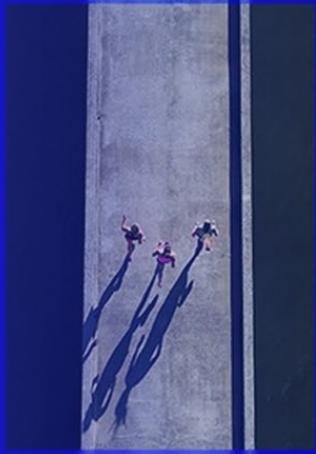


The new reality of pay equity



What is pay equity?

Pay equity means paying employees equally for doing work of equal value.

The purpose of pay equity is to address systemic gender-based discrimination in compensation traditionally experienced by employees who work in female-dominated jobs.

Pay equity is considered an important element of Inclusion, Diversity and Equity (ID&E) strategies. Pay equity laws exist across Canada and apply to both public and private companies with more than ten employees in Ontario, Quebec and federally.

The pay equity process requires considerable time and resource commitments as well as important considerations including working with a pay equity committee. The steps of a pay equity project include:

- Classifying jobs
- Determining gender predominance
- Calculating total compensation
- Evaluating job classes
- Analyzing and comparing female and male job classes
- Increasing compensation of female-dominated job classes where a pay equity gap is identified
- Maintaining pay equity on an ongoing basis

Compliance and beyond

Environmental, Social and Governance (ESG) reporting has been gaining traction in recent years as organizations look for ways to embrace corporate responsibility while attracting and retaining top talent globally. Pay equity metrics, policies and practices are viewed as key elements of an ESG strategy, and one that employers are being tasked to adopt with a sense of urgency.

The implementation of the *Pay Equity Act* is an important commitment by the government of Canada to close the gender wage gap, and ensure workers receive equal pay for work of equal value. Regulatory frameworks for pay equity compliance have already started to be applied across numerous countries. Additional regulations are expected, as the concepts of pay transparency and reporting become more widespread and normalized.

KPMG in Canada's team of experienced professionals have the capabilities to help organizations understand their legal and compliance obligations as it relates to pay equity legislation across Canada. We will help guide you through the multi-step pay equity process and support your business in developing a pay equity program that aligns with your corporate objectives.

Service offerings



How KPMG can help

Our team can provide full-service end-to-end pay equity support that adheres to applicable legislation and compliance obligations. Our industry-leading tools are used to deliver technology-enabled, efficient processes that can drive insights and help streamline the job evaluation and pay equity efforts to benefit you directly.

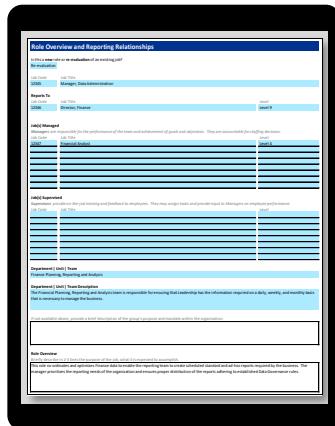
01

A tailored client site using Microsoft 365 and SharePoint that allows for secure and simple file sharing, real time project updates and visualization of workflow.



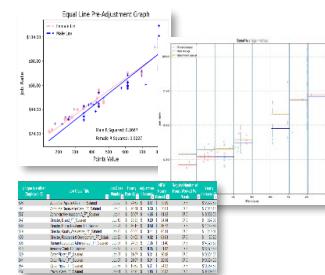
02

A customizable job evaluation tool developed in-house, incorporating twenty years of compensation, human resources and job evaluation experience.



03

A dedicated pay equity calculator which securely runs data analysis to identify pay equity opportunities that is designed and coded for confidentiality and simplicity. This tool helps streamline the assessment process by reducing the time spent on mathematical analysis and is updated regularly based on changes to the legislation.



04

An interactive compensation and pay equity dashboard that is provided upon completion of the project, providing visuals to complement the final deliverable.



Pricing

KPMG provides employers with cost-effective pricing for each level of our pay equity support, to help you maintain yearly reporting obligations and ensure pay equity policies and practices are being sustained.

Please reach out to your KPMG advisor to discuss an action plan for your business. Together, we can help your organization meet your pay equity requirements and move beyond legal compliance to a more equitable workplace.

Contact us

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Information is current as of April 12, 2023. The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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