

Pay Equity Policy

written by Tina Tsonis | September 21, 2022



In addition to human rights laws bans on discrimination in pay on the basis of sex, several jurisdictions, including Ontario, Quebec and Federal, have adopted pay equity laws requiring employers to take active measures to identify and eliminate sex-based pay disparities. Here's a template policy you can use as part of your pay equity compliance strategy. This version is based on use of so-called proportional value methods to compare male and female pay rates within job classifications to unearth potential pay gaps that's typically used when there are no direct male comparators to female job classes.

1. VALUES

ABC Company supports the principles of pay equity and providing equal pay to all staff for broadly similar work of equal value based purely on each individual's qualifications and that no person should be subject to unequal pay based on their [list grounds protected from discrimination in your jurisdiction].

2. PURPOSE

The purpose of this policy is to outline a general approach for achieving equal pay with regard to salary, wages, bonuses, social insurance, vacation and holiday pay, reimbursement for travel expenses, and benefits, as part of a broader Pay Equity Plan under which ABC Company will:

- Carry out an equal pay review of gender and implement the actions arising from it in a planned program;
- Publish the results of the equal pay review of gender;
- Carry out regular monitoring of the impact of our practices in line with the Company's Diversity and Inclusion policies;
- Inform staff members of how these practices work and how their own pay arrived at (on request from a role holder and respond to grievances on equal pay); and
- Provide training and guidance for managers and supervisory staff involved in decisions about pay and benefits.

3. ROLES & RESPONSIBILITIES

3.1 General

ABC Company staff are responsible for:

- Helping to create a climate at work where communication channels are kept open

so that pay concerns are discussed with the HR Department and resolved at an early stage; and

- Notifying their line manager or HR Director in case of suspicion in pay inequity.

3.2 Managers & Supervisors

Line managers and supervisors are responsible for:

- Ensuring that principles of pay equity are followed in actual business practice and that team members are aware of and compliant with such principles;
- Reporting all information concerning possible violations of this policy;
- Responding positively and constructively to pay equity complaints;
- Acting as role models and applying the pay equity policy with fairness and equality.

3.3 HR Department

The HR Department is responsible for:

- Implementing and applying this policy fairly and consistently, starting with the hiring process and continuing through adjustments and raises to compensation and benefits;
- Taking a proactive role in ensuring consistency of application across the Company;
- Regularly reviewing workplace policies and procedures;
- Ensure that all ABC Company staff are adequately oriented or aware of this policy during the on boarding program; and
- Providing advice or guidance to related parties through the arising issues or complaints regarding this policy.

4. PAY COMPARISON METHODS

ABC Company has established a pay equity committee that uses the following methods to comply with pay comparison requirements under [province] pay equity laws...