# **LEGISLATIVE BRIEFING**

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# Pay Transparency Regulation

Further to the Legislative Briefing titled <u>Pay Transparency Act Receives Royal Assent</u> published on May 12, 2023, the <u>BC government announced</u> the release of the <u>Pay Transparency Regulation</u>, <u>B.C. Reg. 225/2023</u> (Regulation). The Regulation provide employers with additional details about the information to be collected by employers and included in the pay transparency reports that are required under the new <u>Pay Transparency Act</u> (Act).

### Pay Transparency Reports

As previously reported, employers will be required to prepare and publicly post their pay transparency reports (Report) on their gender pay gap on or before November 1 each year. This requirement is being introduced in stages based on the number of employees in an organization as of January 1 of a given year, to give employers time to prepare. The reporting thresholds are as follows:

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

# Pay Transparency Regulation

The <u>Pay Transparency Regulation</u> came into effect on October 23, 2023. The Regulation has been developed to provide employers with additional details about their pay transparency reporting requirements and covers some of the following:

#### 1) Information to be collected by reporting employers

The prescribed information to be collected for the purposes of section 6(1)(a), (b) and (c) of the <u>Act</u> is the gender category of each employee of the reporting employer. The four gender categories (man, woman, non-binary, and unknown) are defined in Section 1(2) of the Regulation.

#### 2) Information to be included in pay transparency reports

Section 3 lists the following as the prescribed information that must be included in the Report, and the order in which it should be included, to the extent possible:

- employer's name and mailing address,
- applicable North American Industry Classification System (NAICS) Canada sector codes,
- start and end date of the reporting period,
- number of employees as of January 1 in the year the Report was prepared, expressed in a specific range.
- applicable gender categories,





- percentage of employees in each gender category who received overtime pay and bonus pay,
- difference between mean and median hourly rate of employees in each gender category,
- difference between mean and median amount of overtime pay of employees in each gender category,
- difference between mean and median number of overtime hours of employees in each gender category,
- difference between mean and median amount of bonus pay of employees in each gender category, and
- percentage of employees in specified segments according to a ranking formula.

Section 3(3) notes that where a reporting employer identifies gender categories with fewer than 10 employees or has only one gender category with more than 10 employees, the Report must not include certain information.

#### 3) Time periods respecting pay transparency reports

The reporting employer must cover one of the two 12-month reporting periods, either the most recently completed financial year or the calendar year immediately preceding the year in which the Report is prepared.

The Regulation will be refined each year based on feedback that the BC government receives from employers. In keeping with the new <u>Anti-Racism Data Act</u>, the BC government is considering how demographic data can be safely collected using the Province's gender-and-sex data standard.

## Pay Transparency Resources

Employers who are looking for more information on the BC government pay transparency laws can visit the <u>Pay transparency laws in B.C.</u> website. This website includes background information on the pay transparency laws, frequently asked questions regarding new employer requirements, and key dates.

#### 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

Bill 13 – 2023: Pay Transparency Act (gov.bc.ca)

https://www.bclaws.gov.bc.ca/civix/document/id/bills/billscurrent/4th42nd:gov13-1

Pay Transparency Regulation, B.C. Reg. 225/2023

https://www.bclaws.gov.bc.ca/civix/document/id/oic/oic cur/0576 2023

More transparent job postings mean fairer work environments

https://news.gov.bc.ca/releases/2023FIN0062-001679

Anti-Racism Data Act

https://www.bclaws.gov.bc.ca/civix/document/id/complete/statreg/22018

Pay transparency laws in B.C.

https://www2.gov.bc.ca/gov/content/gender-equity/pay-transparency-laws-in-bc