

# Ensuring Equal Wages Will Help Women Support Their Families, Local Economy

*Position Statement in support of House Bill 1003*

*Given before the Economic Matters Committee*

Prohibiting employers from paying lower wages and providing less favorable employment opportunities based on gender would improve uneven economic growth and would help create greater economic security for working families. For this reason, the Maryland Center on Economic Policy supports House Bill 1003.

Despite prior federal and state legislation to address the wage gap, a woman working in Maryland makes only 80 cents for every dollar made by men in comparable jobs.<sup>i</sup> This wage disparity is even greater for women of color: African American women make 70 cents, and Latina women make only 47 cents for every dollar paid to a man doing comparable work.

House Bill 1003 will build on past federal and state legislation to protect workers from employer retaliation if they share salary information with their colleagues. This will make it easier for employees to learn about wage differences in their workplaces. The bill also would allow legal representatives of workers making wage discrimination claims to compare wages paid in different facilities or offices within in the same county of the same employer. If there was a wage differential between comparable jobs, the employer would be required to show that the difference is truly related to job performance.

When employers fail to provide information about promotions or advancement and assign certain employees work that is less likely to lead to future opportunities, Maryland women suffer. By not allowing employers to use gender as a reason for job promotion and job placement, Maryland is moving towards greater job equity. Annually, Maryland women who work full time lose an average of \$8.5 billion due to the wage gap.<sup>ii</sup> The median income for a full time female employee is \$10,000 less than that of a male. The income that women could potentially gain if pay was equal could help put food on the table, pay the mortgage, and pay for education.

In Maryland, women are the heads of household for approximately 320,000 families.<sup>iii</sup> Of those families for which a woman is the primary breadwinner, approximately 60,000 struggle to get by on wages below the federal poverty line—just \$16,020 for a family of two. Ensuring equal wages and closing the wage gap will provide vital income for these women and their families.

In order to prove that employers are paying disparate wages, employees must have the right to inquire about and discuss the wages of others in the company. House Bill 1003 would also allow the employee to have an open dialogue with her employer regarding the reasons that wage differences occur without the fear of possibly losing her job. It would also protect an employee from having to sign a waiver or any other document barring them from disclosing their salary. By protecting employees' rights and giving them the means to discover workplace inequity, Maryland is acknowledging that equal work deserves equal pay and helping working women support their families.

House Bill 1003 is an important step toward ensuring that women receive fair, equal treatment in the workplace. By strengthening the law to ensure that women receive equal pay for their work and the same opportunities for advancement, Maryland is enabling women to continue providing for their families and building a stronger economy.

**For these reasons, the Maryland Center on Economic Policy respectfully requests that the Appropriations Committee give a favorable report to House Bill 1003.**

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<sup>i</sup> "Trade, High-wage Jobs and the Wage Gap." *Trade, Jobs and Wages. National Partnership for Women and Families*. Web. <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/9-2015-md-wage-gap.pdf>

<sup>ii</sup> U.S. Census Bureau. (2015). *American Community Survey 1-Year Estimates 2014, Geographies: All States within United States and Puerto Rico, Table B20017: Median Earnings in the Past 12 Months by Sex by Work Experience in the Past 12 Months for the Population 16 Years and Over with Earnings in the Past 12 Months*. Retrieved 17 September 2015, from [http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_14\\_1YR\\_B20017&prodType=table](http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_B20017&prodType=table)  
U.S. Census Bureau. (2015). *Current Population Survey, Annual Social and Economic (ASEC) Supplement: Table PINC-05: Work*

<sup>iii</sup> U.S. Census Bureau. (2015). *American Community Survey 1-Year Estimates 2014, Geographies: United States, Table DP03: Selected Economic Characteristics*. [http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_14\\_1YR\\_DP03&prodType=table](http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_1YR_DP03&prodType=table)  
(To determine whether a household falls below the poverty level, the U.S. Census Bureau considers the income of the householder, size of family, number of related children, and, for one- and two person families, age of householder. The poverty threshold in 2014 was \$19,073 for a single householder and two children under 18.)