

# Significant Changes Ahead: New Measures To Limit Temporary Foreign Worker Program In Canada



In a move aimed at recalibrating the Temporary Foreign Worker (TFW) Program, Canadian Minister of Employment, Workforce Development and Official Languages, Randy Boissonnault, has [announced significant reductions and compliance measures](#). These changes, effective September 26, 2024, mark a notable shift in the government's approach to addressing labour market needs.

## Understanding the Changes

The Temporary Foreign Worker Program was designed to fill gaps in the Canadian labour market where qualified Canadians are unavailable. However, recent concerns have arisen about the program being used to sidestep hiring Canadian talent. To address these issues, the government is implementing the following reforms:

1. *Restriction on Low-Wage Stream Labour Market Impact Assessments (LMIAs)*: The Government of Canada will refuse to process LMIAs in the Low-Wage stream, applicable in census metropolitan areas with an unemployment rate of 6% or higher. Exceptions will be granted for seasonal and non-seasonal jobs in food security sectors (primary agriculture, food processing and fish processing), as well as construction and healthcare;
2. *Caps on Workforce Composition*: Employers will be allowed to hire no more than 10% of their total workforce through the TFW Program. This maximum employment percentage will be applied to the Low-Wage stream, and is a further reduction from the reductions effective May 1, 2024. Exceptions will be granted for seasonal and non-seasonal jobs in food security sectors (primary agriculture, food processing and fish processing), as well as healthcare and construction; and
3. *Shortened Employment Duration*: The maximum duration of employment for workers hired through the Low-Wage stream will be reduced to one year (from two years).

## Why These Changes Matter

Minister Boissonnault's decision comes amidst a tightening labour market, with Canada's unemployment rate increasing to 6.4% as of June 2024. This rise follows a period of lower unemployment, underscoring a shift in the employment landscape. By reducing reliance on temporary foreign workers, the government aims to better align

the TFW Program with its original intent—addressing labour shortages only when no qualified Canadians are available.

These restrictions can, understandably, cause some concern for individuals hoping to work in Canada in one of these streams. We anticipate considerably more scrutiny on all TFW Program applications, especially those submitted under the Low Wage stream. This will affect any new employers looking to bring in lower-wage and lower-skilled workers to Canada on a temporary basis.

## **Looking Ahead**

The Canadian government has indicated that it will continue to monitor labour market conditions and may introduce further adjustments to the TFW Program. This ongoing review process will assess the impact of the current changes and determine whether additional modifications are necessary, potentially affecting other streams of the program or specific regions.

*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.*

Authors: [Jonathan Green](#), [Soliyana Yared](#)

Green and Spiegel