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SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

Motion to Authorize Committee to
Study the Temporary Foreign Workers Program—
Debate Continued

Speech by:

The Honourable Diane Bellemare

Thursday, November 27, 2014

THE SENATE

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[Translation]

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

MOTION TO AUTHORIZE COMMITTEE TO STUDY THE TEMPORARY FOREIGN WORKERS PROGRAM—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Ringuette, seconded by the Honourable Senator Jaffer,

That the Standing Senate Committee on Social Affairs, Science and Technology be authorized to:

Review the temporary foreign workers program and the possible abuse of the system through the hiring of foreign workers to replace qualified and available Canadian workers;

Review the criteria and procedure to application assessment and approval;

Review the criteria and procedure for compiling a labour market opinion;

Review the criteria and procedure for assessing qualifications of foreign workers;

Review interdepartmental procedures and responsibilities regarding foreign workers in Canada;

Provide recommendations to ensure that the program cannot be abused in any way that negatively affects Canadian workers; and

That the Committee submit its final report no later than March 31, 2015, and retain all powers necessary to publicize its findings until 180 days after the tabling of the final report.

Hon. Diane Bellemare: Honourable senators, I would first like to congratulate His Honour the Speaker for taking on this role and acknowledge the presence of the Honourable Lucie Pépin.

[English]

It was with great interest that I listened to Senator Ringuette's speech concerning the Temporary Foreign Worker Program. She often raised significant issues. Most of us, and Senator Ringuette as well, are preoccupied by the question of employment, and with reason.

[Translation]

Although Canada's unemployment rate is 6.5 per cent, there is a significant amount of underemployment in most Canadian regions, and especially in the Maritimes, Quebec and Ontario, as the Governor of the Bank of Canada recently pointed out when he appeared before the Standing Senate Committee on Banking, Trade and Commerce.

Senator Ringuette moved this motion regarding temporary foreign workers in order to protect the available jobs in Canada for Canadians. The motion calls on the Social Affairs Committee to study this issue.

More specifically, this motion would authorize the committee to, and I quote:

Review the temporary foreign workers program and the possible abuse of the system through the hiring of foreign workers to replace qualified and available Canadian workers.

[English]

In the following minutes at my disposal, I will comment on this motion in light of the big picture of international labour mobility and conclude that it is rendered obsolete by the new reform adopted recently by the Minister of Employment and Social Development, the Honourable Jason Kenney. I will then explain why it appears necessary for me that the Senate commit itself to an in-depth study on issues related to employment, regional labour market diversity and manpower.

[Translation]

Let's talk about temporary foreign workers. I was very surprised to hear Senator Ringuette say that there are 338,000 temporary foreign workers in Canada because I was under the impression that the total number of temporary foreign workers who arrived under the program that has received so much coverage in the papers was much lower.

A review of the facts paints the following picture. I looked for the source of the data Senator Ringuette shared. The data are from a C.D. Howe Institute study by Dominique M. Gross entitled *Temporary Foreign Workers in Canada: Are They Really Filling Labour Shortages?*

[English]

The summary of the study mentions that, "By 2012, the number of employed TFWs was 338,000, up from 101,000 in 2002 . . ." The specific sources of these data were not quoted by the author, but looking at the general references, I believe they come from Citizenship and Immigration Canada.

[Translation]

In July 2014, Employment and Social Development Canada publicly released a document entitled *Overhauling the Temporary Foreign Worker Program — Putting Canadians First*. It includes detailed statistics about temporary foreign workers and all temporary foreign residents.

[English]

These recent data give an overall picture of temporary foreign residents who have a work permit. Out of the total of foreign residents with work permits, we can find those involved in the Temporary Foreign Worker Programs.

[Translation]

According to Employment and Social Development Canada's data, 221,273 new temporary residents obtained work permits in

Canada in 2013. This number excludes international students who do not have full work permits, as well as people who are temporary residents for humanitarian reasons. Since some of these residents have work permits that last longer than 12 months, these new recruits raised the number of temporary residents in Canada to 386,406 in 2013. That is pretty close to the number Senator Ringuette gave us, and that was for 2012. Those are big numbers that account for two per cent of the labour force.

[English]

However, don't panic, because only a third of the temporary residents come from the temporary worker programs involving specific enterprises and subjected to a labour market opinion, or LMO, and only 10.3 per cent come from those programs we hear about in the newspapers.

[Translation]

• (1550)

I repeat: you can rest assured that only one-third of temporary residents, 32.8 per cent, come from temporary foreign worker programs used by businesses to meet their labour needs and are the subject of a labour market opinion. What is more, only 10.3 per cent come from the specific program we hear about in the newspapers.

We must put things into perspective.

In reality, the vast majority of temporary residents — two-thirds or 67.2 per cent — are temporary residents who are here as a result of international agreements like NAFTA or agreements that serve Canadian interests and have a social, cultural or economic benefit for Canada.

These temporary residents obtain a temporary work permit that is not specific to one company or job. These individuals are not included in the labour force survey, while permanent residents are.

It is important to note that the number of these temporary foreign residents has increased significantly in recent years, rising from 52,577 in 2002 to 259,590 in 2013, an increase of 394 per cent. This is due in large part to globalization, which involves greater international mobility of the labour force. In short, the labour market in Canada, like everywhere else, is increasingly open to the world.

Canadians also go and work in temporary jobs around the world. The exact figures on this phenomenon are difficult to determine. However, we do know, for example, that under NAFTA, in 2011, some 12,000 Americans worked in Canada, and the number of Canadians working in the U.S. under the same agreement was three times higher, or 39,000, according to the departmental document.

All categories of temporary residents have increased in the past 10 years, except for those in the live-in caregiver category, which has decreased.

That being said, the issue of temporary residents resulting from international agreements or exchanges is very different from that of foreign workers who have a specific contract with a given employer and are subject to an impact study.

According to the department's analyses, the latter are on the rise because many employers rely on hiring foreign workers as part of their business model. To illustrate that point, I would like to quote from a department document titled *Overhauling the Temporary Foreign Worker Program*:

For example, of the 12,162 employers who used the TFWP in 2013, 2,578 employers have a workforce of over 30 percent temporary foreign workers. Perhaps most striking, 1,123 employers have a workforce composed of 50 percent or more temporary foreign workers.

These numbers clearly show that the TFWP is no longer being used as it was intended to be used — as a last and limited resort to allow employers to bring foreign workers to Canada on a temporary basis to fill jobs for which qualified Canadians are not available. Reforms are needed to end the growing practice of employers building their business model on access to the TFWP.

Minister Jason Kenney launched a thorough reform, which is ongoing. The department's document describes the components of the reform, which will produce results in the coming months and years.

[English]

I invite you all to read this document.

[Translation]

In that context, it would be inappropriate to conduct a study of this issue while changes are being made. That is why I will be voting against Senator Ringuette's motion.

All the same, I'm sure you will agree that the relative extent of this phenomenon in all regions, even those with high unemployment, is problematic when there are Canadians and permanent residents who are actively searching for work.

Some employers in regions with low unemployment and others in regions with abundant labour say that they cannot find the workers they need. That's why employers use this program. Can that be true? Are employers prepared to train local people to do available jobs? Do employers have unreasonable expectations considering Canadian labour market values and practices? Are Canadian workers willing to take these jobs? In short, employers' and workers' behaviours and attitudes have countless ramifications.

One thing is clear: Canadians place great value on work. My team and I carried out a national survey to find out what Canadians think about certain strategic aspects of the labour market.

CROP surveyed 1,700 people on our behalf from March 12 to 16, 2014. We have results for Canada as a whole and broken down by major region. There are connections between the results of our survey and temporary foreign worker issues.

Yes, according to the results of our survey, the work ethic is alive and well among Canadians. For example, 72 per cent of Canadians said they agreed with the following statement: "I believe that all adult men and women who are able to work should be obliged to work to earn a living." Our survey also found that there are more Canadians who believe that all adults who are able to work should be obliged to work to earn a living than who would like to be able to live without being obliged to work.

These are important questions that we asked in the survey, and the results are consistent with the results of similar surveys that were conducted 30 years ago.

I would like to say that again.

[English]

More Canadians believe that all adults who are able to work should be obliged to work than people who would like to be able to live without being obliged to work.

[Translation]

However, two of the most important concerns for Canadians are that the job be interesting and that it be stable. Earning a high salary was rated as the least important concern.

Another thing to note is that 50 per cent of Canadians would be willing to accept a job that would require them to move within their province. However, this percentage drops to 42 per cent if the job involved a move to another region of Canada.

The results of this survey, which presents the data by region, will soon be posted online.

Dear colleagues, I think that it is high time that we considered the state of Canada's different labour markets so that we can examine their respective issues and challenges.

The startling figures regarding the total number of temporary residents who have a work permit show that workers have become more internationally mobile. This reality certainly reflects the fact that both the nature of jobs and the labour force have changed significantly over the past few years.

Increased globalization is certainly one of the reasons behind these changes. The globalization of the economy requires businesses and the labour force to adjust and adapt in the short-, medium- and long-term. That is why it is important for Canada's economic prosperity to understand the ins and outs of labour market issues.

I believe that the Senate is well positioned to consider these issues from a medium- and long-term perspective, given the diversity of Canada's labour markets. This is consistent with the Senate's mandate. Employment is a strategic issue for all of our provinces. People can earn an honest living by participating in paid work. Promoting employment is a matter of economic prosperity and social justice. That is why I believe that it is imperative and urgent for the Senate to create a forum where matters related to employment and the labour force can be discussed in depth, as Senator Ringuette suggested in her motion.

I would like us to soon consider the possibility of creating a committee to examine employment and human resources issues. The House of Commons created such a committee in 1994. Our government's priorities are job creation and prosperity. Employment is a key issue for Canadians and a major challenge for unemployed youth.

• (1600)

The Hon. the Speaker: Senator Bellemare, your time is up. Are you asking for a few more minutes?

Senator Bellemare: I would like to have five more minutes.

Employment is a federal issue, but also a provincial one.

Our survey shows that 59 per cent of Canadians think that employment policy is coordinated between the two governments according to their respective jurisdictions.

Our government has put in place the macroeconomic conditions necessary for creating jobs, thanks to free trade agreements, a

competitive tax system, an accommodative monetary policy and many other things.

Regional employment is another problem that has to be examined. The Senate can play a role in addressing these different problems by clarifying where the need is greatest at the regional level and proposing solutions.

A long time ago, the Economic Council of Canada, which was a federal organization, played that role. The Senate, with all its expertise, could play that role through its committees.

Honourable senators, I invite you to contact me if these issues interest you.

Thank you.

The Hon. the Speaker: Senator Ringuette, I presume you have a question?

Hon. Pierrette Ringuette: I have a question. I want to thank Senator Bellemare for her excellent presentation and for her support for creating a standing Senate committee to study ways of improving job opportunities at any level.

The research we could do would be necessary for strategies for the different levels of government and educational authorities.

Don't you think that temporary foreign workers would be a key issue for this committee to examine?

Senator Bellemare: The issue of temporary foreign workers exists in every country in the world. I have done some research in the past, and this issue exists everywhere. These workers are also needed to help developing countries gain skills. In Canada, this program has long existed in the agricultural sector, for one. People come from Mexico to work in all kinds of jobs, whether as live-in caregivers or in specialized positions. There will be an increasing number of temporary foreign workers with all sorts of skills.

However, problems sometimes arise when companies use this as their business model. In the document produced in July, our government sets out all the measures it will take to ensure that this does not become a business model. Companies must create jobs for Canadians, but in the very short term they may need a foreign worker, either to fill a high tech job or to pick tomatoes, for example. That is an integral part of the labour market and, in particular the motion you moved, which, in the current context of the reform being conducted, seems more relevant because it is about the larger picture of the labour market. We have to look at the big picture — youth unemployment, for example, and many other things.

Senator Ringuette: I have a supplementary question. I completely agree with Senator Bellemare's comments. As for the Temporary Foreign Workers Program, I recognize that there is also a need to allow for temporary arrangements, but this program is part of a national job creation and economic development strategy.

The Hon. the Speaker: Senator Ringuette, your time is up. I will allow you to put a question mark at the end of your comments so that Senator Bellemare has the opportunity to give you a quick answer, but I must end it there.

Senator Ringuette: Would Senator Bellemare agree with forming a standing Senate committee on human resources whose first task would be to examine the whole issue of employment, be it permanent, temporary or seasonal?

Some Hon. Senators: No.

Senator Bellemare: It isn't up to me to determine the committee's mandate, first of all; it is up to all of us to do that. There are some urgent issues. If I could have one wish, it would be to talk about youth unemployment. I think that is crucial. These

days, the more education people have, the lower the rate of unemployment, but now there is a trend that worries me: the unemployment rate can be higher for young university grads than for those with less education.

Something is going on, and young people are our future. I think that looking at what is happening in the lives of our youth in every region, recognizing their value and examining how they are integrating into the workforce should be a priority.
