

# Canadian-first policy is challenge for Indian IT

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**Bengaluru:** Canada's stringent new penalties for contravening norms related to bringing in foreign workers come into effect from December 1, and Indian IT companies and employees in particular need to watch out.

Under its Immigration and Refugee Protection Act passed earlier this year, penalties can include steep fines, being barred from bringing temporary foreign workers and being shamed by having the names of guilty companies published online.

Before these regulations were passed, the worst that could be done to an employer was to bar them for two years. "Now there can be fines up to \$100,000 per employee and up to \$1 million in aggregate for the company.

In addition, the company may be barred from bringing workers for one, two, five years or for its lifetime, depending on how serious the contraventions are. The regulators think this to be a more flexible tool to punish deserving companies, but not over punish companies that may not have intended to contra-

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vene," Howard Greenberg, practice leader for immigration in KPMG Law in Canada, told TOI. KPMG Law is a law firm affiliated to global consulting and audit firm KPMG.

He noted that the new regulations also carry "reputation risks" which companies

prefer they do not have. The new norms could pose a challenge especially to Indian IT companies that have thousands of employees in Canada to provide support to local banks, insurers, energy and mining firms. Indian IT industry body Nasscom estimates about 20,000 Indians work in the tech sector in the country, higher than any other sector.

Companies are obliged to make every effort possible to find relevant workers locally before they look for foreign workers, pay the foreign workers certain minimum sala-

ries, and not change the terms and conditions of employment of foreign workers without informing relevant authorities. Abiding by some of these rules is complicated and sometimes open to different interpretations.

Canada is trying to ensure that a job is fairly represented in the Canadian market so that people, who are unemployed, may apply for it. The country's unemployment rate has risen sharply due to the plunge in oil prices in the past one year — it rose to 7.1% in September, the highest since February 2014.