

France Gives Companies Three Years to Erase Gender Pay Gap

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Earlier this month, French Prime Minister Edouard Philippe unveiled the government's [plan](#) to decrease gender pay gaps in the workforce. If companies fail to erase the pay gap over three years, government inspectors could fine them up to one per cent of the company's wage bill.

The plan will involve companies with employees numbering greater than fifty people. How does the government intend to detect wage gaps? Companies will have to install software designed to detect for unjustified pay gaps between men and women. The software will be connected directly to the company's payroll systems.

One [source](#) cites France as the second worst country in a survey for gender wage disparities. Data from a World Economic Forum's Global Gender Gap Report reports that France scores seventeenth best in the world for gender equality and is approximately 76 percent of the way towards achieving gender equality.

President Emmanuel Macron pledged in the beginning of 2018 to increase the government's efforts in waging the war against gender pay disparities. Marlene Schiappa, France's highest-ranking women's rights official went on [record](#) to say that France's numerous laws on equal pay have not achieved its objectives. Moreover, she suggested that companies should be required to release data on salaries for its employees.

Within the broader European Union, the U.K. [reported](#) the largest increase in the gender pay gap in 2015. Today, the EU in general has an average pay gap of 16.3 percent, down from an approximate 25 percent in 1995. In practical terms, this amounts to labor provided by women to be ceased after early November. Experts attribute this pay gap to more males dominating senior management and other higher paid positions.

Some employers were hesitant to provide their approval of the new plan. These employers were in attendance during the press conference and they expressed concerns about the standards for determining whether a pay gap existed. In the coming months, the government will finalize details with employers, unions, and industry-insiders and could become part of a broader labor reform policy plan.

