

Do not ignore the CNESST Pay Equity letters - you could be fined from \$1,000 to \$45,000!

The CNESST is recognized by Quebec employers as the administrator of labour standards, and health and safety, as well as being responsible for applying the Pay Equity Act. An increasing trend in pay equity audits by the Commission leads us to remind you of the importance of being proactive in all matters related to pay equity.

We would like to share our expertise with you by outlining the best practices for avoiding a pay equity violation in Quebec.

- Complete your pay equity for the required deadline.
- Keep all documentation related to your previous pay equity work.
- Maintain and update an event log containing any events that may have an impact on pay equity in your organization.
- Ensure that your Pay Equity Declaration (DEMES) is up to date. Ensure that the information on it is accurate at all times.
- Address the letters and emails from the Commission within the specified timeframe, especially in the context of an audit. If you are unable to act promptly, contact the Commission and request an extension. Do not ignore communications from the Commission.

Our experienced consultants will be pleased to assist you in completing your pay equity. Our goal is to deliver compliant and defensible work in the event of an audit, as well as to protect our clients from any financial impact.

What is a pay equity audit?

The CNESST performs several types of audits:

1. Letter of inquiry or simple audit: CNESST only requests pay equity postings.
2. Letter of inquiry or complex audit: CNESST requests all documentation related to the pay equity work. The process may result in retroactive pay adjustments and requires action, with a tight deadline.
3. Letter of inquiry regarding your Pay Equity Declaration: this audit is aimed at companies that have not updated their DEMES despite numerous reminders and may result in a fine for non-compliance.

What are the consequences of not complying with the Act?

- Publication of the company's name on the CNESST website indicating that it has not complied with the Act (bad reputation).
- Higher interest rate, retroactive payments, and additional indemnities.
- Loss of the right to defer the payment of adjustments.
- Proceedings before the Administrative Labour Tribunal.
- Fines ranging from \$1,000 to \$45,000.

Completing pay equity work is much more than a legal compliance. In fact, it allows you to have a better visibility of your total compensation practices, to identify your critical positions, and to determine the value of jobs in your company. Overall, pay equity brings added value for you to make better strategic decisions.

Our pay equity and compensation experts will be pleased to assist you in your process.

For more information, please contact our team at equipees@solertia.ca.