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NEWS REPORT

Country:	Germany
Title:	Draft law on pay equity
Date:	8 September 2016
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<u>Context</u>	
Issue at stake:	Federal Ministry for Family and Senior Citizens, Women and Youth insists on the implementation of its draft law on pay equity including pay transparency
Ground of discrimination:	Sex
Source:	Legislation
Field:	Employment

Content

Legislative development: The Ministry for Family and Senior Citizens, Women and Youth presented a draft law on pay equity including pay transparency in December 2015. The draft has been held back by the Federal Chancellery ever since.

The draft covers an individual right to obtain information on pay levels, broken down by gender, for categories of employees doing the same work or work of equal value. It further contains the statutory definition of 'work of equal value', the obligatory announcement of the basic salary in any job advertisement and the annulment of every non-disclosure contract clause as well as pay audits and reporting duties on equal pay and the promotion of women by undertakings with more than 500 employees. The pay audits prescribed by the draft are based on evaluation procedures certified by the federal anti-discrimination body and designed to discover pay discrimination in operational regulations and collective agreements. Works councils will be authorised to initiate evaluation procedures and to go to court if the employer does not fulfil his/her duties to realize pay audits and produce reports properly.

The employers' associations express concern in respect of bureaucratic burdens as well as envy and other negative feelings in the workplace and claim that career choices and the decision to found a family are the main reasons for the persistent gender pay gap of 22 % in Germany. The Christian Democratic Union (part of Government and parliamentary majority) claims for the restriction of any right to information to enterprises with more than 500 employees and the federal civil service (no more than 20 % of the workforce) but the Social Democratic Minister for Family and Senior Citizens, Women and Youth is determined not to ease off.

On 5 July 2016, the Federal Ministry for Family and Senior Citizens, Women and Youth was celebrating its 30th anniversary. The Minister took the opportunity to publicly insist on the implementation of the draft on pay equity before the end of the current legislature. The Chancellor responded diplomatically to this request. On the same day, an online petition for equal pay and pay transparency was launched.

Since 1995, the gender pay gap has remained at more than 20 % in Germany.

Key points of analysis: During the anniversary of the Ministry, the Federal Ministry for Family and Senior Citizens, Women and Youth insisted on the implementation of its draft law on pay equity including pay transparency before the end of the current legislature in order to tackle the gender pay gap of more than 20 % in Germany. This gender pay gap has not changed since 1995.

Internet link source:

Minister for Family and Senior Citizens, Women and Youth insists on the implementation of the draft on pay equity:

<http://www.abendblatt.de/politik/deutschland/article207788759/Schwesig-pocht-auf-Gesetz-fuer-Lohnungleichheit.html>, accessed 5 September 2016.

Summary of the draft law on pay equity:

http://www.karin-tondorf.de/downloads/nl15_anlag1_Refentwurfgesetzlohngerechtigkeit.pdf, accessed 5 September 2016.

Online petition for equal pay and pay transparency: <http://www.fairpay-heute.de/> accessed 5 September 2016.