



## WHAT ORGANISATIONS SHOULD DO

### In Quebec:

The Pay Equity Act has been in effect since 1996 in Quebec and is governed by the CNESST. By law, all organisations within Quebec must carry out an initial pay equity exercise no later than 5 years after the year in which they reached 10 or more employees, and pay equity must be maintained every five years thereafter. Additionally, once pay equity has been achieved, employers are required to post the results of the exercise in a visible location and complete the employer's pay equity declaration annually (DEMES).

### In Ontario:

The Ontario Pay Equity Act has been in effect since 1987. The Act states that pay equity must be achieved on the day an organisation hires its 10th employee. Maintenance is required and it is recommended that this is done on an ongoing basis in order to reflect changes within an organisation. Recently, the Pay Equity Commission has re-launched its auditing efforts and many organisations in Ontario must now demonstrate that an exercise was carried out and is being maintained.

## CLIENTS' FALSE PERCEPTIONS

### **I pay my employees well so I do not have to implement pay equity.**

Even if the organisation ensures its employees are paid well, the *Pay Equity Act* requires that an exercise be completed to prove to government authorities that pay equity has been achieved.

### **I have very few women in my organisation:**

Once the organisation has one female job class, it is obliged to comply with the *Pay Equity Act*.

### **Women and men in my organisation do not do the same work:**

Pay equity is defined as "equal pay for work of equal value".



## THE CONSEQUENCES OF NOT COMPLYING

---

- Risk of criminal prosecution (up to \$ 45,000 in Quebec)
- Retroactive salary adjustments, plus penalties and interest at the statutory rate (5%)
- Poor advertising affecting the employer mark (publication of decisions)
- Considerable human and monetary resources required in an audit situation if the exercise is not carried out correctly
- Increased risk of verification since the establishment of the DEMES
- Loss of the right to average the payment of adjustments.

## OUR OFFICES

---

### **Montreal Office**

3333, boul. Graham, suite 400

Montreal (Quebec) H3R 3L5  
Tel.: (514) 227-8008

### **Toronto Office**

2 ave St. Clair West, suite 1800

Toronto (Ontario) M4V 1L5  
Tel.: (416) 922-1313

### **Quebec Office**

1020, Bouvier St., suite 400

Quebec (Quebec) G2K 0K9  
Tel.: (418) 559-7291



PARTNER IN GROWTH

### **Solertia Consulting Group**

**Solertia : latin-ae, f, (ingenuity, competence)**

SOLERTIA PARTNER IN GROWTH is a multiservice firm specialized in human resources management, grants, and tax credits. We act as a strategic partner for our clients and offer innovative solutions and practices to support them in their growth. Solertia has a team of experienced consultants specialized in compliance, global compensation, organizational performance, recruitment, grants and tax credits, working at one of our three offices: Montreal, Toronto and Quebec.

E-mail: [info@solertia.ca](mailto:info@solertia.ca)

Telephone: Toll-free: 1-844-220-8008

Website: [www.solertia.ca](http://www.solertia.ca)



ENVOYER À UN AMI



SITE WEB

