



GMS Flash Alert

Immigration Edition

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Canada - Temporary Foreign Worker Program Workforce Solutions Road Map Introduced

The government of Canada has announced the Temporary Foreign Worker Program (TFWP) Workforce Solutions Road Map, which aims to improve the TFWP for both employers and foreign workers.¹

The government is focused on helping employers build a strong, resilient workforce in all sectors. In February 2022, Canada added 337,000 jobs.² However, as Canada's economy recovers from a global pandemic, employers are being challenged to attract talent to match the pace of Canada's economic recovery.

WHY THIS MATTERS

The newly announced changes, some effective immediately and others by April 30, could significantly increase employer flexibility in meeting business needs by lengthening the duration of some work permits, improving worker access to permanent residency, and expanding the number of low-wage positions in certain industries.

Five Key Policy Changes

As part of the Temporary Foreign Worker Program Workforce Solutions Road Map ("the road map"), Canada will implement five key policy changes in the coming weeks to address labour shortages, enhance worker protection, and build a stronger workforce.

In the April 4 announcement, the Minister of Employment, Workforce Development and Disability Inclusion noted, "As the needs of Canada's workforce change, we are adjusting the Temporary Foreign Worker Program to meet them. Our Workforce Solutions Road Map builds on our progress so far to renew, modernize, and improve this program for employers and workers alike."³

Effective immediately, the roadmap aims to foster the following:

- **The maximum work permit duration for High-Wage and Global Talent Streams (GTS) workers is increased from two years to three years.** This extension will allow workers to qualify for permanent residency, enabling them to contribute to the workforce for the long-term.
- **Labour Market Impact Assessments (LMIA) will be valid for 18 months, an increase from nine months.** Prior to COVID-19, LMIA's were only valid for six months.
- **There will be no limit to the number of low-wage positions that employers in seasonal industries (e.g., fish and seafood processing) can fill through the TFWP. The maximum work permit duration for these positions will also be increased from 180 days to 270 days per year,** thus making the seasonal cap exemption that has been in place since 2015 permanent.

Effective April 30, 2022:

- Employers in sectors with demonstrated labour shortages for low-wage positions (e.g., Accommodation and Food Services) will be allowed to hire up to 30 percent of their workforce through the TFWP for one year. All other employers will be allowed to hire up to 20 percent, an increase of 10 percent for many employers.
- The government will end the current policy that automatically refuses LMIA applications for low-wage occupations in the Accommodation and Food Services and Retail Trade sectors in regions with an unemployment rate of 6 percent or higher.

In order to help employers across the country to hire foreign workers in a timely manner, Service Canada has also recently implemented a series of measures to increase capacity and expedite the processing of LMIA applications by improving service standards and increasing staffing resources across all regions.

KPMG NOTE

Key Considerations

- The High-Wage and Global Talent Stream programs will now allow employees to work for organizations for three years. This will result in a decrease in frequently returning to the program for renewals while also providing predictability for both employers and employees.
- Previously, LMIA approvals were only valid for nine months, meaning employers would have to begin the process again to renew their employees' work authorization or use the LMIA for another candidate. LMIA's are now valid for 18 months, giving employers greater time and flexibility to find the appropriate candidates for their business.
- Employers leveraging the Low-Wage program will be able to retain their employees for a longer duration, allowing them to address labour shortages in critical industries and plan ahead.

Individuals who have questions or concerns about the new measures are encouraged to contact KPMG Law LLP for further guidance.

FOOTNOTES:

1 See the Employment and Social Development Canada April 4 release: "[Government of Canada announces Workforce Solutions Road Map – further changes to the Temporary Foreign Worker Program to address labour shortages across Canada.](#)"

2 Ibid.

3 Ibid.

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Contact us

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