

Food and
Beverage
Canada



Aliments
et boissons
Canada

February 23, 2022

Standing Committee on Agriculture and Agri-Food
Sixth Floor, 131 Queen Street
House of Commons
Ottawa ON K1A 0A6
E-mail: AGRI@parl.gc.ca

Dear Chair and Committee Members

Food and Beverage Canada – Aliments et boissons Canada (FBC-ABC) thanks you for the opportunity to appear before the House of Commons Standing Committee on Agriculture and Agri-food on February 10, 2022, as part of the Committee’s study on the Agriculture and Agri-food Supply Chain.

Our food system contributes to Canada’s national, provincial, territorial, and regional economies, it supports our international trade goals, and it underpins local food production and food security. For the past two years, Canada’s food supply chain has been under inordinate and destabilizing pressure and today more than 90% of Canadian food companies are experiencing supply chain issues. The reasons are complex and include disruptions in global supply chains due to the pandemic, price inflation, natural disasters and transportation infrastructure disruptions. For food and beverage manufacturing the number one overriding issue is labour.

Food and beverage is the largest manufacturing employer in the country with, at capacity, almost 300,000 workers. Today, however, on average, Canadian food and beverage manufacturers are short 25% of their workforce.

Further to our appearance at Committee, we would like to submit the food and beverage manufacturing sector’s proposal for an Emergency Foreign Worker Program for the Committee’s review and consideration. This proposal was developed by 11 industry groups as a short-term temporary measure to address the sector’s urgent labour crisis, while longer term solutions are developed.

The proposal builds on existing programs within ESDC and IRCC to allow for additional foreign workers to come to Canada to support our sector, while also offering them real pathways to permanent residency. It would require no additional spending, no changes in legislation, and would provide our workers with the support and relief they need as we try to maintain Canadian food production.

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ONTARIO

Food and Beverage Canada-Aliments et boissons Canada
613.402.3495 | ksullivan@fbc-abc.com

fbc-abc.com

We are disappointed that, to date, the federal government has provided no firm response to the proposal.

Since the start of the pandemic, Canadian food and beverage manufacturers and their workers have ensured the continued operation of the Canadian food supply chain. They have shown their commitment to Canadians. It is now time for us to demonstrate our commitment to them.

We look forward to the opportunity to discuss this with you further.

Yours truly,

Kathleen Sullivan, CEO
Food and Beverage Canada



**FOOD AND BEVERAGE MANUFACTURING
EMERGENCY FOREIGN WORKER PROGRAM
JANUARY 25, 2022**

Food and beverage is Canada’s largest manufacturing employer with almost 300,000 workers. The industry is currently facing a debilitating workforce crisis, with companies reporting vacancy rates of over 20%. The inability to secure a strong and stable workforce is impacting food security and economic recovery and is undermining our ability to support a domestic agriculture and food system.

In their mandate letters, the Minister of Agriculture and Agri-food and the Minister of Employment, Workforce Development and Disability Inclusion are asked to “develop a sector-specific Agricultural Labour Strategy to address persistent and chronic labour shortages in farming and food processing in the short and long term.”

Long-Term Strategy

The agri-food sector has embarked on a 2-year project to develop a long-term Agriculture and Food & Beverage Manufacturing Workforce Strategic Plan to address industry’s chronic labour issues. This project, led by the Canadian Agriculture Human Resources Council (CAHRC), the Canadian Federation of Agriculture (CFA), and Food and Beverage Canada, will bring together agri-food leaders and stakeholders to examine issues such as: industry

attractiveness and culture, skills development, automation, underrepresented groups and the role of foreign workers. Work began on the project in fall 2021 and will conclude in summer 2023.

Short-Term Strategy

Despite the work on a long-term strategy, industry urgently requires immediate short-term measures to address the today's labour crisis and to stabilize the workforce. In November 2021 industry asked the Federal-Provincial-Territorial (FPT) Agriculture Ministers to implement immediate actions to alleviate the urgent labour crisis facing the food and beverage manufacturing over the upcoming 18 months, with a focus on an Emergency Foreign Workers Program.

Eleven industry associations presented an initial proposal for an Emergency Foreign Workers Program in December 2021. Following further consultation, the following refined proposal is being advanced. This refined proposal builds on existing programs within Employment and Social Development Canada (ESDC) – in particular, the *Two-Year Employment Duration for Meat Processors Pilot* – and all measures are within the purview of the Minister of Employment, Workforce Development and Disability Inclusion. The proposal would meet the Ministers' priority to develop a short-term strategy to address the food and beverage manufacturing sectors labour needs.

EXPAND THE *TWO-YEAR EMPLOYMENT DURATION FOR MEAT PROCESSORS* AND THE *AGRI-FOOD IMMIGRATION PILOTS*

The *Two-year Employment Duration for Meat Processors Pilot* (the LMIA Pilot) launched in December 2019, allows employers to hire low-wage temporary foreign workers for up to 2 years on the same Labour Market Impact Assessment (LMIA). The LMIA Pilot was developed to support a temporary foreign worker employee's application for permanent residence and was tied to the *Agri-food Immigration Pilot*. We believe these pilots could be expanded for a fixed term to address the immediate labour challenges facing the broader food and beverage manufacturing sector.

The food and beverage manufacturing sector is recommending that, on an immediate basis, the Pilots be extended and expanded as follows:

- Under both the LMIA Pilot and the Agri-food Immigration Pilot
 - Eligibility be expanded to include North American Industry Classification System (NAICS) 311 (Food Manufacturing¹) and NAICS 3121 (Beverage Manufacturing).
 - Eligibility be expanded to include all relevant National Occupational Classification (NOC) codes used by food and beverage manufacturers.
 - Processing times be aligned with the service standards for the Global Talent Stream and Seasonal Agricultural Worker Program.
 - The amended Pilots both be extended through to the end of 2023.
- Under the LMIA Pilot:

¹ The current Pilot includes NAICS 3116 Meat Product Manufacturing.

- The Pilot continue to allow a 2-year LMIA, with access expanded to include temporary and/or seasonal jobs.
- The TFW cap be increased to 30%.
- Job advertising requirements, currently four consecutive weeks in the three months prior to submitting an LMIA, be waived under the LMIA Pilot (expanding the waiver recently announced for Quebec).
- Under the Agri -food Immigration Pilot:
 - The limit on the number of applications permitted under the Agri-food Immigration Pilot be removed.
 - To meet education requirements [“Education at high school level or greater (Canadian equivalency)”] applicants be permitted to submit copies rather than original documents and/or be able to demonstrate 2 years of Canadian experience.

In addition to expanding the Pilot, we also recommend examining opportunities to prioritize and/or streamline processing of applications within both ESDC and IRCC.