



**MINISTÈRE
DU TRAVAIL,
DU PLEIN EMPLOI
ET DE L'INSERTION**

*Liberté
Égalité
Fraternité*

Direction générale du travail

PROFESSIONAL EQUALITY: REPORTING AND ENFORCEMENT IN FRANCE

AGNÈS GLAS – GENERAL DIRECTORATE OF LABOUR

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1. A governmental priority

A priority policy for the government

As part of the State's **proactive anti-discrimination policy**, the issue of professional equality between women and men is one of the key areas for action.

Even though, **the equality of pay** was written in the law since **1972**, differences are still existing in the working world for women compare to men: lower wages due to part time work, discrimination to access some jobs or careers, wage discrimination...

Gender equality has been declared as a **priority cause** by the President of the French Republic during his first term presidency, and it became a priority for the Ministry of Labour as well.

2. Implementation of the index EGA PRO



An obligation for companies over 50 workers

Legal references

The law n° 2018-771 of September 5, 2018 « Freedom to choose one's professional future »

has created a new obligation for companies over 50 workers, to measure and publish their results concerning pay differentials, with the creation of a tool to help them to progress towards equality (with Index Equality).

It was completed by 2 decrees in 2019, one about terms and conditions and the second about penalties.

<https://egapro.travail.gouv.fr/> : a portal has been implemented and opened to companies to **declare their results and obtain a score** to be published on their website or by any mean.

Communication was adressed to companies to inform them about this new obligation, by national and local levels of our administration (mailing - training - support plan).

The obligations created by the law

- All companies with at least 50 employees **must calculate their Index and publish their overall score**, as well as the results obtained for each of the indicators, every year, **no later than 1st March** (L. 1142-8, D. 1142-4), regardless of whether or not they have staff representative bodies or trade union sections have been set up.
- When the result of this Index is below 75 points, companies must put in place appropriate and relevant **corrective measures**, if necessary by allocating a salary catch-up envelope. They also have **3 years to bring themselves into compliance**. (L. 1142-10).

Execution of the new obligation

Schedule for enforcement of the law according to the size of companies

The provisions relating to the Index came into force :

- On January 1, 2019 for companies over 1000 employees
- On September 1, 2019 for companies from 250 to 999 employees
- On March 1, 2020 for companies with between 50 and 250 employees

Since 2020, companies with at least 50 employees have had to calculate and publish their Index every year, no later than 1st of March.

Index Ega Pro: how does it work?

The indicators making up the index (score on 100)

Declaration concerns **4 or 5 items**, depending on the size of companies.

1. The **pay gap** between men and women (**40 points**)
2. The gap in the rate of individual **pay rises** (**20 points**)
3. The **gap in promotion rates** between men and women (**15 points**)
4. The percentage of employees who received a **pay rise in the year of their return from maternity or adoption leave**, where pay rises occurred during the reference period (**15 points**)
5. The **parity among the 10 highest earners** (**10 points**)

Q/A to help reporting in Ega Pro portal – Hotline for assistance of employers

What to do when score is <75 ?

The company must define **relevant and appropriate corrective measures**, if necessary by allocating a salary catch-up envelope, in order to progress and obtain a score over **75/100 within 3 years of publication of the Index** (obligation to achieve results).

The content of these measures must be examined in the light of the scores obtained for each indicator.

These measures are defined :

- As part of **negotiations** on professional equality,
- or, in the absence of an agreement, by **unilateral decision** of the employer and after consultation of the Economic and social Committee (CSE).
- **Registration formalities** have to be done

Action plan or agreement on professional equality

Negotiation is mandatory on wages and professional equality

Companies with at least 50 employees must be covered by an agreement or action plan on gender equality in the workplace (L. 2242-1 – L.2242-8):

- **3 or 4 areas, depending on the size of the company, including actual pay;**
- **Progress targets for each of these areas;**
- **Actions to achieve these objectives;**
- **Quantified indicators.**

The obligations of index are linked to this obligation of negotiation.

Possible sanctions in case of non compliance

Violations and related penalties

The regulations provide for :

- A penalty in the event of failure to comply with the following obligations: **no publication** of global score or score by indicator; **lack of agreement or action plan** on gender equality; **absence of corrective measures** when score is < 75 .

The penalty can reach a max of 1% of annual total payroll, after formal notice. The penalty runs monthly but can be interrupted once the company complies with its obligation.

- A penalty in the event of **failure to achieve results after three consecutive years** with regard to the Equality Index (score < 75) is encountered directly, without formal notice.

The penalty cannot exceed 1% of annual total payroll and is due on a single payment.

3. Overview of the results obtained

Evolution of declarations over the years (2020-2023)

Progress in rate of declaration

	50 to 250 employees		251 to 999		1000 and over		Total	
2020	20 355	62%	4 940	84%	1 241	94%	33 801	72%
2021	22 454	68%	5 262	90%	1 269	96%	35 556	76%
2022	22 998	78%	5 457	92%	1 288	97%	36 466	84%
2023 (provisional data)	23 617	80%	5 454	92%	1 293	97%	37 131	86%

Index according to the size of companies

Only 5% of declarants have a score < 75

	From 50 to 250		251 to 999		From 1000 and over		Total	
Non calculable index	9 571	42%	697	13%	27	2%	10 295	35%
Index <75	1 219	5%	273	5%	23	2%	1 515	5%
Index >=75	12 125	53%	4 422	82%	1 277	96%	17 824	60%
TOTAL	22 915	100%	5 392	100%	1 327	100%	29 634	100%
Index >75 (without uncalculable)		91%		94%		98%		92%

Average scores (as of August 2023)

Average score for declarants: 88/100

Average scores per indicator:

Wage Gap:	35/40
Wage raise:	18/20
Promotion:	14/15
Return from maternity leave:	13/15
Parity for 10 best salaries:	5/10

Evolution of index 2020-2023

Progress is visible by company size

Indicateur	De 50 à 250					De 251 à 999					De 1000 ou +				
	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
Index		83,4	84,5	85,5	87,2	82,1	84,4	85,2	86,3	87,8	82,9	87,2	88,0	88,6	89,7

Companies who could be sanctioned in 2023

Index < 75 over 3 consecutive years

	50 - 250 employees		251 - 999		1000 and over	
Index < 75 in 2020, 2021, 2022 and 2023 Companies that risk a penalty in 2023	79	0,3%	12	0,2%	0	0,0%

4. Actions carried out by Labour Inspectorate

A priority for the labour inspection system

- **Priority subject** in the national action plan 2020/2022 for LI, also in plan 2023/2025 (reducing inequalities is one of the unavoidable topics of action plan)
- Implementation of **local and regional referents** for Ega Pro Index: support to companies; to social dialogue; to labour inspectors
- **Instruction** was provided to regional and local services
- **Guidelines for LI for inspections** with focus on: index, agreement or action plan, social and economic data base, wage equality, return from maternity leave
- **Reporting** at national level (priority policy for the government)

Guidelines for the inspection visits

Items to be checked by LI regarding the Index

Step 1: ensure that the company is liable to the obligation and LI is competent for verification

Step 2: verify that the score is published on website

Step 3: verify the implementation of corrective measures if necessary

Step 4: check the situation of the company 3 years later

Means of action for labour inspectors

- **Simple notices** with observations (recall of obligations)
- **Formal notices** demanding to implement actions (delay of 1 month minimum)
- **Penalties:** when applicable, labour inspectors transmit a report to their Regional Director to demand the application of the penalty.

Lessons learned

A step forward in social dialogue

- Reducing inequalities is a very ambitious policy which needs to mobilize the entire system of labour inspection and all possible tools: regulations, incentive, monitoring, inspections, support and sanctions.
- Penalties are dissuasive and employers are more likely to engage efforts to progress with corrective measures.
- Social dialogue is the key of success; the index has boosted the number of agreements or action plans related to professional equality (over 3000 agreements registered in 2021 against 2000 in 2020).

5. Challenge for the future

Reduction of gap of representation between men and women

Law « Rixain » of December 24, 2021

Objective: Gender balance among senior executives and members of management bodies

From 2022, in companies employing at least 1,000 employees for the third consecutive financial year, **annual publication by the employer of its gender representation gaps** among senior managers and members of management bodies.

From 2023 onwards, these differences in representation will be **published on the website of the Ministry of Labour** each year by the end of December at the latest.

Objectives and sanctions

From March 2026: achieve a target of **at least 30% of women** in senior management and at least 30% of women on management bodies

From 2029: employers who have not reached the **40% target** by March 2029 have two years to comply.

Possibility for the administrative authority to impose a penalty, set at a maximum of 1% of payroll, on employers who fail to comply within the two-year period (no penalty on publication obligations or on the 30% rate).

Amount of the penalty decided by the administrative authority depending on the company's initial situation, the efforts made by the company in this area and the reasons for its failure to comply.

Thank you for you attention



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