

# What Canadian Employers Need To Know About The Upcoming Changes To The Temporary Foreign Worker Program



## **Understanding the Recent Changes to the Temporary Foreign Worker (TFW) Program**

The Canadian government has introduced significant changes to the Temporary Foreign Worker (TFW) program to address fraud and misuse. These changes, led by Honourable Minister Boissonnault, will significantly impact Canadian employers who depend on foreign workers to fill labour shortages.

This article breaks down the proposed reforms' key elements, analyzes their potential implications, and offers practical guidance for Canadian businesses navigating the evolving TFW landscape.

## **The TFW Program as an “Extraordinary Measure”**

The government's new approach emphasizes that the TFW program should be an “extraordinary measure” rather than a default hiring solution. The Minister made it clear that the program is intended for use only when qualified Canadian citizens or permanent residents cannot fill job vacancies.

This shift urges employers to prioritize local talent over foreign workers unless they can prove exceptional circumstances. As a result, Canadian businesses must reassess their hiring practices to ensure they thoroughly explore domestic recruitment options before turning to the TFW program.

## **Enhanced Oversight and Enforcement**

To curb misuse, the government will enforce stricter oversight and enforcement measures:

- **20% Cap Consistency:** The government plans to apply a consistent 20% cap on foreign workers hired across all sectors. This could end the exceptions previously made for construction and healthcare.
- **Dual Intent Scrutiny:** Employers using the dual intent stream, allowing foreign workers to seek both temporary work permits and permanent residency, will face stricter guidelines. The aim is to ensure the program remains a temporary labour

solution.

- **Stricter LMIA Processing and Inspections:** The government will intensify oversight during Labour Market Impact Assessments (LMIAs) and conduct more frequent, unannounced workplace inspections.

These measures aim to eliminate fraudulent practices and ensure the TFW program is used correctly.

## **Potential LMIA Fee Increases**

Another significant change under consideration is the increase in LMIA fees. Currently, employers pay \$1,000 for each LMIA application. The government is considering raising this fee to \$1,500 or more.

This fee hike aims to fund enforcement activities but could burden employers, especially those hiring large numbers of foreign workers. For example, a company hiring 200 foreign workers would see a significant increase in costs.

This potential fee increase could lead employers to focus more on recruiting and retaining Canadian workers rather than relying on the TFW program.

## **Restrictions on Low-Wage Hiring**

One of the more concerning changes is the potential restriction or elimination of the TFW program's use for low-wage positions. The Minister is considering refusing to process applications under the low-wage stream.

Industries like agriculture, food processing, and hospitality rely heavily on the TFW program to fill low-wage jobs that Canadian workers often avoid. Restricting access to this stream could force these businesses to either raise wages to attract local talent or face severe labour shortages.

The government hopes this change will encourage employers to offer better wages and working conditions. However, the impact on industries dependent on low-wage labour could be significant.

## **New Foreign Labor Streams for Agriculture and Seafood Processing**

The government may introduce new foreign labour streams for agriculture and fish/seafood processing sectors in response to industry needs. These sectors have long relied on the TFW program to address chronic labour shortages.

Creating specialized streams would provide flexibility to meet these industries' seasonal and fluctuating workforce demands. This approach could balance the need to prevent misuse of the TFW program while ensuring critical sectors have access to the foreign labour they require.

## **Strategies for Canadian Employers**

Given the proposed TFW program reforms, Canadian employers who rely on foreign workers must take proactive steps to prepare:

1. **Engage with Industry Associations:** Work closely with industry associations, such as the Canadian Federation of Independent Business, to stay informed and provide feedback on policy changes.
2. **Consult with Immigration Lawyers:** Seek advice from experienced immigration lawyers to ensure your hiring practices align with the new TFW requirements. Lawyers can help navigate complex regulatory changes, advise on compliance, and

develop strategies to mitigate the impact on the business.

3. **Prepare for Multiple Scenarios:** Develop contingency plans to address various potential outcomes, such as exploring alternative labour sources, automating specific tasks, or investigating the feasibility of increasing wages to attract more Canadian workers.
4. **Review HR Policies:** Update human resources policies to ensure compliance with the new TFW program requirements. This may involve revising recruitment practices, documentation processes, and employee management protocols.
5. **Stay Adaptable:** Keep a close watch on government announcements and be ready to adjust your strategies as policies evolve. A flexible and adaptable approach will be crucial in navigating the changing landscape.

## How Sobirovs Law Firm Can Help

Navigating these changes will be challenging, but Sobirovs Law Firm is here to help. Our team of experienced immigration lawyers can guide you through the complexities of the TFW program. We offer tailored advice on interpreting new policies, adjusting HR procedures, and implementing best practices to meet heightened government requirements.

We also help develop contingency plans and explore alternative solutions, such as identifying potential Canadian labour sources. By partnering with Sobirovs Law Firm, your organization can confidently adapt to these changes while maintaining access to the foreign talent you need.

We encourage you to schedule a consultation with one of our immigration specialists to discuss how our services can benefit your company. Visit [this link to find a convenient time](#) to connect, and let us help you prepare for the upcoming TFW program changes.

## Conclusion

The proposed changes to Canada's Temporary Foreign Worker program significantly shift the government's approach to addressing labour shortages and misuse. While these reforms aim to improve the program's integrity, their impact on Canadian employers, particularly those reliant on foreign labour, must be balanced.

By understanding the changes, developing strategic responses, and engaging with relevant stakeholders, Canadian employers can navigate the evolving TFW landscape and continue to meet their workforce needs. Flexibility, collaboration, and a commitment to compliance will be essential as these reforms take shape.

*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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