



MYTH: Louisiana needs a new law to ensure women receive equal pay.

FACT: A woman's right to equal pay is firmly protected in federal and state law today.

LABI supported legislation in 2014 that codified the federal Equal Pay Act into state law. Current Louisiana law specifically states: "It shall be unlawful discrimination in employment for an employer to... intentionally pay wages to an employee at a rate less than that of another employee of the opposite sex for equal work on jobs in which their performance requires equal skill, effort, and responsibility and which are performed under similar working conditions" (LA RS 23:332).

MYTH: LABI opposes equal pay for women.

FACT: LABI supports equal pay for men and women.

Our member companies recognize the tremendous value, knowledge, skills and talent that Louisiana women bring to the workplace and our communities. LABI supports the anti-discrimination provisions in federal and state law and condemns violations of these laws.

MYTH: Many Louisiana women are discriminated against when it comes to pay.

FACT: The pay differences of men and women result from a multitude of factors in Louisiana and across the country.

Cases of pay discrimination certainly exist and should absolutely be addressed in accordance with current law. However the widely-cited statistic, from a U.S. Bureau of Labor Statistics report, that Louisiana women earn 76% of what men are paid is a comparison of all men and all women working full-time year-round, without regard to their field or career. Federal data shows that overall in 2015, Louisiana had 1.6 million total workers of which 46% were women who earned on average \$716/week compared to men who earned \$828/week.

In 2015 nationwide, only 9% of women in professional occupations were employed in the higher-salaried computer and engineering fields compared with 45% of men. Instead, 68% of women in professional occupations worked in education and healthcare (areas with lower salaries) compared with 30% of men. Similarly, the <u>US Department of Labor's data</u> has shown that the gap between men and women's pay closes substantially in fields like construction, where pay is higher but women are traditionally under-represented.

According to federal statistics, women are also more likely than men to work part-time – in fact, 25% of women nationwide worked part-time in 2015 (compared to just 12% of men). Part-time women actually earned more than men on a weekly basis in 2015.

A multitude of factors go into pay trends. Obvious assets such as age and the level of education drive higher earnings for workers. But other less causal factors matter as well; for example, federal data consistently shows that workers who are married – men and women – earn more than those who are not.

MYTH: New laws are needed because women's status in the workplace is not improving.

FACT: We are trending in the right direction, and the pace of improvement is accelerating.

Since the 1970s, federal data shows that the gender pay gap across the US has closed from 62% to 81%. Among married couples, the <u>US Census</u> reports the number of wives earning more than their husbands has hit an all-time high in recent years, at nearly one-third. Women make up more than half of managers in a number of fields now, including medical and health services (74%), human resources (73%), and social and community services (67%) among others (citation).

The <u>US Department of Labor states</u>: "Few things affect people's earnings power more than their level of education." <u>Federal statistics</u> show that earnings for women with a bachelor's degree or higher have increased by 31 percent since the 1970s, while those for their male counterparts have risen by only 15 percent. Furthermore, more young women than men are now likely to have earned a bachelor's degree by age 29 (citation).

In fact, that trend is even stronger in Louisiana than nationally. In 2015-16, according to the <u>Board of Regents</u>, Louisiana's public colleges awarded 18,516 bachelor's degrees to 11,105 women (60%) and 7,411 men. Similarly, women earned 3,885 associate's degrees (63%) compared to 2,298 for men.

MYTH: Women in Louisiana have no recourse when pay discrimination occurs.

FACT: An in-depth legal process exists for claims of equal pay discrimination that is currently overseen by both federal and state agencies.

In Louisiana, anyone who believes they have been discriminated against on the basis of sex has three possible avenues to pursue:

- 1. File a charge in person or by sending a letter in the mail to the federal Equal Employment Opportunity Commission (EEOC) under the Equal Pay Act or Title VII of the Civil Rights Act. (South Louisiana is actually part of a pilot that allows for an online assessment system to help determine if a charge should be filed.) Within 10 days, the EEOC will send notice of the charge to the employer. The EEOC may try to settle the dispute with mediation, or investigate. If a violation is found, the EEOC will attempt to reach a voluntary settlement with the employer. If that is not effective, the EEOC may file its own lawsuit. The EEOC maintains an online system for individuals to check the status of claims. It is illegal for an employer to fire, demote, harass, or retaliate against an individual for filing a charge.
- 2. <u>File a complaint</u> with the Louisiana Commission on Human Rights [LA R.S. 51:2257] by phone, mail, or in person in downtown Baton Rouge.

The Commission is the state entity, governed by a gubernatorially-appointed board with full-time staff, that is charged with handling complaints of discrimination against all Louisiana employers with 20 or more employees. After screening the complaint for eligibility, the Commission can investigate and decide if enforcement is necessary. They can then offer mediation to encourage settlement, or proceed with fact-finding and a formal Notice of Charge. The Commission is empowered to "employ remedies that provide 'make whole' relief to the Complainant based on the merits of the charge."

3. File a lawsuit within two years of receiving the discriminatory pay. The regulatory process is not required as a first step for equal pay claims. An aggrieved party may file a civil suit in the district court in the parish where the alleged discrimination took place [LA R.S. 23:303(A)]. Such suit can seek uncapped compensatory damages, back pay, benefits, reinstatement, and if appropriate, front pay, reasonable attorney fees and court costs. Persons who intend to pursue court action must give the employer written notice 30 days prior to initiating court action, detailing the alleged discrimination[LA R.S. 23:303(C)]. Both parties must make a good faith effort to resolve their dispute before court action is initiated by the plaintiff.

There were more than 1,000 equal pay claims filed to the EEOC in FY2016, which resulted in more than \$8.1 million in monetary benefits paid to complainants. There are existing remedies that can work to guarantee equal pay.

MYTH: If LABI truly supports equal pay, then employers should have no concerns with the bills proposed in 2016 and 2017.

The bills up for debate extend far beyond the federal Equal Pay Act, subjecting employers to an array of unnecessary new mandates and likely litigation.

The <u>2016 legislation</u> proposed a new "comparable worth" standard for discrimination claims in Louisiana, whereby employers would be required to pay men and women equally "for work that is the same or comparable in kind and quality." Even after amendments, the bill removed the intent of the employer from consideration of equal pay claims, while leaving the determination of intent for all other discrimination claims. These provisions extend well beyond protecting against discrimination into dictating and litigating the hiring decisions and day-to-day operations of employers.

The <u>current version of the legislation</u> known as "pay transparency" is simply unnecessary. <u>Federal law</u> already protects the ability for employees in most companies to talk about their salaries at work and prohibits employers from imposing pay secrecy policies (29 USC 157-158). In fact, even if an employee signs a non-disclosure agreement with an employer, federal law would still protect that individual when talking about his or her salary. Individuals <u>can file a charge or petition</u> with the National Labor Relations Board today, which after an investigation, can provide back pay or even give jobs back to those who are wrongfully terminated because they discussed pay.

MYTH: A new law is the only way to close the gap between men and women's pay.

FACT: The complex reasons for pay gaps deserve a multi-faceted solution, and LABI supports this goal with concrete action.

For years, LABI and our member companies have supported policies and programs that bring girls and women into STEM careers with higher pay and more opportunities.

The fact that only 295 women (17%) earned bachelor's degrees in engineering in Louisiana's public universities in 2016, compared to 1,408 men, is of significant concern. Similarly, just 77 women (18%) earned bachelor's degrees in computer science, compared to 355 men according to the <u>Board of Regents</u>.

In sum, many more women are going to college in Louisiana than men, but they are not graduating into fields with high wage potential.

The state has spent significant effort to grow high-quality, high-tech job opportunities with companies like IBM, CGI, CSC, and CenturyLink, and we need to make a more concerted effort to ensure young women can take advantage of these avenues to high-paying employment. LABI members are doing just that on a company-by-company basis, but there is neither a targeted or strategic effort by the state to make women aware of these opportunities.

Furthermore, advocacy groups such as the American Association of University Women (AAUW) suggest that companies can take more action internally to ensure they are in compliance with the law and can address differences in pay proactively. LABI agrees. On the other end of the employer-employee relationship, AAUW offers free workshops for salary negotiations for women on negotiating salary, and LABI supports this approach as well and would be willing to co-host such a workshop.

Finally, there is a clear lack of awareness in the public about the existing processes to pursue grievances over discrimination. Certainly more can be done in this regard, working collectively in both the public and the private sector to help employers understand the law and employees understand their rights. LABI supports greater awareness raising for both.