



**Testimony submitted to the Joint Committee on Labor and Workforce Development
In Support of H.1849/S.1191, An Act relative to salary range transparency
By Janis Soma, LWVMA Legislative Specialist, Women's Issues
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The League of Women Voters of Massachusetts supports the pay discrimination legislation H.1849/S.1191, An Act relative to pay range disclosure. The League supports equality of opportunity for all under state and federal law regardless of race, color, gender, religion, national origin, age, sexual orientation, or disability. Beginning in the 1980's the League has actively endorsed legislative efforts that foster the implementation of pay equity for both public and private employees.

The gender wage gap is a serious economic issue that affects women and families in our state. It exists because women on average are paid less than white male workers for doing the same job. The data shows that women in Massachusetts earn just 81 cents on the dollar compared to male coworkers. This ratio is even worse for most women of color with Asian and Pacific Islander women earning 66 cents, Native women earning 59 cents, African American women earning 57 cents, and Latina women earning 51 cents on the dollar. Women make \$13,000 less annually on average.¹

Many businesses have not studied their pay practices for possible discriminatory patterns. Companies that have conducted internal audits of pay practices most often find discrepancies in pay by gender and race. Awareness of these discrepancies does not necessarily lead to pay equity, however. Anonymous reporting by a group of Boston area employers does not show progress towards equal pay practices. In fact, women's wages have been backsliding when compared to those of white males.²

H.1849/S1191 would require employers to give pay ranges for specific jobs for applicants, current employees who are being transferred or promoted and current employees upon request. Pay range disclosure is widely expected to play a critical role in eliminating pay inequity. Forbes Magazine has stated that it will also help employers by reducing labor costs associated with compensation decisions and by reducing the likelihood of pay discrimination and legal disputes over compensation.³

The perceived efficacy of pay equity policy has resulted in global momentum to reduce pay secrecy. At least eight states and several U. S. cities have passed legislation to require pay range disclosures and several more have pending legislation. The European Union adopted its Pay Transparency Directive in April 2023. Australia, Japan, Canada, Brazil, France, Ireland, Israel, Italy, Germany, New Zealand, Norway, Portugal, Sweden, Switzerland, U.K., and UAE have all taken steps recently to reduce pay secrecy.⁴

The League, which represents 44 local Leagues from Cape Cod to the Berkshires, urges you to report H.1849/S.1191 favorably.

Thank you for your attention and consideration.

¹ EqualPayMA: Closing the Wage Gap in Massachusetts: An initiative of the Office of Economic Empowerment to close the wage gap in Mass (<https://www.mass.gov/equalpayma-closing-the-wage-gap-in-massachusetts>)

² The Boston Women's Workforce Council (BWWC) conducts biannual anonymous reporting by employers who have pledged to examine their wage gaps and eliminate them. The most recent reports of the BWWC (2020 and 2021) show backsliding of the composite gender wage gap of these employers (<https://thebwbc.org/wage-gap-studies>).

³ Wallace, Lisa, Four Predictions for Pay Transparency Laws in 2023, FORBES Leadership, Feb. 1, 2023 (<https://www.forbes.com/sites/forbeseq/2023/02/01/four-predictions-for-pay-transparency-laws-in-2023/?sh=13d6de087b72>)

⁴ WTW, 2023 Pay Equity Regulatory Update, March 10, 2023 (<https://www.wtwco.com/en-US/insights/2023/03/2023-pay-equity-regulatory-update>)