

Do you understand pay equity in Ontario?

Understanding your obligations is key

All public sector organizations and private sector firms with 10 or more employees are required to comply with Ontario's Pay Equity Act (the "Act").

Pay equity legislation was introduced in Ontario in 1987 and has continued to evolve. Employers should be aware that if they do not comply with the legislation, they may be ordered to pay fines and be subject to other penalties.

What is pay equity?

Pay equity laws help ensure workers are paid the same for work of equal value, regardless of their gender. Unlike equal pay for equal work, which requires the same pay for men and women doing the same job, this legislation looks at classes of jobs done primarily by men compared to equivalent classes of jobs done primarily by women in a specific organization ("female job classes"). The Pay Equity Act describes the minimum requirements for ensuring that an employer's compensation practices provide pay equity for all employees in female job classes.

Complying with pay equity requirements in Ontario can be time-consuming and complex. See the link below for information relating to pay equity requirements in Ontario.

<https://payequity.gov.on.ca/docs/introduction/>

Steps towards compliance

Employers should:

- ✔ Determine the job classes in their organization by grouping roles that have similar duties, responsibilities, qualifications, recruiting procedures and compensation characteristics
- ✔ Identify the gender predominance for each job class (female, male or gender-neutral job class)
- ✔ Determine the value of job classes by collecting job information and evaluating the job content against the prescribed factors of skill, effort, responsibility and working conditions
- ✔ Determine job rates using the highest rate of compensation for each job class, including all payments and benefits
- ✔ Add or eliminate job classes as required, ensuring all evaluations are conducted free of gender bias
- ✔ Determine a solid system for managing documents
- ✔ [Employers who meet certain criteria must meet certain requirements annually](#)



ADP® can help

A job evaluation system is complex, and conducting a pay equity analysis is no easy task.

ADP offers tools and solutions for managing HR compliance requirements, including pay equity. Our teams can help you navigate your job classifications, evaluation and documentation processes and provide updates on important legislative changes.

From best practices to compliance guidance, your ADP team can help you manage risk and stay focused on what matters most.

To learn more, contact your ADP representative today. 1-866-622-8153, adp.ca.

For compliance information, best practices and resources visit adp.ca.



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