

FACT SHEET FOR FEDERALLY REGULATED TRUCKING SECTOR EMPLOYERS

WHAT IS THE PAY EQUITY ACT?

The purpose of the Pay Equity Act is to help close the gender wage gap by ensuring equal pay for work of equal value. The Act creates rules that require employers to be proactive in identifying and addressing any pay gaps within their workplace.

WHO MUST COMPLY?

While pay equity requirements can vary based on company size, the Act applies to all federally regulated employers with 10 or more employees. Carriers that regularly cross provincial or international borders are generally federally regulated (with certain exceptions, e.g. private fleets). Consult an employment lawyer to be sure of your status.

WHAT WILL EMPLOYERS HAVE TO DO?

Employers will be required to ensure equal pay across job classes. This means that if two different jobs contribute equal value to the employer's operations, then the employees in those jobs should receive equal pay. Value is calculated as the composite of skill, effort and responsibility involved in work, as well as the conditions under which the work is performed. Amongst other actions, employers will be required to:

- Develop and post a Pay Equity plan to identify job classes and determine any wage gaps
- Pay any increases in compensation that are identified in the Pay Equity plan
- Monitor the pay equity plan and submit annual reporting statements

WHAT ARE THE TIMELINES?

Pay Equity legislation enters into force on August 31st, 2021. By November 1st, 2021, employers must post a notice to inform employees about the pay equity process being followed by their company. Employers will then have 3 years to complete a finalized version of their pay equity plan.

HOW DO I GET STARTED?

As of July 7th, 2021, the Pay Equity Regulations are available in Part II of the Canada Gazette. It is a good idea for employers to review these requirements and start taking steps towards achieving key targets as soon as possible. Employers can also:

- Start thinking about an internal action plan and the steps they will need to take
- Begin the work of analyzing their pay practices
- Raise awareness of Pay Equity within the workplace
- Consult Pay Equity tools and resources provided by the Canadian Human Rights Commission