

# Federal

## LAWS & ANNOUNCEMENTS

### Leaves of Absence

Apr 22: [Bill C-222](#) amending the *Canada Labour Code* to provide that an employee who's entitled to maternity or parental leave to care for a newborn or newly adopted child remains entitled to that leave even if the child dies during the leave period, has been reported out of Committee. "Evan's Law" would also amend the *Employment Insurance Act* to provide that a person to whom EI benefits are payable to care for a newborn or child placed for adoption remains eligible to receive those benefits even if the child dies during the benefit period.

**Action Point:** Find out how to implement a legally sound [Parental Leave Compliance Game Plan](#) at your workplace.

### Pay Equity

May 6: New *Canada Labour Code* ["equal treatment" rules](#) ban federally regulated employers from paying employees different wage rates based on their employment status, effective October 20. Employment and Social Development Canada (ESDC) issued guidance listing the criteria and exceptions employers must consider in comparing wage rates to determine whether employees are being treated equally.

**Action Item:** Find out the 8 things you must know to comply with the [federal pay equity law](#).

### Labour Standards

May 6: ESDC issued [Interpretations, Policy and Guidelines \(IPG\) 123](#) explaining the new *Canada Labour Code* [ban](#) on temporary help agencies employee fees that takes effect on October 20, including the agencies and fees the ban covers and how new Code "equal treatment" rules apply to temporary help agencies and their employees.

### Employment Contracts

May 7: Newly tabled legislation that will likely pass, [Bill C-31](#), amends the *Canada Labour Code* to ban federally regulated employers from adding a non-compete clause to an employment contract, with limited exceptions. It would also be illegal to reject a job applicant or take reprisals against a current employee for objecting to such a clause, which the Bill defines as "a term or condition of employment, or a clause in an agreement, that prohibits an employee from engaging in any business, work, occupation or trade, profession, project, or other activity that is in competition with the employer's federal work, undertaking or business after the employee ceases to be employed."

**Action Point:** Find out why you should use [non-solicitation instead of non-compete clauses](#) to protect your company.

### Immigration

May 4: The federal government is pushing forward with the one-time In-Canada Workers Initiative, announced in Budget 2025, to accelerate the transition of up to 33,000 workers in Canada to permanent residence in 2026 and 2027. As part of the initiative, Immigration, Refugees and Citizenship Canada (IRCC) is initially accelerating eligible applications from existing inventories of work permit holders who've applied for permanent residence.

### **Immigration**

May 6: The federal government finalized [new regulations](#) that allow the College of Immigration and Citizenship Consultants to impose tighter controls on immigration consultants and impose stricter penalties on consultants who break the rules. Effective date: July 15, 2026.

**Action Point:** Find out what companies and their HR directors need to know to [navigate the immigration law maze](#).

### **Immigration**

Apr 20: Newly tabled [Private Member Bill C-274](#) proposes to amend the *Citizenship Act* to provide a path to citizenship for certain persons who weren't citizens when they transitioned out of the care of a child welfare agency or foster parent. The Bill would also amend the *Immigration and Refugee Protection Act* to provide that a removal order can't be enforced against such persons who are applying for citizenship until a final decision is made on their application.

### **New Laws**

Apr 21: The Canadian government launched a new Domestic Trade Commissioners Network to support domestic trade and provide business opportunities for small and medium-sized enterprises (SMEs). Made up of representatives from each province, territory, and the federal Regional Development Agency (RDA), the new Network will further government efforts to support businesses affected by tariffs.

### **Labour Relations**

May 25: The federal government concluded public consultations on *Canada Labour Code* reform. Ideas on the table include adjusted timelines for collective bargaining, increased training support for workers impacted by artificial intelligence (AI) and automation, stricter OHS requirements, stronger protections against misclassification and wage theft, and ensuring that union rights carry over when contracts are retendered.

### **New Laws**

Apr 17: The federal government announced that eligible Canadians will receive a one-time GST/HST credit top-up on June 5, 2026. The payment is part of the transition to the more generous Canada Groceries and Essentials Benefit which will replace the GST/HST credit on July 3, 2026. The top-up will be equal to 50% of the GST/HST credit for the 2025-26 benefit year. Quarterly payments under the new Benefit will then increase by 25% over the next five years.

### **New Laws**

Apr 20: Ottawa temporarily suspended the federal fuel excise tax on gasoline, diesel

fuel, and aviation fuels through Labour Day (September 7, 2026). The measure is expected to reduce costs at the gas station by 10 cents per litre on regular gasoline and 4 cents on diesel. Heating oil is exempt from the tax and there's no federal excise tax on natural gas or propane. Provincial governments also collect their own gasoline and diesel taxes.

### **Discrimination**

Apr 30: The House passed [Bill C-9](#) making it a crime to wilfully promote hatred against any identifiable group by displaying certain symbols in a public place or intentionally obstruct or intimidate a person from attending a mosque or other public place of religious worship and repealing the requirement that the Attorney General consent to the prosecution of hate propaganda offences. The Bill is through Second Reading in the Senate.

### **Privacy**

May 21: The government is conducting public review of the *Privacy Act*, adopted in 1983 to require federal institutions to safeguard the confidentiality of the personal information entrusted to them. The Treasury Board, which administers the Act, has [proposed changes](#) to modernize the law for the digital age. Deadline to [comment](#): July 10.

### **Privacy**

Apr 17: The Canadian Centre for Cyber Security launched the Critical Infrastructure Resilience and Escalated Threat Navigation (CIREN) initiative to help critical infrastructure organizations understand, prepare for, and practice responding to severe cyber incidents. The goal: Ensure these organizations are capable of maintaining essential energy, telecommunications, transportation, and water services during widespread cyber disruptions and other worst-case scenarios.

**Action Point:** Find out how to [avoid privacy violations](#) when using digital technology to monitor employees.

### **Workplace Violence**

Apr 28: The Senate passed [Bill C-225](#) amending the *Criminal Code* to create new offences for engaging in intimate partner violence and ban peace officers from releasing persons arrested for an intimate partner offence if they've committed such an offence in the last five years or are at large on a release order for such an offence. The Bill is now working its way through the House.

**Action Point:** Domestic and intimate partner violence becomes an OHS issue and liability risk for employers when it happens at the victim's workplace. Find out [how to protect your employees](#) from the risk of workplace domestic violence.

## **CASES**

### **Drugs & Alcohol: Total Ban on Workplace Drug Use by Safety-Sensitive Employees Is OK**

Shortly after Canada legalized cannabis in 2018, an airline adopted a new safety

policy banning flight attendants, flight directors, and other high-risk employees from consuming any drug, whether legal or illegal, at work. The union claimed the policy was unreasonable and that affected employees' privacy rights outweighed the airline's safety concerns. But based on previous cases upholding similar bans and affirming the employer's overriding need to ensure that safety-sensitive employees are fit for duty, the federal arbitrator disagreed with the union and rejected the grievance [[CUPE, Local 4041 v. Air Transat](#), 2026 CanLII 44306 (CA SA), May 6, 2026].

**Action Point:** This case is another illustration of how fitness for duty policies are easier to enforce than zero tolerance drug and alcohol policies. Find out how to implement an effective [fitness for duty policy to control substance abuse](#) at your workplace.

### **Discrimination: Duty to Accommodate Religion Doesn't Cover Personal Objection to Vaccination**

A personal belief that humans are unique and "everyone should have the right to decide what is put into their body" isn't a religion, reasoned a federal court in dismissing a COVID vaccination objector's discrimination lawsuit against the Canadian Armed Forces (CAF) for failing to accommodate his religious beliefs. Protection from religious discrimination doesn't cover personal beliefs, no matter how deeply-held, that aren't connected to a spiritual faith or religion forming a relationship with the divine, the court explained [[Cholewa v. Canada \(Attorney General\)](#), 2026 FCA 73 (CanLII), April 15, 2026].

**Action Point:** Find out how to avoid religious and other forms of discrimination when [enforcing a mandatory vaccination policy](#).