Further Changes To The Temporary Foreign Worker Program Announced



The Minister of Employment, Workforce Development and Official Languages Randy Boissonnault has <u>announced further reforms</u> to the Temporary Foreign Worker Program ("TFW Program"). In August, the Government of Canada made <u>significant changes</u> to the Low-Wage stream, which included:

- A refusal to process applications where the unemployment rate was 6% or higher in the applicable census metropolitan area (barring exceptions for seasonal and non-seasonal jobs, as well as construction and healthcare.
- A reduction of the Low-Wage stream cap to hire 10% of their total workforce through the TFW Program.
- A reduction of the maximum duration of employment from two years to one year.

These changes have functionally removed the ability of employers to hire temporary foreign workers under the Low-Wage stream at this time in most major census metropolitan areas in Canada.

The new changes to the High-Wage stream reflect the Government of Canada's action to further align the TFW Program with labour market needs and to minimize fraud and abuse of the program.

Effective November 8th, 2024, the starting hourly wage for workers coming into Canada through the High-Wage stream will be increased to 20% higher than its current level, which is currently the median wage in the applicable province or territory of work. As an example, previous employers could leverage the High-Wage stream in Ontario if the offered hourly wage was \$28.39 CAD or higher. Once the changes come into effect, this hourly salary will be increased to \$34.07 CAD or higher.

Further, employers will no longer be able to use attestation letters from a chartered accountant or lawyer to prove their business legitimacy.

We anticipate Labour Market Impact Assessment applications will increase in complexity as a result of these changes. Newer businesses, or businesses without positive revenue, may face increased scrutiny when officers assess their business legitimacy documentation.

Limited guidance has been issued at this time regarding applications currently in processor applications for which recruitment efforts have been initiated.

Green and Speigel LLP will continue to monitor and provide insights and guidance as new developments unfold. For information on how these changes might impact you or your business or to schedule a consultation, please contact us.

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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