

Temporary Foreign Worker Program Employment and Social Development Canada 140 Promenade du Portage Gatineau, Quebec K1A 0J9

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RE: Discussion paper on occupational scope for new Foreign Labour Program for Agriculture and Fish Processing

To Whom It May Concern:

On behalf of the Canadian Produce Marketing Association (CPMA), we are appreciative of the opportunity to provide comments to Employment and Social Development Canada on its discussion paper regarding occupational scope under the new Foreign Labour Program for Agriculture and Fish Processing.

## **About CPMA**

Based in Ottawa, CPMA is a not-for-profit organization representing companies active in the marketing of fresh fruit and vegetables in Canada, from the farm gate to the dinner plate, spanning the entire produce industry. The Association's members include major growers, shippers, packers and marketers; importers and exporters; transportation and logistics firms; brokers, distributors and wholesalers; retailers and foodservice distributors; and fresh cut operators and processors. Founded in 1925, CPMA is proud to represent nearly 900 domestic and international members who are responsible for 90% of fresh fruit and vegetable sales in Canada, including more than 200 Canadian-based grower/shipper organizations.

## **General comments**

Bridging the labour gap is critical to ensuring the success of the Canadian fresh produce industry in both the short and long-term. A 2023 Royal Bank of Canada report found that, by 2033, 40% of Canadian farm operators will retire, leaving a shortfall of 24,000 general farm, nursery and greenhouse workers<sup>1</sup>. Labour shortages are reported in both urban and rural areas of Canada, with impacts to businesses' productivity, sales, profitability, access to products and new business development. In fact, the Canadian Agricultural Human Resource Council (CAHRC) has found that labour shortages have cost the fruit and vegetable industry hundreds of millions of dollars<sup>2</sup>.

In addition to our domestic workforce, the fresh fruit and vegetable industry relies upon thousands of workers coming into Canada as part of the Temporary Foreign Worker Program (TFWP) and the

<sup>&</sup>lt;sup>1</sup> <u>Farmers Wanted: The labour renewal Canada needs to build the Next Green Revolution</u>, Royal Bank of Canada, 2023

<sup>&</sup>lt;sup>2</sup> AGRI LMI, Canadian Agricultural Human Resource Council (CAHRC), 2019

Seasonal Agricultural Worker Program (SAWP) to plant, cultivate, process, harvest and pack our products. Canadian horticulture relies more heavily on international workers than do other segments of agricultural production, with 43% of horticultural workers coming from outside Canada, (compared to 17% for the rest of agriculture), and 61% of horticultural farmers hiring foreign workers, (compared to 35% of the rest of agriculture). Our sector can therefore be acutely impacted by changes to the requirements of the TFW Program.

In addition to the feedback provided in this submission, we would like to express our strong support for the joint submission by the Fruit and Vegetable Growers of Canada (FVGC) and the Canadian Federation of Agriculture (CFA). The TFW Program is critical to the ongoing viability of many fruit and vegetable growing operations across Canada, and we urge the government to give serious consideration to these comments to avoid unintended negative consequences to fresh fruit and vegetable production and food security in Canada.

CPMA wishes to echo the recommendation made by CFA and FVGC that, while we are supportive of ESDC's approach to consultation regarding the development of this new program and the solicitation of comments on its different elements individually, it will also be important to provide the opportunity for stakeholders to provide feedback on the entirety of the new program proposal. This is critical to allow both industry and government to have a better assessment of the ways in which the various elements interact with one another, and of the new program's impacts as whole.

We also wish to state our strong agreement with the recommendation that the Seasonal Agricultural Worker Program should be maintained in its current form, as a separate stream of the TFW Program, distinct from the new Foreign Labour Program for Agriculture and Fish Processing.

## **Proposed occupational scope**

To effectively strengthen Canada's food security, the government must apply a total supply chain lens to ensure that all aspects of the agriculture and agri-food sector – which faces chronic labour shortages both on-farm and post-farm gate – are considered and supported.

Earlier this year, CPMA was disappointed to see the government announce the end of some measures under the Temporary Foreign Worker Program Workforce Solutions Road Map, including the reduction in the proportion of an employer's workforce able to come through the TFW low-wage stream, from 30% to 20%. While the proposed New Foreign Labour Program for Agriculture and Fish Processing deems all commodities within primary agriculture eligible, with no cap on limit of temporary foreign workers employed, gaps remain in addressing labour shortages in important post-farm gate roles in the fresh produce supply chain.

First, as noted by our partners, packing and grading are not explicitly mentioned in the scope outlined in the government's proposal. Under the current system, packing fruits and vegetables is eligible if at least 50% of the produce packed comes from the packinghouse's own farms. Operations that pack for other farms or grow less than 50% of the produce they pack are not considered primary agriculture and must apply through the TFWP Agricultural Low-Wage Stream. This is a major gap that the previous temporary measures under the Temporary Foreign Worker Program Workforce Solutions Road Map had sought to address, as packing operations without an on-farm presence play a critical role in fresh produce supply chains across the country. **CPMA therefore agrees with the recommendation made by FVGC and CFA** 

that future definitions and descriptions of the fruit and vegetable processing stream should explicitly include packing and grading, ideally including indication of the corresponding NOC.

Greater clarity is also needed related to the applicability of NAICS 3114 and NOC 95106 for the new program. The proposed scope in the discussion paper includes a note that "only a precise selection of job titles and duties of NOC 95106, as well as specific subcategories of NAICS 3114, would qualify for inclusion in the proposed new stream", and directs stakeholders to the Questions and Answers in Annex A for further information. However, Annex A only repeats that the scope is limited to a certain subset of jobs under the indicated codes, without providing further specification as to which jobs are included or not included.

The proposed scope also notes that jobs within the fruit and vegetable processing stream would include the processing of "perishable fruit and vegetable products, such as ready to eat salads, peeled or cut vegetables and fruit". CPMA strongly supports the inclusion of these jobs within the New Foreign Labour Program for Agriculture and Fish Processing. However, neither salads, nor peeled or cut vegetables and fruit, are specifically listed in NAICS 3114 or NOC 95106. Instead, both are listed under NAICS 31199. To provide greater certainty for the sector and allow for a thorough assessment of potential program impacts in future consultations, CPMA strongly recommends that the government ensure that the occupational scope for the new program clarify precisely which NAICS and NOC codes – and which jobs within those codes are included.

Second, under the proposed occupational scope, seasonal primary fruit and vegetable processing is limited to 270 days or less annually. As noted by our partners, it is not uncommon for fruit and vegetable packing operations to run year-round, due to contractual obligations with their buyers, who require a consistent supply of produce to meet consumer demand. Some packers may even supplement their local supply with imports during the off-season in order to maintain the volumes sought by retailers. This is also the case for operations producing minimally processed fresh fruit and vegetable products, such as fresh cut and bagged salad products, which are also dealing with highly perishable products. Therefore, in some instances, primary fruit and vegetable processing operations may require temporary foreign workers to fill jobs for more than 270 days. CPMA recommends that, within the new program, the government should put a mechanism in place to offer flexibility for these year-round operations.

In closing, with many Canadians continuing to struggle with the cost of food, it is essential that the Government of Canada not unnecessarily add to the costs of food production. The fresh produce sector requires a specialized, timely workforce to manage perishable products. Delays or shortages directly impact food quality and availability, highlighting the need for targeted labour solutions specific to this sector.

Thank you for taking the time to review our comments above. On behalf of its members, CPMA is appreciative of the opportunity to provide feedback on the department's discussion paper on occupational scope under the new Foreign Labour Program for Agriculture and Fish Processing. We would be pleased to answer any questions you may have in regard to these comments and look forward to working with the government to ensure this new program can deliver on its objectives.

Regards,

Ron Lemaire

President

Canadian Produce Marketing Association