



# Pay Transparency Law: Equal work deserves truly equal pay.?

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Adopted on 10 May 2023 by the European Parliament, the European Directive on **pay transparency** must be transposed into national law **by June 2026 at the latest**. In France, the political situation has significantly slowed down the adaptation process. Negotiations are currently underway, and a first draft bill was presented to the social partners and members of Parliament on **6 March 2026**.

**While the primary objective is clearly to reduce the gender pay gap, the law should also give everyone a clearer view of their own situation...**

**...but don't get your hopes up: you won't be able to see your colleagues' salaries!**

## Transparency will start at the recruitment stage

- Job postings will have to **display the salary or a salary range**
- Recruiters will **no longer be allowed to ask candidates about their current salary**
- Pay levels must be based **on objective, gender-neutral criteria**

No more blind negotiations and pay gaps at hiring — which statistically disadvantage women!

## Stronger rights for employees already in post

Employees will be entitled to:

- Obtain, upon simple request, average **pay levels for women and men** in equivalent roles
- Know the exact **criteria used for pay progression, which must be objective and transparent**

## A major change: mandatory comparison of like-for-like roles

Companies will be required to assess and publish annually a pay gap index comparing groups of women and men performing the same work or work of equal value. This requires:

- A clear description of all roles
- Detailed and objective job classification
- Consideration of criteria based on skills, responsibilities, effort, and working conditions

What the draft bill provides :

A mandatory **joint pay assessment with employee representatives** to identify and correct discrimination. In the event of a pay gap (the threshold will be set by decree, but the EU sets it at **5%**), the **burden of proof lies with the employer**, who must either:

- **Justify the gap** using objective, non-discriminatory criteria, after consultation with the works council (CSE);
- **Correct the gap within six months** if the justification is absent or insufficient;
- **Immediately enter into negotiations** to adopt corrective measures, without waiting for the six month deadline.

**This new requirement should leave no room for subjective pay-setting practices!**

At this stage, the penalties provided for apply only to **failure to report**, and could amount to **up to 1% of the total payroll**.

**Sanctions related to transparency and the obligation to take corrective action are still under discussion.**

Vos représentants CFTC :

Sylvie RESTANI   Xavier MERLINI  
François SOENEN   Ludovic LAMBERT

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## What is the situation at Schneider Electric?

Today, some information is shared with trade unions, but it will be insufficient to comply with the upcoming law.

- **Gender Equality Index**

Schneider Electric already pays close attention to **gender equality** and publishes the results of the mandatory index every year. However, the new law requires a **complete overhaul of these indicators**, meaning Schneider will need to **review its tools and prepare for the implementation of the new rules**.

- **Publication of pay scales**

The **median salary within the same grade**, which Schneider Electric currently uses as the basis for assessing pay gaps, will no longer be sufficient.

The company will need to:

- Define truly comparable job groups, including grades above level 10
- Make pay criteria clear, transparent, and understandable for everyone

Note that this law introduced by the EU will apply to all employees based in Europe

## The Skills Architecture & Job Codes project will bring greater clarity to job definitions !

At the beginning of June, the new **Job Codes system (GCA – Global Career Architecture)** will be rolled out. It will define, with a high level of granularity, the skills required for each role and will incorporate the levels of expertise needed to perform the job. These objective elements will make it possible to determine **the grade associated with each job code**.

The job definitions generated on this new basis will enable **comparison of pay for roles of the same nature and equivalent grade**.

**As this system is global, it can be easily rolled out across all European countries.**

**For CFTC, this new career architecture is the most accurate tool for conducting this analysis. Assigning a personal job code to each employee will also make it easier to extract data by gender.**

Even though the national implementation date has yet to be defined, discussions at Schneider could start as early as May. The government and professional sectors are working towards an agreement by the end of December 2026.

**At Schneider, publishing salary curves by grade will no longer meet the requirements of the new law. Similarly, salary increases based on compa-ratio will be non-compliant, as they are not based on objective criteria.**

**Salaries and career progression remain taboo and difficult to understand. This directive should bring greater transparency and help establish a fair, equitable, and understandable system.**

**For CFTC, the Pay Transparency Act is the means to put an end to salary opacity and outdated pay progression methods.**

**CFTC is already calling on management to dedicate a specific budget to quickly offset likely pay gaps.**

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