

Adapting To The Evolving Immigration Policies: A Guide For Employers



The landscape of Canadian immigration has been reshaped with notable changes that directly affect the entry of foreign talent into the workforce. For employers who depend on the Temporary Foreign Worker Program (TFWP), it is crucial to stay abreast of these changes. This article provides insights into the latest governmental updates, both federal and provincial, and discusses the resulting consequences for businesses across Canada.

Recent Federal Adjustments to the TFWP:

The Canadian federal government, on August 26, 2024, announced new measures set to be implemented on September 26, 2024, which introduce more restrictive criteria for the processing of Labour Market Impact Assessment (LMIA) applications. Specifically, these measures target low-wage positions. The first measure affects LMIA applications in areas where the unemployment rate is 6% or higher. In these regions, it will no longer be possible to submit LMIA applications. However, essential sectors such as food security (primary agriculture, food processing and fish processing), construction, and healthcare are exempt from these new rules.

Two other critical measures for low-wage LMIA applications are the reduction of the low-wage position cap from 20% to 10% within a company's workforce and the shortening of the allowable employment duration under the low-wage stream from two years to one year. These changes reflect the government's focus on safeguarding opportunities for Canadian workers and ensuring the TFWP is utilized judiciously.

Despite the significant nature of the recent announcement, the scope of impact of the new measures is relatively limited; as an employer, your LMIA application will not be refused as part of these new measures if you are in the food security, construction or healthcare industries, or if your business is in a census metropolitan area with an unemployment rate lower than 6%. Additionally, if the wages you provide are above the low-wage threshold within your specific province or territory, your LMIA application will not be affected by the new measures.

The delineation between low-wage and high-wage positions is determined by comparing the offered wage to the median hourly wage of the specific province or territory where the job is located. Employers should consult the official [median wage rates](#) to determine the relevant stream for their LMIA application. As an example, the current median wage is \$28.39 in Ontario and \$36.00 in Yukon.

Quebec's Stance on Low-Wage LMIA:

Concurrently, the Quebec government has implemented a six-month moratorium on low-wage LMIA applications for positions in the administrative region of Montreal beginning September 3rd, 2024. The threshold for low-wage positions in Quebec is set at \$27.47 per hour. Despite the moratorium, exemptions are in place for critical sectors, including agriculture, construction, food processing, education, and health and social services.

What These Changes Mean for Employers:

The tightening of policies around the TFWP indicates a shift towards a more controlled approach to foreign labor and indications suggest that more updates may be on the horizon. At present, however, the new measures are applicable exclusively to LMIA applications that align with particular criteria. It's essential for employers to remain well-informed and flexible in order to comply with these changes and continue to harness the essential skills that will allow their businesses to thrive in a dynamic economic climate.

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The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

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