

EN
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Answer given by Ms Dalli
on behalf of the European Commission
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The right to equal pay for equal work or for work of equal value is one of the EU fundamental rights (Art.157 TFEU). It is also affirmed in Principle 2 on Gender equality of the European Pillar of Social Rights. The European Court of Justice recognised that the economic aim pursued by this provision is secondary to its social aim¹.

At the same time, the principle of equal pay itself was established in the founding Treaties as a fundamental support for the functioning of the internal market. This is because equal pay between women and men ensures fair competition for companies operating in the internal market and a level playing field.

The information and data presented in the 2020 evaluation² and in the mentioned impact assessment show the persistent failure to realise the fundamental right to equal pay in the EU³. The current fragmented and scarce national pay transparency measures increase the risk of competition being distorted by different levels of social standards, different levels of protection to workers, and competition on an uneven playing field.

In the world of work, gender stereotypes, bias and beliefs often unconsciously influence pay setting, leading to hidden discriminations between men and women. More transparency is needed to uncover such hidden discriminations and biases.

¹ Case 50/96, *Deutsche Telekom AG v Lilli Schröder*, ECLI:EU:C:2000:72, para.57.

² https://ec.europa.eu/info/sites/default/files/swd-2020-50_en.pdf

³ See e.g. European Parliament, ‘European Added Value Assessment on the application of the principle of equal pay for men and women for equal work of equal value’, *EAVA* 4/2013, 9: ‘[...] no matter how we evaluate the data, the pay gap remains, [...]. In other words, [...], pay discrimination is a real and persistent problem that continues to be detrimental to European (and not only European) women and their families’; [https://www.europarl.europa.eu/RegData/etudes/etudes/join/2013/504469/IPOL-JOIN_ET\(2013\)504469_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/etudes/join/2013/504469/IPOL-JOIN_ET(2013)504469_EN.pdf)