

Equal pay for equal work between men and women

Equal pay for equal work is one of the European Union's founding principles. However, the implementation and enforcement of this principle remain a challenge. On 4 March 2021, the European Commission proposed a directive to strengthen the application of the principle of equal pay for equal work between men and women, through pay transparency and enforcement mechanisms. Parliament's negotiators reached an agreement with the Council on the proposal on 15 December 2022, and that text is now due to be put to the vote during Parliament's March II plenary session.

Background

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. [Article 23](#) of the Charter of Fundamental Rights of the European Union explicitly addresses gender equality in several dimensions, including pay. The [European Pillar of Social Rights](#), proclaimed by the European Parliament, the Council and the Commission at the Gothenburg summit in 2017, sets out 20 key principles and rights that are essential for fair and well-functioning labour markets and welfare systems in the 21st century, including gender equality and the right to equal pay ([Principle 2](#)). Despite this, the gender pay gap in the EU still stands at 12.7% ([Eurostat](#), 2021).

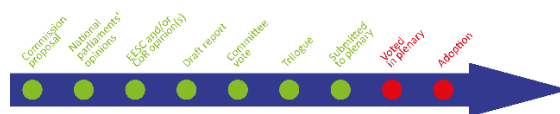
European Commission proposal

In her 2019 [political guidelines](#), the European Commission President, Ursula von der Leyen, announced that she would introduce a proposal on binding pay transparency measures to address the gender pay gap and ensure application of the principle of equal pay for equal work. The Commission adopted a [legislative proposal](#) to this end on 4 March 2021. 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.

European Parliament position

The European Parliament has been [calling](#) for stronger measures on pay transparency and equal pay for a number of years. Its contribution to moving this legislative file forward is a case in point. On 15 December 2022, after five trilogue meetings, the Parliament and Council reached a provisional agreement on the pay transparency directive. On 21 December, the Member States' Ambassadors (Coreper) approved the [compromise text](#) resulting from interinstitutional negotiations. Among other things, the text states that pay secrecy will be banned. All companies, regardless of their size, will have to make available to their employees a description of the gender-neutral criteria used to define their remuneration, as well as a breakdown on remuneration in the company. Companies with more than 100 employees will have to publish their gender pay gap. If the pay gap data reveal a gender gap of 5% or more, the company will be obliged to work with employee representatives to conduct a joint assessment. Furthermore, on pay-related issues, the burden of proof will shift from the worker to the employer. On 25 January 2023, the joint committee approved the agreed text, which is due to be submitted to a plenary vote in March.

First-reading report: [2021/0050\(COD\)](#); Committees responsible: EMPL and FEMM, jointly under Rule 58; Co-rapporteurs: Samira Rafaela (Renew, The Netherlands); Kira Marie Peter-Hansen (Greens/EFA). For further information see our 'EU Legislation in progress' [briefing](#).



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