

Pay Transparency: Implementing Legislative Decree Published

On 1 June 2026, the final text of Legislative Decree No. 96 of 7 May 2026 was published in the Official Gazette, implementing Directive (EU) 2023/970, known as the “**Pay Transparency Directive**.” The legislation will enter into force on 7 June 2026 and introduces a series of obligations aimed at **strengthening the enforcement of the principle of equal pay between men and women for the same work or for work of equal value**.

Key provisions

- apply to all public and private employers and to almost all forms of employment relationships, both permanent and fixed-term, including managerial positions; only domestic work and on-call work are excluded
- impose significant requirements both at the pre-hiring stage and during the employment relationship

Transparency in the recruitment phase

One of the main innovations concerns pay transparency prior to hiring. In particular:

- employers must provide candidates, directly in job postings and vacancy notices, with information on the starting salary or the relevant pay range, based on objective and gender-neutral criteria. It should be noted that referring to a “pay range”—a concept not specifically defined in the legislation—may create interpretative and practical challenges
- employers are prohibited from asking candidates about remuneration received in previous or current employment relationships, even indirectly through third parties—such as recruitment agencies—in order to prevent existing pay inequalities from being perpetuated

Right to information and transparency during employment

The decree also strengthens the information rights of employees already in service:

- employers must make available to their employees the criteria used to determine pay levels and career progression
- employees have the right to request and receive in writing, within two months of the request, information on their individual pay level and on average pay levels, broken down by gender, for categories of workers performing the same work or work of equal value; this right may be exercised no more than once per year
- any contractual clauses prohibiting employees from disclosing their remuneration are void, in order to promote openness and comparison among employees

Reporting obligations and joint pay assessments for companies

The core of the reform consists of disclosure and reporting obligations, differentiated according to company size. Companies must periodically submit data on the gender pay gap to the so-called "monitoring body" established at the Ministry of Labour and Social Policies, according to the following deadlines:

- employers with 100–149 employees: reporting every three years starting from 7 June 2031
- employers with 150–249 employees: reporting every three years starting from 7 June 2027
- employers with at least 250 employees: annual reporting starting from 7 June 2027

Where these reports reveal an average pay gap between men and women of 5% or more in any category of workers, and the employer cannot justify it on the basis of objective and gender-neutral criteria or correct it within six months, the employer must carry out a "joint pay assessment" in collaboration with employee representatives. This procedure is aimed at identifying, correcting, and preventing unjustified pay disparities.

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