When 'Restructuring' Targets Senior Leadership: Age Discrimination Risks for Ontario Executives

Lecker & Associates warns Ontario executives that restructuring may conceal age discrimination, putting severance and human rights claims at risk.

ONTARIO, CANADA, August 14, 2026 /EINPresswire.com/ -- Lecker & Associates, a Toronto-based employment law firm, is warning Ontario executives that being “restructured out” may involve more than a straightforward business decision when the criteria used disproportionately affect older, longer-serving employees.

The concern is timely. Workforce reductions have continued across Canada's financial, technology and public sectors in recent months, including nearly 700 positions eliminated at Bell Canada and the continued shrinking of the federal public service.

Restructuring Can Mask Age Discrimination
The Ontario Human Rights Code prohibits age discrimination in employment. It also recognizes adverse-effect discrimination, which can arise when a practice appears neutral but disproportionately disadvantages people because of age.

Discriminatory intent does not need to be proven. An employer does not have to openly state a preference for a younger workforce for its process to raise human rights concerns.

Criteria based on salary, tenure, pension eligibility, perceived adaptability or "future potential" may appear neutral. However, because senior executives are often older, longer-serving and highly compensated, those criteria can function as indirect proxies for age.

The Ontario Human Rights Commission has identified warning signs that may distinguish legitimate downsizing from age-related discrimination. These include internal documents referring to workforce "rejuvenation," a notably younger workforce after layoffs and new employees hired into roles similar to positions that were supposedly eliminated without displaced employees having an opportunity to compete.

The Scale of the Concern
Age was the most commonly reported basis for discrimination among respondents to an Ontario Human Rights Commission survey, cited by 21 percent, ahead of gender and race.

Among respondents aged 60 and older, 23 percent reported age discrimination.

"Restructuring is not an exemption from Ontario's human rights laws," said Bram Lecker, Principal of Lecker & Associates. "Executives should look beyond the label placed on the termination and consider the criteria used, who was retained and whether the eliminated work continued under a different title."

Higher Stakes for Executives

Executives may have common law notice entitlements that substantially exceed statutory minimums. Depending on age, tenure, seniority and the availability of comparable employment, reasonable notice periods can extend up to 24 months in appropriate cases.

Executive compensation may also include bonuses, commissions, benefits, pension contributions, stock options and equity incentives. A package that considers only base salary may undervalue what is owed. Where age discrimination contributed to the decision, additional human rights remedies may also be available.

Human Rights Claims Move on a Shorter Clock

A civil claim for wrongful dismissal in Ontario generally must be started within two years of termination. A human rights complaint runs on a tighter timeline. Applications to the Human Rights Tribunal of Ontario generally must be filed within one year of the last incident of discrimination, and the Tribunal accepts late applications only in limited circumstances, typically where the delay was in good faith and would not cause the employer substantial prejudice.

Executives who believe age contributed to a restructuring decision, and who are still weighing a severance offer, should not assume they have as much time to decide as they would for an ordinary severance negotiation. Waiting to see how a job search unfolds, or holding off on legal advice while a release is under review, can put a viable human rights claim out of time even while the wrongful dismissal claim remains open.

The Tribunal can order remedies beyond monetary compensation for lost income, including compensation for injury to dignity, feelings and self-respect, as well as changes to an employer's practices. These remedies exist alongside, not instead of, a common law severance claim.

Review Before Signing

Executives should have their severance package and the restructuring process reviewed before signing a release. A signed release will typically prevent an employee from later pursuing additional compensation or a discrimination claim, including one the employee did not recognize at the time.

Lecker & Associates advises executives on severance negotiation, wrongful dismissal, workplace discrimination, and more. The firm's online severance calculator can also provide an initial estimate, but a termination involving possible age discrimination requires individualized legal review.

About Lecker & Associates
Lecker & Associates is a Toronto-based employment law firm representing employees across Ontario in wrongful dismissal, executive severance, workplace discrimination, constructive dismissal and employment contract matters.
For more information, contact Lecker & Associates at 416-223-5391, email intake@leckerslaw.com, or book a no-charge assessment.

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