

A STRONG VOICE FOR OREGON'S WORKERS

To: Chair Taylor
Vice-Chair Bonham
Members of the Senate Labor and Business Committee

FR: Catie Theisen, Oregon AFL-CIO

RE: SB 925-2 Wage Transparency Support

March 16, 2023

The Oregon AFL-CIO represents 300,000 workers across Oregon and is a voice for all workers in the legislative process. Thanks for the opportunity to testify in support of SB 925 to help catch Oregon up with many other states when it comes to wage transparency.

In Oregon, we're proud to have proactively worked to tackle persistent wage gaps. According to the National Women's Law Center, while women overall in Oregon still earn on average 83.9 cents to every dollar a white man makes, as of 2023 <u>Oregon now ranks</u> in the top 10 of all states when it comes to closing the wage gap for Black, Latina and Native women. It's critical that we use every tool available to continue to address these systematic and long standing pay inequities for women, people of color and other protected classes.

SB 925-2 helps achieve this by bringing Oregon in line with 8 other states, including Washington and California on wage transparency. The bill simply makes it an unlawful employment practice to fail to or refuse to disclose compensation including wages or a wage range and benefits in job postings, promotion or transfer opportunities. It also requires that there be regular communication between the worker and the employer on compensation throughout the duration of their employment. Critically, the bill also extends retaliation protections to workers if they are retaliated against for asking for this information.

Data on this issue substantiates that adding pay ranges to job announcements levels the negotiating playing field for candidates. Pay negotiations are <u>notoriously unfavorable</u> to women due to long-standing gender biases and, because women are typically coming from roles where they are paid less, often ask for less than their equally qualified male counterparts. But <u>research also shows</u> that when job applicants are clearly informed about the context for negotiations, like the range of pay, these gender differences in negotiation <u>outcomes diminish</u>, which could help narrow gender and racial wage gaps.

SB 925 is good for workers, good for the economy, and ultimately responds to concerns about the workforce crisis: After Colorado had a similar pay range transparency go into effect, the state experienced a 1.5% increase in its labor force participation rate compared to Utah, a state without such a law but with similar economic and demographic characteristics. Further, according to one report, 85% of surveyed workers said they are more likely to apply to job ads that list salary ranges.

Oregon workers should not be left behind when it comes to extending this simple transparency measure. We encourage your support of SB 925.