



Canada News Centre



Harper Government announces reforms to the Temporary Foreign Worker Program - Ensuring Canadians have first chance at available jobs



Ottawa, Ontario, April 29, 2013—The Honourable Diane Finley, Minister of Human Resources and Skills Development, and the Honourable Jason Kenney, Minister of Citizenship, Immigration and Multiculturalism, today announced reforms to the Temporary Foreign Worker Program (TFWP).

“Canadians experiencing significant skills shortages in many sectors and regions, and Canadians must always have first crack at job opportunities when they become available,” said Minister Finley. “The purpose of the Temporary Foreign Worker Program is to help fill genuine and acute labour needs and we have been reviewing the program to ensure that goal is met and Canadian workers are never displaced.”

“These reforms will require that greater efforts be made to recruit and train Canadians to fill available jobs,” said Minister Kenney. “They will also help ensure the Temporary Foreign Worker Program is only used as intended—to fill acute skills shortages on a temporary basis.”

Stemming from the ongoing review of the TFWP, and as announced in Canada’s Economic Action Plan 2013, the Government is introducing legislative, regulatory and administrative changes that will:

- effective immediately, require employers to pay temporary foreign workers at the prevailing wage by removing the existing wage flexibility;
- effective immediately, temporarily suspend the Accelerated Labour Market Opinion process;
- increase the Government’s authority to suspend and revoke work permits and Labour Market Opinions (LMOs) if the program is being misused;
- add questions to employer LMO applications to ensure that the TFWP is not used to facilitate the outsourcing of Canadian jobs;
- ensure employers who rely on temporary foreign workers have a firm plan in place to transition to a Canadian workforce over time through the LMO process;
- introduce fees for employers for the processing of LMOs and increase the fees for work permits so that the taxpayers are no longer subsidizing the costs; and
- identify English and French as the only languages that can be used as a job requirement.

The Seasonal Agricultural Worker Program and other primary agricultural occupations will be subject to the reform that will increase the Government’s authority to suspend and revoke work permits and LMOs if they are being misused. However, they will be unaffected by the remaining reforms, as there are proven acute labour shortages in this industry and the unfilled jobs are truly temporary.

The results of these changes will strengthen and improve the TFWP to support our economic recovery and growth, and ensure that employers make greater efforts to hire Canadians before hiring temporary foreign workers. These reforms will ensure that the TFWP, which is an important program to deal with acute skills shortages on a temporary basis, is used only as a last resort.

As part of the ongoing review of the TFWP, the Harper government will seek input from Canadians on further changes, to ensure that the Program is working in the best interests of Canadian workers and businesses. Cross-Canada consultations will be held over the coming months with businesses, industry and trade organizations, unions and others on additional changes to the TFWP.

- 30 -

For more information, contact:

Jan O'Driscoll
Press Secretary
Office of Minister Finley
819-994-2482

Media Relations Office
Human Resources and Skills Development Canada
819-994-5559
[Follow us on Twitter](#)

IF THERE IS A DISCREPANCY BETWEEN ANY PRINTED VERSION AND THE ELECTRONIC VERSION OF THIS NEWS RELEASE, THE ELECTRONIC VERSION WILL PREVAIL.

This news release is available online at: actionplan.gc.ca.

Backgrounder

Temporary Foreign Worker Program Reforms

Effective immediately, require employers to pay temporary foreign workers at the prevailing wage by removing the existing wage flexibility.

In the past, employers had the flexibility to pay temporary foreign worker wages up to 15% below the prevailing wage for a higher-skilled occupation, and 5% below the prevailing wage for a lower-skilled occupation, provided they could demonstrate that the wage being paid to a temporary foreign worker was the same as that being paid to their Canadian employees in the same job and in the same location.

The vast majority of employers were offering wages at or more than the prevailing wage. Given the low uptake and the burdensome process, this option will no longer be available under the new wage policy.

Effective immediately, the Accelerated Labour Market Opinion process is temporarily suspended.

The Accelerated Labour Market Opinion process is temporarily suspended and under consideration to determine whether it is meeting its original objectives.

Budget Implementation Act

Pending parliamentary approval, increase the Government's authority to suspend and revoke work permits and labour market opinions (LMOs) if the program is being misused.

The Government is seeking to amend the *Immigration and Refugee Protection Act* (IRPA) to provide authorities to suspend and revoke LMOs and work permits.

This would allow Human Resources and Skills Development Canada (HRSDC) and Citizenship and Immigration Canada (CIC) to suspend, revoke or refuse to process a request for an LMO. This could occur if, for example, new information becomes available indicating that the entry of a temporary foreign worker would have a negative impact on the labour market or if it is determined that the LMO or work permit was fraudulently obtained.

Suspending an LMO would stop the issuance of work permits. In cases where an LMO is suspended or revoked, CIC will review the work permits that were issued under that LMO on a case-by-case basis to determine whether the work permits should also be revoked. The parameters of this new authority will be made public once they have been determined.

Pending parliamentary approval, introduce fees for employers for processing LMOs and increase fees for processing work permits so that taxpayers are no longer subsidizing the costs.

Under Economic Action Plan 2013, the Government of Canada announced that it would introduce fees for employers applying for temporary foreign workers through the LMO process.

There will also be an increase to the cost of work permit applications for temporary foreign workers.

The exact amount of the fees is still being determined.

The introduction of a fee for processing positions requested through LMOs and an increase in the costs of work permits will also ensure that taxpayers and work permit holders no longer subsidize the provision of this service to employers.

Additional Changes

Add questions to employer LMO applications to ensure that the TFWP is not being used to facilitate the outsourcing of Canadian jobs.

The Government of Canada will soon implement new measures to require additional information from employers and their partner companies before issuing an LMO. These measures include adding new questions on the LMO application regarding outsourcing and verifying that Canadian employees are not being replaced by foreign workers.

Ensure employers who rely on temporary foreign workers have a firm plan in place to transition to a Canadian workforce over time through the LMO process.

Employers will be required to develop and implement a plan to transition to a Canadian workforce. The details of a transition plan will vary depending on whether the employer is seeking to fill a lower- or higher-skilled position, the type and size of the industry and the regional unemployment rate, as well as the particular job being advertised. The employer will have to submit the transition plan to HRSDC as part of its LMO application. The transition plan will generally include an employer's intended actions in the following areas: recruitment, training, and residency.

For every LMO application submitted, HRSDC will review each employer's plan and determine if it is sufficient to support the transition to a Canadian workforce before issuing a positive LMO. HRSDC will issue the employer a negative LMO should the employer not provide sufficient detail. A review of the employer's progress against the transition plan will occur if the employer applies for another LMO in the future. Employers will be required to document their ongoing efforts to transition to a Canadian workforce.

Identify English and French as the only languages that can be used as a job requirement.

Employers seeking temporary foreign workers, or advertising for jobs, in a language other than English or French will not be allowed to hire temporary foreign workers. Exemptions will only be given in specialized cases where a foreign language is an essential job requirement, such as tour guides, translators or performers. In these cases, the onus will be on the employer to explain why a foreign language is a requirement of the job.

Primary Agriculture

The Seasonal Agricultural Worker Program and other primary agricultural occupations will be subject to the reform that will increase the Government's authority to suspend and revoke work permits and LMOs if they are being misused. However, they will be unaffected by the remaining reforms, as there are proven acute labour shortages in this industry and the unfilled jobs are truly temporary.

Economic Action Plan 2013

Jobs, Growth and Long-Term Prosperity

As part of its plan for jobs, growth and long-term prosperity, the Government is moving forward with a three-point plan to address challenges in connecting Canadians with available jobs by equipping them with the skills and training they need to obtain high-quality, well-paying jobs. As outlined in Economic Action Plan 2013, the three-point plan is as follows:

1. creating the **Canada Job Grant**, which could provide \$15,000 or more per person, including the federal contribution and matching contributions from provinces/territories and employers, to take skills-training choices out of the hands of government and put them where they belong: in the hands of employers and Canadians who want to work;
2. creating **opportunities for apprentices** by making it more practical and easier to get the experience needed to make the leap to journey person status; and
3. providing **support to under-represented groups**, including people with disabilities, youth, Aboriginal people and newcomers, to help them find good jobs.

Canada Job Grant

The Canada Job Grant will take skills-training choices out of the hands of government and put them where they belong: in the hands of employers and Canadians who want to work. Job seekers will train at community colleges, career colleges, polytechnics or union training halls, among other venues. Most importantly, the new grant should lead to one essential thing for unemployed or underemployed Canadians: a new or better job.

The Grant will provide \$15,000 or more per person, including a maximum \$5,000 federal contribution and matching contributions from an employer and province or territory. Businesses with a plan to train Canadians for an existing job or a better job will be eligible to apply for a Canada Job Grant. Once the grant is fully implemented, nearly 130 000 Canadians per year are expected to be able to access the training they need to obtain gainful employment or improve their skills for in-demand jobs. The Canada Job Grant will be introduced in 2014–15 as part of the renewal of the Labour Market Agreements.

Opportunities for apprentices

To further reduce barriers to accreditation in the skilled trades in Canada and increase opportunities for apprentices, the Government will work with provinces and territories to harmonize requirements for apprentices, and examine the use of practical hands-on tests as a method of assessment in targeted skilled trades. This will support more apprentices in completing their training and encourage mobility across the country.

In addition, the Government will support the use of apprentices in federal construction and maintenance contracts. The Government will also ensure that funds transferred to provinces and territories through the Investment in Affordable Housing Program support the use of apprentices. As part of the new Building Canada plan for infrastructure, the Government will encourage provinces, territories and municipalities to support the use of apprentices in infrastructure projects receiving federal funding.

Support for under-represented groups

Economic Action Plan 2013 will also support labour market participation and a more inclusive skilled workforce with a range of measures, including:

- introducing a new generation of Labour Market Agreements for Persons with Disabilities with an investment of \$222 million per year, to better meet the employment needs of Canadian businesses and improve the employment prospects for people with disabilities;
- reallocating \$19 million over two years to promote education in high-demand fields, including the skilled trades, science, technology, engineering and mathematics;
- investing \$70 million over three years to support an additional 5 000 paid internships for recent post-secondary graduates, ensuring they get the valuable hands-on work experience needed to transition into the workforce;
- dedicating \$241 million over five years to improve the on-reserve Income Assistance Program to help ensure Aboriginal youth can access the skills and training they need to secure employment;
- maintaining funding at \$40 million per year, starting in 2015-16, for the Opportunities Fund for Persons with Disabilities. The program will also be reformed to provide more demand-driven training

solutions for people with disabilities and make it more responsive to labour market needs. Employers and community organizations will be involved in project design and delivery; and

- extending the Enabling Accessibility Fund at a level of \$15 million per year, to support capital costs of construction and renovations to improve physical accessibility, including workplace accommodation, for people with disabilities.

[E-mail to a Friend](#)

Date Modified: 2013-04-29