



Independent Women's Voice®

# The Pay Equity Debate

## in 60 Seconds

### What's at Stake:

We all want women (and men) to be treated fairly in the workplace, but **the Paycheck Fairness Act would not be good for paychecks or fairness.** This bill would:

- NOT outlaw sex-based wage discrimination, which has been illegal since 1963.
- NOT boost women's paychecks, but those of trial lawyers by:
  - Allowing unlimited damages against employers.
  - Requiring workers to opt out of (rather than into) any class action lawsuit.
  - Putting the burden of proof on employers to justify any pay disparity.

This increased legal exposure would:

- Threaten workers' existing flexible work arrangements. Businesses will be more likely to adopt more rigid, one-size-fits-all practices to protect themselves.
- Discourage the hiring and advancement of women, who would be viewed as a legal risk.

The PFA also takes aim at "pay secrecy" policies in the workplace that ban employees from discussing pay. This will be ineffective because pay secrecy policies are **already illegal**, and most pay disparities are not the result of discrimination. Therefore, greater transparency is not likely to close the wage gap.

**The raw wage gap is not a measure of "equal pay for equal work" or a sign of widespread discrimination against women.**

**The wage gap is largely driven by different career choices NOT discrimination.**

Compared to men, on average, women:

- Work fewer hours, in safer conditions, with greater flexibility.
- Study/train for and work in lower-paying professions.
- Take longer leaves of absence from the workplace due to childbearing and rearing.

When controlling for decisions men and women make about work, the pay gap shrinks to **2 cents**.

This isn't to say that sexism or bad bosses don't exist, but discrimination is already illegal under the Equal Pay Act (1963) and the Civil Rights Act (1964).

We all want fairness in the workplace, but as the Washington Post editorial board wrote in 2009, the PFA "invites too much intrusion and interference in core business decisions...Discrimination is abhorrent, but the Paycheck Fairness Act is not the right fix."

## Addressing Concerns:

CONCERNS	RESPONSES
<p>Women earn less than men because of widespread pay discrimination.</p>	<p>Sadly there are instances of pay discrimination, which is wrong and already illegal. However the wage gap is not evidence of systemic discrimination because it does not compare men and women in the same jobs, same hours, or conditions.</p>
<p>We need to outlaw wage discrimination in the U.S.</p>	<p>Wage discrimination has been illegal since the 1963 Equal Pay Act. The 1964 Civil Rights Act also outlaws workplace harassment and discrimination. The PFA would encourage more lawsuits and increase government oversight over businesses compensation decisions.</p>
<p>The gender pay gap between black and Hispanic women and white men is even wider than the overall pay gap because of racial discrimination in pay.</p>	<p>There may also be systemic barriers to economic opportunity for particular groups that need to be addressed (for example, access to education), but this is not pay discrimination.</p>