

## **RESOLUTION NO.**

**WHEREAS**, wage gaps associated with race and gender have been well documented; and

**WHEREAS**, the City of Austin has an interest in vigorously enforcing laws that prohibit discriminatory practices with respect to compensation; and

**WHEREAS**, the City of Austin also has an interest in promoting the economy and efficiency of its procurement of services; and

**WHEREAS**, City contractors that employ discriminatory practices are subject to enforcement action, increasing the risk of disruption, delay and increased expense in City contracting; and

**WHEREAS**, when employees are prohibited from inquiring about, disclosing, or discussing their compensation with fellow workers, compensation discrimination is much more difficult to discover or remediate, and more likely to persist; and

**WHEREAS**, employees covered by the National Labor Relations Act are afforded protections to engage in discussion of the terms and conditions of their own employment, however, many employers continue to have formal wage

confidentiality policies that would subject employees to disciplinary action and possible termination; and

**WHEREAS**, prohibitions on discussion of compensation also restrict the amount of information available to participate in the City contracting pool, which tends to diminish market efficiency and decrease the likelihood that the most qualified or productive workers are hired at the market efficient price; and

**WHEREAS**, the City of Austin is a major employer in the Central Texas region with approximately 12,000 employees and has already adopted wage transparency as an internal practice; and

**WHEREAS**, on April 8, 2014, a presidential executive order was issued prohibiting federal contractors from retaliating against employees for disclosing compensation information; and

**WHEREAS**, numerous other states and cities have taken similar action to extend the protections for employees and the principles of pay equity into the private sector; **NOW THEREFORE**,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The City Manager is directed to take all necessary steps to implement the following items as a policy of the City and insert such language in City contracts for construction and the purchase of goods and services: (1) require contractors to have a policy of prohibiting retaliation, discharge or otherwise discriminating

against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation; (2) require a copy of the contractor's non-retaliation policy; and (3) specify that noncompliance with Chapter 5-4 will terminate a contract and may hinder a contractor's eligibility for future contracts until deemed compliant with Chapter 5-4.

**BE IT FURTHER RESOLVED:**

To assist contractors with this administrative change, the City Manager should prepare a model non-retaliation policy for use by city contractors.

**ADOPTED:** \_\_\_\_\_, 2014

**ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
City Clerk