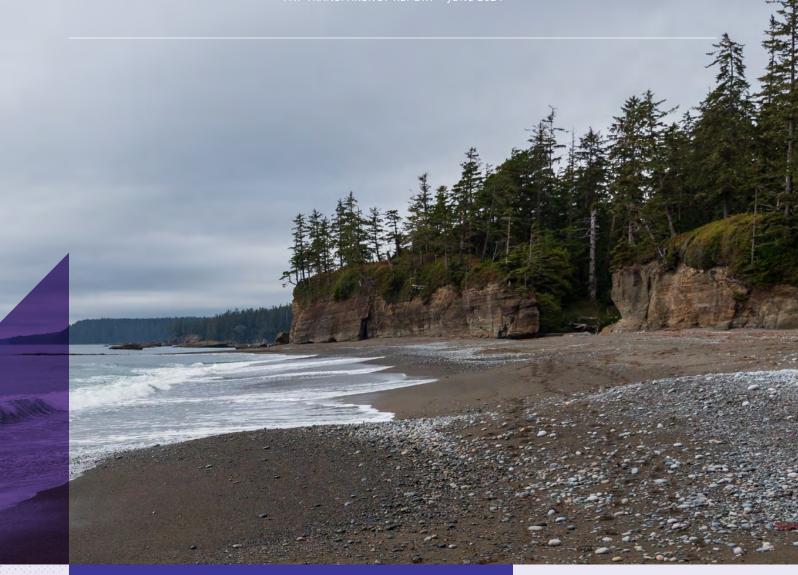


Ministry of Finance

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PAY TRANSPARENCY REPORT · JUNE 2024

PAY TRANSPARENCY REPORT - JUNE 2024



Land Acknowledgement

The Government of British Columbia acknowledges with respect and gratitude that this report was produced on the territories of the ləkwəŋən People (known today as the Esquimalt and Songhees Nations), the Sc'ianew (Beecher Bay) First Nation, and the W SÁNEĆ Peoples represented by the W JOŁEŁP (Tsartlip), BOKÉĆEN (Pauquachin), STÁUTW (Tsawout), WSIKEM (Tseycum) and MÁLEXEŁ (Malahat) Nations. The work of the B.C. government extends across the lands of more than 200 First Nations, whose stewardship of the lands and waters since time immemorial continues to this day.

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Joint Message from the Minister of Finance and Parliamentary Secretary for Gender Equity

People deserve equal pay for equal work. With a pay gap of 17 percent, British Columbia has one of the highest gender pay gaps in Canada, and it has persisted for far too long. That is why we introduced the Pay Transparency Act.

The difference in earnings between people of different genders is referred to as the gender pay gap. It is most often expressed as a difference between men and women, but it affects people all along the gender continuum, including transgender, non-binary and other gender-diverse people. The negative impacts of the gap disproportionately affect women and gender-diverse people who are Indigenous, racialized, newcomers, disabled and/or 2SLGBTQIA+.

This Act places new requirements on employers that will help close the gender pay gap and address systemic discrimination. It empowers employees and employers to understand their organizations' own pay gaps, and has positioned B.C. as a national leader on pay transparency.

Pay transparency is just one tool we are using to help close the gender pay gap. Since 2018, B.C. has made historic investments in childcare, employment and skills training, transportation, infrastructure and increases to the minimum wage. Together, these actions are improving gender equity and helping workers across the province. The Pay Transparency Act also complements B.C.'s new Anti-Racism Act and Anti-Racism Data Act, which are demonstrating how we can safely collect and use data to shine a light on racial inequities and dismantle systemic racism.

Our communities are stronger when everyone is treated fairly, and it will take collective action to create meaningful change. We are committed to working with employees and employers to ensure that everyone in B.C. receives equal pay for equal work, regardless of their gender, other identity factors or the sector they work in. We are pleased to present this first annual report and would like to recognize the many employers in B.C. who are committed to addressing the gender pay gap.



Honourable Katrine Conroy

Minister of Finance



Kelli Paddon

Parliamentary Secretary for Gender Equity

Introduction

Pay Transparency Act

Following engagement with Indigenous partners, employer associations and other cross sector representatives, the B.C. Government's new Pay Transparency Act (the Act) received royal assent on May 11, 2023, placing the following new requirements on B.C. employers to help close the gender pay gap and address systemic discrimination:

- Pay History: Effective May 11, 2023, employers cannot ask job applicants to disclose their remuneration from previous employers.
- Employer Reprisal: Effective May 11, 2023, employers cannot punish employees who ask about the employer's pay transparency report or provide information about them to the director of pay transparency. They also cannot punish employees who chose to reveal their pay to other employees or job applicants.
- Pay Secrecy: Effective November 1, 2023, employers must include the expected pay or pay range in public job postings.
- Pay Transparency Reports: Employers above certain sizes must post pay transparency reports by November 1 of each year. This is being implemented by the Province through a phased approach.

"B.C.'s new pay transparency legislation is an important first step in reducing the persistent gender pay gap..."

Queenie Choo, CEO, S.U.C.C.E.S.S

The Minister of Finance introduced the first regulation under the Act on October 23, 2023, setting out requirements for employer pay transparency reports. Among other requirements, reports must show the gaps in pay between gender categories, and provide mean¹ and median¹ statistics for hourly pay, bonus pay, overtime pay and overtime hours.

Gender categories include men, women and non-binary workers. Including a non-binary option aligns with B.C.'s **Gender and Sex Data Standard**. It also positions B.C. as a leader in pay gap reporting on diverse genders, as pay transparency reporting in other jurisdictions typically only shows pay gaps between men and women.

The Act requires the Minister of Finance to publish an annual report that describes employer compliance with the Act, the differences in pay among gender groups and trends in pay relating to those differences. This report responds to this requirement.

Gender and Sex Data Standard

In 2023, B.C. adopted a new Gender and Sex Data Standard to support a more inclusive approach to collecting gender and sex information. The new data standard recognizes gender and sex as distinct concepts and provides definitions that recognize all genders. The data standard provides consistency and guidance on the collection of gender and sex information in a safe and respectful way.

What is the gender pay gap?

The gender pay gap is the difference in earnings between men, women and nonbinary people. In this report, it is expressed as the difference in median hourly pay received by women and non-binary people in comparison to men. Where data on median hourly pay was unavailable, the gender pay gap is expressed as the difference in personal median income between women and nonbinary people compared to men. It also includes the differences in overtime pay and bonus pay received by women and non-binary people in comparison to men. Throughout this report, the pay gap is expressed as the proportion of what women (and, where data is available, non-binary people) are paid per hour in comparison to men, either as a percentage or dollar value equivalent.

Pay Transparency Unit

The Ministry of Finance's Gender Equity Office (GEO) was created in 2018 and supports the Minister of Finance and the Parliamentary Secretary for Gender Equity to lead work to close the gender pay gap, implement an action plan to end gender-based violence and collaborate with cross-ministry, Indigenous and community partners to address other areas of inequity experienced by women, girls and gender-diverse people. The GEO also leads cross-ministry coordination of Gender Based Analysis Plus (GBA+) to ensure that GBA+ is incorporated into cross-ministry policies, programs and approaches, and supports the Parliamentary Secretary in her role as B.C.'s representative at the Federal-Provincial-Territorial forum of Ministers responsible for the Status of Women.

"Pay transparency is ultimately about achieving pay equity and fostering workplaces that are fair, equitable and free from gender-based discrimination."

Michelle McKinnon, Partner, Cassels Brock & Blackwell LLP

The Pay Transparency Unit was created within the GEO in 2023 to support the implementation of the Act. Its work includes:

- Developing and updating regulations that prescribe how to calculate gender pay gaps
- Receiving and responding to inquiries relating to the Act
- Supporting employers to comply with the Act
- Communicating and educating employers on their responsibilities under the Act

The Pay Transparency Unit's director of pay transparency was designated under section 10 of the Act and is responsible for:

- Supporting employer compliance under the Act
- Receiving reports of employer non-compliance under the Act
- Preparing annual reports and any other reports, as appropriate
- Any other prescribed responsibilities

The Gender Pay Gap in British Columbia: Highlights

The following section provides a high-level snapshot of the gender pay gap in B.C., primarily based on data from Statistics Canada.² This section includes provincial-level information on the gender pay gap in part-time and fulltime employment, in different industry sectors and for employees with different intersectional identities. It is important for employers to be aware of broader pay gap trends in their industry sectors and how individual employee identity characteristics such as Indigeneity, race, ethnicity, newcomer status, disability, sexual orientation and gender identity influence the pay gap in B.C.

While separate provincial-level information on non-binary, transgender, Two-spirit and other gender diverse groups is more limited in this section due to the limitations of existing Statistics Canada data sets, information on non-binary people is included later in this report using data the BC Public Service Agency and largest Crown corporations were required to post in their first pay transparency reports in November 2023. B.C. is committed to exploring how data sets may be expanded in the future to better show how gender diverse and other equity deserving communities experience the gender pay gap.

In 2022, before the Act was implemented, B.C.'s median gender pay gap was 18 percent, which was higher than the national gender pay gap of 16 percent. Only Alberta had a higher pay gap than B.C. at 21 percent.

Figure 1 shows how much women in each province earned in median hourly pay for every dollar a man earned in median hourly pay in 2022 and 2023. For example, women in B.C. earned 83 cents to every dollar a man earned in 2023.

Fig 1: Gender Pay Gaps Across Canada



In 2023, when the Act was implemented, B.C.'s median gender pay gap was 17 percent. While a modest improvement from 2022, this gap was still larger than the national gender pay gap of 14 percent. Compared to other provinces, B.C.'s gender pay gap was only lower than Alberta's gender pay gap of 24 percent and Newfoundland and Labrador's gender pay gap of 19 percent.

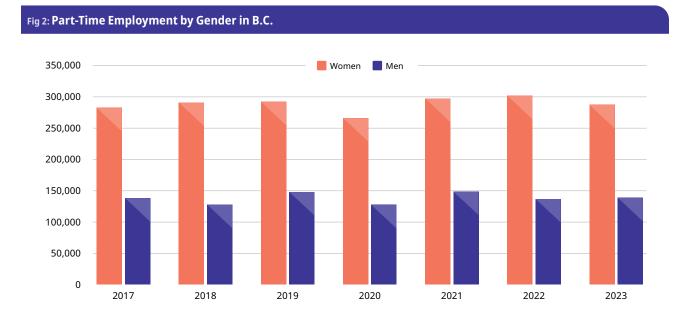
While it is too early to tell how the Act influenced the gender pay gap in 2023, as explained in the next sections, the modest improvement B.C. saw on its pay gap between 2022 and 2023 may be due in part to increased participation of women in higher-paying, full-time employment versus lowerpaying, part-time employment, as well as women shifting from lower- to higher-paying positions within some subsectors of the labour market as the economy recovered from the pandemic.

² See Appendix B.

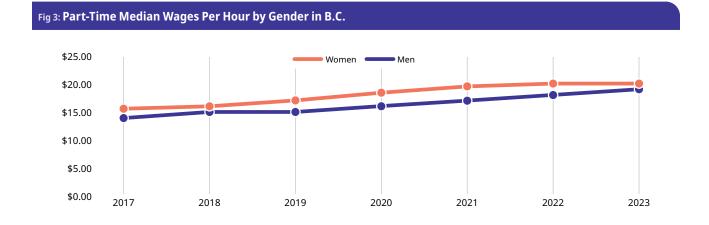
Representation of Part-Time and Full-Time Employment by Gender

Part-Time Employment

The differences between men and women in full-time and part-time work contribute to the gender pay gap. Between 2017 and 2023, more women than men worked part-time, and part-time work paid less than full-time work. In 2023, the median hourly wage for part-time work was \$20 compared to \$32 for full-time work.



In 2023, while 12 percent of working men worked part-time, 25 percent of working women worked part-time. Women who worked part-time earned slightly more per hour than men who worked part-time, as shown in Figure 3. This was because men who worked part-time were more concentrated in the two lowest-paying sectors of retail and accommodation and food services, while women who worked part-time were distributed between retail, accommodation and food services, and the slightly higher-paying healthcare and social assistance sector. Still, these three sectors paid part-time workers 10 to 43 percent less than B.C.'s median wage of \$30.

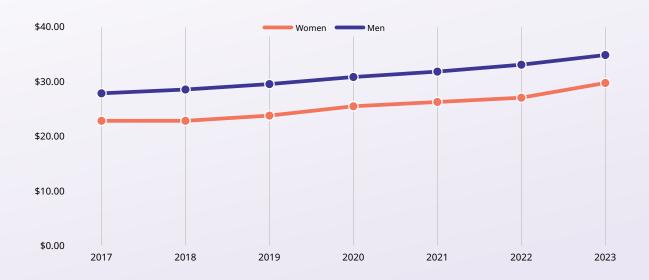


Full-Time Employment

Since 2017, men have been more likely than women to work full-time and they have been paid substantially more for it. On average, there were almost 20 percent more men working full-time than women in any given year between 2017 and 2023. Most recently, men were paid 18 percent more for full-time work than women who worked full-time in 2023. Fig 4: Full-Time Employment by Gender in B.C.



Fig 5: Full-Time Median Wages Per Hour by Gender in B.C.



In 2023, women working full-time tended to be overrepresented in lower-paying sectors. Almost 50 percent worked in healthcare and social assistance, retail and education. Healthcare and social assistance and retail sectors paid women up to 30 percent less than B.C.'s median wage of \$30, while the education sector paid women 19 percent more than the median wage.

Men working-full time mostly worked in higher-paying sectors. Almost 50 percent worked in construction, manufacturing, professional, scientific and technical services, and retail. Except for retail, these sectors paid men 13 to 59 percent more than the median wage of \$30.

The Gender Pay Gap by Sector

Women were paid less than men in most sectors last year, including those that employed more women than men. Overrepresentation of a particular gender is not the primary cause for a gender pay gap within a sector, however. Some sectors with much smaller gender pay gaps – such as the utilities sector – employed more men than women.

Figure 6 shows how much women were paid in each sector for every dollar a man was paid last year.

Last year, the three biggest gender pay gaps existed in the following sectors:

- Agriculture, forestry, fishing and hunting
- Professional, scientific and technical services
- Manufacturing

Only in the arts, entertainment and recreation sector did women earn more than men.

Fig 6: Gender Pay Gap by Sector in B.C. (2023)

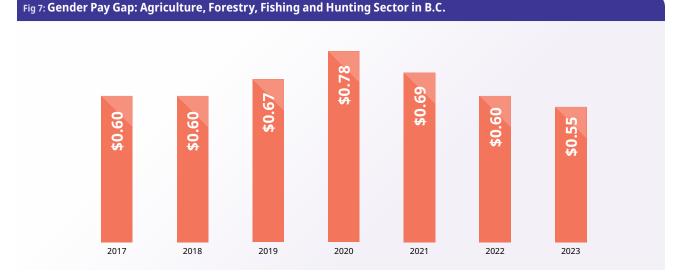


Agriculture, forestry, fishing and hunting

The agriculture, forestry, fishing and hunting sector includes employees primarily engaged in growing crops, raising animals, harvesting timber, harvesting fish and other animals from their natural habitats, and providing related support activities. In 2023, the sector employed 27,300 people in B.C., which made up one percent of B.C.'s workforce. Of those employed, over 16,000 were men and 11,000 were women.

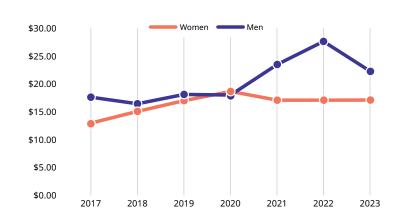
Since 2017, the agriculture, forestry, fishing and hunting sector has had some of the largest gender pay gaps in B.C., reaching or exceeding 40 percent most years as shown in Figure 7. Women in this sector were more likely to work in lower-paid, part-time roles than men. In any given year between 2017 and 2023, only 55 to 85 percent of women in this sector worked in higher-paid, full-time positions, whereas 91 to 94 percent of men worked full-time. By 2023, the sector had the largest gender pay gap of any sector since 2017.

Figure 7 shows how much women were paid in the agriculture, forestry, fishing and hunting sector for every dollar a man was paid.



An overrepresentation of women in crop production – the sector's lowest paid subsector – may be why the gender pay gap remained as large as it had been since 2017. On average, about half of women and only 20 percent of men in this sector worked in crop production from 2017 to 2023. In addition, men's wages in crop production increased most years following 2020, while women's wages did not, as seen in Figure 8.

Fig 8: Median Wages Per Hour in the Crop Production Subsector in B.C.



Professional, scientific and technical services

Employees in the professional, scientific and technical services sector primarily work in legal services, accounting, tax preparation, bookkeeping and payroll services, architecture, engineering, specialized design services, computer systems design, management, scientific and technical consulting services, scientific research and development services, advertising, public relations and related services. In 2023, the sector employed over 200,000 people in B.C., which made up almost 9 percent of B.C.'s workforce. Over 94,000 employees were women and 108,000 were men.

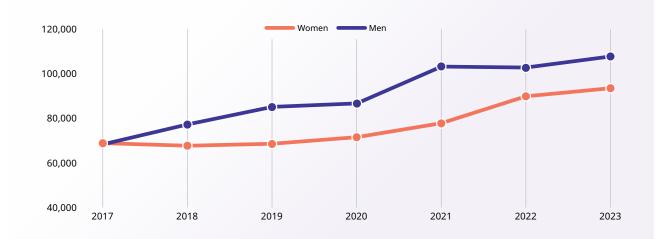
The sector's gender pay gap decreased from 31 percent in 2022 to 28 percent in 2023. Still, the sector's large gender pay gaps over the years have persisted, all while the number of women working in the sector has increased each year since 2018.

Figure 9 shows how much women were paid in the professional, scientific and technical services sector for every dollar a man was paid.



Fig 9: Gender Pay Gap: Professional, Scientific, and Technical Services Sector in B.C.

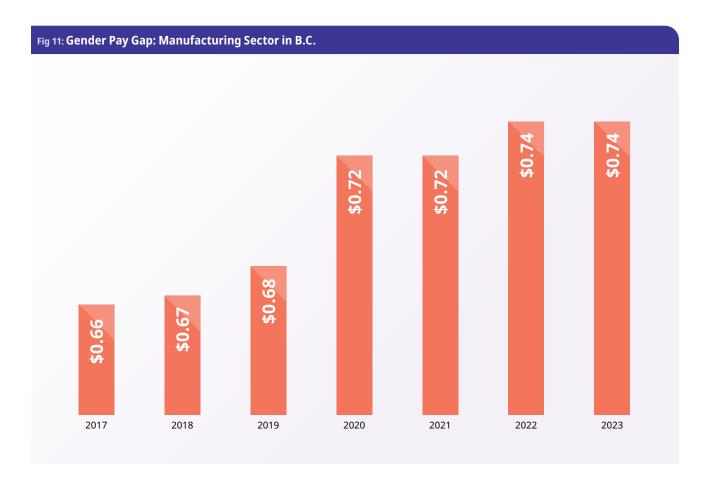
Fig 10: Representation in the Professional, Scientific, and Technical Services Sector in B.C.



Manufacturing

The manufacturing sector primarily includes employees who transform chemical, mechanical or physical materials or substances into new products. In B.C. this sector employed over 157,000 people, which made up almost 7 percent of the workforce. Over 112,000 employees were men and over 45,000 employees were women.

Figure 11 shows how much women were paid in the manufacturing sector for every dollar a man was paid.



Since 2017, the gender pay gap in the manufacturing sector has improved. From 2017 to 2019, the manufacturing sector exceeded a 30 percent gender pay gap, but in the last two years it decreased to 26 percent. Although women were underrepresented in the sector, their movements in and out of subsectors may have helped the sector's pay gap begin to shrink.

Compared to 2017 to 2019, the period from 2020 to 2023 saw less women working in lower-paying subsectors such as clothing and food manufacturing and more women working in higher-paying subsectors such as beverage manufacturing, and computer and electronic product manufacturing. Still, these higher-paying subsectors paid women below the sector's median hourly wage most years.



"The Pay Transparency Act was put in place to ensure pay equity for everyone, and I believe this radical change will make a huge difference."

Zoë Brownsell, Manager, Talent Acquisition & Employer Branding, **Elastic Path**

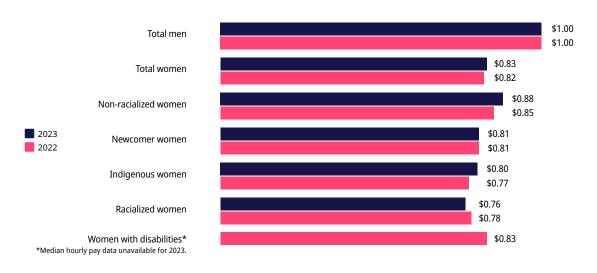
The Gender Pay Gap and Intersectionality

Intersectionality is a concept that acknowledges that an individual's unique experiences and outcomes are influenced by how their individual identity characteristics such as their gender, race, ethnicity, age, ability or sexual orientation, intersect with broader systems of power and societal factors, such as sexism, racism, ableism, homophobia and transphobia.

The gender pay gap affects women and gender diverse people differently based on their intersecting identities. While the Statistics Canada data presented earlier show that women were paid less than men in 2023, these statistics do not highlight that newcomer, disabled, Indigenous and other racialized women and gender diverse people were paid even less, and gay, bisexual or pansexual women had lower personal median incomes than heterosexual men. This suggests more efforts need to be directed at the gender pay gap affecting these groups before the gender pay gap can close for all women and gender diverse people.

man earned. Fig 12: Gender Pay Gap in B.C.

Figure 12 shows how much different groups of women earned in median hourly pay for every dollar a



In B.C., for every dollar a man made in 2023:



Non-racialized women made median earnings of 88 cents



Newcomer women made median earnings of 81 cents <mark>80</mark>¢

Indigenous women made median earnings of 80 cents



Racialized women made median earnings of 76 cents

Racialized³ Workers and the Gender Pay Gap

In 2023, there were 895,400 racialized workers in B.C., which comprised 38 percent of the workforce. Of those, 49 percent were men and 51 percent were women.

Racialized women were paid 24 percent less than men. The pay gap was even bigger for racialized women when comparing to non-racialized men at 29 percent.

As Figure 13 shows, racialized workers were also paid less than their non-racialized counterparts. Racialized men were paid 16 percent less than non-racialized men. Racialized women were paid 13 percent less than non-racialized women.



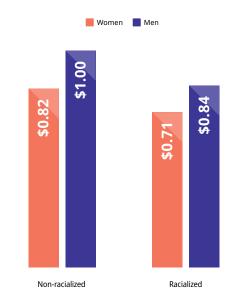
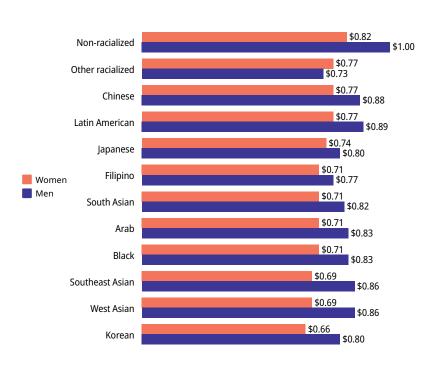


Fig 14: Gender Pay Gap Between Racialized and Non-Racialized Workers in B.C. (2023)



Based on ethnicity categories obtained from the Statistics Canada's Labour Force Survey, Figure 14 breaks down the pay gaps between non-Indigenous racialized groups and nonracialized groups. When comparing to non-racialized men, the pay gap was smallest for non-racialized women at 18 percent and largest for women of Korean descent who were paid 34 percent less.

³ In this section, the term 'racialized people' refers to the Statistics Canada and federal Employment Equity Act term 'visible minority.' It excludes people who self-identify as white or Indigenous and includes people who self-identify their race or ethnicity as South Asian, Chinese, Black, Filipino, Latin American, Arab, Southeast Asian, West Asian, Korean, Japanese, Visible minority, n.i.e. ("not included elsewhere") or multiple visible minorities. The term 'non-racialized people' refers to the Statistics Canada and federal Employment Equity Act term 'not a visible minority.' This includes people who self-identify as white or Indigenous. The Province acknowledges that Indigenous people are often racialized by society though are not included in the 'racialized' category due to the data collection method. These terms and other terms may be refined in future reports as work related to B.C.'s Anti-Racism Data Act evolves.



Indigenous⁴ Workers and the Gender Pay Gap

In 2023, there were 58,100 Indigenous women and 53,100 Indigenous men working in B.C. Together, they comprised 5 percent of the workforce in B.C.

As shown in Figure 15, Indigenous women were paid less than non-racialized men and women, other non-Indigenous men and women, and Indigenous men.

Figure 16 shows how much Indigenous women and men and non-Indigenous women and men were paid for every dollar a non-racialized man was paid

From 2020 to 2023, the gender pay gap between Indigenous women and non-Indigenous men decreased. However, it remained larger than was the case for non-Indigenous women and Indigenous men.

Fig 15: Gender Pay Gap Among Indigenous, Non-Indigenous and Non-Racialized Workers in B.C. (2023)

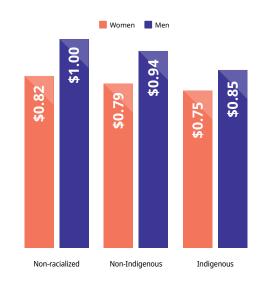
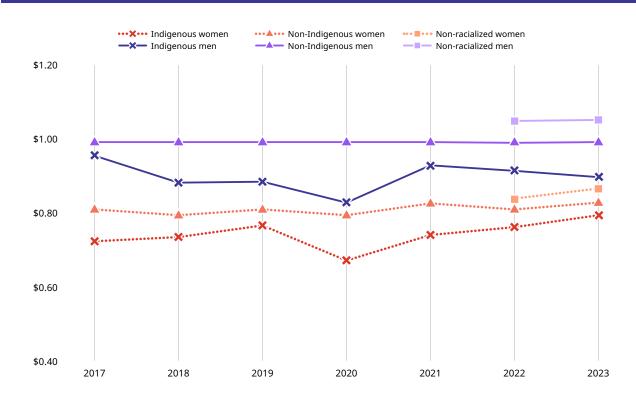


Fig 16: Gender Pay Gap Among Indigenous, Non-Indigenous and Non-Racialized Workers in B.C.



⁴ Includes persons who self-identify as First Nations, Métis or Inuk (Inuit), or those with more than one identity. Does not include persons living on reserves due to Statistics Canada's data collection method.

In Figure 17, Indigenous women's median wages have risen each year since 2017, except for a dip during the pandemic. Indigenous women entering higher-paying occupation groups may help explain the rise in median wages and the gender pay gap decrease.

For example, since 2020, Indigenous women have increasingly left sales and service support occupations for higher-paying occupations, such as:

- Professional occupations in law, education, social, community and government services
- Front-line public protection services and paraprofessional occupations in legal, social, community, education services

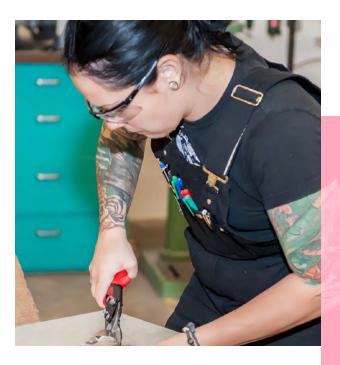
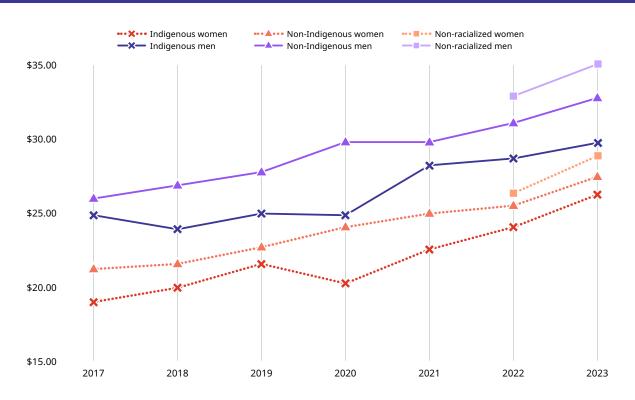


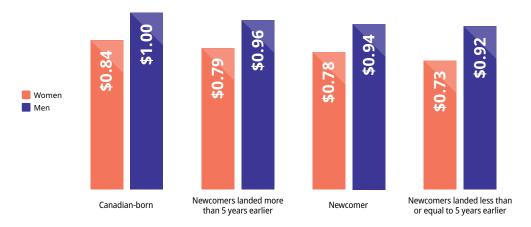
Fig 17: Median Hourly Wages Among Indigenous, Non-Indigenous and Non-Racialized Workers in B.C.



Newcomer⁵ Workers and the Gender Pay Gap

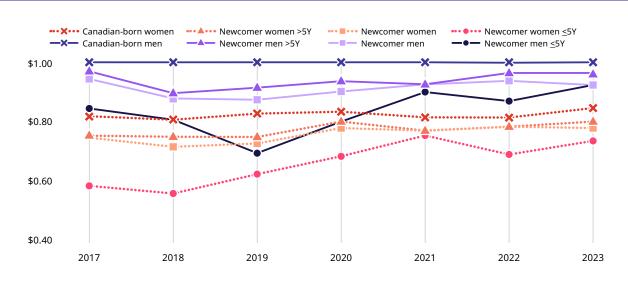
In 2023, there were 737,300 newcomer workers comprising 32 percent of the workforce in B.C. Even though most newcomer workers were women, newcomer women were paid 19 percent less than men and 22 percent less than men born in Canada. **At 27 percent, the gender pay gap was even larger for newcomer women with five years or less in Canada compared to men born in Canada.** Figure 18 shows how much newcomer women and men and Canadian-born women were paid for every dollar a Canadian-born man was paid.

Fig 18: Gender Pay Gap Between Newcomer Workers and Canadian-Born Workers in B.C. (2023)



From 2017 to 2023, newcomer women were paid less than women born in Canada. This was especially true for newcomer women with five years or less in Canada. Figure 19 shows how much newcomer women and men and Canadian-born women were paid for every dollar a Canadian-born man was paid.

Fig 19: Gender Pay Gap Between Newcomer Workers and Canadian-born Workers in B.C.



⁵ In this report, 'newcomer' refers to people who are, or have been, permanent residents in Canada. A permanent resident is a person who has been granted the right to live in Canada permanently by immigration authorities. It does not include Canadian citizens by birth, temporary residents on work or study permits, refugee claimants or visitors.

Workers with Disabilities and the Gender Pay Gap

In 2022, there were over 525,000 workers with disabilities in B.C.⁶ which comprised 22 percent of the workforce. Of those, 57 percent were women and 43 percent were men.

Women with disabilities were less likely to be employed than men with and without disabilities. Of those employed, women with disabilities were paid 19 percent less than men without disabilities and 13 percent less than men with disabilities; these pay gaps were larger than national pay gaps (17 percent and 11 percent, respectively).

Figure 20 shows how many women and men with disabilities were employed in each province and Canada compared to women and men without disabilities.

Fig 20: Employment Rate Among Workers With and

Without Disabilities (2022)

Compared to most of Canada, women with disabilities in B.C. fared better in terms of pay and employment. As shown in Figure 20, the employment rate of women with disabilities (69 percent) was higher in B.C. than any other province, with Newfoundland and Labrador having the lowest employment rate at 54 percent. Although women with disabilities in B.C. were paid slightly less than women with disabilities in Alberta, they were paid up to 25 percent more than women with disabilities in any other province.

Figure 21 shows how much median pay women and men with disabilities in each province and Canada received compared to women and men without disabilities.

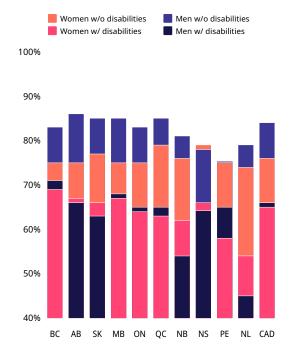
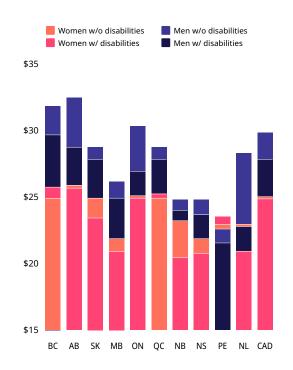


Fig 21: Median Hourly Wage Among Workers With and Without Disabilities (2022)



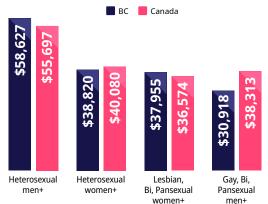
⁶ Statistics Canada. Table 13-10-0377-01. Labour force status of persons with and without disabilities aged 15 years and over, by age group and gender.

2SLGBTQIA+⁷ Workers and the Gender Pay Gap

Between 2019 and 2021, the 2SLGBTQIA+ population comprised 6 percent of B.C.'s population aged 15 and older.⁸ This section describes the gender pay gap – based on personal median income – affecting the 2SLGBTQIA+ community.

Figure 22 shows the personal median income of lesbian, bisexual or pansexual women+⁹; gay, bisexual or pansexual men+¹⁰; and heterosexual women in B.C. and Canada compared to the personal median income of heterosexual men+.





Within the 2SLGBTQIA+ population, lesbian, bisexual or pansexual women+ had lower personal median incomes than heterosexual populations in 2022. Median personal income of lesbian, bisexual or pansexual women+ was 35 percent less than heterosexual men+ and 2 percent less than heterosexual women+. The personal median income of lesbian, bisexual or pansexual women+ in B.C. was 4 percent higher than the personal median income of lesbian, bisexual or pansexual women+ in Canada as a whole. One factor explaining this difference may have been that 2SLGBTQIA+ women+ in B.C. had higher education levels compared to 2SLGBTQIA+ women+ in Canada as a whole, based on earlier statistics.⁸

Gay, bisexual or pansexual men+ in B.C. had the lowest personal median income than any other group identified in Figure 22. This may be partly due to intersectional differences. Based on other statistics, 2SLGBTQIA+ men+ were more likely than 2SLGBTQIA+ women+ to be racialized or newcomers in B.C.⁸ 2SLGBTQIA+ men+ were also more likely to be Indigenous, racialized or newcomers in B.C. compared to other parts of Canada.⁸

Separated data on median personal income of Two-spirit, transgender, non-binary and other gender diverse people in B.C. were unavailable due to small sample sizes. National data on these groups, however, showed that, despite being more educated compared to cisgender people, the greatest proportion (39.5 percent) of transgender and non-binary people had personal incomes of \$17,681 or less between 2019 and 2021.¹¹ In contrast, the lowest proportion (19.9 percent) of cisgender people had similar personal incomes.¹¹

⁷ An acronym for Two-spirit, Lesbian, Gay, Bisexual, Trans, Queer, Intersex, Asexual and additional identities. There are many variations of this acronym. ⁸ Statistics Canada. Table 13-10-0874-01 Socioeconomic characteristics of the 2SLGBTQ+ population, 2019 to 2021

⁹ "Women+" includes women (and/or girls) as well as some people who are non-binary, Two-spirit, agender, pangender, genderqueer, genderfluid or gender-nonconforming.

¹⁰ "Men+" includes men (and/or boys) as well as some people who are non-binary, Two-spirit, agender, pangender, genderqueer, genderfluid or gendernonconforming.

¹¹ Statistics Canada. Table 13-10-0875-01 Socioeconomic characteristics of the transgender and non-binary population, 2019 to 2021



Employer Compliance

This section provides an overview of activities undertaken by the director of pay transparency, the Pay Transparency Unit, employers and employees from May to December 2023 as the Act went into effect, along with some initial findings. In this initial implementation phase, the director of pay transparency took a collaborative, educational approach to promote awareness and encourage employers to comply with the Act.

Timely Communications

To widely reach those seeking information about the Act, the Pay Transparency Unit published a list of frequently asked questions on the B.C. government website to clarify employer obligations when posting jobs and pay transparency reports.

To supplement this list of frequently asked questions, the Pay Transparency Unit created a public email address within the Pay Transparency Unit where employers, employees and members of the public can submit questions, comments or concerns relating to pay transparency: **paytransparency@gov.bc.ca**.

Ministry partners also stepped up to support implementation of the Act. The Pay Transparency Unit worked with WorkBC to make changes to its job board, including adding a banner to the WorkBC website – the most comprehensive database of B.C. job postings – on November 1, 2023, advising employers that they must begin including salary or wage range on job postings. By December 2023, all WorkBC job postings included pay information.

The Parliamentary Secretary for Gender Equity also sent letters to other major job posting websites such as Indeed, LinkedIn, Workopolis and others requesting their cooperation in supporting employers to follow the new job posting requirements.

The Pay Transparency Unit continues to update communication materials based on what is heard from employers, employees and the public.

Reports of Non-Compliance

The Act places new obligations on employers and influences how employers interact with their employees, job seekers and members of the public. All inquiries received were tracked and categorized based on inquiry topic: pay history, employer reprisal, pay secrecy or pay transparency reports. The Pay Transparency Unit received over 500 inquiries, 61 of which were reports of noncompliance.

Reports of Non-Compliance	2023
Pay History	1
Employer Reprisal	6
Pay Secrecy (Job Postings)	54
Pay Transparency Reports	0
Total	61

Pay History

The Pay Transparency Unit received one inquiry specifying that an employer had asked about an applicant's previous pay. The applicant chose to resolve the issue on their own with the employer.

Employer Reprisal

The Pay Transparency Unit received six inquiries with concerns that an employer had or may have reprimanded an employee in contravention of section 4 of the Act. In one case, the Unit contacted the employer reminding them of their obligation to comply with the Act. Other complainants indicated they would resolve the matter on their own, such as following up with the employer directly or seeking legal advice.

Pay Secrecy (Job Postings)

The Pay Transparency Unit received 54 inquiries concerning employers that did not advertise expected salary or wage range on job postings.

The director of pay transparency appreciated that some employers needed time to adjust their job postings to meet the new requirement; however, in some cases, they found it appropriate to inform employers of their obligation to meet this requirement. In December 2023, the director of pay transparency sent letters to nine employers reminding them of their obligation to comply with section 2 of the Act. According to Indeed, job postings in B.C. featuring pay details rose from 49 percent in the third quarter of 2023 to 76 percent in February 2024.¹² While this is significant improvement in the first year, the Pay Transparency Unit will continue to strengthen outreach with employers to drive compliance with the Act.

Pay Transparency Reports

By November 1, 2023, the BC Public Service Agency and six largest Crown corporations in B.C. were obligated to complete and publicly publish their pay transparency reports. Through employer engagement sessions and ongoing communication, the Pay Transparency Unit supported these employers to understand their reporting obligations and prepare their reports. All seven employers reported by the deadline using a reporting template provided by the Unit.



"Let's work together to make pay transparency a norm, not an exception."

Nigel Laing, Lead Training and Development, **Newmont Corporation**

¹² Bernard, B. (2024). Salary Transparency Increasingly the Norm in Canadian Job Postings. https://www.hiringlab.org/en-ca/2024/03/21/salary-transparency-canadian-job-postings/



Employers' Pay Transparency Report Findings

Under the Act, provincially regulated employers above a certain size are required to complete and post pay transparency reports by November 1 of each year. This requirement will apply in stages to large and medium-sized employers from 2023 to 2026, depending on their number of employees. Links to each employer's pay transparency report for the 2023 reporting year can be found online: https://www2.gov.bc.ca/gov/content/gender-equity/preparing-pay-transparency-reports.

At this time, the Act does not require small employers with less than 50 employees to prepare and post pay transparency reports. Nonetheless, by November 1, 2026, pay transparency reports will cover over 8,500 B.C. employers, comprising 65 percent of B.C.'s workforce.

Reporting Requirements				
November 1, 2023	November 1, 2024	November 1, 2025	November 1, 2026	
Seven employers must post annual pay gap reports (BC Public Service, BC Housing, BC Hydro, BCLC, BC Transit, ICBC, WorkSafeBC)	All employers with 1000+ employees must post annual pay gap reports	All employers with 300+ employees must post annual pay gap reports	All employer with 50+ employees must post annual pay gap reports	
3% of the workforce	33% of the workforce	46% of the workforce	65% of the workforce	

The seven reporting employers who posted pay transparency reports by November 1, 2023, represented approximately 60,000 employees, or 3 percent of the B.C. workforce.

All seven employers took different approaches to collecting gender information in accordance with B.C.'s Gender and Sex Data Standard, resulting in some reports being more fulsome than others on the pay gap between men, women and non-binary employees. All employers expect their gender data collection methods will improve over time.

"Greater transparency and required reporting will also help to level the playing field by increasing access to information about salary ranges and expectations."

Dr. Zoë A. Meletis, Co-Founder, Inspiring Women Among Us

Highlights from Employers' Pay Transparency Reports

Together, the Act and regulation require that employer pay transparency reports include hourly pay gaps, overtime pay gaps, bonus pay gaps and pay quarter gaps that exist between men, women and non-binary people. Definitions for these pay gaps are listed in Appendix A.

Data from the first seven employer pay transparency reports posted in 2023 revealed that most employers did have gender pay gaps. These findings are intended to contribute to our common understanding that the gender pay gap is real in B.C. They highlight areas for further attention by individual employers to ensure their pay practices are fair and free of discrimination.



Median Hourly Pay Gap

- Five of seven employers paid men up to 20 percent more per hour than women.
- Two of seven employers paid women up to 8 percent more per hour than men.
- At employers where more women than men occupied the highest pay quarter, women were still paid up to 15 percent less than men.
- Men were paid up to 12 percent more than non-binary employees at the two employers that reported on the gender pay gap between men and non-binary employees.
- Most (five) employers' gender pay gaps were smaller than or equal to B.C.'s overall pay gap in their respective sectors, while two employers' pay gaps were higher.



Median Overtime Pay Gap

Men were paid up to 87 percent more for overtime work than women were paid. Employer explanations revealed the overtime pay gap between men and women was due to men being overrepresented in positions eligible for overtime. Still, in two employers, there were nearly equal percentages of women and men who worked overtime and, in those cases – even at one employer where women worked more overtime hours than men – women were paid less for overtime work.



Median Bonus Pay Gap

Of the few employers that provided bonus pay, more men than women received bonus pay. When women received bonus pay, that amount was less than or equal to the bonus pay paid to men. Reasons for this varied from employer to employer. For example, one employer noted that bonus pay was available to unionized employees and as 96 percent of the employer's unionized employees were men, more men than women received bonus pay.

Pay Quarter Gaps

Employers reported on the distribution of genders amongst the highest paid 25% of employees, the upper middle 25%, lower middle 25%, and lowest paid 25% of employees (i.e., quarters or quartiles).

Highest Hourly Pay Quarter

- → Women occupied most of the highest hourly pay quarter at three employers. At those employers, women were more represented in all other pay quarters compared to men and non-binary employees.
- → Men occupied most of the highest hourly pay quarter at two employers. At one, men were more represented in all pay quarters than women. In the other, men were more represented in the three highest pay quarters compared to women and women were more represented in the lowest pay quarter.
- → The difference in representation of women and men in the highest hourly pay quarter was less extreme when more women than men occupied that pay quarter compared to when more men than women occupied that pay quarter.
- → The employer with the highest representation of men (73 percent) compared to women (27 percent) in the highest hourly pay quarter also had the largest gender pay gap between men and women, with women being paid 20 percent less.
- → All three employers in the public administration sector had up to 10 percent more women than men occupying positions in the highest hourly pay quarter.

Lowest Hourly Pay Quarter

- → Men were more highly represented outside the lowest hourly pay quarter than women or non-binary people. Except for two employers, the proportion of men who occupied the lowest hourly pay quarter was less than the proportion of men who occupied any other pay quarter.
- → At most (five) employers, women were more represented in the lowest hourly pay quarter than men.
- → Just one employer reported on representation of non-binary employees in the four pay quarters of their organization. Non-binary employees were equally represented, making up one percent of each pay quarter.

"BCLC is proud of the progress it has made in pay equity, as evidenced in our first-ever Pay Transparency Report through the BC Pay Transparency Act. We look forward to even more employee participation in the Self-Identification Process to help us target potential areas of systemic barriers and to enhance the accuracy of our reporting. These actions help us build and sustain a positive culture that supports all employees and measure our success towards corporate goals of equal opportunities, pay transparency, inclusion, and accessibility."

Rob Annett (he/him/his), Director, People Rewards & Recruitment, People & Culture. <u>BC Lottery Corporation</u>

Conclusion

Last year marked the first year of the Act's implementation. This is the first annual report published in accordance with the Act, and it sheds important new light on the gender pay gap across the province.

Drawing from Statistics Canada data, it is evident that the gender pay gap is prevalent in almost all industry sectors in B.C. and is even more significant among women and gender diverse people who are Indigenous, racialized, newcomers, disabled or 2SLGBTQIA+.

The pay transparency reports that were publicly shared by the first group of reporting employers in 2023 make it clear that further action by employers is necessary to reduce the gender pay gap.

The ministry encourages employers to review their individual findings to understand if there are opportunities for employers to:

- Improve gender data collection methods
- Extend positions eligible for overtime work to more women and non-binary people
- Ensure employees of different genders have equal opportunities to receive bonus pay
- Examine why women's bonus pay may be lower than men's bonus pay
- Examine why employees of particular genders may be concentrated in lower pay quarters

The director of pay transparency is committed to working with employees and employers in the years to come to help address the gender pay gap. In 2024, the Pay Transparency Unit will increase employer outreach and education to raise awareness of gender pay gaps and the requirements under the Act. The Unit will also release a simple online reporting tool that will help employers produce pay transparency reports with ease.

Data and trends show B.C.'s gender pay gap to be pervasive, persistent and larger than most other provincial pay gaps. The Act is shining a light on pay discrimination in the workplace and creating awareness of pay inequality while complementing additional government initiatives to narrow the pay gap through investments in training and education, childcare, and increases to the minimum wage. This is just a starting point. The director of pay transparency looks forward to working with employers and supporting employees across the province to close this gap.

Appendix

Appendix A: Definitions

Notes on Gender and Sex Terminology

Although not best practice, in data collection, the terms 'gender' and 'sex' are often used interchangeably; for example, a study might refer to the gender pay gap between female and male workers. Similarly, binary terminology is often used, such as when gender is described as either 'man' or 'woman' or sex is described as either 'male' or 'female.'

As explained in B.C.'s Gender and Sex Data Standard, sex is the classification of people based on physical and physiological features including chromosomes, genetic expression, hormone levels and function, and reproductive/sexual anatomy. Sex (e.g., Female, Intersex, Male) is most often assigned at birth.

Gender is a person's self-identified sense of self. It involves a personal, deeply held, internal sense of self as man or woman, a blend of both, or neither. Gender (e.g., Man, Non-binary person, Woman) may or may not align with social or cultural expectations based on sex assigned at birth.

B.C.'s Gender and Sex Data Standard does not use gender and sex interchangeably or binary terminology. It also recommends collection of gender information over sex information when collecting data for general purposes.

Due to limitations of some data sets presented in this report, binary terminology and the use of gender as a proxy for sex appear in some places.

Appendix A: Definitions

Bonus Pay	Any additional remuneration paid to an employee as a result of:
	Holiday bonus
	Year-end bonus
	Profit sharing
	Productivity
	Performance
	Ommissions
	Referral bonus, or
	Any other incentive (for example, signing bonuses)
	If employees receive payments in addition to their ordinary pay as automatic rewards, these should be reported as bonus pay.
	Non-monetary bonuses that are vested and paid to the employee for the calendar year they are paid. This includes:
	Stocks
	Shares
	Any other types of equity compensation
Bonus Pay Gap	The difference in median bonus pay of a given gender compared to the bonus pay of men.
Highest Hourly Pay Quarter	Represents one-fourth of the organization receiving the highest pay.
Hourly Pay	Money paid per hour of work, before deductions. When paid on salary, salary is divided by the number of hours reported to generate an hourly pay rate.

Appendix A: Definitions

Hourly Pay Gap	The difference in hourly pay of a given gender compared to the hourly pay of men.
Lowest Hourly Pay Quarter	Represents one-fourth of the organization receiving the lowest pay.
Mean	The value found by adding together all the numbers in a group, and dividing the total by the number of numbers.
Median	The middle value of a series of numbers arranged in ascending or descending order.
Median Pay	The middle of an earnings distribution when the earnings of all workers of a given gender are put in ascending/descending order.
Overtime Hours Gap	The difference in the number of overtime hours worked by a given gender compared to the number of overtime hours worked by men.
Overtime Pay	Money paid to an employee if the money is for hours worked in excess of the employee's usual hours of work and the money is based on a rate of pay that is at least 1.5 times the usual rate of pay.
Overtime Pay Gap	The difference in overtime pay of a given gender compared to the overtime pay of men.
Pay Quarter Gaps	The difference in pay of a given gender compared to the men within a pay quarter or between pay quarters.

Appendix B: Scope of Statistics Canada Data

Scope of Statistics Canada Data

Statistics Canada data was obtained from the following surveys:

Labour Force Survey

- Labour Force Survey Supplement
 - → Labour Market and Socio-economic Indicators
 - → <u>Canadian Income Survey</u>

O Canadian Community Health Survey

The data were specific to B.C. unless otherwise stated.

Sectors were classified using the North American Sector Classification System (NAICS) 2022 Version 1.0.

Unless otherwise stated, the report refers to median hourly pay.

The ministry relied on median personal income data from Statistics Canada to inform the gender pay gap among those who are 2SLGBTQIA+, as median hourly pay data was not available. Separated data on median personal income of Two-spirit, transgender, nonbinary and other gender diverse people in B.C. were unavailable due to small sample sizes that impacted reliability.







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