Hiring Transparency, Faster Mobility, Tougher Termination Clauses: Ontario's 2026 Employment Landscape

Effective January 1, 2026, Ontario introduced new standards that change the requirements on how jobs are posted, how candidates are kept informed, and how quickly out-of-province professionals can begin working in Ontario. These changes are intended to make hiring more transparent and to widen the available talent pool. At the same time, termination provisions in employment contracts remain under strict scrutiny by the courts.

What Has Changed for Public Job Postings?

For employers with twenty-five or more employees, publicly advertised job postings must now include key information and avoid certain barriers under *the Employment Standards Act*, 2000 (ESA).

Pay disclosure: Employers must state either the expected compensation or a pay range. If a range is used, the spread cannot exceed $50,000. Pay disclosure is not required if the expected compensation (or the top of the range) exceeds $200,000.

Artificial-intelligence disclosure: If artificial intelligence is used to screen, assess, or select applicants, that fact must be disclosed.

Vacancy status: Postings must state whether the job reflects an existing vacancy.

No "Canadian experience" requirement: Employers may not require Canadian work experience in publicly advertised postings or in application forms.

What About Interviews and Record-Keeping?

Employers also have new duties after completing interviews.

Forty-five-day notice: After the final interview, employers must notify each interviewed candidate within forty-five days whether a hiring decision has been made. That notice can be delivered in person, in writing, or using technology.

Retention: Employers must keep interview information for three years after the hiring decision notice is provided to candidates. Employers must also keep each posting and any related application forms for three years after the public job posting is taken

down.

What Is the “As-of-Right” Labour Mobility Framework?

The *Ontario Labour Mobility Act,* 2009, “As-of-Right” pathway allows professionals who are already certified in another Canadian province to receive deemed certification in Ontario and begin work quickly while they complete the full registration process in Ontario. This applies to a broad range of regulated professions (e.g., engineers, electricians, architects, and pharmacists).

Termination Provisions Still Matter

While the new job posting, decision notice, and provincial mobility rules modernize how employers can hire, the termination language in employment agreements still determines what happens if employment ends. Ontario courts continue to apply a statute-first approach: any termination provision that, based on its wording, could result in an employee receiving less than the minimum standard under the ESA is vulnerable to being found invalid, in which case common law notice will apply.

This issue often arises with termination clauses that rely on a broad “just cause” standard. Under the ESA, an employee can only be denied minimum notice or pay in lieu where the conduct rises to the much narrower threshold of “wilful misconduct.” In practice, this means deliberate or intentional wrongdoing that is more than poor performance, negligence, or a single lapse in judgment, and that has not been accepted or overlooked by the employer. A termination provision that fails to meet this higher statutory standard risks unenforceability.

For a practical discussion of notable cases from 2025 on termination clauses, read “Significant Developments in Employment Law: Ontario Courts Reinforce Strict Approach to Termination Provisions”

Practical Implications

Employers should review their hiring practices and employment contracts to ensure they remain legally compliant and enforceable in light of recent developments in Ontario’s legal landscape.

For employers:

- Update posting templates to add pay information, artificial-intelligence disclosure, and vacancy status, and remove any Canadian-experience requirement.
- Build a simple forty-five-day interview-notice workflow and set a three-year retention rule for job postings, application forms, and interview records.
- Create a quick-start checklist so out-of-province hires can begin under deemed certification while full registration is finalized.
- Review termination provisions in employment contracts to ensure that “for cause” wording aligns with the statutory ESA “wilful misconduct” standard, that benefits and compensation continuation meet statutory minimums in all scenarios, and that no phrasing implies termination during protected periods.

For employees and candidates:

Expect upfront pay information, clarity about the use of artificial intelligence, confirmation that the role is a real vacancy, and a hiring decision notice within forty-five days after the final interview.

Conclusion

These new rules for hiring practices are already in effect, and judicial expectations for termination clauses continue to evolve.

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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