

Pay Equity Policy



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

- 01 **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.
- **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.
- **03 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.

- **01 Job-to-Job Comparison**

ABC Company uses the job-to-job comparison method to achieve pay equity for the following job classes for which there are direct female-to-male comparators:

- Accounting Supervisor
- Administrative Assistant
- **Proportional Value Comparison**

ABC Company uses the proportional value method to achieve pay equity for the following female job classes without male comparators:

- Accounting Clerk
- Customer Service Clerk
- Marketing Coordinator
- Receptionist
- Secretary
- **03 Representative Group of Male Job Classes**

ABC Company uses the following male job classes as the representative group of male job classes when applying the proportional value method:

- Accountant
- Controller
- Market Assistant
- Marketing Manager

- Programmer
- Sales Representative
- Sales Manager
- Shipper/Receiver
- Warehouse Manager
- **Job Value Comparison Method**

ABC Company uses a gender-neutral job comparison system to measure the value of each job class to assign points to each job class based on the following factors and subfactors:

Table 1. Method of Comparison

Factors	Subfactors
Skill: 30%	Knowledge: 10% Problem solving/Judgment: 12% Interpersonal skills: 8%
Effort: 25%	Mental effort: 15% Physical effort: 10%
Responsibility: 35%	Human resources: 12% Information resources: 10% Financial resources: 8% Material resources: 5%
Working conditions: 10%	Environment: 10%

• Proportional Value Comparisons & Calculations

ABC Company plotted the above job value and job rates of all male job classes on a graph and selected a representative group of male job classes from these male job classes. The Company then used a statistical method called regression to determine the relationship between the value of male job classes and their job rates, which generated a formula that was then used to calculate pay equity job rates for female job classes.

5. ACHIEVEMENT OF PAY EQUITY

Pay equity was deemed to be achieved when the female job class was paid the pay equity job rate. Female job classes that were paid less than the pay equity job rate received (or will receive) an adjustment until pay equity is or was achieved. Female job classes that are paid more than the pay equity job rate did not and will not receive a proportional value adjustment.

Table 2. Proportional Value Comparisons & Calculations

Job Class	Value	Present Job Rate	Pay Equity Job Rate	Job Adjustment Required
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Accounting Clerk	350	\$13.25	\$14.07	\$0.82
Customer Service Clerk	390	\$14.50	\$15.59	\$1.09
Marketing Receptionist	380	\$16.00	\$15.21	\$0.00
Receptionist	340	\$13.04	\$13.69	\$0.65
Secretary	400	\$14.72	\$15.97	\$1.25