that whole retention problem.

When that happens, there's something not happening in the EI program to make sure that jobs are available. Why are those people still not working? There's something going on in the EI program and when the EI program doesn't deal with that issue, the issue lands in the temporary foreign worker program.

I think you can say the same thing for the under-represented groups. If those under-represented groups are not being well prepared to join the labour force, then that lands with the temporary foreign worker program again.

I think there's the whole question about whether the temporary foreign worker program is being used for family reunification. Again, and that's probably closer to your question, if people are trying to get family members into the country and if this is a way they do it, then again it's a problem that lands in the temporary foreign worker program.

I think there are a number of those types of peripheral problems, significant problems that are happening in other programs, and a lot of them tend to coalesce in the temporary foreign worker program. It needs to figure out how to deal with it.

**Mrs. Alexandra Mendès:** Would this warrant a more in-depth audit of the program?

**Mr. Michael Ferguson:** As this whole conversation indicates, this is a very complex issue. There's the need for employers to have people to do the jobs and then the need to give Canadians the first right to jobs, and there still seems to be the problem of lining up those two things.

I'll have to think about what else we can do on it, but I think there are additional fundamental issues behind this program that perhaps we haven't gotten to yet.

**The Chair:** We're going to have to come back to Mr. Arya after, and then you'll get the full five minutes.

Ms. Rempel.

Hon. Michelle Rempel: Thank you, Mr. Chair.

I'll just pick up on some of my colleagues' questions, and with your comments, Mr. Ferguson, I couldn't agree more. A lot of the topics that I think exacerbate problems within the TFW program are difficult political questions, like why people elect to go on EI rather than go to work at a seafood processing plant. It's not an easy question to be asked, but it's one that we have to address, as well as if there are backlogs in other economic immigration streams that are preventing people from coming to Canada.

While I have a moment to pontificate, Mr. Chair, I think that the low-skilled TFW program shouldn't exist.

Nonetheless, on to data to prove my case. I'm just wondering, to the departmental officials, if there is any data or if any work has been undertaken to understand people who are on EI in Atlantic Canada who might be affected by TFWs coming in to work in seafood processing plants, and at what wage they would go to work at that plant. Has there been any analysis of the wage that would be acceptable to do that work for people who are on employment insurance?

**Mr. Paul Thompson:** The way the wage requirements work in the program is that we look at the prevailing wage in the seafood processing sector—

**Hon. Michelle Rempel:** Okay, so that's the wage that would be paid to a TFW or whatnot.

**Mr. Paul Thompson:** And a Canadian. We look at the wages paid across the sector including Canadians and TFWs.

**Hon. Michelle Rempel:** But there hasn't been any analysis at what wage somebody would go off EI and work at the plant. Is that correct?

The point I'm trying to make is that the TFW program is a market intervention by government that depresses wages. The Auditor General's findings go to this point.

I'm an Albertan. I've seen this problem. I've had Tim Hortons store owners in my office yelling at me saying that we shouldn't have made the changes to the program, yet I still have this position.

I'm wondering if your department has done any analysis or has any economists working for you who are looking not at what the prevailing wage is but what the actual wage would be that would get somebody off EI and go to work in a certain sector.

• (1025)

**Mr. Paul Thompson:** Doing that kind of wage analysis is rather complicated. You need to figure out what the wage would otherwise have been in the absence of temporary foreign workers.

#### Hon. Michelle Rempel: Right.

**Mr. Paul Thompson:** It's a counterfactual proposition that's difficult to analyze.

Hon. Michelle Rempel: I didn't ask if it was difficult. I was asking if it's been done.

**Mr. Paul Thompson:** There are some efforts under way. There are some discussions with academics on the possibility of doing it. There is no silver bullet for looking at it. I would say, though, that—

**Hon. Michelle Rempel:** What sorts of discussions have been undertaken to do that work?

**Mr. Paul Thompson:** We're looking at the available wage data and what the trends and the impacts on wages are of temporary foreign workers. Our policy is that they have to pay at or above the prevailing wage. We know that temporary foreign workers represent about 0.5% of the labour force, so the impact—

**Hon. Michelle Rempel:** You're saying that there is work that is being undertaken by your department to work with economists, academics, whatnot, in the seafood processing industry specifically to—

**Mr. Paul Thompson:** No. It's generally across the economy, because there are a number of sectors where TFWs are—

Hon. Michelle Rempel: Do you think it's possible to actually issue LMIAs?

Maybe this is a question for Mr. Ferguson, based on his audit. Is there a missing policy piece? Are we actually able, under the rules right now, to issue LMIAs in the absence of that type of data?

**Mr. Michael Ferguson:** The only thing that I can say is that, when we do an audit, we look at what the department says they need to do. They need to understand things like what the labour market situation is, so we look to see what type of information they have on that. When they say they need to assess the efforts that the employers went through before they hired, we go through the files to see whether they have done that.

We don't try to recommend what the policy should be. What we do is to simply ask, "Did they do what the policy already required?"

### Hon. Michelle Rempel: Right, thank you.

On the record, Mr. Thompson, for our report, when your department is evaluating whether or not to issue an LMIA, you're basically looking at unemployment rates and whether or not an employer has advertised sufficiently. Would that be an accurate characterization of the review that's done?

**Mr. Paul Thompson:** They have to have demonstrated efforts to recruit. There is a time requirement for the period, and they have to document what Canadians have applied and the reasons they were not—

**Hon. Michelle Rempel:** In terms of a policy instrument, your department, through our legislative framework, is not required to undertake any sort of broader macroeconomic or microeconomic analysis of whether the prevailing wage is depressed by the presence of TFWs, what the actual wage would be in the absence of TFWs, other factors such as working conditions and whether or not they are depressing wages, and/or the broader macroeconomic impacts.

**Mr. Paul Thompson:** We are required to do a study, a program evaluation. As the deputy noted, one is planned for 2018.

The Chair: Thank you, Mr. Thompson.

We'll now move to Mr. Christopherson.

# Mr. David Christopherson: Thank you, Chair.

On page 7, in paragraph 5.38 of the Auditor General's report:

Departmental policy required that, for low-wage positions, employers should demonstrate that they had tried to recruit from under-represented groups. In the files we reviewed where this requirement applied, 65 percent of employers did not make adequate efforts to appeal to under-represented groups. Nevertheless, the Department approved most of these applications. For example, program officers approved applications for temporary foreign workers in some fish and seafood processing plants located near First Nations communities, even when efforts to recruit from those communities were not found on file.

Sixty-five per cent didn't make the effort. In many cases, a first nations community was nearby, yet your department still granted the applications. Please explain.

• (1030)

**Mr. Paul Thompson:** We indeed need to do more on recruitment of under-represented groups and we've done a number of things in this area. We now require not one but two under-represented groups to be recruited. We're bolstering the requirements of the employers to demonstrate this. We're supporting it with program investments—I mentioned outreach to the indigenous service providers we have in these regions—to align training programs, as the Auditor General noted. If there is a skills deficit or other question of preparedness to work, we can invest in those populations to make them better suited for the job. There are a number of efforts in that regard.

We've also bolstered our job bank so that, for example, an indigenous jobseeker can now identify on our job bank as an indigenous jobseeker and an employer would have an immediate line of sight to an applicant from one of those groups.

There are a number of areas where we've accepted the recommendations and have further measures in place.

**Mr. David Christopherson:** If the Auditor General hadn't come out with this report, it seems to me that you wouldn't have done anything. It seems to me, also, that 65% should have said to somebody in management that we have a problem here. Please, I understand what you're doing to correct it—I get that—and you acknowledged it was a problem, but help me understand. How did you get to this problem? How could it be that 65% were not following one of the basic requirements, yet until the Auditor General did his report, you were just merrily going along?

**Mr. Paul Thompson:** Employers sometimes face challenges in how to access these under-represented groups. It's not immediately apparent what the best recruitment strategies are, so we've been reaching out to make it easier to put the tools in the hands of the employers to do that kind of outreach.

**Mr. David Christopherson:** Sorry, my question was more internally. How did it get to this point? If the Auditor General hadn't given us the report, I have to believe you'd still be merrily going along with this kind of 65% and still giving an approval. I want to know how that got to be.

**Mr. Paul Thompson:** We've had continued efforts for a number of years to strengthen recruitment. We've made major investments in indigenous training and in persons with disabilities working with provinces. We've increased, by over 20%, from—

Mr. David Christopherson: When did you start all that?

**Mr. Paul Thompson:** Over the last two years we've been doing investments with the provinces with a 20% increase in our training programs through transfers to provinces and quite an active investment in skills development for under-represented groups, including significant new efforts on the indigenous training side as well. There's quite a bit of activity and investment under way on that part.

**Mr. David Christopherson:** I would expect that, given the importance of this relationship to all of us, you're going to see more on this, probably, in our report.

If I can, Chair—I'm sure I don't have much time—I just want pick up on where Madam Mendès was. I am totally confused about this on-site inspection, too. I appreciated her stepping forward, because it's just confusing. On the one hand, you say you have to study it, and that's not supposed to happen until the end of next year. You, in your introduction, and the deputy, in her introduction, said that it's obvious, and then at one point you said there were things you had to analyze before you could go there, but now you're telling us you're getting results because you're going there.

I'm confused. Help me understand where you were on on-site inspections, where you are now, and where you want to be.

**Mr. Paul Thompson:** I think it's the difference between on-site inspections and unannounced on-site inspections, so we're considerably far into our ramping up of on-site inspections. The unannounced are what the deputy was referring to. We're figuring out the best ways to do that to make sure our employees' interests are dealt with as well as the interests of the businesses that we're visiting.

My colleague can elaborate on that.

The Chair: Thank you.

Was there any more on that?

**Ms. Elise Boisjoly:** Yes. We started last year with the on-site inspections, which were announced, so we talk to the employers. We make an appointment within the next few days, and then we go on site visits to look at the working conditions and the wages.

In the case of the unannounced, as my colleague mentioned, these increase some of the risks to the employees and to the workers as well in terms of potential reprisal from the employer, so we want to ensure that we're doing it correctly. There are other departments that are doing it. We're going to leverage our practices in terms of exploring the options and making the analysis of the site.

The Chair: Thank you.

Mr. Arya, please. Thank you for your patience.

**Mr. Chandra Arya:** Regarding the unannounced on-site inspections, I'm glad that you're still evolving on that. My concern is that this should not be used as a draconian tool by government employees on small businesses, like small restaurants, showing up unannounced.

Continuing on what my colleagues out there talked about, especially Mr. Christopherson on the under-represented groups, you mentioned four groups: indigenous people, vulnerable youth, persons with disabilities, and newcomers.

What is your definition of newcomers here?

• (1035)

**Mr. Paul Thompson:** There are different groups that we would work with, which we mentioned earlier. The group with refugees and asylum seekers is one particular area of focus. Generally, we look at newcomers as people who arrived in Canada within the last five years.

**Mr. Chandra Arya:** You mentioned that in the job bank there's an opportunity for indigenous people to identify themselves so that it helps employers. Is that provision available for newcomers too?

**Mr. Paul Thompson:** We are in the process of building these abilities to self-identify. I'd have to get back to you on whether it exists for newcomers. It's certainly our intention. We're rolling out groups individually.

Mr. Chandra Arya: Thank you.

Recommendation 5.58 is the Auditor General's recommendation that "officers have access to relevant Employment Insurance data and sufficient Record of Employment data for use in their assessments".

It appears that you're not clearly committed to following the Auditor General's recommendation, but you're merely stating its importance.

**Mr. Paul Thompson:** We have taken steps already to increase the look-back period for looking at an employer's pattern of use of employment insurance. I believe that previously we had looked back three months, but now we're looking back 12 months to get a whole year of information on whether any employees in that work site had been laid off.

Mr. Chandra Arya: Do officers have to look into this?

**Mr. Paul Thompson:** It's part of the assessment process of an application to look at the records of employment of that employer.

Mr. Chandra Arya: Thank you.

**Mr. Paul Thompson:** When an application is received, that's part of the process.

Mr. Chandra Arya: Thank you.

Coming back to when the deputy minister was there, I was asking her about the negative impact of this program on Canadian wages. She said that the Auditor General feels that there may be a negative impact on Canadian wages, whereas she said that the program should not be putting downward pressure on Canadian wages.

We have a massive amount of data over a long period of time. Has it been analyzed to find out if this is the case? **Mr. Paul Thompson:** As I was alluding to earlier, there's rather a complex economic analysis to look at a counterfactual proposition. If the temporary foreign worker wasn't there, what would the wage have been? As I mentioned, we are working with academics on that question and we've also committed to do the best possible analysis in our upcoming program evaluation.

**Mr. Chandra Arya:** I'm quite surprised that it is being done now, even though this program has been in existence for a very long time.

Another thing that I asked the deputy minister, which we did not have time to cover, was about striking a balance between helping employers fill their labour market gaps and ensuring that Canadians have first access. The deputy minister said that this balance is important, but it's quite difficult to achieve. She also mentioned that there are national, regional, and industry-specific considerations.

What are those specific considerations when it comes to industries like fish or the restaurant industry?

**Mr. Paul Thompson:** Sectors have a diverse set of challenges around recruitment and retention of workers. There may be unemployed people in the vicinity of the employer, but perhaps they don't have the right skills or perhaps they're not living in the same location. There are issues of mobility, retention, and skills and training. Those are some of the complexities that vary from employer to employer. Some are in small, remote communities where there are significant demographic challenges and those recruitment challenges are particularly acute. That's why, rather than trying a one-size-fits-all approach, we're doing a review of each of these individual industry sectors to get a better sense of the dynamic and maximize their potential to recruit every Canadian possible, so that the TFW program is there to deal with residual demand.

Mr. Chandra Arya: Thank you.

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

For the final section of questions today, we'll go back to Mr. Deltell.

You have five minutes.

Mr. Gérard Deltell: Thank you so much, Mr. Chair.

It's always a pleasure to talk to you.

• (1040)

# [Translation]

Since this is our last opportunity, I want to emphasize that the most important question raised today is that every effort needs to be made to ensure that hiring foreign workers is really something employers do as a last resort. In this regard the Auditor General's report is quite scathing. This is what it says:

In cases where, in our opinion, the information provided by employers warranted further questioning, we found that program officers did not sufficiently question employers in 40 % of the cases.

The same report also says this:

We examined almost 500 records of employment issued by these plants over a three-year period and found that just over 80 % of the Canadians they laid off had claimed EI at the same time as the plants were employing temporary foreign workers.

The report also says this:

[...] expanded the department's powers to inspect up to 21 program requirements and to act if employers were not meeting them.

#### Nevertheless, the Auditor General points out that:

However, we found that, in general, the department inspected employers for compliance with only 7 requirements [...]

In closing, I will ask you a question which will, I think, give you an opportunity to summarize the situation well.

What measures are you going to take to be even more rigorous, and to ensure that businesses offer the jobs to unemployed Canadian workers before seeking to hire foreign workers?

**Mr. Paul Thompson:** It is true that hiring temporary foreign workers presents an opportunity to strengthen recruitment measures. We in fact use this information to increase our labour training and development efforts, as well as provincial and territorial efforts to improve the skills of their populations, while applying the rules of the program more strictly, including the measures you mentioned.

[English]

I'm talking about the overall measures on compliance and inspections and other elements of the program to make sure that employers are following the rules when there has been a positive labour market impact assessment given.

#### [Translation]

**Mr. Gérard Deltell:** To conclude, I would like to thank you and commend you on your bilingualism, Mr. Thompson.

Mr. Paul Thompson: Thank you.

[English]

**The Chair:** I think those are all the questions we have today. We welcome Ms. Hébert, although there were no questions directed to her. She's brand new in that department, about 10 days, as an assistant deputy minister.

Mr. Thompson, my understanding is that you are going to be leaving this department. Congratulations on being named associate deputy minister of Innovation, Science and Economic Development as of November 20, 2017. Thank you for your service here and for the answers to the questions.

There have been a lot of questions asked on which you are going to get back to us, I believe. I would just encourage you to do that fairly soon. We are doing a study and we're writing a report on this, so please include the information, the questions that were asked, and any other questions you felt you maybe should have answered differently. If you have extra information you didn't bring forward, please include that so we can include it in the study as well. Thank you for being here today.

Thank you, committee. We wish Ms. Mendès well. She's going to be gone for the next few weeks, as she's doing important work in Bangladesh. We wish you the best there.

Mrs. Alexandra Mendès: Thank you very much.

Happy birthday to us both.

The Chair: Thank you.

We are adjourned.

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