

# What is pay equity?

## A backgrounder



### Pay equity is equal pay for work of equal value

- Pay equity refers to the employer's legal obligation to pay female-dominated jobs the same as male-dominated jobs of equal value.
- Pay equity requires the comparison of different jobs.
- For example, a female-dominated call centre representative job is compared to a male-dominated warehouse picker job if they are of equal value. If the female-dominated job is paid less, the employer must remedy this discrimination and increase the wages of the female-dominated job.

### Pay equity laws in Canada

- In 2021, the Canadian federal government put into force new proactive pay equity legislation for workers in the federal sector that requires both private-sector and public-sector employers and trade unions to negotiate a pay equity plan.
- The deadline for posting pay equity plans is **Sept. 3, 2024**.
- Since the 1990s Ontario and Quebec have proactive pay equity laws that apply to the private and public sector. Five provinces applied pay equity to the public sector only. British Columbia, Alberta and Saskatchewan do not yet have proactive pay equity laws.

### Why does the USW enforce pay equity legislation?

- Women have the right to be paid compensation free from sex discrimination.
- Historically women work in different jobs and are paid less than men.
- Women's work is concentrated in the "care economy" including health care, social services, clerical and administrative jobs. Fifty-six per cent of women work in jobs known as the "5 Cs": caring, cleaning, clerical, catering, and cashiering sectors. Racialized and immigrant women are over-represented in these positions.
- No matter how you count it, a gender pay gap exists in both Canada and the United States. On average, women across Canada face a 32% gender pay gap. Racialized and immigrant women face a deeper gender pay gap of 55%.
- Pay equity laws remedy undervalued and underpaid women's work.
- Pay equity laws help close the gender pay gap.

"Leaving wage inequities in place makes women 'the economy's ordained shock absorbers.'"

– The Supreme Court of Canada

**Pay Equity is a fundamental human right to redress systemic discrimination.**



## Pay equity vs. Equal pay

Pay equity laws go further to redress systemic discrimination than equal pay laws. Equal pay means that if a man and a woman perform the same or similar work, they are paid the same.

Equal pay laws did not redress the systemic discrimination which is driven by women's occupational segregation, undervalued work and low pay.

Pay equity is an additional legal obligation to the equal pay provisions of the Canada Labour Code or the provincial Employment Standards Acts.

Proactive pay equity legislation imposes ongoing legal obligations on employers to measure and correct pay inequity,

## Take Action. Every Action helps value women more!

- Form a Women of Steel Committee at your workplace. Map out areas of pay inequities where you do not think women get a fair deal.
- Ask your USW staff representative about enforcing pay equity in your workplace.
- Bargain for equality in your next negotiations for your collective agreement.
- Encourage women to join a union.
- Lobby for increases to the minimum wage and pay equity laws to close the gender pay gap.

## Get involved in your community:

- **March 8** International Women's Day
- **April to July** Equal Pay Day (dates vary)
- **October 4** National Day of Action for Missing and Murdered Indigenous Women, Girls and Gender-Diverse People
- **December 6** National Day of Remembrance and Action on Violence against Women

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