

Federal

LAWS & ANNOUNCEMENTS

Payroll

Aug 15: The federal government published draft tax legislation that, among other things, authorizes the CRA to issue a “notice of non-compliance” to persons who don’t comply with orders to provide the agency requested assistance or information. Notice recipients would be subject to a penalty of \$50 for each day the notice is outstanding, up to a \$25,000 maximum.

Employment Benefits

Aug 8: The federal government will provide Canadian Armed Forces members a significant pay raise, retroactive to April 1, 2025. The package also includes a new annual, pensionable lump sum payment based on years of service, up to a maximum of \$6,000 per year for a Regular Force member with 21+ years of service. The government will also pay recruitment bonuses to members in “stressed occupations,” including \$10,000 upon completion of basic training, \$20,000 once qualified in trade, and \$20,000 for signing on for another period after completing the first contract.

Labour Relations

Aug 18: While the Air Canada flight attendants were striking, the federal government announced that it would launch a probe into “the concerning allegations regarding the working conditions and pay of federally regulated flight attendants.” Among other things, investigators will look into allegations of unpaid work in the industry and determine whether flight attendants are being paid in a way that at least meets *Canada Labour Code* requirements.

Training

Aug 12: The Western Joint Electrical Training Society will receive nearly \$10 million in funding from the federal government for projects that will provide innovative, hands-on training to construction electrician apprentices, journeypersons, and other Canadian workers across in vital occupations for which labour is in scarce supply. Together, these projects will enable nearly 17,350 workers to upgrade or gain new skills in occupations of pressing need.

New Laws

Aug 22: Public [comment](#)s closed on planned regulations to implement newly passed legislation (the *Free Trade and Labour Mobility in Canada Act*) to reduce barriers to interprovincial trade and labour mobility. Under the Act, federal laws that had been holding back the flow of goods, services and labour in federally regulated industries, such as licensing requirements for a certain profession, would be repealed to the extent they apply to a province or territory that has adopted equivalent laws dealing with the issue.

Action Point: Find out about the [8 ways the U.S. tariffs will affect](#) Canadian

workplaces and HR activities.

New Laws

Aug 8: The Canadian Government announced that it's lowering the price cap for seaborne Russian-origin crude oil from US\$60 to US\$47.60 per barrel. The lower price cap will weaken Russia's ability to fund its war against Ukraine. The Government also suggested that it will consider further reductions in the future, as the situation dictates.

Immigration

Aug 1: As the Gaza crisis deepens, the federal government extended the temporary measures taken in December 2023 to allow Palestinians in Canada to apply for a fee-exempt study permit, open work permit, temporary resident permit or extension of their temporary resident status. The special measures also apply to foreign national family members of Canadian citizens and permanent residents who left Gaza on or after October 7, 2023, when the war began.

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

New Laws

Aug 19: The federal government signed a Memorandum of Understanding with home-grown AI developer Cohere Inc. to explore opportunities to deploy AI technologies to enhance government operations and build out Canada's commercial capabilities in using and exporting AI. Since 2016, the Government of Canada has announced over \$4.4 billion to support AI and digital research infrastructure.

Action Point: Find out how to guard against AI legal and liability risks by implementing a legally sound [workplace artificial intelligence use policy](#).

Privacy

Aug 11: The Privacy Commissioner of Canada published [new guidance](#) on the responsible use of facial recognition, fingerprint scanning and other biometric technologies within the public and private sectors. While biometrics can improve security and service delivery, they may also be privacy-invasive to the extent biometric information is unique to each individual. Such technologies may also reveal sensitive information about a person's health, race and gender characteristics.

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

CASES

Accommodations: No Duty to Create New Position for Injured Employee Who Refuses to Relocate

A railway conductor based in Kenora who suffered permanently disabling back injuries at work wanted to return to a sedentary, administrative job. But the only suitable permanent positions available were in larger centres like Calgary and Winnipeg and the conductor was unwilling to relocate. So, the railway closed his file

and the union sued it for failing to make reasonable accommodations. The federal arbitrator dismissed the grievance. The offered jobs outside Kenora were suitable and the railway didn't have to bundle up a new position just so the conductor could stay in Kenora. Employers need offer only "reasonable," not "perfect" accommodations, the arbitrator reasoned [[*Canadian Pacific Kansas City Railway v Teamsters Canada Rail Conference*](#), 2025 CanLII 74198 (CA LA), July 7, 2025].

Action Point: Find out how to help your managers and supervisors avoid [accommodations](#) mistakes that can lead to discrimination liability.