



GMS Flash Alert

Immigration Edition

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Canada - New Obligations, Processes with Labour Market Impact Assessment

Effective August 28, 2017, employers in Canada hiring temporary foreign workers through the Labour Market Impact Assessment (LMIA) process will need to comply with new recruitment requirements. One thing to highlight is that the new recruitment requirement applicable to the “regular” LMIA process will apply to both the high-wage and low-wage streams.¹ Special LMIA streams such as the Global Talent Scheme (GTS) and the Agriculture Stream continue to have their own recruitment requirements.

It appears that Employment and Social Development Canada (ESDC) implemented changes tied to hiring through LMIA and enforcement processes in response to the observations and recommendations contained in the 2017 Spring Reports of the Auditor General of Canada. Given the new requirements, ESDC will exercise greater scrutiny in its review process and employers should also be prepared for additional compliance obligations.

WHY THIS MATTERS

The changes will mean:

- Increased scrutiny in assessing employer recruitment efforts: Employers should be prepared for a higher evidentiary burden when submitting an LMIA application.
- Expanded inspection scope and enforcement mechanisms: Employers can anticipate an increased likelihood of on-site inspections by ESDC, particularly if there are any perceived possibilities of non-compliance – for instance, a whistleblower complaint by a foreign worker or other employees.
- Additional documentary retention obligations: Employers must retain records of their recruitment and advertising efforts for a minimum of six years.

To Learn More

Read the full report, "[Labour Market Impact Assessment: New Recruitment Requirements; Stricter Review Process](#)," in *e-Alert* (08/2017), a publication of KPMG Law LLP in Canada (a KPMG International member firm in Canada).

FOOTNOTE:

1 From ESDC, see "[Program requirements for low-wage positions](#)" and "[Program requirements for high-wage positions](#)."

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Contact us

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