

Aric Newhouse

Senior Vice President
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June 4, 2012

U.S. Senate
Washington, DC 20510

Dear Senators:

The National Association of Manufacturers (NAM), the largest manufacturing association in the United States representing manufacturers in every industrial sector and in all 50 states, urges you to oppose S. 3220, the Paycheck Fairness Act.

Manufacturers are firmly committed to equal employment opportunity and support vigorous enforcement of anti-discrimination laws. As employers, we are dedicated to fairness in hiring, compensation and job advancement for all employees. Unfortunately, this legislation will do little to prevent unlawful discrimination but would make manufacturers more susceptible to unwarranted and costly litigation.

By removing all limits to punitive and compensatory damage awards on claims made under the Equal Pay Act, S. 3220 would expose employers to increased threats of litigation—even when *unintentional* pay disparities may have occurred. It almost certainly would compel many employers to purchase additional legal liability insurance, increasing their costs and limiting their ability to raise wages, increase benefits or hire new workers.

The legislation would invite more frivolous class-action suits against manufacturers. The Equal Employment Opportunity Commission found no “reasonable cause” in *nearly 95 percent* of the more than 99,000 charges of discrimination it received in fiscal year 2011. A study of previous years yields similar results.

American workers are already effectively protected from discrimination through remedies available under existing law. The Equal Pay Act protects men and women from pay disparities in jobs that require equal skill, effort and responsibility and are performed under similar working conditions. The NAM stands ready to work with you to prevent and mitigate workplace discrimination and restore economic stability. However, this legislation does not support either of these shared goals.

The NAM’s Key Vote Advisory Committee has indicated that votes on S. 3220, including potential procedural motions, may be considered for designation as Key Manufacturing Votes in the 112th Congress. Thank you for your consideration.

Sincerely,



Aric Newhouse