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Spain publishes gender equality, pay transparency laws

By Gloria Villar, Fiona Webster and Stephanie Rosseau 3 Nov 2020

Two complementary decrees address the introduction of gender equality plans and other equality measures. Royal Decree 901/2020 of 14 Oct 2020, addresses the principle of equal pay between men and women, and Royal Decree 902/2020 of 14 Oct 2020, addresses gender pay transparency.

Gender equality plans and other equality measures

- Decree 901/2020 takes effect on 14 Jan 2021, and will require companies with 100 or more employees to negotiate an equality plan by 7 Mar 2021. Companies with 50 or more employees must negotiate an equality plan by 7 Mar 2022. Companies that already have an equality plan must ensure its compliance with the new decree by 14 Jan 2022.
- Establishments that are part of the same group can negotiate a single equality plan. Companies with smaller workforces can introduce a voluntary equality plan, in compliance with the decree.
- Equality plans must be negotiated by companies with their employee representatives or labor unions; outside experts can advise employee representatives. Negotiations must start within three months after a company's workforce reaches 100 employees during the transitional period, or 50 employees thereafter. The method for calculating the workforce size is set out in the decree.
- Negotiating parties must analyze the companies' entire operation, including hiring and selection procedures, professional classification systems, training, promotion, working conditions, work-life balance, the underrepresentation of women, remuneration, steps to prevent sexual or gender-based harassment, and the establishment of grievance and whistleblowing procedures.
- The equality plan must outline corrective measures and an accompanying timetable, plus arrangements for follow up and evaluation.
- Equality plans must be approved by companies and a negotiating committee comprising members of the works council. The plans must also be submitted for registration with the Register of Collective

Bargaining Agreements and Collective Labor Agreements within one year from the start of negotiations.

- The maximum duration of an equality plan is four years, but it could be renewed sooner in certain circumstances by agreement with the monitoring committee — for example, following a merger or acquisition, or other events that significantly impact employees.
- Companies that have to negotiate an equality plan must also conduct an equal pay audit, which evaluates jobs based on the principle of equal pay for work of equal value, with compensation and promotion broken down by gender. Companies must create a timetable for implementing corrective measures and arrangements for follow up and evaluation.

Equal pay and gender pay gap measures

- Decree 902/2020 takes effect on 14 Apr 2021, and requires companies to keep a remuneration register covering all employees, including executives and senior managers. Companies that already have a remuneration register must ensure it is in compliance by 14 April 2021.
- The register must be updated annually and must include average and median pay data broken down by gender (including bonuses and extra pay), fringe benefits broken down by gender, and the appropriate professional classification (such as position and roles). An explanation for any gender pay gap that is 25% or greater, must be included.
- Employers must consult with their employee representatives 10 days prior to the publication, or amendment, of the register. The decree sets out the arrangements for allowing employees to review certain data in the register.
- The government will publish information and provide software to help companies maintain their registers.
- Collective agreements must apply the principle of equal pay for jobs of equal value. Companies should have previously evaluated all work roles of equal value to compare pay by gender and identify any gender pay gaps.

Related resources

- [Royal Decree 901/2020](#) (Spanish) (Official bulletin, 14 Oct 2020)
- [Royal Decree 902/2020](#) (Spanish) (Official bulletin, 14 Oct 2020)

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