

March 21, 2023

Senator Tipping, Representative Roeder, and Honorable Members of the Joint Standing Committee on Labor and Housing,

I join you today on behalf of the Maine Women's Lobby. For over forty years, the Maine Women's Lobby has advocated for gender-responsive and gender-equitable public policies, with a focus on those most affected by misogyny, sexism, and other forms of oppression. We support systems and proposals which increase the health, wellness, safety, and economic security of all people in Maine. We are before you today In Support of LD 936, An Act to Require Disclosure of Pay Ranges and Record Keeping of Pay History.

Just 7 days ago, Governor Mills declared March 14 Equal Pay Day<sup>1</sup>. The first line of the press release reads: According to the United States Census Bureau, the difference between median earnings for men and women in Maine who worked full-time, year-round in 2021 was \$9,991. The release goes on to share that nationally, that gap is as much as \$28,797 for American Indian and Alaska Native women.<sup>2</sup>

## That disparity has actually widened since 2016.<sup>3</sup>

There are many reasons for this – women are more likely to take time out of the work force for unpaid caregiving labor within their family or community.<sup>4</sup> Women are more likely to work in low-wage, female-dominated roles – and still make less money than men working within those roles.<sup>5</sup>

But this is also simply structural, relating to salary history (inequity perpetuates inequity), salary negotiations which disfavor women, and expectations around silence on the topic of wages. But we don't have to live with those structures.

Creating systems of salary transparency is one of the least burdensome and most impactful ways we can turn this tide. With virtually no impact on the part of the employer, salary transparency laws have been shown to move the needle on the pay gap. Research shows reduced gender pay gaps and increased wages for women after states and/or employers have enacted pay transparency policies. It also helps businesses attract talent. A recent study shows that upcoming

<sup>&</sup>lt;sup>1</sup> Maine Dept. Of Labor. (2023). Press Release: Governor Mills Proclaims March 14 National Equal Pay Day in Maine.

<sup>&</sup>lt;sup>2</sup> US Census Bureau (2021). American Community Survey. Retrieved from https://data.census.gov/table?q=median+earnings+by+race&tid=ACSST1Y2021.S2002

<sup>&</sup>lt;sup>3</sup> U.S. Census Bureau Current Population Survey, 2016-2020.

<sup>&</sup>lt;sup>4</sup> Cutler Insitute of Health. (2022). The Economic Security of Older Women in Maine. Retrieved from <a href="https://www.mainewomen.org/s/EconomicSecurityOlderWomeninMaineReport-FINAL2.pdf">https://www.mainewomen.org/s/EconomicSecurityOlderWomeninMaineReport-FINAL2.pdf</a>

<sup>&</sup>lt;sup>5</sup>: "Women in the Labor Force: A Databook: BLS Reports: U.S. Bureau of Labor Statistics." Accessed December 2, 2021. https://www.bls.gov/opub/reports/womens-databook/2020/home.htm.

<sup>&</sup>lt;sup>6</sup> National Women's Law Center. (2023). Salary Range Transparency Reduces Gender Wage Gaps. Retrieved from <a href="https://nwlc.org/wp-content/uploads/2022/09/Salary-Transparency-FS-1.13.23.pdf">https://nwlc.org/wp-content/uploads/2022/09/Salary-Transparency-FS-1.13.23.pdf</a>

college seniors and recent college grads are 85% are less likely to apply for a job if the company does not disclose the salary range in the job posting.<sup>7</sup>

We would like to share that we support the proposed amendment to make this universal (rather than exempting some employers). Small businesses are often already doing this, in large part because they see the results it has on recruitment, and it helps save time in the hiring process.

As a small employer myself, and the person in our organization in charge of employment systems and job posting, I know that it costs me nothing in terms of time and effort to post my salary ranges, but significantly improves our ability to attract employees, makes negotiation faster and easier, and helps my team feel valued and informed.

We hope you will vote Ought to Pass on LD 936.

Thank you for your consideration.

Sincerely,

**Destie Hohman Sprague, Executive Director** 

<sup>&</sup>lt;sup>7</sup> Adobe Blog. (2023). Adobe's Future Workforce Study reveals what Gen Z is looking for in the workplace. Retrieved from <a href="https://blog.adobe.com/en/publish/2023/01/24/adobes-future-workforce-study-reveals-what-next-generation-workforce-looking-for-in-workplace">https://blog.adobe.com/en/publish/2023/01/24/adobes-future-workforce-study-reveals-what-next-generation-workforce-looking-for-in-workplace</a>

<sup>&</sup>lt;sup>8</sup> Arnold, David and Quach, Simon and Taska, Bledi, The Impact of Pay Transparency in Job Postings on the Labor Market (August 9, 2022). Available at SSRN: https://ssrn.com/abstract=4186234 or <a href="http://dx.doi.org/10.2139/ssrn.4186234">https://dx.doi.org/10.2139/ssrn.4186234</a>