TESTIMONY BEFORE THE FINANCE AND PERSONNEL COMMITTEE CITY OF MILWAUKEE MARCH 20, 2006

My name is Cheryl Maranto, and I am an Associate Professor of Management at Marquette University, with expertise in human resource management, applied labor economics and employment law. My teaching duties preclude my attendance today, but I am submitting my testimony in support of Resolutions 050095 and 051510 to create a task force to study pay equity in city government.

Despite the fact that the pay differential between men and women has declined since legal protections from the Equal Pay Act and Title VII of the Civil Rights Act, a sizable difference remains. Women who work year round, full time earn only 77 percent of what men earn. Approximately two-thirds of this difference cannot be explained by differences in the level of education, years of work experience, urban versus rural residence, etc. that legitimately affect wages. Furthermore, it is well-documented and remains the case that jobs that are predominantly female pay less.

This difference in pay has profound repercussions, not only on women in traditionally "female" jobs, but also on their families. Over 33 percent of single women with children live in poverty, compared to only 6.4 percent of women in two parent families.

Public sector employers tend to be quite exemplary in hiring a diverse workforce. But they—and the City of Milwaukee—can do more. I believe that pursuing a systematic study of pay equity in city employment, and committing to act on the findings of that study will send a powerful signal to the community about your commitment to equality and the dignity of work. I urge you to go forward with this initiative, and would be honored to assist in whatever way that I can.

MEMO

TO: Members of the Finance and Personnel Committee, Milwaukee City

Council

CC: Alderman Zielinski, Alderman Bauman

FROM: Mary Ryan, Fair Vote-Center for Voting and Democracy

DATE: March 17, 2006

RE: Comparable Worth Task Force

Good afternoon. I want to thank Alderman Murphy for scheduling these items on the March 20 agenda and appreciate your consideration of this important matter. The Comparable Worth Task Force is a crucial means of addressing gender pay inequity in the City of Milwaukee.

As a former employee and current Advisory Committee member of Fair Vote-Center for Voting and Democracy, I view the study of pay equity in the City of Milwaukee to be of vital importance to women's issues. Devaluing certain employees based on their sex is obviously not something with which the City of Milwaukee would wish to be associated. All too often, pay equity is not addressed directly, but, rather, on an as needed basis if individual complaints are filed. This task force presents the city with the opportunity to proactively investigate whether the city has a problem with pay equity and, if so, move ahead in resolving those problems. It is my understanding that the City of Milwaukee has never conducted a compensation review explicitly for the purpose of examining comparable worth. Although the city claims to be in good standing regarding equal pay claims, without such a study, this claim is hard to support with certainty. I urge the committee to pass this legislation with full funding, giving the task force the optimal power it needs to summarily inform the City Council on this issue and implement any much needed changes more swiftly.

I agree the examination of pay equity is a complex process, but that is why the City Council should be creating a team to investigate the issue with sufficient time and money to give the issue the attention it deserves. Complexity and past difficulty are not good reasons to stop examining issues, although they may help to explain why the City has not yet created such a task force. I'd like to now address some of the specific concerns raised in the Department of Employee Relations letter dated March 7, 2006:

Technical Considerations

I must respectfully disagree with Director Monteagudo when she claims "...experts have failed to agree on any one system that would satisfactorily and intelligently compare truck drivers with child care workers, chemists with librarians, laborers with clerk typists, or any number of other male dominated jobs with jobs dominated by females." The Equal Pay Act suggests different jobs of comparable value can be determined by

assessing the skills, effort, working conditions, and responsibility involved in a job. Los Angeles and Portland have successfully compared different jobs. The State of Minnesota was able to successfully conduct a comparable worth study for state employees and the Canadian province of Ontario passed a law in 1988 requiring public and private sector employers to implement pay equity. Ontario's experience provides excellent examples of how the City of Milwaukee, labor unions and advocates can work cohesively towards a stronger economic future for the city free of pay inequity. More information about these studies can be found on these websites: www.wageproject.org or www.pay-equity.org.

Financial Considerations

The AFL-CIO Public Policy Department has estimated that if pay equity is left to market forces alone with no intervention, pay equity will not arrive for the state of Wisconsin until 2025. Collective bargaining may be helpful in some situations, but not always for everyone. Access to fair pay should not depend on what union you do or do not belong to or the conditions of the labor market; pay equity is a right of all individuals in the workforce. If collective bargaining and market forces worked as well as this letter suggests, sex discrimination in the workplace wouldn't exist forty years after passage of the Equal Pay Act. But, nationwide we know women and minorities still get paid varying amounts for equal work. As responsible employers, concerned citizens, and ethical leaders, the City Council owes the citizens of Milwaukee a fair investigation if the national trend of pay inequity is also true at home. Furthermore, as a primary employer in the City, positive reform in the City Council could reshape the regional market. When you are a big employer in the market, you effectively control the market, so blaming the market for any pay inequity would become less plausible after the creation of this task force.

The DER suggests that "comparable worth requirements could force the City to increase pay for many different jobs and occupations while freezing pay for others, irrespective of labor market conditions or services to residents." To clarify, the purpose of the task force is to analyze possible pay inequity in the city government and make suggestions to the City Council regarding potential remedies. The task force will not have the power to force the City to make any actual changes. This legislation simply creates an advisory body of the City Council. The City Council has final say over what the effect of implementing any possible recommendations might be on constituents, employee morale, or union relations and then decide upon future actions.

The examination of comparable worth is long overdue in the City of Milwaukee. Fair pay is a cornerstone towards stronger families, productive individuals, and a more competitive economy. I hope you will demonstrate your commitment each man and woman as integral components in the workforce by passing this legislation and creating this task force. I look forward to working with you, and invite you to contact me at mary k ryan@hotmail.com or (414) 378-6414 if you wish to discuss this issue further.

Sincerely, Mary Ryan