

# From Office Snacks To Parental Leave: Benefits That Actually Boost Retention In 2026



Not all perks are created equal. If you're reviewing your benefits package for 2026, here's what's actually moving the needle on retention, and what's legally compliant, simple to administer, and worth the investment.

## **The Fluff Is Out**

Ping pong tables, kombucha on tap, and birthday lunches aren't cutting it anymore, especially for employees who only show up in-office twice a week (if at all). What employees value more in 2025:

- Flexibility
- Income protection during life events
- Support for mental health and caregiving responsibilities
- Growth and development opportunities

## **What's Actually Working**

Here's how we're seeing Ontario employers deliver high-impact benefits without blowing up their budget:

### Top-up for Parental Leave

- Why it works: Clear signal that you support work-life balance.
- Legal context: ESA provides job-protected leave, but no obligation to top up income. You choose the qualifying factors, amount, and duration. Just ensure you're consistent across the board.
- **Tip: Keep it simple** (e.g. 4-8 weeks at 80%-100%). You can also require a signed repayment agreement if the employee doesn't return for a set period.

### Paid Personal Days

- Why it works: Offers flexibility beyond minimums.
- Legal context: ESA gives 3 unpaid days of personal emergency leave (if you're not already providing better). Paid personal days boost morale and retention.
- Low-lift: Roll them into your time-off tracking system. No need to implement a complex administrative tracking burden. Ensure you have some language in a

policy, employment agreement or rollout announcement that speaks to what happens to unused days (i.e., no carryover or payout).

### Health Spending Account (HSA)

- **Why it works:** Customizable to individual needs, especially useful in remote teams or small businesses across Canada.
- **Legal context:** Tax-effective benefit, easy to administer through third-party providers or internally.
- **Pro tip:** Consider expanding parameters to include spending coverage on things like counselling or fitness.

### Training + Education Credits

- **Why it works:** Employees see it as an investment in them.
- **Low-cost option:** A modest annual budget per employee (\$500–\$1000) with simple guidelines on use, approval, and retention.

### Proceed with Caution with the following perks:

- **Unlimited vacation:** While great in theory, it often creates confusion around accrual and termination pay if not executed correctly. Not a bad option, but if you go this route, ensure to get legal advice **first** on how to structure things properly.
- **Equity plans:** These are complex, expensive, and rarely understood by non-executives. Typically, not worth the admin to implement across the board, unless you have serious funding and a long-term retention strategy.
- **Ad hoc “perks”:** Offering things informally (e.g. surprise bonuses, extra days off) can create inconsistent treatment and risk of implied entitlements.

### Final Takeaway

Retention-friendly benefits in 2026 should be personal, flexible, and easy to use.

*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.*

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