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LABOUR SHORTAGE

Tourism industry seeks Filipino workers

LYLE JENISH
SPECIAL TO THE GLOBE AND MAIL

VICTORIA -- A shortage of foodservice and housekeeping workers has B.C.'s \$9.8-billion tourism and hospitality sector worried.

So much so that operators have launched an aggressive international recruitment campaign that is delivering Filipino workers to Vancouver Island's west coast.

"Worker shortage is a crisis, not just a challenge," says Charles McDiarmid, managing director of Tofino's up-market Wickaninnish Inn. "The entire 2006 season we spent thousands of dollars advertising for workers in Canada. There was not a day [in 2006] that we were not actively recruiting. But we were still chronically short between 10 and 20 workers."

Wickaninnish Inn will welcome six Filipino workers this spring. Expected to be the beginning of a long-term plan for foreign worker recruitment, he says the Filipinos will stay in the resort's worker living units.

"We hope to bring a number of Filipinos over [to Tofino] so they can establish camaraderie and a system of support."

Mr. McDiarmid says efforts will be made to nurture a "community atmosphere" by encouraging Tofino grocers to stock Filipino food items and through creation of a network with other operators employing Filipinos.

B.C. and Yukon Hotel Association spokesman Ashley Haslett says Filipino workers will also come to Whistler and the Okanagan this year.

The BCYHA has retained Victoria firms Chemistry Consulting and Success Immigration Services Canada Ltd. to find Filipinos on behalf of its members. Mr. Haslett says the program is crucial to the continued health of the hotel industry across the country, because Canadians are not responding to aggressive advertising and recruitment.

Mr. Haslett says a recent poll of the association's 580 members representing 48,000 rooms indicated 79 per cent are planning to hire this year. Of these, 70 per cent were finding it hardest to get room attendants and housekeeping and cleaning staff.

"Forty-two per cent of these members report losing business because they have been unable to hire staff," he says.

So, through an office in Cebu City, Philippines, Success Immigration is recruiting 300 Filipino workers for the 2007-08 season.

These will be among the first wave accepted under new Temporary Foreign Worker Program rules that Human Resources and Social Development Minister Monte Solberg unveiled on Feb. 23.

Program revisions include a new "Regional Occupations Under Pressure" list. Employers must make domestic recruitment efforts, including seven calendar days advertising -- before looking outside Canada. Also, work permits have been extended from one to two years; as of April 1 employers can apply online for federal permission to recruit abroad; and, in the spirit of expediency, HRSDC is streamlining worker-permit processing.

Even with program changes, there is a significant investment of time, energy and money by the Wickaninnish Inn and the Filipinos relocating to Tofino.

The Wickaninnish Inn is paying Chemistry Consulting and Success Immigration \$2,500 per worker: \$500 per worker payable at the beginning of recruitment

agreement; \$1,000 per worker payable on the date of issuance of the work visa; \$1,000 per worker payable on the date the worker arrives in Canada. Expenses include return airfare of up to \$2,000; local health-care expenses of \$54 per month per worker; and a visa fee of \$150. Some of the expenses Filipinos pay include a \$55 administration fee to the Philippine Overseas Employment Agency; medical check-up fees; costs for a criminal check through the National Bureau of Investigation and, if they want to drive while in Canada, the costs for an international driver's licence. They will be responsible for their living costs while in Canada.

Victoria lawyer Rory Lambert, an independent consultant and adviser to Success Immigration, travels to the Philippines where he offers seminars on working in Canada. He says the February program changes are crucial to the health of the tourism and hospitality sector that employs 117,500 British Columbians. Under the old rules, he says, it made little economic sense for employers to recruit "C" or "D" class foreign workers; occupations requiring lower levels of formal training. Now, with two-year work permits, plane tickets and recruitment costs can be amortized over a longer period.

Roger Soane, general manager of Victoria's Fairmont Empress Hotel, says resorts such as the Wickaninnish Inn, which have staff accommodation, rather than urban hotels, are the most likely to use the recruitment program.

The Empress recently held a [Victoria] job fair which drew more than 200 applicants, Mr. Soane says. "We are among the highest payer in the local [tourism and hospitality] market, so we have not experienced much of a challenge [finding workers]." He says his primary area of concern is finding skilled culinary staff able to work in the swank hotel's high-end kitchens.

While operators such as Fairmont Hotels have been able to attract and retain workers through generous compensation, demographic trends do not bode well for B.C.'s economy in general. According to a February, 2006, Grant Thornton report, due to an aging population, the labour force participation rate in B.C. will decline from 65 per cent in 2002 to 62 per cent in 2010, to less than 60 per cent in 2025. This rapid exit from the labour force by aging workers will compromise the long-term health of the domestic economy as vacated positions go unfilled.

Inflationary stress is also being felt. According to HRSDC, in 2006 the 2.9- per-cent average annual wage increase in the entertainment and hospitality sector was second only to the 3.5-per-cent spike experienced in the construction sector. Upward pressure is expected through out 2007.

The most vociferous critics of the new Temporary Foreign Worker Program are found in organized labour who argue it is a tool for B.C. employers to undercut wages and weaken unions. However, foreign-worker recruitment has been a reality in the construction industry for a number of years. And even with workers from Colombia, Ecuador, Costa Rica, Greece, Italy and the Philippines working on a variety of projects, the average annual wage increase in the construction sector continues to outstrip all other sectors; HRDC predicts a 4-per-cent increase in 2007.

Rather than global worker recruitment, Wayne Peppard, executive director of the British Columbia and Yukon Territory Building and Construction Trades Council, says a number of domestic options should first be considered.

"We are not opposed to the [foreign worker] program," Mr. Peppard says, "but we are concerned that employers are not exhausting their Canadian recruitment efforts and are instead focusing more on regional advertising." Mr. Peppard would also like to see additional income-tax deductions offered to Canadian workers to cover relocation expenses. He acknowledges, however, that slowing the current trend is near impossible.

"The flood is on," Mr. Peppard says. "We [organized labour] are not going to stop foreign workers from coming to Canada. What we should focus on is ensuring foreign workers are schooled on their labour rights and responsibilities."

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