

# Pay Transparency Still Quite Opaque

#### a) British Columbia's Bill 13

On March 7, 2023, British Columbia introduced <u>Bill 13</u>, the *Pay Transparency Act* (the "*Act*") for first reading. If passed, the Act will require the following from employers in British Columbia:

- Starting November 1, 2023, employers must include wage and salary ranges on all publicly advertised job postings.
- Employers are prohibited from seeking pay history information from job applicants or third parties (e.g., previous employers) unless that information is publicly accessible.
- Employers cannot reprise against employers who,
  - Ask about pay or pay transparency reports;
  - Disclose information about their pay;
  - Ask the employer to comply with their obligations under the Act;
  - Make a report regarding their employer's non-compliance with the *Act*.
- Specified employers must prepare and publicly post annual reports about the gender pay gap in the following stages:
  - November 1, 2023: BC government specified Crown corporations (BC Hydro, WorkSafeBC, BC Housing, BC Lottery Corporation and BC Transit)
  - November 1, 2024: all employers with 1,000 employees or more;
  - November 1, 2025: all employers with 300 employees or more;
  - November 1, 2026: all employers with 50 employees or more;
  - o post-2026: smaller employers, as prescribed.
- The Minister of Finance will publish an annual report on June 1 regarding gender pay in the province.

## b) The Current Status of the Gender Pay Gap

According to <u>Statistics Canada</u>, as of 2022, the gender pay gap for full-time and part-time employees in Canada is 0.88, which means that women still only make 88 cents for ever dollar men make. The B.C. government has



stated that the *Act* is "the next step on the path to pay equity" and is intended to help close the pay gap between men and women in the workplace by providing equal pay for equal work.

## c) Other Legislative Initiatives re Pay Transparency

Prince Edward Island (effective June 2022) and Newfoundland and Labrador (effective October 2022) are the only other provinces in Canada to have enacted similar pay transparency legislation. Ontario's liberal government passed its own *Pay Transparency Act* ("PTA") in May 2018. The *PTA* prohibited employers from seeking compensation history from job applicants or from reprising against employees who discussed or disclosed their pay. Employers were required to include the expected wage or salary range for all publicly advertised jobs and employers with 100 or more employees were required to prepare and post annual pay transparency reports.

The PTA was scheduled to come into force on January 1, 2019, however implementation of the PTA was stalled indefinitely on December 6, 2018, when Ontario's new progressive conservative government passed Bill 57, the *Restoring Trust, Transparency and Accountability Act*, 2018. Bill 57 amended the PTA to stipulate that it would come into force, "on a day to be named by proclamation of the Lieutenant Governor". To date, implementation of the *PTA* remains indefinitely delayed and there are currently no legislated pay transparency obligations in Ontario.

#### d) What's Next?

If Bill 13 becomes law in British Columbia, employers will need to review their employment agreements, policies, and handbooks to ensure that they are in compliance with the Act as any prohibition on salary discussions will likely breach the reprisal provisions of the Act. Employers will also have to update all job postings to ensure that they include wage and salary information and revise their hiring procedures to ensure they are not asking applicants about their pay history.



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