

# Federal

## LAWS & ANNOUNCEMENTS

### Payroll

Mar 11: Employment and Social Development Canada (ESDC) extended, until March 31, 2027, the temporary maximum duration of Employment Insurance (EI) Work-Sharing agreements from 38 weeks to 76 weeks. The extension also covers the waiver of the required cooling-off period (equal to the first agreement's length) between successive Work-Sharing agreements that a company may enter into.

**Action Point:** If your company is feeling the effects of tariffs, you need to find out more about the [temporary EI Work Sharing program changes](#).

### Payroll

Mar 11: ESDC extended the temporary expansion of EI Work-Sharing employer eligibility criteria that were set to expire this month for another year to March 31, 2027: Participation in Work-Sharing will remain open to: i. Businesses that've been in operation in Canada for just one year (rather than the normal two-year requirement); ii. Non-profit and charitable organizations experiencing a reduction in revenues as a direct or indirect result of tariffs; iii. Cyclical or seasonal employers; and iv. Employers experiencing a decrease in work activity over the past six months of less than 10% or greater than 60%.

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

### Payroll

Mar 11: ESDC announced that seasonal and cyclical employees and other employees assisting in an employer's recovery efforts who aren't normally eligible will remain eligible to participate in EI Work-Sharing until March 31, 2027. The temporary expansion of eligibility criteria enacted to support businesses and employees hurt by tariffs was due to expire this month. As of February 28, more than 1,500 Work-Sharing Agreements have been approved, covering over 50,000 workers and helping prevent nearly 20,000 layoffs.

### Payroll

Mar 11: The federal government launched a new EI [Worker Retention Grant](#) offering \$102.7 million in support to employers to provide training opportunities enabling workers to upskill while maintaining up to 70% of their regular income during Work-Sharing. The Grant, which will be available to all sizes of employers from all sectors, will allow businesses to provide top-ups to their employees' income while on Work-Sharing.

### Labour Relations

Mar 12: A newly established Tripartite Advisory Council comprised of representatives from government, employers, and unions will consult on policy and help promote

consensus on federal regulation of labour matters, including employment standards and occupational health and safety (OHS) issues.

### **Employment Benefits**

Feb 19: The Office of the Superintendent of Financial Institutions (OSFI) reported that the total number of active Registered Pension Plan (RPP) members increased from 6.2 million in 2013 to 7.2 million in 2023, with women accounting for 51% of active RPP members. Although women's share of RPP membership has grown steadily, the pace of growth has slowed in the last 20 years. In 1993, 42% (2.2 million) of active RPP members were women. This proportion increased to 47% (2.6 million) in 2003, rose to 50% (3.1 million) in 2013, and reached 51% (3.7 million) in 2023.

### **Immigration**

Mar 13: The federal government announced that from now through March 31, 2027, it will, within two weeks of a province or territory's request, permit rural employers to retain their current number of low-wage Temporary Foreign Workers (TFW) Program while also temporarily increasing the allowable share of low-wage TFWs from 10% to 15% of their workforce in eligible rural regions. Sector-specific exemptions from the cap will remain in place with employers in the healthcare, construction, and food processing sectors remaining subject to a 20% cap on their low-wage temporary foreign workforce. Seasonal sectors such as fish and seafood processing and tourism will continue to benefit from the existing TFW Program cap exemption for seasonal positions.

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

### **Immigration**

Mar 12: [Bill C-12](#) proposing a wide range of new legal measures to strengthen Canadian border security and prevent the flow of illegal drugs, human trafficking, money laundering, and organized crime, passed Third Reading in the House of Commons but hasn't yet passed the Senate.

### **New Laws**

Feb 18: The Canadian government initiated an ambitious plan to support the nation's auto manufacturing sector, including the allocation of \$3 billion from the [Strategic Response Fund](#) and up to \$100 million from the [Regional Tariff Response Initiative](#) to help the auto industry adapt, grow, and diversify to new markets. The industry will also get help on the tax side via the [Productivity Super-Deduction](#) and reduced corporate tax rates for zero emission- technology manufacturers to encourage investment in clean technologies and Electric Vehicles (EVs).

### **New Laws**

Mar 2: The federal Competition Bureau announced that the pre-merger notification threshold will remain at \$93 million in 2026. Under the *Competition Act*, mergers of all sizes are subject to anti-trust review by the Competition Bureau. Advanced notice is required when the acquired company's assets in, or revenues from sales in Canada exceed the \$93 million threshold and the combined assets in Canada or revenues from sales in, from, or into Canada generated from those assets of the

parties and their affiliates exceed \$400 million.

**Action Point:** Find out [how to handle the HR issues that typically arise when a company is involved in a corporate merger or acquisition](#).

### **New Laws**

Feb 19: The federal government is rolling out new measures to protect businesses against extortion. The Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) will work closely with Canadian banks, credit unions, financial service providers of cryptocurrencies and other virtual assets, other government agencies, the Royal Canadian Mounted Police (RCMP), and local police to enhance information sharing. FINTRAC will also issue practical guidance to help financial institutions recognize patterns and behaviours associated with extortion.

### **New Laws**

Mar 11: Newly tabled [Private Member Bill C-266](#), which will unlikely pass, mandates the development of a national framework for the recognition of skilled trades, harmonization of credential recognition, and mobility of skilled trades workers in Canada.

### **New Laws**

Mar 12: [Private Member Bill C-269](#) proposes to amend the *Income Tax Act* to provide a new tax credit to certain businesses that acquire qualifying heat recovery equipment to recover heat produced by industrial processes and convert it to generate energy.

### **Discrimination**

Mar 13: It's on to Committee for [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.

### **New Laws**

Feb 25: Forestry sector companies harmed by the Trump tariffs can now apply for \$500 million in additional federal support through: i. The [Investments in Forest Industry Transformation](#) (IFIT) program; ii. The [Green Construction Through Wood](#) (GCWood) program; iii. The [Indigenous Forestry Initiative](#) (IFI); and iv. The [Global Forest Leadership Program](#) (GloFor).

### **New Laws**

Feb 25: The federal government's AgriMarketing Program is now accepting applications for funding under two new streams supporting the Canadian agriculture and agri-food sector: [Market Diversification for National Industry Associations](#) and the [Market Diversification for Small and Medium-sized Enterprises](#). Revised AgriStability guidelines add pasture-related feed costs as an allowable expense under the program, which will help producers whose animals graze on land they don't own, particularly cow-calf, sheep, and goat farmers, who rely heavily on rented pastureland.

## Health & Safety

Feb 11: New [Canadian Occupational Health and Safety \(COHS\) regulations](#) require federally regulated employers to implement an engineered nanomaterials a prevention and control program. Engineered nanomaterials are tiny versions of hazardous chemical substances listed in CSA Z12885 that because of their size exhibit different chemical and physical properties from their larger counterparts along with unique electromagnetic behaviours. Affected industries include aircraft servicing, pipeline manufacturers, research labs, communications, and road and rail transportation.

**Action Point:** Use the HR Insider [WHMIS Policy template](#) to implement measures for protecting employees in your federally regulated workplace against exposure to hazardous substances.

## Health & Safety

Feb 11: Under proposed new [COHS regulations](#), federally regulated employers will, in consultation with the workplace joint health and safety committee, have to implement measures to protect workers against heat and cold stress risks, including wind speed and humidity monitoring, work rest cycles, acclimatization, insulation, fans, personal protective equipment (PPE), and protective clothing. Employers must also train workers on the signs and symptoms of thermal stress.

**Action Point:** Get a jump on the new COHS requirements by finding out how to implement a legally sound [Heat Stress Compliance Game Plan](#) at your workplace.

## Health & Safety

Feb 11: New federal [COHS regulations](#) require employers to keep workers' exposure to non-solar ultraviolet (UV) radiation with wavelengths ranging from 180 nanometres (nm) and 400 nm within specified ACGIH Threshold Limit Values (TLVs) and Biological Exposure Indices (BEIs). Previously, there were no maximum federal workplace exposure levels for non-solar UV radiation, which typically arises from arc welding and medical practice for bacteria killing, ink curing, phototherapy, and other applications.

## Health & Safety

Feb 20: The federal government announced that it will invest \$316.7 million over the next five years to increase Canada's aerial wildfire firefighting capacity. The money will go to the Canadian Interagency Forest Fire Centre (CIFFC), which coordinates wildfire resources among federal, provincial, and territorial governments, to lease wildfire fighting aircraft to be deployed where needed during periods of intense wildfire activity.

## Workplace Violence

Feb 24: The Senate passed [Bill S-242](#) (*Georgina's Law*) requiring the federal government to develop a national action plan to prevent intimate partner violence and support its victims. The government would have to propose the plan within one year and provide progress reports on its implementation every two years.

**Action Point:** Domestic and sexual 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

### **Discrimination: Religious Objector to COVID Vaccine Policy Doesn't Get EI Benefits**

A regional health authority employee applied for EI employment benefits after getting fired for refusing to comply with his employer's mandatory COVID-19 vaccination policy on religious ground. The EI Commission found that the employee lost his job "due to his own misconduct." The employee appealed to the Social Security Tribunal General Division, contending that the misconduct finding violated his Charter rights to religious freedom. The General Division nixed the appeal, reasoning that its jurisdiction is limited to deciding EI benefits claims and doesn't extend to determining whether an employer's policy violates Charter or human rights laws religious rights. The federal court held that the ruling was reasonable and dismissed the appeal [*Sturgeon v. Canada (Attorney General)*, 2026 FCA 46 (CanLII), March 3, 2026].

**Action Point:** One takeaway from *Sturgeon* is that employers must be prepared to deal with situations where [employees' religious rights create a safety hazard](#), such as refusal to get a crucial vaccination or wear required protective equipment.

### **Workplace Harassment: Remorse, Lack of Prior Discipline Can't Save Job of "Egregious" Sex Harasser**

The union admitted that a pilot serving as senior captain made unwelcome sexual remarks to and inappropriately touched the breast, thigh, and behind of a female flight attendant during an overnight layover. The union also agreed that he should be punished for his actions. The only question was whether he deserved to lose his job. In arguing for reinstatement, the union cited the pilot's 16-year record, lack of prior discipline, genuine remorse, and post-incident recognition that his conduct was unacceptable sexual harassment rather than just a misunderstanding of personal boundaries. But the federal arbitrator found the pilot's conduct "egregious" and his explanation unconvincing. "I do not think one needs to be trained to know that you cannot touch a coworker's breast unless she has consented," [*Sunwing Airlines Inc. (Westjet) v Unifor, Local 7378*, 2026 CanLII 15014 (CA LA), February 26, 2026].

**Action Point:** Find out how to implement a legally sound and effective [Workplace Harassment Prevention and Compliance Game Plan](#) at your workplace.