

CONTENT

Equal pay for equal work is one of the EU's founding principles, enshrined in Article 157 of the Treaty on the Functioning of the European Union. However, the implementation and enforcement of this principle remain a challenge. One concern is that, due to a lack of pay transparency, pay discrimination often goes undetected and victims are prevented from bringing claims. In 2014, the European Commission adopted a non-binding recommendation on pay transparency with a view to strengthening the existing EU equal pay legislation (Directive 2006/54/EC). In 2020, a Commission assessment concluded that the non-binding nature of the recommendation had limited its impact.

In her political guidelines, the European Commission President, Ursula von der Leyen, announced that she would introduce a proposal on binding pay transparency measures in the first 100 days of her mandate in order to address the gender pay gap and ensure application of the principle of equal pay for equal work. The Commission's legislative proposal, originally included in Commission's 2020 work programme, was adopted on 4 March 2021. It is one of the key priorities in the EU Gender Equality Strategy 2020-2025.

The proposed directive would focus on two aspects of equal pay: measures to ensure pay transparency and better access to justice for victims of pay discrimination.

- Under the pay transparency measures, job-seekers would have a right to information about the pay range of posts they apply for, while employers would be prohibited from asking about an applicant's pay history. Employees would have a right to ask their employer for sex-disaggregated information on the average pay of other workers doing the same work or work of equal value. Employers with at least 250 employees would have to report on their gender pay gap and carry out a pay assessment if the gap exceeds 5% and cannot be justified.
- Under the access to justice measures, compensation would be available to victims of pay discrimination, with the burden of proof on the employer and sanctions for infringements of the equal pay rule.
 - Workers' representatives would have a role in in pay assessments and legal proceedings, including the possibility of leading collective claims on equal pay.
 - The measures are intended to provide for flexibility for small and medium enterprises.

The Commission's work programmes for 2022 and 2023 include the file as a pending priority.

The European Parliament's Committee on Women's Rights and Gender Equality (FEMM) and Committee on Employment and Social Affairs (EMPL) have joint responsibility for this file under Rule 58 of the Rules of Procedure (rapporteurs: Samira Rafaela, Netherlands, Renew Europe and Kira Marie Peter-Hansen, Denmark, Greens/EFA). The committees held a joint hearing on the proposed directive in April 2021.

Parliament has been calling for stronger measures on pay transparency for a number of years. Recently, Parliament's resolution of 21 January 2021 on the new EU Gender Equality Strategy stresses that binding measures are necessary to close the gender pay gap.

EU ministers for employment and social affairs held a debate on equal participation of women and men in the labour market on 13 October 2020. In the Porto declaration adopted on 8 May, EU leaders committed to step up efforts to fight discrimination and work actively to close gender gaps in employment, pay and pensions. The 2022 French Presidency states in its programme that it will move forward negotiations through trilogues on the proposed directive.

In the Council, the examination of the proposal has been carried out in the Social Questions Working Party (SQWP), which started to work on the dossier in March 2021. On 6 December 2021, the Council reached a general approach on the proposed directive on pay transparency. Following the agreement between the Member States, the Council can enter into negotiations with the European Parliament - once it has adopted its own position on the file - in order to agree on a final text.

In its Opinion on the new EU Gender Equality Strategy, the European Economic and Social Committee takes the view that pay transparency measures are unavoidable if the gender pay gap is to be closed.

On 15 November 2021, the European Parliament's committees on Employment and Gender Equality took stock of the 1,090 amendments tabled.

On 17 March 2022, the committees on Women's Rights and Employment adopted by 65 votes in favour, 16 against and 10 abstentions their position on the Directive. MEPs on the Women's Rights and Employment committees approved the decision to enter into inter-institutional negotiations by 71 votes in favour and 20 against. On 23 March, the joint committee voted in favour of entering into interinstitutional negotiations. At the EP plenary session on 5 April 2022, Parliament adopted its negotiating position on the proposal with a view to informal trilogue negotiations with the Council.

The 1st trilogue took place on 30 June 2022. The second trilogue took place on 6 October 2022. In this second round of talks on pay

transparency rules, EU institutions discussed the inclusion of non-binary people and intersectionality in the scope of the directive. On 7 October, the third trilogue was a rather difficult one where EP and Council struggled to outline ways out of their divergences already exposed at the previous trilogue on definitions and the scope of the directive, including on the role of social partners, on how to address intersectionality discriminations in the directive, and on the inclusion of non-binary people. Parliament, Council, and Commission reached a provisional trilogue agreement on the directive on 30 November and finalised the text on 15 December. The European Parliament and the EU Council must now formally adopt the agreement for the text to enter into force. A vote on the text in Plenary is expected on 29 March 2023.

- Legislative Observatory, [Procedure File: Equal pay for equal work between men and women \(pay transparency and enforcement mechanisms\)](#), 2021/0050(COD)
- European Commission, [Proposal for a Directive of the European Parliament and of the Council to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms](#), COM(2021) 93 final, 4 March 2021
 - European Parliament, [Resolution of 8 October 2015 on the application of Directive 2006/54/EC on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation](#), 2014/2160(INI)
 - European Parliament, [Resolution of 30 January 2020 on the gender pay gap](#), 2019/2870(RSP)
 - European Economic and Social Committee, [Opinion on the EU gender equality strategy](#), 15 July 2020
 - Council, [General approach - Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL to strengthen the application of the principle of equal pay for equal work or work of equal value between men and women through pay transparency and enforcement mechanisms](#), 14317/21
- European Parliament, [Pay Transparency Directive - Trilogue](#), FEMM Committee press release, 13 July 2022

Further reading

- European Parliament, EPRS, [Legislative briefing: Equal pay for equal work between men and women: Pay transparency and enforcement mechanisms](#), May 2022
 - European Parliament, EPRS, [Initial Appraisal of a European Commission impact assessment - Application of the equal pay principle through pay transparency measures](#), July 2021
 - European Commission, [Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the implementation of the EU Action Plan 2017-2019 on tackling the gender pay gap](#), 5 March 2020
- European Parliament, [European gender equality strategy and binding pay transparency measures - Pre-legislative synthesis of national, regional and local positions on the European Commission's initiatives](#), EPRS, November 2020

- European Parliament, [Reporting obligations regarding gender equality and equal pay: State of play among Member States and avenues for upgrading and implementing legal sanctions towards companies](#), Policy Department for Citizens' Rights and Constitutional Affairs, October 2021

Related train carriages:

For further information on earlier work towards equal pay for work of equal value and closing the gender pay gap and Parliament's positions, please see the following legislative train carriages:

- [Equal pay for equal work legislation](#)
- [Gender pay gap action plan](#)

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[Read more on the Parliaments' fight for gender equality in the EU](#)

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