

Exploited workers Canada's 'slave trade'

Skilled Filipino workers packed into filthy house, denied pay, threatened with deportation

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It was 5:30 in the morning when Edwin Canilang realized he had been bought and sold.

Crowded in the back of a van heading north of Toronto with four other Filipino men last summer, the skilled welder faced another unpaid day on a cleanup detail at a bottling plant.

He thought of his wife, who had just given birth to their third child back home in San Carlos, a five-hour drive north of Manila.

He thought of the promises that lured him to Canada – \$23 an hour, plus overtime, food and lodging, to help build two icebreakers for the Canadian Arctic.

He thought of his first week in Canada, eight men in the basement of a Toronto house sleeping four to a bed, their passports taken from them. Then they were trucked north to their new home – a filthy, abandoned farmhouse in the middle of nowhere.

Now, bumping down a dirt road in August 2007, Canilang mustered the nerve to ask Bob De Rosa, his labour boss, when the first paycheck was coming.

"Don't you guys know that I spent \$4,000 to get you?" De Rosa snapped back.

What Canilang experienced last summer is an all too-common situation – foreign workers brought to Canada under false pretences and exploited. Federal officials call it the "modern-day slave trade" and warn of "People for Sale in Canada" in a poster campaign in 17 languages, distributed through Canadian missions around the globe.

At least 800 workers are trafficked into Canada yearly and another 1,000 or more pass through Canada and into the United States, according to the Royal Canadian Mounted Police.



Ronald Galang, from left, Narciso Nicdao and Romero Bonete leave an abandoned farmhouse in Elmvale after their rescue by Filipino embassy officials. The men say they came to Canada because they were promised good jobs but were kept incommunicado, forced to do menial labour for little pay. At least 800 workers are trafficked into Canada yearly, according to the RCMP.

HOW EMPLOYERS GET THE WORKERS

Canadian employers who want to bring in foreign workers for temporary jobs must first prove that no Canadians are available to fill the positions. To be granted a Labour Market Opinion (LMO) – needed to get a temporary permit to work in Canada – for one worker or pre-approval for many, employers must provide documents to show that:

- They made significant efforts to hire Canadians.
- The promised wages are consistent with Canadian wages.
- The working conditions meet provincial standards.
- That hiring a foreign worker could benefit Canada by transferring skills and knowledge or even creating new jobs.

Once Service Canada, the federal human resources agency, is satisfied it issues a LMO to the employer.

The employer then sends a copy to the prospective worker or workers outside Canada. When those workers arrive in Canada, they submit (at the border) the LMO as part of their application for a work permit.

Selling LMOs is illegal, a federal spokesperson told the *Star*.

Settling back in his seat, Canilang seethed. De Rosa headed east from Elmvale to deliver his workers – welders and plumbers – to job sites in Barrie and Orillia.

Some were pressed into service at a water bottling plant, run by De Rosa's family. Others dug ditches or picked up garbage around a large rural estate where De Rosa lives. The workers, threatened with deportation, did every menial job thrown at them. None of the work involved welding and plumbing, the trades that brought them here.

Their ordeal ended six weeks later when welder Eric Martinez, fed up with the squalid living conditions, long hours and no pay, bolted while on a work detail near Hamilton.

Eventually, Martinez managed to contact Philippine embassy officials who alerted ambassador Jose Brillantes to the deplorable situation. Days later, the men were rescued by Filipino consular staff.

"We didn't believe such scum existed here," Canilang, 32, said recently from the safety of a new home and job in Saskatoon. "Canada has such a great reputation worldwide."

"This was nothing short of slavery," said Frank Luna, the labour attaché with the Filipino consulate in Toronto. "This was a chain gang without the chains."

At the heart of the case of the Elmvale 11, as the men have been dubbed by Filipino consular staff, are immigration documents called Labour Market Opinions (LMO) issued by Service Canada.

These are Canadian gold cards for foreign workers. With an LMO, a foreign national can get a temporary permit to work in Canada.

The company that wants the workers must first show Service Canada it made a reasonable – but unsuccessful – effort to hire or train Canadians for the job. LMOs stipulate the number of workers approved for the job. Copies are then sent to the workers, who apply for work permits upon arrival in Canada.

Since the federal government relaxed LMO rules two years ago, the program has expanded rapidly. In 2007, there were 201,057 temporary foreign workers in Canada, up from 162,046 in 2006 and 142,705 in 2005.

South of the border, the U.S. State Department recently called Canada "a destination for foreign victims trafficked for labour exploitation" and in an annual report recommended Canada "intensify efforts to investigate, prosecute and convict trafficking offenders."

Canada's justice department said the country is combating human trafficking, with new training of RCMP officers and border officials. Spokesperson Carole Saindon cautioned that the U.S. report is based on the state department's "own standards and its own perceptions of the situation in Canada."

A half dozen business people brought the Elmvale 11 to Canada. Most talked to the *Star* – pointing fingers of blame at the others. Bob De Rosa, the labour boss, refused numerous interview requests.

Here's what happened, according to interviews with most of the players, and documents including work permits, LMOs, invoices and correspondence.

Two years ago, Oakville labour supply company ComFact anticipated a federal contract to supply labour to build two ocean-going icebreakers. ComFact owner Robert McAllister said he decided to "bank" a workforce and, after obtaining LMOs for more than a hundred workers, sent the paperwork to the Philippines.

Two local recruiting companies in Manila, Cete Millenium, and Sanlee, ran advertisements for jobs with McAllister's company. Canilang and the other workers signed up. They underwent medical exams, upgraded their professional skills and took English lessons – at their own expense.

When they got word they had been approved, the men quit their jobs. Some sold everything they owned and borrowed at loan-shark rates to make the \$12,000 payments to the recruiter for an LMO and to buy plane tickets. They said goodbye to their families and flew to Toronto on June 29, 2007.

What they didn't know was that the Canadian government had scrapped the icebreaker contract and that ComFact had no jobs for them. McAllister said his LMOs, which circulated like hard currency in Manila, were improperly used to get the Elmvale 11 into Canada.

"They (recruiters in Manila) basically stole our workers from us and spirited them away," he said. "This is human trafficking, but we had nothing to do with it."

When Canilang and the other workers arrived at Pearson International Airport, they were expecting a ComFact representative.

Instead, they were met by Susan Teng, a woman who said she worked for ComFact but in reality was part of Cete Millenium, the recruiting company in Manila.

A Taiwanese national in Canada on a visitor's visa, Teng jammed the men into two taxis and ferried them to a house in Scarborough near the Pacific Mall. Eight arrived that day; three came a few days later.

Settling them into two sparse rooms in the basement, Teng demanded they turn over their passports and work permits. She removed all telephones and warned them not to try to phone relatives.

"We slept four people to a bed," Canilang recalled. "It was awful."

A week later, Teng told them ComFact had backed out of the deal. She said a new company had work, but they would have to relocate.

In an interview, ComFact boss McAllister said this was untrue. He said he had no idea these workers came to Canada using the LMOs he had obtained. He later flew to Manila and told local recruiters to stop using the ComFact LMOs.

The workers were picked up at the house by Susan Teng and another man, Imtazur Rahman. Rahman said he was a lawyer and was there to help them. A *Star* investigation (see tomorrow's *Star*) found labour recruiter Rahman is a twice-bankrupt businessman whose law degree is bogus.

The drive north to Elmvale took two hours. Teng and Rahman handed over their human cargo to labour boss Bob De Rosa at an abandoned green and white farmhouse on a country road outside of Elmvale.

"This is your new home boys," De Rosa said.

Ronald Galang couldn't believe his eyes. "Outside, the grass was five feet tall. Inside there was mud on the floor everywhere. We had to spend a week cleaning it up."

Four used mattresses on the floor in two rooms in the attic, four more in the living room. The sheets and towels were dirty. There was no food in the fridge.

De Rosa put the men to work at various tasks. They would be paid eventually, he told them.

The De Rosa family has many business interests, including real estate, construction, and some production facilities. They also raise buffalo for food. Bob De Rosa and his brother Vince made headlines in 2003 when police raided two of their properties (one the former Molson Brewery in Barrie) and busted a \$120 million marijuana grow-op. Seven men involved later pleaded guilty to production and possession of marijuana for the purpose of trafficking and received sentences ranging from five years in prison to two years' house arrest. The De Rosas, who were not charged, told police they had only leased the brewery space.

For the Filipino men working last summer for Bob De Rosa, a typical day started at 5:15 a.m.

The *Star* interviewed the Filipino workers and read affidavits they prepared at the request of their embassy, which called in the RCMP. "They were living in deplorable conditions," said Frank Luna, the labour attaché who took part in the rescue and prepared a report for the Filipino government.

Welder Ronald Galang worked a 17-day stretch, splitting his time between an Orillia mechanical company and Aurora Beverage, owned by the De Rosas.

Worker Narciso Nicdao's affidavit states his time sheets from last summer show he did a 24-hour shift "cleaning beer cage" at Aurora Beverage.

Some of the Elmvale 11 worked at Moonstone Mechanical (not a De Rosa company). While workers say they were not paid, Moonstone's Ken Fraser told the *Star* he paid De Rosa for the services of two men he subcontracted to him. "All I know is that I paid off all my bills, if they didn't get paid I guess they have to go after Bob," Fraser said.

Repeated attempts to interview De Rosa were eventually answered by a brief email: "No comment. Please stop calling," De Rosa wrote.

At the Elmvale home, food drop-offs were intermittent. One day, De Rosa brought pasta and tomatoes. Another day, buffalo meat.

Two weeks into their harsh new life in Canada – broke, depressed and anxious to contact their families in the Philippines – they wandered across the road to a neighbour's house. The farmer, a Barrie city cop, took pity on them, took two into town, bought them soft drinks and a meal, and gave them money to buy phone cards.

"They were strangers in this country, isolated, without a phone," Sgt. George Cabral said.

To combat boredom they constructed a pool table from scrap wood and rigged an old black and white TV with rabbit ears. Finding two kids' bikes in the shed they patched the tires and took turns riding up and down the dirt road.

They were never paid their agreed wages. After many complaints, some received a pittance, always in cash.

Plumber Romero Bonete, for example, was paid only \$200 by De Rosa. Bonete now works in Lloydminster, Sask., in a maintenance job at a local hotel. Others received \$900 for six weeks of labour – far below the amount agreed upon.

On Aug. 23, six weeks after they arrived, they muscled up the courage to tell De Rosa they weren't going to work for him anymore.

"Bob de Rosa was so angry with us," Galang recalled. "He said, 'I am warning you for the last time,' then took off saying he was going to sign our deportation order."

Two hours later, Filipino consulate officials arrived at the farm and took the men out.

A week after his entire Filipino workforce quit on him, De Rosa applied for LMOs to hire 191 workers for a large construction project. He promised \$18 to \$28 an hour and full benefits. The Canadian government denied the application, saying he had not shown "sufficient efforts" to hire Canadian workers.

So, who made money off the Elmvale 11? Documents suggest some of the people involved have been selling the Canadian LMO documents – which is illegal. For how much, and who was paid, is not known.

One memo from a Filipino recruitment agency said Toronto-based recruiter Rahman would be paid "one thousand per head" for signing up a worker and another \$1,000 when the worker arrived in Canada. It's not known if those payments went through.

Rahman denies he received money. He said he got jobs for the Elmvale 11 "from the goodness of my heart."

"Bob de Rosa asked me if I know any workers. I know this one girl have some workers. So I put them together, that's all."

Susan Teng did not respond to requests for an interview.

Another person who touched the case was Nelma de Celis. ComFact's McAllister accuses her of selling his LMOs to agencies in the Philippines. Tracked down to the modest Edmonton house she shares with several of her Filipino clients, de Celis denies the charges. "You can't sell LMOs," she bellows. "Those are government documents."

A memo the *Star* obtained shows de Celis acknowledging receiving \$12,000 cash as "partial payment of released LMOs."

De Celis said any money she received was simply to cover her expenses.

Out west, the Elmvale 11 are spread among several job sites.

As he cooks dinner in the kitchen of the little house on the prairie, Ronald Galang's thoughts are with his wife and three children, including his twin girls, back in the Philippines.

And he is worried.

Not only was he forced to sell his house and move his family to an apartment in Manila before he left, he also borrowed hard to finance his trip to Canada.

"I haven't been able to pay anything on the loans and I am scared about what these companies might do," he says his voice trailing off. "We're all scared."

But at least he and the others are in Canada. They have jobs, they have contracts, and they have a future.

Facing deportation, Galang and four others were hired by Cover-All Building Systems and now work as welders for that company in Saskatoon.

The rest of the 11 are in Canada also, working elsewhere in Saskatchewan, or in Alberta and British Columbia.

"We want them to be Cover-All employees for life," said Byron Hardy, the company's manager of human resources. "They are great workers. We are now working on having their families join them."

In the wake of the trafficking scam, the Filipino government closed down Cete Millenium and Sanlee recruitment agencies.

After months of investigations by the RCMP and the Canada Border Services Agency, no charges have been laid.

Amended in November 2005 to reflect the UN's definition of human trafficking, Canada's criminal code says it's a crime for anyone who "recruits, transports, transfers, receives, holds, or harbours a person" for the purpose of exploitation.

"The way exploitation is phrased in the criminal code, they have to fear for their safety or their lives," said RCMP Const. Julie Meeks, who conducted the initial investigation. In her opinion, Meeks said "they just didn't have that fear."

Edwin Canilang, for one hasn't given up on getting the money he believes is owed to him by De Rosa.

"Even slaves," he says, "have some rights."

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