

Pay Transparency Policy



Pay transparency has become the hottest thing in new HR lawmaking. Even if not currently required in your jurisdiction, following pay transparency may soon become a legal obligation for your company. It's also a best practice. Here's a template pay transparency policy that you can adapt for your own circumstances. [Click here](#) for a pay transparency compliance game plan.

1. STATEMENT OF POLICY

ABC Company recognizes that not knowing how much money that people at a company can be a significant source of anxiety and stress for both job applicants and current employees. Studies and experience have shown that pay transparency, or openness and willingness to provide information about the compensation associated with different positions and how it is determined helps to build employee trust, engagement and productivity, as well as eliminate gender-based pay gaps. Accordingly, ABC Company will practice the principles of pay transparency in accordance with the requirements of applicable laws and the terms set out in this Policy.

2. DEFINITIONS

For purposes of this Policy:

"Pay" includes:

- Salary, wages or commissions that are paid or payable by an employer to an employee for labour or services;
- Money paid or payable by an employer to an employee as an incentive in relation to hours of work, production or efficiency; and
- Money paid or payable by an employer to an employee at the employer's discretion not in relation to hours of work, production or efficiency;

"Publicly advertised job opportunity" means a specific job opportunity that ABC Company advertises to the public in any manner [*don't insert the following shaded phrase if you're in BC*], other than recruitment campaigns, general help wanted signs or positions that are only advertised to existing employees of ABC Company.

3. SALARY INFORMATION IN JOB ADS

As required by provincial law, *[insert this phrase if you're in BC, Nova Scotia, Ontario or PEI]*, ABC Company will list the expected pay amount or range for a job position in an advertisement for a publicly advertised job opportunity for that position. To ensure compliance with these requirements, hiring managers must, as part of planning recruitment for and before posting a position, identify the pay range that will be offered to the applicant hired for the position and collect information to include in the summary of other compensation.

4. BAN ON SEEKING JOB APPLICANT PAY HISTORY

Hiring managers, recruiters, HR personnel and others involved in the hiring and recruiting process may not ask job applicants about their pay history or seek any information about a job applicant's pay history, either personally or through an agent or third party. However, this requirement does not apply to information that is publicly available. It is also permissible to seek information about ranges of pay or aggregates of pay for positions that are comparable to the one for which the job applicant is applying. In addition, nothing in the law or this Policy prohibits job applicants from voluntarily providing information about their pay history, provided that such disclosure truly is voluntary and made without any form of prompting.

5. NONREPRISAL

It is strictly forbidden for ABC Company or any of its managers, supervisors, employees or other agents to intimidate, dismiss, suspend, demote, discipline, harass or otherwise penalize or disadvantage employees, or threaten employees with such actions, in reprisal for:

- Disclosing their pay to or discussing their pay with other employees *[add if you're in BC or Newfoundland]* or job applicants;
- Asking questions about their pay or ABC Company pay policies;
- Giving information about ABC Company's compliance or non-compliance with pay transparency requirements to government officials involved in enforcing those requirements;
- Requesting that ABC Company comply with pay transparency laws; and/or
- Seeking access to ABC Company annual pay transparency reports.

Employees who feel that they have been subject to retaliation banned by this Policy should report this to the ABC Company HR Department.

6. ANNUAL PAY TRANSPARENCY REPORTING

Where required by law, ABC Company will compile pay transparency data to create an annual pay transparency report in the format and listing all of the information required by the applicable regulations and submit the annual report to the appropriate government agency by the deadline stipulated in the pay transparency laws. ABC Company will also post such annual pay transparency report on its corporate website and ensure that they are made accessible to employees in accordance with the requirements set out in the regulations.