The U.S. Tariff Effect: Ensuring the psychological health and safety of a reduced workforce part II

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Psychological safety and mental health in the workplace

In the last article in our series covering The U.S. Tariff Effect, we reviewed health and safety considerations of a reduced workforce. This is a continuation of that article, focused on psychological safety and the mental health of the workplace.

Provinces across Canada are recognizing the impact of psychological safety to protect against mental health issues and illness in the workplace that could lead to significant mental and physical injuries and/or death.

In Québec, employers already have the obligation to protect and ensure the mental well-being of their workers, and such concerns must be addressed in their prevention program, where applicable. Other provinces, like British Columbia, are in the process of considering new regulations to recognize psychological safety as an element of occupational health and safety and to require a comprehensive psychological health and safety program. This again requires employers to carefully consider the differences in the laws between the provinces.

Regardless of the jurisdiction, however, careful consideration should be made as to how to engage with employees and unions. At the same time, employers with collective agreements need to carefully consider collective agreement language which limits their ability to send work outside of their unionized operations to another facility of the employer or to a third party. Unions will surely defend the rights of their members and make sure that work is not transferred which adversely affects their members.

Whether or not psychological safety is explicitly recognized as a health and safety requirement in your province, we recommend ensuring that employees are reminded of the availability of assistance. Part of this approach could be a reminder as to benefits or access to physical or mental health support offered to the employees. For example, many employers have an employee assistance program or offer additional medical access through virtual platforms.

Employers can take steps alone or with the help of their unions to mitigate the health and safety risks associated with a reduced workforce. It is imperative, however, that employers turn their mind to these challenges **now** to ensure that internal systems are in place to effectively meet the employer's operational needs now that the Trump Administration's tariffs are proceeding.

Mental health

As we learned during the COVID-19 pandemic, when there is uncertainty at the workplace, many employees suffer from mental health issues. Therefore, as we face and attempt to address the impending tariffs and the impact on the employer's business, careful attention needs to be paid to employee mental health. In our previous article, we wrote about communication and transparency and how that helps with many issues including mental health.

Below we set out additional measures that employers can take to assist their employees during these difficult and uncertain times:

1. Be clear about tasks and work responsibilities and let employees know how their work contributes to the organization.
2. Work with employees to develop realistic project goals and work plans to create manageable workloads. Make sure employees have work-life balance and pursue activities outside of work, as well as vacation time.
3. Implement a mentor program where more senior employees are paired with newer employees or a peer program where employees have an assigned colleague with whom they can speak and seek advice.
4. Check-in with employees outside of regularly scheduled meeting times. For instance, if a particular group or department meets monthly, consider adding informal 1:1 check-ins without a fixed timetable. The more constant the communication with employees, the sooner employers will be aware of any challenges or difficulties facing its workforce.
5. Employers should keep an open mind and listen to employee input and use employee feedback to implement or revise current systems,conduct employee engagement surveys, and address concerns raised by employees.
6. Remind employees about employee assistance programs and wellness benefits available to them.
7. Let employees know they matter and the work they are doing is valued and important. Recognition of a job well done is important to employees, especially during trying and uncertain times.
8. Share a reasonable amount of information about the business. While not all information can be shared, to the extent possible be transparent about both the state of the business and the plans in place to address business challenges. This can ease employee anxiety by letting them know that management is watching events and has a plan for dealing with the future.

The uncertainty of job security will weigh heavily on employees during these uncertain times. Therefore, thoughtful, honest and transparent (but not misleading) communications and encouraging feedback from employees will assist.

This requires strong, fair, honest and transparent management. Our repeated message of open dialogue is important. Employers need to consider how far they are willing to go

and how much involvement of unions and other third parties they are willing to accept. During these uncertain and trying times, healthy, productive employees could be an employer's greatest asset.

Our next article will build on many of these concepts and will also involve a discussion of how to work with these issues and restrictions in a unionized workforce.

Authors: Kailey Hubele (Vancouver) and Shelley-Mae Mitchell (Vancouver)

Editing and contributions by: Jeff Mitchell (Toronto), Kabrina Peron (Montréal), Roxanne Cloutier-Peace (Montréal), Kim Badesha (Vancouver) and Danny Kaufer (Montréal)

By

Kailey Hubele, Shelley-Mae Mitchell

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BLG Offices

Calgary
Centennial Place, East Tower
520 3rd Avenue S.W.
Calgary, AB, Canada
T2P 0R3

T 403.232.9500
F 403.266.1395

Ottawa
World Exchange Plaza
100 Queen Street
Ottawa, ON, Canada
K1P 1J9

T 613.237.5160
F 613.230.8842

Vancouver
1200 Waterfront Centre
200 Burrard Street
Vancouver, BC, Canada
V7X 1T2

T 604.687.5744
F 604.687.1415

Montréal
1000 De La Gauchetière Street West
Suite 900
Montréal, QC, Canada
H3B 5H4

T 514.954.2555
F 514.879.9015

Toronto
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON, Canada
M5H 4E3

T 416.367.6000
F 416.367.6749

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