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“At least they didn’t cancel the program outright”

Changes to temporary foreign worker program bode ill for Alberta business

Changes announced today by federal Ministers Jason Kenney and Chris Alexander have Chambers across Alberta up in arms. While the Government’s “overhaul” of the Temporary Foreign Worker (TFW) Program mean an end to its moratorium for the food services sector, it also means that labour-starved businesses across the province will have no reprieve.

“We have been told in no uncertain terms that these changes mean that businesses will close and hours will be reduced,” said Alberta Chambers of Commerce President and CEO, Ken Kobly. “What the government fails to recognize is that business, especially small business, has very limited options when it comes to accessing labour. The Ministers’ talk about foreign workers as being a last-resort but don’t realize that businesses are already on their last resort and have utilized and doubled their efforts to attract Canadian workers.”

While the continued labour shortage is a daily reality that hinders growth among the 24,000 businesses for whom the ACC speaks, the new restrictions on the TFW Program will only make that reality worse.

Kobly notes that among the most problematic changes is the reduction of the maximum length of time for which a worker may stay in Canada from 4 years to 2 years. “This is in addition to an increase in fees from \$275 every two years per application to \$1000 annually per application. These costs are untenable, especially for small business.”

More importantly than the cost of the program, the changes place caps on the proportion of TFWs businesses can employ. Businesses will eventually, over a short time period, be limited to having a maximum of 10% of their workforce come from the Program. For many small businesses, especially in rural communities, this will severely limit our future growth. In many cases, where replacements are not found for TFWs, these businesses will have little choice to either close or scale back their hours.

Kobly states, “We agree that Canadians need to be prioritized for jobs in this country. However, in Alberta, we have so few Canadians looking for a job that businesses are hard-pressed to find Canadians to employ. This isn’t about finding cheap labour, it’s about getting workers to fill these positions.” In our research, we have found that it is much more costly to hire a temporary foreign worker to fill a position and therefore is used only as a last resort.

The Alberta Chambers of Commerce is a federation of 128 community-based chambers of commerce representing more than 24,000 businesses.

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