

Alberta Federation of Labour



**Presentation to
House of
Commons Standing
Committee
on Immigration**

**Edmonton, Alberta
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Good afternoon. My name is Gil McGowan and I'm President of the Alberta Federation of Labour.

As you probably know, the AFL is the largest union organization in Alberta. Unions affiliated with our Federation represent more than 140,000 workers in the province in both the public and private sectors.

At the AFL, we deal with a wide range of issues: everything from labour law, to workplace health and safety, to oil sands policy to efforts to protect public services.

But over the past two years, we've been focusing a growing amount of our energy and resources on a new issue: and that's the issue of temporary foreign workers.

In particular, we've been attempting to focus public and political attention on the growing problems caused by the massive – and we would argue, ill-advised and ill-conceived – expansion of the federal government's Temporary Foreign Worker program.

Towards that end, our Federation decided about a year ago to establish our own advocacy office for temporary foreign workers – and you heard from our advocate, Yessy Byl, earlier this afternoon.

We opened our advocacy office partly to gain a window into the inner workings of the Temporary Foreign Worker program. But we also did it for purely human and compassionate reasons.

Temporary foreign workers were literally showing up on our doorstep with nowhere else to turn.

These were people who had experienced mistreatment and outright abuse at the hands of employers and so-called employment brokers. But the federal government wasn't helping them. And the provincial government wasn't helping them.

We knew we couldn't turn these people away – and we knew we couldn't turn away from the issue.

That's why we're so pleased your committee has decided to launch an investigation into the Temporary Foreign Worker program.

Alberta has become ground zero for what is essentially a huge social and economic experiment – an experiment that we think is in the process of going horribly wrong.

We think your hearings are just what is needed to shine light in dark corners and reign in what has become in our view, a runaway federal program that is no longer functioning in the broader interests of the Canadian public.

With the limited time available to me today, I'd like to do three things.

First, I'd like to underline for members of the committee the scope and scale of the changes that have been made to the Temporary Foreign Worker Program over the past five years – changes that have accelerated in a particularly dramatic fashion since the election of the Harper government in 2006.

Second, I want to talk about how these changes are affecting temporary workers, Canadian workers and the Canadian labour market.

And finally, I want to highlight a number of the concrete policy recommendations that our Temporary Foreign Worker Advocate presented in her report, entitled “Alberta’s Disposable Workforce.”

When it comes to the scope of the changes that have been made to the Temporary Foreign Worker program you can't help but use words like “massive”, “sweeping” and “unprecedented.”

It's true that the program has been around for more than 40 years. So the name is not new – but almost everything else is.

In particular, the size of the program is new. The kind of workers being brought into the country under the program is new. And the purpose and use to which the program is being put by employers is new.

I'd like to take a minute to unpack each of these points starting with the size of the program.

Until relatively recently, the Temporary Foreign Worker program was a relatively small, sleepy corner of the federal bureaucracy. Ten years ago, the program was used to bring only about seven or eight thousand workers into Alberta each year.

But in 2006, the last full year for which statistics are available, nearly 24,000 workers were brought into Alberta under the program.

This number is significant because it marks the first time in Canadian history that a province brought more people into the country as temporary foreign workers than under the mainline immigration program.

And as large as the 2006 numbers were, we now know that they pale in comparison to the numbers of temporary foreign workers we have in Alberta today.

Just last week, Service Canada told the Calgary Herald that it had processed 100,000 individual applications from Alberta employers looking for temporary foreign workers in 2007. 100,000 applications ... in one province ... in one year.

We know that all of these applications probably didn't actually lead to visas being issued. But we think it's fair to estimate that there are now at least 50 or 60,000 temporary foreign workers in Alberta.

Clearly, the temporary foreign worker program is no longer a sleepy corner of the bureaucracy. And clearly, it is being used to do an end run around the mainline immigration system.

But, as I said, it's not just the size of the program that's changed. There has also been a significant change in the kind of workers brought into the country under the program.

The program was originally designed for professionals. Engineers. Accountants. Professors. Specialized technicians. In general, workers who are in a better position to take care of themselves in the labour market.

But now the doors have been thrown open. In November 2006, Monte Solberg unveiled the government's now infamous list of "Occupations Under Pressure."

Here in Alberta there are more than 170 occupations on the list. In the old days, employers could use the TFW program for only a narrow range of workers. And they had to prove that they had beaten the bushes looking for Canadians before they were granted the right to use the program.

But now, the list is no longer only a list of professional occupations. In fact, the majority of occupations on the list – and the majority of workers being brought into the country – now fall into semi and low skill categories.

But the list isn't only being used to widen the pipe, it's also being used to grease it. If you're an employer and you're hiring for an occupation that's on the list, it's assumed that there's a shortage – so no need anymore for proof of due diligence.

The bottom line is we're bringing more workers in, in more job categories ... and they are much more vulnerable and open to exploitation.

That brings me to the final – and maybe most important – thing that has changed about the Temporary Foreign Worker program. And that is the purpose to which it is being put by employers.

The TFW program in its original incarnation was explicitly designed to be a temporary stop gap mechanism – a tool of last resort.

It was intended to be used to bring in 5 workers here or ten workers there to supplement an employer's existing Canadian work force.

But increasingly, the program is not being used as a stop gap – whole work crews numbering in the hundreds are being hired.

The program is also being used as a first choice to fill staffing needs, not as a tool of last resort.

And, perhaps most importantly, for many of the employers, the temporary foreign worker program is no longer temporary.

Most employers won't admit it publicly, and people like Monte Solberg won't say it out loud, but the Temporary Foreign Worker program is being used as a human resource tool for the long term.

What's really galling about all of this is that these sweeping, fundamental changes were made without learning lessons from other countries who have experimented with guest worker programs.

We could have looked to the American experience. Or the German experience. Or the experience in any of a dozen other countries. Wherever these programs have been used they've led to exploitation, the creation of job ghettos and rising social tensions. But we didn't look at this international experience – or we thought for some reason it didn't apply to us.

What's also galling is that these changes were made without putting any of the necessary rules and safeguards in place to guard against the obvious exploitation and abuse that could develop. No rules for brokers; no mechanisms for inspection and enforcement; no government funded advocates or ombudsmen.

And what's also galling is that these changes were made without any public debate. No party ever ran on a platform of promising easy access to cheap, exploitable foreign workers. There was never a debate in any provincial legislature. There was never a debate in Parliament. Instead, the business community – especially the business community here in Alberta – asked for changes to the program and those changes were made.

So how bad is it really? Are we in the labour movement simply crying wolf? Well just yesterday, the CBC and the Calgary Herald reported that the provincial government's new advocate has handled more than 800 complaints from temporary foreign workers in 3 months. And earlier this afternoon you heard from our AFL advocate who has opened nearly 200 files and handled thousands of calls.

The complaints handled by both of these offices paint a disturbing picture of a dysfunctional program.

It's a picture characterized first and foremost by broken promises. Promised wages that are never received. Promised training that is never delivered. Promised accommodation that is either never provide or is sub-standard or gross over-priced.

It's also a picture characterized by a booming and shady new industry of self-proclaimed temporary foreign worker brokers ... who are governed by almost no rules; who routinely charge exorbitant fees; and who regularly ignore the few rules that we do put on the books.

But it doesn't stop there. Perhaps the most disturbing part of this story is the broken promises made to foreign workers about citizenship.

Over and over we've heard stories about workers who have been promised by brokers that the temporary foreign worker program is a pathway to Canadian citizen. We know that's not true. We know that the program is not immigration. But workers coming into the country under the program are being systematically misled.

In addition, to these disturbing stories, we've also heard stories about unsafe working conditions; racism and bullying; and stories about workers being threatened with deportation if they dared to complain.

When dealing with all of these challenges, foreign workers are hobbled and made more vulnerable by a number of factors. They don't know their rights. They often don't speak the language. And, probably most importantly, they don't have mobility. Their work visa has the name of their employer on it – and by law, they can't work anywhere else. Canadians, when confronted by a bad boss, can at the very least quit and get a job with a competitor across the street. But temporary

foreign workers don't have this option – and employers know it. To put it bluntly this is a systemic recipe for exploitation.

But the temporary foreign worker program is not just bad news for foreign workers – it's also bad for workers here in Canada.

By absolving employers of any real requirement to prove labour shortages, the federal government has handed employers a potent tool that they're using to ignore the economic laws of gravity.

In a tight labour market, Economics 101 tells us that employers need to respond by raising wages, improving working condition and investing more in training.

But easier access to the temporary foreign worker program is distorting these market signals. Why raise wages for your counter staff or your chambermaid when you can simply bring in more temporary workers from abroad? Why invest in more apprenticeship training when you can get the journeyman trades people you want in a few months instead of after training them for three or four years?

We've even heard of cases where Canadian workers have been let go, once temporary foreign workers arrive on a worksite – and where employers have stopped even making a pretence of posting new jobs because they prefer TFWs who are easier to control.

We've also heard of cases where unionized employers are not bothering to tell unions when temporary foreign workers are hired and the provisions of existing collective agreements are quietly being denied to these workers. It's illegal, but it's happening. And employers are getting away with it because no one is watching.

Based on all these experiences, it's clear to us that many employers are simply using temporary foreign workers as pawns to keep down wages and as an excuse to not invest in training the next generation of skilled workers.

This kind of short-term thinking may make sense for some people in the business community. But government is supposed to look at the long term and at the broader public interest. By those measures, the temporary foreign worker program as currently constituted simply doesn't pass the test.

Of course, supporters of the program will say that we're exaggerating the problems. They reassure us that provincial labour laws apply to temporary workers, not just Canadian workers.

But our labour laws and protections are complaint driven – and anyone who thinks that a low skilled Mexican worker who has been cheated by a bullying boss out of his overtime pay is going to file a formal complaint on his own is dreaming in Technicolor.

Supporters of the program will also point to the Provincial Nominee Program as proof that we're not creating a permanent underclass of second class citizens.

But the truth is that only a tiny percentage of workers are able to access the PNP as a bridge to citizenship. And even in the case of employers who use the program, at least some are using it as a tool to further intimidate and control workers. We've heard stories of employers who explicitly say to their temporary foreign workers: work hard, behave, don't complain and we'll sponsor you ... if they don't toe the line the implications for their future citizenship are clear.

And while the provincial government in Alberta has recently started making at least token efforts to police the TFW system, the same cannot be said of the federal government.

We know that some employers are not paying the rates listed on their LMOs. We know that some employers are using workers for jobs that they're not approved for. We know that many employers are not consulting with unions they are required to and not extending the provision of collective agreement to TFW in unionized settings.

But these employers are getting away with these things because the federal government has absolutely no mechanism for inspection or enforcement. No compliance officers. No auditors. No ombudsman. The federal government has invested millions and million of dollars are staff and office to speed up the application process for employers. But they've done nothing to make sure their own thin rules are enforced. Basically the feds bring these workers into the country, but once they're here they wash their hands of them.

From our perspective, that's simply not good enough. And it's a gross abdication of responsibility.

So what needs to be done by the federal government to fix this dysfunctional system?

Most importantly, we think the federal government needs to admit that a huge mistake has been made. The program should be frozen and returned to its pre-2002 purpose and process until a real public debate can be conducted.

We realize of course that the chances are that this kind of moratorium will not be imposed. That's why in our report we outline a number of more specific recommendations which I won't enumerate today but which I encourage you to read.

The bottom line for us is that changes made to the temporary foreign worker program over the past few years represent a huge and disturbing departure from Canadian values and Canada's traditional approach to immigration.

In the past we've struck a social compact with immigrants: in exchange for their hard work and commitment to our communities, we have given them the privilege of citizenship. This is a formula that has worked well for us and upon which we've built an enviable international reputation. But the new approach embodied in the new temporary foreign worker program sends a different

message. It says bring us your labour, forget your families, forget your hopes and dreams and when we're done with you "goodbye." This is a narrow mean-spirited approach that flies in the face of Canada's best traditions. It threatens to undermine our hard-earned international reputation as a preferred destination for immigrants. And it's an extremely shaky foundation upon which to build our economic future.

So today, I'll leave you with a few simple pleas.

For the Conservative members of this committee – please go back to Monte Solberg and the Prime Minister and tell them they need to reconsider. Tell them that they need to consult with more than just the business community. And tell them to look south of the border for lessons about what can happen when you reject common-sense regulation in favour of promises from the business community that the market will take care of everything.

And for the Opposition members of the committee: please take hold of this issue. Spread the word about what's really going on. And most importantly, start the public debate that we never had on this important issue – but which we so desperately need today.

Thank you for your time.

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