

New Restrictions on “Low-wage” Stream of Temporary Foreign Workers Program

August 28, 2024

On August 26, 2024, the Government of Canada [announced](#) rule changes to the Temporary Foreign Workers (“TFW”) Program. These changes will increase restrictions on an employer hiring “low-wage” TFWs, meaning TFWs in jobs that pay below the median hourly wage for the province in which the job is based.

Effective September 26, 2024 the following changes will be implemented:

- The government will refuse applications for low-wage TFWs in regions with an unemployment rate of 6% or higher. Note, the current overall unemployment rate in Canada is 6.4%. Exceptions will be granted in food processing, agriculture, construction and healthcare.
- An employer will not be allowed to hire more than 10% of its total workforce through the TFW Program. Note, in March 2024, this maximum was reduced from 30% to 20%. Exceptions will be granted in food processing, agriculture, construction and healthcare.
- The maximum duration of employment for workers hired through the low-wage stream will be reduced to one year (from two years).

Within the next 90 days, the government will undertake a further review of the TFW Program. This review may result in changes to: (a) the “High-wage” Stream of the TFW Program; (b) the processing of existing applications for which positions have not been filled and/or (c) sectoral exceptions. The government may also stop accepting some applications, potentially for rural areas.

To learn more or for assistance, contact your Sherrard Kuzz lawyer or our team at info@sherrardkuzz.com.

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