Immigration Insights

Quarterly Canadian immigration webinar series

The better the question. The better the answer. The better the world works.

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Shape the future with confidence

Are you ready?

Canadian immigration compliance updates

Agenda

01

Current immigration landscape

Current immigration landscape

Pressure to reduce numbers of temporary foreign workers:

Goal to reduce population to 5% temporary residents by end of 2027. Currently at approximately 6.5%.

Impacted so far - Students, Low wage LMIAs, Post Graduate Work Permits, Open Spousal Work Permits, C10/C20 policy updates.

What other levers are there to reduce numbers?

IRCC staff layoffs and use of AI

Limited pathways to permanent residence

Budget and immigration levels plan

Overall reduction in Temporary and Permanent Resident numbers

- Main categories of reduction: students, overall IMP work permits, TFWP work permits
- Few categories with increases: PNPs

One-time Measures

- Pathway for 33,000 workers to transition to permanent residence
- Recruitment of 1,000 international researchers
- Accelerated pathway for H-1B visa holders

Areas of Investment

- Foreign Credential Assessment
- CBSA Enforcement

Impact to employers

- Increased scrutiny on various permit categories:
  - LMIAs
  - ICTS
  - C10 / C20 - February 2026 policy updates
  - Open spousal work permits
  - Temporary Residence Visa issuance
  - Vulnerable worker permits – February 6th, 2026 policy update
- Temporary Resident to Permanent Resident – NOC changes and related compliance implications
- What do these changes mean for employers?
  - Need to prepare more robust applications with more information/evidence
  - Need to be more careful around changes like promotions/increases and record retention
  - Pressure to support Permanent Residence applications
    - Monetary support, changing NOCs, increasing pay to meet prevailing wage, support PNPs

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02

Shifting compliance landscape and trends

The shifting compliance landscape

Increased enforcement activity, shifting policy priorities, and tighter program controls are elevating compliance risk for employers—particularly those supporting foreign national workforces

What we're seeing now:

- Heightened scrutiny of employer compliance obligations
- Expanding inspections under the IMP and TFWP
- Narrower eligibility and stricter interpretation of programs
- Growing consequences tied to public listing, penalties, and work permit disruption
- Is your immigration program aligned with today's enforcement reality—or yesterday's rules?

Shifting of the compliance landscape

2022

Regulatory Tightening

Amendments to IRPR – Mandatory signed agreements, TFW rights

2023

Increased Inspection Activity

Increased random and risk-based inspections. Stronger coordination between IRCC/ESDC

2024

Data driven enforcement

Annual wage review requirements under TFWP, expanded public reporting on penalties and bans

2025

High-scrutiny environment

Higher penalties, reduced temporary intake with levels plan

2026

Heightened enforcement

Objective to keep TRs below 5%, compliance inspections all shifted under ESDC, stricter enforcement

What does this mean for compliance?

- Renewed emphasis on program integrity and on compliance
- Original intent of employer compliance regulations was not meant to be punitive – but to promote the respect of temporary foreign worker rights
- Increased focus on compliance as a way to reduce numbers of temporary foreign workers?
- Monetary penalties as a source of revenue to alleviate internal cost cuts?
- Conflict of interest: ESDC mandate to reduce numbers of temporary foreign workers while it is also responsible for conducting compliance inspections for employers accessing the program

Employer compliance key trends

1,319

Number of employers currently listed on the IRCC non-compliance employer site

Inspections:
1435 employer compliance inspections in FY2024-2025 (10% non-compliance rate)

$1,000,000

Highest Administrative Monetary Penalty paid by an employer (Sep 2025)

2x ↑ from last year

From $2,067,750 → $4,882,500

2 Years

Most common length of ban imposed on employers

36 employers banned
(3x ↑ from last year)

Consequences of non-compliance:

- Warnings;
- Administrative monetary penalties (AMP) of $500 to $100,000 per violation, up to a maximum of $1 million over one year;
- A ban of 1, 2, 5 or 10 years, or *permanent* bans for the most serious violations;
- The publication of their name and address on a public website with details of the violation(s) and/or consequence(s);
- The revocation of previously-issued lmias; and/or
- Reputational risk

03

The compliance mindset

Compliance mindset

- Compliance begins before the application is filed - Consider what details to include in the: LMIA advertisement, LMIA application, OOE
- Salary reviews/annual increases, Bonuses and other benefits, Vacations , Promotions
- Proactively establish and implement good policies and processes
- Be Inspection ready:
  - Document retention policies and processes,
  - Good file and document management,
  - Protect employee privacy

- Confirm whether inspection is for IMP or TFWP
- Documents to consider including in an Inspection response
- "Substantially the same – but not less favourable than"
- Foreign employers completing the OOE/LMIA

What can HR leaders do?

Nine key steps

- Review temporary foreign worker population
- Start early
- Re-assess talent pipeline
- Have a compliance mindset
- Clear compensation and rewards strategy
- Be proactive
- Policies and processes
- Keep good records/documentation
- Expect the unexpected

04

Risk factors and how to address them

Risk factors and how to address them

1. Reason to believe inspection triggered by employee filing Vulnerable Worker work permit
2. Not preparing sufficiently for an in-person inspection
3. Not having the right person attend the in-person interview
4. Not providing sufficient and relevant information in written responses
5. Answering questions not asked/volunteering information
6. Issues around HR policies/handling of complaints/whistleblower policies
7. Impact of other violations (Employment Standards, Workplace Health & Safety etc.)
8. Not giving compliance requirements sufficient consideration
9. Failure to audit immigration compliance issues as part of due diligence during corporate transactions
10. Layoffs and closures
11. Not providing the Know Your Rights link before the person starts work/failing to continuously provide access

Addressing non-compliance

- Voluntary disclosure
- Use of justifications
  - Change in a federal, provincial or territorial law
  - Change to a collective agreement
  - Changes in economic conditions impacting all employees equally
  - Error in interpretation made in good faith if the employer subsequently provided compensation
  - Unintentional accounting or administrative error if the employer subsequently provided compensation
  - Circumstances similar to the above
  - Force majeure/unforeseeable circumstances
- Litigation

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Questions? Let's connect.

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