

BILL 203, PAY TRANSPARENCY ACT

April 26th, 2019

On March 6, 2018, the provincial government introduced Bill 3, Pay Transparency Act, 2018, which died on the order paper once the legislature was prorogued on March 19th, 2018. However, on March 20, 2018, the Pay Transparency Act was reintroduced by the Ontario government as Bill 203. It proposes establishing requirements relating to the disclosure of information about the compensation of existing and prospective employees. The purpose of the bill is to ensure the Ontario government promotes equality for women and other groups in the workplace by ensuring employers publicly report on the differences between compensation. The legislation is the central piece of Then Now Next: Ontario's Strategy for Women's Economic Empowerment.

Bill 203 received Royal Assent on May 7, 2018, however at the end of 2018 the Ontario Government introduced Bill 57, Restoring Trust, Transparency and Accountability Act, 2018, which received Royal Assent. The passing of this bill **suspended the coming into force of the Pay Transparency Act, 2018**. The Ontario Ministry of Labour is conducting public consultations until April 5th, 2019 regarding the reporting requirements outlined in Bill 203.

WHAT IS BILL 203?

It is unknown whether the Pay Transparency Act, 2018 will be further amended following the government's public consultation. In its current framework Ontario employers will be required to: Require all publicly advertised job postings include a salary rate or range.

- Prohibit employers from asking a job candidate about his or her compensation history.
- Prohibit reprisals against employees who discuss or disclose compensation.

Bill 203 also establishes a framework to require larger employers to track and report compensation gaps.

- Every employer with 100 or more employees is to collect the information relating to the employer, the employer's workforce composition, and differences in compensation in the employer's workforce with respect to gender and other prescribed diversity characteristics no later than May 15 each year.
- An employer with 250 or more employees shall submit the first pay transparency report no later than May 15, 2020.
- An employer with 100 or more employees but fewer than 250 employees shall submit the first pay transparency report no later than May 15, 2021.
- In addition to providing this report to the province, the pay transparency report is to be posted online or in at least one highly visible place in every workplace operated by the employer, to increase the likelihood of it being viewed by employees in that workplace.

Moreover, a compliance officer may, without a warrant, conduct a compliance audit of an employer and may inspect any place in order to investigate a possible contravention of this act, or to ensure compliance of all requirements. The officer may issue a notice of contravention where compliance is not met.

WHAT COULD THIS MEAN FOR YOU?

An important component of Bill 203 is that an employer will be required to demonstrate compliance, or penalties to be imposed for infringement or non-compliance.

Key actions employers should take for compliance include:

- Ensuring that all job postings reflect the rate of pay or range of pay associated with the position;
- Provide all those who conduct interviews on behalf of the organization with the necessary training and awareness;
- Do not ask a candidate what their salary expectations are;
- If any of your existing HR policies/procedures contain information about talking to your co-workers about rates of pay they must be amended.

In addition, employers should not forget to include the required AODA information about the availability of accommodations to participate in the selection and recruitment process.

We encourage those interested to track updates on the WSPS OHS Legislation Tracker. The www.ontario.ca website will also offer update, and can certainly consider information requests.

For additional questions in regards to the legislation and available resources, please don't hesitate to contact:

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