

PROPOSED CONGRESSIONAL MANDATE WILL COST JOBS, LOWER WAGES AND REDUCE HEALTH BENEFITS

Broad-based Coalition Calls on Congress to Reject Ill-Timed Proposal That Puts Employees at Greater Risk During Recession

According to the National Coalition to Protect Family Leave (NCPFL), a bill introduced in Congress today could intensify the impact of the current recession by increasing job losses and stunting wage growth, while also threatening a broad range of employee benefits, including health care coverage. The Coalition urged Congress to reject the so-called Healthy Families Act (HFA), which would impose a new paid sick leave mandate on employers with as few as 15 workers.

“Congress could not pick a worse time to impose untested and costly new mandates on American employers,” said Lisa Horn, Chair of the NCPFL. “Thousands of American companies are already struggling to avoid layoffs, meet payroll and maintain benefits during the gravest economic crisis since the Great Depression. The costs associated with this mandate will force companies to increase layoffs, reduce wages and cut important employee benefits.”

The misnamed Healthy Families Act would require private employers to offer up to seven days of paid sick leave. Unlike the Family and Medical Leave Act, whose provisions provide unpaid leave for employees at firms with more than 50 employees, HFA requires small businesses with as few as 15 workers to absorb expensive, inflexible and burdensome new personnel and compliance costs on small employers.

“Raising costs on small businesses will make it much harder for them to create new jobs or keep offering health benefits to current employees,” Horn said. “The best way to help families during this recession is to make it easier, not harder, for workers to keep their jobs and benefits.”

The Coalition said the measure was unnecessary because more than eight out of 10 employers (82%) already provide some paid sick leave, according to Labor Department statistics. A “one-size-fits-all” paid sick leave mandate would severely limit an employer’s ability to design a combination of wages and benefits that best meets the needs and desires of its workforce.”

The National Coalition to Protect Family Leave is a broad-based group of organizations, companies and associations dedicated to protecting the integrity of the Family and Medical Leave Act. In addition, the Coalition supports public policy that promotes voluntary, employer-provided leave benefits to maximize flexibility for both employers and employees.

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