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Pay Equity Hearing Testimony by Beverly Neufeld, PowHer New York Before the

NYC Commission on Gender Equity, Jacqueline Ebanks, Executive Director NYC Commission on Human Rights, Carmelyn Malalis, Commissioner and Chair NYC Department of Consumer & Worker Protection, Lorelei Salas, Commissioner (edited 9/20/19 - links added)

Thank you to the NYC Commision on Gender Equity, NYC Commission on Human Rights, and the NYC Department of Consumer and Worker Protection for holding this joint hearing on Pay Equity. We are grateful for the years of work you and your agencies have done to address wage disparity in New York City, and for seeking input today for the next wave of initiatives so that New York can lead the nation in closing the wage and opportunity gap for women and girls.

I am Beverly Neufeld, Founder and President of PowHer New York (PowHerNY) a non-partisan, 501c3 entity. In full disclosure, I am also a proud member of the Commission on Gender Equity (CGE), Co-Chair of its Economic Mobility Committee, and co-produced the guide, <u>Leveling the</u> Paying Field with CGE.

Created in 2014, PowHerNY is an inclusive statewide network of over 100 organization plus dedicated individuals committed to accelerating economic equality for all New York women. PowHerNY brings its diverse Network Partners together to work across a shared issue agenda with the goal of magnifying our collective impact to address the complexity of issues around economic inequity.

PowHerNY is an expansion of an Equal Pay Campaign which started in 2007. At that time, the issue garnered little attention by the public, legislators or the media. Indeed, our first Equal Pay Day rally on the steps of City Hall was a handful of women, wearing red because women are in the red. Fast forward 13 years, to the parade up the Cannon of Heroes with tens of thousands of fans chanting "Equal Pay" for the US Women's Soccer Team. Finally, Equal pay is the issue de jour, covered online and in print media daily with growing understanding of the complexity of the issue for women, especially women of color and LGBTQIA persons.

Over more than a decade, New York advocates have linked forces to educate the public and raise awareness, promote legislative reform, and coordinate equal pay activities across the state. We commemorated All Women's Equal Pay Day in April, and more recently Equal Pay Days for Mothers in May, for Black Women in August, for Native Women in September, and for Latinas in November to highlight the largest wage disparities caused by the intersection of gender and race, ethnicity and motherhood.

Our work set the stage for the passage of a Women's Workforce Bill in 2014 and the NYS Equal Pay Act and Women's Equality Act in 2015. In 2016, we promoted passage of a NYC board diversity reporting bill, and pushed for NYC action on salary history, which resulted in the law banning salary history in hiring in the private sector which had ripple effects across the country. This year the practice of asking an applicant his or her prior salary will become law across the state. As well, NYC passed a data transparency bill for the public sector workforce. This year the state expanded the federal standard of equal pay for equal work to equal pay for substantially similar work, which, for the first time, covers all protected classes of workers, not just women. Mayor de Blasio continues to champion pay equity initiatives, i.e. paid leave and sick time, Fair Work Week scheduling protections, Universal Pre-K, and salary parity for community-based early childhood educators, for example, which are critical to create an environment for women to flourish in the workplace.

Yet, the wage gap is persistent here and nationwide. Although New York State can boast it has the smallest overall wage gaps in the nation, African American women make 66 cents for each dollar a white male is paid, and Latinas make 56, stunning statistics. That means Latinas work almost 22 months to earn what a typical white male earns in 12 months. In that New York has one of the largest populations of is full-time working women of color, this disparity is deeply disturbing. In our state which is leading with the smallest overall wage gap, we are doing almost as badly as the rest of the country for these women. And, reports by Comptrollers Scott Stringer and John Liu and former Public Advocate Letitia James reveal that the statistics for NYC women are even worse

In that there will be testimony today about the causes and ramifications of pay inequity, I will address the question "With all this good work done, what is next? What is working? What is not and why?" My responses fall into the categories of Legislation, Education and Enforcement, Business As Partners in Change, and Structural Solutions to Measure and Attain Pay Equity.

LEGISLATION: The legislative successes of the last five years are laudable and hard won. They have raised the standard for employer behavior, but more can be done. PowHerNY's recommendations are:

Require Salary Ranges: Make wage setting more transparent and with a requirement for employers to post Salary Range with job postings. A new Colorado law requires employers to disclose in each posting for each job opening the hourly or salary compensation, or a range of the hourly or salary compensation, and a general description of all benefits and other compensation offered.

Business Reporting of Equal Pay Data: Businesses should be required to report their equal pay data, especially if they are contractors with the state or city. Currently companies with 250+ employees in the UKmust post their wage data publicly on https://gender-pay-gap.service.gov.uk/. Google, Citibank NA, Microsoft, Deloitte all

report in the UK, but not in the U.S. While companies are celebrating closing the wage gap, i.e. paying men and women equally for the same work (See Microsoft report), women and people of color remain the majority of lower paying employees. Data reporting reveals this and more. Obama era reporting requirements for employers to the <u>EEOC have been suddenly halted</u>. With the federal government backtracking on data collection, cities and states must step in to encourage or require companies to examine pay practices and fix discrimination.

Equal Pay for Work of Equal Value, also known as Comparable Worth: Because of job segregation, women and men work in different jobs, so equal pay for equal work laws are not relevant. To equalize the "paying field," we need to analyze what we call "women's work."

Society must address attitudes toward traditional "women's work" which is undervalued and underpaid. These jobs are typically very low paying and include caregivers, health aides, administrative assistance, etc. When we compare these jobs to typical men's jobs and compare the actual level of skill, education, responsibility, and danger of a job, a large wage disparity becomes evident. NYS held a one time equal value audit and adjustment in the 1980's. Since 2002 the <u>NYS Fair Pay Act</u> has passed in the Assembly.

Systems exist to compare these jobs and the international community is finding ways to revalue and adjust wages. To get at the root causes of women's poverty, we must address this historic, systemic gender discrimination. **NYC has an opportunity as it evaluates the municipal workforce.** This is an issue that needs close scrutiny.

Support the Elimination of the Tipped Minimum Wage: Minimum wage increases championed by NYC are addressing some of the issues around women's low wage jobs. However, tipped workers will not receive the full benefits. Among tipped minimum wage workers, 70% are women and three times more likely to live in poverty. Being dependent on tips makes them vulnerable to sexual harassment and wage theft. Although wages are set at the state level, NYC plays a huge role in influencing opinions and policies, especially in the service industries. **The Commissions can raise up this inequity which breeds a toxic workplace environment for women.**

Focus on Better Jobs for Better Futures: In addition to raising the wages of jobs women typically hold, serious attention needs to be directed to increasing participation in higher paying, "non-traditional" fields like S.T.E.M. and the trades. NYC can do more to encourage women and girls to enter these fields. Trade apprenticeship programs here are successful and should be vastly expanded. **The city can set minimum requirements for women's workforce participation in taxpayer funded projects, and ensure that the workplace is more welcoming and safe for female workers.** In terms of S.T.E.M., introducing girls and women to these growing, well paid fields of the future should be a priority. Studies find that gender specific programming, which could

be supported by the city in partnership with technology companies, helps breakdown stereotypes and obstacles for success.

Address the Teen Wage Gap: According to the author of The Cost of Being a Girl, "Part-time teenage jobs seem trivial, but they are the first entry into the workforce for girls and boys. In these jobs, they are socialized into the workforce—and they internalize its problems. The wage gap starts with girls—and we need to include them in our movement to close it." NYC Council member Debi Rose has proposed Intro. 1207 which we believe will be the first-in-the-nation law to study this reality and seek interventions. https://www.broadstreetreview.com/books/the-cost-of-being-a-girl-by-yasemin-besen-cassino

Support the NYS Equal Rights for All Amendment - S517B Krueger/A272 Seawright <u>https://www.nysenate.gov/legislation/bills/2019/s517/amendment/b</u>

Momentum is building for the potential passage of the federal ERA, which would enshrine only women's rights into the U.S. Constitution. PowHerNY is supportive of this work and is participating with the national ERA Coalition on this campaign. However, we believe that New York can exhibit greater leadership on human rights. From our equal pay work, we know that at the intersection of multiple identities (gender, sexuality, immigrant status, ethnicity, disability status), women suffer devastating economic consequences. The **Equal Rights for All Amendment (ERAA)**, will add constitutional protections for all groups experiencing historical, ongoing discrimination and offer an expanded human rights framework. This will no doubt be helpful to NYC's groundbreaking efforts lead by the NYC Commission on Human Rights.

EDUCATION AND ENFORCEMENT: Legislation has limited impact if employees don't know their rights and employers don't know, or don't follow the law.

FUNDING: For every worker' rights bill that is passed, it should be mandatory to have a public and business education component which is funded, either directly or through increased budgets for overseeing agencies. The Commissions have done enormous work with minimal or no additional funding. Imagine what can be done if we invest in the laws we pass.

PAY EQUITY EDUCATION: Knowledge can help end the reign of pay inequity which disadvantages not only women and families today, but generations to come. An educational program directed at businesses, schools, and communities would have profound effects in creating public awareness, individual knowledge, community dialogue, and the resolve needed to attain economic equity.

ENFORCEMENT: Change rarely occurs without the proverbial stick. Laws need to have teeth, and they need to be enforced. We commend the Commissions for their efforts to hold employers accountable. A recent example is the lawsuit against Chipotle for widespread violations of the new Fair Workweek Law, by the Commission on Consumer

Affairs. Those headlines will not be ignored by other employers who are required to follow the law to create predictable schedules for the fast food and retail industries.

However, research for the Community Service Society (CSS) found "the majority of fast food and retail workers responding (58 percent) had heard little or nothing about Fair Workweek laws a full eight months after they had gone into effect." In that "Enforcement actions of such protections are triggered by worker complaints, but workers can't complain that their rights have been violated if they aren't even aware of those rights in the first place." <u>http://www.centernyc.org/fair-workweeks-remain</u>

BUSINESS AS PARTNERS IN CHANGE: Ultimately, new laws and best practices play out in the workplace. Many companies are seeking solutions to the gender pay gap, and some are leading with answers. After a company-wide audit, Salesforce uncovered wage inequities which they have since equalized. They have identified relying on salary history as one of the causes. Microsoft's audit confirmed equal pay for its employees but unequal opportunity and is addressing the lack of women in higher paying, technology fields. Whole Foods has permitted employees to look up the salaries and bonuses of all employees (CEO included) for over 30 years. Work & CO, a Brooklyn-based digital project design company, requires recruiters to find two strong female job candidates for every male.

<u>Leveling the Paying Field</u> outlines many of the best practices companies can take to investigate and address wage disparity. However, mid-size and small companies do not have the resources large corporations have through their HR departments. The city can support businesses in evaluating, understanding and addressing disparities in their wage systems, offering bias training, and pointing to best practices and resources for audits and other actions.

We urge New York City to engage business in the challenge of equal pay and expanded opportunity for women. **Creating a program like Boston's 100% Talent is an excellent model.** The Boston Women's Workforce Council oversees the *100% Talent Compact*, an employer pledge to take concrete, measurable steps toward closing the gender gaps in wages and representation in their companies. To help us measure our collective progress, businesses also provide employee demographic and salary data anonymously every two years. As of January 2019, more than **250 businesses** have taken the pledge, including five Fortune 500 companies.<u>https://thebwwc.org/2019-measurement</u>

STRUCTURAL SOLUTIONS TO MEASURE AND ATTAIN PAY EQUITY IN NYC: As we acknowledge all the important work in NYC in the last decade, to sustain momentum and measure progress, a central organizing structure is needed. Today's hearing is an example of the power of intergovernmental collaboration; engagement of the public, non-profits, research institutions, and business; and fact-finding. But how do we link together these excellent but disconnected efforts and ideas into a sturdy platform to catapult success? A designated, funded, sustained structure would multiple individual efforts and galavanzie the march toward pay equity.

For example, that structure would be charged with developing clear methodology to measure the wage gap in NYC, private and public sector. In recent years the data analysis has done by different agencies, with perhaps varying protocols. That does not create reliable comparisons over time, or assist in measuring the impact of different laws and initiatives to set future goals.

As well, do we know what different sectors, businesses, NGOs and research institutions are doing to address disparity? There is no central place for this valuable information, no ongoing mechanism for sharing best practices and worthy but disconnected activities underway.

Knowing the charge of the Commission on Gender Equity, it could be a place to house this project, or there may be a different home. Having a funded, central repository of information and accelerator of action would take New York City to new heights in the war against wage inequality.

Thank you for holding this hearing and the opportunity to share these recommendations.

POWHER NEW YORK NETWORK

2020 Women on Boards/NYC 50/50 in 2020 Coalition 9-5. National Association of Working Women A1 Works-in-Progress Associates A Better Balance American Association Of University Women-NYS Asian Women in Business Atlas DIY Bella Abzug Leadership Institute Catalyst Inc. Center for Children's Initiatives Center for Popular Democracy Center for the Women of NY Centro Civico Cultural Dominicano Change Create Transform Citizen Action of New York Citizen's Committee for Children of NY CWA Local 1180 Community Service Society NY Empire State Coalition for Child Care Equal Pay Today! Family Values @ Work Gender Equality Law Center Girls for Gender Equity Hollaback! Human Rights Project/ Urban Justice Center Inclusion Strategies Institute For The Puerto Rican/Hispanic Elderly, Inc.

Jewish Women's Foundation NY Junior League - NYSPAC Latina Pay Equity Coalition of Rochester League of Professional Theatre Women League of Women Voters- NYC League of Women Voters - NYS Lean In NYC Legal Momentum Levo Make it Work Momsrising Nation to Nation Networking National Association for Female Executives National Council of Jewish Women Lakeville National Council of Jewish Women NY National Domestic Workers Alliance National Institute for Reproductive Health National Organization of Italian Women National Partnership for Women and Families National Women's Law Center National Federation of Business and Professional Women's Clubs - NYC New York City Collaboration of Women in Construction New York City Women's March New York Civil Liberties Union NY Coalition of 100 Black Women

New York Immigration Coalition

New York Paid Leave Coalition NYS Immigrant Action Fund NYS Coalition Against Domestic Violence NYS Coalition Against Sexual Assault New York Women in Communications New York Women in Film and Television New York Women's Agenda New York Women's Chamber of Commerce New York Women's Foundation Nontraditional Employment for Women NOW Brooklyn-Queens NOW NYC. NOW NYS NOW Westchester NY Union Child Care Coalition NYC4CEDAW NYS Women, Inc. Planned Parenthood NYC Raising Women's Voices NY ROC NY & ROC United Take the Lead Time's Up The Transition Network UN Women Metro NYC Chapter WNY Women's Foundation Women in Arts & Media Women in Development, NY

Health Management Women Chefs & Restaurateurs Women's Center for Career Education and Advancement Women's City Club of New York Women's Fund of Long Island Women's Media Center Women's Organizing Network YWCA of New York YWCA Binghamton YWCA Brooklyn YWCA City of New York YWCA Cortland YWCA Elmira YWCA Genesee County YWCA Greater Capital Region YWCA Jamestown YWCA Mohawk Valley YWCA Niagara Frontier YWCA Northeastern NY YWCA Orange County YWCA Queens YWCA Rochester YWCA Syracuse YWCA Ulster YWCA Western New York YWCA Westfield YWCA White Plains YWCA Yonkers Zonta Club of New York Zonta of Greater Queens

Women in