

California Legislature

Background

Gender Pay in State Civil Service

Wednesday, February 22, 2017
State Capitol, Room 4202
10:00 a.m. - noon

Hearing Overview

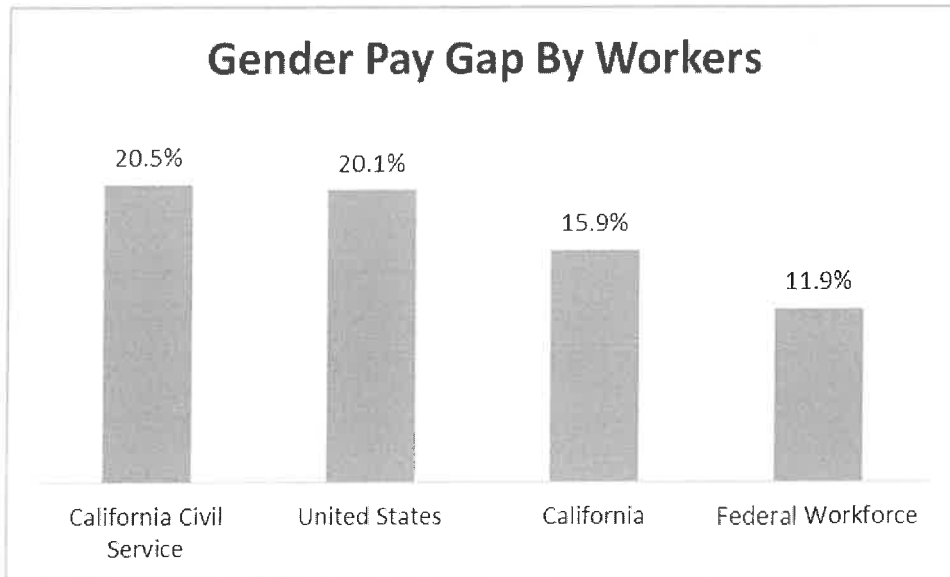
This hearing will focus on the gender pay gap in civil service and address how the State is working to close it. Panelists from the California Commission on the Status of Women and Girls (Commission) will describe the recent and planned work of the Commission in addressing pay equity statewide. Officials from the Government Operations Agency and the California Department of Human Resources (CalHR) will provide an overview of the department's recent women's earnings report; and, representatives from the Department of Motor Vehicles and California Highway Patrol will discuss various strategies to support the professional development, recruitment, and retention of women in state civil service.

The Gender Pay Gap in California

The gender pay gap is generally defined as the median salary difference between women and men. As recently reported by CalHR, women in state civil service experience a larger gender pay gap when compared to women in the federal workforce and the general California workforce. While the gender pay gap has narrowed over the last 25 years, women workers in state civil service still have not reached pay parity with their male counterparts.

CalHR's recent report on women's earnings in state civil service classifications shows that, in 2014, the median female employee in state civil service earned about 80 cents on the dollar compared to men, a gap of 20.5%. This gap is in line with the nationwide pay gap. However, it represents a greater disparity than the gender pay gap in both California's overall workforce (about 16%) and the federal workforce (about 12%).

The following figure shows these gaps:



While the report does not provide a breakdown of the gap as it relates to women of color, national data from the Institute for Women's Policy Research shows that, in 2014, the largest gender wage gap was for Hispanic and African-American women, who earned only 61 cents and 68 cents, respectively, on the dollar compared to white men.

The CalHR report did not identify pay gaps between men and women within classifications. Instead, the report attributes the gender wage gap among state employees to the different types of positions held by women and men. Salaries for specific jobs are generally set through labor contracts and wage differentials are not based on employee gender. While the report presents median salaries for all men and all women in state civil service, it does not address the various reasons why more men are employed in the state's higher-paying classifications, such as law enforcement officers, firefighters, engineers, and scientists, while more women work in lower-paying state jobs, such as administrative support and food service occupations.

Research cited by the Commission highlights some of the factors that may help to shed light on the gap. In its California Pay Equity Task Force Draft Interim Report, the Commission points out that women and men make career choices within a context informed by beliefs, values, and expectations that impact their choices and pay outcomes. Women may trade off advancement or higher earnings for a job that offers flexibility to manage work and family responsibilities. It is also possible, according to the Commission report, that an earnings difference could result from discrimination in the workplace or subtler discrimination about what types of career or job choices women can make.

The Commission also cites research in its report that reveals occupational segregation is one of the most significant factors impacting the gender pay gap. The report describes occupational segregation as "the systematic concentration of groups of workers (i.e., women, people of color) in particular jobs that are less prestigious, well paying, and stable." All of these factors translate, to different degrees, into lower pay for women.

According to CalHR, some progress has been made in moving women into historically male-dominated jobs. The CalHR report shows California state civil service has employed a larger percentage of women in science, technology, engineering, and mathematics (STEM) positions and in traditionally male-dominated construction and maintenance related jobs than the overall California and U.S. workforce. Regardless of these employment gains, CalHR data forecasts indicate that if progress toward closing the gender wage gap continues at the same pace as the past 10 years, women and men in state civil service will not reach equal pay until 2044.

The CalHR report includes a number of recommendations to help close the gender wage gap by modernizing recruitment programs to attract more women applicants into a broader variety of careers; promoting family-friendly benefits, such as alternative or flexible work schedules; and increasing opportunities for promotions and new hires.

Salary-Setting Requirements

Current law, as described in Government Code section 19827.2, requires CalHR to review and analyze information relevant to the setting of salaries for "female-dominated" jobs and states legislative intent to establish a state policy of setting salaries for female-dominated occupations based on comparability of the value of work to other classes within state civil service. CalHR's report on women's earnings in state government is required to be provided to the Legislature on an annual basis per this section.

CalHR notes that, since 1983, it has set salaries and other terms and conditions of employment for the majority of civil service employees based on Memoranda of Understanding (MOU) agreed to in bargaining between the State and exclusive representatives. Government Code section 3517 provides that actions to adjust employee compensation occur through collective bargaining following the meet-and-confer process. The CalHR report is required to be provided as part of this process.

Upward Mobility (UM) Programs

Government Code sections 19400-19406 require state agencies to have a UM program for employees in low-paying occupational groups. UM is defined as the planned development and advancement of employees in lower-paying jobs to entry-level technical, administrative, and professional positions.

According to CalHR's Guidelines for Administering Departmental UM Programs, UM is an important component of a department's overall workforce plan. UM can aid in meeting a department's labor needs; provide support to employees in lower-paying occupations to improve their qualifications and become more valuable; and, assist with workforce diversity efforts.

Departments are required to track their UM efforts and report specified information to CalHR, including the number of participating employees, and the amount and percentage of the department's training budget allocated for UM activities, such as training and financial assistance for employees to take college courses.

Interested employees are encouraged to seek out advancement opportunities, prepare formal career development plans, take the necessary training, discuss career options with their supervisors, and, consult their bargaining unit agreements for specific UM provisions.

Pay Equity Task Force

In October 2015, Governor Brown signed Senate Bill 358 (Jackson), Chapter 546, Statutes of 2015, known as the California Fair Pay Act. Among other things, it mandates that employers pay women and men equally for substantially similar work, thus broadening existing law that requires equal pay for equal work. In response, the Commission convened the California Pay Equity Task Force to develop guidelines to help employers work proactively to achieve pay equity and comply with the new law; and, inform employees about their rights and how to exercise them. The 21 member task force is comprised of stakeholders impacted by, and responsible for, the law and includes employee groups, large and small employers, California enforcement agencies, and members of the Legislature.

Legislative Update

Following enactment of SB 358, SB 1063 (Hall) and Assembly Bill 1676 (Campos) were signed into law in 2016. SB 1063 prohibits and penalizes wage discrimination based on race or ethnicity and AB 1676 clarifies that an employee's prior salary cannot, by itself, justify any disparity in compensation.

In the current 2017-2018 session, AB 168 (Eggman) bans employers from seeking a job candidate's salary history and requires employers to provide a salary range to a job applicant, upon reasonable request. Additionally, AB 46 (Cooper) specifically defines an employer to include public and private employers for purposes of wage discrimination.