

Pork and Beef Manufacturing: Labour Market and Industry Support Measures

July 2019

In light of the sudden trade disruption affecting Canadian beef and pork exports to China, and in view of its potentially serious and long-term negative impacts on the industry, workers and their communities, we call on the federal government and its provincial/territorial counterparts to:

- respond quickly and effectively, prioritizing the needs of workers and affected communities (including newcomers and Indigenous Canadians) in their support efforts;
- ensure that impacted workers receive enhanced income and transition assistance beyond what is provided as baseline EI, training and work-sharing support;
- provide assistance with an eye to encourage product and process innovations in Canada's pork and beef industry and diversifying its export markets; and
- ensure that support is aimed at protecting existing communities first and helping workers to remain in their communities and the meat processing industry. Where that is not possible, provide retraining and relocation assistance for workers.

Federal measures should include the following:

- Employment and Social Development Canada (ESDC) programming and support to mitigate job loss and provide support for displaced workers and their communities;
- Loans, loan guarantees and targeted funding available to businesses under the Business Development Bank of Canada (BDC), Export Development Canada (EDC), and the Strategic Innovation Fund; and
- Market and product diversification with the assistance of Agriculture and Agri-Food Canada (AAFC) and Innovation, Science and Economic Development (ISED)

Specific initiatives and programming should include the following:

1. Work-Sharing

To address the need to help the industry, workers and their communities weather the trade disruption, the federal government should extend Work-Sharing Program temporary special measures, currently applying to the forestry and steel and aluminum industries, to the meat producing sector of the food manufacturing industry. This would extend the duration of work-sharing agreements by an additional 38 weeks to a total of

76 weeks for workers in meat processing. The mandatory waiting period would also be waived so that employers with a recently expired agreement can immediately apply for a new agreement, without waiting between applications.

2. Extension of EI Regular Benefits

Support from EI benefits should be extended by 20 weeks and apply to all workers in the industry. We recommend that workers be eligible to convert some of this additional support into a mobility grant if they are forced to commute to a new workplace. In addition, workers that use their severance package to move or to access training should not have their EI benefits curtailed. Dedicated Service Canada representatives should be assigned to the industry and specific plants in order to expedite group claims, and resources allocated to ensure client service levels meet claims processing and speed of payment targets.

3. Training and Employment Assistance Services

Displaced workers should be able to quickly and seamlessly access employment services, group services, and individual counselling. Service Canada should dedicate resources in affected regions toward providing needs assessment, employment counselling, job search assistance, and other supports. The federal government should ensure, in conjunction with the provinces and territories, that all facilities experiencing layoffs will have access to labour adjustment facilities, including job opportunities in the industry across Canada. Additional funds should be made available to the provinces and territories through the Labour Market Development Agreements to expand job and training programs available to both existing and transitioning workers.

4. Industry Assistance

The federal government should support industry investments in innovation. This includes capital expenditures on new equipment and production and process technologies through the Strategic Innovation Fund. As well, additional funding should be available to support investments in workforce training and upskilling related to these new technologies and processes.