



European Commission

# Pay Transparency: equal pay for women and men for equal work



Factsheet | 4 March 2021



*“Equal work deserves equal pay. And for equal pay, you need transparency. Women must know whether their employers treat them fairly. And when this is not the case, they must have the power to fight back and get what they deserve.”*

**President Ursula von der Leyen, European Parliament’s Committee on Women’s Rights and Gender Equality, 4 March 2021**

Equal pay for equal work or work of equal value between women and men has been a right in the EU since 1957. Yet, in the EU, women earn less than men and the gender pay gap currently stands at 14.1%.

The Commission proposal on pay transparency aims to ensure that women and men in the EU get equal pay for equal work. The proposed measures would not only empower workers to claim their right but help businesses attract and retain talent. This in turn would have a positive impact on business profitability and the functioning of the internal market.

## What is the Commission proposing?

To ensure the principle of equal pay for equal work the Commission is proposing pay transparency measures and a mechanism to enforce the right to equal pay better. The proposed measures will increase awareness about pay conditions within the company and give more tools to employers and workers to tackle pay discrimination at work. They will address a number of factors contributing to the existing pay gap.

### Workers:

- ✓ Information about pay-level at job interview
- ✓ No obligation to disclose previous pay history
- ✓ Information on average pay levels for the same work during employment
- ✓ Right to full compensation for gender pay discrimination, including recovery of back pay and legal fees
- ✓ Individual and collective claims on equal pay

### Employers

**[with +250 employees]:**

- ✓ Public reporting of gender pay gap
- ✓ Internal reporting on pay differences among female and male workers in the same category
- ✓ Joint pay assessment if gender pay gap in the same category of workers is more than 5% and not justifiable on objective gender-neutral factors
- ✓ Easier to identify hidden or non-intentional pay inequalities
- ✓ Opportunities to attract and retain the best talent

Since **1957** men and women in Europe have the right to equal pay

The gender pay gap in EU is still at **14%**

The gender pension gap is at **30%**

**Member States** to develop tools and methodologies on what constitutes work of equal value, in line with the Commission proposal.

**Equality bodies and social partners** to play important role in ensuring that the right to equal pay is respected.

Justice and Consumers

