



LAWS & ANNOUNCEMENTS

Payroll

Jan 1: The QPP Yearly Maximum Pensionable Earnings rose from \$71,300 to \$74,600 and Yearly Additional Maximum Pensionable Earnings increased to \$81,200. The basic exemption remains \$3,500. The QPP contribution rate for the Base Plan fell 0.2% to 10.6%. The contribution rate for the Additional Plan is 2.00%.

Action Point: Find out about the [8 important new payroll changes](#) that will affect your current year T4 filings and 2026 source deductions.

Payroll

Jan 1: QPIP premiums decreased to 0.430% for wage earners (vs. 0.494% in 2025), 0.602% for employers (vs. 0.692% in 2025), and 0.764% for the self-employed (vs. 0.878% in 2025). Maximum Insurable Earnings increased from \$98,000 to \$103,000.

Payroll

Jan 1: The EI premium rate for Québec employers fell 1 cent to \$1.30 per \$100. Maximum insurable earnings increased from \$65,700 to \$68,900. The maximum employee premium increased from \$1,204.94 to \$1,253.98, while the maximum employer EI premium climbed from \$860.67 to \$895.70.

Payroll

Jan 1: Québec exempted certain agriculture, forestry and fishing sector employers from HSF contributions for 2026 and 2027. The exemption covers employers whose total payroll is at least 50% attributable to NAICS codes 111 (Crop production), 112 (Animal production and aquaculture), 113 (Forestry and logging), 1141 (Fishing), 32111 (Sawmills (except shingle and shake mills)), and 32211 (Pulp mills).

Employment Benefits

Jan 1: The prescribed rates for a Québec LIF in 2026 are: i. 6.25% for calculation of the upper limit of the life income for a person under age 55; and ii. 4.5% when the financial institution chooses the method described in the regulation for the estimate of the life income of a person age 55 and over.

New Laws

Jan 1: More users will have to pay Water Use Regulations (RREUE) water use charges now that Québec lowered the threshold for payment requirements from 75,000 to 50,000 litres of water per day. Water users whose activities are subject to the RREUE fee will receive an invoice in spring 2027 based on the volumes they declare during 2026.

Health & Safety

Jan 14: CNESST posted new [draft OHS regulations](#) establishing sanitation and living conditions for industrial camps housing workers. Employers that use such camps,

typically companies in the mining, forestry, construction and agricultural sectors, will have to determine minimum room sizes, ban bunk beds, furnish a fixed minimum percentage of kitchen and sanitary equipment and implement specific fire prevention measures.

Workers' Compensation

Mar 15: March 15 is the deadline for Québec employers to submit their payroll declarations to CNESST listing actual 2025 payroll expenses and estimated expenses for 2026 to avoid the risk of potential late fees, interest and penalties. Employers may complete their declarations either from MyCNESST Space or directly through their [CNESST online account](#).

Action Point: Look up the [2026 workers' compensation premium rates](#) in each part of Canada.

CASES

Termination: Corporate Director Wins Temporary Reinstatement Pending Arbitration

An engineering firm terminated the employment of its co-founder for “flagrant lack of leadership and inappropriate behaviour towards employees,” while allowing him to remain a company director and shareholder. The co-founder claimed he was the victim of oppression under business corporation law. Citing the lack of any written warnings or reprimands documenting the co-founder’s alleged wrongdoing, the Québec arbitrator ordered the company to temporarily reinstate him pending the outcome of the arbitration. The company appealed to the province’s top court, which found the arbitrator’s decision to grant the interim reinstatement order justified to protect the co-founder against oppression despite the awkward impact that his continued presence could have on the work environment [[10271292 Canada inc. c. Tehar](#), 2025 QCCA 1675 (CanLII), December 23, 2025].

Time Theft: Sleeping on the Job Is Just Cause to Terminate City Worker

After receiving a photograph from a citizen showing a parks worker sleeping in his service vehicle while on duty, a city agency launched an investigation. Based on data from the GPS and tracking devices in his vehicle, the agency concluded that the worker wasn’t doing his job duties and fired him for time theft. The worker admitted to sleeping in the car on the night the photo was taken but denied the time theft charges. The Québec arbitrator sided with the city. While not 100% proof, the combination of the photograph, confession, and circumstantial evidence from the GPS was enough to support the city’s charges. The worker’s failure to rebut the charges coupled with aggravating factors—the worker was a senior employee that the city trusted to work alone at night without supervision and his public behaviour affected the city’s image and reputation—made the decision to dismiss reasonable [[Longueuil \(City\) v. Canadian Union of Public Employees, Local 307](#), 2025 CanLII 138355 (QC SAT), December 22, 2025].

Action Point: Time theft has become a rampant problem. Find out how to implement a legally sound [Work Time & Time Theft Policy](#).

Discipline: Failure to Provide Adequate Safety Training Results in Shorter Suspension

Following its regular progressive discipline protocols, a paper mill suspended a “fifth hand” who had already been suspended 1 week for a lockout tagout violation for another 4 weeks after she committed a second LOTO offence. The union pushed for a 2-week suspension, arguing that the company was following its progressive discipline schedule too mechanically without considering mitigating factors. The violations were committed accidentally by a hand who was new to the job and had received only 15 minutes of training in the circumstances involved, the union argued. The Québec arbitrator split the difference settling on a 3-week suspension. The LOTO violations were very serious and dangerous; however, “practicing for 15 minutes on a case containing various valves is hardly sufficient” [[Unifor, Local 50Q v. Resolute Forest Products Inc. \(Kénogami Mill\)](#), 2025 CanLII 128564 (QC SAT), December 11, 2025].