GENERAL COUNSEL: MEN EARN MORE THAN WOMEN

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The gender pay gap between general counsel around the world persists. This was revealed by the "In-house counsel compensation survey 2020" <u>published</u> by the Major, Lindsey & Africa law firm and conducted on 3900 corporate lawyers of various degrees (from chief legal counsel to simple counsel) from 36 countries worldwide.

If going down the ladder of power towards less senior positions, the gender pay gap is narrowing - in fact, in some cases even favors female lawyers compared to male colleagues -, going up the pyramid, inequality is clear. With the same role and despite the efforts made by companies concerning diversity and inclusion, the female general counsel receive worldwide a base salary of **6% on average less than their male colleagues**. But more than on the fixed remuneration, the biggest disparities are in the variable one: the differential for the effective bonus of 2018 is equal to 13%, while that on the bonus for the objectives of 2019 is 23%. «The reason for this phenomenon is not known to us, nor are we able to speculate at this time», the report underlines.

Narrowing the gaze to the **Emea region** (which considers France, Germany, Netherlands, Switzerland and the United Kingdom), the gap on actual salaries rises to 18%, with male general counsel who receive on average a salary of over \$ 356,000 and women amounting to about \$ 289,000. Also, in the area, the gap on the 2018 bonus is 30% and the gap for the 2019 objectives is 10%.

Not even in the **United States** is guaranteed equal pay for female general counsel, who earn about 14% less than their male counterparts (almost \$456,000 against more than \$519,000 of average base salary). This happens despite the country being confirmed as the most profitable ever for those who choose to direct an in-house legal department. The stars and stripes general counsel, thanks also to wider roles and responsibilities, earn on average 44% more than the other areas considered. Also, in the US, another phenomenon emerges from the data: the gap grows proportionally to the company's turnover. In the larger groups, that is those with a turnover of more than ten billion dollars, male general counsel earn an average of 1.1 million dollars, while female ones generally receive about \$739,000 (almost 49% less). In smaller companies, those that bill 1-10 million dollars, the gender gap drops to 4%. In micro-enterprises with a turnover of less than one million dollars a year, the differential is reversed: female general counsel earn 10% more than male colleagues.

The **Asia Pacific region** is in contrast, more generally and regardless of the size of the company. Here the general counsels have an average compensation of over \$437,000, against more than \$385,000 of the same level of men (13% more). Also in the area, the gap on the 2018 bonus is 87% and the gap for the 2019 objectives is 40%. «Generally, in the market, - the report remarks - compensations of genders within Apac are on par for multinational corporations. In Asia, many households have helpers who look after children so women can return to work sooner than they do in other countries. They do not have long interruptions in their professional work and are therefore on a more equal playing field with their male counterparts when compared with women in western countries».

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