

September 3, 2024

Hon. Randy Boissonnault, P.C., M.P.
Minister of Employment, Workforce Development and Official Languages
House of Commons
Ottawa, Ontario K1A 0A6

RE: Temporary Foreign Worker Program Vital to Canadian Retail Industry

Dear Minister Boissonnault:

On behalf of the members of the Retail Council of Canada (RCC), I am writing to share our industry's concerns with the recent changes to the Temporary Foreign Worker Program (TFWP) and urge you to consider targeted amendments to sustain critical retail operations across Canada.

Retail is the largest private sector employer in Canada and one of the largest drivers of our country's economic wellbeing. As a result of labour market tightening in Canada, our sector has relied on the TFWP to fill key positions. Retailers use this program not to exclude Canadian workers but because in many locations they must do so because of an absence of Canadian candidates. In fact, most companies use temporary workers to complement their Canadian workforces and in turn that enables them to grow their businesses and the national economy.

While we understand the government's rationale for putting limits on the low wage stream of the TFWP, our concern is with the unintended policy consequences and the tight implementation timelines. Our members have raised many practical concerns, and they worry that in the short term this could result in layoffs, an inability to fill crucial operational roles, and potentially, in store closures, with an overall loss of jobs, including those of Canadian workers.

To avoid these negative outcomes, we urge your department to consider targeted amendments to the announced program changes that will help mitigate the impact on retail workforces. Below are some suggestions that we would be happy to discuss with you and your officials.

First, the TFWP changes should account for the variations in labour availability within census metropolitan areas. For example, within the Sudbury metropolitan area there are urban and rural areas with markedly different access to workers. Adopting a more nuanced approach that allows exceptions for labour availability discrepancies within census metropolitan areas would help employers in those specific geographic locations.

Second, if limits are to be applied to the TFWP in areas with unemployment rates above 6%, then that policy should be counterbalanced by having more leeway in census metropolitan areas with very low unemployment rates. In these very low unemployment rate areas, employers should be allowed to have more than 10% of their workforce be derived from the TFWP to compensate for the added recruitment challenges in those specific geographies. This change would achieve the government's objective of ensuring

that Canadians are not displaced by foreign workers while also giving employers a valuable tool in settings where severe labour shortages exist.

Third, the new limits on the TFWP should not create an unfair distribution of temporary workers between exempted and non-exempted sectors- especially when sectors on either side make up important components of the same supply chain. The retail sector and the food processing sector are both part of Canada’s critical food supply chain, however retail has not been granted any exemptions to the new rules while food processing has. This means that foreign butchers and bakers are currently allowed to come into Canada under the TFWP for food processing but not for retail, yet they serve important and indeed highly similar roles in both settings. Without exemptions for certain worker categories for retailers, the new TFWP policies will create disruptions to Canada’s food and other crucial supply chains.

These are just three of the areas where the sweeping nature of the new changes will create problems for retailers and for Canada’s labour market. We suggest that the government commit to working with our industry to tackle these problems. If we do not address many of these legitimate concerns soon, Canadians could be faced with retail outlet closures, food price increases, product shortages, and more pressure put on their pocketbooks.

I recommend that our teams meet as soon as possible to go over these concerns and to work on a plan to address them.

Sincerely,



Diane J. Brisebois (she/her/elle)
President & CEO – Présidente et Directrice Générale
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