

Labour crunch

“In the absence of sufficient access to foreign origin workers to address the serious gap between the supply and demand of Canadian butchers and meat cutters, the future sustainability of Canada’s livestock and meat sector will be jeopardized.”

Recent changes to the Temporary Foreign Workers Program have made the industry’s chronic labour problems that much worse

BY LOIS HARRIS

THE CANADIAN MEAT industry is being hit by a serious labour shortage that, left unchecked, could drive down demand and prices for hog producers.

In early January, the Canadian Meat Council (CMC) said there were more than 1,000 ‘chronic’ vacancies across the country, causing plants to reduce or stop producing value-added items, send specialty meats to rendering rather than use them for high-end export markets and give up or not pursue exports – all actions that are leaving them with less profitability and shakier prospects.

While the effects are being felt mostly in the west, eastern plants are feeling the squeeze, too.

“Attracting people to the industry in general is challenging,” says Arnold Drung, President of Conestoga Meat Packers in an email. “We have difficulty getting skilled labour even in an area with relatively higher

unemployment than in other provinces.”

Conestoga, located just outside Kitchener-Waterloo, is a co-operative pork processing plant owned by 160 farm families. It processes 24,000 hogs per week and employs about 700 people.

“We are not able to do all the value-added activity that we would like to do,” says Drung.

As a co-operative, Conestoga has a unique take on the issue.

“This is very difficult for all parts of the industry – farmer and processors – particularly in rural Canadian plants that are in dire straits without access to either a viable Canadian labour pool or temporary foreign workers,” Drung says.

Amy Cronin, chair of Ontario Pork confirms the point, “When there’s not enough labour, there’s the potential for processors to shut down, and the pigs have got to go somewhere.”

Cronin has first-hand knowledge of a major processor closing down, with Quality Meat Packers shuttering its Toronto plant in the spring last year. While in that case, the pigs were re-directed to facilities with unused capacity, plants in Quebec and south to U.S. markets, she says that too many closures could create a glut in the market and drive down prices.

According to the CMC, producers are already selling fewer animals at lower prices to Canadian meat packers and are exporting more to the U.S.

Coming to grips with the problem has been troublesome, with companies that are willing to train and pay domestic workers well, but few are willing to take the jobs.

At Conestoga, the approach is to cast a wide net to recruit skilled and unskilled workers, using more than 100 sources including local advertising, participating in job fairs, and

partnering with various agencies. The company also has a fluctuating number of temporary foreign workers, but can't use them as much due to government restrictions.

Last spring, Ottawa overhauled the Temporary Foreign Workers Program (TWFP) to make it a 'last and limited resort to fill acute labour shortages on a temporary basis when qualified Canadians are not available.' The government reduced the amount of time a foreign worker could stay in Canada, and capped the number of foreign workers allowed in any business. Farmers were exempted from the changes, but meat processors were not.

Drung says that his company looks for a path to permanency for the foreign workers they recruit – both skilled and unskilled. Most meat-packing plant workers are considered unskilled – something he says the industry is working with the government to change.

Renewed hope came in January this year with the introduction of an 'Express Entry' program designed to fast-track permanent residency for immigrants in highly-skilled, in-demand occupations. But industrial butchers and

meat cutters were not included in this program.

"In Ontario particularly this poses a problem, since there are few other avenues to achieve permanent residency for these workers," Drung says.

Amy Cronin, who has nine foreign workers on her own hog farm, says, "We understand the government's desire to have Canadians hired first – we do too – but when needed, offshore workers are a good alternative."

To fix the problems, Cronin suggests that processors should be exempt from the changes in the temporary foreign worker program, along with producers.

"Instead of negatively impacting the entire industry, the government could be encouraging economic growth," she says.

Drung suggests that meat pack-

ers and processors need better access to new immigrants and more partnerships with government to fill industry vacancies. He also would like to see the express entry option opened up to industrial butchers.

As of January 5th, prospects looked bleak with the CMC warning, "In the absence of sufficient access to foreign origin workers to address the serious gap between the supply and demand of Canadian butchers and meat cutters, the future sustainability of Canada's livestock and meat sector will be jeopardized."

The Council added, "Conversely, should the industry be permitted to access foreign origin workers when Canadians are demonstrably not available, the entire supply chain, including farmers, food processors, workers, consumers, rural municipalities, provinces and the local and national economies, would all benefit." **H**

