Pay Equity Office

Business Plan 2026-29

Title: Pay Equity Office Business Plan 2026-29

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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 pay gaps. We are also focused on understanding the broader impacts gender inequality and discrimination have on gender wage gaps 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 job classes that have historically or stereotypically been gendered female in Ontario 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*.

2. Planned Activities

The PEO will continue to carry out its core statutory mandate, as outlined above, of enforcing the Act by monitoring employers and responding to complaints, and by offering public education and information programs.

2.1. Vision, Mission and Guiding Principles

In 2021-22, the PEO developed and adopted new Vision, Mission, and Guiding Principles through an iterative, collaborative process. In 2023-24, the PEO refreshed its strategic priorities and affirmed the Vision, Mission, and Guiding Principles to steer the organization.

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.

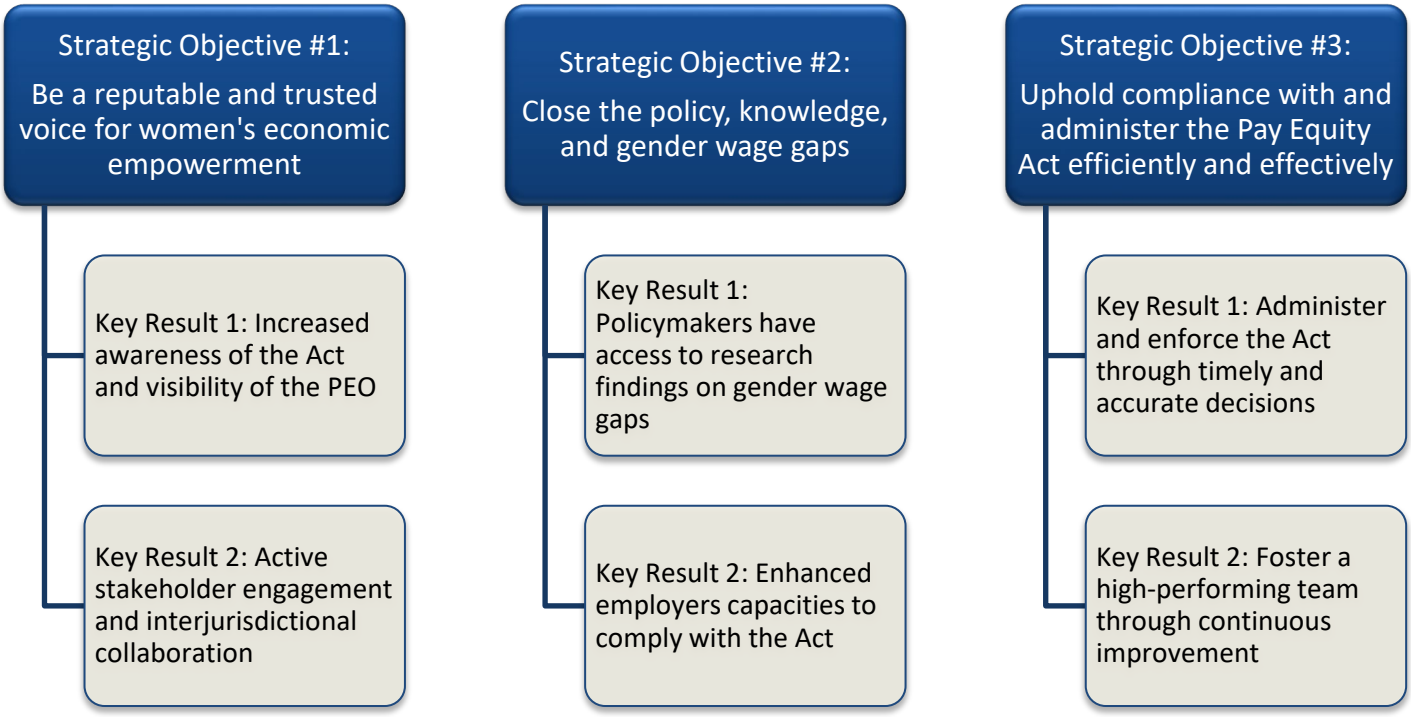
Grow together
We are resilient and overcome hurdles together while keeping our sights set on a better tomorrow.

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

In 2025, the PEO conducted a targeted refresh of its Business Plan for the 2026-2029 period. This review confirmed that the three Strategic Objectives remain appropriate and unchanged, reflecting the Office's legislated mandate and overall direction. To strengthen planning and reporting, the PEO refined the Key Results, Activities, Measures, and Targets to ensure they are clear, specific, and measurable. These refinements maintain coherence with the indicators in the previous Business Plans, while presenting them in a more logical structure aligned with the PEO's established operations.



3. Objectives, Key Results, and Performance Measures

The PEO will continue to report on achievements against its Objectives and Key Results (OKRs). As part of the Business Plan refresh in 2025, the PEO reviewed and refined the indicators for 2026-2029 to ensure that they are specific, measurable, timebound, and aligned with the Office's legislated mandate and core functions. The Strategic Objectives and overall direction remain unchanged. The associated Key Results, Activities, Measures, and Targets have been reformulated and reorganized to strengthen clarity, reinforce accountability, and enhance transparency in performance reporting. These refinements remain aligned with the indicators set out in the previous Business Plan to ensure continuity across planning cycles. The updated framework is presented below.

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

Key Results **Strategic Objective #1**	**Activities**	**Measures**	**Targets 2026–27**	**Targets 2027–28**	**Targets 2028–29**
1. Increased awareness of the Act and visibility of the PEO	i. Deliver targeted sessions to promote awareness of the Act and PEO	# of sessions	10	10	10
-	ii. Produce and promote thought-leadership materials through media and stakeholder networks	# of thought-leadership materials	12	12	12
-	iii. Track and expand reach through PEO's digital channels	% year-over-year increase in digital reach	5%	5%	5%
2. Active stakeholder engagement and interjurisdictional collaboration	i. Amplify engagement with employers and workers (incl. HR professionals, labour market intermediaries, other stakeholders)	# of new stakeholder engagements	3	3	3
-	ii. Collaborate with Ontario ministries, agencies, other Canadian jurisdictions, and international counterparts	# of collaborations	4	4	4

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

Key Results **Strategic Objective #2**	**Activities**	**Measures**	**Targets 2026–27**	**Targets 2027–28**	**Targets 2028–29**
1. Policymakers have access to research findings on gender wage gaps	i. Generate and share research to inform policy decisions	# of research products	2	2	2
2. Enhanced employers' capacity to comply with the Act	i. Deliver targeted pay equity education sessions and resources for employers, HR professionals, other labour market stakeholders, and youth	# of sessions and resources	3	3	3
-	ii. Track uptake of employer tools and resources based on download statistics	% year-over-year increase in downloads	10%	10%	10%
-	iii. Implement next phase of targeted evidence-based proactive compliance program[1]	% of proactive compliance files resolved within 36 months	70%	70%	70%
-	-	% year-over-year increase in files opened	Evaluate results of program Open 50 new files	Open 5% more files	Open 5% more files

[1] Through the proactive compliance program, the PEO proactively monitors selected Ontario businesses to ensure compliance with the Pay Equity Act.

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

Key Results **Strategic Objective #3**	**Activities**	**Measures**	**Targets 2026–27**	**Targets 2027–28**	**Targets 2028–29**
1. Administer and enforce the Act through timely and accurate decisions	i. Investigate and resolve complaints in a timely manner	% of complaints resolved within 36 months [2]	70%	70%	70%
-	ii. Enforce employer compliance with the Act through issuing and promptly enforcing orders where necessary	Number of orders that are referred to the PEHT within 90-days of a failure to comply with a timeline set out in the Order [3]	80%	80%	80%
-	iii. Ensure decisions and orders are correct in law	% of decisions and orders found to be correct in law	90%	90%	90%
2. Foster a high-performing team through continuous improvement	i. Staff commitment to individual learning plans	% of staff with learning plans	100%	100%	100%
-	-	% of completion of assigned learning	100%	100%	100%
-	ii. Embed PEO Guiding Principles and equity and inclusion commitments in performance plans	% of staff plans include commitments related to equity and inclusion	100%	100%	100%

[2] Measure amended from 2025-2028 Business Plan to more accurately reflect the typical lifespan of a complaint file.
[3] Measure amended from 2025-2028 Business Plan to promote timely enforcement through referral to the Tribunal.

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
1. Ageing of the Pay Equity Act and employers' capacity to comply Public and private sector workplaces that are 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 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 may not be 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:** Mitigate **Impact:** Medium	The PEO's Review Officers can only assess employers on a case-by-case basis and make best efforts to balance statutory requirements with operational realities. The PEO continues to lead education and awareness sessions to explain to employers what their legal obligations are.
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 low.	**Likelihood:** Mitigate **Impact:** Medium	The PEO invests in its outreach and public education mandate, and uses creative and inexpensive digital tools to raise awareness.
3. Anticipated influx of new files and PEO's limited staffing and budget capacity to respond Resource constraints and anticipated increases in enforcement demands pose a risk to the effective administration of the Act. The organization's staffing levels and budget have declined over time, while the complexity and volume of cases are expected to grow substantially following upcoming Tribunal decisions. If workload increases, timelines may be affected despite ongoing efforts to maintain service quality.	**Likelihood:** Mitigate **Impact:** Medium	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 in professional development for its enforcement staff.

5. Financial and Human Resources

5.1. Three-Year Budget

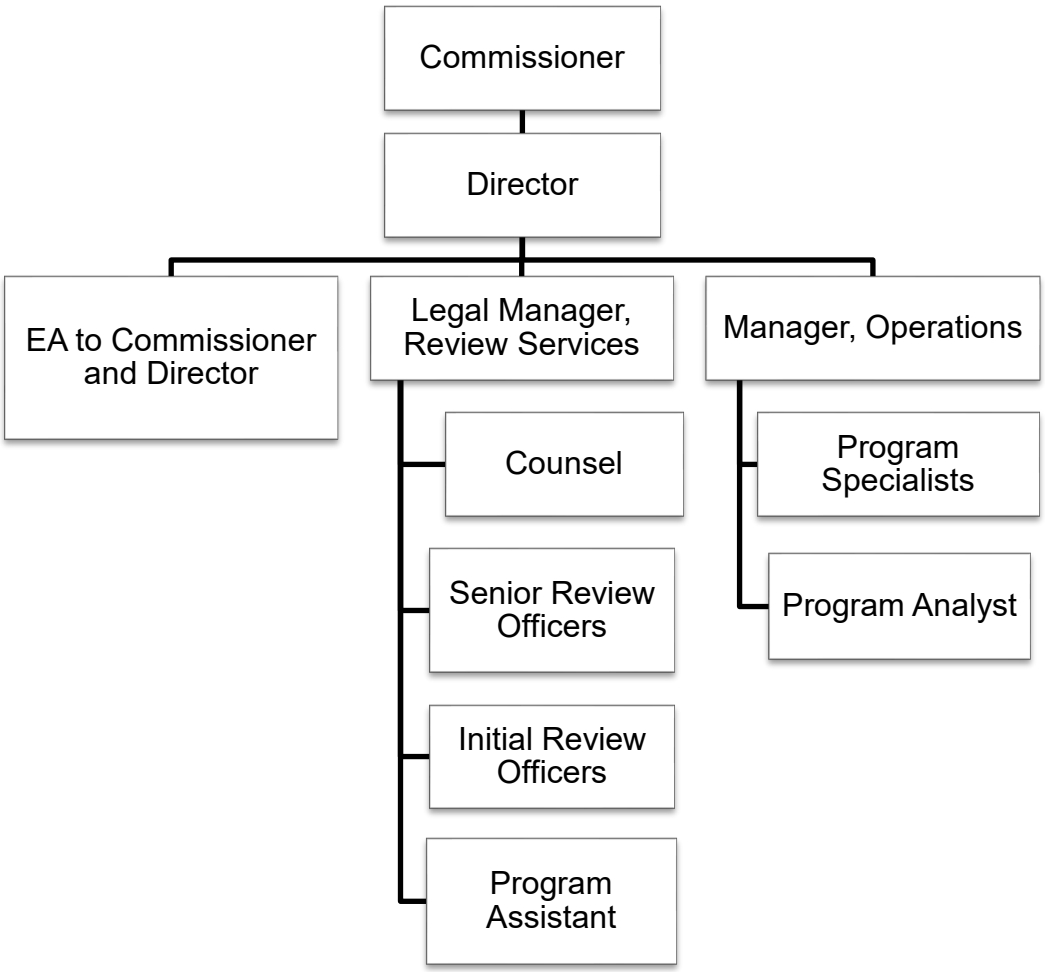
The PEO's annual operating budget is part of the Ministry of Labour, Immigration, Training and Skills Development's Estimates and reports quarterly on its expenditures and planned commitments. The table below represents preliminary multi-year budgets for the PEO (and does not reflect decisions made by Treasury Board/Management Board of Cabinet as part of the 2026-27 Strategic Planning Process).

Standard Account	2026-27[4] Preliminary Planning Base	2027-28 Preliminary Planning Base	2028-29 Preliminary Planning Base
Salaries & Wages	2,527.2	2,527.2	2,527.2
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	**3,177.2**	**3,177.2**	**3,177.2**

[4] 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 Full Time Equivalents (FTEs). The Commissioner is the sole Order-in-Council appointee.



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.