ADP Canada Media Centre

ADP Canada Unveils 2026 Workplace Trends for Employers

New research reveals how organizations in Canada are navigating AI adoption, talent management, and compliance in today's rapidly changing landscape

- **People Trends:** How organizations are aligning people, skills, and strategy in an AI-driven workplace
- **Keeping Work Human-Centric :** Amid a transformative era of work, employers remain focused on prioritizing their people and optimizing the employee experience
- **AI in HR:** How the responsible adoption of generative and agentic AI can enhance productivity and operations, while keeping humans in the loop
- **Changing Regulations:** How organizations are navigating pay transparency, local compliance obligations, and AI

TORONTO, Nov. 17, 2025 /CNW/ -- As AI becomes an integral component within the world of work, organizations are aligning people and strategy to technological advancements according to ADP's 2026 HR Trends Report. In Canada, that trend is especially apparent as business leaders are using data and technology to enhance the employee experience and strengthen compliance according to the Canada Workplace Trends for 2026 report by ADP Canada. The findings underscore the growing importance of HR-IT collaboration, responsible AI governance, and transparency in shaping the future of work - with Canadian workplace data revealing unique insights into how employers are navigating these shifts.

View the Canada Workplace Trends for 2026 report here

"Canadian organizations face unique workforce challenges as they navigate both technological transformation and evolving employee expectations," said Jim Lord, president, ADP Canada. "From managing new legislative and regulatory AI disclosure requirements, to the need for increased skills development, employers are at a pivotal moment as they balance increased innovation with human-centered practices. The Canada Workplace Trends for 2026 report by ADP Canada reveals how businesses are prioritizing both their people and their processes during a transformative era of work."

ADP Canada's report uncovers how small, mid-sized and large companies are responding to rapid innovation by transforming operations related to talent and compliance. There's a blend of new considerations, like implementing an AI ethics policy, while traditional practices, like employee onboarding, are being rethought in a new era of work.

See below for key findings from the Canada Workplace Trends for 2026 report:

- **Employee experience has become a retention imperative, and Canadian employers are struggling to optimize HR** Less than half of employers rate their onboarding and hiring processes as highly efficient (46%, and 43%, respectively), while more than half lack confidence in capturing valuable employee feedback and accessing data to understand employee sentiment. As organizations compete for talent in a tight labour market, these foundational gaps matter.

- **Despite employers recognizing their responsibility to support employee mental health, accessibility gaps remain.** 87% organizations believe they are responsible for supporting employee mental well-being. However, fewer than half (46%) currently offer mental health benefits - with associated costs cited as the primary barrier.

- **Strong work ethic is the skills employers seek, but struggle to find in new hires:** When asked what skills Canadian businesses are prioritizing in new hires, strong work ethic, detail orientation, time management, problem solving, and ability to work on a team topped the list. However, employers said these skills were also the most difficult to find among new hires: strong work ethic, detail-orientation, time-management, leadership skills, and critical thinking.

- **Managing a multi-generational workforce has become multi-faceted:** With five generations working together, Canadian businesses identified differences in work ethic and commitment, recruiting and retention difficulties, intergenerational respect, work-life balance expectations, and technology adoption and literacy as their biggest challenges in managing multiple generations.

- **75% of large Canadian companies and 61% of mid-sized companies view AI as essential for competitiveness, yet only 13% and 5% respectively are prioritizing hiring for AI skills**. This finding underscores the opportunity for Canadian organizations to focus on developing AI skills within their existing workforce.

- **Keeping a human in the loop when using AI and cultivating trust are the top AI priorities.** 80% of small, mid-size, and large Canadian businesses agreed that keeping a human in the loop is important when using AI, while 64% agreed cultivating a sense of trust is important when using AI. As technology innovation takes hold at work, Canadian organizations remain committed to ensuring work stays human-centric.

- **Opportunity to implement an AI ethics policy.** Nearly half (46%) of Canadian businesses agree ethical management of AI and AI systems is a priority, yet only 22% of businesses have an AI ethics policy. The gap represents an opportunity for organizations to standardize AI ethics guidelines across their workforce to help build a culture where responsible AI use is paramount.

- **Organizations see AI's potential to enhance talent management.** 47% of businesses believe AI can help with skills development, 40% agree it can assist in onboarding and offboarding employees, and 38% envision AI assisting with attracting and retaining employees.

- **Canadian businesses are taking a cautious approach to adopting AI for compliance requirements.** Organizations are carefully evaluating how AI can support - and not replace - human expertise, prioritizing tools that are reliable, transparent, and maintain human oversight. Only 21% currently use AI for compliance tasks, and among those who do, 51% have strong trust in its accuracy. Amongst businesses not using AI for compliance, only 10% have plans to do so.

- **Top compliance challenge facing Canadian businesses:** When asked for the top compliance challenges Canadian organizations are facing, data privacy, paid leave, payroll tax requirements, pay transparency, and overtime requirements were identified as the biggest hurdles. To navigate compliance obligations, Canadian organizations are turning to their lawyers, HR or payroll provider, government websites, and their accountants for trusted expertise.

For additional insights and resources, visit **adp.ca/en/canada-workplace-trends-2026**

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