**Beat: Politics**

# European Parliament adopts new rules on binding pay-transparency measures

## Gender pay gap

Strasbourg (France), 30.03.2023, 20:08 Time

**USPA NEWS -** “New legislation will require EU companies to disclose information that makes it easier for employees to compare salaries and to expose existing gender pay gaps,” said on Thursday the European Parliament. Under the rules - adopted by Parliament’s plenary by 427 votes to 79 against and 76 abstentions -, “pay structures to compare pay levels will have to be based on gender-neutral criteria and include gender-neutral job evaluation and classification systems. Vacancy notices and job titles will have to be gender neutral and recruitment processes led in a non-discriminatory manner,” they added.

If pay reporting shows a gender pay gap of at least 5%, employers will have to conduct a joint pay assessment in cooperation with their workers’ representatives. European Member states will have to put in place effective, proportionate and dissuasive penalties, such as fines, for employers that infringe the rules. A worker who has suffered harm as a result of an infringement will have the right to claim compensation. For the first time, intersectional discrimination and the rights of non-binary persons have been included in the scope of the new rules.

The rules stipulate that workers and workers’ representatives will have the right to receive clear and complete information on individual and average pay levels, broken down by gender. Pay secrecy will be banned; there should be no contractual terms that restrict workers from disclosing their pay, or from seeking information about the same or other categories of workers’ pay.

## Shift of burden of proof

On pay-related issues, the burden of proof will shift from the worker to the employer. In cases where a worker feels that the principle of equal pay has not been applied and takes the case to court, national legislation should oblige the employer to prove that there has been no discrimination.

MEP Samira Rafaela (Renew Europe, NL), of the Women’s Rights and Gender Equality Committee, said: “My priority was to ensure the most inclusive and impactful pay transparency measures for workers. Not only do we finally have binding measures to tackle the gender pay gap, but also all citizens of the EU are empowered, recognised and protected against pay discrimination. Non-binary people have the same right to information as men and women. I’m proud that with this Directive, we have defined intersectional discrimination for the first time in European legislation and included it as aggravating circumstances when determining penalties.”

Kira Marie Peter-Hansen (Greens/EFA, DK), of the Employment and Social Affairs Committee, said: “This legislation makes it crystal clear that we do not accept any kind of gender pay discrimination in the EU. Historically, women’s work has been undervalued and underpaid, and with this directive we take an important step to secure equal pay for work of equal value. I am very proud of the fact that the Parliament managed to enlarge the scope, strengthen the role of the social partners and ensure strong individual and collective rights."

The Council will have to formally approve the agreement before the text is signed into law and published in the EU Official Journal. The new rules will come into force twenty days after their publication.

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