



Quebec Pay Equity Services



Win-win strategy for employees and employers

Pay equity has evolved significantly over the years. Pay equity metrics, policies and practices are now recognized as key elements of Environmental, Social and Governance (ESG), as well as Diversity, Equity and Inclusion (DEI) strategies.

Quebec's Pay Equity Act aims to ensure that jobs that are predominantly female are recognized for its true value, and that companies maintain pay equity at all times.

Who does the Act apply to?

- All public and private sector employers with an average of **10 or more employees** must comply with the Act by specific deadlines.
- **Companies going through mergers or acquisitions** should pay particular attention to due dates in order to meet their pay equity obligations.

Consequences of non-compliance

- Penalties for failing to comply with the Act range from **\$1,000 to \$45,000 per employer.**
- If an employer failed to achieve pay equity on time, retroactive adjustments must be paid.
- If salary adjustments are not paid on time, a 5% interest rate is applied.
- The names of non-compliant employers are published on the Commission des normes, de l'équité, de la santé et de la sécurité du travail (CNESST) website. Legal action may be taken before the *Tribunal administratif du travail*.

The road to pay equity

Classification

Jobs are grouped and classified according to responsibilities, qualifications and access to compensation.

Gender predominance

Job categories are assigned a gender: male, female or neutral.

Evaluation

Job categories are evaluated using a gender-neutral comparison system that takes into account skills, effort, responsibilities and working conditions.

Total compensation

Total compensation is calculated for each job category by assessing access to base and variable pay.

Analysis and adjustments

Female and male jobs of similar value are compared with each other. Female job categories requiring an increase are adjusted accordingly.

Maintenance

CONTINUOUS PROCESS

Once pay equity has been achieved, employers are responsible for ensuring that their compensation practices remain free from systemic gender discrimination **at all times**. Every 5 years, employers must post their results and submit a declaration to the CNESST that their pay equity obligations have been met.



KPMG offers services tailored to your needs



All inclusive service

End-to-end pay equity support through the entirety of your project.



Spot services

Develop job evaluation systems, facilitate committee meetings, offer training, review existing pay equity work.



Environmental scan

Determine obligation dates, analyze risks related to mergers and acquisitions or other significant events.



Equal pay and employment equity

Analyze pay disparities for various target groups beyond compliance.

This approach is part of ESG and DEI strategies, which go beyond legal obligations.

Why work with KPMG?



Ongoing support

Our team of experienced professionals will **guide you on your journey towards achieving and maintaining pay equity.**



Our experienced professionals

Guide you through strategic conversations about your compensation practices that **go beyond compliance.**



Industry-leading Tools

Used to deliver **technology-enabled, efficient** processes that can drive insights and help streamline efforts.



Customized support

Flexible, tailor-made models to suit your needs, resources and compliance deadlines.

Contact us



Katrina Girard

Senior Manager
Pay Equity Quebec
KPMG in Canada
514 840-2307

katrinagirard@kpmg.ca



Wendy Glaser

National Director
Pay Equity
KPMG in Canada
416 228-4342

wglaser@kpmg.ca



Barry Travers

Partner National Leader
Strategic Tax Initiatives
416 777-8268

btravers@kpmg.ca



kpmg.com/ca



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