



Immediately reinstate the TFWP in the food service sector and introduce an effective enforcement mechanism targeting cases of program abuse

Issue

On April 24th Employment Minister Jason Kenney announced a moratorium on Temporary Foreign Workers Program (TFWP) in food services, which impacts 33 occupations under National Occupation Classification, ranging from food counter attendants and butchers to security guards and janitors.¹ The same day Employment and Social Development Canada (ESDC) stopped processing any new or pending Labour Market Opinion (LMO) applications related to the food services sector. The decision led the Ministry to “freeze” even those applications for the LMO, which were about to be accepted before the decision had been announced. In addition, there is no information on when the moratorium is going to end. Businesses across the province see the suspension of the TFWP as extremely unfair and raised their concerns that the decision will have severe negative economic repercussions for thousands employers and employees working in food industry in Alberta.

Background

Minister Kenney’s decision to suspend the TFWP comes in response to some businesses abusing the program, which was the case of HD Mining in British Columbia, RBC in Toronto and, lately, McDonald’s in Victoria. Nonetheless, while businesses strongly agree that a better enforcement system is needed to ensure the program is used properly, they feel that the federal government is punishing all the food industry for abuses made by a few.

The decision has already exposed some of the exemplary food businesses to additional hiring costs and stress, since thousands of work permit applications have been suspended and Canadians or permanent residents are often not willing to accept the vacant positions. This means that many businesses will close in a short period of time or at least will be forced to limit their working hours. If the moratorium continues, new businesses will be reluctant to open, knowing they may face serious difficulties in finding staff. Finally, these tendencies will undoubtedly create a ripple effect

¹ List of NOC codes in the Food Services Sector affected by moratorium: (6641) Food Counter Attendants, Kitchen Helpers and Related Occupations, (0631) Restaurant and Food Service Managers, (6212) Food Service Supervisors, (6453) Food and Beverage Servers, (6611) Cashiers, (6241) Chefs, (6242) Cooks, (6252) Bakers, (0611) Sales, Marketing and Advertising Managers, (0621) Retail Trade Managers, (0632) Accommodation Service Managers, (0651) Other Services Managers, (6211) Retail Trade Supervisors, (6213) Executive Housekeepers, (6214) Dry Cleaning and Laundry Supervisors, (6215) Cleaning Supervisors, (6216) Other Service Supervisors, (6221) Technical Sales Specialists - Wholesale Trade, (6251) Butchers, Meat Cutters and Fishmongers - Retail and Wholesale, (6411) Sales Representatives - Wholesale Trade (Non-Technical), (6421) Retail Salespersons and Sales Clerks, (6451) Maitres d'hôtel and Hosts/Hostesses, (6452) Bartenders, (6484) Other Personal Service Occupations, (6622) Grocery Clerks and Store Shelf Stockers, (6623) Other Elemental Sales Occupations, (6651) Security Guards and Related Occupations, (6661) Light Duty Cleaners, (6662) Specialized Cleaners, (6663) Janitors, Caretakers and Building Superintendents, (6681) Dry Cleaning and Laundry Occupations, (6682) Ironing, Pressing and Finishing Occupations, (6683) Other Elemental Service Occupations. Employment and social development Canada, on: http://www.edsc.gc.ca/eng/jobs/foreign_workers/lmo_ref/q_a.shtml (Retrieved on May 11, 2014).

throughout the economy eventually reducing tax income for municipalities, the provinces, and federal government.

In addition to negative effects on employers, the moratorium punishes the migrant workers and their families, giving them no recourse at all. It impacts negatively especially those who are on the tail end of their contracts and who will not have these renewed. It also impacts those who have pending positive LMOs and who have risked their life savings to pay the thousands of dollars to labour recruiters for these jobs and to cover the cost of moving to Canada. If the moratorium is not lifted within 90 days, most of these workers will be forced to leave the country in early July. The decision has also impacted applications of some migrants planning to apply for permanent residency within the framework of the Provincial Nominee Program, which requires a valid work permit to be eligible. Employers and migrant employees are blamed for wrongly issued LMOs but these are the CIC and ESDC agencies that approved the applications and are responsible for monitoring the TFWP.

At present, Alberta is one of the most dynamic and fast-developing provinces in Canada with only 4.9% unemployment. Since March 2013, Alberta has gained 86,600 jobs, recording the highest growth rate among the provinces at 4.0%, and accounting for over 46% of all jobs created in Canada over this period.¹ This growth would not be possible without the TFW who are vital for Alberta hospitality and food services industries. It is estimated that only between April and June 2013, the government issued 5,010 positive LMO for accommodation and food services in comparison to a total of 14,535 LMO accepted in Alberta, which means that around 30% of TFW in Alberta are employed in food and accommodation sector.²

Alberta businesses understand that there are instances of abuse of the program, as with any federal program that exists in the country, including social welfare programs or Employment Insurance.³ Nonetheless, the cases of abuse do not discredit all who utilize the program. What the TFWP needs is the enforcement standards and inspection programs to be applied. The federal government should implement methods to criminate abuses and hold responsible those who broke the law, and support employers that use the program appropriately. Introducing an ombudsman office who would monitor and police the program would help to punish the abusers, would ensure continuity of the program and would protect the rights of temporary foreign workers, instead of putting them at risk of deportation.

The Alberta Chamber of Commerce recommends that the Government of Alberta works together with the Government of Canada to:

1. Reinstate the Temporary Foreign Worker Program in food service sector.
2. Introduce measures to support those employers that adhere to the rules and regulations of the program.
3. Introduce measures to penalize those employers that do not adhere to the rules and regulations of the program.

¹Treasury Board and Finance, Labour Market Notes, April 2014, on: <http://www.finance.alberta.ca/aboutalberta/labourmarket-notes/2014/2014-04-labour-market-notes.pdf> (Retrieved on May 13, 2014)

² Employment and Social Development Canada, 2012 Annual LMO Statistics, on: http://www.edsc.gc.ca/eng/jobs/foreign_workers/lmo_statistics/annual-industry.shtml (Retrieved on May 13, 2014).