

# EXPERT UPDATE



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## EEOC Proposes Important Changes to the EEO-1 Report

By Shari Herrle, Director of Compliance

A proposal to revise the EEO-1 report in order to collect pay data and hours worked by gender, race and ethnicity from employers was recently released by the EEOC and DOL.

Employers with 100 or more employees will be required to report pay data beginning in 2017. Federal contractors with 50-99 employees appear to be exempt from this new requirement; however, they are still required to submit ethnicity, race, gender and job category information in the EEO-1 report as required today.

### Overview of proposal:

The EEOC's revised data collection process has two components.

1. Component one will collect the same data that is gathered today on employee ethnicity, race, gender and job category,
2. Component two is the new requirement that would require employers to report data for employees' W-2 earnings and hours worked.

### Why is the EEOC proposing to collect this new data on the EEO-1?

The commission believes pay discrimination often goes undetected because of a lack of accurate information about what people are paid and how many hours they work.

### How will the pay data be used?

The information will provide insight into pay disparities across industries and occupations. It will also strengthen federal efforts to combat discrimination by helping to focus agency investigations, assess complaints of discrimination, and identify existing pay disparities that may warrant further examination.

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Many employers will also be able to use the data to evaluate their own practices to prevent pay discrimination in their workplaces.

## **How will the data information be displayed in the report?**

Annual salary will be displayed in 12 pay bands like those used by the Bureau of Labor Statistics in the Occupation Employment Statistics survey.

A link to the [proposed EEO-1 form](#) can be found on the EEOC website.

## **Will the report allow for identification of part-time or partial year employees?**

Yes. The report will document hours worked so that pay differences occurring due to disparity in worktime can be reflected properly.

## **Where can I learn more?**

We do not expect to see a final version until summer at the earliest, but Henderson Brothers is monitoring the situation closely and will keep you updated.

In the meantime, you can get additional information on the proposed changes from the EEOC [Questions and Answers](#) webpage.

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