

## JENNIFER KLEIN TIME'S UP Now

NYC Commission on Gender Equity Hearing on Pay Equity
September 19, 2019

Dear Commissioners Jacqueline Ebanks, Carmelyn Malalis, Lorelei Salas, Sasha Ahuja, Beverly Tillery and Ellyn Toscano:

I want to begin by thanking you for the opportunity to speak before you. It is an honor to address this body tonight. You exist to empower communities that have historically held the least power -- girls, women of color, and transgender and non-binary individuals -- and help ensure New York City is a place where people of all gender identities can live free from gender and race-based disparities and violence.

My name is Jennifer Klein and I am the Chief Strategy and Policy Officer at TIME'S UP Now. Together with corporate leaders, lawmakers, and leaders across industries and sectors, TIME'S UP Now is working to change our culture, so sexual harassment, abuse, and other related forms of discrimination, like pay disparities, are no longer acceptable. We also work to change policies in the private sector <u>and</u> the public sector, all to realize a world where work is safe, fair and dignified for women of all kinds.

In the fall of 2017 — as revelations of widespread abuse and misbehavior at the hands of powerful men sparked a global reckoning — a group of artists, executives, producers, and other entertainment industry leaders came together to fight for systemic change. Then in January 2018, at the Golden Globes, TIME'S UP publicly launched when our network turned the red carpet black and brought iconic, influential activists to the awards ceremony to highlight that issues of workplace discrimination, including sexual harassment and abuse, transcend industries, occupations, gender identity, and class status.

Sexual harassment is a major problem, something that the EEOC estimates around 85 percent of women will experience over the course of their careers. But while sexual

<sup>&</sup>lt;sup>1</sup> EEOC.gov. (2016). Select Taskforce on the Study of Harassment in the Workplace. [online] Available at: https://www.eeoc.gov/eeoc/task\_force/harassment/upload/report.pdf [Accessed 19 Sep. 2019].

harassment is a pressing problem, it's also a *symptom* of greater inequities that exist for women at work.

The issues women face at work, from sexual harassment to the gender and racial wage gap, reinforce each other in a vicious cycle that strips women of power. This lack of power, in turn, creates opportunities for further harm. For example, women are more likely to hold lower paying jobs -- not out of choice -- but because of a set of systemic barriers, ranging from a lack of support for working caregivers, to the entrenched undervaluing of so-called "women's work," to outright discrimination. This is especially true for the disproportionate number of women of color in low wage jobs who often face even greater inequities and power imbalances.

Only by rooting out structural inequality in the workplace can we truly end sexual harassment and make these abuses a thing of the past. And the pay gap is a key barometer for measuring those inequities — and starting to correct them. This is a time for leaders to take bold action to close the pay gap and level the playing field so that all people, regardless of race, gender or socioeconomic status, can thrive.

The good news is, we are in a unique moment to do something about pay equity, and we need to leverage the opportunity on all fronts. The U.S. Women's National Soccer Team has drawn national attention to these inequities. Importantly, these leaders are united in their fight for justice -- and feel as strongly o about closing the gap in other sectors as they do about closing the wage gap in soccer. These incredible women recognize that this is not only their fight, but also one that women around the country have been fighting for decades.

New York City has long been a leader on these issues. In 2017, the City banned salary history questions in job interviews, which often perpetuates the pay inequity women have experienced in a prior job. In 2018, New York City expanded protections for nursing mothers at work by imposing stricter requirements on employers for accomodations like dedicated lactation rooms and access to refrigeration. And in 2019, the City raised the minimum wage to \$15/hour, which will protect the most vulnerable low-wage workers — the majority of whom are women. New York City is also filling gaps in state and federal law with universal pre-K, paid family and medical leave, and laws prohibiting pregnancy discrimination and caregiver biases.

Taken together, these separate but related actions have a cascading effect on the pay gap. When women can stay in their jobs and advance in their careers because they can safely pump at work or have access to childcare, we're closing the pay gap. When we raise wages for predominantly female workers in low-wage jobs, we're closing the pay gap. When we create workplaces that are free from sexual harassment so women don't feel the need to leave their industries, we're closing the pay gap.

Given the City's leadership, it comes as no surprise, then, that New York State has the third smallest median pay gap in the country -- a shining example of what's possible when the public sector puts women and working people first.<sup>2</sup>

While we are making steady, incremental progress across the country, the truth is the government cannot solve this problem unilaterally, which is why I will be focusing on private sector reforms today. Reaching true gender equity requires the private sector, which employs the majority of women in the U.S., to take a leadership role. And that starts with calling on companies to step up — and pay up — to close the gender and racial pay gap.

There is no quick fix to the pay gap, but there are concrete steps companies should take to promote women's safety and equity -- all while attracting and retaining top-notch talent.

First, companies should conduct an annual assessment of the <u>median</u> pay gap in their workforce. That's the key metric that reflects the totality of the pay problem by evaluating not only the difference between what women and men earn in the same job, but also what women and men earn in the aggregate across the institution, broken down by race, gender, ethnicity, LGBTQ status, and disability status.

The median pay gap helps companies capture whether there are fewer women in higher paying, leadership positions. For example, while women at Citigroup, one of the few major corporations that have stepped up to close the median pay gap, have equal pay relative to men, the median pay gap reflects that women at the company earn only 71% of what men earn.<sup>3</sup> Examining the median pay gap, therefore, can shed light on the true nature of inequality within a given company. The City and this Commission are well-placed to develop civic technology to support companies that want to conduct annual assessments and want guidance or resources.

But simply measuring the median pay gap is not enough. Companies should also commit to reporting the results and being transparent about the steps they will take to remedy any gender imbalances.

Second, companies should post salary ranges for job classifications. This ensures transparency when people walk into interviews and protects women from being underpaid when they get the job. Without such transparency, bias can seep into the hiring process. Armed with information about what the employer is willing to pay for the role, women have

Nielson, K. (2019). The Gender Pay Gap by State: An Interactive Map. [online] AAUW.org. Available at: https://www.aauw.org/resource/gender-pay-gap-by-state-and-congressional-district/ [Accessed 19 Sep. 2019].
 Lamb, N. (2019). The median gender pay gap: It's time to tell the whole story. [online] Quartz at Work. Available at: https://qz.com/work/1549162/the-median-gender-pay-gap-arjuna-capital-wants-the-data-revealed/ [Accessed 19 Sep. 2019].

a better platform for negotiation and salary decisions become about the job and what the employer is willing to pay, rather than gendered (i.e. lower) expectations.

Third, companies should improve recruitment, hiring, promotion, and retention processes to promote gender balance and reduce unconscious bias and other barriers. It is not enough to bring more women into an organization. They need to be set up for success, with corporate policies that create a culture where women can advance and grow within the company.

And last but not least, companies should institute corporate policies, including robust paid parental leave, child care, mentoring, and leadership development, to ensure all employees have the tools and support they need to thrive.

I want to take a moment to commend this Commission for your deliberate efforts to close the pay gap and urge you to continue on this path with your leadership and oversight.

Just as median pay data is crucial to understanding whether companies are treating their employees fairly, understanding how New York City's own median pay data stacks up is crucial to understanding whether all genders are valued, promoted, and paid equally in public employment. City workers and taxpayers deserve to know whether City employees are being compensated fairly. An audit of the City, examining median pay, would give us a greater understanding of how far we still have to go.

This Commission can also urge companies to take a pledge to achieve median pay parity. We've seen the power of the corporate sector leading the way from companies like Citigroup, the first U.S. company to proactively conduct and release a median pay gap analysis – this Commission can push them in the right direction.

Finally, we look forward to working with the Commission in changing the conversation around equal pay. This is about so much more than quote-unquote "equal pay for equal work." It's about the structural forces that hold women back at work — the unequal caregiving responsibilities, the lack of comprehensive paid leave in the U.S., and yes, old-fashioned gender discrimination.

No more excuses. No more waiting. It's time for all of us to not only admit we have a problem, but commit to building a more equitable workplace for everyone.

The clock is ticking. Let's get to work. Thank you.