

STATE OF MAINE DEPARTMENT OF LABOR 54 STATE HOUSE STATION AUGUSTA, MAINE 04333-0054

> Laura A, Fortman COMMISSIONER

Testimony of Michael Roland, Bureau of Labor Standards, Maine Department of Labor In Support of LD 1703, An Act to Amend the Maine Equal Pay Law by Prohibiting Pay Discrimination Based on Race To the Joint Standing Committee on Labor and Housing Public Hearing, Tuesday, May 16, 2023

Good afternoon Senator Tipping, Representative Roeder and members of the Joint Standing Committee on Labor and Housing. I am Mike Roland, Director of the Bureau of Labor Standards for the Maine Department of Labor (Department). I am here today to speak on behalf of the Department in support of LD 1703, An Act to Amend the Maine Equal Pay Law by Prohibiting Pay Discrimination Based on Race.

Requirements regarding equal pay have been part of Maine law since 1949. Maine's current Equal Pay statute, 26 MRS section 628, dates back to 1965 and prohibits discrimination on the basis of sex, specifically requiring equal pay for "comparable work on jobs that have comparable requirements relating to skill, effort and responsibility" in the same establishment. The Department receives few complaints under this statute and finds even fewer violations. Yet we know that the considerable earnings gap between males and females across industries and occupations persists.

In reviewing this bill, the Department analyzed available data regarding earnings differentials among several categories. We found that the discrepancy between the earnings of male and female workers in Maine, while still quite large, is exceeded by the discrepancy between Black or African American workers and White or other categories of workers. In particular:

- Among all workers sixteen years and older over the past 12 months, Black workers earned slightly over two-thirds of what White workers earned.
- More specifically, Black men who worked full-time, year-round in the past 12 months earned 72% of what White men earned who worked full-time, year-round in the past 12 months; and
- Black women who worked full-time, year-round in the past 12 months earned only 66% of what White women earned who worked full-time, year-round in the past 12 months.
- And most dramatically, Black women earned only 54% —slightly over half!— of what White men earned. (The attached table contains more detailed information.)

Over the more than five decades since Maine's Equal Pay law first took effect, the pay gap between men and women has diminished a bit, and a variety of measures have been added to strengthen the impact of the statute. We believe that these multiple strategies, in totality, have helped to close the pay gap between men and women. But there is still work to do. The Department urges workers to contact us or use our complaint form to report if they suspect they are being paid less than their colleagues for comparable work. And adding pay discrimination based on race to the prohibited actions of an employer will give us the additional tools necessary to continue making progress in this area.

The Department urges you to support LD 1703 and will continue to work to make the Maine Equal Pay Law effective.

The Maine Department of Labor is committed to serving Maine workers and businesses by helping employers recruit and train a talented workforce, providing workers with skills needed to compete in our economy, assisting individuals when jobs are lost, aiding people with disabilities reach career goals, ensuring safe and fair workplaces for people on the job and providing research and analysis of employment data to support job growth.

Income variation in Maine among certain categories* of workers						
median annual earnings by gender and race in Maine	Black or African American	White	Asian	Two or More Races	Black or African American / White	Black-AA females / White males
Male, worked full-time, year- round in the past 12 months	\$39,158	\$54,748	\$55,488	\$46,352	72%	
Female, worked full-time, year- round in the past 12 months	\$29,498	\$44,750	\$43,782	\$43,573	66%	54%
All (not necessarily full-time or year-round), past 12 months	\$25,195	\$37,317	\$30,752	\$30,052	68%	

*(categories are self-reported)

Data Source: Census American Community Survey 2021 5-year estimates (2017-21)

•MEDIAN EARNINGS IN THE PAST 12 MONTHS (IN 2021 INFLATION-ADJUSTED DOLLARS) BY SEX BY WORK EXPERIENCE •IN THE PAST 12 MONTHS FOR THE POPULATION 16 YEARS AND OVER WITH EARNINGS IN THE PAST 12 MONTHS