



# PAY EQUITY

## An Overview for Employees

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### What is pay equity?

**PAY EQUITY** is equal pay for work of equal value. The purpose of the *Pay Equity Act* is to redress historic gender discrimination in the compensation or pay for employees in female jobs in Ontario. It requires that jobs be evaluated and work mostly or traditionally done by women be compared to work mostly or traditionally done by men. If jobs are of **comparable value**, then female jobs must be paid at least the same as male jobs. Female jobs are mostly or traditionally done by women, such as librarian, childcare worker or secretary. Male jobs are mostly or traditionally done by men, such as truck driver, firefighter, or shipper.

The **value** of jobs is based on the levels of skill, effort, responsibility and working conditions involved in doing the work.

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### Who is covered by the Act?

You are covered if you work for any public sector employer or for a private sector company with 10 or more employees in Ontario.

- Both full-time and part-time employees are **covered**, including employees who work on a seasonal basis. Students working during vacations only, however, are not covered.
  - You are **not covered** if you work for the federal government or an industry subject to federal jurisdiction such as banks, airlines, post offices, and television and radio stations.
  - You are **not covered** if you work for a private sector company with fewer than 10 employees in Ontario as of January 1, 1988. But if these companies grow in size to 10 or more employees, they must achieve pay equity immediately.
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### Is pay equity the same as equal pay for equal work?

No. Equal pay for equal work means that a man and a woman doing substantially the same work must receive the same pay (under the *Employment Standards Act*).

Pay equity compares jobs usually done by women with different jobs usually done by men. If the value of the work performed is about the same, then female jobs must be paid at least the same as the male jobs.

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## **How can different jobs have the same value?**

Different jobs require varying levels of skill, effort, and responsibility and involve different working conditions. Your employer and union, if you have one, determine the overall value of each job by totalling the values of these four factors.

For example, a secretary's job may require different kinds and levels of physical effort and have very different types of working conditions than a custodian's job. There may also be different kinds and levels of responsibility, mental effort and skill for the two jobs. However, the overall value of all four factors in the secretary's job could be the same or higher than the custodian's when the jobs are examined and evaluated with a gender-neutral comparison system. If the jobs are found to be of comparable value, the law requires that the female job class should be paid at least the same.

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## **How have women's jobs been undervalued?**

Historically our society has overlooked aspects of work typically done by women. When doing pay equity, employers, unions and employees must fully describe and value all the aspects of female and male jobs so that they can be evaluated and paid for. Some examples from the past are:

- Employers may have overlooked the manual skills needed by a word processing operator while recognizing and valuing the manual skills of a machinery repairman's job.
- Employers may not have valued the effort of lifting patients by nurses, or children by daycare workers, but valued the lifting of heavy objects by workmen on a construction site or in a warehouse.
- Responsibility of caring for children by daycare workers may not have been valued, while the responsibility for equipment; finances or other material resources were valued and paid for.

Job titles can also lead to false assumptions about job value. "Manager" might sound more important than the position of "Administrative Assistant". However, the evaluation of the job would better indicate whether the jobs have similar or different levels of responsibility, skill, effort and working conditions.

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## **How does my employer do pay equity?**

Jobs are grouped into job classes. Job classes consist of positions that have similar duties and responsibilities and are paid in the same way. These job classes are identified as female, male or gender neutral. A female job class is one in which at least 60% of the positions are held by women. A male job class is one in which at least 70% of the positions are held by men. The historical incumbency and gender stereotypes associated with a job may also need to be considered when deciding that a job is a female or male job class.

Job information is then collected about female and male job classes. A job comparison system uses the collected job information to evaluate each job class on four factors required by law - skill, effort, responsibility and working conditions. Once all job classes are valued, female job classes are compared to male job classes.

## **IF YOU ARE AN EMPLOYEE, PAY EQUITY IS YOUR RIGHT**

*There are three ways your employer can make pay equity comparisons:*

1. The **job-to-job comparison method** directly compares female job classes with male job classes in the same organization to determine if they are equal or comparable in value. *If the jobs are comparable, the female job class must be paid at least as much.*
2. The **proportional value comparison method** indirectly compares female job classes with a group of representative male job classes in the same organization (generally used where direct comparisons are not possible). *Under this method, the female job class must have the same relationship between value and pay as the representative group of male job classes.*
3. The **proxy comparison method** is ONLY used by public sector organizations that cannot achieve pay equity using job-to-job or proportional value comparisons, that had employees on July 1, 1993 and that have a review officer's order from the Pay Equity Commission. *This method allows an organization to compare its unmatched female job classes with a group of female job classes that have achieved pay equity in another public sector organization offering similar services.*

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### **When does my employer have to do pay equity?**

Most employers by law should have already completed the pay equity process or should have established their pay systems taking pay equity into consideration. If you think they have not done this as required, contact the Pay Equity Commission.

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### **What if my employer has not established or maintained pay equity for my job?**

#### **If you are represented by a union:**

The union was required to negotiate pay equity with your employer.

#### **If you are not represented by a union:**

Your employer must be able to demonstrate to you that pay equity was achieved in your workplace. You can ask for pay equity information from your employer now or at any time in the future. If you are not satisfied that pay equity was achieved, you may file a complaint with the Commission.

## What happens after pay equity is achieved?

The law requires your employer to maintain compensation practices which provide for pay equity so that your pay equity gains are not eroded over time.

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## Will my employer know if I complain to the Commission?

If you complain to the Commission, your employer will not be told your name or that you made the complaint unless you give permission to do so. You can also have an agent represent you in your complaint with the Commission. A group of employees can file a complaint together.

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## Where can I go for more information or help?

We are here to help. We can answer your questions by e-mail at [pecinfo@mol.gov.on.ca](mailto:pecinfo@mol.gov.on.ca) or by phone at (416) 314-1896, or toll-free at 1-800-387-8813. Publications and seminars are available free of charge. Request these by contacting us at [pecseminars@mol.gov.on.ca](mailto:pecseminars@mol.gov.on.ca) or through our site at [www.gov.on.ca/lab/pec](http://www.gov.on.ca/lab/pec)

All communications are confidential.

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### The Pay Equity Commission

**This fact sheet is for information only, and is not intended to restrict Review Officers or the Pay Equity Hearings Tribunal in their determination of matters. Refer to the *Pay Equity Act* for exact interpretation.**