



Ontario Agri-Careers Support Initiative

# Food and Beverage Processor Employer Guide — Understanding the Temporary Foreign Worker Program



## Introduction

As part of the Ontario Agri-Careers Support Initiative (OACSI), [Bimbo Canada](#) in partnership with [Food and Beverage Ontario](#), completed a project to better understand Canada's Temporary Foreign Worker Program.

The OACSI program was funded in part through the Canadian Agricultural Partnership (the Partnership), a five-year, federal-provincial-territorial initiative. This program is being delivered by the Agricultural Adaptation Council on behalf of the Ontario Ministry of Agriculture, Food and Rural Affairs.

Food and Beverage Ontario and Bimbo Canada are pleased to share this Guide with Ontario's food and beverage processing industry.

## Food and Beverage Ontario

Food and Beverage Ontario is a not-for-profit leadership organization dedicated to advancing the interests of Ontario's food and beverage processors.

The focus of the organization is on the success, prosperity and growth of the food and beverage processing sector through collaborative relationships across the food supply chain and with governments and educational partners.

## Background on Industry Labour Challenge

Labour continues to be the top challenge for the Ontario food and beverage processing sector and one possible solution that is available to employers is the Temporary Foreign Worker Program (TFWP). In a sector that will experience a shortage of up to 25,000 employees by 2025, Ontario's food and beverage processors require immediate solutions.

For those companies that have never made use of the TFWP, this guide provides a background on the program, the application process, and the regulations, in addition to providing an outline of the work involved in participating in the TFWP.

## History of Canada's Temporary Foreign Worker Program

The TFWP was created by the federal government in 1973 to facilitate economic growth in Canada by responding to labour shortages. It allows employers to hire foreign nationals temporarily to fill gaps in their workforces. The TFWP requires employers to file a Labour Market Impact Assessment (LMIA) to show that no Canadian or permanent resident worker is available to complete the job.

## How the Temporary Foreign Worker Program Works

The TFWP allows Canadian employers to hire foreign workers to fill temporary jobs when qualified Canadians are not available. The program is regulated through the Immigration and Refugee Protection Act and the Immigration and Refugee Protection Regulations, and is administered in partnership with Immigration, Refugees and Citizenship Canada (IRCC) and the Canada Border Services Agency (CBSA).

Through its Service Canada processing centres, Employment and Social Development Canada (ESDC) assesses applications from employers requesting permission to hire TFWs and conducts LMIA's to determine the likely effect these workers would have on the Canadian labour market.

The TFWP assesses the impact by looking at the available labour market information for the region and the occupation, the employers' recruitment and advertisement efforts, wages and working conditions, labour shortages and the transfer of skills and knowledge to Canadians.

The TFWP is available to any company that requires labour and can prove that they are unable to fill open positions with Canadian citizens.

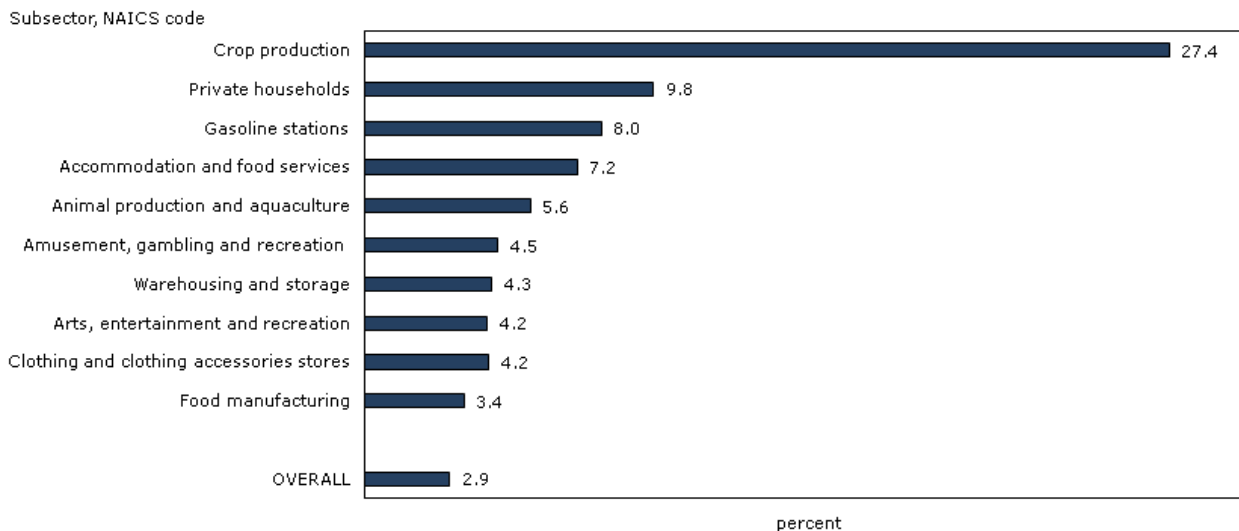
For additional details, please see the Government of Canada Temporary Foreign worker website.

## How Canada's Temporary Foreign Worker Program is Being Used

When looking at the TFWP since 2000, it is evident that Canadian employers are utilizing the program more than ever before. Canada is becoming increasingly reliant on TFWs to fill the labour shortage gaps. The number of TFWs (work permit holders on December 31 in each year) increased seven-fold from 111,000 in 2000 to 777,000 in 2021.

In 2019, it was reported that 2.9% of Canada's workforce were TFWs. Of the top 10 industries using TFWs, food manufacturing was ranked tenth with only 3.4% of the workforce being TFWs compared to agriculture at 27.4%.

**Chart 1**  
Proportion of temporary foreign workers, selected industries



**Note:** NAICS = North American Industry Classification System.  
**Source:** Statistics Canada, Canadian Employer–Employee Dynamics Database.

### Top 10 countries of origin for TFWs:

- Mexico
- Guatemala
- Jamaica
- Thailand
- Philippines
- Trinidad and Tobago
- India
- Honduras
- Saint Vincent and the Grenadines
- Nicaragua

## Responsibilities of Employers Under the Temporary Foreign Worker Program

Employers have the following responsibilities under the TFWP:

- Make sure the temporary workers get [the most recent information about their rights](#)
  - on or before their first day of work
  - in their chosen official language of Canada
- Make sure the temporary worker gets a copy of the signed employment agreement
- Make sure the employment agreement includes information on the temporary worker's wages, working conditions and occupation, as listed in the [offer of employment or labour market impact assessment](#) (LMIA)
- Make sure that the temporary workers have their work permit
- Make sure that the temporary workers follow the conditions and time limits outlined on their work permit
- Meet employer commitments to the temporary workers regarding wages, working conditions and occupation, as listed in the [offer of employment](#) or [labour market impact assessment](#) (LMIA)
- Comply with provincial, territorial, or federal employment laws
- Make sure that the employer's business remains active during the validity period of the work permit
- Make sure that temporary workers aren't charged any recruitment fees
- Make reasonable efforts to provide
  - a workplace free of abuse
  - access to health care services when injured or ill in the workplace

Visit the [Government of Canada website](#) for a detailed outline of employer responsibilities.

Employers must also follow the province of [Ontario's employment standards act](#), and housing guidelines as set out by the Ministry of Health and municipal by-laws.

## Responsibilities of Temporary Foreign Workers

While TFWs may need assistance with a number of these items, they are responsible for the following:

- applying for a work permit and Visa,
- finding room and board,
- paying for local transportation, and;
- providing basic information to the employer (i.e., DOB, address, etc.).

As noted on the IRCC website, policies can change without notice and employers should visit the [Government of Canada's Immigration and Citizenship website](#) for the most up to date information.

## The Cost of Hiring Temporary Foreign Workers

Some costs are standard such as Labour Market Impact Assessment (LMIA) fees, while others are variable including costs associated with housing and HR resources.

## Administrative Costs

Several administrative costs need to be paid by the employer as part of the application process. Assuming a processor uses a third party such as [Foreign Agricultural Resource Management Services \(F.A.R.M.S.\)](#). F.A.R.M.S. to assist, the summary of administrative costs would be:

- LMIA processing fee of \$1,000 per worker (regardless of if they arrive in Canada or not).
- \$50 F.A.R.M.S. admin fee per worker.
- \$200 recruitment fee for new workers (doesn't apply if dealing with a Ministry of Labour in the worker's home country).
- \$85 biometrics fee.
- Airfare: \$477.17 (if using CanAg, there is a small fee to CanAg included in the rate) (2022 rate).
- Estimated administrative total cost per worker: \$1,812.17

**Note:** After five years of employment, there is a \$4 per week recognition payment, to a maximum of \$128 per year per worker.

**Note:** These numbers serve as a guideline. Costs change each year and are based on 2022 available data.

## Wages

TFWs must be paid at the same rate as a Canadian citizen would be paid for that position. All rules associated with hours, rates, overtime, etc., would be the same guidelines a company would normally follow.

## Housing and Transportation Costs

Depending on the processor, additional costs can be incurred in areas of lodging and transportation. While paying for housing and transportation during their employment term is the responsibility of the worker, several employers provide free or subsidized housing and transportation assistance.

## Medical Costs

TFWs working in Ontario are covered under OHIP as soon as they receive their OHIP card. As of January 1, 2023, all TFWs are eligible for OHIP immediately after they enter Ontario. It is the responsibility of the employer to ensure the worker has medical coverage until the OHIP coverage comes through. The timeline to get OHIP coverage would depend on how soon the processor could make an appointment and get the worker into a Service Ontario branch. For a list of Service Ontario locations, visit [the provincial government website](#).

WSIB coverage starts the day a TFW arrives at the agreed upon departure location in their home country and remains in place until they return home.

## HR Costs

There is a cost for employers to manage the TFWP depending on the level of hiring and duration.

### Cost Summary— Guideline Only

Item	Total	Per Working Day
<b>Admin</b>		
LMIA Fee	\$1,000.00	\$6.41
F.A.R.M.S.	\$50.00	\$0.32
Airfare	\$500.00	\$3.21
Recruiter	\$200.00	\$1.28
Biometrics fee	\$85.00	\$0.54
	<b>\$1,835.00</b>	<b>\$11.76</b>
<b>Lodging</b>		
Rent	\$6,000.00	\$38.46

The above summary is based on rent of \$1,000 per month, \$18 per day for transportation and is based on 156 workdays.

## How to Onboard a Temporary Foreign Worker

Once a processor has decided that they want to use the TFWP and believe their application would be successful, several steps should be taken. There are three general categories to the process that are being shared as a guide only.

- Pre-work
- The application process and sourcing
- Managing/oversight the program.

### 1. Pre-Work

The first step in the process is to identify what positions are needed and to ensure that these positions have been posted on the Government of Canada Job Bank as well as two other sources (e.g., Indeed, Kijiji, etc.) that also target underrepresented groups. Ads must be posted for a minimum of 14 calendar days during the 3-month period before submission of the LMIA application to Service Canada<sup>19</sup>. These positions need to be posted at least four weeks prior to the work start date and need to remain on the job bank. Employers must have a valid Job Bank account as part of the process.

When posting an ad for a position, there are items that need to be included in the posting. The following information comes from the Foreign Agricultural Resource Management Services (F.A.R.M.S.) website and provides a list of what needs to be included in the posting:

### *Advertising Must Include*

1. Company operating name – name of business/farm on LMIA
2. Business address
3. Title of position – (e.g., General Farm Labourer, Harvester, Fruit Picker, etc. as indicated on LMIA – Vague titles such as “help wanted” will not be accepted)
4. Job duties – (for each position, if advertising more than one vacancy); (should be similar to LMIA, for Job Bank, duties are found under Skills/Specific Skills)
5. Terms of employment – (seasonal full-time OR temporary full time OR permanent full time OR start/end date with full time hours per week specified)
6. Wage – (must include any incremental raises, performance pay or bonuses); (must be current minimum wage or SAWP wage and must match wage on LMIA)
7. A wage range can be used for the purposes of complying with the advertisements; however, the minimum wage in the range must meet prevailing wage
8. Benefits package being offered – (if applicable)
9. Location of work – (local area, city, or town); (e.g., Leamington -postal code and general area specified OK, general area must be close to farm location)
10. Contact information – telephone number, cell phone number, email address, fax number, or mailing address; (any one is acceptable)
11. Skills requirements:
  - Education (must match LMIA, state “no education required” if not required)
  - Work experience (must match LMIA, state “no experience required” if not required, no experience on LMIA and “experience is an asset” on ads is acceptable)

In determining the potential number of TFWs with the low wage stream, (under the current guidelines) a company is allowed to utilize, no more than 20% of its workforce as TFWs.

### *Third-Party Support*

There are a number of immigration and recruiting companies that offer TFW services. One example that is used commonly by processors F.A.R.M.S. F.A.R.M.S. assist with the processing and the logistics of getting workers to Ontario. F.A.R.M.S. is a not-for-profit organization, based in Ontario that provides TFW services to the agriculture and processing sectors.

### *Employment Contracts*

Employers are responsible for providing an employment contract and to ensure contracts are signed by workers.



## 2. The Application Process and Sourcing

The LMIA application is overseen by Service Canada and Employment and Social Development Canada. The application is submitted through the [LMIA Online - Pilot with Job Bank](#).

The purpose of the LMIA is to show the need for help and that there are no Canadians available or willing to do the work.

The LMIA approval process can take between 2 to 6 weeks as applications are done on an as-received basis. The application should be submitted 5 to 6 months prior to the planned worker's arrival. The employer does not have to know the names of the workers when submitting the application, they can be added after the application has been approved along with the number of positions.

Once the employer application has been submitted to Service Canada and approved, it should be sent to a third-party service provider as well as the recruiting agency.

There may be an exemption to the LMIA as follows:

1. The employee has been working full-time for an employer specified on their work permit for at least 1 year (or an equal amount of part-time work)
2. They have a valid job offer
3. They have a valid work permit that is exempt from an LMIA under:
  - an international agreement
  - a provincial or territorial nominee program
  - the Canadian interests category (e.g., mobilité francophone)

More details on LMIA exemptions can be found on the [Government of Canada website](#).

### *Sourcing Workers*

It is the responsibility of the employer to source workers. Workers are sourced through either a third-party recruitment company or through the country that a company is looking to recruit workers from via the Ministry of Labour.

The recruiting companies and Ministries of Labour in each country work with F.A.R.M.S. to ensure workers are eligible to come to Canada and have all their correct documentation.

## 3. Managing

Following the application and sourcing process, there is a significant amount of work to be done to manage the workers and program. Below is a review of some of the tasks that need to be performed.

### *Preparing for the Temporary Foreign Worker*

- Communicate with all approved hires via What's App, Zoom and Teams to ensure all workers have their documentation set before they depart their home country.
- Continue communication with the recruiting company and/or Ministry of Labour in the TFW's country of origin.
- Identify if any translation assistance will be needed. All processors we spoke with utilized workers to help with any language barriers in the plants.
- Source housing and transportation options.



- Meet with municipal government to ensure housing has been approved.
- If local transit will be utilized to get workers to and from a plant location, meet with local transit authorities on training for workers. Several transit authorities we spoke with were open to the idea of providing training for temporary foreign workers on how to access transportation. This would include providing resources in different languages.
- Healthcare setup – employers are responsible for ensuring workers get set up with OHIP. Contact your nearest Service Ontario office to set up appointments.
- Contact your insurance carrier to ensure workers will have health coverage until workers are able to visit [Service Ontario](#) and get registered for their OHIP card.
- Prepare for workplace safety training for workers: the [WSPS](#) provides free safety resources for foreign workers.
- Get workers set up with [WSIB](#).
- Reach out to area financial institutions to find out the process required in helping temporary foreign workers set up a bank account and ways they can transfer money back to their country of origin.
- Reach out to local tax preparation services to ask about help setting up filings for workers. It is important to note that each worker must file a tax return before leaving the country. Employers are also responsible for providing T4s for all workers.
- Identify those in the company that can communicate in workers' native language to ensure that translation of day-to-day tasks is available. During candidate selection, identify those that have a strong English language capability.

### *Once Workers are in Ontario*

- Set up training for all new and returning workers, i.e., WHMIS, new processes, etc.
- Identify which temporary foreign workers need a health card. For those that need an OHIP card, set up appointments with Service Ontario to help workers obtain their health card. Ensure worker has their valid passport, work permit and [form 0265-82 from Service Ontario](#).
- Help workers set up Social Insurance Number. It is the employer's responsibility to assist the workers in obtaining a social insurance number. Additional resources for setting up a SIN can be found on the [Government of Canada website](#).
- Assist workers in settling into housing.
- Assist workers with setting up bank accounts, familiarity with local shops and amenities.
- Provide a list of community supports.
- In Canada, your income tax obligations are based on your residency status, not on your citizenship or immigration status. If you have entered Canada to work temporarily, you are responsible for determining your residency status and understanding your tax obligations. Learn more on the [Government of Canada website](#).
- Connect workers with local businesses that can assist with the filing of Canadian tax returns. More details on tax returns for foreign workers can be [found online](#).
- Day-to-day management – ensure workers have a contact they can go to for any issues.
- Connect with a third-party recruiter and F.A.R.M.S. on a regular basis.

- At end of the contract period, ensure all travel arrangements have been made.
- Review workers' performance and identify which workers you want to ask to return.
- Continue communication with third-party support and workers prior to the next season.

## Health Care, Housing, and Transportation for Temporary Foreign Workers

### Health Care

Effective January 1, 2023, TFWs are now covered as soon as the OHIP application has been received and accepted by Service Ontario. From our discussions with Service Ontario, there is no indication that this is a permanent change from the previous regulations. Previously, workers had to wait three months before OHIP coverage started and employers were responsible for private healthcare for workers. It is the responsibility of the employer to provide coverage until the worker is registered with OHIP.

All temporary foreign workers are required to have [an OHIP card](#). Employers are also responsible for identifying which workers need a health card.

It is also the employer's responsibility to make an appointment with Service Ontario to help the TFW file the application. Workers must bring the following with them:

- Completed Registration for Ontario Health Insurance Coverage -Form # 0265-82
- Valid passport
- Work permit

Additional details can be found on [the F.A.R.M.S. website](#).

### Housing

Although workers are responsible for paying for their own lodging while in Ontario, some employers cover rent or subsidize lodgings.

With all housing options for TFWs, whether housed on-site, on farms, or in rental houses, along with the house being approved by the Ministry of Health, the city also needs to approve the accommodation. The city needs to determine if the location is suitable based on the number of people staying in the house and the living conditions.

### Transportation

Depending on housing and business location, transportation can be a challenge if public transit is not available. A few options utilized by processors include:

- City busses available for charter in off-peak hours
- Third party companies offering bus service
- Ride Share programs
- Various shuttle services

## Additional Resources

### AKR Consulting (funding help)

- [AKR Consulting website](#)

### Food and Beverage Ontario

- [Food and Beverage Ontario website](#)

### F.A.R.M.S.

- [F.A.R.M.S. website](#)
- [F.A.R.M.S. Health & Safety page](#)
- [F.A.R.M.S. - Program Related Costs](#)

### Government of Canada

- [Hire a temporary foreign agricultural worker](#)
- [Labour Market Impact Assessment](#)
- [Working in Canada Temporarily](#)
- [As an employer, what are my obligations to temporary foreign workers?](#)

### Ontario Ministry of Agriculture Food Rural Affairs (OMAFRA)

- [Temporary Foreign Workers](#)
- [Enhanced Agri-Food Workplace Protection Program guidelines](#)

### Ontario Ministry of Health

- [Apply for OHIP and get a health card](#)
- [Registration for Ontario Health Coverage](#)

### Ontario Ministry of Labour Training and Skills Development

- [Your guide to the Employment Standards Act](#)

### Working Link (recruiter)

- [Working Link website](#)

### WSIB

- [Foreign Agricultural Workers Program](#)
- [Injuries at work? A guide for employers](#)

### WSPS

- [Temporary Foreign Agricultural Workers - Safety Resource List](#)