

# EXECUTIVE BRIEFING NOTE (REDLINE VERSION – EXPANDED)

## Pay Transparency and Pay Equity Legislation

### **ISSUE**

~~The current framework relies on reactive complaint-based mechanisms~~ [The current framework relies on reactive complaint-based mechanisms and lacks proactive transparency, reporting, and enforcement structures consistent with comparable standards in other comparable countries](#) This limits the government's ability to identify systemic compensation disparities early and reduces accountability for employers.

### **PURPOSE**

~~Introduce pay transparency measures~~ [Introduce a comprehensive pay transparency and pay equity framework aligned with comparable standards in other comparable countries](#) The intent is to modernize labour standards, improve fairness, and support a competitive workforce environment.

### **BACKGROUND**

~~Existing laws provide protections against discrimination~~ [Existing laws provide protections against discrimination but do not require proactive pay equity analysis, reporting, or structured transparency mechanisms](#) As a result, inequities are typically only addressed after formal complaints are made.

### **PROPOSED APPROACH**

~~Employers may adopt transparency practices~~ [Employers shall implement mandatory Pay Transparency and Pay Equity Programs including salary disclosure, job evaluation, and pay equity analysis](#) These programs will require formal documentation, governance oversight, and regular internal review.

### **KEY MEASURES**

~~Encourage disclosure and fairness~~ [Mandate salary ranges in job postings, prohibit salary history inquiries, require pay equity analysis, and establish reporting obligations](#) These measures are designed to increase consistency, reduce bias in hiring and compensation, and improve employee confidence in pay practices.

### **ENFORCEMENT**

~~Complaints investigated as needed~~ [Proactive inspection, audit authority, compliance orders, and administrative penalties](#) Enforcement will shift from reactive to proactive oversight, ensuring ongoing compliance rather than case-by-case intervention.

## ***IMPLEMENTATION***

~~Immediate implementation~~ [Phased implementation based on employer size with staged compliance timelines](#) This approach balances regulatory effectiveness with business readiness and capacity constraints.

## ***IMPACTS***

~~Improves fairness~~ [Improves fairness, increases transparency, reduces pay gaps, and aligns labour market practices with comparable international jurisdictions](#) Additional impacts include improved talent attraction, retention, and overall workforce productivity.

## ***RECOMMENDATION***

~~Proceed with policy development~~ [Approve introduction of legislation and direct Ministry to proceed with regulatory development, stakeholder consultation, and phased implementation planning](#) This will enable timely legislative advancement and alignment with international best practices.