



MEASURE: HB 3390
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Testimony before the House Committee on Business and Labor in support of HB 3390

April 3, 2013

Chair Doherty and members of the committee,

My name is Andrea Paluso and I am the Executive Director of Family Forward Oregon and the chairperson for the Everybody Benefits Coalition for Paid Sick Time.

I'd like to start by discussing the laws recommended by the Factory Investigating Committee of New York after the tragic Triangle Waist Company fire in 1911 in New York City. One hundred and forty-six workers – mostly teenage girls – perished after the fire broke out on the 8th and 9th floors of the building. Many were locked in, with no way to escape.

Among others, the recommended and enacted laws required that factories install automatic sprinklers, keep factory doors unlocked during work hours, install fire escapes, give employees access to toilets and clean drinking water, reduce the work load for women to no more than 54 hours a week and 9 hours a day, and ban children under 18 from work that could injure their health and well-being.

The Triangle Factory laws established health and safety standards to protect workers, and became standards across the country – as passage of a paid sick leave law would do today. Those laws – passed about 100 years ago – were met with similar opposition from some members of the business community as paid sick leave, and with many of the same arguments.

In 1913, a spokesperson from the Associated Industries of New York said: "These changes [in the fire code] would lead to the wiping out of industry in this state."

In 1913 in a memorandum submitted by the Needle Trades Associations to the Factory Investigating Commission: *"Against the bill recommending occupancy limits depending on the number of exits provided and the [number of floors], while we are in favor of a restricted occupancy...we believe that the bill in the form proposed will work great disadvantage to our trades, requiring manufacturers almost to double their area capacity in order to employ the usual amount of people that their business demands. We respectfully submit that any such procedure would not only be of great injury to the trade, but to the state, by forcing a number of these establishments to remove their factories to other states."*

The arguments against needed labor and workplace standards are always the same: costs will rise, benefits will be cut, businesses will flee the city/state, the government is over-reaching, it harms small business or new businesses, too much bureaucracy, and the list goes on and on.



CHANGE IS POSSIBLE. CHANGE IS HAPPENING.

These arguments were made around factory safety standards, child labor, the establishment of the minimum wage – and during every major debate about working conditions that this country has ever seen. Despite this, the market continues to operate, many businesses continue to flourish, and employers continue to adapt to new standards in remarkably efficient ways.

Martin Luther King Jr. said, “the arc of the moral universe is long, but it bends toward justice.” This has been true in the fight for civil rights and for labor rights. There will always be those who will push back against change, as there will always be those who embrace it – who work toward justice.

The bill before you today is not only about an employers’ bottom line, though it doesn’t discount the importance of it either. It is about multiple bottom lines, those of workers struggling to make ends meet and those of employers who are doing the right thing in a “free market” that discourages it. It is about the community’s bottom line when disease spreads or health care costs increase. It is about public health, and social justice, and equity.

The process that got us to today has been a long and inclusive one. We began conversations about this issue nearly 3 years ago. Over the last 18 months, and through our work to pass an ordinance in Portland, we have had tens of thousands of conversations with citizens, business owners, affected workers, advocates, parents, teachers, and many others. We have engaged in multiple tables and policy discussions, forums and town halls.

The suggestions offered by employers, advocates and legislators during this process helped to make the proposal before you stronger. I admit that I would have preferred to see *all* workers covered with paid sick time and to have a shorter waiting period before accrued time could be used, but I understand why these compromises were made.

I’m also happy to submit for your review a cost-benefit analysis conducted by the Institute for Women’s Policy Research that looks at this specific Oregon policy (with -1 amendments) and estimates that, based on utilization of sick time estimated through use of the National Health Interview Survey, adding the sick time required by this act will increase employer costs by 22-cents per hour for employees receiving new leave (or \$7.39 per week). However, those costs will be off-set by a 23-cent per hour (or \$7.85 per week) reduction in costs related to the current loss of productivity and increased spread of disease that results from “presenteeism”, for an overall net savings. Additionally, this report estimates over \$24 million in community savings that we can anticipate from the reduced spread of disease, reduced urgent care and emergency room visits and nursing home stays. That report is public today and available for review.

Thank you for your consideration of this historic legislation.