



# OFCCP Pay Discrimination Update

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# Today's Agenda

- ▶ Overview of OFCCP Pay Discrimination Enforcement Activities
- ▶ Q&A on Part 1
- ▶ Presentation by White House Equal Pay Enforcement Task Force
- ▶ Q&A on Part 2



# OFCCP Mission Statement



*To enforce, for the benefit of job seekers and wage earners, the contractual promise of affirmative action and equal employment opportunity required of those who do business with the Federal Government.*

# OFCCP's Responsibilities



- ▶ Making certain federal contractors follow requirements to practice equal opportunity and take affirmative action.
- ▶ Ensuring compliance with:
  - Executive Order 11246 (EO 11246)
  - Section 503 of the Rehabilitation Act (Section 503)
  - Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA)

# EO 11246

## Obligations Regarding Pay



No discrimination in  
“rates of pay or other  
forms of compensation”

- ▶ EO Clause (60-1.4)
- ▶ Recordkeeping Requirements (60-1.12)

# Monitoring Requirements



- ▶ Identification of Problem Areas (60-2.17(b))
- ▶ Action-Oriented Programs (60-2.17(c))
- ▶ Periodic Internal Audits (60-2.17(d))
- ▶ Compensation is specifically included.

# Equal Pay Enforcement Agenda



- ▶ Strengthen enforcement
- ▶ Improve and update policy responses
- ▶ Educate workers about their rights and employers about their obligations
- ▶ Work as part of a federal multi-agency team

# Strengthen Enforcement





## (Work in Progress)

The Official Blog of the U.S. Department of Labor

### AstraZeneca: What We Learned

by PATRICIA SHIU AND SARA MANZANO-DIAZ on JUNE 9, 2011 - 1 COMMENT

Like You the AstraZeneca: What We Learned · Admin

This week, the U.S. Department of Labor [announced](#) a settlement in our pay discrimination lawsuit against one of the largest pharmaceutical companies in the world, AstraZeneca. The company is a federal contractor that receives more than \$2 billion to supply drugs and medical equipment to VA hospitals and centers across the country.

The Labor Department's Office of Federal Contract Compliance Programs found in its investigation that the company was discriminating against women by paying some of their female sales associates, on average, \$1,700 less per year than men doing the same job. One hundred and twenty four AZ saleswomen will share in the \$250,000 settlement.

Many of the women had no idea they were experiencing discrimination. That's not surprising. How would they know what their male counterparts were making?

The long-term impact of this case is significant for the company: AZ has agreed to re-examine pay practices in offices across 13 states and DC. The company's management has committed to correcting any problems that are found.

But this case is instructive on a larger scale, because it reminds us that solving the pay gap requires **strong enforcement** so businesses that do play by the rules and treat workers fairly don't have to compete against those who do not.

To close the pay gap we need a better way to collect **good data** from employers so we can identify and root out discrimination. **Better regulations** regarding pay secrecy would allow women to talk openly about their salaries without fear of retaliation. And we must **educate workers** about their rights and **employers** of their obligations.

We're tackling this problem from, well, A to Z. The [OFCCP](#) is aggressively going after employers who discriminate and making enforcement a top priority. The agency is proposing the creation of a new data tool to improve our ability to identify bad actors. We're also updating our regulations and supporting legislative efforts to strengthen protections for workers.

The [Women's Bureau](#) has been reaching out to researchers, experts, community groups, business leaders and workers to develop educational materials and find common sense solutions.

And we've both [teamed up](#) with our colleagues at the White House, Equal Employment Opportunity Commission, Department of Justice and Office of Personnel Management to address these issues in other ways as well.

#### SEARCH

#### CATEGORIES

Auto  
Automotive industry  
Child Labor  
Education  
Green Jobs  
Jobs  
Labor Day 2010  
Open Government  
Safety  
Secretary Solis  
Uncategorized  
Unemployment  
White House Council of Automotive Communities and Workers  
Workforce Development  
Workforce Investment  
Workplace Rights

#### ARCHIVES

July 2011  
June 2011  
May 2011  
April 2011  
March 2011  
February 2011  
January 2011  
December 2010  
November 2010  
October 2010  
September 2010  
August 2010

# The Official Blog of the DOL

## “Work in Progress”

# Recent Pay Discrimination Remedies



- ▶ Backpay and multi-facility injunctive relief for pay discrimination against 125 women in pharmaceutical sales
- ▶ Backpay and salary adjustments for 49 women placed in lower paying production jobs
- ▶ Promotion and pay adjustments for Asian-American IT workers given less desirable job assignments
- ▶ Backpay and increases for lone female Pipe Foreman on construction site

# Multi-Faceted Approach



- ▶ Addressing all forms of pay discrimination
- ▶ Statistical and non-statistical tools
- ▶ Case by case analysis

# Title VII Key Questions

Is there a difference in pay?

Are the workers comparable?

Is there a legitimate reason  
for the difference?



# Examples of Pay Discrimination

- ▶ Differences in:
  - Salary/hourly rate
  - Job assignment
  - Access to earning opportunities
  - Access to add-ons and increases



# Case by Case Analysis

- ▶ No single tool or test or fact pattern fits every case
- ▶ The best analysis depends on the available data, the specific facts regarding pay practices, workers and other evidence

# Getting Access

- ▶ United Space Alliance, D.D.C.:

"The [d]epartment has merely required United Space to submit data about its employee compensation . . . Submission to such lawful investigations is the price of working as a federal contractor."

# Improving Policy Responses



# In Development

- ▶ Pending Proposed Rescission of 2006 Compensation Guidelines
- ▶ Consideration of new pay data collection tool

# Compensation Data Collection Project



- ▶ Would allow OFCCP to more effectively identify potential violators of EO 11246
- ▶ Supports agency goal of eliminating gender and race-based compensation discrimination
- ▶ Stakeholder input via ANPRM

# Multi-Agency Team



- ▶ Collaboration within DOL with Wage and Hour Division and Women's Bureau
- ▶ Collaboration with EEOC, DOJ and OMB as part of White House Pay Equity Task Force
- ▶ Joint training, sharing best practices and other ways to improve the federal response

# Take the Equal Pay App Challenge



## Equal Pay App Challenge

by **U.S. Department of Labor**

The National Equal Pay Task Force wants your help in building innovative tools to educate the public about the pay gap and promote equal pay for women.



## Questions?

For more information, visit [www.dol.gov/ofccp](http://www.dol.gov/ofccp)