

Pay transparency – Global labor and employment law strategic guide

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Editor's letter

As organizations worldwide navigate the shift toward greater transparency and equity in the workplace, pay transparency has emerged as a focal point.

With a growing movement for equality and openness, several jurisdictions globally are developing and enforcing laws that require employers to disclose their compensation practices – introducing a new era in pay transparency regulations expected to shape the global workforce landscape well into the future.

While these changes imply the potential for positive workplace transformation, fostering equity and fair pay, they also pose challenges for multinational corporations. Companies must adeptly steer through applicable regulations to reduce risks, such as potential litigation, damage to employer reputation, and demoralization among the workforce resulting from inequities or missteps in pay transparency.

By adopting pay transparency policies and practices, corporations will not only be able to comply with statutory requirements but also advance their company culture



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and employer brand. As part of their work toward pay transparency, employers will need to evaluate pay structures and remuneration policies, provide training to HR and management and ensure that there is alignment between corporate values and real pay outcomes.

As corporations forge ahead, the effective implementation of pay transparency strategies will be instrumental. However, the legal nuances of pay transparency are as varied as they are complex, with regulations differing from jurisdiction to jurisdiction. For multi-national corporations operating across several jurisdictions or regions, a one-size-fits-all approach to pay transparency must be carefully considered.

In this edition of the EY Global Labor and Employment Law Strategic Guide, we survey legal regulations on pay transparency in 38 jurisdictions globally.

Pay transparency overview

Jurisdiction:(A-D)	Are there any current legal requirements in your jurisdiction for performing regular salary mappings or joint pay assessments?	Is the salary mapping/join pay assessment required to be made publicly available? Will it be shared with trade unions/work councils?	In a recruitment situation: Are employers allowed to ask prospective employees about their pay history?	Upon request from an employee, is an employer obliged to share information on the employee's individual pay level and on average pay levels within the organization?	Upon request from a trade union/works council, is an employer obliged to share information on individual pay levels and on average pay levels within the organization?	Can an employee claim damages due to pay discrimination?	For EU countries: has the legislator communicated changes to local law with respect to the Pay Transparency Directive?
Albania	✗	✗	✓	✗	✗	✓	N/A
Argentina	✗	✓	✗	✗	✗	✓	N/A
Armenia	✗	N/A	✓	✗	✗	✓	N/A
Australia	✓	✓	✓	✗	✓	✗	N/A
Austria	✓	✓	✓	✗	✓	✓	✗
Belgium	✓	✓	✓	✗	✓	✓	✗
Bolivia	✗	✓	✓	✗	✗	✓	N/A
Bulgaria	✗	N/A	✗	✓	✗	✓	✗
Colombia	✗	✓	✗	✗	✓	✓	N/A
Croatia	✗	N/A	✗	✓	✗	✗	✗
Cyprus	✗	N/A	✓	✗	✗	✓	✗
Czech Republic	✓	✓	✓	✗	✓	✓	✗
Denmark	✓	✓	✓	✗	✗	✓	✗

Pay transparency overview (cont.)

Jurisdiction: (E-M)	Are there any current legal requirements in your jurisdiction for performing regular salary mappings or joint pay assessments?	Is the salary mapping/join pay assessment required to be made publicly available? Will it be shared with trade unions/work councils?	In a recruitment situation: Are employers allowed to ask prospective employees about their pay history?	Upon request from an employee, is an employer obliged to share information on the employee's individual pay level and on average pay levels within the organization?	Upon request from a trade union/works council, is an employer obliged to share information on individual pay levels and on average pay levels within the organization?	Can an employee claim damages due to pay discrimination?	For EU countries: has the legislator communicated changes to local law with respect to the Pay Transparency Directive?
Estonia	✗	✗	✓	✗	✓	✓	✓
Finland	✓	✓	✓	✗	✓	✓	✗
France	✓	✓	✓	✗	✓	✓	✗
Georgia	✗	N/A	✓	✗	✗	✓	N/A
Germany	✓	✓	✗	✗	✓	✓	✗
Greece	✗	✗	✗	✗	✗	✗	✗
Indonesia	✓	✓	✓	✗	✗	✗	N/A
Ireland	✗	N/A	✓	✗	✗	✓	✗
Italy	✗	✓	✗	✗	✓	✓	✓
Japan	✓	✓	✓	✗	✗	✓	N/A
Latvia	✗	N/A	✗	✗	✓	✓	✗
Luxembourg	✗	N/A	✓	✗	✗	✓	✗
Mainland China	✗	N/A	✓	✗	✗	✓	N/A

Pay transparency overview (cont.)

Jurisdiction: (N-V)	Are there any current legal requirements in your jurisdiction for performing regular salary mappings or joint pay assessments?	Is the salary mapping/join pay assessment required to be made publicly available? Will it be shared with trade unions/work councils?	In a recruitment situation: Are employers allowed to ask prospective employees about their pay history?	Upon request from an employee, is an employer obliged to share information on the employee's individual pay level and on average pay levels within the organization?	Upon request from a trade union/works council, is an employer obliged to share information on individual pay levels and on average pay levels within the organization?	Can an employee claim damages due to pay discrimination?	For EU countries: has the legislator communicated changes to local law with respect to the Pay Transparency Directive?
Netherlands	✗	✓	✓	✗	✗	✓	✓
New Zealand	✗	N/A	✓	✗	✓	✓	N/A
Norway	✓	✓	✓	✓	✓	✓	N/A
Peru	✓	✓	✓	✗	✓	✓	N/A
Romania	✗	N/A	✓	✓	✓	✓	✓
Singapore	✗	N/A	✓	✗	✗	✗	N/A
South Africa	✓	✓	✓	✗	✓	✓	N/A
Spain	✓	✓	✓	✓	✓	✓	✗
Sweden	✓	✓	✓	✗	✓	✓	✗
Switzerland	✓	✓	✗	✗	✗	✓	N/A
United Kingdom	✗	N/A	✓	✗	✓	✓	N/A
Vietnam	✗	✓	✗	✓	✓	✓	N/A

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