



Gender wage gap program

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The [Ontario Pay Equity Office](#) (PEO), which is responsible for the enforcement of Ontario's [Pay Equity Act](#) (the Act), launched the pilot [Gender Wage Gap Program](#) (the Program) in January, 2011. The Program initially targeted employers with more than 500 but recently began targeting medium-sized employers with 250 or more employees. The Program is designed to assist in determining the extent to which gender wage gaps exist today in workplaces in the province. The primary goal of the Program is to collect sufficient data to enable the PEO to assess employers' pay equity practices and compliance with the Act.

Which employers are affected?

As mentioned above, Ontario workplaces with more than 500 employees have been contacted in accordance with the Program. The PEO will next be contacting medium-sized employers with 250 to 500 employees. The PEO's intention is to eventually canvass *all* Ontario workplaces.

How will employers be affected by the Program?

Upon receiving a request letter from the PEO, employers will be asked to submit current, basic wage data on positions within their organizations. This is a significant change. Prior to the Program, employers could only come under the scrutiny of the PEO through the random [Monitoring Program](#) or in response to an employee or union complaint.

When do employers need to comply?

Employers have 45 days from the date of the PEO's initial request to provide the office with the requested information. If the information is not provided, the employer's file "may be referred for further review" by a Review Officer of the Pay Equity Commission. A Review Officer has the authority to require an employer to provide, if required, evidence of a valid pay equity plan that covers all employee groups and is up-to-date. Failure to comply with a Review Officer's request may lead to a finding that the employer is not in compliance with the Act which can carry with it significant financial requirements.

What is the purpose of the Program?

According to the PEO, "information gathered by the Pay Equity Office will be used to assess whether wage gaps appear to persist in Ontario workplace compensation practices" and that the data collected "may be used in aggregate, anonymized form and may be made public or shared." However, the [PEO has disclosed](#) its intention is not to publish any information that could identify individuals or respond to

any requests for public access to information that could identify individuals and/or their compensation rates.

While individual data that is being collected by the PEO will not be shared with other government organizations, the PEO itself can act on the data it collects. Any data submitted may potentially trigger a referral to Review Services as part of the pay equity compliance program and can result in a compliance audit.

A finding of non-compliance with pay equity requirements under the Act can be costly, as it may result in an employer being required to make retroactive pay equity adjustments of up to 1% of the employer's payroll, going back to the date the employer should have been in compliance with the Act. Accordingly, it is important for employers to be aware of and ensure compliance with their pay equity obligations.

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