



# What's New in HR Law

## Ontario Targets Wage Gap between Men and Women with New *Pay Transparency Act, 2018*

May 28, 2018

### **BOTTOM LINE**

Ontario has become the first province in Canada to legislate pay transparency through the [Pay Transparency Act, 2018](#), which received Royal Assent on May 7, 2018.

### **Application of the *Pay Transparency Act, 2018***

The [Pay Transparency Act, 2018](#) is expected to come into force on January 1, 2019. The Act will apply to the Crown as an employer, as well as to all employers and employees as defined in the *Employment Standards Act, 2000*.

### **Compensation history information**

As of January 1, 2019, the Act will prohibit employers from seeking compensation history information from applicants. It will also require employers to include information about the expected compensation or range of compensation for any position being advertised in public job postings.

## Pay transparency reports

Larger employers (with 100 or more employees) and certain prescribed employers will be required to prepare pay transparency reports. These reports must include prescribed information about the employer, the employer's workforce composition, and differences in compensation in the employer's workforce with respect to gender and other prescribed characteristics. The Ministry will also be required to publish or make these pay transparency reports available to the public, using the Internet or other means.

## Contraventions and reprisals

The Minister may appoint compliance officers to enforce the *Act*. Such officers may conduct audits and issue notices of contravention. Penalties for contraventions are yet to be defined; these would eventually be determined in accordance with regulations established under the *Act*. The limitations period for the issuance of notices of contravention would be one (1) year after the occurrence of the last act or default upon which the contravention is based.

The *Act* includes an express anti-reprisal provision. Employees may file complaints regarding alleged contraventions of this provision. The forum for the complaint will vary depending on whether the employee is unionized, subject to the application of the *Police Services Act, 2018*, or non-unionized.

## Check the Box

While the [Pay Transparency Act, 2018](#) has already been enacted, it will only come into force on January 1, 2019. It is unclear whether any changes will be made to this legislation following the upcoming Ontario provincial elections.

If the current version of the *Pay Transparency Act, 2018* comes into force on January 1, 2019, Ontario employers to which the *Act* applies will be required to comply with the *Act's* prescribed hiring and pay practices as well as the new reporting requirements set out in the *Act*.

## Need more information?

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