

# 2025: The Year In Review In Employment Law



As 2025 comes to a close, Canada's employment law landscape remains fast-moving and complex.

Ontario employers continue to navigate sweeping reforms under the various *Working for Workers* acts, including preparing for the new pay transparency rules coming into force on January 1, 2026. Meanwhile, Alberta, BC and federally regulated workplaces face their own changes – including new job-protected leaves, expanded gig-worker protections, and initiatives to streamline civil litigation for wrongful dismissal claims.

Courts across the country have also weighed in on critical issues, including the enforceability of termination clauses, the impact of inducement on reasonable notice, and the proper forum for employment-related claims. Notably, and in contrast to previous years, recent judicial decisions seem to suggest an emerging trend toward greater judicial support for clear, well-drafted employment agreements – an encouraging development for employers.

In this year-end update, we highlight the most significant legislative and case law developments from 2025 and outline what employers need to know to stay compliant and prepared for the year ahead.

## **Statutory Changes**

### **1. Ontario**

#### **Ontario *Employment Standards Act, 2000***

2025 was another year of significant legislative developments for employers in Ontario. Several amendments to the Ontario *Employment Standards Act, 2000* (the Ontario ESA) came into force, with a specific focus on pay transparency, new job protected leaves and enhanced employee information rights. Key changes are summarized below:

- 1. New Long-Term Illness Leave** – Effective June 19, 2025, eligible employees are entitled to unpaid, job-protected “long-term illness” leave of up to 27 non-consecutive weeks of leave in a 52 week period if the following conditions are met: (a) the employee will not be performing their job duties as a result of a serious medical condition; and (b) the employee's serious medical condition is supported by a “qualified health practitioner's” certificate. For more

information on this new leave, please see our previous commentary available [here](#).

2. **Employment Information for New Hires** – Effective as of July 1, 2025, employers with 25 or more employees must provide new hires with written details of the following information relevant to their employment: employer legal and operating name, contact info (address, phone, key contact person), initial work location, starting wage or commission rate, pay period and payday and anticipated hours of work. For more information on this new requirement, please see our previous commentary available [here](#).
3. **Information to be Provided in Group Terminations** – As of July 1, 2025, employers who terminate the employment of 50 or more employees at the employer's establishment within a four-week period must now provide affected employees with a copy of the most recent version of the Employment Ontario Career Supports information sheet prepared and published by the Ministry of Labour, Immigration, Training and Skills Development (Ministry) – which is available in [English](#) and [French](#) – and provides information on job matching, financial assistance for training, and access to apprenticeships.
4. **Digital Platform Worker Protections in Force** – Effective as of July 1, 2025, the *Digital Platform Workers' Rights Act, 2022* came into force and extended ESA protections to "gig workers," i.e., individuals who provide ride-share, delivery or courier services arranged through a digital platform. The new legislation sets basic minimum standards for pay, transparency, scheduling, and dispute resolution for these workers; however, does not expressly deem them to be "employees" under the Ontario ESA. This new legislation was originally introduced back in 2022 as part of the *Working for Workers Act, 2022* (Bill 88). See our original commentary on the legislation [here](#).
5. **Extended Temporary Lay-Offs** – Effective November 27, 2025, employers may provide extended periods of temporary layoff. The new maximum period of layoff is now 35 or more weeks in any period of 52 consecutive weeks, as long as the layoff is less than 52 weeks in any period of 78 consecutive weeks. To impose an extended lay-off, certain conditions must be met, including approval from the Director of Employment Standards and a written agreement with the employee. These changes increase the maximum layoff period, which was previously 13 weeks in any period of 20 consecutive weeks, or 35 weeks or more weeks in any period of 52 consecutive weeks if the employer continued benefits plan payments on behalf of employees during the layoff.
6. **Job Seeking Leave for Group Terminations** – Effective November 27, 2025, employees who receive notice of termination as part of a group termination (i.e., where 50 or more employees receive notice of termination within a four-week period) are now entitled to up to three days of unpaid leave to engage in activities related to obtaining new employment. However, an employee is not entitled to this leave if the employer provides less than 25% of the required mass termination notice as working notice and instead provides pay-in-lieu of notice.
7. **Fraud Prevention in Job Postings** – Effective as of January 1, 2026, operators of job posting platforms that host postings for multiple employers will be required to adopt a written policy for addressing fraudulent postings and have a procedure in place for users to report fraudulent job postings.
8. **Pay Transparency** – Effective as of January 1, 2026, employers will be required to comply with new pay transparency rules relating to their publicly advertised job posting. These new rules: (a) mandate the disclosure of expected compensation, or range of expected compensation (up to a maximum \$50,000 range) in job postings; (b) prohibit references to "Canadian experience"; (c) require employers to state whether the posting is for a job that is currently vacant; (d) require employers to disclose the use of artificial intelligence in hiring; and (e) require employers to retain job posting records and associated

application forms for at least three years. Employers with fewer than 25 Ontario-based employees are exempt from these requirements. Postings for jobs that pay \$200,000 or more annually are also exempt. For more information on this new leave, please see our previous commentary available [here](#) and our webinar, which is available [here](#).

### **Ontario Occupational Health and Safety Act and Workplace Safety and Insurance Act**

In addition to changes under the Ontario ESA, the following changes to the Ontario *Occupational Health and Safety Act* (OHSa) and *Workplace Safety and Insurance Act* (WSIA) came into force under the *Working for Workers Five Act, 2024* (Bill 190) and *Working for Workers Seven Act, 2024* (Bill 30), many of which increase the risks of non-compliance for employers. Key changes are summarized below:

1. **Washrooms** – Effective as of July 1, 2025, an employer is now required to ensure that any washroom facilities provided for worker use are maintained in a clean and sanitary condition. Further, effective as of January 1, 2026, new rules under OHSa will also require employers to keep records about the cleaning of washrooms accessible to workers. Workers must have access to a record of the time and date of the two most recent washroom cleanings.
2. **Protection for Remote Workers** – Effective as of July 1, 2025, OHSa protections now explicitly apply to remote workers, and the definitions of “industrial establishment,” “workplace harassment” and “workplace sexual harassment” were updated to include virtual interactions.
3. **Reimbursement for Defibrillators** – Effective as of November 27, 2025, the Workplace Safety and Insurance Board (WSIB) will now reimburse an employer for the cost of the defibrillator if OHSa requires the employer to equip the workplace with a defibrillator. The details of such reimbursement are to be determined by future regulation.
4. **Administrative Monetary Penalties (AMPs)** – Also effective as of November 27, 2025, Ministry of Labour inspectors are empowered to issue AMPs for contraventions of OHSa. Inspectors may issue immediate fines for unsafe working conditions, training failures, policy violations, documentation and posting deficiencies and hazard control failures. The amount of such penalties will be determined by future regulations.
5. **Enhanced Enforcement and Increased Penalties under the WSIA** – Under Bill 30, employers can now face administrative penalties for (a) making false or misleading statements in connection with a person’s claim for benefits or (b) failing to pay premiums. Employers can also face increased penalties of up to \$750,000 for each conviction if they are convicted of two or more counts of the same offence in the same legal proceeding.

In addition to the above, the Human Rights Tribunal of Ontario (HTR0) introduced certain changes to its *Rules of Procedure* intended to address the serious backlog of cases at the HTR0, including mandatory mediation for all applications filed after June 1, 2025.

### **British Columbia**

#### **British Columbia Employment Standards Act**

In British Columbia, amendments to the British Columbia *Employment Standards Act* (BC ESA) brought new limits to when employers can ask employees for sick notes for short-term health-related leaves and a new employee entitlement to a 27-week serious personal illness or injury leave. Notable changes are summarized below:

1. **Ban on Doctor’s Notes** – The *Employment Standards Amendment Act, 2025* (Bill 11)

came into effect on November 12, 2025, and provides that employers may not request, and employees are not required to provide, a note from a health practitioner for short term leaves lasting shorter than five consecutive days, and for up to two periods of health-related leaves. These leaves can cover absences related to health, illness, or injury of the employee or their immediate family. Employers are still allowed to request a sick note for leaves lasting longer than five consecutive days or where an employee has already taken two periods of health-related leaves of five or less consecutive days.

2. **New Serious Illness or Injury Leave** – The *Employment Standards (Serious Illness or Injury Leave) Amendment Act, 2025* (Bill 30) came into effect on November 28, 2025. Employees now have access to a job-protected leave of up to 27 weeks within a 52-week period due to serious illness or injury. This leave does not have to be taken consecutively and can be broken up throughout the 52-week period. Employees will be required to obtain a certificate from a health practitioner to access this leave entitlement.
3. **New Protections for Gig Workers** – British Columbia also joined Ontario as one of the first Canadian jurisdictions to provide protections for “gig” employees on digital platforms in the fall of last year. However, unlike the approach taken in Ontario, British Columbia has expressly classified these workers as employees for the purposes of the BC ESA and the *Workers’ Compensation Act*. These changes require employers to provide minimum employment standards entitlements to online platform workers and coverage under the British Columbia workers’ compensation scheme.

## **Alberta**

Similar to Ontario and British Columbia, in 2025, Alberta introduced an extended job-protected long-term illness leave for employees. Alberta also moved to address significant court backlogs by implementing measures to expedite litigation in less complex cases, including wrongful dismissal claims. A summary of key legislative changes are summarized below:

### **Alberta *Employment Standards Code* and *Occupational Health and Safety Code***

1. **Extended Long-Term Illness Leave** – Recent amendments to the Alberta *Employment Standards Code* (the Code) will extend the maximum duration of long-term illness and injury leave from 16 weeks per calendar year to 27 weeks per calendar year, effective January 1, 2026, bringing the leave in line with similar leaves in Ontario and British Columbia.
2. **Combined Workplace Violence and Harassment Plan** – Effective March 31, 2025, Alberta employers are now required to develop a single, combined, workplace violence and harassment prevention plan. This combines the prior distinct requirements of a violence plan and a harassment plan into one streamlined requirement. These amendments also require employers to enact additional worker protections for employees working at late-night retail stores. Obligations of employers include developing safe cash-handling procedures, providing personal emergency transmitters, instituting public access restrictions, and video surveillance requirements.

### **Alberta Court of King’s Bench Notice to the Profession and Public and *Rules of Court***

1. **Expediting Civil Litigation** – The Alberta Court of King’s Bench released a Notice to the Profession and Public: Mandatory Litigation Plans in Civil (Non-Family) Cases on July 10, 2025 (the Notice) introducing changes which are designed to expedite civil litigation in Alberta, including employment litigation. The Notice requires that the parties to all actions commenced by a Statement of Claim on or after September 1, 2025, and not characterized as a

complex action under the *Rules of Court* (the Rules), are required to agree on and file a litigation plan with the Court within four months from the service of the Statement of Defence. The Notice further provides that such litigation plans must set a target trial date no more than 36 months from the date that the first Statement of Defence is filed (with exceptions for “exceptional circumstances”). Failure to file a litigation plan can result in penalties against a party or lawyer under the Rules.

2. **Streamlined Trials** – Alberta revised the Rules last year as well, with changes that came into effect on January 1, 2024, by replacing summary trials with streamlined trials to enhance the resolution of less complex civil claims. To date, litigants in wrongful dismissal matters have been generally unsuccessful in accessing streamlined trials due to the significant evidentiary records that these actions typically involve and the frequent need for credibility assessments by the Court.

## Federal

For federally regulated workplaces, new leaves were introduced related to pregnancy loss and bereavement leave. Federal workplaces also face a potential ban on non-competes coming in 2026. A summary of key changes is outlined below.

### *Canada Labour Code*

1. **New Leaves for Pregnancy Loss and Bereavement** – The *Fall Economic Statement Implementation Act, 2023* (Bill C-59) contained amendments to the *Canada Labour Code* (CLC) which provide new leave provisions for employees. Effective on December 12, 2025, employees of federally regulated employers will now be entitled to new pregnancy loss and bereavement leaves. In the case that an employee (or their spouse or common law partner) experiences a lost pregnancy, the employee will be entitled to three days of paid leave. If a pregnancy results in stillbirth, employees will be entitled to up to eight weeks of unpaid leave. In the case of the death of an employee’s child, spouse, or common law partner, employees will be entitled to up to eight weeks of leave, an increase from the previous entitlement of 10 days.
2. **New Adoption or Surrogacy Leave** – Bill C-59 also establishes a new 16-week unpaid leave when a child is placed with an employee through adoption or surrogacy. This change is intended to operate in conjunction with upcoming changes to the *Employment Insurance Act* (EI Act), which will offer a corresponding benefit for adoptions and surrogacy. These changes are intended to come into effect on the same date, yet unannounced, but anticipated in 2026.
3. **Proposed Ban to Non-Competes** – As part of the 2025 Federal Budget, released on November 4, 2025, the Government of Canada announced plans to amend the CLC to restrict the use of non-compete agreements in employment contracts for federally regulated businesses, similar to the ban introduced for Ontario employers in 2021. Proposed amendments have not yet been released. For more information on this proposed restriction, please see our previous commentary [here](#).

## Case Law Updates

### Ontario

In 2025, Ontario courts continued to wrestle with the interpretation and enforceability of termination provisions in employment agreements. Below, we highlight key cases on termination clauses, and additional noteworthy rulings on settlement agreements and on provisions addressing reprisals under the *Securities Act*.

1. **“At Any Time” Termination Clauses Remain Under Scrutiny** – The enforceability of termination provisions allowing termination “at any time” remains unsettled. In 2025, the Ontario Superior Court released conflicting decisions on this issue. In *Baker v. Van Dolder’s Home Team Inc.*,<sup>1</sup> the Court invalidated language permitting termination without cause “at any time,” finding it undermined ESA protections during statutory leaves. However later in the year, in *Li v. Wayfair Canada Inc.*<sup>2</sup> and *Jones v. Strides Toronto*<sup>3</sup> the Court reached the opposite conclusion, upholding similar clauses as compliant with the ESA. The decisions in *Baker* and *Wayfair* have been appealed and are scheduled to be heard together in in early 2026. For more information on these cases, please see our previous commentary available [here](#).
2. **A Rare ESA-Only Termination Clause is Upheld** – In *Bertsch v. Datastealth Inc.*,<sup>4</sup> the Ontario Court of Appeal confirmed the enforceability of a termination clause limiting entitlements to ESA minimums (and notably without “at any time” language). The employee – a VP terminated after 8.5 years–argued the clause was invalid because it could be interpreted to allow termination without full ESA compliance. The Court disagreed, applying the “clear and unambiguous” test. It emphasized that while employment contracts are interpreted in favour of employees, this principle only applies where genuine ambiguity exists – not merely plausible alternative readings. Because the clause explicitly referenced ESA minimums and included a failsafe provision, the Court found it both compliant and enforceable. For more information on this case, please see our previous commentary available [here](#).
3. **Court Confirms a Temporary Layoff Provision is Not a Termination Provision** – In *Taylor v. Salytics Inc.*,<sup>5</sup> the Ontario Superior Court addressed whether a temporary layoff provision in an employment agreement should be interpreted as a termination provision, and if so, whether an unenforceable termination provision would invalidate the layoff provision such that the employer could not rely on its contractual right to lay off. The Court held that a temporary layoff provision does not constitute a termination provision and therefore, regardless of the enforceability of the termination provision, the temporary layoff provision was not impacted. The Court reached this conclusion despite two key facts: (a) the employer acknowledged the termination provision was unenforceable; and (b) the temporary layoff provision in question was located within the termination provision section of the employment agreement. For more information on the *Salytics* decision, please see our previous commentary available [here](#).
4. **First Judicial Interpretation of Anti-Reprisal Restrictions Under the Securities Act** – In *McPherson v. Global Growth Assets Inc.*,<sup>6</sup> the Ontario Superior Court awarded a former executive \$5.37 million in damages under the Ontario *Securities Act*, finding that the termination of his employment was, at least in part, a reprisal for the executive raising concerns about potential breaches of securities laws. In awarding damages, the Court applied the statutory remedy under the *Securities Act* and awarded damages equal to double the income the executive would have earned from the time of his termination of his employment to the date of the decision, in this case exceeding \$5.3 million, without any obligation to mitigate. The Court declined to award the executive additional damages for wrongful dismissal, aggravated damages, or punitive damages, finding that the statutory award for the reprisal appropriately compensated him for the effect of his wrongful dismissal. For more information on the *McPherson* decision, please see our previous commentary available [here](#).
5. **Enforcing a Settlement Agreed Upon in Email** – In *Johnstone v. Loblaw*,<sup>7</sup> the Ontario Superior Court enforced a settlement agreed upon between an employer and former employee through emails even though minutes of settlement were never signed. The Court found that settlement documentation does not have to be completed to have a binding settlement, as long as the parties have agreed to

all the essential terms, which in this case included notice, legal fees, and reference letters. In this case, the Court characterized the employee's desire to change the essential terms of the agreement as a belated attempt to obtain a better deal. For more information on the *McPherson* decision, please see our previous commentary available [here](#).

## British Columbia

Courts in British Columbia issued several notable – and in many cases – employer-friendly decisions in 2025. A summary of the key cases is outlined below.

- 1. Intention to Retire Reduces Reasonable Notice Period Required on Termination –** In *Gent v. Askanda Business Services Ltd.*,<sup>8</sup> the Court issued an unusual ruling: a 64-year-old employee with 30 years of service was awarded only six months' notice. While the Court confirmed Mr. Gent's entitlement to reasonable notice—typically assessed based on age, tenure, position, and availability of comparable employment—it curtailed the notice period significantly because Mr. Gent had provided evidence of his intention to retire at 65. The Court concluded that his firm retirement plans limited any entitlement to notice beyond that date. For more information on the *Gent* decision, please see our previous commentary available [here](#) and [here](#).
- 2. Duty to Mitigate Applies to Fixed Term Agreements in British Columbia –** Engaging employees on fixed-term contracts carries inherent risk, as without proper termination language employers may be required to pay out the remaining period of the contract. However, in *Mac's Convenience Stores Inc. v. Basyal*,<sup>9</sup> the British Columbia Court of Appeal confirmed that the law in British Columbia imposes a duty to mitigate wrongful dismissal damages for employees on a fixed term contract. This is notable as it is contrary to the approach in Ontario, where employees on fixed-term agreements are not required to mitigate their damages unless the agreement specifically imposes such an obligation.
- 3. What Constitutes "Inducement" to Leave Prior Employment –** In *Mercer Celgar Limited Partnership v. Ferweda*,<sup>10</sup> the British Columbia Court of Appeal considered whether an employer induced Mr. Ferweda to leave secure employment prior to terminating him without cause. In confirming the trial judge's finding, the Court held that inducement does not necessarily need to involve aggressive "luring." Tacit persuasion, implicit assurances of job security and increased compensation may suffice to ground a finding of inducement. The Court referenced the following facts in finding inducement:
  - Ferweda had not been actively looking for a job, instead responding to an email sent by a recruiter who was working on behalf of the employer;
  - the employer invited Mr. Ferweda for an expenses-paid visit of the worksite and attempted to make the job attractive to Mr. Ferweda during the visit;
  - the employer's manager pointed out to Mr. Ferweda that features of employment with the employer would be superior to his current terms and represented that he would be hired with a long-term outlook; and
  - Ferweda only accepted the new position after he had negotiated a better salary with the employer.

The Court upheld the trial award of 12 months' notice, despite the fact that Mr. Ferweda had only completed two years of employment before termination, illustrating the substantial impact a finding of inducement can have on a notice period.

- 1. BC Court of Appeal Upholds Arbitration Provision –** In *Aspen Technology, Inc. v. Wiederhold*<sup>11</sup> the British Columbia Court of Appeal reversed a lower-court ruling that had refused to enforce an arbitration clause in an employee incentive plan requiring arbitration in Boston, governed by Delaware law. The Court disagreed

with the lower court decision, which had found the clause void on the basis that (a) it was provided without fresh consideration; (2) it did not comply with employment standards legislation and was contrary to public policy; and (3) the cost to arbitrate would be disproportionate to the claim. In response to these points, the Court noted that the clause was included in the incentive plan language offered at the outset of employment and did not oust any rights of the employee. The court also found a lack of evidence that the clause was against public policy or unconscionable. In coming to this finding, the Court made note of the fact that the employee at issue was “sophisticated” and had resources available to him to participate in the arbitration.

## Alberta

Alberta courts also released several significant decisions in 2025 that affect employers. Below is an overview of some of the most notable rulings:

- 1. 26 Months’ Notice Awarded in Alberta** – In *Lischuk v. K-Jay Electric Ltd.*,<sup>12</sup> the employee Mr. Lischuk claimed a notice period of 26 months’, referencing the recent trend in Ontario of notice awards beyond the presumptive cap of 24 months. The Court accepted Mr. Lischuk’s argument, finding that the facts of this case supported an exceptional notice award, and in doing so set a new high-water mark for notice awards in Alberta. The Court held that Mr. Lischuk’s specialized skills and experience were not easily transferable for an employee of his age (58) and that obtaining a new and comparable position would be difficult for him. The Court referenced that the forced retirement of an employee who had become highly specialized over a long period of service constituted “exceptional circumstances,” such that an award beyond 24 months’ notice of termination was appropriate. For more information on the *Lischuk* decision, please see our previous commentary available [here](#) and [here](#).
- 2. Employer Effectively Limits Entitlements to Incentive Compensation Post-Termination** – The Alberta Court of Appeal in *Kirke v. Spartan Controls*<sup>13</sup> confirmed that a well-drafted share buy-back clause can limit a terminated employee’s profit-sharing entitlements over a reasonable notice period. In this case, the employee was awarded 20 months of common law notice and sought full compensation for that period. While the general rule is that employees are entitled to all forms of remuneration they would have received during the notice period, enforceable contractual terms can restrict certain benefits. Here, the employee’s share grants were governed by a shareholders’ agreement giving the employer the right to repurchase all shares within 90 days of termination. The Court found the agreement’s language clear and unambiguous, and therefore upheld its application—limiting the employee’s damages for profit-sharing entitlements during the notice period. For more information on the *Kirke* decision, please see our previous commentary available [here](#).
- 3. Alleging Termination for Cause Does not Preclude Reliance on Termination Provision** – The Alberta Court of King’s Bench in *Singh v. Clark Builders*<sup>14</sup> limited wrongful dismissal damages to the without-cause termination entitlement contained in the employment agreement. The employer in this case initially alleged cause for termination but ultimately withdrew the claim during litigation. The Court confirmed that where an employer had a good-faith basis to assert cause at the time of termination and during proceedings, abandoning that position does not prevent reliance on a contractual without-cause provision. The termination clause was found to be clear, unambiguous, and enforceable. Even if ambiguity had existed, the Court noted that the employee had negotiated revisions to the clause and the parties had equal bargaining power – meaning the usual presumption of interpreting ambiguity in favour of the employee would not

apply. For more information on the *Singh* decision, please see our commentary available [here](#).

4. **Successful Stay of Employment Standards Complaint** – In *Harvard Park Business Centre Ltd. v. Henwood*,<sup>15</sup> our Employment & Labour team successfully applied to stay an employment standards complaint pending the result of a wrongful termination claim by the same employee. Both proceedings involved the determination of whether the employee was in fact terminated or had resigned. The civil claim involved further claims, including an allegation of a breach of good faith by the employer. In granting the stay, the Alberta Labour Board held that it made sense that the employment standards complaint should be adjourned while proceedings in civil court continued, with reference to the fact that the matter should be heard in the forum that can address the broader requests for relief. For more information on the *Harvard Park* decision, please see our previous commentary available [here](#).

## Federal

Notable judicial decisions relevant to federally regulated employers in 2025 included the following:

1. **Appropriate Forum in Unjust Dismissal Case** – In *Kaseke v. Toronto Dominion Bank*<sup>16</sup> the Federal Court of Appeal upheld the refusal of the Canada Industrial Relations Board (CIRB) to hear a complaint by Ms. Kaseke. She claimed that she had been constructively dismissed due to age and race-based discrimination and harassment, and that this gave rise to an unjust dismissal contrary to the *Canada Labour Code* (CLC). The CIRB found that the central dispute could constitute a basis for a substantially similar complaint under the *Canadian Human Rights Act*. The Court agreed with the CIRB that the Canadian Human Rights Commission has primary jurisdiction over an unjust dismissal complaint that raises allegations of discrimination.
2. **Court Applies Ontario Law to Interpretation of Termination Provision under the CLC** – *Ghazvini et al v. Canadian Imperial Bank Of Commerce*<sup>17</sup> represents a further application of the principal identified in *Waksdale v. Swegon North America Inc.*,<sup>18</sup> that a for-cause termination provision that may provide for less than the minimum statutory entitlements for an employee will invalidate the without-cause termination provision. This decision involved a federally regulated employer, and the employment relationship was governed under the CLC. The Court found that the for-cause provision was unclear and ambiguous as it failed to reference the “just cause” standard for termination without notice under the CLC, using simply “cause” instead. The for-cause provision also listed grounds for “cause,” which the Court found included items which may not be “just cause” under the case law precedent interpreting the CLC. The Court accordingly refused to give effect to the without-cause termination provision.

Both the for-cause and without-cause termination provisions in this case provided that the employer could terminate “at any time.” The Court found that this was very misleading, as the CLC displaces the common law employer right to dismiss an employee by creating a statutory framework for dismissal. However, the Court avoided reaching a conclusion on this point, perhaps as a result of the uncertainty regarding the *Dufault* line of cases and the treatment of the “at any time” language.

Looking ahead, employers should review their existing HR practices and incorporate these legislative and judicial developments into proactive policy updates, manager training, and employment-agreement drafting to reduce risk and ensure compliance.

## Footnotes

- 1 2025 ONSC 952
- 2 2025 ONSC 2959
- 3 2025 ONSC 2482
- 4 2025 ONCA 379
- 5 2025 ONSC 3461
- 6 2025 ONSC 5226
- 7 2025 ONSC 4755
- 8 2025 BCSC 1278
- 9 2025 BCCA 284
- 10 2025 BCCA 120
- 11 2025 BCCA 120
- 12 2025 ABKB 460
- 13 2025 ABCA 40
- 14 2025 ABKB 3
- 15 2025 ABESAB 8
- 16 2025 FCA 8
- 17 2025 ONSC 5218
- 18 2019 ONSC 5705

*The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.*

Authors: [Caitlin Russell](#), [Adam Rempel](#)

Cassels