LEGISLATIVE BRIEFING

A Regional Employers Services Publication

Vol. 49, March 10, 2023

metrovancouver

ES EMP

BC Introduces Pay Transparency Legislation

On March 7, 2023, the <u>BC Government</u> introduced <u>Bill 13-2023</u>, *Pay Transparency Act (Bill 13)*, which will place requirements and prohibitions on employers in regards to pay transparency, with the aim to help close the gender pay gap. If the legislation is passed in its current form, employers will be required to include wage and salary ranges on all publicly advertised jobs, will be prohibited from seeking pay history information from job applicants, and from punishing employees who disclose pay information to other employees or job applicants. Employers will also be required to publically post reports on their gender pay gap. This will be done gradually based on the number of employees in an organization.

Background

BC is currently one of four provinces in Canada without pay transparency legislation. Provinces that have enacted pay equity laws include Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Quebec.

In 2001, the BC Government passed legislation to add pay equity provisions to the *Human Rights Code*. However, the legislation was repealed a number of months later by the new government. The issue was not advanced by the BC Government again until it announced last spring it would undertake consultations on new pay transparency legislation. The consultations included Indigenous partners, business associations, organized labour, employee associations, employment and legal advocates, municipalities, and the non-profit and public sectors.

On March 2, 2023, 128 BC organizations, advocates and academics wrote an <u>open letter</u> to key cabinet ministers, including Premier David Eby, urging them "to not only ensure that legislation is robust and effective, but more importantly to also enact intersectional pay equity legislation well before the next election." They referenced the 2001 attempt to introduce legislation and the sentiments of the government at that time to include all marginalized groups.

On March 7, 2023, in response to the tabling of Bill 13, the BC's Human Rights Commissioner issued a <u>media release</u> stating "that while there are some positive elements to the bill, it lacks the approach necessary to make a significant difference on pay equity in the province."

Pay discrimination is currently prohibited in BC under the *Human Rights Code*, which means employees who are experiencing discrimination in the workplace, including pay discrimination, can file a complaint with the BC Human Rights Tribunal.



Key Points of the Legislation

In its current form, the proposed legislation will require BC employers to:

- include wage or salary ranges on all publicly advertised jobs;
- refrain from asking prospective employees for pay history information; and
- not punish employees who disclose their pay to co-workers or potential job applicants.

The requirements of the legislation, including the requirement for employers to publicly post reports on their pay gap, would be introduced in stages based on the number of employees in the organization, to give employers time to prepare. The breakdown is as follows:

- November 1, 2023: BC Public Service Agency and Crown corporations with more than 1,000 employees (ICBC, BC Hydro, WorkSafeBC, BC Housing, BC Lottery Corporation and BC Transit).
- November 1, 2024: all employers with 1,000 employees or more
- November 1, 2025: all employers with 300 employees or more
- November 1, 2026: all employers with 50 employees or more

The report will need to show the gaps in pay for certain groups. An online reporting tool will assist employers in preparing the report. Details on what must be included in the report are being developed in collaboration with the BC Public Service Agency and the six largest Crown corporations that will be required to report first in the Fall of 2023. Once Year 1 reporting requirements are ready, they will be posted publicly. The Gender Equity Office will seek feedback from employers reporting in Fall 2024 to ensure the reporting tool will work for them and their employees.

The legislation is proposed to also have in place various reporting requirements for the Ministry of Finance, including having centralized reporting of gender pay in BC, and conducting a written review in five years of the effectiveness of the legislation and the regulations.

What's Next?

As of March 7, 2023, Bill 13 – 2023, Pay Transparency Act (Bill 13), has gone through first reading and will now move to second reading. RES will continue to monitor the progress of this bill and provide subsequent updates as they arise.

QUESTIONS?

If you have any comments or questions about this update, please e-mail <u>RES360@metrovancouver.org</u> or call 604-451-6558.

SOURCES

BC move towards pay transparency legislation / BC Gov News-<u>https://news.gov.bc.ca/releases/2022FIN0009-</u> 000304



Bill M 205 – 2023: Equal Pay Reporting Act (leg.bc.ca) -

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Employers in B.C. must include wage details on all public job ads under proposed legislation (cbc.ca) -

https://www.cbc.ca/amp/1.6771337

Legislation will help close B.C.'s gender pay gap | BC Gov News - <u>https://news.gov.bc.ca/releases/2023FIN0017-</u> 000274

Pay Transparency Laws in B.C. - Province of British Columbia (gov.bc.ca) -

https://www2.gov.bc.ca/gov/content/gender-equity/pay-transparency-laws-in-bc?keyword=2023+s