

Canada Realigns Its Priorities: The Temporary Foreign Worker Program



On August 6, 2024, Minister of Employment, Workforce Development and Official Languages, Randy Boissonnault [announced](#) a reduction in the number of temporary foreign workers, as well as strengthened compliance measures for the Temporary Foreign Worker (“TFW”) Program. These measures are a direct response to current Canadian labour market conditions, intended to ensure that qualified Canadian citizens and permanent residents are prioritized to fill open positions.

It is important to note that while this new Government measure aims to reprioritize hiring Canadians and permanent residents, it does not impact foreign workers entering Canada through the International Mobility Program (or LMIA-exempt jobs), which includes treaty or international arrangements, intra-company transferees, high-skilled foreign nationals, amongst others.

What is the Temporary Foreign Worker Program?

Historically, many of Canada’s immigration policies were designed to recruit foreign workers in various domestic caregiver and farm labourer roles. With advancements in technology and society, this quickly expanded to the creation of a variety of programs to not only fill labour shortages across Canada but also to stimulate the economy.

The TFW Program, as it currently exists, is intended to allow Canadian employers to hire foreign workers to **temporarily** fill positions when qualified Canadians are not available. Employment and Social Development Canada (“**ESDC**”) assesses applications from employers looking to hire foreign workers and conducts a Labour Market Impact Assessment (“**LMIA**”) to determine the impact that hiring a foreign worker would have on the Canadian labour market.

The LMIA will confirm if (1) there is a need for a temporary foreign worker and (2) that there are no Canadian citizens or permanent residents available for the position.

Low-Wage LMIAs: Here’s What You Need to Know

In response to what the Government of Canada considers to be “misuse and fraud” and to further reduce the reliance of Canadian employers on the Program, it has announced the introduction of three major changes.

Effective by September 26, 2024, the following changes will be implemented:

1. LMIA's in the Low-Wage stream (for positions with salaries lower than the designated province's median salary) will **no longer be processed** in census metropolitan areas that have an unemployment rate of 6% or higher;
2. Employers will not be allowed to hire more than 10% of their total workforce through the TFW Program; and
3. The maximum duration of employment has been reduced to **one year** from two years.

Exceptions, however, will be made for seasonal and non-seasonal positions in food security sectors, construction, and healthcare.

This announcement comes on the heels of several other changes recently made to the temporary worker program in Canada this year. Of note, Quebec Premier Francois Legault recently [announced](#) a similar reduction of a six-month freeze on new low-wage temporary foreign workers in the Montreal area, set to take effect September 3, 2024.

Looking Ahead

The Government of Canada stressed the responsibility employers have to not only invest in the available workers in Canada, but also train and upskill their current employees to ensure that they can adapt to the "economy of the future." In addition, the Government also indicated that they would continue to monitor labour market conditions and that further reductions to the number of temporary workers and adjustments to the TFW Program are to be expected in the coming months.

Stay tuned for the latest on this and other news from the MPC immigration team as we closely monitor updates and for any other significant changes in US and Canadian immigration!

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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