

Solutions for a connected world

Global Pay Equity Compliance Compliance - Keeping Your Finger on the Pulse

Tools of the Trade

Global Pay Equity Compliance

Multinational employers face immense challenges navigating the quickly evolving pay equity compliance landscape around the globe. Employers must stay on top of an ever-transforming patchwork of pay equity compliance laws across jurisdictions, meeting obligations such as governmental reporting requirements in one region and disclosing wage ranges to applicants and/or employees in another. Pay equity compliance requirements for employers swiftly change as new legislation becomes law and employers must be prepared to respond, all while navigating regulatory and investor demands for pay equity compliance and facing the ever-present threat of pay equity lawsuits.

For employers seeking a way to keep their finger on the pulse of pay equity compliance developments where they have employees, Baker McKenzie's Global Pay Equity Compliance Compendium is the answer.

Our Global Pay Equity Compliance Compendium

We have our finger on the pulse in the jurisdictions that matter to your operations.

Our team has developed an easy-to-navigate Global Pay Equity Compliance Compendium providing an overview of legal pay equity compliance requirements and forthcoming developments including pay reporting, disclosure and publication across over 70 jurisdictions with more than 45 jurisdictions currently having requirements, to help you manage your global workforce. This Compendium is a cost-effective way of staying on top of ever-changing pay equity compliance requirements in any covered jurisdiction.

Topics Covered



Current, pending and anticipated pay transparency reporting obligations and disclosure legislation



Compliance deadlines



Penalties for non-compliance

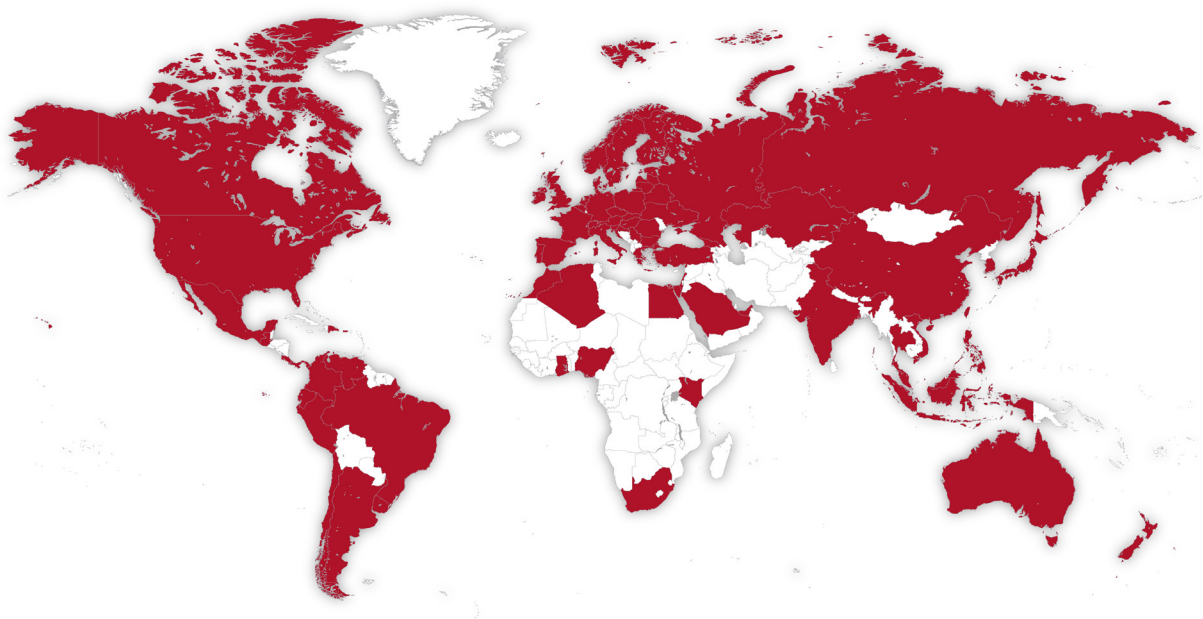
- ✓ Up-to-date compendium of the status of the law and pending and anticipated laws in each jurisdiction
- ✓ Authored by specialized Baker McKenzie lawyers for high quality, reliable content
- ✓ Content refreshed on a quarterly basis to meet the evolving demands of a dynamic global environment
- ✓ Available at a fixed fee, based on the number of countries required
- ✓ Customization available to meet individual requirements*

*By request for additional fee.

A Look at Our Global Pay Equity Compliance Compendium

Region	Country	EE Count Effect	In these pay equity legislation in effect	Disclosure: External vs. Internal	Transparency: Recourse, Remedies, or Hybrid	If yes, please provide a summary of the key points of the legislation and a high level explanation of the enforcement requirements. Note that content should be considered to ensure compliance in each jurisdiction.	When are employees required to take action, if any?	Penalties for Non-Compliance?
Americas	United States of America (Federal)	42,137	No	N/A	N/A	None there are no federal gender pay reporting requirements in the US, a number of states have detailed data reporting and transparency requirements as set forth below.	N/A	N/A
Americas	United States of America (California)		Transparency & Data Reporting	Data Reporting: External-Government Transparency: External-Public & Internal	Hybrid	SB 1502 was signed by the governor on July 1, 2022. Pursuant to SB 1502, beginning January 1, 2023, (1) Employees with 15 or more employees must proactively disclose wage ranges in job postings; (2) all employees must reactively disclose wage ranges to applicants and current employees upon request; and (3) covered private employers must submit pay data reports for their employees and labor contractors. Reporting: Posting Private employers with 100 or more employees (with at least 1 employee based in California) must submit a pay data report to the California Civil Rights Department ("CCRD") on or before the second Wednesday of May 2023, and for each year thereafter on or before the second Wednesday of May. Additionally, private employers with 100 or more workers have through labor contractors must submit a separate pay data report for those workers. Employee to submit an EEO-1 in lieu of a pay data report. The pay data report would have to include: (1) The number of employees by race, ethnicity, and sex in each of the following job categories: Executive or senior level officials and managers, First or mid-level officials and managers, Professionals, Technicians, Sales workers, Administrative support workers, Craft workers, Operatives, Laborers and helpers, and Service workers. (2) The number of employees by race, ethnicity, and sex, whose annual earnings fall within each of the pay bands used by the United States Bureau of Labor Statistics in the Occupational Employment Statistics survey. (3) Within each job category, for each combination of race, ethnicity, and sex, the median and mean hourly rate. (4) For purposes of establishing the workers required to be reported under paragraph (1), an employer shall create a "bracket" that counts all of the individuals in each job category by race, ethnicity, and sex employed during a single pay period of the employer's choice between October 1 and December 31 of the Reporting Year. Year defined as the prior calendar year. (5) For purposes of establishing the workers to be reported under paragraphs (2) and (3), the employer shall calculate the total earnings, as shown on the Internal Revenue Service Form W-2, for each employee in the "bracket," for the entire Reporting Year regardless of whether or not an employee worked for the full calendar year. The employer shall tabulate and report the number of employees whose W-2 earnings during the Reporting Year fall within each pay band. Job Postings/Notice of Professional Opportunity In California, all job postings must disclose: (1) the hourly rate or salary compensation (on a range basis) that the employee actually believes it might pay for the particular job at the time of posting; (2) a general description of any bonuses, commissions, or other forms of compensation being offered for the job; and (3) a general description of all employment benefits, including health care and retirement benefits, paid time off, and any other benefits that must be reported for federal tax purposes (prior perks are excluded). These requirements apply regardless of whether an employer/contractor requires disclosure. Notably, for new hires only, employers are not required to have job postings. With respect to new hires only, compensation and benefits must be disclosed only if an employer chooses to have a job posting. Importantly, the posting requirements above also apply to internal postings/nominations for positions located in California that qualify as promotional opportunities for existing employees. For these promotional opportunities, the employer must announce, post, or otherwise notify all covered employees, in writing, of the promotional opportunities on the same calendar day, and prior to making a promotion decision. Employees cannot opt out of this requirement. While an employer cannot limit the announcement/posting to those it deems qualified for the position, an employer may state that applications are open to only those with certain qualifications, and may screen or reject candidates based on such qualifications. The employer must also make reasonable efforts to provide all covered employees with the announcement/posting. Reasonable effort includes providing all employees with access to the announcement/posting at their regular workplace, either online or in hard copy, and notifying employees where to find the announcement/posting.	January 1, 2023 for job posting and wage disclosure requirements. The CCRD pay data report due on or before the second May of each year.	SB 1502 created a civil penalty not to exceed one hundred dollars (\$100) per employee upon any employee who fails to file the required report and not to exceed two hundred dollars (\$200) per employee upon any employer for a subsequent failure to file the required report. For violations related to pay scale disclosures, the Labor Commissioner may order the employer to pay a civil penalty of no less than five hundred dollars (\$500) per violation. The Labor Commissioner would determine the amount of the penalty based on the totality of the circumstances, including, but not limited to, whether the employer has previously violated this section.
Americas	United States of America (Colorado)		Transparency	External-Public & Internal	Proactive	Job Postings/Notice of Professional Opportunity In Colorado, all job postings must disclose: (1) the hourly rate or salary compensation (on a range basis) that the employer actually believes it might pay for the particular job at the time of posting; (2) a general description of any bonuses, commissions, or other forms of compensation being offered for the job; and (3) a general description of all employment benefits, including health care and retirement benefits, paid time off, and any other benefits that must be reported for federal tax purposes (prior perks are excluded). These requirements apply regardless of whether an employer/contractor requires disclosure. Notably, for new hires only, employers are not required to have job postings. With respect to new hires only, compensation and benefits must be disclosed only if an employer chooses to have a job posting. Importantly, the posting requirements above also apply to internal postings/nominations for positions located in Colorado that qualify as promotional opportunities for existing employees. For these promotional opportunities, the employer must announce, post, or otherwise notify all covered employees, in writing, of the promotional opportunities on the same calendar day, and prior to making a promotion decision. Employees cannot opt out of this requirement. While an employer cannot limit the announcement/posting to those it deems qualified for the position, an employer may state that applications are open to only those with certain qualifications, and may screen or reject candidates based on such qualifications. The employer must also make reasonable efforts to provide all covered employees with the announcement/posting. Reasonable effort includes providing all employees with access to the announcement/posting at their regular workplace, either online or in hard copy, and notifying employees where to find the announcement/posting.	January 1, 2021	Civil penalties between \$500 and \$10,000 per violation.

COUNTRIES CURRENTLY AVAILABLE IN THIS ON-DEMAND PRODUCT



Algeria | Argentina | Armenia | Australia | Austria | Belarus | Belgium | Brazil | Bulgaria | Canada | Chile | China | Colombia | Costa Rica | Croatia | Czech Republic | Denmark | Dominican Republic | Ecuador | Egypt | Estonia | Finland | France | Germany | Georgia | Ghana | Greece | Guatemala | Hong Kong | Hungary | India | Indonesia | Ireland | Israel | Italy | Japan | Kazakhstan | Kenya | Korea | Latvia | Lebanon | Lithuania | Malaysia | Mexico | Morocco | New Zealand | Netherlands | Nigeria | Norway | Panama | Paraguay | Peru | Philippines | Poland | Portugal | Puerto Rico | Romania | Russian Federation | Saudi Arabia | Serbia | Singapore | Slovakia | Slovenia | South Africa | Spain | Sweden | Switzerland | Taiwan | Thailand | Turkiye | Ukraine | United Arab Emirates | United States | United Kingdom | Uruguay | Venezuela | Vietnam