



Request for City Council Committee Action from the Department of Intergovernmental Relations

Date: February 17, 2011

**To: Elizabeth Glidden
Referral to: COW/ IGR**

Subject: 2011 Legislative Agenda

Recommendation: Amend the Municipal Governance section of the agenda to add the following as the fifth bullet under Minneapolis supports section:

Support the continuation of the Pay Equity law.

Supporting Information:

The purpose of this law is to address sex-based wage disparities in public employment in Minnesota.

In September 2010, the U.S. Census Bureau reported that among U.S. full-time, year-round workers age 15 and over in 2009, median earnings for women were only 77.7% of median earnings for men. In Minnesota in 2009, women earned 77.3% of the median earnings for men.

According to Minnesota Management and Budget (MMB), since the passage of the State Employees Pay Equity Act of 1982, the average earnings for women employed by the State of Minnesota have reached 97% of the average earnings for men.

The Minnesota Local Government Pay Equity Compliance Report, which was published by MMB in January 2011, indicates that cities tend to revert to previous wage disparity patterns if the pay scales are not closely monitored. For this reason, it is important to keep the Pay Equity law in place.

Each of the 1,500 local governments in Minnesota must send a two-page report to MMB once every three years using an automated, web-based reporting process. The reporting requirements for the City of Minneapolis to comply with this law have not been found to be burdensome to City staff or finances. In 2010, the average cost to local governments to comply with pay equity was 0.1% of payroll.

Valuing women's work and ensuring they earn an equitable wage benefits the City's economy and upholds Minneapolis' ideals, significantly outweighing the minor cost of complying with this law.