

# **BACKGROUNDER**

COMPARATIVE ANALYSIS OF PAY EQUITY REGIMES ACROSS CANADA

July 2019

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#### **Provincial Schemes with Public Sector Pay Equity Legislation:**

#### **Prince Edward Island**

Pay Equity Scheme

Pay equity is legislated in PEI by the 1988 Pay Equity Act. 1

The object of this Act is to "achieve pay equity by redressing systemic gender discrimination in wages paid for work performed by employees in female-dominated classes in the public sector".<sup>2</sup> The burden is placed onto all public sector employers to implement pay equity.<sup>3</sup> They must negotiate with bargaining agents to agree on a gender-neutral evaluation process, inequities between job classes, and wage adjustments.<sup>4</sup>

The Act applies to public sector employees and prohibits employers from paying different wages to employees in "female-dominated classes" and "male-dominated classes" if they are performing equal or comparable work.<sup>5</sup> "Female-dominated" (and "male-dominated") classes are defined as a "class where 60% or more of the incumbents are women" (or men).<sup>6</sup>

This Act established the Pay Equity Bureau, which is tasked with the administration of the Act. The Bureau's tasks include the following: provide information to concerned parties and assist public sector actors in implementing pay equity, monitor the pay equity progress of public sector employers, submit reports to the Minister on pay equity progress upon request, prepare and maintain statistics on implementing pay equity, prepare and distribute pay equity educational materials, and receive and process complaints of failure to comply. The Bureau and Commissioner lost their powers to handle complaints in 1995.

Under this Act, value is determined by looking at the skill, effort, and responsibility in both the performance and the conditions of the work. <sup>10</sup> The following three exclusions apply to justify the pay difference in this Act: a formal seniority system, a formal appraisal system, and a skills shortage causing temporary wage inflation. <sup>11</sup>

<sup>&</sup>lt;sup>1</sup> RSPEI 1988 [PEI Pay Equity Act].

<sup>&</sup>lt;sup>2</sup> Ibid s 2(1).

<sup>&</sup>lt;sup>3</sup> Ibid s 12.

<sup>&</sup>lt;sup>4</sup> Ibid s 14.

<sup>&</sup>lt;sup>5</sup> Ibid s 2(3), 3.

<sup>&</sup>lt;sup>6</sup> Ibid s 1(g).

<sup>&</sup>lt;sup>7</sup> Ibid s 5(1).

<sup>&</sup>lt;sup>8</sup> Ibid s 5(2).

<sup>&</sup>lt;sup>9</sup> Pay Equity Task Force, *Pay Equity: A New Approach to a Fundamental Right* (Ottawa: Canada, 2004), at 68 online: <a href="http://publications.gc.ca/collections/Collection/J2-191-2003E.pdf">http://publications.gc.ca/collections/Collection/J2-191-2003E.pdf</a>> (they lost these powers "in order to minimize the effect of the pay equity process on ongoing collective bargaining").

<sup>10</sup> PEI Pay Equity Act s 7(1).

<sup>&</sup>lt;sup>11</sup> Ibid s 8(1)(a)-(c). See also ibid 8(2) which states that the onus for justifying the skills shortage wage increase rests on the employer (the "employer must establish to the satisfaction of the Commissioner that similar differences exist between the employees in the male-dominated class affected by the shortage and another male-dominated class performing work of equal or comparable value to that performed by the male-dominated class affected by the shortage").

Employers are prohibited from reducing wages to comply with this Act. <sup>12</sup> Additionally, employers and bargaining agents are prohibited from intimidating, coercing, penalizing, or discriminating against a person because they exercise any right, participate in any proceeding, or take any action that complies with this Act. <sup>13</sup>

This Act has primacy over other provincial acts, however it explicitly preserves the equal pay for equal work provision in the PEI *Human Rights Act*. <sup>14</sup> The *HRA* states that employers may not pay one employee a lesser rate of pay than another if they are employed by that employer for substantially similar work, under similar working conditions, and the work requires equal skill, education, experience, responsibility, and effort. <sup>15</sup> The difference in pay may be justified by a seniority system, a merit system, or a system that uses quantity or quality of production/performance to determine wages. <sup>16</sup>

#### Pay Equity Success

According to data from 2016 (calculated by taking the difference between male and female full-time median weekly earnings as a share of male-median weekly earnings), PEI has a gender wage gap of 10.7%. PEI has the lowest gender wage gap of all Canadian provinces and the Conference Board of Canada gave PEI a grade of B for their gender gap.

It is hard to measure the effect that the pay equity legislation has had on the gender wage gap. However, according to one source from 1996, PEI's legislation was very effective, and from its implementation in 1988 to 1996, pay equity legislation had narrowed the gender pay gap for public sector employees by 50%. <sup>18</sup>

#### Manitoba

Pay Equity Scheme

Pay Equity is mandated in Manitoba by the 1985 Pay Equity Act. 19

Manitoba was the first Canadian province to implement proactive pay legislation. The purpose of this Act is to "establish pay equity in Manitoba" and "inform employers, employees, and bargaining agents, within the public and private sectors, of the principles and practices of pay equity". <sup>20</sup> **The Act applies to the Crown and the civil service**. <sup>21</sup> **Pay equity is to be achieved** 

<sup>&</sup>lt;sup>12</sup> Ibid s 9(1).

<sup>&</sup>lt;sup>13</sup> Ibid s 18.

<sup>&</sup>lt;sup>14</sup> Ibid s 4(2).

<sup>&</sup>lt;sup>15</sup> RSPEI 1988, c H-12 s 7(1) (this section prohibits discrimination in pay).

<sup>&</sup>lt;sup>16</sup> Ibid s 7(1)(a)-(c).

<sup>&</sup>lt;sup>17</sup> The Conference Board of Canada, "Gender Wage Gap", online:

<sup>&</sup>lt;a href="https://www.conferenceboard.ca/hcp/provincial/society/gender-gap.aspx">https://www.conferenceboard.ca/hcp/provincial/society/gender-gap.aspx</a>.

<sup>&</sup>lt;sup>18</sup> New Brunswick Advisory Council on the Status of Women, "The Pay Gap: Causes, Consequences, and Actions" (Moncton, New Brunswick: The New Brunswick Advisory Council on the Status of Women, 1996) at 36-37, online: <a href="https://www2.gnb.ca/content/dam/gnb/Departments/eco-bce/WEB-EDF/pdf/en/ThePayGap.pdf">https://www2.gnb.ca/content/dam/gnb/Departments/eco-bce/WEB-EDF/pdf/en/ThePayGap.pdf</a>>.

<sup>&</sup>lt;sup>19</sup> CCSM c P13 [MN Pay Equity Act].

<sup>&</sup>lt;sup>20</sup> Ibid s 2(a),(b).

<sup>&</sup>lt;sup>21</sup> MN *Pay Equity Act* Ibid s 3(a),(b).

## through negotiations between unions/bargaining agents representing the employees and the employers. $^{\!\!\!\!\!\!\!\!^{22}}$

"Female-dominated classes" are defined as "a class in which there are 10 or more incumbents, as of the date any public sector employer is required to commence action to implement pay equity, of whom 70% or more are women". 23 "Male-dominated classes" are defined the same way.

This Act calls for the creation of a Pay Equity Bureau and the appointment of an executive director to carry out its mandate.<sup>24</sup> The executive director's tasks include the following: give information and advice to all persons and organizations effected by the Act, monitor progress of pay equity in public sector employers, submit a detailed report on implementing pay equity at least once a year, and prepare and maintain statistics on implementing pay equity.<sup>25</sup>

Under this Act, value of work is based on "the composite of the skill, effort and responsibility normally required in the performance of the work and the conditions under which the work is performed". <sup>26</sup>

Employers are prohibited from reducing wages to comply with this Act. 27

There are no provisions regarding the maintenance of pay equity settlements once reached.<sup>28</sup>

This Act has primacy, however it explicitly preserves the equal pay for equal work provision under the *Employment Standards Code*.<sup>29</sup> The ESC states that "[n]o employer shall discriminate between male employees and female employees by paying one sex on a different scale of wages than applies to the other sex if the kind or quality of work and the amount of work required of, and done by, the employees is the same or substantially the same."<sup>30</sup>

#### Pay Equity Success

According to data from 2016 (calculated by taking the difference between male and female full-time median weekly earnings as a share of male-median weekly earnings), Manitoba has a gender wage gap of 13.2%. It has the second smallest gap of all Canadian provinces and received a grade of B.<sup>31</sup>

#### **New Brunswick**

<sup>&</sup>lt;sup>22</sup> Pay Equity Task Force, Pay Equity: A New Approach to a Fundamental Right at 66.

<sup>&</sup>lt;sup>23</sup> MN Pay Equity Act s 1 (note that for public sector employers with over 500 employees other classes may be determined to be female-dominated despite the number and gender distribution and regulations can change the definition).

<sup>&</sup>lt;sup>24</sup> Ibid s 5(1)

<sup>&</sup>lt;sup>25</sup> Ibid s 5(2).

<sup>&</sup>lt;sup>26</sup> Ibid s 6(1).

<sup>&</sup>lt;sup>27</sup> Ibid 7(1)

<sup>&</sup>lt;sup>28</sup> Pay Equity Task Force, Pay Equity: A New Approach to a Fundamental Right at 67

<sup>&</sup>lt;sup>29</sup> MN Pay Equity Act Ibid s 4(2).

<sup>&</sup>lt;sup>30</sup> CCSM c E110 s 82(1).

<sup>&</sup>lt;sup>31</sup> The Conference Board of Canada, "Gender Wage Gap".

#### Pay Equity Scheme

## Pay equity is mandated in New Brunswick by the 2009 Pay Equity Act. 32

The purpose of this Act is to implement pay equity in specific organizations.<sup>33</sup> **This Act applies to employees working in the Public Service** (the Act does not apply to some employers with less than 10 employees).<sup>34</sup> **The obligation to implement and maintain pay equity is placed on the employer**.<sup>35</sup> Pay equity is to be achieved through employers and bargaining agents negotiating over a job evaluation system and wage adjustments.<sup>36</sup>

"Female-dominated classification" is defined as a job classification in which there are "10 or more incumbents of whom 60% or more are women" or where there are 10 or more incumbents that the employer and the bargaining agent agree to treat as such. "Male-dominated classifications" are defined in the same manner. Employers must compare the compensation and value of work for "female-dominated classes" and "male-dominated classes". "10 or more incumbents that the employer and the bargaining agent agree to treat as such. "Male-dominated classifications" are defined in the same manner. Employers must compare the compensation and value of work for "female-dominated classes" and "male-dominated classes".

The Act calls for the establishment of the Pay Equity Bureau, whose tasks include the following: provide information about pay equity to all relevant parties, provide assistance and advice to relevant parties in implementing and maintaining pay equity, request information from employers to monitor progress, review process and provide assistance to employers, prepare and maintain pay equity statistics, prepare and distribute pay equity educational materials, and assist and oversee pay equity negotiations.<sup>39</sup>

This Act also calls for the appointment of an employee representative for female-dominated classifications that do not have a bargaining unit upon request by a member of a female-dominated classification.<sup>40</sup>

Under this Act, the value of work is determined through looking at the "the composite of the skill, effort and responsibility normally required in the performance of the work and the conditions under which the work is performed." Differential pay is justified under the Act if the employer can show that the difference is due to a formal seniority system, a temporary employee training/development assignment, a merit pay plan, personnel practice when a value of a position is downgraded, or a skills shortage. 42

This Act will be deemed to have been complied with when "the employer adjusts its compensation practices so that female-dominated classifications are assigned a rate of pay equal

<sup>&</sup>lt;sup>32</sup> SNB 2009, c P-5.05 [NB *Pay Equity Act*]. Note that New Brunswick first passed pay equity legislation in 1989, see *Pay Equity Act*, SNB 1989, c P-5.01.

<sup>&</sup>lt;sup>33</sup> NB *Pay Equity Act*, s 3.

 $<sup>^{34}</sup>$  Ibid s 4(1)-(2).

<sup>&</sup>lt;sup>35</sup> Ibid s 7, 24.

<sup>&</sup>lt;sup>36</sup> Pay Equity Task Force, Pay Equity: A New Approach to a Fundamental Right at 67

<sup>&</sup>lt;sup>37</sup> NB Pay Equity Act, s 1(a)-(b).

<sup>&</sup>lt;sup>38</sup> Ibid s 8(1).

<sup>&</sup>lt;sup>39</sup> Ibid s 29(2).

<sup>&</sup>lt;sup>40</sup> Ibid s 11(1)-(2).

<sup>&</sup>lt;sup>41</sup> Ibid s 2.

<sup>&</sup>lt;sup>42</sup> Ibid s 5 (a)-(e).

to the average or projected average rate of pay of male-dominated classifications performing work of equal or comparable value". After compliance is achieved, the employer shall conduct a review, make any required adjustments, and provide the review to the Bureau. 44

The employer may not reduce, freeze, or 'red-circle' wages in order to comply with this Act. 45

This Act has primacy over all other provincial acts, however the equal pay for equal work provision in the *Employment Standards Act* is explicitly preserved. <sup>46</sup> The *ESA* states that "[n]o employer shall pay an employee of one sex at a different rate of pay from that which he pays to an employee of the other sex for work that is performed in the same establishment, is substantially the same in nature, requires substantially the same skill, effort, and responsibility, and is performed under similar working conditions…"<sup>47</sup> Differential payment is permitted when it is made based on a seniority system, a merit system, a system that determines wages through measuring quantity/quality, or any other system/practice that is not otherwise unlawful. <sup>48</sup>

New Brunswick recently had a pilot program on pay equity in the private sector. As of August 2018, 145 employers successfully completed the learning module provided. <sup>49</sup> Additionally, in 2018 the Liberal leader Brian Gallant stated that if re-elected he would impose pay equity legislation in the private sector by 2022, however he was not re-elected. <sup>50</sup> A private member's bill was introduced November 2018. This bill would make pay equity legislation apply to the private sector, however it does not appear that any further action has been taken. <sup>51</sup>

#### Pay Equity Success

According to data from 2016 (calculated by taking the difference between male and female full-time median weekly earnings as a share of male-median weekly earnings), New Brunswick has a gender wage gap of 14.4%. It has the third smallest gap of all Canadian provinces and received a grade of B from the Conference Board of Canada.<sup>52</sup>

Pay equity legislation was first enacted in New Brunswick in 1989.<sup>53</sup> In 1971, the average earnings of women working full-time, full-year as a percentage of men's was 62%.<sup>54</sup> In 1989 (when this legislation was implemented), the average earnings of women working full time to

<sup>&</sup>lt;sup>43</sup> Ibid s 9.

<sup>&</sup>lt;sup>44</sup> Ibid s 25(1)-(2).

<sup>&</sup>lt;sup>45</sup> Ibid s 10(1).

<sup>&</sup>lt;sup>46</sup> Ibid s 6(1)-(2).

<sup>&</sup>lt;sup>47</sup> SNB 1982, c E-7.2 s 37.1.

<sup>48</sup> Ibid

<sup>&</sup>lt;sup>49</sup> Government of New Brunswick, "Private sector pay equity pilot program a success: minister", online: <a href="https://www2.gnb.ca/content/gnb/en/news/news\_release.2018.08.1171.html">https://www2.gnb.ca/content/gnb/en/news/news\_release.2018.08.1171.html</a>.

<sup>&</sup>lt;sup>50</sup> The Canadian Press, "N.B. Liberal Leader Says He Would Impose Pay Equity On Private Companies", online: <a href="https://huddle.today/n-b-liberal-leader-says-he-would-impose-pay-equity-on-private-companies/">https://huddle.today/n-b-liberal-leader-says-he-would-impose-pay-equity-on-private-companies/</a>.

<sup>&</sup>lt;sup>51</sup> "Canada - What's new in employment law in 2019", online: <a href="http://makeitourbusiness.ca/about/canada-what-s-new-employment-law-2019">http://makeitourbusiness.ca/about/canada-what-s-new-employment-law-2019>

<sup>&</sup>lt;sup>52</sup> The Conference Board of Canada, "Gender Wage Gap".

<sup>&</sup>lt;sup>53</sup> Pay Equity Act, SNB 1989, c P-5.01.

<sup>&</sup>lt;sup>54</sup> Note that this is not the gender earnings gap, this is the ratio of women to men's earnings. The gender pay gap for this year would be 38%.

men was 62%, but had ranged from 61% to 70% since 1971. In 1994, the earnings ratio was 64%.

The current *Pay Equity Act* was enacted in 2010. In 2007, average earnings ratio in New Brunswick was 65.5% and in 2011 it was 66.7%. <sup>56</sup>

These Acts therefore do appear to have potentially made a small difference regarding the average earnings ratio.

#### Nova Scotia

Pay Equity Scheme

Pay equity is mandated in Nova Scotia by the 1989 Pay Equity Act.<sup>57</sup>

The purpose of this Act is to "increase the pay of employees in classes which are predominately female where it is determined, by the process set out in this Act, that, by reason of sex discrimination, those employees are paid less than they should be". <sup>58</sup> The Act applies to Civil Service employees (and corrections workers, highway workers, and some hospital workers who are not Civil Service employees), Crown corporations, hospitals, education entities, universities, municipalities, and municipal enterprises. <sup>59</sup> Employers and other relevant parties are required to bargain in good faith regarding the goal of achieving pay equity. <sup>60</sup>

"Female-dominated class" is defined as a "group of ten or more employees with the same employer in the same classification, where sixty per cent or more of the employees are female". "Male-dominated class" is defined the same way.

The Minister is given management/supervision powers and the Act establishes a Pay Equity Commission. <sup>62</sup> The Commission is given tasks including the following: determine the employee representative selection process, monitor pay equity implementation, determine issues when employers and employee representatives disagree, provide pay equity information, provide implementation advice, prepare/maintain pay equity statistics, and prepare/distribute pay equity educational materials. <sup>63</sup>

At least once per month or whenever requested by the Commission, the employer must submit a report to the Commission setting out their progress and at least once every year the Commission

<sup>&</sup>lt;sup>55</sup> New Brunswick Advisory Council on the Status of Women, "The Pay Gap: Causes, Consequences and Actions" at 14.

<sup>&</sup>lt;sup>56</sup> Statistics Canada, "Archived - Average female and male earnings and female-to-male earnings ratio", online: <a href="https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110014301">https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1110014301</a>.

<sup>&</sup>lt;sup>57</sup> RSNS 1989, c 337 [NS *Pay Equity Act*].

<sup>&</sup>lt;sup>58</sup> Ibid s 2.

<sup>&</sup>lt;sup>59</sup> Ibid s 4(1).

<sup>&</sup>lt;sup>60</sup> Ontario Equal Pay Coalition "The Gender Pay Gap Across Canada", online: <a href="http://equalpaycoalition.org/the-gender-pay-gap-across-canada/">http://equalpaycoalition.org/the-gender-pay-gap-across-canada/</a>>.

<sup>&</sup>lt;sup>61</sup> Ibid s 3(1).

<sup>&</sup>lt;sup>62</sup> Ibid s 5, 6.

<sup>&</sup>lt;sup>63</sup> Ibid s 7(1).

must submit a report to the Minister on pay equity implementation progress.<sup>64</sup> **The Commission** will continue to monitor the agreements once they are implemented however the Act does **not include provisions for maintenance**. 65 The Act envisions one single wage adjustment. 66

The Act mandates that employers and employee representatives aim to agree on a single evaluation system that does not discriminate between male and female-dominated classes within six months of the pay equity process beginning (if they are unable to, the Commission will do this). 67 The system is to then be applied. The Act states that no discrimination will apply if the pay difference is a result of a formal seniority system, temporary training/development program, merit pay plan, or a skills shortage resulting in temporary inflation. <sup>68</sup> The value of work is to be determined by the "skill, effort and responsibility normally required in the performance of the work and the conditions under which the work is performed".<sup>69</sup>

Pay equity will be achieved in a female-dominated class when the following situations are achieved:

- (a) where there is only one male-dominated class of the same employer performing work of equal or comparable value, the pay rate of that class;
- (b) where there are two or more male-dominated classes of the same employer performing work of equal or comparable value, at least the pay rate of the class with the lowest pay rate;
- (c) where there is no male-dominated class of the same employer performing work of equal or comparable value and only one male-dominated class with a previously higher pay rate and performing work of lower value, the pay rate of that class; or
- (d) where there is no male-dominated class of the same employer performing work of equal or comparable value and two or more male-dominated classes with higher pay rates and performing work of lower value, the pay rate of the class with the highest pay rate.<sup>70</sup>

While the Commission has the power to intervene and direct compliance, no sanctions or penalties are included for non-compliance within the Act. 71

This Act explicitly preserves the provisions prohibiting discrimination based on sex in the Labour Standards Code<sup>72</sup> and the Human Rights Act<sup>73</sup>.

The HRA states, in part, that "[n]o person shall in respect of . . . employment . . . discriminate against an individual or class of individuals on account of . . . sex."<sup>74</sup> The LSC states that "[a]n employer . . . shall not pay a female employee at a rate of wages less than the rate of wages paid to a male employee, or a male employee at a rate of wages less than the rate of wages paid to a

<sup>&</sup>lt;sup>64</sup> Ibid s 9(1),(3).

<sup>65</sup> Ontario Equal Pay Coalition "The Gender Pay Gap Across Canada".

<sup>&</sup>lt;sup>66</sup> Pay Equity Task Force, Pay Equity: A New Approach to a Fundamental Right at 68.

<sup>&</sup>lt;sup>67</sup> NS Pay Equity Act s 12.

<sup>&</sup>lt;sup>68</sup> Ibid s 13(4)(a)-(d).

<sup>&</sup>lt;sup>69</sup> Ibid s 13(5).

<sup>&</sup>lt;sup>70</sup> Ibid s 17.

<sup>&</sup>lt;sup>71</sup> Ontario Equal Pay Coalition "The Gender Pay Gap Across Canada".

<sup>&</sup>lt;sup>72</sup> RSNS 1989, c 246 s 57(1) (this section mandates equal pay for men and women) [NS Labour Standards Code].

<sup>&</sup>lt;sup>73</sup> RSNS 1989, c 214 s 5(1) (this section prohibits discrimination on various grounds, including sex, in various locations, including employment) [NS *Human Rights Code*]. <sup>74</sup> Ibid s 5(1).

female employee, employed by him for substantially the same work performed in the same establishment, the performance of which requires substantially equal skill, effort and responsibility, and which is performed under similar working conditions."<sup>75</sup>

#### Pay Equity Success

According to data from 2016 (calculated by taking the difference between male and female fulltime median weekly earnings as a share of male-median weekly earnings), Nova Scotia has a gender wage gap of 16.4%. They have the six smallest gap of all Canadian provinces, and received a grade of C.<sup>76</sup>

Provincial Schemes with Public and Private Sector Pay Equity Legislation:

#### Ontario

Pay Equity Scheme

Pay Equity is legislated in Ontario by the 1987 Pay Equity Act.<sup>77</sup>

The purpose of this act is to "redress systemic gender discrimination in compensation for work performed by employees in female job classes". <sup>78</sup> **The Act applies to private-sector employers** with ten or more employees, all public-sector employers, and their relevant employees and **bargaining agents.** Ontario was the first province to include the private sector in its pay equity legislation. The Act will continue to apply to any employer who employed ten or more employees after the Act came into effect, even if they reduce the number of employees.<sup>80</sup> The onus is on the employer to create and maintain pay equity compensation practices.<sup>81</sup> The employer must create a pay equity plan.

"Female job classes" are defined as "a job class in which 60 per cent or more of the members are female" or a job class that has been determined to be a female job class, unless it has otherwise been decided that it is a male job class. 82 "Male job classes" are defined in the same manner. Additionally, in making a decision as to whether a job class is male or female, attention must be given to the historical incumbency and gender stereotypes. 83 Persons with disabilities who have received accommodations may not be classified differently so long as they are in similar positions.<sup>84</sup>

The value of work will be determined through the "composite of the skill, effort and responsibility normally required in the performance of the work and the conditions under which

<sup>&</sup>lt;sup>75</sup> NS Labour Standards Code s 57(1).

<sup>&</sup>lt;sup>76</sup> The Conference Board of Canada, "Gender Wage Gap".

<sup>&</sup>lt;sup>77</sup> RSO 1990, c P.7 [ON *Pay Equity Act*].

<sup>&</sup>lt;sup>78</sup> Ibid s 4(1).

<sup>&</sup>lt;sup>79</sup> Ibid s 3(1).

<sup>&</sup>lt;sup>80</sup> Ibid s 3(2).

<sup>&</sup>lt;sup>81</sup> Ibid s 7(1).

<sup>&</sup>lt;sup>82</sup> Ibid s 1.

<sup>&</sup>lt;sup>83</sup> Ibid s 1(5).

<sup>&</sup>lt;sup>84</sup> Ibid s 1(7).

it is normally performed". 85 Accommodation under the Human Rights Act is explicitly prohibited from being used to determine the value of the work. 86

Employers have to use a gender-neutral comparison system to compare male and female job classes in each establishment to determine if pay equity exists for every female job class. <sup>87</sup>

Pay equity under this Act will be achieved when "every female job class in the establishment has been compared to a job class or job classes under the job-to-job method of comparison or the proportional value method of comparison and any adjustment to the job rate of each female job class that is indicated by the comparison has been made." When there is no male comparative job class, pay equity is achieved when "the job rate for the female job class that is the subject of the comparison is at least equal to the job rate of a male job class in the same establishment that at the time of comparison had a higher job rate but performs work of lower value than the female job class."

Pay differences that are a result of a formal seniority system, temporary training or development, merit compensation plans, personnel practices ('red-circling'), or skills shortage causing temporary inflation are justified. Once pay equity has been achieved, differences in compensation as a result of bargaining strength will be permitted. 91

Employers may not reduce wages to comply with pay equity obligations. <sup>92</sup> Employers, employees, and bargaining units may not intimidate, coerce, penalize, or discriminate against a person for participating in proceedings or exercising their rights under this Act in any way. <sup>93</sup> At hearings before the tribunal regarding this section, the burden of proof rests on the person who is alleged to have contravened the Act to prove that they did not contravene the Act. <sup>94</sup>

The Act can be enforced through complaints. Employers, employees, and bargaining agents may file a complaint with the Commission alleging a contravention of the Act. <sup>95</sup> The review officer may investigate the compliant and aim to create a settlement or decide to not consider the complaint. Additionally, the Pay Equity Office is responsible for enforcing the Act. <sup>96</sup> Review officers will be designated by the Office and will monitor the preparation and implementation of pay equity plans, in addition to investigating complaints and objections. <sup>97</sup>

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<sup>85</sup> Ibid s 5(1). <sup>86</sup> Ibid s 5(2).
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<sup>&</sup>lt;sup>87</sup> Ibid s 12.

<sup>&</sup>lt;sup>88</sup> Ibid s. 5.1(1).

<sup>&</sup>lt;sup>89</sup> Ibid s 6(2).

<sup>&</sup>lt;sup>90</sup> Ibid s 8(1).

<sup>91</sup> Ibid s 8(2).

<sup>&</sup>lt;sup>92</sup> Ibid s 9(1).

<sup>&</sup>lt;sup>93</sup> Ibid s 9(2).

<sup>&</sup>lt;sup>94</sup> Ibid s 24(7).

<sup>&</sup>lt;sup>95</sup> Ibid s 22(1).

<sup>&</sup>lt;sup>96</sup> Ibid s 33(1).

<sup>&</sup>lt;sup>97</sup> Ibid s 34(1)-(2).

The penalty for retaliating against a person for exercising rights under this Act, for obstructing justice, or for not complying with an order of the Hearings Tribunal will be liable for a maximum or \$5,000 (for an individual) or \$50,000.

In 2018 Ontario passed the *Pay Transparency Act*<sup>99</sup>, however this Act never came into force. The Act was supposed to be effective as of January 1, 2019, however the current conservative government has stalled it in order to conduct consultations. <sup>100</sup> Consultations were finished April 2019, however no other steps appear to have been taken.

#### Pay Equity Success

According to data from 2016 (calculated by taking the difference between male and female full-time median weekly earnings as a share of male-median weekly earnings), Ontario has a gender wage gap of 16.2. They have the fourth smallest gap of all Canadian provinces and received a grade of B. <sup>101</sup>

The *Pay Equity Act* itself does not appear to have been that significant in decreasing Ontario's gender pay gap, however. In 1976, the pay gap in Ontario for all average annual earners was 56%. In 1988 (around when the *Pay Equity Act* was implemented) the gap was 43%. This means that the gender wage gap went down by 13% in the twelve years prior to the *Pay Equity Act*. In 2014 the gender wage gap was 29%. This means that the gender wage gap for all average annual earners went down by 14% in the twenty-seven years since the introduction of the *Pay Equity Act*. <sup>102</sup>

#### **Quebec**

Pay Equity Scheme

Pay equity is mandated in Quebec by the 1996 Pay Equity Act. 103

The purpose of this Act is "to redress differences in compensation due to the systemic gender discrimination suffered by persons who occupy positions in predominantly female job classes". <sup>104</sup> The Act applies to every employer with ten or more employees, imposing proactive obligations on both private and public sector employers. <sup>105</sup>

Employers are given different obligations depending on their size:

<sup>&</sup>lt;sup>98</sup> Ibid s 26(1).

<sup>&</sup>lt;sup>99</sup> 2018, S.O. 2018, c. 5 - Bill 3.

<sup>&</sup>lt;sup>100</sup> Ontario Equal Pay Coalition "The Gender Pay Gap Across Canada"; See also Ministry of Labour, "Pay Transparency Reporting", online:

<sup>&</sup>lt; https://www.ontariocanada.com/registry/showAttachment.do?postingId=28766&attachmentId=39685> for more information about the consultations that took place.

<sup>&</sup>lt;sup>101</sup> The Conference Board of Canada, "Gender Wage Gap".

<sup>&</sup>lt;sup>102</sup> Ontario, "Final report and recommendations of the Gender Wage Gap Strategy Steering Committee" at 59, online: <a href="https://files.ontario.ca/7198\_mol\_gwg\_finalreport\_eng\_wa\_08f\_v2\_1.pdf">https://files.ontario.ca/7198\_mol\_gwg\_finalreport\_eng\_wa\_08f\_v2\_1.pdf</a>.

<sup>&</sup>lt;sup>103</sup> RSQ c E12.001 [QC Pay Equity Act].

<sup>&</sup>lt;sup>104</sup> Ibid s 1.

<sup>&</sup>lt;sup>105</sup> Ibid s 4.

- Employers with 100 or more employees must create a pay equity plan and must set up a pay equity committee to enable employees to participate. <sup>106</sup>
- Employers with 50 or more but less than 100 employees must establish a pay equity plan and may elect to establish a pay equity committee. 107
- Employers with fewer than 50 employees shall determine what adjustments they must make to pay equal wages for equal value to employees with positions in predominantly female job classes. <sup>108</sup> In doing so they may elect to establish a pay equity plan.

A job class may be deemed to be predominately male or female if—due to gender-based stereotyping—it is commonly associated with men or women, 60% or more of the jobs are held by employees of the same sex, difference in representation of men or women in the job class and total workforce is significant, or historical incumbency shows that it is a predominantly male or female job class. <sup>109</sup>

The value determination between job classes must take into consideration the necessary qualifications, responsibilities, required effort, and work conditions. Pay differences due to the following factors should not be considered: seniority, assignment of fixed duration, region where employee works, shortage of skilled workers, temporary maintenance of a person's compensation, "a handicapped person's compensation under a special arrangement", and non-enjoyment of benefits. 111

After a pay equity plan is completed, the employer must conduct pay equity audits every five years. The employer has the choice to conduct the audit alone, have a pay equity audit committee, or conduct it alongside the certified association. They must post the audit results in a prominent location for 60 days. 114

The pay equity committee—or employer if there is no committee—has to determine what adjustments must be made. 115 Employers may not reduce wages in order to maintain pay equity. 116

The Commission is given tasks under this Act, including supervising pay equity plans and adjustments, making non-adversarial investigations, distributing information, and conducting research. The Minister will also create a pay equity advisory committee to provide opinions on the Act. 118

<sup>&</sup>lt;sup>106</sup> Ibid s 10, 16.

<sup>&</sup>lt;sup>107</sup> Ibid s 31.

<sup>&</sup>lt;sup>108</sup> Ibid s 34.

<sup>&</sup>lt;sup>109</sup> Ibid s 55.

<sup>&</sup>lt;sup>110</sup> Ibid s 57.

<sup>&</sup>lt;sup>111</sup> Ibid s 67.

<sup>&</sup>lt;sup>112</sup> Ibid s 76.1.

<sup>&</sup>lt;sup>113</sup> Ibid s 76.2.

<sup>&</sup>lt;sup>114</sup> Ibid s 76.3.

<sup>&</sup>lt;sup>115</sup> Ibid s 68.

<sup>&</sup>lt;sup>116</sup> Ibid s 76.5.2.

<sup>&</sup>lt;sup>117</sup> Ibid s 93.

<sup>&</sup>lt;sup>118</sup> Ibid s 95.1.

This Act includes penalties for non-compliance, which range from \$1,000-15,000 for employers with less than 50 employees, \$2,000-\$30,000 for employers with 50 to 100 employees, and \$3,000-\$45,000 for employers with 100 or more employees. These amounts are double for second offences.

Additionally, gender discrimination is prohibited and equal pay for equal or similar work is legislated by the Quebec *Charter of Human Rights and Freedoms*. <sup>120</sup> The *Charter* explicitly states that "[a]djustments in compensation and a pay equity plan are deemed not to discriminate on the basis of gender if they are established in accordance with the *Pay Equity Act*." <sup>121</sup>

In February 2019, Bill 10, *An Act to amend the Pay Equity Act* was introduced. <sup>122</sup> Its main purpose would be to improve the pay equity audit process. <sup>123</sup> **The Bill was assented to April** 2019. <sup>124</sup>

#### Pay Equity Success

According to data from 2016, Quebec has a gender wage gap of 16.4%. They have the fifth smallest gap of all Canadian provinces and received a grade of C. 125

#### **Provincial Schemes with No Pay Equity Legislation:**

#### Saskatchewan

Pay Equity Scheme

There is no pay equity legislation in Saskatchewan.

The Saskatchewan Employment Act<sup>126</sup> includes the right to equal pay for equal or similar work. This section can be used when an employee of one sex is being paid less than an employee of another sex who is employed by the same employer for similar work in similar conditions and the work requires similar skill, effort, and responsibility. <sup>127</sup> Pay differences are accepted so long as they are based on a merit or seniority system. Employers are prohibited from

<sup>&</sup>lt;sup>119</sup> Ibid s 115.

<sup>&</sup>lt;sup>120</sup> RSQ, c C-12 s 19 (this section requires equal salaries to be given to members of the personnel who perform similar work, subject to exceptions seniority, overtime, experience, merit, years of service, and productivity), s 16 (this section prohibits discrimination in employment).

<sup>&</sup>lt;sup>121</sup> *Ibid* s 19.

<sup>122</sup> Bill 10, online:

<sup>&</sup>lt;a href="http://www2.publicationsduquebec.gouv.qc.ca/dynamicSearch/telecharge.php?type=5&file=2019C4A.PDF">http://www2.publicationsduquebec.gouv.qc.ca/dynamicSearch/telecharge.php?type=5&file=2019C4A.PDF</a>.

Morneau Shepell, "Proposed amendment to the Quebec Pay Equity Act introduced in February 2019", online: <a href="https://www.morneaushepell.com/ca-en/insights/proposed-amendment-quebec-pay-equity-act-introduced-february-2019">https://www.morneaushepell.com/ca-en/insights/proposed-amendment-quebec-pay-equity-act-introduced-february-2019</a>.

<sup>&</sup>lt;sup>124</sup> National Assembly of Quebec, online: <a href="http://m.assnat.qc.ca/en/travaux-parlementaires/projets-loi/projet-loi-10-42-1.html">http://m.assnat.qc.ca/en/travaux-parlementaires/projets-loi/projet-loi-10-42-1.html</a>.

<sup>&</sup>lt;sup>125</sup> The Conference Board of Canada, "Gender Wage Gap".

<sup>&</sup>lt;sup>126</sup> SS 2013, c S-15.1 s 2-21

<sup>&</sup>lt;sup>127</sup> Ibid.

reducing employers pay in complying with this section. Additionally, this section extends past sex and states that "[n]o employer shall pay an employee a different rate of pay on the basis of any prohibited ground". 128 To enforce this right, persons have two years to file a formal complaint with the Employment Standards Division. 129

Additionally, the Saskatchewan Human Rights Code prohibits discrimination based on gender in the workplace, stating that no employer may "refuse to employ, refuse to continue to employ or otherwise discriminate against a person or class of persons with respect to employment, or a term or condition of employment" based on a prohibited ground. 130

Saskatchewan also has a 1999 government policy framework in place for pay equity. 131 The policy applies to the public sector. Under this framework, pay equity plans were to be negotiated between committees and employers and a compensation review committee was to supervise the process. 132

#### Pay Equity Success

According to data from 2016 (calculated by taking the difference between male and female fulltime median weekly earnings as a share of male-median weekly earnings), Saskatchewan has a gender wage gap of 21.6%. They have the fourth largest gap of all Canadian provinces, and received a grade of D for their gap. 133

#### **Newfoundland and Labrador**

Pay Equity Scheme

There is no pay equity legislation in Newfoundland.

The Human Rights Act<sup>134</sup> mandates equal pay for equal or similar work and prohibits discrimination based on gender. This Act prohibits unequal pay based on various grounds of discrimination. Differential pay based on the prohibited grounds is not allowed for employees working for the same employer who are performing similar work in a job that requires similar skill, effort, and responsibility (subject to seniority and merit systems). 135 Discrimination in employment is also prohibited by this Act. 136 Persons have one year to file an official complaint with the Human Rights Commission to enforce their rights under this Act. 137

<sup>&</sup>lt;sup>129</sup> Ibid s 2-98; see also Saskatchewan, "Employment Standards Complaints", online:

<sup>&</sup>lt;a href="https://www.saskatchewan.ca/business/employment-standards/complaints-investigations-enforcement-and-decomplaints-enforcement-and-decomplaints-enforcement-an fines/file-an-employment-standards-complaint>. 130 SS 2018 c S-24.2 s 16(1).

<sup>&</sup>lt;sup>131</sup> Government of Saskatchewan, "Equal Pay for Work of Equal Value and Pay Equity" (1999), online: <a href="http://publications.gov.sk.ca/documents/139/106647-">http://publications.gov.sk.ca/documents/139/106647-</a>

Equal% 20Pay% 20for% 20Work% 20of% 20Equal% 20Value% 20and% 20Pay% 20Equity% 20Policy,% 201999.pdf>. http://equalpaycoalition.org/wp-content/uploads/2017/07/PETF final report e.pdf at 72.

<sup>&</sup>lt;sup>133</sup> The Conference Board of Canada, "Gender Wage Gap".

<sup>&</sup>lt;sup>134</sup> SNL 2010, c H-13.1.

<sup>&</sup>lt;sup>135</sup> Ibid s 16(1).

<sup>&</sup>lt;sup>136</sup> Ibid s 14(1).

<sup>&</sup>lt;sup>137</sup> Newfoundland and Labrador, "Human Rights Commission" online: <a href="https://thinkhumanrights.ca/">https://thinkhumanrights.ca/</a>.

The government began to initiate pay equity negotiations with unions in the public sector as part of collective bargaining in 1988, however in 1991 legislation caused any retroactive wage changes agreed upon to be void. 138

In March 2017 a private member's bill for pay equity legislation was given unanimous support. In March 2018 this legislation was once again brought up, however no concrete action has been taken.

#### Pay Equity Success

According to data from 2016 (calculated by taking the difference between male and female full-time median weekly earnings as a share of male-median weekly earnings), Newfoundland has a gender wage gap of 28.5%. They have the largest gap of all Canadian provinces and received a grade of D- for their gap.<sup>141</sup>

#### **British Columbia**

Pay Equity Scheme

There is no pay equity legislation in British Columbia.

Equal pay for similar work is required by the *Human Rights Code*, which states that "an employer must not discriminate between employees by employing an employee of one sex for work at a rate of pay that is less than the rate of pay at which an employee of the other sex is employed by that employer for similar or substantially similar work." This Act also prohibits discrimination in employment based on various grounds, including race, colour, sex, sexual orientation, gender identity or expression, or physical or mental ability. Persons have one year since the last incident to file a complaint under this legislation.

In 1995 *Public Sector Employers' Council Pay Equity Policy Framework* was adopted. Under this policy framework, pay equity agreements in public sector employment was contemplated. 145

On March 6, 2019, Bill M 203- the *Equal Pay Reporting Act* was introduced. <sup>146</sup> It has not yet been set down for a second reading and no further action has been taken. <sup>147</sup>

<sup>&</sup>lt;sup>138</sup> Pay Equity Task Force, Pay Equity: A New Approach to a Fundamental Right at 72.

<sup>&</sup>lt;sup>139</sup> Hansard, Newfoundland and Labrador House of Assembly Proceedings (28 March 2017) Vol XLVIII No 1, online: <a href="https://www.assembly.nl.ca/HouseBusiness/Hansard/ga48session2/17-03-28.htm">https://www.assembly.nl.ca/HouseBusiness/Hansard/ga48session2/17-03-28.htm</a>>.

<sup>&</sup>lt;sup>140</sup> Hansard, Newfoundland and Labrador House of Assembly Proceedings (8 March 2018) Vol XLVIII No 51, online: <a href="https://www.assembly.nl.ca/HouseBusiness/Hansard/ga48session2/18-03-08.htm">https://www.assembly.nl.ca/HouseBusiness/Hansard/ga48session2/18-03-08.htm</a>>.

<sup>&</sup>lt;sup>141</sup> The Conference Board of Canada, "Gender Wage Gap".

<sup>&</sup>lt;sup>142</sup> RSBC 1996, c 210 s 12(1).

<sup>&</sup>lt;sup>143</sup> Ibid s 13(1).

<sup>&</sup>lt;sup>144</sup> Ibid s 22.

<sup>&</sup>lt;sup>145</sup> Pay Equity Task Force, *Pay Equity: A New Approach to a Fundamental Right* at 73.

<sup>&</sup>lt;sup>146</sup> See 2019 Legislative Session: 4th Session, 41st Parliament, online: <a href="https://www.leg.bc.ca/parliamentary-business/legislation-debates-proceedings/41st-parliament/4th-session/bills/progress-of-bills">https://www.leg.bc.ca/parliamentary-business/legislation-debates-proceedings/41st-parliament/4th-session/bills/progress-of-bills</a>.

<sup>&</sup>lt;sup>147</sup> See online: <a href="https://www.leg.bc.ca/parliamentary-business/legislation-debates-proceedings/41st-parliament/4th-session/bills/progress-of-bills">https://www.leg.bc.ca/parliamentary-business/legislation-debates-proceedings/41st-parliament/4th-session/bills/progress-of-bills</a>.

#### Pay Equity Success

According to data from 2016 (calculated by taking the difference between male and female full-time median weekly earnings as a share of male-median weekly earnings), British Columbia has a gender wage gap of 22.6%. They have the third largest gap of all Canadian provinces and received a grade of D for their gap. <sup>148</sup>

#### **Alberta**

Pay Equity Scheme

Alberta does not have pay equity legislation.

The *Human Rights Act* mandates equal pay for similar work.<sup>149</sup> This Act states that when "employees of both sexes perform the same or substantially similar work for an employer in an establishment, the employer shall pay the employees at the same rate of pay". <sup>150</sup> Additionally, employers are not allowed to reduce pay rates to comply with this section. **Employees have a limitation date of 1 year since the date on which the cause of action occurred to make a complaint under this Act.**<sup>151</sup> This Act also prohibits discrimination in employment based on the prohibited grounds, including colour, gender, race, gender identity, gender expression, and physical and mental disability.<sup>152</sup> Persons must submit a complaint in writing to the Human Rights Commission. <sup>153</sup>

Alberta does not have a policy framework in place for pay equity.

In March 2019 the Alberta Liberal leader promised to enact pay equity legislation. <sup>154</sup> **However, in April 2019 the conservative party won the provincial election and no further actions appear to have been taken**.

#### Pay Equity Success

According to data from 2016 (calculated by taking the difference between male and female full-time median weekly earnings as a share of male-median weekly earnings), Alberta has a gender wage gap of 24.6%. They have the second largest gap of all Canadian provinces and received a grade of D for their gap. <sup>155</sup>

<sup>&</sup>lt;sup>148</sup> The Conference Board of Canada, "Gender Wage Gap".

<sup>&</sup>lt;sup>149</sup> RSA 2000, c A-25.5 s 6(1).

<sup>&</sup>lt;sup>150</sup> Ibid.

<sup>&</sup>lt;sup>151</sup> Ibid s 6(3)(a).

<sup>&</sup>lt;sup>152</sup> Ibid s 7(1).

<sup>&</sup>lt;sup>153</sup> Alberta Human Rights Commission, "Information for complainants" online: 
https://www.albertahumanrights.ab.ca/publications/bulletins\_sheets\_booklets/sheets/complaints/Pages/complainant\_info.aspx>.

<sup>&</sup>lt;sup>154</sup> CBC, "Alberta Liberals Promise to Enact Pay Equity Legislation", online:

<sup>&</sup>lt;a href="https://www.cbc.ca/news/canada/calgary/calgary-provincial-election-khan-liberal-gender-equity-pay-1.5073497">https://www.cbc.ca/news/canada/calgary/calgary-provincial-election-khan-liberal-gender-equity-pay-1.5073497</a>. The Conference Board of Canada, "Gender Wage Gap".

#### **Federal Scheme:**

Pay Equity Scheme

### Federal Pay Equity Act received Royal Assent in December 2018. 156

The purpose of this Act is "to achieve pay equity through proactive means by redressing the systemic gender-based discrimination in the compensation practices and systems of employers that is experienced by employees who occupy positions in predominantly female job classes so that they receive equal compensation for work of equal value, while taking into account the diverse needs of employers, and then to maintain pay equity through proactive means." The Act applies to private and public sector employers that has 10 or more employees. Employers bear the onus to establish a pay equity plan and post a notice that includes their obligations. <sup>159</sup>

Employers who have 100 or more employees—or 10 to 99 employees if they are unionized—are required to establish a pay equity committee. The employers must provide the pay equity committee with any information they have available that is considered necessary by the committee to establish the pay equity plan. The employers must provide the pay equity plan.

"Predominantly female job classes" are defined as job classes where "at least 60% of positions in the class are occupied by women", "historically, at least 60% of the positions in job class were occupied by women", or the job class "is one that is commonly associated with women due to gender-based occupational stereotyping". Male job classes are defined in the same manner.

Employers must look at their compensation practices towards male and female job classes to determine whether there is a difference in pay. If the employer or pay equity committee finds that there is at least one predominantly female job class and at least one male, they must determine the value of the work performed by both classes. The value of the work will be "the composite of the skill required to perform the work, the effort required to perform the work, the responsibility required in the performance of the work and the conditions under which the work is performed". Differences that are based on a seniority system, temporarily maintaining compensation after reclassification/demotion, shortage of skilled workers, geographical area, employee development or training program, non-receipt of compensation, existence of a merit-based compensation plan, and the provision of for extra-duty services. The Act provides specific details regarding how the calculations should be completed.

<sup>&</sup>lt;sup>156</sup> SC 2018, c 27, s 416.

<sup>&</sup>lt;sup>157</sup> Ibid s 2.

<sup>&</sup>lt;sup>158</sup> Ibid s 6(a)-(b).

<sup>&</sup>lt;sup>159</sup> Ibid s 12, 14(1).

<sup>&</sup>lt;sup>160</sup> Ibid s 16(1).

<sup>&</sup>lt;sup>161</sup> Ibid s 23(1).

<sup>&</sup>lt;sup>162</sup> Ibid s 36(a)-(c).

<sup>&</sup>lt;sup>163</sup> Ibid s 42.

<sup>&</sup>lt;sup>164</sup> Ibid s 46.

<sup>&</sup>lt;sup>165</sup> See ibid, ss 47-50.

The employer must post a draft pay equity plan, allow employers to provide written comments on it, and take their comments into consideration when finalizing the plan. 166

Employers may not reduce compensation to comply with the Act.<sup>167</sup> Additionally the employer is prohibited from taking reprisal against any person who has participated in proceedings or otherwise acted on their rights under this Act.<sup>168</sup>

The Pay Equity Commissioner may conduct compliance audits for any purpose to ensure this Act is complied with, or order the employer to conduct an internal audit. <sup>169</sup> Penalties are to be established by regulations, however penalties are set out in the Act and range from \$30,000-\$50,000. <sup>170</sup>

## Employees, employers, and bargaining agents can make complaints under this act to the Commission. 171

The Federal government is planning on developing regulations under this Act in 2019-2020. The Regulations would establish the requirements for posting pay equity plans and notices, more information about the equal line method of comparison, method for comparison when there is no male comparator, and the factor to be applied when calculating increases owed to female job classes. <sup>172</sup>

#### Success of the Scheme

This legislation came out in late 2018, so it is too early to analyze any impact it may have.

Prior to this legislation, according to data from 2016, Canada has an overall wage gap of 18.2% and the Conference Board of Canada gave the country a C for its gender gap. 173

<sup>&</sup>lt;sup>166</sup> Ibid s 52, 54(1),(2).

<sup>&</sup>lt;sup>167</sup> Ibid s 98.

<sup>&</sup>lt;sup>168</sup> Ibid s 102.

<sup>&</sup>lt;sup>169</sup> Ibid s 118(1), 120(1)(a).

<sup>&</sup>lt;sup>170</sup> Ibid s 127(1)-(2).

<sup>&</sup>lt;sup>171</sup> Ibid ss 149-152.

<sup>&</sup>lt;sup>172</sup> Government of Canada, Forward Regulatory Plan: 2019-2021, online: < https://www.canada.ca/en/employment-social-development/programs/laws-regulations/labour/forward-regulatory-plan/forward-regulatory-plan-2019-2021.html#h2.7>.

<sup>&</sup>lt;sup>173</sup> The Conference Board of Canada, "Gender Wage Gap".

## **Comparative Table**

Brief overview of pay equity legislation in Canada:

Country	Grouping	Collecting	Comparing	Equalizing	Maintaining
	Provincial Scheme with				
P.E.I.	Female-dominated classes: a class where 60% or more of the incumbents are women (male classes defined the same way)	Employers do not have an obligation to collect information; the Pay Equity Bureau has to prepare and maintain statistics	Value is determined by: looking at the skill, effort, and responsibility in both the performance and the conditions of the work	Equalization occurs through negotiations between employer and bargaining agents.	Prior to 1995 agencies could process complaints following post pay equity achievement, Now no enforcement/ maintenance
Manitoba	Female-dominated classes: a class in which there are 10 or more incumbents of whom 70% or more are women (male classes defined the same way)	Employers do not have an obligation to collect information; the Pay Equity Bureau and executive director must prepare and maintain statistics	Value is determined by: the composite of skill, effort, and responsibility normally required in work performance and conditions	Equalization occurs through negotiations between employer and bargaining agents.	No specific section on maintaining pay equity settlements once reached
New Brunswick	Female-dominated classification: a job classification in which there are 10 or more incumbents of whom 60% or more are women or when the employer and the bargaining agent agree to treat the class as such (male classes defined the same way)	Employers have to compare the job classes (no set guidelines for data collection); the Pay Equity Bureau must prepare and maintain statistics	Employers must compare the compensation and value of work for the classes using pay calculated on an hourly basis based on the composite of the skill, effort and responsibility normally required in work performance and conditions	Equalization occurs through negotiations about an evaluation system and pay adjustments between employer and bargaining agents	The employer must maintain pay equity, after it is achieved they must conduct a pay equity review and make pay adjustments to ensure pay equity is maintained
Nova Scotia	Female-dominated class: a group of 10 or more employees with the same employer in the same classification, where 60% or more of the employees are female (male classes defined the same way)	Employers have no obligation to collect data; the Pay Equity Commission has to prepare and maintain statistics	Value is determined by: skill, effort and responsibility normally required in the performance of the work and the conditions under which the work is performed	Equalization occurs through negotiations regarding an evaluation system and the employer must bargain in good faith to achieve pay equity	There is to be a single wage adjustment and there is no maintenance provision
	Grouping	Collecting	Comparing	Equalizing	Maintaining

Provin					
Ontario	Female job classes: a job class in which 60% or more of the members are female or that has been determined to be a female job class (male classes defined the same way)	Employers do not have an obligation to collect data but they must create a pay equity plan	Three wage comparison mechanisms can be used: job-to-job comparison, proportional value comparison, and proxy comparison.  Value is the composite of the skill, effort and responsibility normally required in the work performance and conditions	If unionized: equalizing occurs through negotiations between employer and bargaining agent  If non- unionized: occurs through employers' pay equity plan, (employees review and comment)	The pay equity office monitors and audits plans to assess legislative compliance and the Hearings Tribunal adjudicates matters. Some penalties (fines) are explicitly defined.
Quebec	Predominately female: it is commonly associated with men or women due to gender-based stereotyping, 60% or more of the jobs are held by women, difference in representation in the job class and total workforce is significant, or historical incumbency shows that it is a female job class. (male classes defined the same way)	Employers do not have an obligation to collect data but depending on the size they must create a pay equity plan	Value determination between job classes must take into consideration the necessary qualifications, responsibilities, required effort, and work conditions	Equalization takes place differently depending on the size of the employer; it can include a pay equity committee, a pay equity plan, and wage adjustments	The pay equity commission conducts complaint investigations and includes penalties (fines) for non-compliance based on the employer's size
Country	Grouping	Collecting	Comparing	Equalizing	Maintaining
Federal		If the employer or pay equity committee finds that there is at least one predominantly female job class and at least one male, they must determine the value of the work performed by both classes.	Value is the composite of the skill, effort and responsibility required in the performance of the work and the work conditions	Equalization occurs through a pay equity plan (employer must post a draft pay equity plan, allow employers to provide written comments on it, and take their comments into consideration when finalizing the plan).	The Commission can conduct compliance audits and penalties (fines) are included for non-compliance