



Lunedì 23/03/2026 • 02:00

LAVORO ENGLISH VERSION

Pay transparency: reflections on the Italian draft

The **Italian framework** for transposing the **Pay Transparency Directive** attempts to reconcile the pre-existing regulatory structure with the new principles. However, by June 7th, 2026, certain issues will need to be resolved: such as the **risk of conflicts and duplication** of obligations, as well as the **sustainability of the new requirements** for businesses.

di [Luca Failla](#) - Avvocato - Managing Partner studio boutique Failla & Partners

di [Paola Salazar](#) - Avvocato in Milano

The **process of transposing** EU Directive 2023/970 (so-called **Pay Transparency Directive**) into Italian law is now underway with a new draft legislative decree approved on February 5th, 2026. It will focus on pay transparency and on strengthening the principle of **equal pay between men and women** for the same work or for work of equal value implementing a new path which involves the evolution of salary in the workplace and introducing specific information requirements and a set of new obligations.

The Italian framework

The **current draft** Italian legislation (with a deadline of June 7th, 2026 for full adoption) takes an approach **consistent with the Italian national system** and seeks to enhance the existing parameters as defined by the relevant Collective Bargaining Agreements - with a focus on the sustainability of the requirements, in accordance with a business organisation's internal practices within the framework of the significant role of the Italian national industrial relations system.

The underlying idea seems to be that the Italian system, thanks in part to the 2022 **Transparency Decree** (Italian Legislative Decree No. 104/2022), of **Collective Bargaining Agreements** (the ones comparatively more representative at the national level) and tools such as the **biennial report on the situation of male and female staff**, already are useful parameters also in terms of pay transparency. These tools may now be improved upon in the context of the implementation of the new directive.

The Italian context is twofold:

- on the one hand, **equal pay is not a new topic** and builds on an already articulated legal and institutional framework (such as we see in the Italian Code of Equal Opportunities, Collective Bargaining Agreements, and reporting tools).
- on the other hand, the idea of making the reasons for pay differences systematic and traceable – even where they are not formally discriminatory – does not yet appear to have been fully internalised by many organisations. Some journalistic and practice-oriented commentaries in the past few weeks indicate that **a significant share of companies still do not view pay transparency as a priority** issue in terms of compliance and work organisation, but rather as an additional burden or a sensitive matter to be handled with caution.

Pay Transparency Directive: principles

From this perspective, EU Directive 2023/970 **does not require employers to disclose individual salaries, but instead to make differences justifiable and controllable** (equal pay for equal work). The point is not so much to foster individual comparisons as to require organisations to make their rules and choices intelligible: which criteria are used to assign levels and duties, variable salary components as bonuses or individual supplements (i.e. *superminimi*), progression paths and benefits. If transparency remains a mere disclosure of figures, it may generate friction and competition; if, instead, it becomes a coherent and motivated description of criteria and processes, it can reduce some sort of opacity areas in HR management rules.

Technically, the EU Directive designs a **transparency framework** that unfolds across **three different areas**:

- **access to employment** (information on pay levels or pay ranges and bans on requesting pay history);
- the **life of the employment relationship** (individual information rights and general organisational obligations);
- **periodical reporting** on the gender pay gap, with corrective mechanisms when relevant disparities emerge (higher than 5%).

It is significant that the framework is conceived **primarily as a preventive tool** and only secondarily as a **fine lever**: the idea is that the availability of useful and comparable information makes it harder to conceal unjustifiable differences and, at the same time, reduces conflict when differences are lawful and adequate in terms of good motivations.

The Italian draft (and its issues)

In this contest, the draft regulates:

- information obligations at the entry stage;
- transparency measures during the employment relationship – also involving discriminatory risks;
- a mechanism to monitor the pay gap. In the event of disparities beyond a threshold (the 5% figure is often mentioned in the debate), the aim is to trigger a process leading to a review of the reasons for the differences and, where necessary, to the correction of practices and criteria using information and consultation tools.

We don't know if the final Italian legislative decree will correspond to the draft circulated in recent weeks. Therefore, **some critical issues already emerge at the level of overall architecture**.

The first concerns the concept of "**work of equal value**". This is a structural issue: it does not coincide with formal job classification, nor is it exhausted by job descriptions. It requires **objective and gender-neutral criteria** (skills, effort, responsibility, working conditions) and, above all, a method that allows comparisons that are reasonable and defensible. Someone has suggested relying on analytical **job evaluation systems**; however, it has been noted that placing rigid centrality on such tools **risks being burdensome** for many companies and overlapping (or conflicting) with the **classification systems of Italian collective bargaining agreements** - the prior parameter set forth by the draft decree.

The second critical issue concerns the "**pay level**" law definition, i.e. the uncertainty regarding the management of differences in contexts where actual pay is often the result of individualised adjustments (individual supplements, bonuses, retention measures, selective benefits, differentiated career paths) which could largely remain implicit or be left to individual negotiation dynamics. Here the definition is not in line with the EU Directive definition leading to **potential problems on what makes the choices neutral, traceable and justifiable** by objective criteria. This shift also affects organisational culture, because it pushes organisations to formalise criteria and motivate general and individual decisions.

Cost of compliance

A further cross-cutting issue is the **sustainability of transposition** in terms of information and reporting obligation requirements, reliable data, systems capable of extracting comparable information, and coordination among the various functions involved (HR, legal, industrial relations, compliance, accountability). **The impact is likely to be greater in less structured organisations** (smaller companies could potentially be more impacted), but **it is not negligible even for large companies** (which may count on a delay of obligations), where complexity stems from organisational and international fragmentation, bonus policies, global systems and post-merger integration.

A delicate balance

In conclusion, the Italian draft decree on appears to aim at **turning pay transparency into an organisational opportunity** rather than a purely formal obligation of integration into the framework of the national industrial relations system. If this approach would be confirmed in the final version, and if it would be accompanied by clear implementing guidance, the new Italian Directive on pay transparency may serve as a lever to improve pay-setting processes and prevent discrimination, with effects that go beyond the gender dimension. The outcome, however, will largely depend on the ability to **translate principles into manageable practices**: simple but serious criteria, essential yet sufficient documentation, and an internal dialogue (and, where requested, a trade union dialogue) that makes transparency a tool for trust rather than a new burden.

© Copyright - Tutti i diritti riservati - Giuffrè Francis Lefebvre S.p.A.