

MANDATING PAID SICK/FAMILY LEAVE

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PENNSYLVANIA HOUSE LABOR RELATIONS COMMITTEE

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Thank you, Chairman Belfanti and members of the House Labor Relations Committee for the opportunity to testify today on House Bills 1155 and 1386.

My name is Matthew Brouillette and I am a president and CEO the Commonwealth Foundation, a public policy education and research organization based in Harrisburg. However, I also come before you as an employer in a small business that would be very much affected by the labor law changes proposed in these bills.

Who could be opposed to bills with names like, the “Healthy Families, Healthy Workplaces Act” and the “Family Temporary Care Act”? Unfortunately, despite the compassionate sounding titles, these bills will do little to improve the health or well-being of families and workplaces.

I understand the good intentions of those sponsoring House Bills 1155 and 1386. But I challenge the operating premise of these bills that suggests employers don’t care enough about their employees so government must threaten and force them to treat people fairly. Although there are certainly employers like Mr. Potter from “It’s a Wonderful Life,” they are exception rather than the rule, and few employees are enslaved in some Pottersville-like job.

The reality is that the overwhelming majority of employers recognize that their company’s success is in large part dependent upon their ability to attract and retain good employees. In the short- and long-run no company will survive and thrive without taking care of their people. What’s more, no government mandate will ever be able to compel or replace the incentives necessary to create “Healthy Families” or “Healthy Workplaces”.

Therefore, the Commonwealth Foundation views both House Bills 1155 and 1386 as inappropriate and unnecessary intrusions of state government into the private relationships between employees and employers.

Let me further explain by commenting on some specifics on House Bill 1155, the so-called “Healthy Families, Healthy Workplaces Act”.

Section 2 (7), states: “the General Assembly finds and declares” that “Providing minimal paid and sick leave is affordable for employers and good for business.” Really?

First, who or what has defined this mandate as “affordable for employers and good for business”? And if it truly is affordable and good, then why would government even need to mandate it? In fact, most employers would argue that they already provide such workplace flexibility both formally—through short-term and long-term disability insurance—and informally by accommodating employees needs as they arise.

The fact that Pennsylvania doesn't mandate such labor policies doesn't mean they are not in place or occurring in workplaces all across the Commonwealth. My organization provides employees with both paid sick leave and disability insurance, and we also work with employees when special needs arise—all without a government mandate. It is time to rid ourselves of the notion that nothing good will happen unless politicians pass a law or regulation to force people and employers to do it.

The definition and use of this paid sick leave mandate will also be problematic. Section 5(a)(1) requires an employer to compensate an employee for "An employee's mental or physical illness, injury or health condition or need for medical diagnosis, care or treatment of a mental or physical illness, injury or health condition or need for preventative medical care."

Who and what defines "preventative care"? I can only imagine one of my employees telling me: "Matt, I'm taking a paid sick day on Friday to get some 'preventative medical care'. My doctor said a round of golf should help reduce my stress level and prevent any further medical problems."

This may sound absurd, but these are the kinds of legal loopholes such mandates create. Although the overwhelming majority of employees would not likely be abusive of such a policy, it would have the unintended effect of discouraging employers from being flexible and able to accommodate employees' needs in other situations.

Other potential loopholes exist throughout House Bill 1155 that I will not go into, but would likely serve as a full-employment opportunity for attorneys.

Given our limited time, allow me to conclude my formal testimony with some final observations.

I understand and commend the good intentions of those who support House Bills 1155 and 1386. But good intentions do not good policy make. Employers know that they must take care of their employees, and most of them are already doing what they can to accommodate workers' needs for sick or family leave time.

You need to be realistic and recognize that mandates such as these will not make a currently unpleasant workplace more accommodating. They will, however, make the costs of doing business in already inhospitable business climate even more expensive.

Thank you again for the opportunity to testify, and I am happy to answer any questions from the committee.