

Fact Sheet:

New York 2017 Equal Pay Measures

Why New York State's Executive Orders on Blind Salary History Hiring Practices and State Contractor Reporting Are Critical to Achieving Equal Pay

On January 9, 2017, New York Governor Andrew Cuomo signed two Executive Orders intended to help eliminate the wage gap and promote gender and racial equality in New York State. [Executive Order 161](#) requires that all New York State entities adopt salary history blind hiring practices. [Executive Order 162](#) requires all state contractors to report information on the job titles, compensation, gender, race, and ethnicity of all their employees in all state contracts. The Governor's announcement builds on the passage of the [New York Women's Equality Act](#) and groundbreaking [New York Paid Family Leave Law](#) and will help further ensure that all workers in New York earn the wages they deserve. This fact sheet highlights why these new measures are integral to women's economic equality.

The Wage Gap Persists in 2016, Particularly for Women of Color

In the United States, women working full-time only make 79 cents for every dollar earned by men.¹ In New York State, while the gap is narrower, women working full-time still only make 87 cents for every dollar a man earns.² Wage disparity takes a significant economic toll on women, especially those living in poverty and those who are the primary supporters of their families.

- Women employed by the New York State government only make 83 cents for every dollar earned by men.³
- In New York State, women in the workplace collectively lose nearly \$20 billion a year due to unequal pay.⁴
- Women head over 1 million households in New York, with over 300,000 of those households surviving on incomes that fall below the poverty level. If the wage gap of nearly \$6,799 per year were eliminated in New York, women could use

¹ Carmen DeNavas-Walt & Bernadette D. Proctor, U.S. Census Bureau, *Income and Poverty in the United States: 2014: Current Population Reports* 10 (2015), <https://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf>.

² Letitia James, N.Y.C. Public Advocate's Office, *Policy Report: Advancing Pay Equity in New York City* 2 (2016), http://pubadvocate.nyc.gov/sites/advocate.nyc.gov/files/opa_pay_equity_report_final.pdf.

³ *Id.* at 8.

⁴ National Partnership for Women and Families, *New York Women and the Wage Gap* 1 (2015), <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/9-2015-ny-wage-gap.pdf>.

- those funds to pay for approximately six months of rent, or three months of mortgage payments, or a year's supply of groceries for their families.⁵
- Women of color in New York City are especially hard hit by the gender wage gap. For instance, there is a 54 percent gap between the wages of Hispanic women and white men in New York City. The gap between Black women and white men is 45 percent and between Asian women and white men, 37 percent.⁶
 - Experts warn that unless a concerted effort is made to close the gender wage gap, it could take another 43 years—until the year 2059—to achieve pay equity.⁷

Disclosing Salary History to Employers Contributes to Wage Inequality

Women begin earning less at the very outset of their careers. Therefore, when an employer asks about salary history, women are immediately at a disadvantage when it comes to negotiating and setting salary rates. The practice of asking about salary history thus perpetuates and reinforces wage inequality.

- Nationally, female college graduates earn an average of \$4 less per hour than their male counterparts in their first jobs after college, with women's starting salaries averaging \$16.58 and men's salaries averaging \$20.94.⁸
- Asking about salary history especially disadvantages those women that have left the job market to take on family responsibilities.⁹ This effectively penalizes those caregivers that take time to raise children and once again puts economic and family responsibilities at odds with one another.

The Failure of State Contractors to Disclose Salary Data Perpetuates Gender, Racial, and Ethnic Wage and Hiring Inequality

Currently, New York State law requires government contractors to disclose the composition of the employees performing work under state contracts.¹⁰ However, current New York State law does not require contractors to report salary information or job titles, making it impossible to identify wage and hiring disparities based on gender, race, or ethnicity.

⁵ *Id.*

⁶ James, *supra* note 2, at 2.

⁷ Institute for Women's Policy Research, *Women's Median Earnings as a Percent of Men's Median Earnings, 1960–2014 (Full-time, Year-round Workers) with Projection for Pay Equity in 2059*, at 1 (2015), <http://www.iwpr.org/publications/pubs/equal-pay-projection-2059>.

⁸ Teresa Kroeger & Katie Gould, *Straight out of college, women make \$4 less per hour than men—and the gap is getting wider*, Economic Policy Institute, Apr. 26, 2016, <http://www.epi.org/publication/straight-out-of-college-women-make-4-less-per-hour-than-men-and-the-gap-is-getting-wider/>.

⁹ James, *supra* note 2, at 4.

¹⁰ N.Y. Exec. Law §15-A (2015),

https://cdn.esd.ny.gov/MWBE/Data/NYS_EXECUTIVE_LAW_ARTICLE_15-A.pdf.



- New York State spends billions of dollars every year on state contracts¹¹ and has an obligation to ensure that the workforce hired to carry out these contracts receives equal compensation and equal job opportunities.
- Reporting this data will establish a model of transparency to ensure that contractors are held accountable for gender and race disparities in hiring and compensation.

Executive Orders 161 and 162 Will Help Close the Gender Wage Gap

A law similar to Executive Order 161 passed in Massachusetts last year¹² and an Executive Order signed by Mayor Bill de Blasio in November 2016 prohibits city agencies from asking prospective employees about their salary history.¹³ Delaware¹⁴, Minnesota¹⁵, and Oregon¹⁶ have all passed measures in recent years to hold state contractors more accountable for their hiring and compensation practices.

- Executive Order 161 will prohibit state entities from asking job applicants about salary history.¹⁷ Applicants are allowed to “volunteer” their salary history but are in no way obligated to do so.¹⁸ State employers are permitted to request and verify compensation information only after making a conditional employment offer.¹⁹
- Executive Order 162 requires that all New York State contractors and subcontractors disclose “detailed workforce utilization reports” on a quarterly basis that include the job titles and compensation information for every employee working on a State contract.²⁰

For more information contact A Better Balance at 212-430-5982 or www.abetterbalance.org or visit PowHer at www.powherny.org.

¹¹ N.Y. Exec. Order 162 (Jan. 9, 2017),

https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/EO_162.pdf.

¹² S. 2119, 189th Gen. Ct., Reg. Sess. (Mass. 2016), <https://malegislature.gov/Bills/189/Senate/S2119>.

¹³ N.Y.C. Exec. Order 21 (Nov. 4, 2016), http://www1.nyc.gov/assets/home/downloads/pdf/executive-orders/2016/eo_21.pdf.

¹⁴ H.B. 3, 148th Gen. Assemb. (Del. 2015) (amending 29 Del. C. § 6962 (2015)).

¹⁵ Minn. Stat. Ann. § 363A.44 (2014).

¹⁶ S.B. 491, 76th Leg. Assemb. (Or. 2011) (amending OR. REV. STAT. §§ 86.745, 86.755, 90.300, 105.124, 105.126 (2011)).

¹⁷ N.Y. Exec Order 161 (Jan. 9, 2017),

https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/EO_161.pdf.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ N.Y. Exec. Order 162 (Jan. 9, 2017),

https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/EO_162.pdf.