

What happens to HR After Ghomeshi?

Susan Hodkinson, Chief Operating Officer, Partner Human Resources (HR) Consulting Group



There are many aspects of the Jian Ghomeshi saga that are newsworthy. There are the salacious, almost tabloid, "Fifty Shades of Grey" glimpses into a public figure's private life. There are the allegations of abuse perpetrated against multiple women. There is the sense that Ghomeshi somehow used a feminist-sympathizing persona to lure victims. And there are the questions swirling around the CBC as an employer.

Was this highly visible, sizeable Canadian employer, funded in large part by citizens' tax dollars, delinquent in addressing abuse of power issues within its walls? Is the environment at the CBC such that employees do not feel able to speak up in the case of questionable behaviour? Or, perhaps the most disturbing question being asked: was the CBC unwilling to jeopardize or damage one of its greatest assets in Jian Ghomeshi?

The CBC employs in excess of 5,000 people. Those employees are represented by no fewer than 13 separate unions, in addition to

a sizeable professional and highly regarded Human Resources department. If an organization of this size and structure can fall victim to what can only be termed an HR (and PR) nightmare, how do smaller operations, such as those in construction or trade, avoid such situations? Are they immune? Do small and mediumsized business owners simply not have to worry about these kinds of challenges?

There are several statutes that impact on most Ontario businesses in this area. The Ontario Human Rights Code ("The Code") prohibits actions

that discriminate against people based on a protected ground, within a protected social area. Protected grounds include age, sex, creed and family status. Protected social areas include employment. The Ontario Health and Safety Act ("OHSA") is committed to making Ontario's workplaces safe and healthy. Particularly relevant to this topic is Bill 168, an amendment to the OHSA that was enacted to address violence, bullying and harassment in the workplace, which may or may not involve, directly, any of the protected grounds. It is significant that Bill 168 is part of the OHSA, since

the overall provisions of the OHSA govern it. In particular, under the OHSA, employees have the right to refuse work in the event of an unsafe workplace. Failure to address bullying or abuse allegations under the act could give rise to the refusal to work, in addition to other significant outcomes.

Focusing specifically on the requirements of Bill 168 demonstrates that even very small businesses have substantial duties and requirements. If a business employs five or more people, it must have a policy addressing workplace harassment and violence that is posted in a visible spot, such as a notice board or a common work area, and is updated regularly. The business must have a program that trains staff on the policy, assesses workplace risks and includes a reporting mechanism. Failure to comply with Bill 168 can give rise to penalties assessed to individuals including fines up to \$25,000 and up to 12 months imprisonment. Corporations face fines of up to \$500,000 per incident.

Perhaps more damaging and significant are the PR and operational damages. Press attention to these issues can be very detrimental. In addition, recruiting and employee morale will suffer significantly for a workplace that is not seen to be safe and non-discriminatory.

These issues do not have to be as daunting as they seem. Businesses that are focused on success and growth will be naturally committed to the provision of a healthy and safe workplace; it simply makes good business sense. Translating that commitment into the requisite policies and procedures is a relatively simple matter. The greatest impediment to full compliance in these areas, generally, is a lack of manpower and expertise. Small and medium-sized businesses generally do not have a dedicated, professional HR department or leader.

Consulting with an HR expert is a good investment in terms of risk management, required legislative compliance and strong management practices. Attending to all of these areas will result in a stronger and more profitable business.

This article has been prepared for the general information of our clients. Specific professional advice should be obtained prior to the implementation of any suggestion contained in this article. Please note that this publication should not be considered a substitute for personalized tax advice related to your particular situation.

crowesoberman.com 3

Connect with the Author

Susan Hodkinson, Chief Operating Officer, Partner, Human Resources (HR) Consulting Group

Susan leads the HR Consulting Group and she is the Chief Operating Officer at Crowe Soberman, where she has management responsibility for the operations of the firm, including finance, information technology, human resources, facilities and marketing. You can connect with Susan at susan.hodkinson@crowesoberman.com.

About Crowe Soberman LLP

Based in Toronto, Crowe Soberman is one of the leading public accounting firms in Canada. The firm has been in business over 60 years and has built a strong reputation in the community because of the excellent work our teams of dedicated professionals produce.

Our core services are in Audit, Tax, and Advisory. Along with these, we have professionals who specialize in Business Valuation, Claims Valuation, Corporate Recovery & Turnaround, Forensics, Estates & Trusts, Global Mobility Services, HR Consulting, Commodity Tax (HST), International Transactions & Consulting, International Tax, Litigation Support, M&A Transactions, Management Services, Personal Insolvency and Succession Planning. Members of our various specialty services groups are available when required as a technical resource to assist the client service team.

Crowe Soberman is an independent member of Crowe Global. As a top 10 global accounting network, Crowe Global has over 200 independent accounting and advisory firms in 145 countries. For almost 100 years, Crowe has made smart decisions for multinational clients working across borders. Our leaders work with governments, regulatory bodies and industry groups to shape the future of the profession worldwide. Their exceptional knowledge of business, local laws and customs provide lasting value to clients undertaking international projects. At Crowe Soberman LLP, our professionals share one commitment: to deliver excellence.