

April, 2018

Submission to the Standing Committee on Social Policy

Bill 3, An Act Respecting Transparency of Pay in Employment

By Parkdale Community Legal Services and the Workers' Action Centre

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Standing Committee on Social Policy
Main Legislative Building, Queen's Park,
Toronto, Ontario

Re: Bill 3, An Act respecting transparency of pay in employment

On behalf of the Workers' Action Centre (WAC) and Parkdale Community Legal Services (PCLS), we commend the government for introducing a pay transparency bill for consideration. During the Changing Workplaces Review and consideration of the *Fair Workplaces, Better Jobs Act*, WAC and PCLS recommended that the requirement for employer pay transparency was integral to enforcement of new equal pay for equal work provisions.

Earlier in the month, new requirements for employers to provide equal pay to part time, contract and seasonal workers doing substantially the same work as full time permanent workers was brought into effect. Employers are also required to provide equal pay to temp agency workers doing substantially the same work as permanent workers. This builds on the *Employment Standards Act* (ESA) requirements for equal pay on the basis of gender.

These equal pay provisions are key steps addressing the gaps in legislation that enable low wage and precarious work to create vulnerabilities for Ontario workers; and particularly for women, indigenous, young and racialized workers. As WAC and PCLS have been providing education on the new rights under the ESA with workers over the past few months, the clear consensus is that strong pay transparency requirements on employers are essential to the enforcement of equal pay for equal work.

Bill 3 provides a framework for pay transparency. That framework must be filled in through amendments. People in low wage and precarious work are trying to enforce equal pay protections now. The requirement for pay transparency by all employers is required now, not some time, for some employers, years down the road.

A phased in approach to application of pay transparency to large firms (250 employees or more) would leave almost half of Ontario workers without pay transparency (approximately 3 million workers).

Pay transparency is vital to employer obligations under the *Human Rights Code* (HRC), *Employment Standards Act* and *Pay Equity Act* (PEA).

- Under the *Human Rights Code* every employer in the province, regardless of size, must treat women, racialized, disabled and other workers under the code without discrimination in pay, among other employment treatment.
- Under the *Employment Standards Act*, every employer in the province, regardless of size, must provide equal pay on the basis of gender, employment status and temporary agency status.
- Under the *Pay Equity Act*, every employer in the province with 10 or more employees must have a pay equity plan.

History shows that pay secrecy enables non-compliance with equity laws. Exempting employers of half of Ontario workers lets these employers off the hook for complying with equity laws. A plan to require half of employers to comply with pay transparency requirements while the other half does not creates an uneven playing field for employers.

We recommend that all employers be required to comply with pay transparency immediately upon passage of Bill 3. Women workers, precarious workers, temp agency workers, racialized and disabled workers are all trying to access their equality in pay rights now. Pay transparency is needed now.

Just as the equality in pay obligations on employers are based on existing legal obligations under the ESA, HRC and PEA, so too must pay transparency reporting requirements reflect these legal obligations. The Bill must be amended to require reports that are intersectional; that is, require reports of compensation structure, annual earnings and wage grids by gender, job classification and job status (full-time, part-time, casual, seasonal and temporary help agency workers).

Experience in other jurisdictions show us that volunteerism in pay transparency reporting does not work. There must be a mandatory requirement for filing pay transparency reports in workplaces and with the government on an annual basis on a set date.

The Equal Pay Coalition has submitted language on these areas of amendments that will make the Committee's work easy to amend Bill 3. We further endorse the Equal Pay Coalition's submission and recommended language for amendments.

On behalf of WAC and PCLS, I would be happy to support the work of the committee to bring Bill 3 into the powerful enforcement tool that it has the capacity to be.

Yours truly,

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