

Bridge the Gender Gap by 2025

Summary

Across European companies, women constantly face discrimination including harassment, lower salaries and underrepresentation within the workforce, to name but a few. We want to finally close the workplace gender gap and ensure that women feel safe and supported.¹

*What would we do first? **Require mid to big-sized companies to disclose and report on gender balance and gender pay gap***

Full proposal

What is going on?

Gender equality is a fundamental human right, and one that should be achieved rapidly. In the current state of our societies, women are still treated unfairly, face more barriers than their male counterparts, are subject to specific types of violence, and are discriminated against in their private, public and professional lives. Women are heavily discriminated against in the workplace: they tend to have lower salaries, are underrepresented in senior management positions, and experience workplace bullying and harassment.² A more diverse workforce is profitable for companies too - it improves both levels of productivity and employment.

What is our vision?

“Make Europe Equal by 2025.” In order to achieve gender parity, companies will have to implement more progressive and transparent policies, ensuring that women

¹ To solve inequality, all causes need to be tackled. This flagship policy will however focus on gender inequality in the workplace, as an example of what we stand for.

² A study suggest that the actual gender pay gap is at a much lower rate; the reason for being is that women tend to go for lower-ranking jobs at lower paying organisations. However, this begs the question of whether women have equal opportunities to achieve higher paid jobs. See The Economist, Are women paid less than men for the same work?, available at <https://www.economist.com/blogs/graphicdetail/2017/08/daily-chart>

are equal members of the workforce, valued by merit, protected, and enabled to achieve their full potential. Volt will enable women to have greater access to the job market; give them tools to thrive in their careers; and have the same opportunities than their male colleagues, and to pursue careers historically dominated by men, while feeling safe and respected. Volt will also work for the application of these policies to governments and state bodies.

How do we get there?

1. **Require all mid to big-sized companies to disclose and report on gender balance and gender pay gap.** Across the EU, the wage gaps between genders is still at 16.3%.³ Greater transparency on gender pay gaps will help to tackle gender inequality in the workplace, as it increases accountability and drives action towards more inclusive and fairer policies. Volt is proposing:
 - From 2020 onwards, mid to big-sized companies (more than 100 employees) will be **required to disclose how much they pay male and female staff** in terms of salaries and bonuses⁴ and by 2025 they will be obliged to obtain a government certificate demonstrating pay equality.⁵ Failure to comply will result in fines.
 - Businesses will have to **disclose gender balance across the company** in their annual financial statements, including the number of women in senior management positions, from the moment the legislation will come into effect.
 - Every state-owned company, regardless of its size, ought to disclose its gender balance across the whole enterprise by 2020. All state-owned companies will also have to produce a report demonstrating equal pay on an annual basis.

³ Eurostats, "Gender pay gap statistics", available at http://ec.europa.eu/eurostat/statistics-explained/index.php/Gender_pay_gap_statistics

⁴ Following the example of Germany, see The Financial Times, German employers forced to reveal gender pay gap, available at <https://www.ft.com/content/e9f618c0-f210-11e7-ac08-07c3086a2625>

⁵ Following the example of Iceland. See The Independent, Iceland makes it illegal to pay men more than women, available at <http://www.independent.co.uk/news/business/news/iceland-gender-pay-gap-illegal-men-pay-more-wo-men-income-salary-earn-a8139141.html>

- Sanction companies that do not extend each individual the same benefits, salaries, opportunities for training or promotion because of one's gender identity, and include reference to non-discrimination on these grounds in any vacancy announcements.
2. **Set a 40% quota for women on Boards of all publicly listed and publicly-owned enterprises.**⁶ In 2016, the boards of the largest publicly traded companies in Europe had on average only 23% female representation.⁷ This measure will not only impact positively the performance of companies, but will also lead to an increased number of women across the company as a whole. All companies that are publicly traded on a stock market⁸ will be required to have **40% female representation on their corporate Boards** by 2025. Failure to comply with the regulation will result in heavy fines, suspended remuneration of Board members and/or a possible delisting from the market. Existing companies will be given a **five-year timeframe** to achieve the quota, while newly listed companies will be required to comply with the requirement at the time of listing.⁹ **State-owned companies should act as role models.** State-owned companies ought to have a 50% female representation on their corporate Boards by 2025.

⁶ In 2010, the EU Commission published the 'Strategy for equality between women and men 2010-2015' initiative, challenging gender diversity and equality. See European Commission, Strategy for equality between women and men 2010-2015, available at <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=LEGISSUM:em0037&from=EN>. The matter has recently been reopened by the current commissioner for justice and gender equality. See The Guardian, EU to push for 40% quota for women on company boards, available at <https://www.theguardian.com/world/2017/nov/20/eu-to-push-for-40-quota-for-women-on-company-boards>

⁷ European Commission, 'Gender Balance on corporate boards: Europe is crackling the glass ceiling' available at http://ec.europa.eu/justice/gender-equality/files/gender_balance_decision_making/1607_factsheet_fin_al_wob_data_en.pdf

⁸ A publicly traded company, or a public company, is a company that has issued securities through an initial public offering and is traded on at least one stock exchange or the over-the-counter market. See Investopedia, Public Company, available at <https://www.investopedia.com/terms/p/publiccompany.asp>

⁹ Germany can already fine companies EUR 50,000 for non compliance while Norway can delist a Company from the market. Hence, we want to learn from those best practices and have a unified system to achieve equality, by fining companies EUR 50,000, delisting, and suspending remuneration when non-compliance has been established.

3. **Incentivize He For She program: make men part of the solution, not the problem.** Volt believes that all parties need to participate in the conversation for a situation to evolve. For this reason, it is necessary to encourage more dialogue, and to create initiatives in the workplace consisting of men supporting good practices, women, and sensibilizing others to the issues.
4. **Require all mid to big-size companies to have confidential channels and hotlines, separate from general employee relations, to report inappropriate and discriminatory behaviour, violence and/or sexual harassment.** Women still face sexual harassment and violence, as well as inappropriate behaviors in the workplace.¹⁰ Volt will require employers to have those reporting channels in place, and have them be managed by an external company or by a separate human resources team, that includes women.
5. **Introduce measures to empower women with children to have a successful career.** Volt will introduce the following measures, that will benefit all types of parents (single men, women, heterosexual and homosexual couples etc):
 - Incentivize **companies' internal nurseries and working modes**, enabling flexibility suited for each parent's needs.
 - Enable **equal paid maternity and paternity leave**, for a specific period of time, and then some extra time-off that can be shared according to the parents' preferences. Heavily incentivize both parents to take their time off.¹¹ The length of leave can be decided according to the countries' existing frameworks, but equality shall prevail.¹²

¹⁰ People of other genders face some of those types of violence as well, and shall have access to the same channels.

¹¹ This also applies to same-sex couples. Single parents can either choose to take the full time off (otherwise available to both parents) or to be awarded financial benefits.

¹² This flagship is about equality in the workplace, not about maternity leave.