

Human Resources and Skills Development Canada

Temporary Foreign Worker Program

New wage structure

On April 25, 2012, common-sense improvements to the Temporary Foreign Worker Program were announced to better meet labour market demands, reduce red tape for employers, strengthen protections for temporary foreign workers and support the economic recovery. These enhancements included a new wage structure.

Every employer continues to be required to pay temporary foreign workers the same wage that they are paying their Canadian workers for doing the same job in the same location.

Under the old wage structure, employers were required to pay temporary foreign workers at least the median wage for an occupation in a specific region, regardless of what they were paying their Canadian employees. In many cases, this resulted in employers paying temporary foreign workers more than Canadians. The method of determining the median wage was also inconsistent from region to region. The old structure was unfair to Canadians and did not reflect labour market realities. After various consultations, action was taken to address the problem.

Under the new wage structure, employers can pay wages that are up to 15% below the median wage for a high-skill occupation, and 5% for a low-skill occupation, in a specific region. However, employers must provide documentation that clearly demonstrates that the wage being paid to a temporary foreign worker is the same as that being paid to their Canadian employees in the same job and in the same location. The wage for a low-skill occupation cannot be below minimum wage and the wage range is set at 5% because these jobs pay less. The new wage structure is based on Statistics Canada's data and allows a set range that provides a flexibility that was not previously available.

The new wage structure does not apply to the Seasonal Agricultural Worker Program, the Agricultural Stream of the NOC C and D Pilot Project or the Live-in Caregiver Program because employers participating in these programs hire mostly temporary foreign workers.

[Scenarios](#)

[Backgrounder](#)

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