



IN A FLASH

Quick Read Memos for Human Resource Professionals



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Changes to Temporary Foreign Worker Program

The federal government today announced a comprehensive overhaul of the Temporary Foreign Worker Program (“TFWP”). The reforms focus on restricting employers’ ability to hire foreign workers through the TFWP and stronger enforcement.

Restricting Access to TFWP

In order to make sure Canadians are first in line for available jobs, the following reforms have been made:

- The existing labour market opinion process is replaced with a Labour Market Impact Assessment. This process will require employers to show the number of Canadians who have applied for each position, the number who were interviewed and the reasons they were not hired.
- Wage levels will replace the National Occupation Classification as the criteria for administering the TFWP.
- The fee for the LMIA will significantly increase from \$275 to \$1000 for every foreign worker position requested by the employer.
- New LMIA applications made by employers with 10 or more employees will not be accepted if more than 10% of the workforce consists of low-wage temporary foreign workers. The 10% cap will be phased in for employers currently employing a low-wage temporary foreign workforce.
- Applications for an LMIA will not be processed in the Accommodation, Food Services and Retail Trade sectors in regions where the unemployment rate is above 6%.
- Employers seeking to employ high wage temporary foreign workers will be required to submit transition plans showing how they will increase their efforts to hire Canadians.
- Duration of work permits will be reduced to one year.

Stronger Enforcement

In order to ensure compliance, stronger enforcement and penalties are being introduced:

- Inspections of employers using temporary foreign workers will increase “massively”.
- Employers may be fined up to \$100,000 beginning in the fall of 2014.

Key Exemptions

Given the acute labour shortages of agricultural workers and live-in caregivers, the Seasonal Agricultural Worker Program (CSAWP) and the Live-in Caregiver Program (LCP) are exempt from some of these reforms.

These reforms will have a significant impact on employers hiring foreign temporary workers. If you have any questions, please contact your Mathews Dinsdale lawyer.

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