



Important Update for Employers in British Columbia: Pay Transparency Act Obligations and Prohibitions

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The *Pay Transparency Act* (the “PTA”) was passed in British Columbia on May 11, 2023. The PTA imposes notable new obligations and prohibitions on employers in British Columbia, all of which are aimed at improving pay transparency and equity within the province.

Pursuant to the PTA, effective immediately, employers in British Columbia are not permitted to seek pay history information about an applicant for employment by any means, whether directly from the applicant or through a third party, unless pay history information is publicly accessible. Further, employers cannot engage in reprisals (including dismissals, discipline, demotions, etc.) against employees who inquire about pay, reveal their pay to another employee or someone applying to work with their employer, ask their employer about its pay transparency report, or provide information to the Director of Pay Transparency with respect to their employer.

Effective November 1, 2023, all employers in British Columbia must include the expected pay or the expected pay range for a specific job opportunity that they advertise publicly. The PTA also allows the provincial government to introduce additional “prescribed information” that employers must include in any job posting that is advertised publicly. At this stage, there is no indication from the legislature as to what “prescribed information” may include. Further, it remains to be seen whether any types of employers may be exempt from this disclosure requirement by way of regulation.

Also effective November 1, 2023, select employers will be required to prepare pay transparency reports. Such reports must include information about the employer, their workforce, compensation and differences in compensation with respect to gender and other set characteristics. For the first reporting deadline of November 1, 2023, only the British Columbia government and the six largest Crown corporations in the province are required to report. For 2024, reporting employers are only those who have 1,000 employees or more on January 1 of the applicable year. For 2025, reporting employers are those who have 300 employees or more on January 1 of the applicable year. For 2026, reporting employers are those who have 50 employees or more on January 1 of the applicable year. For a year after 2026, reporting employers are those who have more than the lesser of 49 employees or any other number as prescribed by the regulation.

Of note, British Columbia is one of the few provinces within Canada that has implemented pay transparency legislation. While Manitoba is the only other province with standalone pay transparency legislation that is applicable to private sector employers, both Nova Scotia and Prince Edward Island have pay transparency provisions within their respective employment standards legislation. In Ontario, a previous provincial government attempted to enact pay transparency legislation that would impose similar obligations on employers in 2018. Such legislation was shelved as the successor provincial government came into power and has not been declared into force. Similarly, Newfoundland and Labrador has introduced a *Pay Equity and Pay Transparency Act*, but the pay transparency provisions contained in same have not yet been declared into force. Other provinces, such as Saskatchewan, New Brunswick, Quebec and Alberta, have not sought to implement similar legislation imposing pay transparency obligations on employers.

Disclaimer: This article offers general comments on legal developments of concern to business organizations and individuals and is not intended to provide legal advice. Readers should seek professional legal advice on the particular issues that concern them.

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Fiona has extensive experience advising international businesses entering the Canadian market. To date, she has advised more than 100 companies expanding into Canada. Fiona advises clients in this space all day, every day. She has been practising for more than a decade and is a regular speaker and writer on market expansion matters. Fiona is proud to have been recognized by *The Best Lawyers in Canada*, *The Canadian Legal Expert Directory* and *Benchmark Canada*.

A proactive and comprehensive approach is required to succeed in a new market. Fiona manages teams of other lawyers and patent agents to provide her clients with a full range of legal services to help their businesses grow. She acts as project manager to ensure her clients receive seamless legal services in all relevant areas.

Fiona takes great care to understand her clients' businesses and deliver advice that is tailored to meeting their specific needs. Her responsiveness, dedication to clear communication and hands-on approach show that she is personally invested in the success of her clients.



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Jessica is a passionate labour and employment law advocate. She is a natural problem solver who uses her strong communication skills to provide clients with efficient legal advice on workplace issues.

Jessica is a member of the firm's Workplace Law Group. Her practice focuses on labour and employment-related matters, such as employment contracts, policies, grievances and collective bargaining, as well as civil and commercial actions involving employment disputes. She also has experience with general litigation, including professional liability disputes.