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For more information about our services, please call our Salt Lake City office at 801.364.8479 and ask for Terri Braby or email SaltLakeCity@EmployersCouncil.org.

How Much Did You Make at Your Last Job?

November 26, 2017 / Employers Council

While laws prohibiting pay discrimination have been around for decades, recent legislative and regulatory changes—along with other trends—have propelled pay equity into the spotlight. Several states have passed legislation barring employers from asking applicants to disclose their current salaries. Because men have historically been paid more than women, the thinking is that not disclosing salaries prevents employers from basing pay on salary history, resulting in greater pay equity.

Oregon became the first state to ban inquiries into salary histories. Cities and states with similar legislation include New York City, San Francisco, California, Delaware, Massachusetts, and Puerto Rico. A few cities, including New Orleans and Pittsburgh, have implemented salary-history inquiry measures, limited to the city hiring process, but haven't enacted laws applying to private employers.

It appears to be just a matter of time before other states follow suit, and there are steps your organization can take to stay ahead of the trend and avoid inequity. Instead of using salary history to set starting pay rates, set pay ranges for the company's positions and adjust starting pay according to prior experience, education, certifications, etc. It is certainly okay to inquire about the candidate's salary expectations and engage in salary negotiations, but do not continue to ask what they are making or have made at past jobs.

Employers Council recommends businesses phase out screening job applicants based on salary history. Additionally, consider updating your employment application; updating interview processes; and training recruiters and hiring managers to no longer require disclosure of salary history.

Hopefully, these measures will require employers to offer salaries to prospective employees based on merit, not gender, race, or ethnicity.