

✓  
GOOD STATEMENT ABOUT SETTLEMENT  
& ITS IMPACT

STATEMENT OF WILLIAM H. BROWN III  
CHAIRMAN, EQUAL EMPLOYMENT OPPORTUNITY COMMISSION  
TO THE  
JOINT ECONOMIC COMMITTEE

JULY 11, 1973

Madam Chairwoman and members of the Committee: I am pleased to appear before you this morning and respond to your request that I summarize and evaluate the results achieved for women under Title VII since 1965.

The Equal Employment Opportunity was established by Title VII of the Civil Rights Act of 1964. Title VII prohibits discrimination based on race, color, religion, sex and national origin in all aspects of employment. The Commission is bipartisan in composition and its Members serve five-year terms on a staggered basis. Commissioners are appointed by the President, with the advice and consent of the Senate. The President designates the Chairman and the Vice Chairman.

As you know, by its passage of the Equal Employment Opportunity Act of 1972, the Congress extended coverage to State and local governments as well as to public and private educational institutions. It also increased coverage to employers with 15 or more employees or members instead of the previous 25. With the expanded coverage, some 80 million

- 4 -

recruitment and job promotion plans working toward a goal of 20% women among hourly rate production and assembly jobs over a two-year period. GM also agreed to implement specific steps in its recruitment, hiring, promotions and other terms and conditions of employment at its St. Louis plant which would be consistent with the requirements of Title VII.

In our action against National Can Corporation, we obtained a settlement agreement which eliminates any sex-discriminatory policies alleged to have been practiced by the company in its California operations and eliminates any restrictions on the amount of overtime work which the company may have placed on its female workers because of reliance on California law. The agreement also provides for \$22,000 in back pay to 95 affected class members.

I consider our AT&T settlement to be the most significant legal settlement in civil rights employment history and one which certainly illustrates just how costly employment discrimination can be to an employer.

American Telephone and Telegraph is, as you know, the world's largest nongovernmental employer, with some 750,000 workers. More than half of those employees are women. Only the United States Government, with 555,000 women on its

- 5 -

payroll, employs a greater number.

The approximately 410,000 female employees at AT&T were not evenly distributed throughout all levels of the system. Women composed 99.8 per cent of the system's secretaries, 99.9 per cent of the operators, and 98.9 per cent of the service representatives. At the same time, in two highly skilled job categories, only 1.1 per cent of the craft workers and 1.6 per cent of the operatives were women. And while 41.1 per cent of the company's managers were women, 94 per cent of them were in the first level of management, while less than 50 per cent of the male managers were at that level.

The agreement was signed on January 18 of this year by EEOC, the Department of Labor and the American Telephone and Telegraph Company and its 24 operating companies. The provisions of the agreement were embodied in a consent decree which was entered simultaneously in the U.S. District Court for the Eastern District of Pennsylvania in Philadelphia. Under this agreement AT&T will make one-time payments totaling approximately \$15 million dollars to some 13,000 women whom the government claims had been injured by the companies'

- 6 -

employment practices. In addition to the one-time payments, a new promotion pay policy and wage adjustments resulting from the agreement will increase wages for many women, minorities and other employees by an estimated minimum of \$23 million a year. The plan that AT&T agreed to follow contained three major parts:

First, the companies will develop goals for increasing the utilization of women and minorities in each job classification of all 700 establishments within the Bell System, and will set specific hiring and promotion targets.

Second, the plan included an unusual provision for the establishment of goals for the employment of males in previously all-female job categories.

Third, the companies will also take the necessary steps to assure that their transfer and promotion procedures are in compliance with the Equal Pay Act, the Civil Rights Act of 1964, and Executive Order 11246.

The AT&T settlement is felt across the country; as employers recognize the positive climate of Supreme Court decisions in the area of civil rights legislation, they will know that EEOC is very much in business and that it means to enforce the law.