

CONGRESS MUST ACT TO CLOSE THE WAGE GAP FOR WOMEN

More than forty years ago, President Kennedy signed the Equal Pay Act (EPA)¹ into law, making it illegal for employers to pay unequal wages to men and women who perform substantially equal work. At the time of the EPA's passage in 1963, women earned merely 59 cents to every dollar earned by men.² Although enforcement of the EPA as well as other civil rights laws has helped to narrow the wage gap, significant disparities remain and need to be addressed. For these reasons, lead sponsors Senator Hillary Rodham Clinton (D-NY) and Representative Rosa DeLauro (D-CT) have introduced the Paycheck Fairness Act, which will strengthen current laws against wage discrimination and require the federal government to be more proactive in preventing and battling wage discrimination.³ Similarly, lead sponsors Senator Tom Harkin (D-IA) and Delegate Eleanor Holmes Norton (D-DC) have introduced the Fair Pay Act to ensure equal pay to those with comparable jobs. Strengthening of equal pay laws is critical to help realize the decades-old promise of equal pay for equal work.

The Gender Wage Gap Persists

- Women working full-time, year-round earn only about 77 cents for every dollar earned by men, virtually the same amount women earned in 2004. In 2005, the median annual earnings of women ages 15 and older were \$31,858, compared to \$41,386 for their male counterparts.⁴
- Minority women fare significantly worse. In 2005, the median earnings of African American women working full-time, year-round were \$29,680⁵ compared to \$46,437⁶ for white men; the median for Hispanic women was only \$24,214.⁷ This means that an African American woman earned just 64 cents for every dollar earned by a white man, while a Hispanic woman earned only 52 cents on the dollar compared to her white male counterpart.⁸ In both cases, this pay gap for women of color was only marginally smaller than it was in 2004.⁹
- An earnings gap exists between women and men across a wide spectrum of occupations. In 2005, for example, the median weekly wages earned by women physicians were just 61% of the median weekly wages of male physicians. Women in sales and sales-related occupations earned only about 63% of the median weekly wages of men in equivalent positions. While the gap is narrower in some occupations, it is still substantial. Women in the construction industry, for example, earned median weekly wages that were only 79% of what their male counterparts earned. And women in computer and mathematical occupations had weekly earnings that were 86% of the wages paid their male counterparts.
- In some occupations, women have actually lost ground. For example, in a study of management positions in 10 industries that together employ over 70% of women in the workforce, the U.S. Government Accountability Office (then the General Accounting Office) found that women managers consistently made less than their male counterparts; in seven of the 10 industries, the pay gap had increased between 1995 and 2000.¹⁴

- The earnings gap between women and men also persists across all educational levels. While education lifts all boats, it lifts men's boats much higher than women's. For example, among workers 18 and older with some high school education, women's median annual earnings were \$12,075, compared to \$20,289 for men. 15 Graduation from high school boosted women's median earnings to \$19,897, yet the same high school degree yielded \$30,176 for men. 16 Even a two-year associate's degree gives men a much bigger bang for their buck (\$41,156 in median annual earnings) than it does for women (\$27,606). 17 And while earning a bachelor's degree yielded a median annual of income of \$35,478 for women, it produced a whopping \$51,389 for men. 18 In fact, the pay gap is widest among non-Hispanic white men and women: non-Hispanic white men with just a high school diploma make almost as much (\$32,144) as non-Hispanic white women who have graduated from college (\$35,148). 19
- There is not a single state in which women have gained economic equality with men. ²⁰ As of 2002, Washington, D.C. was the area with the smallest wage gap, at 92%, whereas Wyoming had the widest gap, with women making about 66% of what men earned. ²¹
- As women get older, the wage gap for them widens. When women start their careers, the pay gap is relatively small: females aged 15 to 24 working full-time year-round have median annual earnings that are 96% of what their male counterparts earn. However, by the time they reach the critical years leading up to retirement, that 4% pay gap has increased more than seven times: women aged 45 to 64 who work full-time earn only 70% of what men do. 43
- If women in the workforce earned the same amounts as men who work the same number of hours, have the same education, age, and union status and live in the same region of the country, their annual family income would rise by about \$4,000 and their poverty rates would be cut by half or more. ²⁴ The Institute for Women's Policy Research has calculated that a typical woman who graduated college from 1984 and who was in her mid-40s in 2004 has lost more than \$440,000 during that period due to the wage gap. ²⁵
- Pay inequity also follows women into retirement. Unmarried women in the workforce today will receive, on average, about \$8,000 a year less in retirement income than their male counterparts; even controlling for number of years worked and educational levels, the pay gap during prime working years, plus spending a career in a female-dominated job, accounts for two-thirds of that retirement income gap. Women's loss of income in retirement due to pay inequity during their working years shows up primarily in their pensions and savings, not their Social Security. To the contrary, Social Security's progressive benefit formula and spousal benefits help women to counteract the effects of wage discrimination.²⁷

The Wage Gap Reflects Sex Discrimination

The wage gap cannot be dismissed as the result of "women's choices" in career and family matters. In fact, recent authoritative studies show that even when all relevant career and family attributes are taken into account, there is still a significant, unexplained gap in men's and women's earnings. Thus, even when women make the same career choices as men and work the same hours, they still earn less.

■ A 2003 study by U.S. Government Accountability Office (then the General Accounting Office) found that, even when all the key factors that influence earnings are controlled for — demographic factors such as marital status, race, number and age of children, and income, as well as work patterns such as years of work, hours worked, and job tenure — women still earned, on average, only 80% of what men earned in 2000. ²⁸ That is, there remains a 20% pay gap between women and men that cannot be explained or justified.

One extensive study that examined occupational segregation and the pay gap between women and men found that, after controlling for occupational segregation by industry, occupation, place of work, and the jobs held within that place of work (as well as for education, age, and other demographic characteristics), about one-half of the wage gap is due solely to the individual's sex.²⁹

Studies like these are borne out by case after case, in the courts and in the news, of suits brought by women charging their employers with wage discrimination. The evidence shows that sex discrimination in the workplace is still all too prevalent. Recent examples of pay discrimination cases include:

- In the largest employment discrimination suit ever filed, female employees have sued Wal-Mart for paying women less than men for similar work and using an old boys' network for promotions that prevented women's career advancement. One woman alleged that when she complained of the pay disparity, her manager said that women would never make as much as men because "God made Adam first." Another woman alleged that when she applied for a raise, her manager said, "Men are here to make a career, and women aren't. Retail is for housewives who just need to earn extra money." The Ninth Circuit recently reaffirmed the case as a class action on behalf of more than 1.5 million women who are current and former employees of Wal-Mart. 11
- In February 2007, a federal judge approved a \$2.6 million settlement against Woodward Governor Company for gender discrimination with respect to pay, promotions and training. The Equal Employment Opportunity Commission (EEOC) sued the global engine systems and parts company on behalf of female employees working at two of the company's plants. Pursuant to the terms of the agreement, an outside individual will oversee the company's implementation of and compliance with the settlement, including the development of written job descriptions for the positions at issue as well as performance appraisals and a compensation review process.³²
- In 2004, on the eve of trial, investment house Morgan Stanley agreed to settle a sex discrimination class action filed by the EEOC alleging that the investment firm paid women in mid- and upper-level jobs less than men, passed women over for promotions, and committed other discriminatory acts. Although it denied the allegations, Morgan Stanley did agree to pay \$54 million to the plaintiffs and to take numerous other actions to prevent discrimination in the future.³³
- In 2004, Wachovia Corporation admitted no wrongdoing but agreed to pay \$5.5 million to settle allegations by the U.S. Office of Federal Contract Compliance Programs that it engaged in compensation discrimination against more than 2,000 current and former female employees over six years.³⁴

Clearly, sex discrimination plays a major role in producing and sustaining the wage gap for women. It is thus hardly surprising that public opinion surveys consistently show that ensuring equal pay is among women's top work-related priorities. For instance, nine in 10 women responding to the "Ask a Working Women Survey" conducted by the AFL-CIO in 2004 rated "stronger equal pay laws" as a "very important" or "somewhat important" legislative priority for them. Similarly, a January 2007 national survey of 1000 unmarried adult women by Women's Voices Women Vote found that 73% of respondents said that support for pay equity legislation would make them "much more likely" to support a Congressional candidate.

The Government Needs to Do More

Women cannot rely on the government alone for enforcement of their rights, as the records of the Department of Labor and Equal Opportunity Employment Commission demonstrate.

■ The Department of Labor Has Undermined Enforcement Tools.

The Department of Labor is charged with ensuring that employers that do business with the federal government do not discriminate and take affirmative action to ensure equal opportunity. Under the Bush Administration, however, the Labor Department has refused to use the tools at its disposal to detect and take enforcement action against wage discrimination by federal contractors. To the contrary, it has adopted guidelines and regulations that tie its hands. For instance, the agency that oversees the nondiscrimination and affirmative action obligations of federal contractors has eliminated the Equal Opportunity Survey, a vital tool for detecting wage and other types of discrimination. As a result, the federal government now requires no submission of pay information. Moreover, the Department has narrowed the scope of its investigations into systemic wage discrimination, and in 2002, terminated the Equal Pay Initiative, removing information about women's rights to equal pay from its website and discontinuing proactive activities to educate the public and enforce the law.

Equal Pay Claims Have Lagged at the Equal Employment Opportunity Commission.

An examination of EPA claims brought to the EEOC over the past ten years reveals the pressing need for the agency to take more proactive measures. The number of EPA complaints for 2006 was the lowest it has been in ten years, a 24% decline since 1997. Overall, EPA claims comprised only 1% of all complaints the EEOC received last year. Given the continuing wage discrimination women face, the EEOC should be investigating the reasons for this decline in the number of claims. Equally disturbing, the agency found "no reasonable cause" in 62% of EPA cases last year, the highest rate of such findings in ten years. Even when the EEOC has litigated on behalf of EPA plaintiffs, moreover, it has recovered monetary benefits in only three of the past 10 years. In fact, in 2000, 2001, and 2002, the monetary recovery was only \$200,000 each year, resulting in \$600,000 over the past ten years. By contrast, the agency obtained monetary benefits every year during the last ten for plaintiffs who brought claims under Title VII, the ADA, and the ADEA. Overall, the EEOC recovered \$679.9 million for plaintiffs under Title VII, \$38.1 million under the ADA, and \$179.6 million under the ADEA.

For all of these reasons, Congress must act to improve the tools of both enforcement agencies and individuals to ensure that women's right to equal pay is protected.

<u>Legislation Is Needed to Close Loopholes in the Law, Block Rollbacks in Federal</u> Enforcement, and Promote Truly Equal Pay for Equal Work

Unfortunately, the way courts have interpreted the Equal Pay Act is insufficient to remedy the persistence of wage disparities and demonstrates the need for stronger laws to ensure that women are paid equal wages for equal work.⁴⁰

The Paycheck Fairness Act

Enactment of the Paycheck Fairness Act, introduced in the Senate by Sen. Hillary Rodham Clinton and in the House of Representatives by Rep. Rosa DeLauro, would update and strengthen the EPA in important ways, including:

■ Improving Equal Pay Act Remedies

The Act toughens the remedy provisions of the EPA by allowing prevailing plaintiffs to recover compensatory and punitive damages. The EPA currently provides only for liquidated (fixed and limited) damages and back pay awards, which tend to be insubstantial. The change will put gender-

based wage discrimination on an equal footing with wage discrimination based on race or ethnicity, for which full compensatory and punitive damages are already available.

■ Facilitating Class Action Equal Pay Act Claims

The Act allows an EPA lawsuit to proceed as a class action in conformity with the Federal Rules of Civil Procedure (FRCP). Class actions are important because they ensure that relief will be provided to all those who are injured by the unlawful practice. Currently, it is very difficult to bring EPA suits as class actions because the EPA, adopted prior to the current federal class action rule (FRCP Rule 23), requires plaintiffs to opt *in* to a suit. Under the federal rule, class members are automatically considered part of the class until they choose to opt *out* of the class.

■ Improving Collection of Pay Information by the EEOC

The Act requires the EEOC to survey pay data already available and issue regulations within 18 months that require employers to submit any needed pay data identified by the race, sex, and national origin of employees. These data will enhance the EEOC's ability to detect violations of law and improve its enforcement of the laws against pay discrimination.

■ Prohibiting Employer Retaliation

The Act prohibits employers from punishing employees for sharing salary information with their coworkers. This change will greatly enhance employees' ability to learn about wage disparities and to evaluate whether they are experiencing wage discrimination.

Closing a Loophole in the Employer Defense

Under the EPA, when an employer is found to be paying female employees less than male employees for equal work, the employer may assert an "affirmative defense" that the pay differential is based on a "factor other than sex." Some employers have argued for interpretations of this affirmative defense that are so broad (e.g., to include factors such as a male worker's stronger salary negotiation skills or higher previous salary) that they may themselves be "based on sex" and would seriously undermine the EPA. ⁴³ The Act tightens this affirmative defense so that it can excuse a pay differential for men and women only where the employer can show that the differential is truly caused by something other than sex and is related to job performance.

■ Eliminating the "Establishment" Requirement

Under the EPA, in order to determine that there is wage discrimination, the wage comparison must be made between employees working at the same "establishment." Some courts have interpreted this to mean that wages paid in different facilities or offices of the same employer cannot be compared even if the employer is paying workers different salaries for the same work. The Act clarifies that a comparison need not be between employees in the same physical place of business.

■ Developing Voluntary Guidelines for and Recognizing Model Employers

The Act directs the Department of Labor to develop guidelines to enable employers voluntarily to compare wages paid for different jobs to determine whether their pay scales accurately reflect the requirements of the jobs. This will help employers to eliminate unfair disparities between occupations traditionally dominated by men and by women. The Act also establishes an award, to be administered by the Labor Department, to recognize and promote the achievements of employers who have made strides to eliminate pay disparities.

■ Increasing Training, Research, and Education

The Act provides for increased training for EEOC employees to help them identify and respond to wage discrimination claims. It also calls for enhancing various research and education programs at the

Department of Labor, including programs to research ways to eliminate gender-based pay disparities and provide information to employers to assist them in eradicating such disparities.

■ Reinstating Pay Equity Programs and Enforcement at the Department of Labor

The Act reinstates the collection of gender-based data in the Current Employment Statistics survey. It sets standards for conducting systematic wage discrimination analyses by the agency that oversees the nondiscrimination and affirmative action obligations of federal contractors. The Act also directs means to implement of the Equal Opportunity Survey, a vital tool for detecting wage and other types of discrimination. The Act also directs of discrimination.

■ Sparking the Development of Salary Negotiation Skills Training

The Act establishes a competitive grant program to develop training programs for women and girls on how to negotiate better compensation packages, and directs the Secretaries of Labor and Education to integrate the programs developed into education and job training programs under their respective jurisdictions.

Fair Pay Act

Far too many occupations in the United States remain dominated by one gender. In female-dominated fields, moreover, wages have traditionally been depressed and continue to reflect the artificially suppressed pay scales that were historically applied to so-called "women's work." The Fair Pay Act, introduced in the Senate by Senator Tom Harkin (D-IA) and in the House of Representatives by Delegate Eleanor Holmes Norton (D-DC), would address this problem by extending the reach of the equal pay laws in the following ways:

Providing Equal Pay for Equivalent Jobs

The Act would equalize wage disparities between jobs that are segregated on the basis of sex, race, or national origin, but require equivalent skills, effort, responsibility, and working conditions.

Protecting Victims of Wage Discrimination

Similar to the Paycheck Fairness Act, the Fair Pay Act provides punitive and compensatory damages to victims of wage discrimination. It also prohibits retaliation against individuals who exercise their rights under the law.

Requiring Employer Record Keeping

The Act requires all employers to keep records of the methods they use to set employee wages. Employers must also provide yearly reports to the EEOC that describe their workforce by position and salary as well as gender, race, and ethnicity.

Conclusion

Equal pay for equal work is at the foundation of equality in the workplace. Wage discrimination undermines family economic security today and retirement income tomorrow. American women and their families cannot afford paychecks that are shortchanged just because the workers who earned them are women. The Paycheck Fairness Act and the Fair Pay Act propose concrete steps to respond to the ongoing injustice of wage discrimination. Congress should act expeditiously to pass them.

NOTES

¹ 29 U.S.C. § 206(d).

http://www.census.gov/hhes/www/income/histinc/p40.html (last visited Feb. 22, 2007).

As of April 4, 2007, 17 Senators and 71 Representatives had joined the bill as cosponsors.

- ⁵ U.S. Census Bureau, Current Population Survey, 2006 Annual Social and Economic Supplement, Table PINC-05: Work Experience in 2004–People 15 Years Old and Over by Total Money Earnings in 2005, Age, Race, Hispanic Origin, and Sex, Female 15 Years and Over Black A.O.I.C., available at
- http://pubdb3.census.gov/macro/032006/perinc/new05_113.htm (last visited Feb. 23, 2007). (Individual tables *available at* http://pubdb3.census.gov/macro/032006/perinc/new05_000.htm (last visited Feb. 23, 2007)).
- ⁶ U.S. Census Bureau, Current Population Survey, 2006 Annual Social and Economic Supplement, Table PINC-05: Work Experience in 2004–People 15 Years Old and Over by Total Money Earnings in 2005, Age, Race, Hispanic Origin, and Sex, Male 15 Years and Over White Alone, Not Hispanic., *available at*

http://pubdb3.census.gov/macro/032006/perinc/new05_058.htm (last visited Apr. 6, 2007)).

- ⁷ U.S. Census Bureau, Current Population Survey, 2006 Annual Social and Economic Supplement, Table PINC-05: Work Experience in 2004–People 15 Years Old and Over by Total Money Earnings in 2005, Age, Race, Hispanic Origin, and Sex, Female 15 Years and Over Hispanic (of any race), *available at* http://pubdb3.census.gov/macro/032006/perinc/new05_117.htm (last visited Feb. 23, 2007).
- ⁸ National Women's Law Center calculations based on selected tables, U.S. Census Bureau, Current Population Survey, 2006 Annual Social and Economic Supplement, *available at* http://pubdb3.census.gov/macro/032006/perinc/new05 000.htm (last visited Feb. 23, 2007)).
- ⁹ In 2004, an African American woman earned 67 cents for every dollar a white man earned, while a Hispanic woman earned 56 cents. National Women's Law Center calculations based on selected tables, U.S. Census Bureau, Current Population Survey, 2005 Annual Social and Economic Supplement, *available at* http://pubdb3.census.gov/macro/032005/perinc/new05 000.htm (last visited Apr. 4, 2007).
- ¹⁰ National Women's Law Center calculations based on Bureau of Labor Statistics, U.S. Dep't of Labor, Household Data Annual Averages, Table 39: Median Weekly Earnings of Full-time Wage and Salary Workers by Detailed Occupation and Sex, 261 (2006 Income) *available at* http://www.bls.gov/cps/cpsaat39.pdf (last visited Feb. 23, 2007).
- ¹¹ *Id.* at 262.
- ¹² *Id.* at 263.
- ¹³ *Id.* at 260. *See also* Suzanne Riss, Salary Survey 2005: *How Can We Close the Gender Pay Gap?*, NAFE Magazine, Winter 2005, at 18, 22-23 *available at* http://www.nafe.com/images/NAFE_Magazine/2005salarygap.pdf *and* http://www.nafe.com/images/NAFE_Magazine/2005salarychart.pdf (last visited Feb. 26, 2007).
- ¹⁴ See U.S. General Accounting Office, Women in Management: Analysis of Selected Data from the Current Population Survey 18-19, GAO-02-156 (Oct. 2001), available at http://www.gao.gov/new.items/d02156.pdf (last visited Feb. 23, 2007).
- ¹⁵ U.S. Census Bureau, Educational Attainment in the United States: 2006, Detailed Tables, Table 9 (2007), *available at* http://www.census.gov/population/www/socdemo/education/cps2006.html (last visited Apr. 6, 2007). ¹⁶ *Id.* Numbers for high school graduate includes those who earned a GED.
- ¹⁷ *Id*.
- ¹⁸ *Id*.
- ¹⁹ *Id*.
- ²⁰ Amy Ciazza, April Shaw, & Misha Werschkul, *Women's Economic Status in the States: Wide Disparities by Race, Ethnicity, and Region*, Table 3a, (Institute for Women's Policy Research, 2004), *available at* http://www.iwpr.org/pdf/R260.pdf (last visited Feb. 26, 2007).

 ²¹ *Id.* at 9.
- ²² National Women's Law Center calculations based on selected tables, U.S. Census Bureau, Current Population Survey, 2006 Annual Social and Economic Supplement, Table PINC-05: Work Experience in 2005–People 15

² U.S. Census Bureau, Historical Income Tables – People, Table P-40: Woman's Earnings as a Percentage of Men's Earnings by Race and Hispanic Origin: 1960 to 2005, *available at* http://www.census.gov/hhes/www/income/histinc/p40.html (last visited Feb. 22, 2007).

⁴ U.S. Census Bureau, Income, Poverty, and Health Insurance Coverage in the United States: 2005, Current Population Reports, Consumer Income, P60-231, Table1: Income and Earnings Summary Measures by Selected Characteristics: 2004 and 2005, 7 (Aug. 2006), *available at* http://www.census.gov/prod/2006pubs/p60-231.pdf (last visited Feb. 26, 2007).

Years Old and Over by Total Money Earnings in 2004, Age, Race, Hispanic Origin, and Sex, *available at* http://pubdb3.census.gov/macro/032006/perinc/new05_127.htm (Female 15 to 24 Years All Races) *and* http://pubdb3.census.gov/macro/032006/perinc/new05_073.htm (Male 15 to 24 Years All Races) (last visited Feb. 25, 2007).

- National Women's Law Center calculations based on selected tables, U.S. Census Bureau, Current Population Survey, 2006 Annual Social and Economic Supplement, Table PINC-05: Work Experience in 2005–People 15 Years Old and Over by Total Money Earnings in 2004, Age, Race, Hispanic Origin, and Sex, *available at* http://pubdb3.census.gov/macro/032006/perinc/new05_145.htm (Female 45 to 64 Years All Races) *and* http://pubdb3.census.gov/macro/032006/perinc/new05_091.htm (Male 45 to 64 Years All Races) (last visited Feb. 23, 2007).
- ²⁴ AFL-CIO & Institute for Women's Policy Research, Equal Pay for Working Families: National and State Data on Pay Gap and Its Costs, 1 (1999), *available at*
- http://www.aflcio.org/issues/jobseconomy/women/equalpay/EqualPayForWorkingFamilies.cfm (last visited Feb. 23, 2007).
- ²⁵ Institute for Women's Policy Research, Memo to John Roberts: The Gender Wage Gap is Real, 2 (Sept. 2005), *available at* http://www.iwpr.org/pdf/C362.pdf (last visited Feb. 23, 2007).
- ²⁶ Olivia S. Mitchell, Phillip B. Levine, & John W. Phillips, *The Impact of Pay Inequality, Occupational Segregation, and Lifetime Work Experience on the Retirement Income of Women and Minorities*, vii (AARP, Sept. 1999), *available at* http://assets.aarp.org/rgcenter/econ/9910_women.pdf (last visited Feb. 23, 2007).
- ²⁸ U.S. General Accounting Office, Women's Earnings: Work Patterns Partially Explain Difference between Men's and Women's Earnings 2, GAO-04-35 (Oct. 2003), *available at* http://www.gao.gov/cgi-bin/getrpt?GAO-04-35 (last visited Feb. 26, 2007).
- ²⁹ See Kimberly Bayard, Judith Hellerstein, et al., New Evidence on Sex Segregation and Sex Differences in Wages from Matched Employee-Employer Data, 21 J. Labor Economics 887, 904 (2003).
 ³⁰ Bob Egelko, Sex Discrimination Cited at Wal-Mart: Women Accuse Wal-Mart, Lawyers Seek OK for Class-Action
- ³⁰ Bob Egelko, Sex Discrimination Cited at Wal-Mart: Women Accuse Wal-Mart, Lawyers Seek OK for Class-Action Suit, San Francisco Chronicle, Apr. 29, 2003, at B1, available at sfgate.com/cgi-bin/article.cgi?file=/chronicle/archive/2003/04/29/BU303648.DTL (last visited Feb. 26, 2007).
- ³¹ Dukes v. Wal-Mart, Inc., 474 F.3d 1214 (9th Cir. 2007), *available at* http://www.ca9.uscourts.gov/ca9/newopinions.nsf/D12BAFD84138E886882572790082A486/\$file/0416688.pdf?op enelement (last visited Feb. 26, 2007).
- ³² The court consolidated the EEOC's case with a class action by employees alleging race discrimination against African Americans, Hispanics, and Asians with regards to pay, promotions, and training. The terms of the settlement provide that \$2.4 million will go to plaintiffs with race-based claims. Press Release, Judge Approves \$5 Million Settlement of Job Bias Lawsuits Against Woodward Governor (Feb. 20, 2007), *available at* http://www.eeoc.gov/press/2-20-07.html (last visited Mar. 27, 2007).
- ³³ Press Release, EEOC and Morgan Stanley Announce Settlement of Sex Discrimination Lawsuit (July 12, 2004), *available at* http://www.eeoc.gov/press/7-12-04.html (last visited Feb. 25, 2007).
- ³⁴ See Office of Federal Contract Compliance Programs, U.S. Dep't of Labor v. Wachovia Corp., Case No. 2001-OFC-0004 (U.S. Dep't of Labor Office of Admin. Law Judges, Sept. 21, 2004), available at http://www.oalj.dol.gov/DMSSEARCH/CASEDETAILS.CFM?CaseId=205183) (last visited Feb. 26, 2007); Wachovia to Pay \$5.5M in Discrimination Case, Tampa Bay Business Journal, Sept. 24, 2004, available at http://tampabay.bizjournals.com/tampabay/stories/2004/09/20/daily37.html (last visited Feb. 26, 2007).

 ³⁵ AFL-CIO, Ask a Working Woman Survey Report, 9 (2004) available at
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- (on file with the National Women's Law Center).

 37 DOL, Affirmative Action and Nondiscrimination Obligations of Contractors and Subcontractors; Equal Opportunity Survey, 41 C.F.R. § 60.2.
- ³⁸ DOL, Interpreting Nondiscrimination Requirements of Executive Order 11246 with Respect to Systemic Compensation Discrimination, 71 Fed. Reg. 35,124 (June 16, 2006).
- ³⁹ Letter from Mitchell E. Daniels, Jr., Director of the U.S. Office of Management and Budget, to Rep. Rosa L. DeLauro (on file with the National Women's Law Center).
- ⁴⁰ See Closing the Gap: Equal Pay for Women Workers: Hearing Before the Comm. on Health, Education, Labor and Pensions, 110th Cong. (2007) (Testimony of Jocelyn Samuels, Vice President for Education and Employment,

National Women's Law Center), available at

 $http://www.nwlc.org/pdf/Final\%20Testimony\%20of\%20Jocelyn\%20Samuels\%20Before\%20the\%20Senate\%20HE\ LP\%20Committee,\%20April\%2012,\%202007.pdf.$

⁴² 29 U.S.C. § 206(d)(1).

⁴⁵ See, e.g., Wetzel v. Liberty Mut. Ins. Co., 449 F. Supp. 397, 407 (W.D. Pa. 1978).

⁴⁷ The Act refers to a regulation the Office of Federal Contract Compliance Programs (OFCCP) rescinded or September 8, 2006. *See* DOL, Affirmative Action and Nondiscrimination Obligations of Contractors and Subcontractors; Equal Opportunity Survey, 41 C.F.R. § 60.2.

In wage discrimination cases, an affirmative defense is one that admits the existence of a wage disparity but asserts a legally permissible reason for the disparity.

⁴³ See, e.g., Kouba v. Allstate Ins. Co., 691 F.2d 873 (9th Cir. 1982) (finding that employer did not violate the EPA for computing minimum salaries for new sales agents based on their prior salaries).

⁴⁴ 29 U.S.C. § 206(d)(1).

The Paycheck Fairness Act would overturn the DOL's 2006 decision to narrow the scope of its investigations into systematic wage discrimination. See DOL, Interpreting Nondiscrimination Requirements of Executive Order 11246 with Respect to Systemic Compensation Discrimination, 71 Fed. Reg. 35,124 (June 16, 2006).
 The Act refers to a regulation the Office of Federal Contract Compliance Programs (OFCCP) rescinded on