



German Pay Transparency Act and recent case law

Protects employees

Individual right to information (> 200 employees)

Scope

- Information on criteria and procedures for determining pay
- Amount of the comparative salary
- Listing of salary components of gross salaries



Entitlement to pay adjustment, back pay & compensation for discrimination

Prerequisite

Discrimination due to pay differences between comparable employees without objective justification

Presumption of discrimination applies in the case of

- higher average pay of the other gender with a significantly lower basic salary for the same job and length of service.

Note:



- Each pay component is considered separately (e.g. fixed salary, bonuses, company car). 'Negotiating skills' is not a justification.

Precautions:

- transparent salary bands with gender-neutral criteria
- Documentation of deviations
- Disclosure of pay criteria (also in the application process)
- Make adjustments now for future stricter regulations through the adopted EU Pay Transparency Directive

Review equal pay in your company and ensure fair and non-discriminatory pay by taking part in Fair Pay Check!

FAIR PAY CHECK



Prof. Dr. Michael Johannes Pils
Partner
m.pils@taylorwessing.com



Jonas Warnken
Partner
j.warnken@taylorwessing.com



Christina Poth, LL.M.
Senior Associate
c.poth@taylorwessing.com



Dr. Friedrich Goecke
Salary Partner
f.goecke@taylorwessing.com