

HR Insider Newsletter

Canada's guide to HR Compliance and Management

JUNE 2026



This Month's Highlights

This edition explores timely workplace challenges—from practical ways to manage stress during budget season to a fresh look at hiring biases around Canadian experience. We also examine how remote work is reshaping housing affordability. Read on for insights, and visit our site to access the full articles.



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Managing Stress During Budget Season

Budget season compresses complex decision-making into short timelines. Leaders are tasked with making difficult choices, sometimes involving staffing, resources, or program cuts, while employees may feel uncertainty about job security, workloads, or shifting expectations.

In manufacturing settings, this may involve production targets, staffing adjustments, or operational efficiencies. In office environments, it can mean increased reporting demands, longer hours, and cross-departmental coordination. Across all sectors, the common thread is pressure. This sustained stress can manifest in several ways:

- Increased workload and longer working hours.
- Anxiety around performance and job stability.
- Tension between teams competing for limited resources.
- Decision fatigue among leaders and managers.

Without proper support, these stressors can accumulate quickly, affecting both individual wellbeing and overall workplace culture.

Stress as a Workplace Hazard

It is important to recognize that stress is a workplace health and safety concern. Prolonged stress can have measurable

physical and psychological effects, including fatigue, headaches, muscle tension, difficulty concentrating, irritability, and disrupted sleep. Over time, chronic stress can contribute to more serious conditions such as anxiety disorders, depression, and cardiovascular issues.

Psychological health and safety is increasingly recognized as part of an employer's duty of care. Just as physical hazards are identified and mitigated, workplace stress (particularly during high-pressure periods like budget season) should be treated with the same level of seriousness. HR leaders play a key role in identifying these risks and implementing strategies to reduce harm.

Supporting Employees Through Mental Health Breaks

One of the most effective ways to manage stress during budget season is to normalize and encourage mental health breaks. While deadlines are unavoidable, continuous work without recovery time can reduce productivity and increase burnout.

HR and managers can support this by:

- Encouraging employees to take short, regular breaks throughout the day.
- Promoting the use of vacation or personal days where possible.
- Modeling healthy behaviours at the leadership level.

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Even brief pauses can help employees reset, improve focus, and reduce the physiological effects of stress.

Strengthening Team Engagement

During high-pressure periods, it is easy for teams to become siloed and task-focused. However, maintaining connection is critical for morale and resilience.

Simple team engagement strategies can make a meaningful difference like short daily or weekly check-ins to share updates and challenges, informal team huddles that allow for open communication or opportunities for peer support and collaboration.

These interactions help employees feel supported and remind them that they are not navigating challenges alone. For managers, they also provide valuable insight into how team members are coping.

Enhancing Recognition and Appreciation

Budget season can sometimes overshadow recognition, as the focus shifts to numbers and outcomes. However, acknowledging employee effort during this time is more important than ever.

HR can help organizations build or reinforce recognition programs that highlight individual and team contributions, celebrate milestones achieved under pressure and encourage peer-to-peer recognition.

Recognition does not need to be complex. A simple acknowledgment of effort can boost morale, reinforce positive behaviours, and help counterbalance stress.

Creating a Culture of Psychological Safety

Beyond specific initiatives, the broader goal is

to foster a culture where employees feel safe discussing workload challenges and mental health concerns. HR leaders can support this by training managers to recognize signs of stress and burnout, providing access to employee assistance programs (EAPs) and communicating clearly about expectations and changes during budget planning.

Transparency is particularly important during budget season. When employees understand the context behind decisions, it can reduce uncertainty and build trust.

A Shared Responsibility

Managing stress during budget season is a shared effort across leadership and teams. CEOs and senior leaders set the tone by prioritizing well-being alongside performance. Managers translate that tone into day-to-day practices, while employees contribute by supporting one another and communicating their needs.

When organizations take a proactive approach to mental health, they not only reduce risk but also strengthen engagement, productivity, and retention.

Budget season is an unavoidable part of organizational life, but its impact on mental health can be managed with thoughtful leadership and supportive practices. By recognizing stress as a legitimate workplace hazard and implementing strategies such as mental health breaks, team engagement, and meaningful recognition, HR leaders and organizations can create a more balanced and resilient workplace.

In doing so, they demonstrate that performance and wellbeing are not competing priorities, but are, in fact, interconnected drivers of long-term success.

Ask the Expert

Employee Privacy Concerns on Job Sites

Workplace safety extends beyond physical hazards, so what happens when employees feel uncomfortable or unsafe due to being recorded while performing their work? Ensure your organization understands both privacy considerations and its obligations to protect workers in these situations.



Question

Are there privacy laws or regulations that protect employees from being recorded without consent while working, and can we refuse to send staff back to a job site under these circumstances?

Answer

Across Canada, there is generally no absolute prohibition against being recorded without consent in public or semi-public settings. Privacy laws such as the Personal Information Protection and Electronic Documents Act (PIPEDA) typically apply to organizations engaged in commercial activities, not private individuals recording from their own property for personal reasons. As a result, a neighbour recording workers from their property is not automatically in violation of privacy laws. However, there are limits. If the recording becomes intrusive—such as persistent surveillance, targeting specific individuals, or capturing areas where there is a reasonable

expectation of privacy—it could potentially lead to civil claims, including intrusion upon seclusion or harassment in more serious cases.

Explanation

From an employer perspective, your primary obligations arise under workplace safety legislation. You are required to take every reasonable precaution to protect workers, including addressing psychological hazards such as harassment or intimidation. If employees feel unsafe or distressed, you are justified in assessing the situation and taking appropriate action, including declining to send staff back if the concern cannot be resolved. Under the Occupational Health and Safety Act, employers must maintain a safe work environment, including protecting workers from behaviour that could be perceived as threatening or harassing. Employers should also document all concerns, actions taken, and communications related to the situation.

Payroll

Calculating Termination Notice of Employees with Irregular Work Weeks

Calculating wages in lieu of notice is straightforward when the employee being terminated works a regular workweek. You simply pay the amount the employee would have received had termination notice not been given. This includes overtime, vacation, and other types of pay to which the employee is entitled under employment standards law and, if applicable, the terms of the employee’s contract and/or settlement agreement.

But things can get a lot trickier for employees with irregular workweeks. In most jurisdictions, wages in lieu of notice for such employees are based on an average of wages earned over a set time period. And certain types of pay, such as overtime, sickness, holiday, and vacation pay, are often taken out of the equation. Failure to follow this rule will result in overpayments.

Example

A secretary who’s fired after 4½ years of employment is entitled to four weeks’ notice under the Ontario Employment Standards Act. Assume the secretary makes \$20 per hour but doesn’t work the same number of hours each week. To calculate her wages in lieu of notice, the company must average her pay over the last 12 weeks. However, the company is unaware of this and bases her payment on actual earnings over the last 12 weeks rather than an average.

Week	Hours	Actual Earnings	Employer Should Have Used
1	44 reg, 4 overtime	\$880, \$120	\$880**
2	36 reg, 8 sick	\$720, \$160	\$720** \$160
3	40	\$800	\$800
4	40	\$800	\$800
5	32 reg, 8 public holiday	\$640, \$160	\$640**
6	44	\$880	\$880
7	40	\$800	\$800
8	40 vacation	\$800	\$0**
9	40 vacation	\$800	\$0**
10	32 reg, 8 public holiday	\$640 \$160	\$640**
11	44 reg, 4 overtime	\$880, \$120	\$880*
12	24 reg, 16 sick	\$480, \$320	\$480**
Total		\$10,160	\$8,000
Avg.		\$847/week	\$667/week

* In Ontario, overtime is due after 44 hours in a week

** Overtime, public holiday and vacation time not included in the calculation, but sick pay is.

Bottom Line

The company was required to pay the secretary four weeks’ wages in lieu of notice of \$2,668, or \$667 per week for four weeks; instead, it paid her \$3,388, or \$847 per week for those four weeks. Result: An overpayment of \$720.

Hiring Without ‘Canadian Experience’

What HR Leaders are Getting Wrong Right Now

Across Canada, many organizations have responded to scrutiny around the use of “Canadian experience” in hiring by updating job postings and removing potentially exclusionary language. On the surface, this signals progress and alignment with human rights expectations. However, while the wording has changed, the underlying decision-making patterns often have not. Candidates with international experience may still be screened out early, and hiring managers may continue to rely on subjective ideas like “local fit,” only expressed in more subtle ways. This creates a critical gap between policy and practice—one that carries legal and operational risk.

In many organizations, these updates have been implemented as a compliance response rather than a full redesign of hiring practices. The focus has been on correcting what is most visible—language in job postings and recruiter guidance—without fully examining how decisions are made once candidates enter the process. This creates a situation where formal requirements appear aligned with human rights expectations, but informal decision-making continues to drive outcomes.

This gap is most apparent in the early stages of hiring, where speed and efficiency are prioritized. Recruiters and hiring managers are often working under pressure, and in that context, familiarity can become a shortcut. Candidates with recognizable employers, local credentials, or more familiar career paths may be perceived as lower risk, even when those factors are not directly related to job

performance.

As a result, exclusion is no longer explicit—it is embedded in patterns. The issue shifts from what is stated to what consistently happens. Who is screened out, who advances, and how candidates are compared become the real indicators of whether a hiring process is equitable. This makes the risk more difficult to identify and correct, because it is no longer tied to a single requirement but to a series of small, often undocumented decisions.

For HR leaders, this creates a more complex challenge. Addressing language is relatively straightforward, but aligning behaviour across the hiring process requires structure, oversight, and consistency. Without that alignment, organizations may believe they have resolved the issue while continuing to produce the same outcomes.

Canadian human rights law does not assess compliance based solely on intent or language. It evaluates outcomes and patterns, asking whether hiring decisions are reasonable, job-related, and consistently applied. Simply removing the phrase “Canadian experience” is not enough. If the hiring system still produces the same exclusionary outcomes, the organization remains exposed. Many HR teams have addressed the visible issue, but not the structural one embedded within their processes.

Historically, “Canadian experience” functioned as a shortcut for employers trying to reduce uncertainty in hiring. It was used as a proxy

for qualities such as communication skills, cultural familiarity, regulatory knowledge, and ease of integration. These concerns are valid from an operational standpoint. However, the problem lies in bundling them into a vague and unmeasurable requirement. Human rights guidance, including from the Ontario Human Rights Commission, makes clear that such a requirement can be discriminatory unless it meets the strict criteria of a bona fide occupational requirement—which it typically does not.

The continued reliance on these bundled assumptions—whether explicit or implicit—prevents organizations from accurately assessing candidate capability. When expectations are not clearly defined, hiring decisions default to perception rather than evidence, increasing both bias and inconsistency.

Today, the risk has shifted deeper into the hiring process. It is most evident in résumé screening, where international experience is often undervalued due to unfamiliar job titles, employers, or credentials. These decisions are frequently based on instinct rather than structured evaluation, making them difficult to justify if challenged. Similarly, in interviews, subjective criteria such as “fit” or “adaptability” can introduce bias. Candidates who communicate in familiar ways or share similar backgrounds may be seen as lower risk, while equally capable candidates are viewed as uncertain. This inconsistency is a key factor in discrimination claims.

To meet legal expectations, organizations must redefine their hiring standards. Instead of relying on vague proxies, they need to identify and assess specific, job-related competencies. For a standard to be defensible, it must be

clearly connected to the role, adopted in good faith, and reasonably necessary. For example, requiring the ability to communicate complex information or knowledge of relevant regulations is acceptable because these are concrete and measurable.

Leading organizations are addressing this by redesigning their hiring systems. They define success in terms of specific skills and behaviours, use structured interviews, and apply consistent evaluation criteria across all candidates. Ultimately, removing “Canadian experience” is not just a language change—it is a system redesign. Organizations that embrace this shift can build hiring processes that are fair, consistent, and aligned with real job requirements, turning compliance into a strategic advantage.

This Is Not a Language Fix. It Is a System Redesign.

Organizations that take this seriously will do more than avoid risk. They will build hiring processes that are consistent, transparent, and aligned with how work actually gets done. They will be able to explain their decisions clearly, defend them if necessary, and trust that they are selecting candidates based on what truly matters.

Month-In-Review

A roundup of new legislation, regulations, government announcements, court cases, and arbitration rulings. Visit [HRInsider.ca](https://hrinsider.ca) for the complete Month-In-Review. Now available by jurisdiction to keep you focused on what's been happening in your area including legal alerts, law announcements, and recent cases.



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Federal

Minimum Wage: On April 1st, the minimum wage for federally regulated workers increased 40 cents to \$18.15 per hour, or the minimum wage of the province or territory in which they work, whichever is higher. Jurisdictions with current minimum wage rates above \$18.15 include British Columbia, Nunavut, and Yukon.

Alberta

Immigration: Responding to Ottawa's "loss of control over immigration," Alberta introduced legislation (Bill 26) to strengthen provincial oversight of employers, foreign worker recruiters, and immigration consultants. The Immigration Oversight Act requires employers to register with the province before accessing federal temporary foreign worker programs and establishes a licensing system for immigration consultants and foreign worker recruiters.

British Columbia

Leaves of Absence: Proposed new legislation (Bill 18) gives local elected officials in all parts of British Columbia 26 consecutive weeks of parental leave starting as many as four weeks before or 26 weeks after the expected birth/adoption date. The new uniform leave rights cover mayors, councillors, regional district directors, Islands Trust trustees, and Cultus

Lake Park Board members.

Manitoba

Minimum Wage: On April 1st Manitoba announced that it will increase its general minimum wage by 40 cents to \$16.40 per hour on October 1. The annual increase is based on the province's 2025 inflation rate, rounded up to the nearest five cents.

New Brunswick

Minimum Wage: On April 1st New Brunswick increased its general minimum wage 25 cents to \$15.90 per hour to keep up with inflation in accordance with the Consumer Price Index, which grew by 1.7% in 2025.

Newfoundland and Labrador

Training: Newfoundland is now accepting applications for 2026 Job Creation Partnerships (JCP) funding for community-based, not-for-profit projects that provide EI eligible individuals with opportunities to gain work experience and improve their employment prospects. Deadline to apply: June 12, 2026.

Northwest Territories

Immigration: The Government of Northwest Territories (GNWT) announced that June 22 is the deadline for employers to submit expression of interest profiles for the next

Expression of Interest draw for the Nominee Program's Employer-Driven Stream. Although the intake system has changed, the mandatory eligibility criteria remain the same.

Nova Scotia

Minimum Wage: Nova Scotia's minimum wage increased from \$16.50 to \$16.75 per hour on April 1st. The general minimum wage will go up another 25 cents to \$17.00 per hour on October 1. The latest increases come a year after the province raised its minimum wage by \$1.30 per hour in 2025.

Nunavut

New Laws: Due to the suspension of the Federal Excise Tax, fuel prices in Nunavut decreased by 10 cents per litre for gasoline and 4 cents per litre for diesel and unleaded aviation fuels, effective through September 7, 2026.

Ontario

Privacy: New Digital Security regulations require Ontario public hospitals, schools, and other public sector entities to implement cyber security programs that include: i. appointment of employee primary points of contact; ii. annual cyber security maturity assessments; iii. submission of cyber security maturity assessment summaries; and iv. "critical cyber security incident" reporting. Effective date: July 1, 2026.

Prince Edward Island

Payroll: The maximum amount a PEI employer may deduct from the wages of an employee receiving board or lodging is now: i. \$61.60 per week, for board and lodging; ii. \$49.50 per week, for board only; iii. \$27.50 per week, for

lodging only; and iv. \$4.25 per meal, for single meals.

Québec

Minimum Wage: Québec increased its general minimum wage 50 cents to \$16.60 per hour on May 1st. The minimum wage for workers earning tips rose 40 cents to \$13.30. The raspberry pickers minimum wage increased 15 cents to \$4.93 per kilogram and the strawberry pickers rate increased four cents to \$1.32 per kilogram.

Saskatchewan

New Laws: The new Saskatchewan budget doubles the Volunteer First Responders' Tax Credit for volunteer firefighters, search and rescue personnel, and emergency medical first responders. It also provides for a five-year extension of the non-refundable 15% Chemical Fertilizer Incentive corporate income tax credit on capital expenditures of \$10 million or more for newly constructed chemical fertilizer production facilities.

Yukon

Health & Safety: Under its new policy, the Yukon Workers' Safety and Compensation Board (WSCB) will impose administrative monetary penalties (AMPs) from \$1,000 to \$20,000 for OHS violations depending on seriousness of the offence and whether it's a first, second, or third/subsequent violation. The agency will also publish names of companies who receive AMPs. Effective date: June 1.

Case Alerts

Hiring & Recruiting: Lying About Having an MBA Is Just Cause to Terminate Business Executive

A college graduate applying for a VP of Business Development position submitted a resume indicating he was working on his MBA and expected to complete his degree within six months. After an extensive interview process during which his educational credentials were taken on trust and not questioned, he got the job. But it soon became apparent that he didn't have the skills or education to perform the work. It turned out that the VP wasn't in an MBA program after all, although he was planning to enroll in a "mini-MBA program" at McGill University. So, the company fired him seven months into his employment, contending that it wouldn't have bothered to interview him had it known of his actual educational background. The Alberta court ruled that the company had just cause to terminate. "By misrepresenting his academic qualifications, [the VP] breached the level of patent honesty and trust required of him in his position as part of the Executive leadership team," the court reasoned [*Tudor v Accurate Screen Ltd*, 2026 ABKB 237 (CanLII), March 26, 2026].

Action Point: Find out when [lying on a resume is and is not just cause for termination](#).

Employment Contract: COVID Vaccination Refusal Didn't Frustrate Doctor's Contract

At the height of the pandemic, the Northern Health Authority (NHA) terminated the service contract of a pediatrician for not getting the COVID vaccine, claiming that the

contract had been frustrated since vaccination was ordered by the Public Health Officer (PHO). The arbitrator disagreed and awarded the pediatrician \$388,512 in wrongful dismissal and breach of contract damages. NHA appealed to the BC Court of Appeal. But the high court concluded that the arbitrator's ruling that the PHO vaccination order was neither a legal change nor supervening event that frustrated the purpose of the pediatrician's contract was legally sound and not a clear mistake of law [*Northern Health Authority v. du Plessis*, 2026 BCCA 143 (CanLII), April 9, 2026].

Action Point: The \$388,000 damage award is a vivid reminder of the price companies can pay for not properly managing the legal intricacies of vaccination refusals. While du Plessis involved contract law, terminating employees for not getting vaccinated may also be deemed a violation of an employer's duty to reasonably accommodate disabilities, religion, or other protected characteristics under human rights laws. Find out how to [avoid discrimination liability risks when enforcing a mandatory vaccination policy](#).

Discipline: OK to Suspend but Not Fire Ski Lift Operator for Using Tablet on Duty

The owner of a ski lodge suspended and later fired a worker that he spotted glancing at the tablet on his lap while operating a ski lift with skiers on it, in violation of the lodge's zero-tolerance no electronics use at work safety policy. Based on the incident, the Québec arbitrator upheld the 10-day suspension but not termination. The title "zero-tolerance" belied the fact that other workers had

received only warnings for the same offence. This was the worker's first offence and there was no evidence to suggest he was unwilling or unable to learn from his mistake and correct his conduct or that the "relationship of trust had been irreparably broken," the arbitrator concluded [*Union of Workers of Val Saint-Côme v. Val Saint-Côme Tourist Resort Inc.*, 2026 CanLII 17900 (QC SAT), February 27, 2026].

Action Point: Cellphones, headsets, and other personal devices that employees use on the job may cause distractions that lead to accidents and injuries, especially where employees have safety-sensitive jobs like operating ski lifts. One way to solve the problem is to implement an effective Cellphone/Mobile Device Workplace Use Policy.

Termination: Post-Employment Earnings Count Against Notice Even If Job Pays Less

A court ruled that a sales rep was wrongfully dismissed and awarded him 17 months' termination notice. Although the sales rep admitted to not seeking a sales job that paid as well as the one he lost, the court rejected the company's failure to mitigate claim due to its failure to produce evidence showing that such jobs were actually available. The court also refused to deduct the \$32,000 the rep did make from the new job because he earned it in "a lower-paying or ranking position." The Ontario Court of Appeal upheld the first part of the ruling but not the second. There's no rule saying that earnings from an inferior position aren't deductible in mitigation, the high court explained. Result: That money did count against the rep's 17 months' termination notice [*Williamson v. Brandt Tractor Inc.*, 2026 ONCA 272 (CanLII), April 16, 2026].

Action Point: Find out about the 7 things wrongfully dismissed employees must do to "mitigate" their damages.

Privacy: Bus Company's New AI Drivers' Surveillance System Is Too Intrusive

A bus company installed an artificial intelligence (AI) remote surveillance system in all vehicles, using cameras mounted on windshields to capture both the interior, including the driver's workstation, and front of the vehicle. The federal arbitrator ruled that the newly installed AI-based Samsara system gathered much more extensive personal data than the conventional video cameras the company had previously used and that the resulting harms to drivers' Charter privacy rights outweighed the relatively minor improvements to safety. Moreover, the AI system's remote real-time viewing and other features allowed the company to use the system to gather and access data for purposes other than safety. Result: The company had to stop using the system within 90 days and pay \$100 in privacy damages to each affected driver. The company appealed but the court upheld the ruling [*Coach Canada Workers' Union (CSN) v. NewCAN Coach Company ULC (Coach Canada)*, 2026 CanLII 27321 (CA SA), March 5, 2026].

Action Point: This case illustrates the importance of ensuring that digital solutions used to monitor employees remain within personal privacy boundaries and why you should consider implementing a legally sound electronic monitoring policy.

Remote Work and Housing Affordability

When remote work rapidly became the norm, it was widely seen as a transformative shift in workforce strategy. For HR leaders, it appeared to solve a long-standing challenge: the link between employment and expensive urban housing. If employees could work from anywhere, organizations assumed that cost-of-living pressures—and the turnover they drive—would ease. Early signs supported this optimism. Employees relocated to more affordable regions, engagement improved, and turnover stabilized in some areas. However, this perceived solution has proven to be only partial and temporary.

The core issue is that the economic forces behind housing affordability were never removed. Instead, they adapted. Geography still plays a significant role in workforce decisions, even if its influence is less visible. Many employees have not relocated far from major urban centres but instead remain within their broader orbit. This reflects what can be described as “geographic gravity”—the ongoing pull of cities that offer career opportunities, professional networks, and social infrastructure. Even without daily commuting, proximity still matters for long-term career growth and flexibility.

As a result, the anticipated redistribution of the workforce has been uneven. Rather than eliminating housing pressure, remote work has shifted it outward. Secondary markets and smaller cities have experienced rising demand, driving up housing costs in regions that were previously more affordable. In parts of Canada, including mid-sized Ontario cities and communities in British Columbia and Atlantic Canada, prices have increased significantly—

often outpacing local wage growth. This has created new affordability challenges for both newcomers and long-time residents.

For HR leaders, this has two key implications. First, relocation is not a sustainable long-term solution. Employees who move to reduce costs may find themselves facing similar pressures again within a short time. Second, housing affordability is no longer confined to major cities—it is now a widespread issue affecting workforce stability across multiple regions. This makes it more difficult to address through localized or short-term strategies.

Another important limitation of remote work is that it does not apply equally across all roles. Many workers—particularly in operations, healthcare, manufacturing, retail, and service sectors—must remain tied to physical locations. This creates a structural imbalance within organizations.

Housing pressure also affects retention in less visible ways. Employees rarely cite affordability directly as a reason for leaving. Instead, it manifests through indirect factors such as stress, reduced financial stability, longer commutes for occasional in-office work, and difficulty planning for the future.

In response, HR leaders must move beyond treating remote work as a standalone solution and instead integrate it into a broader workforce strategy. This includes rethinking compensation structures in relation to regional cost differences, aligning roles with locations where employees can sustain long-term employment, and ensuring equitable career progression for geographically dispersed teams.