

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

Submitted by email to: edsc.dgce.tet-tfw.seb.esdc@hrsdc-rhdcc.gc.ca

April 30, 2025

RE: Discussion papers on stream-specific work permits, transportation, health care provisions, and wages and deductions for the 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 papers regarding stream-specific work permits, transportation, health care provisions, and wages and deductions 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 more than 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 workers¹. 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 dollars².

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

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

² 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.

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.

The TFW Program is critical to the ongoing viability of many fruit and vegetable growing operations across Canada. In addition to the feedback provided in this submission, we urge the government to give serious consideration to comments submitted by other associations representing Canadian growers to avoid unintended negative consequences to fresh fruit and vegetable production and food security in Canada.

Importantly, CPMA reiterates 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.

CPMA also wishes to reiterate our previous recommendation, also 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 particularly important given the current consultation, covering four discussion papers, has overlapped with a federal election and associated government caretaker period. Additional time and consideration is needed to allow both industry and the incoming government to have a better assessment of the ways in which the various proposed elements interact with one another, and of the new program's impacts as whole.

<u>Discussion paper on stream-specific work permits</u>

CPMA welcomes the opportunity to provide input on the government's proposal to introduce a stream-specific work permit for all workers under the stream, to be valid for up to two years, and a refillable, two-year Labour Market Impact Assessment (LMIA), to be known as a Temporary Foreign Worker Employer Authorization (TFWEA).

While CPMA is generally supportive of the government's aims to increase flexibility for employers and to offer greater mobility for workers, we must note several areas where there is concern and/or a need for further clarification in this proposal:

First, as noted in our December 2024 comments to the department's discussion paper on
occupational scope, greater clarity is needed regarding which jobs are included (or not) under
the proposed Foreign Labour Program for Agriculture and Fish Processing – and would therefore
be covered under the stream-specific work permit. Further detail is also required as to how
seasonal work would be addressed under the permit, as some of the associated National

Occupation Classification (NOC) codes include jobs which are seasonal only, and others which can be either seasonal or year-round.

- Relatedly, CPMA urges the government to provide further consideration into the potential
 impacts of allowing transferability between widely divergent NOC codes included under the new
 Foreign Labour Program. This may not only pose a challenge for employers in finding workers
 with the necessary skills for their specific jobs (which may be quite different than skills required
 for other jobs within the Program), but may also lead to a higher number of workers seeking to
 transfer positions between different NOC codes incurring administrative and financial costs for
 employers.
- CPMA notes particular concern regarding the potential "poaching" of workers hired for highly seasonal work in fresh fruit and vegetable operations, such as cherry harvesting, which can only take place over a specific, short period of time. In such cases, receiving compensation from the other employer for a worker's transportation cannot make up for the losses incurred by not having workers available during the period for which they were hired.
- CPMA has also heard concerns regarding potential liability for employers in cases where a
 worker with time left on their stream-specific work permit leaves a position, (either early or at
 the end of the contract), without leaving documentation of where they are going. The
 government is encouraged to consider how it will manage tracking a worker's movement
 throughout the course of a two-year stream-specific work permit.
- It is important to note that effective worker transfers between employers already occur under SAWP, in advance coordination and agreement with both employers, the worker, the Government of Canada and the source country. While CPMA reiterates that SAWP should be maintained as a separate program, we also recommend that the government consider the necessary protocols and mechanisms to facilitate similar, proactive transfers under the new Foreign Labour Program, which would allow for worker mobility while also mitigating some of the concerns regarding "poaching" between employers.
- Finally, while CPMA recognizes the potential benefit to employers of being able to refill
 positions under the same TFWEA, and to be able to proactively arrange worker transfers
 between employers under the stream-specific permit, it is important to note that these benefits
 will not be fully realized without the necessary digital infrastructure to streamline these
 processes. Therefore, the government must ensure that the necessary government portal or
 other similar digital infrastructure is in place and sufficiently resourced prior to the launch of the
 new Foreign Labour Program.

Discussion paper on transportation

CPMA also welcomes the opportunity to provide feedback on the government's discussion paper on transportation under the new Foreign Labour Program for Agriculture and Fish Processing. We agree with the government that "transportation requirements must be clear, simple and support a fair distribution in costs between multiple employers who employ the same temporary foreign worker".

To begin, CPMA would like to reiterate that – particularly since this discussion paper does not outline a defined proposal from the government, but instead offers a number of potential transportation cost models for input and welcomes other ideas to be brought forward by stakeholders – it is critical that stakeholders are offered another opportunity to provide comments on the entire proposed program once the government has chosen a model for sharing of transportation costs between multiple employers.

Among the potential models outlined in the discussion paper, CPMA would support Potential Approach 2-A, in which employers are responsible for round-trip transportation, with shared responsibility between employers, similar to the requirements under SAWP. CPMA would also specifically discourage the government from taking Potential Approach #1 (a flat rate fee and central pools managed by a third party), which would be overly complicated to administer and likely to incur substantial administrative burden.

Of utmost importance, to avoid disputes, transfer agreements must clearly outline the details of how transportation costs will be provided, with agreement from the worker, all employers involved, and the government. The agreement should also specify when return travel must be booked after the close of the work period(s). Given that workers under the new Foreign Worker Program will be able to work under multiple consecutive contracts within a two-year time period under the same stream-specific permit, we would also strongly encourage contracts to include a specified timeline that the worker may remain in the housing provided by the employer after the end of the contract with an employer.

Discussion paper on health care provisions

CPMA also welcomes the opportunity to provide feedback on the government's discussion paper on health care provisions under the new Foreign Labour Program for Agriculture and Fish Processing, and we agree with the government's objective to ensure that temporary foreign workers under the new Foreign Labour Program have health coverage throughout the duration of their work period.

As with the discussion paper on transportation, this discussion paper does not outline a detailed proposal from the government, but solicits feedback on a general direction and invites other ideas from stakeholders. Therefore, stakeholders should be given another opportunity to provide comments on the entire proposed program once the details of the government's proposal for the provision of health care under the new Program are available.

In particular, CPMA would encourage the government to work with other levels of government to develop further clarification on health care provisions in cases in which a worker under the proposed Program transfers between positions in different provinces, some of which currently require a waiting period for prior to the start of worker health care coverage — and could therefore result in a worker transitioning from private to public health care coverage multiple times over the course of their two-year work permit.

Discussion paper on wages and deductions

To-date, CPMA has not received specific comments from members regarding the government's proposals related to wages and deductions. While we attribute this in part to the overlap of the consultation period with the federal election, ongoing trade volatility, as well as the beginning of the busy growing season, we would also note that, as with other papers noted above, further detail (e.g. regarding housing deductions and how transportation costs will be allocated among employers) would be helpful in garnering more fulsome feedback. Particularly given the complexity involved in this element of the new Program, CPMA strongly urges the government to provide another opportunity for stakeholders to offer feedback on the program as a whole once further clarification can be provided.

In closing, with many Canadians continuing to struggle with the cost of food – and many producers concerned about the impact of trade volatility with the United States, it is essential that the Government of Canada not unnecessarily add to the costs of food production. CPMA reiterates that 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 papers on the proposed stream-specific work permit, transportation, health care provisions, and wages and deductions 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.

Sincerely,

Ron Lemaire

President

Canadian Produce Marketing Association