

Will Paid Sick Leave Make Employers Sick In 2013?

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As if employers didn't have enough to worry about, there is a very strong likelihood that the Portland City Council will soon vote on a proposal that would require all or many employers within city limits to provide some form of paid sick leave to their employees. Although advocates of the proposal believe it will provide a much needed benefit to Portland residents, most employers are concerned about the economic and administrative burdens such a new law would bring.

The past year saw an expansion of paid sick laws across the country. The State of Connecticut, and the cities of Philadelphia and Seattle, passed laws requiring this benefit for a portion of their workforces, joining San Francisco and Washington DC. As a result of this trend, worker advocates in Oregon have set their sights on Portland joining their ranks as soon as possible. They point to the fact that no fewer than 40% of workers in the country lack any form of paid sick leave, missing out on needed income when they or a close family member gets sick. And if they drag themselves to work, they expose co-workers and customers to germs while operating at a reduced capacity.

Employers often cite two main reasons why they oppose paid sick leave: the economic cost, and the administrative burden. From the economic standpoint, it is often the case that wage raises, health care, and vacation time are consistently the three biggest priorities for employees. Employers would be hamstrung in their ability to offer or increase these incentives to their workers if their bottom lines are affected by paid sick leave. Moreover, with the uncertainty swirling around over the looming presence of Obamacare and the rise in costs that will bring, many employers are concerned that an additional expense might cost them their ability to effectively manage their operations. From an administrative standpoint, it's hard to predict how daunting compliance might be until a specific proposal emerges as the favorite, but among the concerns employers have is how to navigate the thicket of requirements that will emerge for companies that operate both inside and outside of the city limits.

There are also those who might be willing to accept some form of paid sick leave, but only if it were to apply to just those larger employers who can more easily bear the burden, such as those with 25 or 50 or more workers. However, one of the leading advocates for the "Everyone Benefits" coalition maintains that they want a rule that would apply to all Portland workers, regardless of the size of their employers. How this will shake out is unknown, and may be a negotiating point after the initial proposal is floated to the city.

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