



Canadian Employee Relocation Council

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The Honourable Chris Alexander, P.C., M.P.
Citizenship and Immigration Canada
365 Laurier Avenue West
Ottawa, Ontario
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Dear Minister Alexander,

Thank you for taking the time to meet with CERC members in Toronto on December 18, 2013. We found the discussions productive and I hope our concerns will be taken into account as your government considers additional changes to the Temporary Foreign Worker Program and the rules governing Intra-Company Transfers.

At the opening of our meeting Mr. Manicom made reference to the address of Prime Minister Harper at the World Economic Forum meeting in Davos, Switzerland in January 2012, where he said, *"We will ensure that we make our economic and labour force needs the central goal of our immigration efforts in the future."* In our view the measures implemented to the TFWP since May 2013 and the proposed changes to the ICT rules are contrary to this statement.

As noted during our meeting, CERC has recently conducted a survey of our members about the use of the TFWP. I am pleased to share a copy of our findings with you. From this survey it is clear that while highly skilled workers (NOC categories O,A, and B) account for the majority of employees hired as TFWs, the changes implemented to the program earlier in 2013 are making it extremely difficult for employers to actually get those employees into the Canada.

From our survey we also learned that in addition to the lengthy processing delays for Labour Market Opinions (which are now taking over 12 weeks to process) the impact of the June 2013 changes are negative and wide ranging, including; additional costs to business; delayed completion of contracts and projects; loss of talent; loss of business opportunities and; in almost one third of the companies we surveyed, the movement of work to locations outside of Canada.

From extensive consultations and surveys of our members we know that when it comes to hiring skilled workers, employers have a strong commitment to hiring Canadians first. This point was reiterated by all of the companies in attendance on December 18. Indeed, many companies have a policy to support that commitment. Reality is that many of the skills in demand are in short supply in the Canadian labour market. We also know from our research that Canadian workers are reluctant to relocate.

Employers need access to skilled workers and, as pointed out at our meeting, despite the greatest of efforts on the part of employers to hire Canadians, hundreds of vacancies remain unfilled and the only recourse to fill those positions is through international recruitment.

Since introduction of these changes the TFWP is fraught with inconsistent adjudication, delays and confusion for employers. Canada is no longer viewed as having a predictable and efficient program for attracting highly skilled workers under the TFWP. And, as you so rightly pointed out in the meeting, this (TFWP) *“is an important program for business.”* In our view the policy framework for highly skilled foreign workers and ICTs must be far different than the policy for low skilled workers.

On the issue of the prevailing wage requirement, the recent changes fail to recognize that companies today rely on a global talent supply chain which requires flexibility in moving people within the organization. As pointed out during our meeting, Canadian employers often pay wage premiums in order to motivate foreign workers to move to here.

Companies are certainly willing to pay foreign workers the same remuneration as Canadian workers, along with the additional relocation and settlement costs. The issue is not with wages, but rather with rigid and often business-unfriendly positions adopted by officers who are not familiar with the realities of recruitment and retention. As we all agreed, time did not permit a full discussion of this issue at our meeting, and we would welcome an opportunity to meet with your office to explore this further.

We briefly discussed the hiring of international students from universities and were pleased to learn employers may hire students and they will not be considered as TFWs, with respect to any proportionality test that could be adopted.

We trust this approach will apply to all stages of post-graduation work authorization, from the PGWP program, to any subsequent LMO based on the international student variation (even though our members have a major concern about the wage flexibility provisions removed from the program in September 2013, which results in wage disparity between international graduates hired by a Canadian company, and Canadian students entering the work force in junior levels of skilled occupations).

During our meeting we also discussed concerns regarding the proposed changes to the rules for Intra-Company Transfers. We are pleased to learn that the government is not proceeding with the proposed restriction on placing ICTs at third party worksites.

However, we would like to restate our concern with the other components of the proposed ICT changes, particularly the impact they will have on businesses to compete at a global level. As noted in our November 2013 survey of employers that use the ICT program, the majority of those transfers are management and specialized knowledge workers. In that same survey almost three quarters of the companies ranked the importance of ICTs to be “critical for business operations.”

CIC statistics indicate ICT workers comprise only a small percentage of foreign workers in Canada. These workers bring international leadership and innovation to the Canadian workplace which in turn creates investment and good paying jobs for Canadians. Placing restrictions on this program will have a negative impact on the Canadian economy.

Furthermore, if enacted, the proposed changes appear to be in conflict with mobility provisions in many of Canada’s international trade agreements. To reiterate one example we discussed, a worker’s length of company or industry experience is not always the best proxy for determining specialized knowledge

workers, particularly in the IT and other knowledge intense industries that are driven by new ideas and innovation, and where new occupations regularly emerge. We suggest your officials consider developing a clearer definition of specialized knowledge workers, just as the U.S. Department of Homeland Security has done recently.

In conclusion, we are in general agreement that steps may be necessary to place restrictions on the use of temporary foreign workers where those same skills are available within the domestic labour market. However, those restrictions should not be expanded to include high skilled occupations where very real shortages exist today.

As your ministry continues to review the options for the future of the TWF and ICT programs we ask that full consideration be given to the issues we discussed in the course of our meeting and are summarised in this letter.

Thank you once again for taking the time to meet with us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Stephen Cryne', with a stylized flourish at the end.

Stephen Cryne
President and CEO, Canadian Employee Relocation Council

Attachment:

c.c.: The Honourable Jason Kenney, P.C. M.P

Minister of Employment and Social Development and Minister for Multiculturalism