



Canada rarely leads an Australian company's shortlist, which is quietly a missed opportunity. Stable workforce, serious technology clusters in Toronto, Vancouver and Montreal, an immigration system that welcomes global talent, and a way into North America with less noise around it than the United States. The complexity is real but it is hidden, which is the awkward combination.

Thirteen Rulebooks Wearing One Flag

From Australia the instinct is to picture Canada as a single jurisdiction, because that is how home works. In practice most of what governs an employment relationship, including termination, notice and statutory leave, is set provincially and territorially. The federal Canada Labour Code sits above that but reaches only federally regulated sectors such as banking, telecommunications and transportation, and even those employers must also comply with the provincial laws that apply to them.

Quebec deserves separate treatment rather than a footnote. It runs on a civil law tradition rather than the common law governing the rest of the country, carries French language requirements that reach into employment contracts and workplace communication, and operates its own Quebec Pension Plan and Quebec Parental Insurance Plan in place of the federal schemes. An arrangement that is entirely compliant in Ontario can fail in Quebec on grounds an Australian employer would never think to check.

The Arithmetic of an Exit

Canada is widely described as a difficult country in which to end employment, and the detail shows why. Written notice or pay in lieu is always required, but the minimum depends on which regime the role falls under.

For federally regulated employers, the Canada Labour Code sets a ladder that rises with service: no notice below three months, two weeks from three months up to three years, then one week for each completed year after that, capped at eight weeks. Every province and territory sets its own statutory minimums, which differ from the federal figures and from one another, and severance may be payable on top depending on tenure and on the province involved.

The practical consequence for an Australian employer is that there is no single Canadian notice period to budget against. The figure turns on where the employee sits and on whether the sector is federally regulated, so it has to be established for each hire rather than carried across from the last one.

Probation is not automatic. It exists only where the employee agrees to it and typically runs three months. On payroll, every employer contributes to the Canada Pension Plan, or the Quebec Pension Plan in Quebec, and to Employment Insurance, or Quebec Parental Insurance, alongside federal and provincial income tax withholding.

Employer of Record or Your Own Entity: An Honest Test

This is a genuine either or rather than a foregone conclusion, so it is worth applying a test rather than a slogan.

Use an Employer of Record when any of the following is true: your first hires sit in different provinces, you cannot yet say whether Canada justifies permanent infrastructure, or nobody in your business has run Canadian payroll before. In that situation the provider's entity is already in place, the contract is drafted under the correct provincial law, payroll runs with the right deductions, and provincial variation and Quebec's particular requirements become someone else's specialism. Safeguard Global handles multi province arrangements on a single agreement, so a Toronto hire and a Montreal hire do not become two separate projects.

What to Demand of a Canadian Provider

Any provider treating Canada as one market will eventually get a province wrong, so the first

question is whether they own their Canadian entity or route employment through a third party agency. Safeguard Global employs through an entity it owns, with HR and legal specialists based in Canada behind it, which keeps accountability in one place and the service consistent wherever the employee sits.

Sequence It, Do Not Storm It

The mistake Australian companies make in Canada is breadth before depth. Ontario, British Columbia and Quebec at once means learning three regimes simultaneously while also learning the market, and it makes the first quarter harder than it needs to be.

Canada looks like the easy North American choice and is quietly the fiddlier one. Given the respect its patchwork deserves, and a partner such as Safeguard Global absorbing the provincial detail, it is an excellent place for an Australian business to build.