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Chair: Mrs. Salma Zahid



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• (0845)

[English]

The Chair (Mrs. Salma Zahid (Scarborough Centre, Lib.)): Good morning, everyone.

I call to order meeting number four of the Standing Committee on Citizenship and Immigration.

Pursuant to Standing Order 108(2), we will start the study on economic immigration and labour shortages today, beginning with briefings by the officials.

I would like to welcome three panels of witnesses.

Statistics Canada is represented by Josée Bégin, director general, labour market, education and socio-economic well-being; and Dominique Dionne-Simard, unit head and senior economist, centre for labour market information. Welcome.

We have officials from the Department of Citizenship and Immigration. They are Marian Campbell Jarvis, assistant deputy minister, strategic and program policy; and Matt de Vlieger, director general, immigration. Welcome.

We also have representatives from the Department of Employment and Social Development. They are Philippe Massé, director general, temporary foreign worker directorate, skills and employment branch; and Katie Alexander, executive director, temporary foreign worker program and work-sharing program.

Thank you all for coming today.

Each of you will have 10 minutes for opening remarks. Then we will go into the rounds of questioning.

We will start with Statistics Canada.

Ms. Josée Bégin (Director General, Labour Market, Education and Socio-Economic Well-Being, Statistics Canada): If it's all right, Madam Chair, Immigration, Refugees and Citizenship Canada will start. Then we'll turn to Employment and Social Development Canada, and then go to Statistics Canada.

The Chair: Okay. We will start with the Department of Citizenship and Immigration.

You will have 10 minutes for your opening remarks. The floor is yours.

Ms. Marian Campbell Jarvis (Assistant Deputy Minister, Strategic and Program Policy, Department of Citizenship and Immigration): Thank you, Madam Chair.

Good morning. Thank you for inviting us to join you as part of your study on economic immigration and labour shortages. We are very pleased to assist you with foundational information today as you begin.

From the motion, it is clear that you will have multiple lines of inquiry, and we are very pleased to assist, including by recommending any witnesses from Immigration, Refugees and Citizenship Canada, or elsewhere, who may be able to help you dig further.

My remarks this morning will focus on the ways in which Canada's immigration system is set up to further economic objectives. This will include an overview of the permanent and temporary resident programming, building on our foundational presentation of a few weeks ago. We'll focus on the elements that are specifically tailored for selecting immigrants on economic criteria.

I will then turn to my colleagues, as noted, from Employment and Social Development Canada, to comment specifically on the temporary foreign worker program, given the committee's specific interest in the labour market impact assessments. My colleagues from Statistics Canada will conclude our remarks here with some of the data focused on trends and projections in the labour market.

• (0850)

[Translation]

Your study focuses on the tightening labour market that Canada is now experiencing and is projected to experience in the future. Demographic factors are driving these trends. The immigration system clearly stands to play a significant role in addressing Canada's labour market needs. It provides two important sources of labour: new permanent residents admitted to Canada and temporary foreign workers.

The other source, of course, is the domestic labour force, both those leaving school to enter the workforce and those getting trained and re-trained for the evolving job market.

With demographic and labour market projections being what they are, the reality is that, even if all measures were taken to maximize the domestic work force, a robust immigration system would still be needed. In fact, immigration already accounts for almost 100% of labour force growth today. That is a significant figure. Immigration is definitely connected with addressing labour shortages. However, immigrants should not be thought of narrowly only as workers filling a present need. They are future citizens, here for the long term, and their children will become the second-generation contributors to future labour markets.

While there are immediate labour market needs, we also take a long view with the immigration system. I emphasize the words “long view”, because that is really important.

[English]

The next area of economic immigration is permanent residence. The largest of our economic programs are based on long-standing human capital criteria, sometimes referred to as the Canadian “points system”, which are now administered through express entry. This means that not only do economic immigrants arrive here quickly—the service standard is six months or less—but they are also among the best-scoring candidates from a large pool of candidates. Almost half of the economic-class admissions in 2018 were through express entry. Outcomes are particularly strong for this group, as 95% are employed one year after admission, income is about 20% higher than that of immigrants admitted prior to the express entry process, and 83% report working in their primary occupation.

The next largest component of the economic immigration system is the provincial nominee programs, which are geared toward distributing the benefits of immigration across Canada and meeting specific regional and labour market needs prioritized by the provinces. Quebec administers its own economic selection program under the Canada-Québec Accord.

Recently, with a view to spreading the benefits of immigration, the government introduced new pilot programs to test new approaches to immigrant selection and retention. These include the Atlantic immigration pilot, which uses an employer-settlement focused model; the rural and northern immigration pilot, which uses a community economic development model right now in 11 communities across Canada; and the agri-food immigration pilot, which experiments with a particular sector-driven approach. These are about innovating so that the immigration system continues to meet both general and more targeted objectives, including labour force and economic objectives. The municipal nominee program, which is a mandate commitment of the minister, is a further opportunity to innovate within the system.

To round out the overview of our economic immigration programming, we also have more targeted programs like the start-up visa program, which is targeted at entrepreneurs to come into Canada and start up an opportunity. The caregiver program, as I think many on the committee know, is a long-standing pathway, though with several adaptations over recent years.

I'll just say a word on some of the numbers. Through the immigration levels plan tabled annually in Parliament, you will note that permanent resident admissions have been climbing steadily in re-

cent years. Admissions now stand at approximately 340,000, whereas five years ago they were routinely in the neighbourhood of about 270,000 admissions. The economic-class numbers have climbed in step with that, comprising almost 60% of the total immigrant admissions. The economic targets are 195,800 for 2020. In 2021 they will be about 202,000. Most of the principal applicants being admitted through the economic class meet Canada's high-skilled needs. In 2018, 81% were in the higher-skilled occupations. That breaks down to about 37% in the professional occupations, 13% in managerial positions, and 30% in skilled and technical skill levels.

Obviously, temporary foreign workers are another source of labour supply. This is largely a demand-driven area, by which we mean that employer demand to hire workers on a temporary work permit can fluctuate and drive the numbers, as opposed to a target set by government. Here too the numbers are up. In fact, the number of temporary work permits issued in 2019 was about 405,000, up by about 20% from 2018.

With respect to temporary workers, there are two broad streams of programming. One is the temporary foreign worker program, which is administered by ESDC colleagues, and the international mobility program, which is administered by Immigration, Refugees and Citizenship Canada. I'll conclude my remarks with a few words on the international mobility program before turning to ESDC on the temporary foreign worker program.

Under the umbrella of the international mobility program are several streams that have the common feature of not requiring a labour market test because of the other policy goals they target. The largest categories here are former international students entitled to work for a period after graduation; foreign youth in Canada under bilateral youth mobility; and workers covered by trade agreements, such as CUSMA, and inter-company transfers.

I'll end my remarks there and turn to ESDC on some of the temporary labour market programs.

● (0855)

The Chair: Thank you, Ms. Jarvis.

We will move on to the Department of Employment and Social Development. Mr. Massé, you have 10 minutes for your opening remarks.

Mr. Philippe Massé (Director General, Temporary Foreign Worker Directorate, Skills and Employment Branch, Department of Employment and Social Development): Good morning.

[Translation]

Thank you for the opportunity to present on the Temporary Foreign Worker Program. As mentioned earlier, I am the director general. With me is Katie Alexander, who is responsible for program operations at Service Canada.

The objective of the program is to provide employers with access to foreign workers on a temporary basis when qualified Canadians or permanent residents are not available. It also aims to ensure that foreign workers are protected while in Canada.

In 2019, Employment and Social Development Canada approved approximately 120,000 positions under the program. The program has a very small footprint in the labour market in general. Less than 2% of all Canadian businesses use the program and temporary foreign workers comprise less than 1% of the Canadian labour force.

However, it is very important to certain sectors that tend to face recurring labour needs, including the agriculture and agri-food, tourism and hospitality sectors. It is also important in supporting the growth of emerging sectors, such as digital media, environmental technologies and artificial intelligence.

The global skills strategy, for example, which became permanent in 2019, seeks to streamline the process for businesses to be able to attract and retain the talent they need. To date, more than 60,000 people have come to work in Canada under this program, with many in key information technology and engineering occupations.

• (0900)

[English]

In seeking to address labour and skills shortages, the program also strives to balance the interests of Canadian workers and the protection of foreign workers. To ensure that Canadians continue to have the first opportunity at available jobs, employers must submit an application for a labour market impact assessment before being permitted to hire workers through the program.

Applications are reviewed to ensure the employers and job offers are genuine, and that employers have complied with program rules and applicable labour laws. Applications are assessed against a number of labour market factors to ensure that the hiring of temporary foreign workers will not have a negative impact on the Canadian labour market.

Among these factors, employers are required to demonstrate they have advertised to and recruited Canadians and permanent residents, for example, through common online platforms such as Canada's Job Bank. This includes targeted efforts to reach out to under-represented groups who may be underemployed in the labour market.

In addition, employers must certify that the hiring of foreign workers will not lead to offshoring or job losses for Canadians or permanent residents, and will not negatively affect the settlement of labour disputes.

[Translation]

To ensure temporary foreign workers are protected while in Canada, the program has a comprehensive compliance framework

in place and continuously works to enhance the protection of vulnerable workers.

The cornerstone of the compliance regime is the authority to conduct inspections, including unannounced inspections.

When an employer fails to meet program conditions, a range of consequences can be imposed, including administrative monetary penalties ranging from \$500 to a maximum of \$1 million, program bans of various lengths from one to 10 years and permanent bans for egregious cases.

[English]

The government is also making greater efforts to support workers more directly. For example, the government launched the migrant worker support network pilot in British Columbia in the fall of 2018, which brings together a diverse group of stakeholders involved in the protection and support of migrant workers, including workers themselves. The goal of the network is to better support workers to understand and exercise their rights, as well as supporting employers, and understanding and meeting program conditions and requirements.

Finally, service to clients is a key priority area for the government. The program is committed to reviewing its operations to ensure that it provides eligible employers with efficient and timely access to foreign workers. Beginning in April 2018, the department experienced a significant increase in employer applications for workers, which led to the creation of an important backlog and processing delays.

To improve service delivery, the government is investing additional funds to reduce inventories and improve processing times, including \$8.1 million this fiscal year, and an additional \$5.1 million in each of the next two fiscal years.

The department is also investing in a new online application system that will reduce administrative burden, and also accelerate the process.

Because of these investments, the application inventory has been reduced by 38%, and processing times have decreased across all program streams since April 2019. For example, for the seasonal agricultural program, processing times fell from the peak of 17 days to 10 days in February 2020. For those applying in the low wage stream, it went from 144 days to 52 days for employers currently applying for the program.

We're hopeful that these times will continue to decline as the impact of these investments is maximized, and that it will make it easier and faster for employers to use the program to fill their shortages.

ESDC is committed to continuing to improve the program to ensure that it works for employers, workers and the Canadian economy.

I would be pleased to answer your questions.

Thank you.

The Chair: Thank you, Mr. Massé.

We will now move on to Statistics Canada.

You have 10 minutes for your opening remarks. Thank you.

[*Translation*]

Ms. Josée Bégin: Madam Chair, committee members, thank you for giving me this opportunity today to present some key observations on the Canadian labour market.

I would like to use my time to focus on the country's labour supply and demand dynamics, and particularly the contribution of immigrants to the recent changes observed in the labour market.

According to different observations on labour supply and demand in Canada, it is clear that labour markets were tighter in 2019. If we look at labour demand, a number of provinces posted record-high job vacancy rates in the first three quarters of 2019. Across the country, several industries, such as health care and accommodation and food services, also posted their highest-ever job vacancy rates last year.

With respect to labour supply, the national participation rates for the core-working-age population, or individuals between 25 and 54 years old, were also at their highest level.

In May 2019, Canada saw its lowest unemployment rate since 1976, when comparable data from the labour force survey became available. Similar records were also observed in Quebec and Nova Scotia.

If we look at recent labour supply and demand dynamics in Canada, there are considerable variations, especially for specific occupations, levels of education and geographic areas.

First, the most recent results of the job vacancy survey show a tightening of the labour market in a number of occupations, such as health care professionals, where the number of unemployed individuals was lower than the number of vacant positions. We have observed similar scenarios at the provincial level as well. For example, there was less than one unemployed person for each vacant position in manufacturing occupations in Quebec and in sales and service occupations in British Columbia.

Second, if we examine the skills sought by employers, the labour market is obviously tighter for workers with lower levels of education. For example, in the third quarter of 2019 in British Columbia, there was less than one unemployed person with a high school diploma or lower for every vacant position requiring a similar level of education.

Lastly, we have also observed considerable regional differences in the aging of the labour supply. In 2009, just under one in six people in the labour force in Canada were 55 years and older, compared with more than one in five in 2019.

In some regions of the country, particularly northern British Columbia, southern Newfoundland, and Gaspésie, around one in three people in the labour force were over the age of 55. These regions, like most others outside large urban centres, also had some of the lowest retention rates of immigrant tax filers.

Given the aging population in many regions across Canada, immigrants are playing an increasingly important role in the renewal of labour supply.

Over the past five years, the number of Canadian students enrolled in a post-secondary institution has fallen by more than 40,000. Meanwhile, the number of international students has grown by more than 120,000.

Similarly, the most recent population estimates indicate that the numbers of births in Canada is stable and that the number of immigrants has increased.

In 2019, just over one in four individuals in the labour market was born outside Canada. By 2036, this figure could be one in three.

In recent years, most of the annual employment growth was driven by increases observed among landed immigrants.

In 2019, close to two-thirds of the overall employment growth in Canada was led by permanent residents, though they represented roughly a quarter of the working-age population. In particular, among women, three-quarters of the employment growth in 2019 was driven by permanent residents.

● (0905)

In some provinces, such as Alberta and Manitoba, permanent residents were responsible for all the employment growth observed in 2019. They represented a little less than a quarter of the working-age population in those provinces.

Labour supply and demand variations are one thing, but we are also very aware of the need to shed light on the quality and security offered by those jobs. Quality of employment is one issue we are delving into further at Statistics Canada.

For example, we are working closely with the United Nations Economic Commission for Europe, with whom we recently contributed to the development of an international statistical framework for measuring employment quality.

Quality of employment comprises various dimensions, including job security, decent wages and the right to work without discrimination.

One aspect of job security is the extent to which jobs are permanent or temporary. In 2019, recent landed immigrants were less likely to have a permanent job than their Canadian-born counterparts. Conversely, landed immigrants who had been in Canada for more than 10 years were more likely to have a permanent job than individuals born in Canada. This was observed among both men and women.

These results highlight the importance of looking at the entire employment trajectory when examining employment quality.

Another aspect of job security is the unionization rate. For example, landed immigrants, especially those who arrived in the country recently, had much lower unionization rates than Canadian-born individuals, both among women and men.

Statistics Canada is working closely with a number of provincial, federal and international partners, including Employment and Social Development Canada, or ESDC, and Immigration, Refugees and Citizenship Canada, or IRCC, to enhance, refine and standardize employment quality indicators and get a better understanding of the employment trajectory.

Thanks to information from the longitudinal immigration database, which was developed in partnership with IRCC, we can analyze the employment trajectory of immigrants to better understand their labour market reality.

Finally, I'd like to mention some of Statistics Canada's recent initiatives to enhance the information available on the labour market. First, we understand that communities throughout the country, from large urban centres to rural areas, need reliable, timely information on the labour market.

We are currently exploring innovative statistical methods to provide more labour market information to more communities across Canada. We are also working closely with our colleagues at IRCC to refine labour market information on immigrants, using administrative data, for example.

We are also evaluating the possibility of producing reliable, timely data on the labour market status of immigrants based on their immigrant category. Third, together with ESDC, we recently made administrative data on temporary foreign workers available to our researchers. This information on labour demand enriches the information on the labour supply of temporary foreign workers. These data will help our researchers analyze the employment situation of these workers in the context of a tighter labour market.

That concludes my presentation, Madam Chair.

I hope that this brief overview of Canada's recent labour market supply and demand dynamics will be useful to the committee.

I would be more than happy to answer your questions.

● (0910)

[English]

The Chair: Thank you to all of the panellists.

We will now go on to the first round of questioning, starting with Mr. Kent.

The floor is yours for six minutes.

Hon. Peter Kent (Thornhill, CPC): Thank you, Chair.

Thanks to all of you for the briefing this morning.

With regard to the labour shortages—which are desperate in some situations in rural and northern Canada—given the various pilot programs that we now know are in development, the single biggest challenge would still seem to be the retention of those recruited for remote or northern locations, both in the professions and in semi-skilled jobs in agriculture, whether in the temporary foreign worker program or in the permanent resident program.

What policy considerations are now in the works?

There have been suggestions that there be much more significant conditions applied to those being accepted to require them to stay in those locations for a period of up to two years.

Are those policy considerations in the works now?

Ms. Marian Campbell Jarvis: Thank you, Madam Chair.

There are a range of policy considerations that come from some of our learning so far. For example, from the rural and northern pilot and the Atlantic immigration pilot, we formed different partnerships to support that retention. One of the lessons that we've gained is the importance of what are known as the wraparound settlement supports. This is having some cultural awareness training on the employer side, training on how to fit in, having a welcoming community that facilitates finding accommodation and helps kids get enrolled in school, and, obviously, having a viable job offer and employment. Rather than restricting movement, which is hard to do, it's more about finding what will actually create that stickiness, for lack of a better term.

● (0915)

Hon. Peter Kent: Have you received formal or informal commitments from the communities that you have selected for the pilot program to guarantee that they will provide improved welcoming services on the cultural side, the education side or language training side? In other words, is there community involvement?

Ms. Marian Campbell Jarvis: Language training, Madam Chair, is certainly important. The partnerships we've formed with the community economic development organizations—with the rural and northern pilot in particular—are working toward that end.

Madam Chair, I'll turn to my colleague, Matt de Vlieger, to provide a few more details on those arrangements.

Mr. Matt de Vlieger (Director General, Immigration, Department of Citizenship and Immigration): Regarding the selection of the 11 communities for the rural and northern program, one of the factors was the capacity that communities already had to receive and retain newcomers. Some of the community members that are attracted are in fact already in the community. They've been temporary foreign workers. The stickiness factor that my colleague speaks about is already there.

The other thing we've done in those communities—from some of the learning—is that we're allowing each of the 11 communities to tailor some of the criteria. They know best what factors in their community are likely to be most important for retention, such as the presence of a sibling or a family member who's worked in the community before. We have some base criteria that are set out in our regulations, but the community can add to those based on what's going on in their particular circumstance.

Hon. Peter Kent: Thank you.

Anecdotally, we've heard from a number of sectors in rural and northern communities about their frustration with the cost of the labour market impact assessment—the \$1,000—when there are negative results. There have been suggestions from the Canadian Federation of Independent Business that perhaps a rejection should result in either a partial or a complete rebate.

What is the policy position on that?

Mr. Philippe Massé: The current position is that the fee must be paid at the application stage. There are no rebates for refusals. I think there are opportunities in certain circumstances to get refunded. It's very limited, but the basic rule is that rebates are not part of the current framework.

Hon. Peter Kent: As the CFIB has suggested, is a review currently under way with regard to labour market impact assessments being streamlined and perhaps standardized?

Mr. Philippe Massé: Yes. As I mentioned, there is a lot of effort going into both accelerating the process with the applications that we have on file now, and also in streamlining the way we conduct them. One of the big elements is around an online system that will enable us to simplify the application, to remove irritants around having to provide the same information over and over again—which is something that we hear quite a bit—and to make the process faster. There would be better communication with the department. You'll be able to follow your application and know that you've filled in all the appropriate information as it progresses.

Hon. Peter Kent: In all of these programs there's a movement to increase online interaction. Again, a lot of the complaints that I hear in my office are with regard to the frustrations of those trying to make contact for an update on an application or questions about answers that they find to be difficult.

The Chair: Your time is up. Maybe we'll come back in the second round.

Now we will move on to Ms. Dhillon for six minutes.

Ms. Anju Dhillon (Dorval—Lachine—LaSalle, Lib.): Thank you and good morning to all of you.

My first question is regarding employers who have a good record of hiring temporary foreign workers and who intend to expand their businesses. While waiting for LMIAAs—it's a lengthy process—they end up losing important contracts because they don't have the manpower to put those in place.

Is there a program or anything like NEXUS that can be established to help those employers who are in good standing and who are trying to expand their businesses to create more employment in Canada and to bring in more foreign workers?

● (0920)

Mr. Philippe Massé: The notion of a NEXUS or a trusted employer model is something that we're definitely looking at. We had a consultation last summer with stakeholders on what that could look like and what the criteria, application processes, etc. would be. Those are still things that we're looking at incorporating into our process. Our focus in the short term is on improving our service delivery and the online system, and we'd be looking at that in the context of those improvements and what would make sense there. Certainly that's a concept that we're looking at very carefully.

Ms. Anju Dhillon: From the feedback that you've received, what are some of the criteria to speed up or expedite this process?

Mr. Philippe Massé: A lot of the discussion is around what qualifies as a trusted employer. There are different views on that. Should an employer have had an inspection first before they would be considered? How many years would that employer need to have been in the program? Those are some of the parameters at play, and they can vary and create more process as well. How do you find the sweet spot between recognizing good performance and an efficient process of doing that while we're trying to transform our delivery? For example, what would be considered a reason for exclusion from an eventual trusted employer model? There are a number of design parameters that we discussed and that are under consideration.

Ms. Anju Dhillon: My second question is about the lengthy processing times. I have a file in my office. I'm going to give an example; I like to give examples. It's been three and a half years, and this constituent of mine's file is stuck. Walmart originally gave wrong documentation, and they corrected it. They wrote a letter to the officials that it was their mistake. Ever since then, her file has been in process. Every time we try to inquire about what's going on with the file, it's said to be in process. That's not the only file; there are many others like it. I think my colleagues across the board have had these experiences too.

Even if it's one individual file, it's somebody's life. She's been hanging for three and a half years. It's causing anxiety. She didn't start another job because she was worried that she would make a commitment and then have to renege on that. All we hear as an answer is that it's in process, and we don't get more details than that. If they don't want to grant it, they should just say no so that people can move on with their lives. In the meantime, she got married, and now the officials are saying it's causing a delay because she has a spouse.

Is there anything being done to clean up this overly long waiting process, even if there was a hiccup at the beginning such as I explained?

Mr. Philippe Massé: It's difficult to comment on the specific situation without having more information. I'm definitely happy to look into that particular case.

A three-year processing time is abnormal; it's not something that we see a lot. We know that in certain cases, when their inspection is under way, things can prevent an application from proceeding if there is information suggesting that there are non-compliance issues. Normally, if those are administrative, they wouldn't hold up an application, but in the case where there are cases of abuse that may get referred to law enforcement authorities, it could affect the processing.

Again, it's not our intention to keep people in suspense. I know the inspection regime is new. There has been a move towards unannounced inspections, and there have been hiccups around the roll-out of that. Some of them are taking a very long time, and employers don't always know what to do when they're under inspection. The department is rolling out an engagement strategy with employers to facilitate information about the process and the expectations. We are looking at the timelines. There's a mapping going on to try to make process leaner so that decisions get taken faster and things don't get held up.

Sometimes it's not possible to share information on the status of applications, depending on the nature of the issues, but we're sensitive to those.

Ms. Anju Dhillon: Okay, but three and a half years is a very long time.

• (0925)

Mr. Philippe Massé: I totally agree.

Ms. Anju Dhillon: It seems they just end up in the same pool as the new applicants. Can a special section be made to put people out of their anxiety and misery, either way? Can you establish something like that? Are you looking into having a separate section that will look into special case files, to speed up the process?

Mr. Philippe Massé: In general, if there are special case files, we know about them. We don't try to mix them up with others.

Again, without knowing the nature of the issue that is at the heart, it's hard to comment exactly on what the potential solutions are. Our intention is not to hold up applications for years and years.

Ms. Anju Dhillon: Okay, thank you.

The Chair: Thank you.

We will now move on to Ms. Normandin for six minutes.

[*Translation*]

Ms. Christine Normandin (Saint-Jean, BQ): Thank you very much, Madam Chair.

My thanks to the witnesses for their presentations.

My first question is about statistics.

You have briefly painted a picture of the situation by province for certain types of jobs and some sectors.

I would like to know whether you did the same exercise by sub-region, for example, it could be by resource region, by type of region based on the unemployment rate, or by very specific types of occupations. Do you also have a picture of the situation by province?

Ms. Josée Bégin: Thank you for the question.

In recent years, we have conducted more focused studies, including those for the Atlantic regions. We have worked with our colleagues at the Atlantic Canada Opportunities Agency to conduct an analysis of the aging population, unemployment rates and job vacancies by region. We have done sort of the same picture that I did at a higher level, but in more detail. We are currently holding the same kind of discussion about the regions of Quebec with our colleagues at the Economic Development Agency of Canada.

I would also like to point out that the information on the unemployment and employment rates, as well as other information we release monthly from the labour force survey, is available by economic region. For Quebec, they are roughly equivalent to the administrative regions and, if memory serves, there are about 76 economic regions in Canada.

Ms. Christine Normandin: Thank you very much.

My next question is about labour market impact assessments.

In some regions where there is very low unemployment or where there is a labour shortage in specific occupations, have you considered the possibility of requesting a labour market impact assessment exemption, even if only temporarily?

Mr. Philippe Massé: First of all, it's important to understand that the program is open to everyone and that there are no hiring restrictions. Restrictions are in place in regions with high unemployment rates, but the program isn't tailored to the unemployment rate in those regions.

As for exemptions, it depends. How the process normally works is that we require a labour market impact assessment, which involves verifying certain things. Some program streams are flexible when it comes the job offer requirements. The global talent stream is one example.

When it comes to jobs with low level requirements, in terms of either educational or occupational skills, exempting those types of jobs from the labour market impact assessment is problematic. If we didn't open up the program, it would have negative effects on the labour market, possibly affecting wages and job opportunities for Canadians, especially in those streams.

Therefore, the potential for an exemption depends on the specific circumstances and the skill set, but it isn't part of the program at this time.

Ms. Christine Normandin: If I understand correctly, then, it isn't completely out of the question either. Is that right?

Mr. Philippe Massé: We recognize that the labour market has changed and we're analyzing what that will mean for our policies. We are taking a serious look at all of those factors, but I can't comment on that specific measure.

Ms. Christine Normandin: I see.

I have a question about the work permits issued to temporary foreign workers.

Have you thought about extending the time limits on work permits in certain situations?

I know that's something we see in the agricultural sector, where a worker can obtain a two-year work permit. Is there any way to do the same in other sectors experiencing a labour shortage?

● (0930)

Mr. Philippe Massé: In some sectors with low-paying low-skill jobs, work permits are limited to a year. We've given some flexibility to employers in the agri-food sector, in particular, by allowing work permits to remain valid for up to two years, to support the employee transition to permanent residence.

As for the rest of the program, it's something we're looking at as the labour market evolves. We make sure our policy requirements are tailored to labour market needs, so these are things we actively examine.

Ms. Christine Normandin: Unless I'm mistaken, an employer can't hire any more than 10% of their workforce through the temporary foreign worker program.

Have you considered raising the threshold, especially for small and medium-size businesses?

Mr. Philippe Massé: That's one of the things we are analyzing right now. I can't tell you where the analysis will lead, but work permit time limits and the 10% foreign worker threshold—20% for some employers—are concerns many employers have raised. We take all that into account.

Ms. Christine Normandin: Thank you.

I have enough time for my question, but not the answer, so I'll leave it there.

[*English*]

The Chair: Thank you.

We will move on to Ms. Kwan for six minutes.

Ms. Jenny Kwan (Vancouver East, NDP): Thank you very much, Madam Chair.

Thank you to the panel and the officials for being here.

My first question relates to the overall immigration stream. Our immigration stream now primarily targets the economic class who are highly skilled workers. As we can see from the temporary foreign worker program, those in it are primarily lower skilled workers, but year after year people continue to seek workers in those streams.

Why do we not have a permanent residency stream for medium- and low-skilled workers?

Mr. Matt de Vlieger: You're right that the largest proportion come through our economic programs as principal applicants who are in the higher skill levels. Recently, we've introduced and expanded several programs that allow access to medium- and lower skilled workers as well. The provincial nominee program has considerable admission space that's been growing every year, and in the occupation codes C and D—so, the intermediate and lower skilled workers—there is significant and growing allocation space.

There are a few new programs. The Atlantic immigration pilot has access to lower and medium-skilled workers, the rural and northern immigration pilot as well, and just last year...the agri-food immigration pilot. So, we're seeing more room for temporary foreign workers who are in the low-skilled stream. Whether they come through on a labour market tested side or a non-labour market tested side, they come into our permanent pathways.

Ms. Jenny Kwan: Can you provide to the committee specific numbers for your different pilot programs and initiatives for those who are lower and medium-skilled and how many of them came to what province, so that we will have a snapshot of that information?

It remains, even with the PNP program, very limited, and the scale of the numbers for the temporary foreign worker program—over 400,000—is significant. I'll bet you dollars to doughnuts your numbers don't come close to that. So, I would like to see those numbers.

If we're going to talk about immigrants—and, as was noted, they are here to help build our nation, and we want to recognize that—then I think we need to ensure that our permanent resident status streams reflect that, because right now I don't think they do. I would like to have that information so we can look at that from a policy perspective.

On the temporary foreign worker program, I am interested in knowing the process when a complaint is made and it has been clearly established that an employer has abused or violated the rules applying to them as an employer. For example, I have a couple of very active cases where the employer charged the temporary foreign worker a fee and is making them pay for the LMIA. One of them even has a receipt to prove it.

What happens in those cases? The complaint has been filed and it seems like it goes into a dark hole. I have an outstanding case that was filed in 2017, and they have not received a response on that. What happens?

● (0935)

Mr. Philippe Massé: Again, it's difficult to comment on specific cases, but charging fees for jobs is not legal in Canada. We have an inspection regime that looks at complaints. We have a tip line, and those are triaged by the various risks associated with them. I can't comment on where they might end up. In cases where there's criminal activity, though, they are referred to law enforcement agencies.

Ms. Jenny Kwan: Maybe I can interrupt. How long does it take on average for the department to investigate a case, and then for an outcome to be made available?

Mr. Philippe Massé: I can't tell you those statistics. It's not my responsibility, but we can certainly follow up and get that information to you, because I wouldn't be able to give you a clear answer on that now.

Ms. Jenny Kwan: Okay, that would be very helpful. When I raised these cases I wasn't trying to say they were specific cases that I wanted an answer from you on, but rather to say they are examples of what happens in the system. It's like what Ms. Dhillon was trying to raise. These are standard examples.

I have another situation where an individual has been abused by multiple employers, and then through that process was left unemployed. Her work permit is still active here, and because she had to pay multiple employers for an LMIA and other fees, she was broke. Then she ended up in a shelter. In her situation, through that process, someone told her about the open work permits for vulnerable workers. She went to apply under that, thinking she would get some support there. Instead of getting support, she was told she was in violation of her financial eligibility because she was living in a shelter. That is her reality right now. What good is this program when it operates in that way? Again, in her instance, she was able to prove that the employer charged her fees, which they are not allowed to do. That is an active case just sitting in a dark hole somewhere. In the meantime, she's been traumatized.

The Chair: I'll have to end this. Your time is up, Ms. Kwan.

We're left with eight minutes, so we can do two rounds of questioning of four minutes each by the Conservatives and the Liberals, if that is okay. We'll go to Mr. Seeback for four minutes, and then Mr. Tabbara for four minutes.

Mr. Kyle Seeback (Dufferin—Caledon, CPC): I want to pick up a bit on the questions that were brought forward by Ms. Kwan. Is there a path to PR for a temporary foreign worker right now?

Mr. Matt de Vlieger: There are several paths to permanent residency for temporary foreign workers. Of all the principal applicants

who come in through the economic program, 62% of them were previously here on a temporary basis, either as former international students or as temporary foreign workers, so it is a supply stream into our permanent programs.

Mr. Kyle Seeback: But they have to go to a separate stream. If you've been a temporary foreign worker for 15 years, coming back for 15 years routinely to work, there's no path for you. You wouldn't qualify under the Canadian experience class or something like that.

Mr. Matt de Vlieger: They may very well qualify under several of our programs. Within the provincial nominee program, there's the Canadian experience class. Through express entry, points are provided for those who have been here and are getting temporary foreign worker experience, which is why we see so many come through and into our permanent programs. Built into each of these permanent programs I mentioned are specific incentives, points and eligibility criteria related to that temporary foreign work experience.

Mr. Kyle Seeback: Is there any way a temporary foreign worker in a low-wage job, particularly in the agricultural sector, would be aware of these programs? My experience is that people who are routinely coming here year after year to work in the agricultural sector have no idea that there is a pathway forward for them to permanent residency. Do you have programs in place to try to make sure that people coming on temporary foreign worker permits are aware of their options and ability to apply for permanent residency?

Mr. Matt de Vlieger: The government has announced a new pilot program, the agri-food immigration pilot. It's going to launch and be open for applications at the end of the month, on March 30. We're doing promotion. We're engaging with the agri-food sector. It's specifically open to four industry groups: mushroom, greenhouse production, meat processing and livestock raising. A lot of communication is happening with those communities to let them know about that opportunity. One of the requirements is that they've been on a non-seasonal work permit temporarily. That gives them access to this new permanent resident pathway quite directly.

● (0940)

Mr. Kyle Seeback: Is there a process, a service standard, for a decision on LMIAs? Do you have a set standard that we expect these to be processed in *x* amount of time?

Ms. Katie Alexander (Executive Director, Temporary Foreign Worker Program and Work-Sharing Program, Department of Employment and Social Development): The program has two set service standards.

One is for the global talent stream, and that's to have the LMIA process within 10 days, and we're meeting that service level.

The other is regarding a couple of factors that are identified in the policy: highest skill, short duration. Those also have a 10-day service standard.

Across the rest of the program, we're actually doing a service standard review to try to establish service standards. Given the investment that we've made to improve processing, we feel we're in a good position now to start looking at setting service standards in the coming year.

Over the course of the last year, we have improved the service level of the program by 22 business days, so we're seeing great improvements across the program in all streams.

Mr. Kyle Seeback: What would that 22-day improvement be? Would it be from 200 days to 178, or what are you suggesting?

Ms. Katie Alexander: On April 1, 2019, in the program the average processing time was 54 days. Now for February 2020, the average processing time is 32 business days.

Mr. Kyle Seeback: One of the complaints we have from the CFIB is about the difficulty of getting in contact regarding the process, say, for an LMIA, specifically with phone numbers. The phone number listed to get in touch with them is under the ESDC corporate information section, where very few business owners would ever think to look.

Are you considering making a phone number more readily available and apparent on your website and in other ways for businesses to get in touch to find out what's going on?

The Chair: Maybe we will have to find another opportunity to get the answer. Your time is up.

We will go on to Mr. Tabbara for four minutes.

Mr. Kyle Seeback: Could you maybe answer that subsequently?

Mr. Marwan Tabbara (Kitchener South—Hespeler, Lib.): Thank you, Madam Chair.

Thank you to the witnesses for being here.

I want to briefly talk about the start-up visa program and I'll give some credit to the Conservatives. This program started in 2013.

An hon. member: What are you doing?

Some hon. members: Oh, oh!

Mr. Marwan Tabbara: I'll end on a light note. The program was made permanent in 2018-19.

I want to talk about its successes and turn to the high-tech sector. I had an individual who came to my Waterloo region, whose name is Vikram. He started a website movnorth.com and is really trying to get a lot of the talent from Silicon Valley. As you know, some of the individuals have been on work permits for six-plus years in the United States. I'll just read a quote from an article:

Immigration things are getting a little out of control. There are all these...restrictions and arbitrary reasons for cancelling things. You live someplace six years, you want some kind of permanence, not a work visa forever.

Have we been able to harness the talented workers who are in the United States and elsewhere, because of restrictive visa measures? Can you share some success stories you've seen, and maybe an increase in numbers of immigrants coming particularly for high-tech jobs from this program that was started in 2013, now made permanent in 2018?

Ms. Marian Campbell Jarvis: Under the start-up visa program we've had about 420 principal applicants, who have launched about 250 new businesses over the past five years. There are currently about 29 business incubators, 23 venture capital funds and nine angel investor groups in the program.

I don't have the breakdown on the high-tech sector specifically, but anecdotally we're certainly hearing that's a big receptor for that.

On the evaluations so far, we're finding that the entrepreneurs coming through are younger, better educated and proficient in English or French, and some of them are settling in some of the smaller regions, so that's the stickiness factor. We've had 18% in Atlantic Canada.

It's a fairly small program but it seems to be having quite a big impact.

● (0945)

Mr. Marwan Tabbara: Excellent.

I'll leave it; that's okay.

The Chair: Thank you, Mr. Tabbara.

Thanks to all of the witnesses for coming today for the start of our new study. Maybe during the course of our study we might request that you come back again.

I will suspend the meeting for a few minutes so that we can go in camera for committee business.

Thank you.

[Proceedings continue in camera]

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