Ontario

Pay Equity Office

Business Plan 2025-28

Title: Pay Equity Office Business Plan 2025-28

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1. Mandate

The Pay Equity Office is a key partner in Ontario's employment and labour system which enables individuals to access the labour market and exchange their skills and talents at a fair rate of compensation. Our work focuses on women, work and gender gaps. We have a particular interest in helping women to achieve economic well-being through pay equity. We are also focused on gaining an understanding of gender inequality and discrimination so that this can be remedied.

The Pay Equity Commission (the Commission) was established by section 27 of the Pay Equity Act, R.S.O, 1990, c.P.7. Its purpose is to redress gender discrimination in the compensation of workers employed in female job classes in Ontario and to ensure 'equal pay for work of equal value'.

The Commission consists of two separate and independent bodies: The Pay Equity Office (PEO), headed by the Commissioner, and the Pay Equity Hearings Tribunal (the Tribunal), headed by the Chair. Both the Commissioner and the Chair are appointed by the Lieutenant Governor in Council.

Section 33 of the Act sets out the specific responsibilities of the PEO:

> (1) The Pay Equity Office is responsible for the enforcement of this act. R.S.O. 1990, c. P.7, s. 33 (1); 1993, c. 4, s. 20 (1).
>
> (2) Without limiting the generality of subsection (1), the Pay Equity Office,
>
> (a) may conduct research and produce papers concerning any aspect of pay equity and related subjects and make recommendations to the Minister in connection therewith;
>
> (b) may conduct public education programs and provide information concerning any aspect of pay equity and related subjects;
>
> (c) shall provide support services to the Hearings Tribunal;
>
> (d) shall conduct such studies as the Minister requires and make reports and recommendations in relation thereto;

(e) shall conduct a study with respect to systemic gender discrimination in compensation for work performed, in sectors of the economy where employment has traditionally been predominantly female, by female job classes in establishments that have no appropriate male job classes for the purpose of comparison under section 5 and, within one year of the effective date, shall make reports and recommendations to the Minister in relation to redressing such discrimination;

The Minister of Labour, Immigration, Training and Skills Development represents the PEO and the Tribunal in Cabinet and its Committees, in the Legislative Assembly and before Committees of the Legislature.

The Minister is accountable to the Legislature for the PEO's and the Tribunal's fulfillment of their mandates, and their compliance with statutes and government administrative policies. The Minister is also responsible for the review and approval of their Business Plans and Annual Reports.

This Business Plan presents the planned activities and accompanying key performance indicators for the Pay Equity Office. It has been prepared in accordance with the *Agencies and Appointments Directive* and the *Guide to Developing Business Plans for Provincial Agencies, June 2020*.

2. Planned Activities

In our 2025-26 fiscal and programming year, the PEO will continue to carry out its core statutory mandate, as outlined above, of enforcing the act by monitoring and responding to complaints, and by offering public education and information programs, all guided by the renewed strategic plan.

2.1. Vision, Mission and Guiding Principles

In 2021-22, the PEO team carefully developed and adopted a new Vision, Mission, and Guiding Principles through an iterative, collaborative process. In 2023-24, the PEO team refreshed its Strategic Plan and affirmed the Vision, Mission, and Guiding Principles to steer the organization for the next three years. This Business Plan reflects the planned activities for the second year.

Vision: Make the world a more equitable place for women to work, live, and thrive.

Mission: Closing the gender wage gap.

Guiding Principles:

Listen First
Seek first to understand and genuinely respect others' perspectives.

Serve with objectivity and empathy
Serve one another and the public with intent and awareness.

Welcome the new and different
Seek effective and innovative approaches to deliver our work.

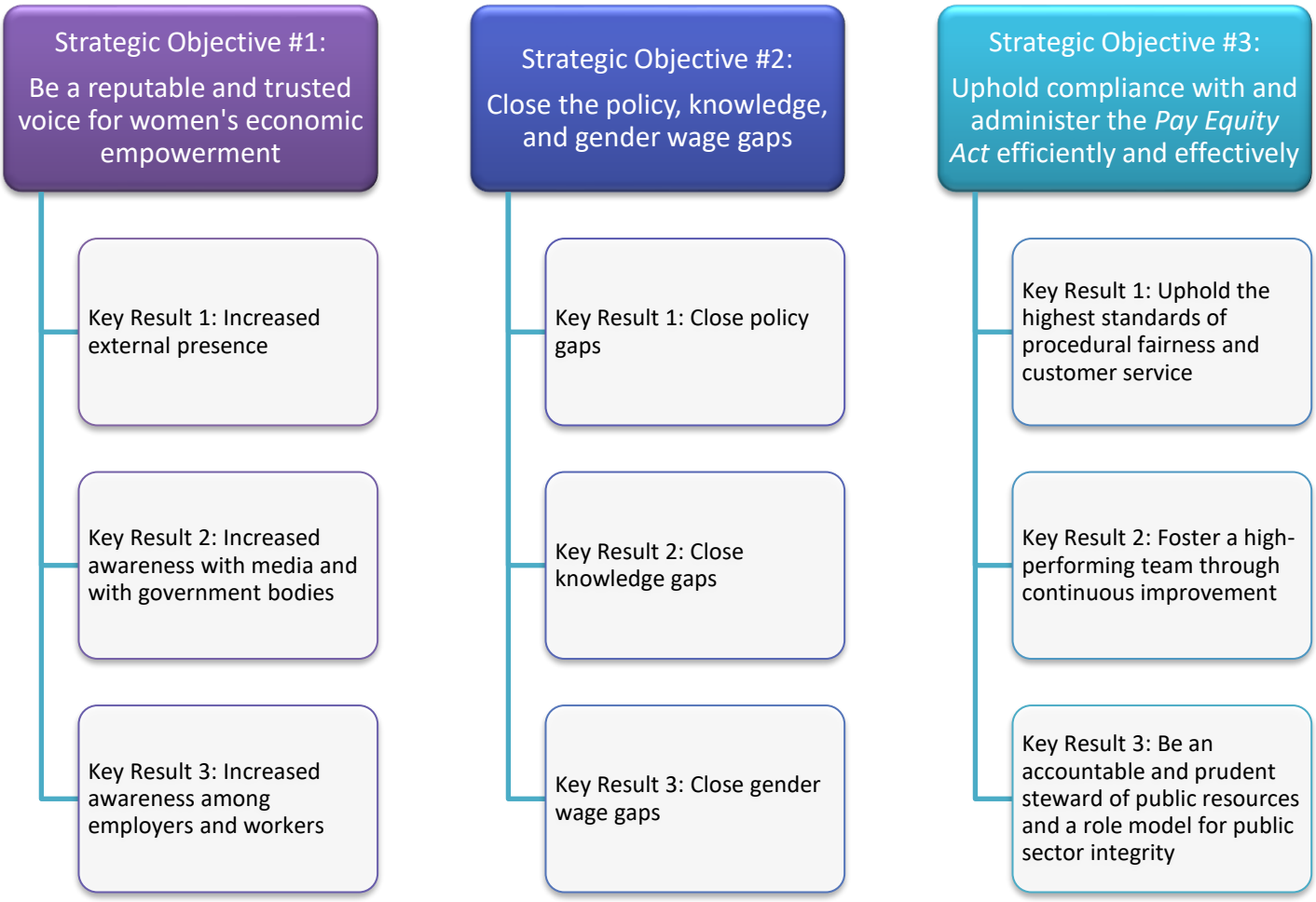
Grow together
We are resilient and overcome hurdles together while keeping our sights set on a better tomorrow.

Engage with passion
Our dedication to our mission is apparent to all.

Demonstrate leadership
We show others the way.

2.2. Strategic Objectives and Key Results

As part of its 2023-24 refresh of its strategic plan, the PEO team decided to make only a few minor refinements to its three strategic objectives to guide its activities from 2024 to 2027. This plan covers Year 2 of the 2024-27 period. Defined key results for each objective help us know whether we've achieved our objectives.



3. Objectives, Key Results, and Performance Measures

In 2025-26, the PEO will report on achievements against its Objectives and Key Results (OKRs). A few refinements have been made to a small number of the OKRs, based on lessons learned from the past three years and aspirations for the next three. However, these revisions do not change the overall direction in which the PEO is moving. While it is generally advisable to maintain as much consistency from one year to the next in order to evaluate progress, it is equally advisable to revise measures to take into account lessons learned from experience and external changes that affect the PEO. The PEO has endeavoured to strike a careful balance between these two principles; additions or amendments are indicated with an asterisk (*).

3.1. Strategic Objective #1: Be a reputable and trusted voice for women's economic empowerment (Effectiveness)

Key Result **Strategic Objective #1**	**Activity/ies**	**Measure**	**2025–26 Target**	**2026–27 Target**	**2027–28 Target**
1. Increased external presence	a) Public education events	♦ Number of events ♦ Number of people reached*	♦ 8 events ♦ At least 400[1] individual attendees	♦ 8 events ♦ At least 400 individual attendees	♦ 8 events ♦ At least 400 individual attendees
	b) Public addresses by Commissioner	♦ Number of addresses	♦ 8 addresses	♦ 8 addresses	♦ 8 addresses
	c) Refresh PEO's stakeholder engagement strategy to ensure it reflects the PEO's priority stakeholder groups*	♦ Refreshed stakeholder engagement strategy* ♦ Total number of partnerships ♦ Diversity of partnerships ♦ Effectiveness of partnerships ♦ Number of new partnerships*	♦ Continue implementing strategy during refresh exercise	♦ Continue implementing strategy	♦ Continue implementing strategy
	d) Optimize the use of digital channels (website, social media)	♦ Leverage full potential of website and additional digital channels ♦ Increase digital	♦ Maintain continuous improvement mode	♦ Maintain continuous improvement mode	♦ Maintain continuous improvement mode

[1] Based on a working assumption that the average attendance at each event is 50 people.

Key Result **Strategic Objective #1**	**Activity/ies**	**Measure**	**2025–26 Target**	**2026–27 Target**	**2027–28 Target**
		engagement			
	e) Outbound thought leadership contributions across a diversity of publications and media	♦ Number of contributions ♦ Diversity of publications and media	♦ 12 contributions published ♦ Publications reflect target audiences identified in stakeholder engagement strategy	♦ 12 contributions published ♦ Publications reflect target audiences identified in stakeholder engagement strategy	♦ 12 contributions published ♦ Publications reflect target audiences identified in stakeholder engagement strategy
2. Increased awarness with media and government bodies	a) Media relations	♦ Reputation with mainstream and niche media	♦ Issue at least four press releases ♦ Number of unsolicited media requests	♦ Issue at least four press releases ♦ Number of unsolicited media requests	♦ Issue at least four press releases ♦ Number of unsolicited media requests
	b) Collaborate with Ontario ministries, other Canadian jurisdictions, internationally	♦ Number of collaborations with other government bodies	♦ At least 3 government collaborations	♦ At least 3 government collaborations	♦ At least 3 government collaborations
3. Increased awareness among employers and workers*	c) Integrate with refresh of stakeholder engagement strategy	♦ TBC as part of refresh exercise	♦ TBC as part of determining the measure for this Key Result	♦ TBC as part of determining the measure for this Key Result	♦ TBC as part of determining the measure for this Key Result

3.2. Strategic Objective #2: Close the policy, knowledge, and gender wage gaps (Effectiveness)

Key Result **Strategic Objective #2**	**Activity/ies**	**Measure**	**2025–26 Target**	**2026–27 Target**	**2027–28 Target**
1. Policy gaps	a) Provide thought leadership to optimize policy, program, and legislative instruments to close the gender wage gap	♦ Number of requests for advice and/or submissions	♦ Seek out 3 request or submission opportunities	♦ Seek out 3 request or submission opportunities	♦ Seek out 3 request or submission opportunities
2. Knowledge gaps	a) Help HR professionals be equipped to comply with the Act	♦ Number of requests for training presentations ♦ Number of HR professionals reached	♦ At least 3 training sessions ♦ Implement new approach to engage HR professionals	♦ At least 3 training sessions	♦ At least 3 training sessions
	b) Partner with intermediaries serving small and micro businesses	♦ Number and reach of intermediary partners ♦ Meaningful relationships maintained	♦ 3 new intermediary partners approached ♦ Review outreach strategy for intermediaries	♦ 3 new intermediary partners approached ♦ Previously established partnerships maintained	♦ 3 new intermediary partners approached ♦ Previously established partnerships maintained
	c) Promote deeper understanding of the factors causing persistence of the gender wage gap, and the most effective tools and instruments to address the factors	♦ Engagement rate of PEO's informational resources (website, social media) ♦ Number of thought leadership requests ♦ Partnership base ♦ Increase accessibility of PEO's informational resources (user-friendly; use of simplified, plain	♦ Steady increase in digital engagement rates, number/reach of partners ♦ Seek out 3 request opportunities	♦ Steady increase in digital engagement rates, number/reach of partners ♦ Seek out 3 request opportunities	♦ Steady increase in digital engagement rates, number/reach of partners ♦ Seek out 3 request opportunities

Key Result **Strategic Objective #2**	**Activity/ies**	**Measure**	**2025–26 Target**	**2026–27 Target**	**2027–28 Target**
		language, etc.)*			
3.Gender wage gaps	a) Continue evidence-based approach to deliver legislated mandate, targeting sectors where research shows the highest potential for impact	♦ Continue implementing proactive compliance program ♦ Number of businesses supported	♦ Steady increase in number of businesses reached ♦ Evaluate results of 2023-24's two new proactive campaigns, modify proactive program as appropriate	♦ Steady increase in number of businesses reached ♦	♦ Steady increase in number of businesses reached
	b) Order employers to comply with the Act as needed	♦ Ensure employers comply with PEO Orders	♦ 90% of payment Orders are fulfilled without requiring the PEO to refer matters to the PEHT	♦ 90% of payment Orders are fulfilled without requiring the PEO to refer matters to the PEHT	♦ 90% of payment Orders are fulfilled without requiring the PEO to refer matters to the PEHT

3.3. Strategic Objective #3: Uphold compliance with and administer the *Pay Equity Act* efficiently and effectively (Effectiveness and Efficiency)

Key Result **Strategic Objective #3**	**Activity/ies**	**Measure**	**2025–26 Target**	**2026–27 Target**	**2027-28 Target**
1. Enforce compliance by upholding the highest standards of procedural fairness and customer service	a) Investigate and resolve complaints under the Act	♦ Timeliness of complaint resolutions ♦ Correctness of decisions and Orders ♦ Effectiveness of enforcement work	♦ Move into continuous improvement mode for case management practices, procedures, and tools for resolving complaints ♦ 80% of complaints are resolved within 18 months ♦ 90% of Orders appealed to the PEHT are found to be correct in law	♦ Move into continuous improvement mode for case management practices, procedures and tools for resolving complaints ♦ 80% of complaints are resolved within 18 months ♦ 90% of Orders appealed to the PEHT are found to be correct in law	♦ Move into continuous improvement mode for case management practices, procedures and tools for resolving complaints ♦ 80% of complaints are resolved within 18 months ♦ 90% of Orders appealed to the PEHT are found to be correct in law
	b) Continue proactive compliance program(s) based on behavioural insights and an evidence-based framework	♦ Evaluate results of the effectiveness and efficiency of 2023-24 pilot proactive compliance initiatives	♦ Establish baseline and targets based on evaluation of piloting two new proactive compliance campaigns	*TBD based on results of 23-24 proactive compliance campaign*	*TBD based on results of 23-24 proactive compliance campaign*
2. Foster a high-performing team through continuous improvement	a) Invest in ongoing professional development	♦ Team and individual learning plans ♦ Evaluation of effectiveness of professional development*	♦ All staff have learning plans ♦ All staff complete planned learning activities ♦ Regular feedback mechanism implemented to inform learning plans	♦ All staff have learning plans ♦ All staff complete planned learning activities ♦ Regular feedback mechanism implemented to inform learning plans	♦ All staff have learning plans ♦ All staff complete planned learning activities ♦ Regular feedback mechanism implemented to inform learning plans
	b) Demonstrate commitment to Guiding Principles	♦ Incorporate as a performance commitment in all staff performance plans	♦ 100% of staff performance plans include commitment to PEO Guiding Principles	♦ 100% of staff performance plans include commitment to PEO Guiding Principles	♦ 100% of staff performance plans include commitment to PEO Guiding Principles
	c) Demonstrate commitment to	♦ Incorporate as a	♦ 100% of staff performance plans	♦ 100% of staff performance plans	♦ 100% of staff performance plans

Key Result **Strategic Objective #3**	**Activity/ies**	**Measure**	**2025–26 Target**	**2026–27 Target**	**2027-28 Target**
	equity and inclusion in the workplace	performance commitment in all staff performance plans	include commitment to equity and inclusion in the workplace	include commitment to equity and inclusion in the workplace	include commitment to equity and inclusion in the workplace
	d) Engagement and collaboration with other provincial government enforcement organizations*	♦ Collaborations with other enforcement organizations for professional development	♦ Contact comparable enforcement organizations to identify areas of common interest and begin planning	♦ *TBD based on 25-26*	♦ *TBD based on 25-26*
3. Be an accountable and prudent steward of public resources and a role model for public sector integrity	e) Demonstrate commitment to accountability and continuous improvement	♦ Integration of good governance principles, practices into everyday management ♦ Adherence to statutory and regulatory obligations	♦ Uphold all statutory and regulatory accountability obligations ♦ Using a risk-based approach, ensure the effective, efficient management of the organization ♦ Adhere to all OPS-wide and ministry-specific organizational initiatives	♦ Uphold all statutory and regulatory accountability obligations ♦ Using a risk-based approach, ensure the effective, efficient management of the organization ♦ Adhere to all OPS-wide and ministry-specific organizational initiatives	♦ Uphold all statutory and regulatory accountability obligations ♦ Using a risk-based approach, ensure the effective, efficient management of the organization ♦ Adhere to all OPS-wide and ministry-specific organizational initiatives

4. Risks and Risk Management

As part of prudent planning and use of public resources, the PEO regularly reviews its business risks and prepares mitigation strategies.

Risk Identification	Assessment	Mitigation Strategy/ies
1. Ageing of the *Pay Equity Act* and employers' capacity to comply Public and private sector workplace more than 20 years old are required to comply with the Act retroactively, and potentially as far back as 1988. The PEO is already observing that these workplaces are finding it difficult to comply due to: a) The **loss of subject matter experts**, specifically, compensation / pay equity specialists and pay equity lawyers. Many of these two types of experts have retired, or are about to retire, and the respective professions are not renewing the expertise. b) The **loss of employer records and institutional memory**. Because pay equity is a Constitutional right, in addition to being a labour standard, there is no time limit on retroactivity. However, pay records are often viewed as administrative, so often are not preserved, and record-keeping practices in general are a common challenge. The absence of strong record-keeping combined with employee retirements mean that many organizations struggle to understand what they may have done in the past and what they need to do going forward.	**Likelihood:** Realized **Impact:** High	The PEO's Review Officers can only assess challenges on a case-by-case basis and make best efforts to balance statutory requirements with operational realities.
2. Ageing of the *Pay Equity Act* and employers' awareness of their statutory responsibilities When the Act came into force in the 1980s, public awareness of it was extremely high. With the passage of time and the increase in the number of public policy issues competing for attention, employers' (other than the public sector and large private sector) **awareness of the Act is now very low**.	**Likelihood:** Realized **Impact:** High in industries with a high gender wage gap, and in businesses that reflect occupational segregation.	The PEO has re-invested in its outreach and public education mandate, and relies heavily on creativity and inexpensive digital tools to raise awareness.

Risk Identification	Assessment	Mitigation Strategy/ies
3. Ageing of the *Pay Equity Act* and the PEO's capacity to enforce The loss of subject matter expertise (noted above) has dramatically **reduced the potential talent pool** of individuals qualified to do the highly specialized work of the PEO. Ontario's workforce has changed dramatically since the 1980s. All statutes need to be regularly updated to keep up with major shifts of any kind, as well as with continually evolving caselaw. Regular "housekeeping" updates to any statute make it easier for organizations to know what is expected of them and for enforcement staff to uphold compliance.	**Likelihood:** Realized **Impact:** High	The PEO: 1. Continually explores the use of inexpensive digital tools to increase its enforcement capacity. 2. Has adopted a data-driven approach to identify business sectors where its proactive enforcement efforts are likely to have the greatest impact. 3. Invests heavily in continual professional development for its enforcement staff.

5. Financial and Human Resources

5.1. Three-Year Budget

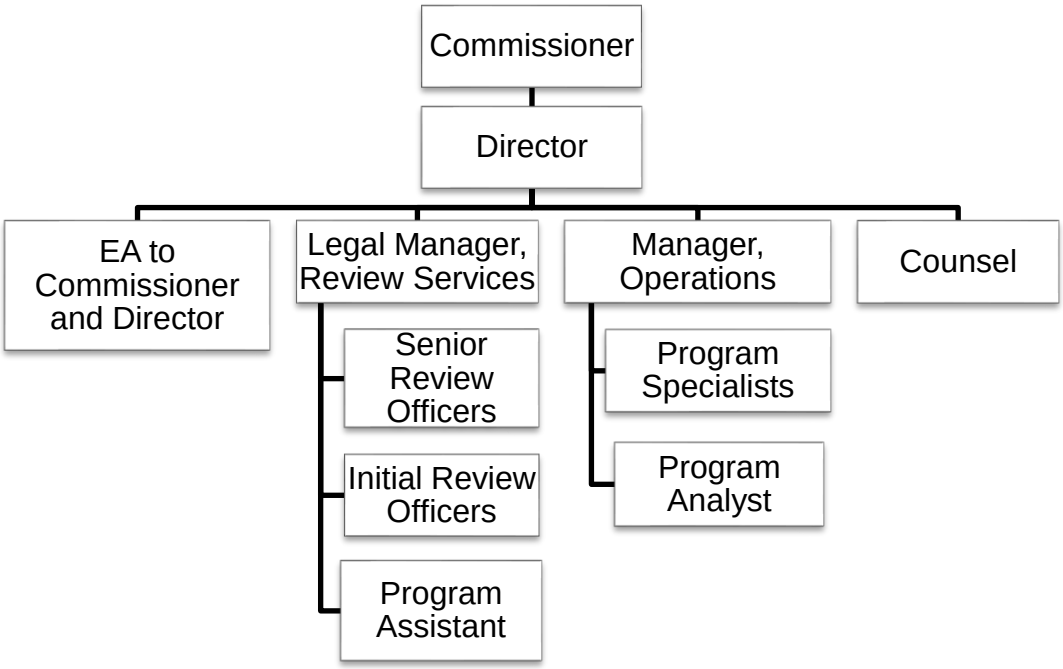
The PEO's annual operating budget is part of the Ministry of Labour, Immigration, Training and Skills Development's Estimates and reports quarterly on its expenditures and planned commitments. The table below represents preliminary multi-year budgets for the PEO (and does not reflect decisions made by Treasury Board/Management Board of Cabinet as part of the 2025-26 Strategic Planning Process).

Standard Account	2025-26[2] Preliminary Planning Base	2026-27 Preliminary Planning Base	2027-28 Preliminary Planning Base
Salaries & Wages	2,346.0	2,346.0	2,346.0
Benefits	266.1	266.1	266.1
ODOE: Transportation & Communication	20.0	20.0	20.0
Services (Including Lease)	358.9	358.9	358.9
Supplies & Equipment	5.0	5.0	5.0
Total ODOE	**383.9**	**383.9**	**383.9**
Grand Total	**2,996.0**	**2,996.0**	**2,996.0**

[2] The figures in this table are provided on a preliminary basis by MLITSD. Since the deadline for agency business plans is earlier than Treasury Board's annual budget planning cycle, the figures in this table should be checked against Ontario's *Expenditure Estimates*.

5.2. Human Resources

The PEO consists of 19[3] Full Time Equivalents (FTEs). The Commissioner is the sole Order-in-Council appointee.



[3] This figure is provided annually by the Ministry.

6. Inventory of Uses of Artificial Intelligence

In accordance with the disclosure obligation under s.6.3 of the *Responsible Use of AI Directive* (December 1, 2024), the PEO does not use artificial intelligence in the development or delivery of, or decision-making for any agency-specific policy, program, or service.