



Office of the  
Pay Equity  
Commissioner

Bureau de la  
commissaire à  
l'équité salariale

# Paving the way to Pay Equity

The Pay Equity Commissioner's  
2023–2024 Annual Report to Parliament



**Canadian Human Rights Commission**

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# Commissioner's message

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As Canada's Pay Equity Commissioner, it is my pleasure to present to you "Paving the Way to Pay Equity," my 2023–2024 Annual Report to Parliament.

Pay equity is an internationally recognized human right. Yet, the work done by women in Canada continues to be undervalued, and Canadian women continue to be underpaid.

By not recognizing that different types of work contribute equal value to an organization, many jobs traditionally held by women are compensated at a lower pay than those traditionally held by men. The result is that women are at a greater disadvantage. This is especially true for women with disabilities, newcomer women, racialized and Indigenous women.

The time for a systemic correction of this systemic problem is now. That is why this past year, my office has been working to pave the way for federally regulated employers to be leaders in making equal pay for work of equal value a reality for women in Canada.

This is not only the smart way to conduct business; it is the law.

Federally regulated workplaces have a legal obligation to comply with the Pay Equity Act, and pave the way to equal pay for work of equal value for women in their organization. This means that employers with 10 or more employees are required to have their pay equity plans posted no later than September 3, 2024. Their pay equity adjustments must start being paid the following day.

Closing the gender wage gap is crucial to advancing gender equality, building more inclusive and equitable workplaces, and essential to Canada's economic recovery and prosperity.

With this first major milestone on the horizon, my office worked this year to ensure that federally regulated employers have the tools and the information they need to meet the deadline.

This past year, I also saw a growth in the number of [decisions](#) I rendered interpreting the Pay Equity Act, particularly in relation to employers' requests to modify the requirements of the Act. These decisions shaped the framework for resolving the various applications we have received from employers through the Pay Equity Portal, like requests for multiple pay equity plans, or creating pay equity committees with different membership composition.

Many federally regulated employers are making progress towards compliance with the law.

While there is still a lot of work ahead, I am encouraged by the momentum I see. The Pay Equity Act was created to drive change and to bring about justice and equality. Together with employers, employees and bargaining agents, we are doing just that. We know what needs to be done. So together, let us do the work now, and pave the way to pay equity in Canada.

**Lori Straznicky**  
Pay Equity Commissioner



# Promoting compliance

The Pay Equity Act encourages federally regulated employers to take a proactive approach to pay equity. This means that employers must take a close look at their practices and correct gender wage gaps within their organization.

The Office of the Pay Equity Commissioner (the OPEC) promotes proactive compliance by providing employers with tools, guidance and resources to develop their pay equity plan in compliance with the Act.

The OPEC promotes compliance by:

- developing tools and resources to help employers meet their timelines under the Act;
- building workplace parties' knowledge of their rights and obligations under the Act; and
- engaging with stakeholders and other provincial counterparts.

## Tools and resources

The [Pay Equity section](#) of the Canadian Human Rights Commission's website is the main source of information on pay equity. In 2023–2024, the OPEC launched various tools and resources to promote compliance and to help workplace parties such as employers, employees and bargaining agents fulfill their requirements under the Act.

### Online course

In January 2024, the OPEC partnered with Université TÉLUQ to launch a free online course entitled '[Achieving pay equity in federally regulated workplaces: why and how?](#)' The course is designed for employers, employees, and bargaining agents (workplace parties) and covers several topics, including:

- understanding the Act,
- creating & updating pay equity plans,
- increasing employee compensation, and
- filing the annual statement.

In the first three months after its release, 573 people signed up for the course.

## Podcasts

In 2023–2024, the OPEC launched a three-part podcast series, '[Putting Pay Equity into Practice](#)', which brought together leaders from the federal transportation sector. The series speaks to how organizations can implement pay equity, and includes:

- promoting and explaining pay equity;
- addressing the challenges facing the transportation sector and the strategies used to address these challenges;
- sharing guidance with workplace parties; and
- how the OPEC can help.

## Building Knowledge

### Policy guidance and Promising Practices

In 2023–2024, the OPEC continued to expand the series of publications entitled Interpretations, Policies and Guidelines. Five publications were added to the series this year, providing guidance on how to compare compensation, which addressed:

- [The application of the equal average method](#)
- [The application of the equal line method](#)
- [What to do when the regression lines cross: modified version of the equal line method](#)
- [What to do when the regression lines cross: The equal average, segmented line and line and sum of differences methods](#)
- [Guidance on the use of other methods to compare compensation](#)

With these additions, the OPEC now has more than 20 Interpretations, Policies and Guidelines available online.

To provide further support on how to compare compensation, the OPEC also published a Promising Practice on [Developing value-of-work bands](#). The OPEC now has a total of six of these Promising Practice resources available online.

## Technical briefings

In 2023–2024, the OPEC continued to provide technical briefing information sessions to address the specific needs of organizations requesting support. The OPEC conducted a total of eight technical briefings, engaging 193 participants.

These briefings were tailored to the specific needs of workplace parties and ranged from covering basic information about pay equity, to answering complex questions about the application of provisions in the Pay Equity Act.

## Engaging with stakeholders

### Tri-Partite Working Group

The Tri-Partite Working Group is comprised of representatives from over 40 organizations in the federal jurisdiction, including employers, bargaining agents, and employee representatives. The working group meets two to three times a year, and ensures that the OPEC tools, interpretations, policies and guidelines meet the diverse needs of workplaces in the federal jurisdiction. The working group also helps to ensure that pay equity resources are accessible and shared widely among workplace parties.

In 2023–2024, the OPEC continued its work with the Tri-Partite Working Group at two meetings:

- a meeting to seek input on the comparing compensation Interpretations, Policies and Guidelines documents; and
- a meeting to mark International Equal Pay Day, at which members were encouraged to become Pay Equity Ambassadors.

### Pay Equity Newsletter

The pay equity newsletter was launched in 2022 to keep organizations updated on the latest guidance and resources from the OPEC. In 2023–2024, the OPEC shared two newsletters with over 1,400 stakeholders. These newsletters covered many topics such as employer obligations, imminent deadlines and new publications. The newsletters had an average open rate of 50.24%, significantly higher than benchmark open rates of 20%-30%.



## Outreach and Engagement

In 2023–2024, the Pay Equity Commissioner met with stakeholders within the federal jurisdiction to learn about their challenges and to discuss promising practices in implementing pay equity.

The OPEC also continued to engage with provincial and international counterparts, partners and stakeholders. These engagements were valuable opportunities for the OPEC to share and gather information, learn from other jurisdictions and coordinate efforts.

In total, the Pay Equity Commissioner and OPEC participated in 24 events, reaching 609 unique participants. Some events to highlight include:

- In the Spring of 2023, 17 introductory meetings were held between the Pay Equity Commissioner and key stakeholders including high-level officials from employer associations, unions, and non-government organizations. The objective was to nurture stakeholder relationships and seek stakeholders' viewpoints on the progress, challenges, collaboration opportunities, and support needs for the purpose of advancing pay equity in federal workplaces across Canada.
- In May and October 2023, the Pay Equity Commissioner presented at the annual general meetings of Federally Regulated Employers – Transportation and Communications (FETCO) and the Atlantic Provinces Trucking Association, respectively, emphasizing the importance of pay equity, employer obligations, and impending deadlines.
- In October 2023, the Pay Equity Commissioner participated at the Equal Pay International Coalition 2-day technical meeting with 53 representatives from country states and diverse national and international organizations. The Pay Equity Commissioner facilitated a working group on “Innovative solutions to address equal pay for work of equal value”.
- In November 2023, the Pay Equity Commissioner presented to the pay equity working group of the Canadian Labour Congress, discussing bargaining agent responsibilities, the work of the pay equity committee, and promoting the implementation of the Pay Equity Act.

In addition, OPEC contributed to the Equal Pay International Coalition's quarterly newsletters, which have a readership of 3,500 subscribers worldwide. The Equal Pay International Coalition is comprised of 61 members representing a diverse array of multilateral organizations and states. Through these newsletter contributions, the OPEC has actively promoted and shared Canada's experience in pay equity, raised awareness and fostered dialogue within the global pay equity community.





# Facilitating compliance

Under the Pay Equity Act, the Pay Equity Commissioner also has the responsibility of facilitating compliance for federally regulated employers. Federally regulated employers can seek assistance by submitting applications, complaints and matters of dispute to the OPEC. In the last year, the OPEC facilitated compliance by responding to requests for information, by providing early dispute resolution assistance (such as mediation) and by rendering timely decisions.

This year, there was a noted increase in the number of requests received in comparison to the four applications and two complaints we received in 2022–2023 related to various sections of the Act.

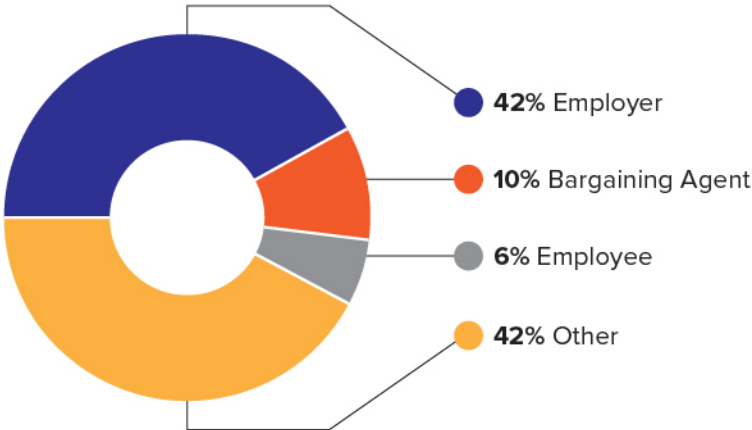
## Pay Equity Portal

In 2023–24, the Pay Equity Portal was formally launched. Workplace parties now have a direct channel to send questions to the OPEC and to receive information about the Act. Direct access to all materials to support them in their applications is also available, and applications can now be submitted directly in the Portal. This streamlined process allows the OPEC to support workplace parties in a timely, efficient and effective manner.

## Responding to requests

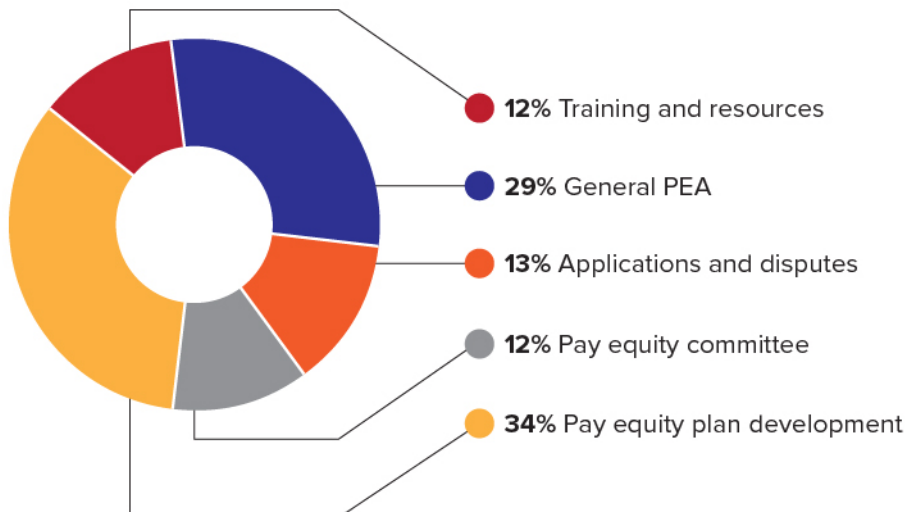
The OPEC regularly receives requests for information about the Act. In 2023–2024, we received a total of 401 requests for information.

**Chart 1: Requests for information received in 2023–2024, by type of requestor**



As shown in Chart 1, the majority of request for information received in 2023–2024 came from bargaining agents (42%) and from employers (42%).

**Chart 2: Requests for information received in 2023–2024, by type**



The biggest proportion of requests for information received in 2023–2024 were related to the pay equity plan development (34%) and to general inquiries about the Pay Equity Act (29%). In addition, 13% were related to applications and disputes, while 12% of requests for information were related to training and resources and 12% related to pay equity committees.

## Resolving disputes

Under the Act, the Pay Equity Commissioner must assist workplace parties with complaints, matters in dispute and notices of objection, which could involve offering alternate dispute resolution, rendering a decision or issuing an order.

This year, the OPEC developed streamlined processes for early resolution, mediation, investigations, and dismissals of complaints to provide workplace parties with timely access to justice.

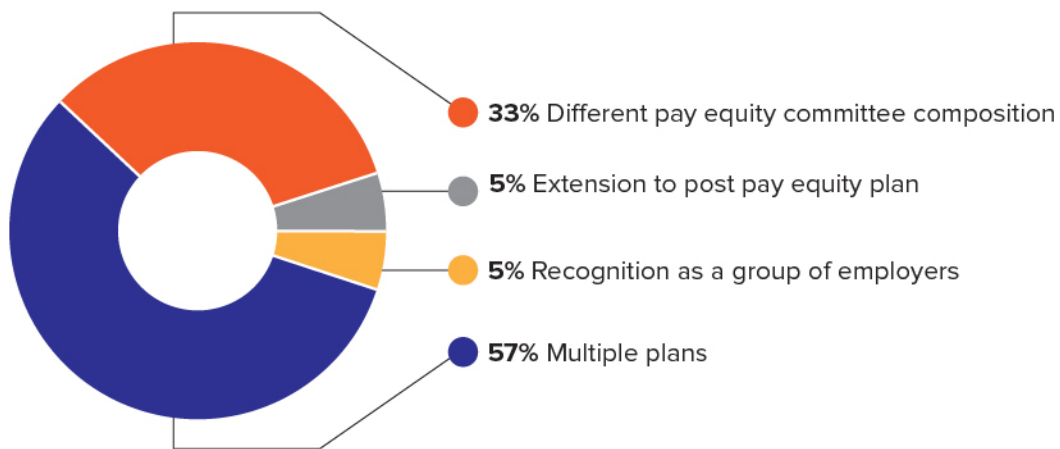
In 2023–2024, a total of six new formal disputes were filed. When counting the disputes that were carried over from 2022–2023, the total caseload for complaints, matters in dispute and notices of objection totalled seven for 2023–2024. To date, three of these disputes were resolved through alternate resolution mechanisms, such as mediation.

## Decision-making

The Pay Equity Commissioner is the sole decision-maker under the Pay Equity Act. This includes rendering decisions on applications, complaints, matters in dispute and notices of objection. During these early stages of this new federal program, the Pay Equity Commissioner is rendering decisions interpreting the Pay Equity Act and building a framework for addressing complex pay equity cases.

In 2023–2024, a total of 21 applications were received that related to Act. When including the applications that were carried over from 2022–2023, the total applications caseload for 2023–2024 was 26.

**Chart 3 - Authorization Requests received in 2023–2024 by Type of request**



Of the 21 applications received in 2023–2024, the majority of applications were related to multiple plan requests (57%). Applications for different pay equity committee compositions counted for 33% of all applications that we received.

The OPEC closed 13 applications in 2023–2024; 11 were closed through a decision issued by the Pay Equity Commissioner and two applications were withdrawn. Of the 11 applications that where a decision was rendered, seven were denied, three were granted in full and one was granted in part.

Of those decisions, eight were related to multiple plan applications in which employers sought an exception to the legislated requirement of a single pay equity plan for all employees in an organization. Of those, seven were denied and one was granted in part.

Decisions of the Pay Equity Commissioner are publicly available on [CanLii](#).

In 2022–2023, the Pay Equity Commissioner referred one complaint regarding constitutional jurisdiction under the Act to the Canadian Human Rights Tribunal (Tribunal). In 2023–2024, the Tribunal rendered its decision in the matter, concluding that the Act did not apply to a provincial Crown corporation ([Re Unifor v SaskTel, 2023 CHRT-PEA 1](#)).



## Enforcing compliance

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Another key responsibility of the Pay Equity Commissioner is to monitor compliance with the Act. This includes verifying that federally regulated employers are developing their pay equity plans and meeting their deadlines. In 2023–2024, the enforcement capacity of the OPEC continued to grow.

### Audit function

In the 2023–2024, the Office of the Pay Equity Commissioner (OPEC) continued developing its audit methodologies that will be used to enforce compliance. This methodology will act as a framework to guide auditors in planning, conducting, reporting and managing audits related to pay equity.

The OPEC audit function will be launched in late 2024.

### Administrative Monetary Penalties

The Office of the Pay Equity Commissioner (OPEC) continued to work with the Labour Program of Employment and Social Development Canada on the development of regulations for the Administrative Monetary Penalty regime. The final Regulations Amending the Pay Equity Regulations (Administrative Monetary Penalties and Technical Amendments) are expected to be published in Part II of the Canada Gazette in 2024.

This regime will allow the Commissioner to administer fines against regulated entities for violating the Act or the Pay Equity Regulations.



# The Pay Equity Act

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The purpose of the Pay Equity Act is to proactively address gender-based discrimination and inequities in the pay practices and systems of diverse federally regulated employers. One of the most important requirements under the Act is for federally regulated employers to create and post a pay equity plan on or before September 3, 2024. Increases in compensation are payable the following day. Federally regulated employers are also responsible to pay any increases in compensation that are due and report annually on the implementation of their plan.

The Act applies to federally regulated private and public sector organizations, parliamentary workplaces, and the Prime Minister's and ministers' offices with an average of 10 employees or more. In total, the Act applies to approximately 5,000 federally regulated employers and 1.4 million employees.

The Act does not currently apply to the territories (Yukon, Northwest Territories, Nunavut), or Indigenous governing bodies, including First Nations Governments. Pay equity in these workplaces is still protected under section 11 of the Canadian Human Rights Act or territorial legislation. Employers with an average of fewer than 10 employees also remain subject to section 11 of the Canadian Human Rights Act.



## Who we are, what we do

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The Office of the Pay Equity Commissioner is part of the Canadian Human Rights Commission, and it supports the Pay Equity Commissioner in carrying out her duties and functions under the Act.

The OPEC responsibilities include:

- monitoring and promoting compliance;
- offering assistance to workplace parties, including in relation to complaints, objections and disputes, and deciding any matter or application over which she has jurisdiction;
- developing tools and resources to help employers meet their timelines under the Act;
- educating and informing workplace parties of their rights and obligations under the Act;
- undertaking and publishing research related to pay equity matters; and
- engaging with stakeholders and provincial counterparts

The following guiding principles drive OPEC's approach to fulfilling its mandate:

- engage meaningfully
- be transparent
- rely on evidence
- seek resolutions
- be user-centered