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Dear members of the House Labor and Industry Finance and Policy Committee:

I'm writing today in support of HF 3587, a bill that would require Minnesota employers with at least 30 employees to disclose a salary or hourly pay range within job postings. This common-sense bill would benefit all Minnesotans and would promote a free-market economy, one in which there would be free and fair competition for labor, not just goods and services.

Why Minnesota **Workers** would benefit from Pay Transparency

- **Combat gender and racial wage gaps.** Pay discrepancies can be mitigated or eliminated when pay is not influenced by gender or racial bias from the start of employment.¹
- **Easier to find positions with desired pay.** Employees would never have to go through long application processes just to learn a job pays below their desired range. A recent survey found 54% of employees said they've rejected a job offer after learning the salary.²
- **Provide opportunities and motivation for growth from within.** Transparent policies allow employees to better map out their career within a company, as former CEO of Whole Foods, John Mackey, put it, "It gives employees something to strive for".³

Why Minnesota **Employers** would benefit from Pay Transparency

- **Avoid wasted recruitment time, failed searches.** Recruiters and HR professionals will avoid the wasted time and money that come with selecting candidates who reject offers based on non-upfront salary disclosures.⁴
- **Attract larger, more qualified applicant pools.** Research has shown that among employers who offer transparent pay ranges, 70% say it has led to more applicants and 65% say it has made them more competitive.⁵
- **Improve employee retention and productivity.** Workers at companies with transparent policies are more likely to be satisfied with their employer and research has shown them to be 10% more productive.⁶

If any members of the committee or legislature would like to hear more about why this bill would be beneficial to all Minnesotans, please feel free to reach out via email at brian.smith.debate@gmail.com

Thank you for your consideration of this important bill

Sources Cited

1. Miller, Stephen (2020, January 31). *Transparency shrinks gender pay gap*. SHRM. <https://t.ly/LQCd1>
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3. Clifford, Catherine (2020, November 5). Whole Foods CEO John Mackey: Store Managers could be making ‘well over \$100,000,’ without a college degree. CNBC. <https://t.ly/FZZS->
4. Mitovich, Jared (2023, November 6). *Here’s how rising pay transparency is causing an employer compensation information ‘arms race’*. CNBC. <https://t.ly/SibL>
5. Society for Human Resource Management (2023, March 14). New SHRM Research Shows Pay Transparency Makes Organizations More Competitive, Leads to Increase in Qualified Applicants. SHRM <https://t.ly/oUrhV>
6. Huet-Vaughn, Emiliano (2014, April 8). *The Unexpected Benefit of Telling People What Their Coworkers Make*. The Atlantic. <http://tinyurl.com/2vbktewp>