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The Nonprofit Manager’s Legal Compliance Toolkit (Canada Edition)

Your Essential Guide to Workplace Laws & Best Practices For Nonprofit Managers & Supervisors in Canada

Introduction

Managing a nonprofit in Canada requires a solid understanding of employment laws, workplace safety regulations, privacy policies, and labor relations. Nonprofit managers and supervisors play a crucial role in ensuring compliance with federal and provincial laws, protecting employee rights, and maintaining ethical operations. This toolkit provides detailed guidance, checklists, and resources to help nonprofit leaders navigate their legal responsibilities.

1. Legal Compliance Cheat Sheet

This section provides an overview of critical labor and employment laws that nonprofit managers must be familiar with to ensure compliance.

Federal vs. Provincial Laws

Employment laws in Canada are regulated at both the federal and provincial levels. Nonprofits must comply with both, ensuring that provincial regulations do not impose additional requirements beyond federal standards.

- Federal Laws – Govern organizations under federal jurisdiction, including charities operating across provinces.
- Provincial Employment Standards – Apply to most nonprofit organizations, covering wage laws, hours of work, and termination procedures.

Key Employment Standards

1. Canada Labour Code (for federally regulated nonprofits)
 - Covers minimum wage, overtime, and paid leave.
 - Establishes rules for termination and severance.
 - Applies to federally incorporated nonprofits and charities.



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2. Provincial Employment Standards Acts

- Set minimum wage requirements (varies by province).
- Define overtime pay regulations and maximum working hours.
- Provide rules for vacation pay, statutory holidays, and leaves of absence.

3. Workplace Harassment & Discrimination Protections

- Governed by the Canadian Human Rights Act and provincial human rights codes.
- Protects employees from discrimination based on race, gender, disability, age, and other protected grounds.
- Requires employers to provide reasonable accommodations for disabilities and religious practices.

Workplace Safety & Occupational Health Regulations

Nonprofits must comply with Occupational Health & Safety (OHS) laws, which require employers to provide a safe work environment. Managers are responsible for ensuring employees are trained on workplace safety protocols and that hazards are minimized.

- Compliance with Bill C-65 (federal workplace harassment and violence prevention law).
- Employee training on safety standards and reporting workplace injuries.
- Proper documentation of workplace incidents and compliance with provincial OHS regulations.



✓ The Manager's Compliance Checklist

This checklist ensures that nonprofit managers comply with employment laws, workplace safety, and HR best practices.

✓ *Hiring & HR Compliance*

✓ **Job Descriptions & Recruitment**

- Job descriptions clearly outline responsibilities, qualifications, and pay transparency.
- Hiring processes follow **non-discrimination laws** (avoid gender, age, disability-based bias).
- Interview questions comply with **Canadian Human Rights Act & provincial human rights codes**.
- Background checks and reference checks comply with privacy laws and are properly documented.

✓ **Employment Agreements & Classification**

- Employee contracts define job roles, pay structures, and employment terms.
- Workers are correctly classified as **employees or independent contractors** under employment laws.
- Trial or probationary periods comply with provincial employment standards.
- Policies for remote/hybrid work arrangements are documented and legally compliant.

✓ **Onboarding & Orientation**

- All employees receive a written **employment agreement** before their start date.
 - Employees are given a **copy of the workplace policies** (code of conduct, harassment prevention, health & safety).
 - Job expectations, reporting structures, and performance evaluation criteria are clearly communicated.
 - All required tax and benefits enrollment forms (e.g., **TD1, EI, CPP**) are completed and filed.
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Workplace Safety & Training

Occupational Health & Safety (OHS) Compliance

- Workplace policies comply with **provincial OHS laws** and Canada Labour Code (if federally regulated).
- A Health & Safety Committee or representative is designated (if required based on staff size).
- Employees receive proper **workplace health and safety training**.
- Workplace **hazard assessments** are conducted regularly.

Harassment, Violence, & Discrimination Prevention

- Organization complies with **Bill C-65** (workplace violence and harassment prevention law).
- Employees receive **mandatory training** on workplace harassment, discrimination, and reporting procedures.
- A confidential complaint and resolution process is in place.
- Anti-discrimination policies cover **gender identity, disabilities, race, religion, and sexual orientation** in compliance with human rights laws.

Emergency & Crisis Management

- Fire safety, evacuation procedures, and first-aid protocols are documented and communicated to staff.
 - Incident reporting and recordkeeping comply with **OHS laws**.
 - Workplace violence prevention plans are reviewed annually.
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Compensation, Payroll & Benefits Compliance

Wage & Hours Compliance

- All employees are paid at or above the **provincial minimum wage**.
- Overtime pay policies comply with **provincial employment laws**.
- Employees receive required **meal breaks and rest periods**.

Payroll & Recordkeeping

- Employee payroll deductions (**EI, CPP, taxes**) are accurately calculated and remitted to CRA.
- Accurate **timekeeping records** are maintained for all employees.
- Vacation, sick leave, and personal leave are recorded and comply with provincial employment laws.

Benefits & Leave Compliance

- Employees are enrolled in applicable **health benefits and pension plans**.
- Leave policies comply with **provincial employment standards** (e.g., maternity leave, parental leave, sick leave, bereavement leave).
- If applicable, employer contributions to **WSIB/WorkSafeBC** are up to date.

Termination & Employee Rights

Termination Procedures

- Termination decisions follow **progressive discipline policies** and are properly documented.
- Employees receive **proper notice or severance pay** in accordance with **provincial employment standards**.
- All final payments, including outstanding vacation pay, are provided in a timely manner.

Wrongful Termination & Legal Considerations

- Terminations comply with **anti-discrimination laws** and are not based on prohibited grounds.
- Employers have properly documented **poor performance or misconduct** before



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termination.

- Employees receive written explanation of termination and their rights.

Exit Process & Recordkeeping

- An **exit interview** is conducted to gather feedback and document any concerns.
- Employment records are retained for the legally required period (**typically 3-7 years** depending on jurisdiction).

Privacy, Data Protection & Nonprofit-Specific Compliance

Privacy & Data Security Compliance

- Employee and donor personal data is securely stored in compliance with **PIPEDA**.
- Employee files, medical records, and disciplinary records are **confidential and accessible only to authorized personnel**.
- A clear policy on **workplace monitoring and electronic communications** is in place.

Nonprofit-Specific Employment Considerations

- Volunteer management policies comply with **occupational health and safety laws** (volunteers are not covered by employment laws, but safety obligations apply).
- If receiving government funding, the organization complies with **specific employment-related grant requirements**.
- Employees working under government wage subsidies or funding programs (e.g., **Canada Summer Jobs**) are **paid in accordance with the funding agreement**.

Why This Matters

- Ensuring compliance with Canadian employment laws **protects nonprofit organizations from lawsuits, fines, and reputational damage**.
- Proper workplace policies and procedures **create a fair, ethical, and safe work environment**.
- Managers with legal training can **prevent costly mistakes and improve employee retention**.




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3. Manager's Legal Training & Resources List

Recommended Government Websites:

- **Canada Labour Code:** [Canada.ca](https://www.canada.ca)
- **Employment Standards by Province:** Provincial Employment Standards
- **Occupational Health & Safety (OHS) Laws:** [OHS Canada](#)
- **Privacy & Data Protection (PIPEDA):** Office of the Privacy Commissioner of Canada

 **How It Helps:** Managers **stay up-to-date** with ongoing legal changes and compliance updates.

Check out Pharo's course for New Manager and Supervisor Training

How Organizations Can Use This Toolkit:

- ✓ **For onboarding:** Provide to all new nonprofit managers as part of leadership training.
- ✓ **For compliance audits:** Use the checklist to **review legal obligations annually**.
- ✓ **For staff training:** Offer as a **resource for team discussions** on workplace rights.