

Hon. Salma Zahid
Chair,
Standing Committee on Citizenship and Immigration
Sixth Floor, 131 Queen Street
House of Commons
Ottawa ON K1A 0A6
Canada
Via Email: CIMM@parl.gc.ca

May 03, 2021

Dear Madam Chair,

Re: LABOUR MARKET IMPACT ASSESSMENT UNDER THE TEMPORARY FOREIGN WORKERS PROGRAM

The Canadian Employee Relocation Council (CERC) has requested to appear before the Standing Committee on Citizenship and Immigration as it conducts hearings into the Labour Market Impact Assessment (LMIA) under the Temporary Foreign Workers Program.

In the event that we are unable to appear before the Committee, we have prepared the following brief for the Committee's consideration.

At the end 2015 CERC conducted a survey of employers to gauge how changes to Canada's Economic Immigration programs implemented in 2015 were impacting Canadian business. Key findings included:

- 60% of respondents said the changes to the system over the past few years have had a negative impact on business planning strategies.
- In 16 per cent of the companies surveyed, work has been moved outside of Canada as a consequence of the changes.
- Several of the companies also note that hiring strategies have been changed and positions are instead being moved to other countries with less immigration lead times (Germany, Ireland, UK, and India).
- Over two thirds of the companies surveyed (70%) report that the changes to the Labour Market Impact Assessment (LMIA) process have had a negative impact on the organization's business planning, and their ability to recruit skilled workers.
- Ambiguous and ongoing changes to immigration rules (66%) and access to accurate and reliable information from government sources (56%), are cited as the top challenges when transferring employees into Canada.

A copy of the complete report and recommendations is attached. The conditions and challenges identified in the survey remain largely the same in 2021.

In addition to the findings of the above noted survey and subsequent recommendations, there are several challenges within the LMIA process today relating to the implementation of the Global Talent Stream (GTS), that we believe the Committee should also consider.

Employers certainly appreciate the speed of processing under the GTS compared to the regular LMIA process. However, the two week processing of assessments, as marketed by ESDC, is somewhat misleading. It takes time for a company to formulate a labour market benefits plan. That plan must then be reviewed / approved by ESDC (which does take two weeks), and then the work permit application itself must be processed. The latter often takes between 6- 8 weeks with all the processing points (submission of biometrics, submission of passport etc.) required to be travel ready to Canada. The overall time for processing is in the order of 12 – 14 weeks, which is challenging to employers that have positions that cannot be filled from within the Canadian domestic labour market.

Also of concern is modernization of the Occupational Codes in Category B. Those Codes should be regularly reviewed and updated more frequently to reflect labour market realities in consultation with industry. For example, tech companies have suggested including NOC codes for senior corporate sales managers (which are in demand) as well as new hire executives. The government has carved out certain segments of an occupational code previously: for example, not all digital media designers are eligible for GTS, and require certain years of experience to qualify

The labour market benefits programs presented by certain officers can be quite onerous. For example, we have learned of situations where labour market benefits plans requiring the contribution of millions of dollars to research institutions or the hiring of dozens of Canadian IT workers. Although we can appreciate officers trying to tailor the GTS program company to company, having more objective benchmarks relative to company history, its revenue and size would encourage more companies to participate in the program.

Other program requirements that are problematic for employers include

- The strict LMIA documentary requirements for “business legitimacy” (why is a publicly traded company required to submit their corporate tax forms?)
- Specific situations where LMIA's are not appropriate. Requiring the publishing of annual salaries for executives, CEOs and unicorns that would erode the organization's competitiveness.

Thank you for this opportunity to share our views and recommendations on the Labour Market Impact Assessment under the Temporary Foreign Workers Program and contribute to the important work of the Standing Committee on Citizenship and Immigration.

Sincerely,



Stephen Cryne
President and CEO, Canadian Employee Relocation Council

About CERC

The Canadian Employee Relocation Council (CERC) is a not-for-profit organization dedicated to removing barriers that restrict mobility and deployment of human capital, which are vitally important to Canada's future prosperity. Established in 1982, the Council represents the interests of its members on workforce mobility matters. Many of the Council's members are listed in Canada's Financial Post Top 500.

Since 2006 CERC has been providing government with constructive recommendations to improve Canada's immigration system and temporary foreign worker programs. CERC has also played a key role in ensuring labour mobility is a key consideration of the Canadian government in the negotiation of trade agreements between Canada and other countries.

CERC regularly conducts research on mobility and immigration issues providing valuable insights to business, government, and other stakeholders.

CERC collaborates with several international partners to advance the interests of business in promoting the global movement of skilled workers. These groups include EuRA, the Global Forum for Migration and Development (GFMD), SHRM and WERC.

Visit us at www.cerc.ca to learn more.