

October 31, 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 occupational scope

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 occupational scope.

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.

Background

In 2023, over 70,000 temporary foreign workers provided meaningful work to Canada's agriculture and agri-food system¹. In particular, the grain and oilseed industry employed around 1,800 foreign workers in 2022 (4% of the domestic agriculture workforce)². 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 billion³. In 2022, two in five employers in the grain and oilseed sector were unable to find the workers they required⁴. Thus, it is important for 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. In fact, our

¹ Statistics Canada. *Table 32-10-0218-01 Temporary foreign workers in the agriculture and agri-food sectors, by industry*

² Canadian Agriculture Human Resource Council. *Grain and Oilseed Labour Market Information and Forecast 2023-2030*.

³ Ibid

⁴ Ibid

reliance on this type of labour continues to grow. From 2020 to 2023, there was a 43% increase in the number of temporary foreign workers employed on Canadian grain farms⁵.

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 highlight that the skill level requirements for temporary foreign workers for grain and oilseed farms, as well as their compensation level, are much different than many other primary agriculture commodities. Temporary foreign workers employed by grain and oilseed farmers enjoy a much higher average wage and are provided the accommodations that exceed requirements.

Stream-Specific Work Permit Concerns

Under the new proposal, temporary foreign workers will receive a stream-specific work permit compared to an employer-specific work permit under the current rules. While this provides the employee with labour mobility within the agricultural sector, this is highly disadvantageous to the employer as it becomes easier for other employers to poach these workers circumventing the slow and costly process to recruit employees.

Employers undertake substantial costs to apply to the TFWP in addition to the complex and timely process of recruiting employees. Firstly, the employer must apply for a Labour Market Impact Assessment (LMIA), which is time-consuming and expensive when hiring professional services to ensure it is completed correctly. Secondly, it is incredibly difficult to recruit temporary foreign workers who are willing to work a seasonal position in rural areas of Canada, let alone assessing the candidate's credentials, character, and references abroad. Thirdly, the sponsoring employer pays for the roundtrip airfare of the temporary foreign worker, which can be several thousands of dollars. Finally, the employer is bound by the wage rate set forth in the original application and cannot increase it to incentivize the employee to stay.

Once temporary foreign workers are established in Canada, it becomes easier for a different employer to recruit them under a stream-specific permit. The new employer would not have incurred the application fees and airfare costs to bring them to Canada. This is because the temporary foreign worker can move throughout the sector without applying for a new work permit. Unfortunately, this results in the original hiring employer losing the temporary foreign worker after spending considerable time and capital dedicated to recruiting the employee. This poses a significant risk of financial losses, particularly during critical seeding or harvesting seasons when the sudden departure of skilled workers can lead to operational delays. For grain and canola growers, who rely on qualified labour to operate complex machinery, such turnover can have substantial financial consequences. Each day of delay during peak season can cost farmers thousands of dollars and add considerable stress, as their annual income depends on a narrow timeframe to complete seeding or harvest, for example.

The creation of a stream-specific work permit will create perverse incentives within the labour market. These changes will lead to employers applying and holding an LMIA but circumventing the recruiting process of temporary foreign workers. Instead, these employers can easily poach temporary foreign workers already living and working in Canada. As a result, this is likely to challenge farmers' use of the program. This may in fact exacerbate labour challenges. In addition, a stream-specific permit will allow the "sharing" of employees between farms. While this may work for the fruit and vegetable industry that

⁵ Canadian Agriculture Human Resource Council. *The Temporary Foreign Worker Program (TFWP) Used by Canola Growers*.

has different timing of events, it is not possible for the grain sector, which works on the same seasonal cycle.

Recommendations

We support the right for an employee to change employers. Under the current rules, a temporary foreign worker can apply for a new work permit with any employer who has a valid and open LMIA. Unfortunately, this process can take up to 14 days to complete. It would be helpful to have an online portal which is straightforward and has a short turnaround time. This allows for the flexibility of changing employers for temporary foreign workers, and keeps the TFWP parameters in place with verification, reporting and auditing.

We recommend that the work permit remains employer-specific, but we encourage the creation of an online portal that allows a temporary foreign worker to apply for a new work permit with any employer who has a valid and open LMIA in a timelier manner.

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,

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