04.07.16



What Employers Should Consider about the Women Soccer Players' Wage Discrimination Claim

What would you say if you were paid less money for winning than someone else was paid just for showing up? Is that wage discrimination? Yes it is, according to the stars of U.S. Women's National Soccer Team.

Last week, five stars of World Cup Champion women's team filed a wage discrimination claim with the Equal Employment Opportunity Commission (EEOC) against U.S. Soccer. Hope Solo, Carli Lloyd, Becky Sauerbrunn, Alex Morgan and Megan Rapinoe claim that despite winning more, they are paid less than the men. According to the complaint:

- The women's yearly salary is \$72,000, compared to the men's yearly salary of \$100,000
- The women are paid less for winning exhibition games than men get for simply showing up. The base pay for women to play in exhibition games is \$3,600 and they get a bonus of \$1,350 if they win; compared to the men who get paid a base of \$5,000, with a bonus of \$8,166 if they win;
- The women receive a lower per diem rate for daily travel expenses. The women receive \$50 per day for domestic travel and \$60 per day for international travel, whereas the men receive \$62.50 and \$75.00 respectively; and
- "The pay structure for advancement through the rounds of World Cup was so skewed that, in 2015, the men earned \$9 million for losing in the round of 16, while the women earned only \$2 million for winning the entire tournament.

U.S. Soccer has long claimed that the men generate more revenue and have greater attendance at their matches than the women do. In the complaint, the women claim that U.S. Soccer's own public reports show that they have exceeded revenue projections and are projected to be more profitable than the men in the next year.

Both the men and women are represented by players' unions and have collective bargaining agreements and U.S. Soccer claims the women's team negotiated other provisions, such as severance and injury pay, health benefits and maternity leave, which are not available to the men.

The EEOC complaint appears to be part of an ongoing dispute between the women and U.S. Soccer. In February, U.S. Soccer filed suit in Federal Court against the women's players union over a dispute about the player's collective bargaining unit and a memorandum of understanding the sides signed in early 2013.

Comment: This case should be a warning to employers to re-examine their pay structures and make sure they are paying employees providing similar services the same rates. Employers should also examine whether the assumptions made in developing the pay structure have changed. For example, even if U.S. Soccer can show that historically the men's team brought in more revenue than the women's team, which could be used to show that the women are not performing the same services under the same market conditions, that seems to no longer be the case, according to the data cited in the complaint.