

September 5, 2024

The Temporary Foreign Worker Program
Employment and Social Development Canada
142 Promenade du Portage
Gatineau, QC J8X 2K3

Via e-mail: edsc.dgce.tet-tfw.seb.esdc@hrsdc-rhdcc.gc.ca

Re: Discussion paper on the New Foreign Labour Program for Agriculture and Fish Processing focusing on employer-provided accommodations

To Whom It May Concern,

Canadian Canola Growers Association (CCGA) and Grain Growers of Canada (GGC) respectfully submit these comments in response to Employment and Social Development Canada's (ESDC) discussion paper on the New Foreign Labour Program for Agriculture and Fish Processing focusing on employer-provided accommodations.

CCGA represents 40,000 canola farmers from Ontario to British Columbia on national and international issues, policies, and programs that impact farm profitability. CCGA is also the largest administrator of Agriculture and Agri-Food Canada's Advance Payments Program (APP).

GGC is the national voice of 65,000 cereal, pulse, and oilseed producers through 14 grower groups. As a farmer-driven association for the grain industry, GGC advocates for federal policy that supports the competitiveness and profitability of grain growers across Canada.

While grain and oilseed farmers typically require less on-farm labour than other agriculture commodities, due to productivity advancements, such as more sophisticated equipment and innovation, they consequently experience the most in lost sales when their labour requirements go unfulfilled. According to a Labour Market Information study commissioned by the Canadian Agriculture Human Resources Council (CAHRC), the industry faced 2,300 vacancies in 2022, resulting in an estimated loss of \$1.27 billion (3.1 %) in total sales¹. In 2022, two in five employers in the grain and oilseed sector were unable to find all the workers they required². Thus, it is important to grain and oilseed farmers to have an option to access temporary foreign workers when needed, particularly those workers with the skills required to operate advanced, technical farm machinery used on grain farms today.

CCGA and GGC appreciate ESDC's efforts to streamline the Temporary Foreign Worker Program (TFWP) to make the process easier, faster and better equipped for both employers and temporary foreign workers. However, we would like to highlight that the skill level requirements for temporary foreign workers for grain and oilseed farms, as well as their compensation level, are much different

¹ Canadian Agriculture Human Resource Council, Grain and Oilseed Labour Market Information and Forecast 2023-2030 - <https://cahrc-ccrha.ca/resources/document/grain-and-oilseed-labour-market-information-and-forecast-2023-2030>

² Ibid

than many other primary agriculture commodities. Temporary foreign workers employed by grain and oilseed farmers can enjoy a much higher average wage and be provided accommodations that exceed requirements. The grain and oilseed industry employed around 1,800 foreign workers in 2022 (4% of the domestic agriculture workforce)³.

Modern farm machinery, such as tractors and combines, are equipped with innovative technology and sophisticated computer systems that often involve GPS connections, sensors, and digital software. To be able to run this equipment, the workers need to have a high level of technical skills. Training to operate this farm machinery would take a long time, and hiring entry-level, low-skilled foreign workers and providing training on farms is not an option. When Canadian grain and oilseed farmers are looking to hire temporary foreign workers who have the required knowledge and skills to operate farm machinery, they look to hire workers from developed European countries who operate the same type of highly technical machinery there, rather than from countries that do not. To attract and retain these high-skilled foreign workers, farmers provide salaries and accommodations that are above what is required. In addition, because compensation in the grain and oilseed sector is much higher than in other agricultural industries⁴, foreign workers could choose to rent their own accommodations should they choose to do so.

After the recent changes in 2020 and under the current proposal of the new foreign labour program, grain and oilseed farms would be allowed to deduct only \$30 per week for housing and would need to conduct a housing inspection. Prior to that they were able to deduct no more than 30% of a gross wage. This creates an additional financial burden for Canadian employers, who already have to go through the Labour Market Impact Assessment (LMIA) process, pay for the application and transportation fees, provide accommodations to temporary workers, and for grain and oilseed farmers, can be paying \$30 or more per hour in wages. We understand this proposal is intended for sectors where temporary workers receive low wages of about \$15 per hour and where they are provided with bunkhouse forms of accommodations right on farms. However as noted, conditions are much different for temporary workers employed on grain and oilseeds farms.

In addition, the requirement for annual housing inspections before applying for an LMIA creates challenges for many grain and oilseed farms, particularly those that rent housing for their temporary workers. To ensure that LMIA's are approved in time for the next growing season, applications are typically submitted as early as September of the previous year, which necessitates having a completed housing inspection. While this is manageable for farms that own housing, it presents difficulties for those that rent. As a result of the requirement to have a completed housing inspection before applying for the LMIA, they are compelled to retain and pay for housing year-round, even though it may remain vacant during the off-season, leading to unnecessary financial strain.

CCGA and GGC therefore request that ESDC recognize the unique circumstances grain and oilseed farmers face in retaining the right TFWs noted in this letter by making changes to the new stream to allow grain and oilseed farmers to have the same rules applied to them as to the generic TFWP where employers are able to have housing deductions up to 30% of gross wages and are not required to get housing inspections.

³ Canadian Agriculture Human Resource Council, Grain and Oilseed Labour Market Information and Forecast 2023-2030 - <https://cahrc-ccrha.ca/resources/document/grain-and-oilseed-labour-market-information-and-forecast-2023-2030>

⁴ Canadian Agriculture Human Resource Council, Benchmarking Agricultural Compensation: 2024 Survey of Compensation Practices in Canadian Agriculture - https://cahrc-ccrha.ca/sites/default/files/2024-05/CAHRC_Compensation_Executive-Summary-Industry_Report_MAY_2024.pdf

Thank you for the opportunity to provide comments on the proposed changes to the Temporary Foreign Workers Program for agriculture. CCGA and GGC look forward to continuing to work together to ensure that the new Agriculture and Fish Processing stream works well for both Canadian grain and oilseed farm employers and temporary foreign workers, helping to address labour shortages and to reach our industry's full potential.

Sincerely,

Dave Carey
Vice-President, Government and Industry
Relations
Canadian Canola Growers Association

Kyle Larkin
Executive Director
Grain Growers of Canada

CC: Julia Ilashchuk, Assistant Manager, Government Relations and Parliamentary Affairs
Kinga Nolan, Manager, Policy & Regulatory Affairs

