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Chair

Mr. Bryan May

Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

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• (1545)

[English]

The Chair (Mr. Bryan May (Cambridge, Lib.)): Good afternoon, everybody. My apologies for the tardiness. I was listening to the Honourable Judy Foote give a very emotional speech in the House today. We wish her all the best in her future endeavours, and we will be lesser for having lost her in this House moving forward. I would like to get going right away.

First of all, welcome to MP Alexandre Boulerice. Are you going to be with us for a while, or just for today?

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Just for today, sorry.

The Chair: I was excited there for a moment. Welcome, and thank you. We're happy to have you here.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Thursday, June 8, 2017, the committee is meeting for a briefing session in relation to report five, "Temporary Foreign Worker Program—Employment and Social Development", of the 2017 Spring Reports of the Auditor General of Canada. The text of the motion was adopted by the committee.

It is an honour and a privilege to have you here, sir. I believe we're going to turn the floor over to you. Take what time you need, sir.

Mr. Michael Ferguson (Auditor General of Canada, Office of the Auditor General): Thank you.

Mr. Chair, thank you for this opportunity to present the results of our audit of the temporary foreign worker program, which is managed by Employment and Social Development Canada. Our audit report was tabled in Parliament in spring 2017. Joining me at the table is Glenn Wheeler, the principal who was responsible for the audit.

[Translation]

The temporary foreign worker program is meant to help employers fill job vacancies when qualified Canadians are not available. Employment and Social Development Canada is supposed to make sure that employers use the program to respond only to real labour shortages.

Our audit focused on whether the department managed the program to allow employers to hire foreign workers on a temporary

basis to fill labour shortages only when qualified Canadians were not available. The audit also focused on whether the department ensured that employers complied with program requirements. In addition, we assessed how well the department implemented the reforms that the federal government announced in June 2014.

I should note that since the work for this audit ended in August 2016, I cannot comment on actions that the department has taken since then.

Overall, the reforms introduced in 2014 contributed to a reduction in the number of temporary foreign workers. However, the department's implementation of these reforms did not ensure that employers hired temporary foreign workers only as a last resort.

[English]

For example, in many cases, the department just took the word of employers that they could not find Canadian staff. The department also did not consider sufficient labour market information to determine whether Canadians could fill jobs. We found cases in certain sectors—primarily caregivers and fish and seafood processing plants—in which the department should have better questioned whether temporary foreign workers were filling real labour shortages. In particular, there were indications that unemployed Canadians who last worked in fish and seafood processing plants may have been available for work.

In addition, the department committed to requiring employers to demonstrate that they had tried to fill low-wage positions by recruiting from under-represented groups. In the files we reviewed to which this commitment applied, 65% of employers had not made adequate efforts to appeal to under-represented groups before requesting temporary foreign workers. Nevertheless, the department approved most of these applications. For example, program officers approved applications for temporary foreign workers in some fish and seafood processing plants located near first nations communities, even when no efforts to recruit from these communities were found on file.

• (1550)

[Translation]

We also found that the department had increased its enforcement activities since announcing the program reforms. However, it did not use the information it had to focus its activities on employers of the most vulnerable workers or on employers that were most at risk of not complying with the program.

As well, most enforcement activities consisted of reviewing documents that employers were asked to provide to investigators by mail. The department conducted few onsite inspections and face-to-face interviews with employers or temporary foreign workers.

[English]

Finally, we found that the department did not measure the results or impact of the program and did not know what impact the program had on the labour market. Appropriate analysis of results and impacts could have helped the department understand the underlying reasons why, for example, Canadians did not appear willing to take some of the jobs that temporary foreign workers eventually filled.

We are pleased to report that the department has agreed with our recommendations and has prepared an action plan to address them.

[Translation]

Mr. Chair, this concludes my opening remarks.

We would be pleased to answer any questions the committee may have.

Thank you.

[English]

The Chair: Thank you very much, sir. I appreciate that.

Who is up first, gentlemen and ladies?

The Honourable Steven Blaney (Bellechasse—Les Etchemins—Lévis, CPC): Ladies first.

The Chair: Madam Wong, please.

Hon. Alice Wong (Richmond Centre, CPC): Thank you very much to our witnesses for a very detailed report.

The file of temporary foreign workers has been looked at in many different ways. Where do we go from here? You suggested an action plan, because the department admits all these findings. They also agreed to propose an action plan. What do you think of the timeline for these action plans? How fast should the government move with that action plan?

Mr. Michael Ferguson: The action plan I referred to was an action plan that the department prepared and tabled with the public accounts committee, so it is a public action plan.

The thing that may be of interest to this committee is that a couple of the dates in their action plan have already gone by, so they should have already put some of those things in place. For example, they said they agreed with the recommendation that we made in paragraph 5.41 of our report, which was that they “should review current policies, guidance, and processes to identify opportunities to strengthen the assessment of employers’ recruitment efforts” and that they “should ensure that Temporary Foreign Worker Program officers can more fully verify the accuracy of employers’ statements and that employers use the program only as a last resort.”

They put together their response, and they said their expected completion date for that was August 2017.

Again, I can't tell you whether they have or haven't done that. I can tell you that they have an action plan and they have specific dates outlined in there. Some of those dates have already gone by or

soon will be coming up, so I think there is information in there for you to find out from the department at some point exactly what they have done in living up to that action plan.

● (1555)

Hon. Alice Wong: Thank you very much. This is exactly the kind of question we like to ask. How do we move forward? You also mentioned several other ideas.

I recognize that the focus of the audit was on the previous reforms that were made, but was any part of this new strategy examined during the audit?

Mr. Michael Ferguson: The audit period we looked at was from January 1, 2013, until August 31, 2016. That was the period of time that was covered by the audit. We based the audit on the reforms that were put in place in 2014. I think perhaps it's also important for me to say that, when we do an audit, we go in to see what the department itself has said it has to do, what procedures it has put in place, and then we audit to see whether it has lived up to those procedures. We were not questioning any of the aspects of the policy or the program as it existed at that time. We were just looking at how the department had actually implemented primarily those reforms that were brought in, in 2014, to see whether it had actually implemented what it said it was going to implement.

Hon. Alice Wong: Thank you very much for your answer.

You also acknowledged in your report that it was not an audit of Immigration, Refugees and Citizenship Canada or the Canada Border Services Agency, both of which execute certain aspects of the program. Do you intend to audit these groups in the future?

Mr. Michael Ferguson: Certainly we've done a number of audits in those organizations, although not on the temporary foreign worker program or their role in the temporary foreign worker program. Again, our normal path on an audit is that we do an audit, we make some recommendations, the department says what it's going to do about them, and then we may come back in a couple of years to see whether it has done what it said it was going to do. At that point in time, we might also decide to expand the scope of the audit to include other departments that are included in it, but we haven't made that decision yet.

Hon. Alice Wong: Thank you very much.

You also mentioned the aquaculture industry on the west coast, where I come from. We're starting to see that sometimes it utilizes the temporary foreign worker program. Also the food industry has been really criticized for stagnating wages, which you also allude to in the report. I'm wondering if there are certain industries that you would recommend be more closely monitored or if there are sectors that repeatedly have negative evaluations and maybe their eligibility should be revised altogether.

Mr. Michael Ferguson: I think I would just refer to the last part of the audit, where we indicated that the department really doesn't have a performance measurement approach in place, so it was not at that point doing the work it needed to do to understand what the impact of the program was on the labour market. That's something it should be doing.

The Chair: Thank you very much.

Now we'll go over to MP Cuzner, please.

Mr. Rodger Cuzner (Cape Breton—Canso, Lib.): Thank you very much, Mr. Chair.

I'd like to thank Mr. Ferguson for the presentation and the report. I agree with MP Wong that it's an excellent report and that it brings forward important issues. I'll take two minutes off the top to bring us to why we are where we are.

We know that the program functioned fairly well in the early 2000s. In 2007, Diane Finley was the minister, and she pretty much took the shackles off the program. The checks and balances on the program were taken off in 2007. She said they expanded the temporary foreign workers program very significantly and deliberately. We know that between 2007 and 2012, there was a 63% increase in the number of temporary foreign workers in Canada, resulting in almost half a million temporary foreign workers in this country.

We're all aware of the HD Mining situation, where a Chinese company was coming in and one of the requirements to get work at the company was that you had to speak Mandarin. Canadians started asking themselves what was taking place here. In 2012-13, Jason Kenney took over the reins of the department and he pretty much slammed it shut. He went from this end of the spectrum to that end of the spectrum. He pushed back the entire house just to tighten the clothesline, so it really didn't serve Canadian business well, and I question whether it served Canadian workers either.

We understood there was a problem with the program. The NDP understood there was a problem with the program. As a critic at the time, I tabled a motion in the House to have a committee study it. I know Mr. Boulerice voted in favour of that. I voted in favour of it. His colleague Jinny Sims tabled a motion in the House to have the Auditor General engaged in the motion. That was back in April 2013, when we had two motions in committee. John McCallum, my former colleague, wrote a letter to the Auditor General asking him to come in. We supported this knowing that problems existed with the temporary foreign worker program, so we are happy to see you here today and very happy that you undertook the study. As to the findings of the study, we want to thank you for your work.

As a government, we believe the guiding principles of the temporary foreign worker program should be, number one, that Canadians get first crack at jobs in this country. We also believe that Canadian wages cannot be suppressed by a temporary foreign worker program. We believe that the rights and safety of guest workers should be protected by this program, and we also believe that Canadian businesses, if they are going to be competitive globally, still need access to a quality labour force. That's the balancing act. It's a complex balancing act, but it's one that we believe this program has to deliver. Many of the recommendations that you've come forward with, and—I'm giving the committee a shout-out as well—some of the recommendations that came forward from the study undertaken by the committee worked toward this.

Let me get to my question. Wage suppression is central. We can't be keeping wages low as part of a business plan. It's important that temporary foreign workers are a last resort and that we're not having the impact of wage suppression. I want to ask you about the calculation for median wage. How can we improve the current system? Do you think there's room for improvement in the current

system, or should there be a different system of calculating wages? Is there enough around that issue?

• (1600)

Mr. Michael Ferguson: We didn't get down into the detail of how they calculate the wages. What we recommended in paragraph 5.99 of our report was that Employment and Social Development Canada should finalize and implement its performance measurement strategy and that it should conduct analysis to determine the temporary foreign worker program's impact on the labour market. In earlier paragraphs, we talked about the fact that there was an analysis prior to the reforms that showed that wages for coffee shop workers had stagnated or perhaps even declined in certain areas where there were temporary foreign workers. New measures were brought in, but the department didn't analyze whether or not those measures changed the situation.

Fundamentally, we were saying that the department wasn't doing the analysis it needed to do to understand what the impact was on wages and the comparison with Canadians' wages in the same area.

• (1605)

The Chair: You have 10 seconds for a question.

Mr. Rodger Cuzner: Maybe I can catch somebody if there's spare time later.

The Chair: All right. Thank you.

We'll move over to Mr. Boulerice.

[*Translation*]

Mr. Alexandre Boulerice: Thank you very much, Mr. Chair.

My thanks to the witnesses for joining us today. I thank them for the important work that they are doing on this program, which has a very real impact on the lives of not only businesses but also some workers.

My colleague Mr. Cuzner did a good job of summarizing the history of the past 10 years. The previous government had two very different approaches to the issue. At the outset, we felt that the seal of approval was automatically applied to all applications, which resulted in an explosion in the number of temporary foreign workers. This worried many workers in Canada and Quebec.

We heard the absurd example of mines, where the ability to speak Mandarin was a requirement to get a job in the sector. There were also temporary foreign workers in the banking sector or in Tim Hortons franchises. That shocked a lot of people at the time. I don't understand, because the previous prime minister was very fond of Tim Hortons.

I know there are fewer temporary foreign workers right now. However, I still have concerns about what you're telling us. In your view, there are no guarantees that foreign workers will be used as a last resort. In addition, it is difficult to determine whether there is a true labour shortage. Furthermore, recruitment efforts are often not made in adjoining communities.

I understand that our economy and some businesses need those temporary foreign workers. However, our responsibility is to provide work for Canadians first and foremost. As I understand it, the problem as a whole is not solved.

Mr. Michael Ferguson: We reviewed the program according to the reforms and the new steps at the time. We had to check whether the department had done the job properly and had implemented all aspects of the program.

As you mentioned, it was difficult to determine whether temporary foreign workers had been used as a last resort only. We indicated that the department did not ask employers enough questions or use the available information to determine whether there was a real labour shortage. When we conducted the audit, the program still had gaps. I cannot say whether the department has now addressed those issues. Our observations referred to the situation at the time of the audit.

Mr. Alexandre Boulerice: Thank you, Mr. Ferguson.

What concerns me more is that there is no strategy to measure the program's performance or efficiency, or any way of knowing its true impact on the labour market in the various regions of Canada. Without data, facts or objective evaluation, we are in the dark as to the program's effectiveness.

Mr. Michael Ferguson: For any program, having a way to measure performance is crucial. We indicated that the department is developing a performance measurement program. We also indicated that more information is needed in many cases in order to truly understand the program's impact. We recommended that the department prepare and implement a performance measurement strategy.

• (1610)

Mr. Alexandre Boulerice: I would like to turn now to the real situation of temporary foreign workers, that is, how they are treated when they come to work in Canada for a period of time, whether in the fields, in factories, or in some service area.

Their situation is often precarious. We have heard horror stories in this regard in the past. We know that these people have been exploited to some extent and that their living conditions were quite terrible. You said earlier that there were few inspections of their real situation. From a human point of view, I am concerned about their situation.

Are we able to determine whether they are well treated?

[English]

The Chair: Answer very briefly, please.

Mr. Michael Ferguson: Quickly, what we found was that the department in their inspections didn't talk to the temporary foreign workers to find out what their situation was. They didn't do enough on-site inspections, and in those on-site inspections they didn't do enough interviews with the temporary foreign workers themselves to find out what that situation was.

The Chair: Thank you, sir.

Mr. Robillard, you have six minutes, sir. Go ahead.

[Translation]

Mr. Yves Robillard (Marc-Aurèle-Fortin, Lib.): Thank you, Mr. Chairman.

Hello, Mr. Ferguson.

Thank you for your work as Auditor General of Canada and welcome to the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

One of the recommendations in your report is as follows:

Employment and Social Development Canada should work with provinces and territories to develop and finalize information-sharing agreements and use the information obtained to inform its enforcement activities.

Our government has accepted your recommendation. These agreements are pivotal to the overall administration of the temporary foreign worker program and the protection of vulnerable temporary foreign workers.

I would like to hear about your analysis of the sharing of information regarding the protection of vulnerable temporary foreign workers, specifically the information sharing with respect to Quebec, or with other provinces, the federal government or even the workers. I would like to know, more specifically, whether the sharing of information was more difficult in certain cases owing to a language barrier between program officers or even with the workers. I am asking this because the last thing we want is for a problem case to drag on for those reasons.

Mr. Michael Ferguson: Thank you for the question.

Paragraph 5.74 states that:

We found that the Department had an up-to-date agreement with only one province [...]

In other words, only one province had an agreement at that time.

[English]

On the other hand, in the department's action plan—I have it only in English in front of me—in response to our recommendation in paragraph 5.76, they say that they agree with the recommendation, which was about putting the agreements in place, and they say:

Agreements with provincial and territorial partners are pivotal to the overall administration of the Temporary Foreign Worker Program and the protection of vulnerable temporary foreign workers. ...the Department will continue to engage these partners in information-sharing discussions with the intent to finalize information-sharing agreements as soon as possible.

Their expected completion date for that is December 2017. I guess what they actually say is that they're going to have ongoing engagement with provinces and territories, and besides that they call it an expected completion date of December 2017. Those two things are a little hard to put together, but nevertheless the important part of this is that the department agrees they need to have these agreements, and they agree it is pivotal to have them. Now the reason they were not in place was not something that we looked at. We just simply noted that they only had one in place at the time we had done the audit.

•(1615)

[Translation]

Mr. Yves Robillard: You may recall that the changes the previous Conservative government made to the program in 2014 established an across-the-board approach. Looking at the country as a whole with its great diversity, there is good reason to doubt that such an approach was suited to the various industry sectors and their varied needs in the provinces, which each have their own realities.

What does your audit show about the impact of the program's former approach, specifically on employers and workers at that time?

Mr. Michael Ferguson: The audit sought to determine how the department implemented the program and its procedures. We identified weaknesses in various aspects of the program.

The important point for us was that the department had established certain policies and practices that were needed for the smooth operation of the program, but we identified weaknesses. The problem was simply that the department did not meet all the program requirements.

[English]

The Chair: You have 30 seconds.

Mr. Yves Robillard: I'll leave it, then. We can come back later.

The Chair: Yes.

MP Long, you have six minutes.

Mr. Wayne Long (Saint John—Rothesay, Lib.): Thank you, Chair.

Thank you to our presenter Mr. Ferguson.

I want to touch on my home and where I'm from. I'm from New Brunswick, southern New Brunswick, and Saint John—Rothesay is my riding. Just south of me, in New Brunswick southwest, is aquaculture industry and certainly lots of fishing industry.

Obviously, the temporary foreign worker program is complex. We know that. There have certainly been lots of changes to it over the last several years.

With respect to your audit in particular, I'd like you to talk about decisions that have been made over the last 10 years that have impacted the delivery of the program and different things that you would look back on in your audit and maybe say, "If you had done this, or you should have done this...." Can you give us a few minutes on that?

Mr. Michael Ferguson: Again, in this role, we don't question government policy. It's up to the government to establish policy. Whatever that policy is, we go in and we audit to see how that policy was implemented.

The one thing that we do say in the report is that, after the reforms that came in in 2014, it does appear that those reforms helped to reduce the number of temporary foreign workers. That seemed to have been its objective, and it appears to have helped do that.

Our concern was that there were certain requirements established as part of that to implement that policy, and the department did not follow all of those procedures, even though they were their own procedures for how they needed to implement the program, for

example, again, making sure that there really was a workforce shortage in certain positions. There were indications that they didn't do enough work to verify that before they approved the hiring of the temporary foreign workers.

•(1620)

Mr. Wayne Long: I'll jump in, if you don't mind. I know you mentioned that 65% of employers didn't make enough effort.

Mr. Michael Ferguson: That was related to, I guess, trying to find Canadians from under-represented groups, primarily first nations and that type of thing. I think it was 65% of a sample that we had taken. There was no indication that the employer had, in fact, tried to go to those under-represented groups to see if they could hire from them. Again, even in the case of some fish plants that were located close to some first nations, there was no indication that the employers had tried to recruit on those first nations.

Mr. Wayne Long: Thank you.

I'd like to switch over a bit to the four-in, four-out part of the temporary foreign worker program. We dropped that. Obviously, that was welcomed by many sectors, including agriculture employees, farm groups. The four-in and four-out, in my opinion, was an unnecessary burden on applicants and employers.

Can you comment on the four-in, four-out program, tell me what you found on that, and give me a few comments, please?

Mr. Michael Ferguson: It's actually not something that we addressed in the audit. I'm not quite familiar with that terminology.

Are you?

Mr. Glenn Wheeler (Principal, Office of the Auditor General): If I could, Mr. Chair, to the extent we looked at reforms, we looked at the three of the key reforms: for low-wage workers, allowing them to stay only one year as opposed to two, which we speak to in paragraph 5.22; putting a cap on low-wage temporary foreign workers in individual companies; and then the move to not process applications in areas where the unemployment rate was lower than 6%.

Altogether, those factors had an impact in reducing the number of temporary foreign workers but, as we say in the report itself, it was not possible for us to determine to what extent any of the individual reform measures impacted on the reduction. We did not look at the four-in, four-out because that was something that was a little longer term in nature when it came to the reforms.

Mr. Wayne Long: Okay.

When we were in opposition, obviously we had major concerns. I think your audit confirms a lot of those concerns. We've put forward recommendations. As a government, I think we've done nothing but try to improve the program of temporary foreign workers.

I would say, with respect, that the Conservative government did very few on-site inspections. We just talked about that.

I know Minister Hajdu announced that we're going to be moving towards more strategic compliance by increasing the number of on-site inspections to determine whether employers are in compliance with the program requirements, and by prioritizing efforts and sectors that rely on the most vulnerable workers, such as primary, agriculture, and caregivers.

Can you explain whether you think—

The Chair: Mr. Long, I'm sorry. You're way over time already. I'm going to have to come back to you.

Monsieur Blaney, you're up.

[*Translation*]

Hon. Steven Blaney: Thank you very much, Mr. Chairman.

I was very interested in the overview of the past 10 years that was presented. I think, however, that we have to look back to the economic crisis, which was not mentioned, and to the steps we took to create thousands of jobs in Canada.

In 2014, after we had recovered from the crisis, our first priority was to preserve Canadians' jobs.

I am glad you are here, Mr. Ferguson. You are the watchdog for taxpayers, and I say that with respect. This afternoon, you are saying that the measures the Conservative government instituted in 2014 were effective, that we reduced the number of foreign workers, and that the work continues. That is good news to be sure. In other words, we were successful in terms of the economy, and remarkably so. I say this without wanting to offend my colleagues opposite. We did this without increasing taxes on the middle class, without hitting corporate taxes, and while bringing down the deficit. That is not the purpose of the presentation today, however.

What I am really interested in this afternoon is continuity. This committee produced an excellent report including recommendations that were taken into consideration by the government. They are interesting measures. It will also be interesting to see whether they will be effective and whether the action plan will work.

You are raising problems today that you mentioned in 2014. Mr. Boulerice also mentioned them. First, were efforts made to give recruitment priority to Canadians before resorting to foreign workers? Next, do we have performance indicators showing the effects of the program on the labour market and on wages? You said that it had not been demonstrated that the program was used as a last resort.

I will reiterate the question from my colleague, Ms. Wong: what are the recommendations going forward? As to the Liberal action plan, you already said that they have missed some deadlines. What do you consider the most important elements that our committee should focus on to help the government ensure the program is effective?

• (1625)

[*English*]

Mr. Michael Ferguson: First of all, I want to be clear, having referred to the dates in the action plan, that the department staff have prepared an action plan for each of our recommendations. They said what they would do for each of our recommendations and assigned a date by which each would be done. Some of the dates have gone by, but I don't know whether they have done them because we haven't gone in to audit them. I don't want to leave the impression that I'm saying the department has not done those things. It has an action plan and has put in some dates, some of which are in the past and some of which are coming up. My point was that it would perhaps be something that this committee could consider exploring with the department—for example, what it has done, whether it is still on track, and whether it has met those deadlines.

Again, our role is to make the recommendations. We find the issues in the course of an audit and make the recommendations, and then the department will provide an action plan against that. The first thing we do is to get the departments to actually agree that they need to do something and need to put the recommendations in place. That's a good step. Some of our recommendations certainly are very consistent with what the committee has said.

However, we don't really know what effect those are going to have until we do another follow-up audit. We're not going to try to say how effective all those are going to be. What we know is that the department staff have laid out a plan. I think our audit can be used to sort of assess whether they are staying on track with that plan, and so they should be able to indicate whether there are actual improvements being made because of the steps they are taking. Their action plan would really be the focal point for understanding what they are doing, what they have to do, and whether it is being successful.

Hon. Steven Blaney: Following the report of this committee, many recommendations were endorsed by the government and led to this action plan. What you're saying now is that we need to see the result. There's a road map. It has been there for two years now. Are they following this action plan?

What are the most critical elements of this action plan, in your view, so that we ensure the temporary foreign worker program is efficient, working, and delivering for Canadians?

Mr. Michael Ferguson: Again, we don't make a lot of recommendations in the course of an audit. We try to keep our recommendations few but important. The action plan they have prepared is what they're going to do for each of the things we have recommended. In our opinion, we try to only make recommendations we feel are important in the first place. Therefore, I would suggest that I can't really say what may be the most important in their action plan.

We feel the recommendations we made have been thought through clearly to ensure they were important in the first place. Therefore, the actions the department has to take to deal with those recommendations are equally important.

• (1630)

[*Translation*]

Hon. Steven Blaney: Thank you.

[*English*]

The Chair: Thank you.

We are now going over to MP Fortier for six minutes.

[*Translation*]

Mrs. Mona Fortier (Ottawa—Vanier, Lib.): Thank you, Mr. Chairman.

Hello. Thank you for being here today.

I read your report with interest. I was especially interested in the issue of workplace inspections. You said that more evaluations are done on paper.

My concern in this regard is that, in my riding of Ottawa—Vanier, there is a high percentage of seniors and individuals who require home care that should be supervised.

I question the importance of knowing the relationship between the employer and workers, specifically temporary foreign workers. Can you explain the importance of having more on-site inspections as opposed to inspections on paper?

[*English*]

Mr. Michael Ferguson: Mr. Chair, I'll start, and then I'll turn it over to Mr. Wheeler, if I can.

The important things in the inspections.... Yes, we identified that most of the inspections the department was doing were simply a matter of asking employers to send in documents, and they would review the documents. We felt that they needed to take a risk-based approach to inspection—identify which employers were most at risk of not complying with the program and put a focus on inspecting those employers.

We said that they should do more on-site inspections. The other thing they were doing, though, was that, even when there was an on-site inspection, they were giving the employer warning that they were going to come in. Again, surprise inspections can be more effective in some situations. We also said they didn't do very many actual interviews with the temporary foreign workers themselves.

I'll ask Mr. Wheeler if there is anything I have forgotten or anything that is specific to caregivers.

Mr. Glenn Wheeler: Mr. Chair, I have one small point to add.

The department itself identified inspections of caregivers as crucial, because this was a higher-risk area. However, during the course of our audit, we did not find that any inspections were done of caregivers. Another area where there is a lot of risk is with agricultural workers, and only in July 2015 did they start doing inspections in that area.

Mr. Ferguson mentioned that even when they did the inspections, a lot of them were paper-based. There are 21 things they can look at when they do an inspection. However, under the old regime, they were looking only at three of those elements. Under the new regime, they are allowed to look at all 21, but we found that most of the inspections were looking only at seven. Even when they were doing the inspections, they might not always have been getting at the areas of greatest risk. As you mentioned, caregivers were a key area.

[*Translation*]

Mrs. Mona Fortier: Thank you.

I understand that an effort has been made thus far. The minister has undertaken to increase the number of on-site inspections, so there will be a new approach.

Do you think that doing more on-site inspections could affect the program's future? If so, in what way?

[*English*]

Mr. Michael Ferguson: We made a recommendation that the department develop and implement a comprehensive risk-based framework, which should include investigating specific sectors where high levels of risk may exist. We made a recommendation that they look at their inspection regime.

What I would suggest is that the department should be able to provide information, on a periodic basis, about what they have done: how many inspections there were, how many of them were on-site inspections, how many of those on-site inspections were on a surprise basis, how many of them included interviews with temporary foreign workers, and how many resulted in something that needed to be altered. What we have done here is provide the department with a way to get down to some specific indicators that would answer your question of whether what they are doing now is a better approach to inspections than what they were doing when we did the audit.

• (1635)

[*Translation*]

Mrs. Mona Fortier: Thank you.

I will give up my remaining speaking time for Mr. Cuzner, if possible. I have no more questions.

[*English*]

The Chair: Mr. Cuzner, you have just under a minute.

Mr. Rodger Cuzner: First, thanks very much for reaffirming that the government missed no deadlines, that they have an action plan, and that they are working on the action plan. I appreciate that.

I want your opinion on sectoral changes. When the changes were made by Minister Kenney, everything was lumped together. All of a sudden, the television and movie industries were being hurt terribly in Canada. They couldn't get Leonardo DiCaprio across the border to film *The Revenant*, because he had to go through the same protocol as the fish plant worker in Souris, Prince Edward Island.

Do you see a need for a sectoral approach? The needs, the demands, the quality of the jobs, all those things factor into a good program. What are your thoughts on that?

The Chair: Be very brief, please.

Mr. Michael Ferguson: If I can, Mr. Chair, I need to make sure I am understood when I am talking, first of all, about the deadlines. I did not mean to imply that the department has missed deadlines, nor did I mean to imply that they have met the deadlines.

The Chair: That's fair enough.

Mr. Michael Ferguson: What I meant to say was that they have deadlines. They have been given the deadlines and some of them have already gone by, so now there is information for somebody to look at to determine whether they have or have not met those deadlines.

The Chair: That's very good.

Mr. Michael Ferguson: We didn't look at sectoral changes specifically.

The Chair: Thank you.

Now we move to Mr. Warawa, please, for five minutes.

Mr. Mark Warawa (Langley—Aldergrove, CPC): Thank you.

I'm glad to be back on the committee. I was on the defence committee for a very short period of time. I enjoyed defence because I got to make a new friend, Yves Robillard. We had a very good time. It's a very good committee, non-partisan and working together. I hope we can achieve that here on this committee. I sense there are partisan jabs going on here.

The goal of the committee is to do good work, and the responsibility of a government is to make policy. The responsibility of the department is to carry out that policy. The responsibility of the audit today is to determine if the policy is being carried out and the department is doing what they are supposed to do.

The audit period covered from the beginning of January 2013 to August 31, 2016. Why did it not go to the end of 2016?

Mr. Glenn Wheeler: Our field work ended on August 31, 2016. At that point we started the draft report and discussed recommendations with the department. In any performance audit we have to have a cut-off period, at which point we stop doing the field work and start drafting the report. It was no more than that.

Mr. Mark Warawa: What changes have there been in the last year of the audit?

Mr. Michael Ferguson: Are you referring to the August 2015 to August 2016 period?

Mr. Mark Warawa: Yes.

Mr. Glenn Wheeler: In the area of enforcement activities, we did see that they started to do more enforcement activities, the on-site inspections, for example. As we stated in the report, they started 173

of them, and at the end of our audit they had only completed 13. They were starting to go in the right direction and make some good first steps, but they hadn't fully implemented all those changes.

Mr. Mark Warawa: You mentioned that the recommendations that were made are few but important. Did the government agree with all the recommendations?

Mr. Michael Ferguson: Yes, they agreed with all our recommendations.

Mr. Mark Warawa: Would you agree that it may be helpful—as this audit was helpful—to have the department come to the HUMA committee and report to us whether or not they have achieved their action plan and those recommendations?

● (1640)

Mr. Michael Ferguson: Certainly I think that would be something to consider. I don't know the nature of all the committee's business and what the committee does and doesn't tend to do, but the department has prepared an action plan and that action plan is with the public accounts committee. You might consider the work of this committee and the work of the public accounts committee as well.

I think any involvement of parliamentary committees to make sure the departments are implementing what they say they are going to implement to deal with our recommendations is a very important way of making sure those changes are made to improve the program. Again, I think there would be a lot of things this committee would need to consider in terms of whether they are going to call the department to do that, but I think it is something the committee should consider.

Mr. Mark Warawa: You have highlighted some shortfalls and recommended some changes, an action plan, and a framework. I believe that's helpful. I think most members of this committee found it very helpful to identify where we need to do better.

The ultimate goal of the temporary foreign worker program is to protect Canadian jobs. Canadian jobs need to be filled first by Canadians, and if there are no Canadians who can do it, then the temporary foreign worker program kicks in.

As my colleague Mr. Blaney pointed out, there was a level of success in protecting Canadian jobs, but the temporary foreign worker program will evolve over the years. There are recommendations. There's an action plan. Would it be helpful to have another audit maybe in another five or 10 years to see if additional changes and accountability need to be implemented?

Mr. Michael Ferguson: Part of our work is always to consider which of our audits need follow-up work. The department should be able to use what we have done here to create some indicators that would show whether they are making progress on improving the program. We will look at what the department does. We will take that into consideration over the next few years, and we will decide ourselves whether to go back in and do another audit. Perhaps the department will do an audit through their internal audit shop.

This is a complex program. It is a difficult program. It has a lot of competing objectives, so it needs the audit view of the program to see whether it is actually implementing whatever the policy of the day is, as that policy was meant to be implemented.

The Chair: Thank you very much.

Now over to MP Boulerice, please.

[*Translation*]

Mr. Alexandre Boulerice: I would simply reiterate that more inspectors are needed to verify the real situation and working and living conditions of temporary migrant workers. I do not think that a lot of them have problems, but as a society I would not like to see, as we have seen in the past, cases of eight to ten people living in a container with poor access to drinking water.

My other point pertains to housekeepers, who are often women from the Philippines. These women come to work in the homes of people who need help managing the family, cleaning, and so forth. They are part of a specific program, the single employer program. They come here to work at one specific home, which puts them in a vulnerable position with regard to their employer. There can be harassment and all kinds of violence, and they can also be subject to threats. If they decide to leave their job, they must return to their country and give up the income they used to help their family at home.

Have you examined the live-in caregiver program? I see you have. Did you identify any problems with this program?

[*English*]

Mr. Glenn Wheeler: Mr. Chair, the caregiver program changed in its nature midway through the audit. At one point, the department or the government made a decision that caregivers did not have to live in. The larger point is that we found the department did not do inspections of employers of caregivers, and they were identified by the department itself as a high-risk area.

There's perhaps one other note to add. Later on in the report, we identified a risk that perhaps this stream is being used as a family reunification mechanism as much as for providing caregiver services. The department didn't do any analysis to identify the extent of that problem and whether there had to be any changes made to the program to ensure it was being administered as intended, and perhaps to minimize any chance of abuse.

• (1645)

[*Translation*]

Mr. Alexandre Boulerice: I would like to talk about another category of people who come here.

In Montreal, there are a lot of employers in the video games, new technologies, and entertainment industries who want to bring in talent. In general, they are in quite a rush. Is there a recruitment program that enables these employers to recruit individuals with the skills they are looking for?

[*English*]

Mr. Michael Ferguson: We look at how the program is implemented. If one of the goals is to bring people in quickly, then the department needs to put in place how they're going to actually achieve that objective, and we would audit to see whether they are doing that. Whatever it is they say they need to do—one of those things might be timeliness, to process a claim quickly—then they have to be able to figure out how they then balance off a need to bring somebody in quickly with the need to make sure the employer

has done what it needs to do to see whether there is a Canadian available for the job. We would look to see what policies they put in place to do that, and then we would audit whether they're following those.

The Chair: Thank you very much, sir.

Now we go over to MP Blaney.

Hon. Steven Blaney: I will share my time with Ms. Wong. Ms. Wong will start.

Hon. Alice Wong: Thank you, Mr. Chair. I'd like to thank Ms. Fortier for mentioning caregivers, because with an aging population, caring for seniors is so important. She brought up two areas. One is the seniors' homes. I believe that seniors' homes actually do not employ a lot of foreign workers. It is the family that actually hires a lot of family caregivers.

Mr. Ferguson, you did mention that there has been some reforms, for example, reducing or actually taking away the live-in element. We did, as we were in government, talk to these caregivers, actually. I was with Mr. Kenney when we met a whole group of caregivers who told us about their concerns. Therefore, we put together the reform.

Again, for family caregivers, we want to ask your opinion on whether, with an aging population, that number of family caregivers should actually be reduced.

Mr. Michael Ferguson: Again, that's not something I can comment on. That's something the department, in compliance with the policy, needs to determine as to what the numbers are.

The only thing I would comment on is that we said that the department should make use of the labour market information that it has available to understand where the labour shortages are, to understand where in the economy it is needed to bring in the temporary foreign workers. I wouldn't make a comment on what the right number is. The only comment I would make is that the department should be using that labour market information to try to understand where those shortages are.

Hon. Alice Wong: In fact, for the number of family caregivers, the quota has been reduced by a half. As I shared with the minister for seniors, I do have a concern. I'm hoping that when we bring the department in, they will really have a very in-depth evaluation of the market needs. With an aging population, and with the fact that there are not many people in our existing labour force who are actually able to do a lot of family caregiving, that adds a burden to unpaid family members who are doing all the caring. They're going to work. They have to cut their number of hours in order to look after their parents or grandparents.

As you said, this is a very complex program. I'm hoping that down the road we will be able to look at all these issues. Do you agree that these are the kinds of things we should look at?

•(1650)

Mr. Michael Ferguson: Again, the recommendation that we made was for the department to use the information available, use the labour market information. In fact, I think the department also had started to work with Statistics Canada to get a new survey in place to gather additional information about the labour market, and not just in the one area but across multiple, different types of employers. Having all of that information, again, is very important to this type of program so that they know where the shortages are, where they are geographically, what types of jobs there are, what Canadians might be available.

Having all of that information is the basis of what they need in order to properly design the program and establish whatever numbers for each sector that they feel are appropriate.

Hon. Alice Wong: Thank you very much.

[Translation]

Hon. Steven Blaney: Thank you.

Mr. Ferguson, based on our discussions this afternoon, it is clear that a follow-up on this program is needed.

You said that the government had implemented an action plan in response to your report. When exactly did the government's action plan begin? Can you give me the date please?

[English]

Mr. Michael Ferguson: I'm not sure that I have the exact date of the action plan. What I can say is that we released the report in spring, so that was in May 2017 and the department would have been asked by the public accounts committee to prepare an action plan shortly after that, so it was probably sometime in late spring.

[Translation]

Hon. Steven Blaney: Your report was published in the spring, which is less than six months ago. I guess we have to give them a chance.

The minister announced some interesting measures in April, including putting an end to the four cumulative years and making it easier for a temporary worker to obtain permanent resident status, which might reassure Mr. Boulerice. I have a lot of experience in this regard because there are temporary foreign workers in my riding and they do excellent work. The government should make it easier for these people to integrate into our communities, because they have to obtain permanent resident status first if they want to bring their family to Canada.

We have an integration model that is truly successful. I am not talking about people who are deported to other countries or who arrive at the border illegally. I am talking about people who have been brought to Canada because there were labour needs.

Unfortunately, as we have seen too often, the temporary foreign worker program has been used to meet long-term labour needs, which is why the program requires greater flexibility. It will be important to follow up on this.

The fact remains that, in 2016, permits were issued to 79,000 foreign workers. In my opinion, the points you raised are still valid. We will of course ask the government to report on its

action plan and its ability to make sure that Canadians are hired first, and that the right people are recruited...

[English]

The Chair: I'm sorry....

[Translation]

Hon. Steven Blaney: Okay, my preamble was a bit long, but I will get back to it the next time.

[English]

The Chair: It was about a minute and a half too long. No problem.

MP Ruimy.

Mr. Dan Ruimy (Pitt Meadows—Maple Ridge, Lib.): Thank you very much for presenting to us today. This is a subject that has been very near and dear to our hearts since we started the temporary foreign worker program study. Throughout, the witnesses we heard from shared a common theme. I'm going to keep myself focused to that common theme of not necessarily hiring Canadians. I had a lot of experience with this program, too, during my corporate days. I saw first-hand people being hired. It was quite easy to hire for Tim Hortons, for Wendy's, for McDonald's. It was quite easy to hire people.

We know back in 2014 there were some challenges, and the program was basically shut down with closed doors and you couldn't make anything happen. I see from your comments that the reforms introduced in 2014, while they contributed to a reduction of temporary foreign workers, the reasons are what is telling for me. You note, for example, that in many cases the department just took the word of employers that they could not find Canadian staff. It was fairly easy to get people on board.

We finished our report and then we filed it. The report was tabled in the House on September 19, 2016.

I'll tell you a quick little story. About two months ago in my riding, one of our local restaurants, a Thai restaurant, had applied to the temporary foreign worker program and it was denied. He came to us and I actually looked into it. I was curious because this is something that we had taken care of, so I actually made the phone call to the temporary foreign worker program. It was quite interesting because, as frustrated as I was, the reason he was turned down was because of the way he advertised. They said, "No, it was too tough. It should be easier for Canadians to apply. You are targeting this only to find somebody in Thailand to cook for you." I don't know how they got this information, but they said, "In fact, we know that somebody applied who was a culinary graduate in the area and you turned that person down".

That was very telling. When I look at your comments on the program from before, and my experiences, and the fact that we agreed and have the same recommendations, I am curious to know, when you look at that and you talk about the quality assurance framework, what should that look like? Can you tell us what that should look like?

• (1655)

Mr. Michael Ferguson: I guess in broad strokes, a quality assurance framework can look very similar to an audit, really. In terms of looking at how the department assessed the applications, we looked to see whether they had done enough work to determine whether there would have been a Canadian available. In some cases they would have done enough, and in other cases there were indications that they did not.

A quality assurance framework would make sure that, in every case, those assessments were being done according to the policies and that they were looking at the things they should be looking at. With a quality assurance framework, you would have assurance that each case was being handled the same way, that each case was being handled the way it should be, that the people looking at the applications were properly trained so they knew what they had to do and they would follow the procedures to make sure the procedures were done, and that this would be consistent across the country. Those would be the types of things that a quality assurance framework would bring up or would give the organization assurance of, so that when we come along later on, or somebody comes along later on and does an audit, you don't find that, in some cases, yes, they questioned whether the advertisement was focused in on one person, and in other cases, they really just took the word of the employer.

I think we have one example here in paragraph 5.35 of somebody looking for a caregiver. The reason they gave in the application for not recruiting a Canadian was that the employer was looking for "someone who was trustworthy and with the ability to work without supervision", and apparently there were no Canadians who met those criteria, and the department didn't question that.

Mr. Dan Ruimy: Exactly.

Then I guess for us the important thing that we want to see, as we move forward, is how our recommendations that we all worked on with our committee here, all sides worked on, which match a lot of your recommendations.... We want to be able to understand, when and if you do another study, if you will you still take the same approach or if you will improve the way that you do your own audit to try to get down into the details.

• (1700)

Mr. Michael Ferguson: Each time we do an audit, we try to determine where we think there's the most chance that something may not be working the way that it should be working so that we can try to focus in on the areas that need to be improved. When we do an audit, we always take into account recommendations that have come from others as well.

If we were going to do an audit of this program some time in the future, we would take into account the recommendations of this committee and recommendations perhaps coming in from any other type of study of the program. We'd look at the recommendations that

we had made. We'd try to identify where we thought there were the most problems. We'd look at what the department had put together in terms of information showing what they were doing. We would go to their quality assurance program, if they had one in place, and what results that showed. We'd use all of that information to decide what things we would want to focus on at that time in doing a follow-up of the same program.

The Chair: Thank you very much.

Now over to MP Boulerice.

[*Translation*]

Mr. Alexandre Boulerice: Thank you, Mr. Chairman.

Your audit showed that the partnerships between the federal program and the provincial and territorial programs are essential to the transfer of information.

What could the government do to consolidate these partnerships and create new ones where necessary? Has the department developed a commitment plan as to the partnerships between the government and the provinces relating to the transfer of information?

[*English*]

Mr. Michael Ferguson: The observation was that the department had committed to working with the provinces and territories. Actually, at the time of the audit, it had made that commitment to work with them to establish agreements by December 2014, and it was primarily to get information about any employers who may have violated provincial or territorial labour laws or health and safety standards. It was a way to get information from the provinces or territories about any employers who might be employing temporary foreign workers when those employers already had a record of perhaps not respecting labour laws.

As for what they should do, again, they need to work with the provinces and territories to try to get some agreement in place to get access to that information, because that information will help them understand which employers are most at risk. That can help them, in their inspection program, focus on employers who need the most encouragement to make sure that they're living by the requirements of the program.

[*Translation*]

Mr. Alexandre Boulerice: As to the approval process in cases of non-compliance, what measures could be taken to speed things up? That would make things easier for a lot of people.

[*English*]

Mr. Michael Ferguson: We found that there were 40 files with a recommended finding of non-compliance against the employer. At the time we did the audit, there were 40 files where the department's own work indicated that the employer had not complied with the program.

To get to the final decision that yes, an employer was not compliant, was taking too long. Some of these files had been approved, for example, in regional offices in January 2016, and by August 2016, they still hadn't made their way through the system.

Again, I think the first thing is just having an indicator in place. If there is a recommendation of non-compliance, they should be tracking that to determine how long it takes to get to a final decision. I think just having that type of an indicator would probably help to speed up the process, because they would see for themselves that it was taking too long.

Our recommendation, in paragraph 5.87, was that they “should explore options to streamline and speed up its process”. The department agreed. The response says that more timely decisions on inspections for temporary foreign worker program employers would be done by June 2017. Presumably, they should already have something in place to help them understand whether they are being more timely on this item.

● (1705)

[Translation]

Mr. Alexandre Boulerice: Thank you.

There is a quality assurance program to help officers select applications that truly meet the program requirements. In your opinion, what should be included in this quality assurance program to improve the effectiveness of the current system?

[English]

Mr. Michael Ferguson: A standard quality assurance framework includes the regular review of program officers' decisions. It's going in and looking at how the program officers are making decisions. Are they properly trained? Are they using the information they should be using? Are their decisions reviewed by their supervisors? Would the same decision be made in Alberta as in another province? Are all the provinces using the same criteria, and are the officers applying the program in a consistent way?

All those types of things would be part of the quality assurance framework.

[Translation]

Mr. Alexandre Boulerice: Thank you.

[English]

The Chair: Thank you very much.

We'll move over to MP Sangha, please.

Mr. Ramesh Sangha (Brampton Centre, Lib.): Thank you, Mr. Chair.

Thank you, Mr. Ferguson, for coming today and giving the information in this valuable report.

Generally, departments should have used better questions to ensure that they were filling the temporary foreign workers shortage with certain primarily kinds of people, those who reflect that the actual requirement of the labour market is being met. Also, we want Canadians to be hired first, before hiring the temporary foreign workers.

What are some of the consequences of this liberal use of the labour market?

Mr. Michael Ferguson: Again, in terms of the effect of the program on the labour market, we're saying that the department needs to do that analysis to understand the impact on the labour

market: how does this program affect the labour market, how does it affect the ability of Canadians to fill jobs, and how does it affect the wage rates?

That's something we were recommending the department needed to make sure was part of their analysis of how the program was operating.

Mr. Ramesh Sangha: Do you suggest that some certain data—relevant insurance data, employment data—regarding labour market information is very important to see that temporary foreign workers are being hired properly?

Mr. Michael Ferguson: We looked at the type of information the department was using to determine what the labour market situation was. We found that within the department, they had put together, let's say, a protocol for sharing information that existed in the department, so employment insurance information or record of employment information. Even though they had agreed, for example, what type of employment insurance information could be shared to determine whether there was really a labour shortage, we found that they were not actually using the employment insurance data.

The program officers weren't using the employment insurance data to make their assessments of applications. Also, a record of employment is a record of how many weeks a person has worked over the past year, but the program officers were only allowed to have access to 90 days of the information on the record of employment.

Because they didn't have the EI data and the complete picture of the record of employment data, they really didn't have a good picture of whether there were Canadians that had been laid off that were collecting employment insurance and had the skill set to fill the jobs.

● (1710)

Mr. Ramesh Sangha: We agree that's why we need an auditor to do the auditing in such a situation. The department was not using the policies that they were required to use. The government tried to fix those at this time. We've already given the report; the committee has given the report.

This was only done to see that we have a better labour market in Canada so that temporary foreign workers get the jobs and help the labour market to improve the labour market. In your opinion, to what extent are these recent reforms that you have just identified effective in the total labour market?

Mr. Michael Ferguson: The audit primarily looked at the reforms that were brought in 2014. We haven't looked at any changes to the program that have happened since then. Again, in terms of how the 2014 changes were put in place, as I said before, I think we found a number of weaknesses. The department wasn't doing what it said it needed to do to implement those policies.

One thing that would be very important is that given that they had policy changes that were brought in 2014 and there were some weaknesses with how they implemented those policies, I think they need to be able to demonstrate that any policy changes made after that date are properly implemented. That's given that they have this track record of not necessarily implementing everything they said they were going to implement in the past.

The Chair: Thank you.

Maybe Mr. Robillard might share some time, but it is his six minutes.

Go ahead, sir.

Mr. Yves Robillard: Thank you, Mark, for your good remarks.

[*Translation*]

Quebec is one of the four provinces that employs the most workers in high-wage jobs through the temporary foreign workers program. Moreover, Montreal is an important city for film production, image technologies, digital technologies and artificial intelligence.

As to the hiring of temporary foreign workers who have high wages owing to their technical skills, what have you concluded in your analyses? Is there a training gap or a mobility problem among Canadian workers?

[*English*]

Mr. Michael Ferguson: We didn't get down into that level of detail.

What we were talking about in the report was the need for the department to have labour market information so that it understands where those workforce shortages are, what the reason for them is, and what can be done about them. We didn't get down into the specifics of the reasons. I think what we were saying was that's more the type of information that the department should have so that it understands why there are shortages in certain types of jobs in certain places.

The Chair: You have plenty of time.

[*Translation*]

Mr. Yves Robillard: The recommendation in paragraph 5.83 of your report reads as follows:

Employment and Social Development Canada should use its expanded powers to increase the scope of its inspections by ensuring that all the relevant conditions are covered. It should also conduct more on-site inspections and explore the option of conducting some without notice, to further enhance its ability to detect non-compliance.

Our government accepted this recommendation.

Our government is taking the necessary steps to follow through on its commitment to better protect vulnerable foreign workers and increase the number of inspections of workplaces where temporary foreign workers are employed. In addition, these inspections will be conducted using an approach that prioritizes the workplaces that are most at risk.

We know that the agriculture sector employs many temporary foreign workers all across the country, especially in Quebec. Your audit goes back to 2013, when the Conservative Party was in power. What kinds of weaknesses did it identify as regards workplace inspections in the agriculture sector?

● (1715)

[*English*]

Mr. Michael Ferguson: Again, I think we've talked quite a bit about the whole inspection regime and the requirement to have a complete inspection regime including identifying the sectors perhaps that are most at risk, the sectors that need to be examined. Within

those sectors, maybe there are certain employers that should be considered perhaps more at risk and need to be examined. They need to use methods other than just desk inspections. They need to use on-site inspections. They need to make sure they are doing interviews of the temporary workers. They need to consider doing more unannounced inspections.

All of those types of parts of the inspection regime are important, and they need to be able to do that on the basis of identifying which sectors need to have those inspections and which employers within those sectors need to have the inspections.

[*Translation*]

Mr. Yves Robillard: With regard to foreign workers with advanced technical skills, the report states that "Employment and Social Development Canada should finalize and implement its performance measurement strategy" and "should conduct analyses to determine the temporary foreign worker program's impact on the labour market."

Although our government has accepted your recommendation, I would like you to elaborate on the results of your analyses. Specifically, were you able to form an opinion as to the program's impact on the high-tech labour market?

[*English*]

The Chair: Answer very briefly, please.

Mr. Michael Ferguson: No. We were not able to, and again, we were indicating that the department needed to be able to do that type of analysis. They weren't able to do it, so we weren't able to do it.

The Chair: Excellent. Thank you very much.

Now we'll move over to MP Warawa.

Mr. Mark Warawa: I have just one quick question, and then I'll share my time with my colleagues.

Madam Fortier mentioned the importance of seniors. The majority of us on the committee acknowledge the very strong importance of taking care of our aging population. The audit deals with that narrow period of time from 2013 up to 2016. There was one major policy change in that period of time. However, we need to seriously look at any future policy changes to make sure we have access for seniors to be able to age in place, which is home care.

That is my comment.

● (1720)

Hon. Alice Wong: I have only one question. It is about visas. Very often, because of the aging population, some of my constituents have come to me and said they have all the labour market approvals, yet when they applied for them to come over as temporary foreign workers they got stuck because Immigration, Refugees and Citizenship Canada did not process them fast enough. That is happening now.

I know it is not in your capacity to actually audit that, but do you believe that is a missing link, that in looking at this whole temporary foreign worker program we need to look at that side as well, bringing them over to Canada?

Mr. Michael Ferguson: I think one of the things about the temporary foreign worker program is that a number of the issues it has to deal with are also perhaps issues that are not of the direct making of the program necessarily. I don't know about the processing of the visas. That is not what we looked at, but certainly there was an issue of people being on EI.

I think we say in the audit report that Canadians who were working in the fish plant, quite frankly, wanted to be laid off and on EI for a certain part of the year, so that makes it difficult for the temporary foreign worker program. They were not matching up workers from under-represented groups to these jobs, so why are those workers in under-represented groups not prepared for the workforce to do those jobs?

There's the issue of their knowing they're at risk, that the program is being used more for family reunification than an actual job need. There are a number of things the temporary foreign worker program tries to deal with. Some of them are indications of issues that may exist in other programs, or broader programs.

Again, we did not look at the visa issue, but when you look at some of the problems that the temporary foreign worker is dealing with, some of them are also dealing with issues from other programs as well.

[*Translation*]

Hon. Steven Blaney: Thank you very much. Those are all the questions we had.

Mr. Ferguson, thank you very much for your excellent report. I note that the measures implemented by the Conservative government helped reduce the number of temporary foreign workers, and I am pleased with that.

Of course, I commend the committee for its work, which has produced a very good report under your leadership, Mr. Chairman. This demonstrates the effectiveness of the committee's work.

There is, nonetheless, a threat to the ability of businesses to hire staff, be they Canadian or foreign workers. The tax increases proposed by the government are a sword of Damocles.

That is why I would like to propose, pursuant to Standing Order 108(2), that the committee immediately undertake a study of at least four meetings on the proposed changes to the tax system...

[*English*]

The Chair: Excuse me, I have to jump in. I do apologize, but I will have to object to the time that this was submitted. The 48 hours has not passed.

[*Translation*]

Hon. Steven Blaney: So my motion cannot be debated today. Can I introduce it all the same?

[*English*]

The Chair: I'm sorry.

Hon. Steven Blaney: Can I introduce my motion today, Mr. Chair?

The Chair: It has been introduced and it will be received at the next meeting.

Hon. Steven Blaney: Okay, good. We'll bring it up at the next meeting.

The Chair: Yes. Thank you.

You do have more time.

Hon. Steven Blaney: I'm good.

The Chair: All right. Not seeing anyone else's name on the list and I think everyone has had an opportunity to speak, I'd like to take this opportunity to thank both of you, Mr. Ferguson and Mr. Wheeler, for enlightening us on the temporary foreign worker program and the work that you've done. I want to thank you on behalf of the committee for joining us here today.

I'd like to thank my colleagues on all sides, as well as our new clerk, who did a fantastic job, our analysts, the translators who, as always, help us understand each other, and the technical people who make us look so good.

Thank you very much everybody.

The meeting is adjourned.

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