



**Testimony of Amy Traub, Senior Policy Analyst, Demos  
To the New York City Council Committee on Civil Service and Labor**

**In support of Intro 97-A: The Paid Sick Time Act**

**March 22, 2013**

Demos is a public policy organization working for an America where we all have an equal say in our democracy and an equal chance in our economy. We are based here in New York City. On behalf of Demos, I thank the Committee on Civil Service and Labor for this opportunity to present testimony on Intro 97-A: The Paid Sick Time Act.

Let me begin by saying something we all know: everybody gets sick. At one time or another, even the heartiest and healthiest among us catches a nasty bug, gets an infection, or needs medical attention because of an accident. We're human beings, and most of us also have parents or spouses or children or another loved one who depends on us in a case of medical emergency or temporary illness. Yet an estimated 1.58 million working New Yorkers cannot take a single day off work to recuperate or care for a sick loved one without missing a paycheck.<sup>1</sup> The result is a more fearful and precarious labor force, just one illness away from slipping into poverty – or from slipping deeper into poverty. Is that the city we want to be?

We don't have to be that city, if the Council finally votes on, and passes, the Paid Sick Time Act.

Paid sick time is not a pie-in-the-sky idea. It is the law in 145 countries around the world.<sup>2</sup> It's now the law in the state of Connecticut, and the cities of Washington D.C., Seattle, and Portland, Oregon. It has been the law in San Francisco since 2007, which offers us a real track record to consider. We don't have to wonder: what will happen to happen to employment if we pass this? What will happen to small businesses? We can look at what happened when they implemented the same policy in San Francisco.

In the years since San Francisco implemented its paid sick leave law, job growth there has consistently been higher than in neighboring counties without such a law, despite the nation's deep recession.<sup>3</sup> Indeed, a growing body of research finds little evidence to support the argument that that job growth or business growth has been harmed by establishing paid sick leave as a citywide standard. This is also consistent with international research, a comparative study done by the Center for Economic and Policy

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<sup>1</sup> Kevin Miller and Claudia Williams, "Paid Sick Days in New York City Would Lower Health Care Costs by Reducing Unnecessary Emergency Department Visits," Institute for Women's Policy Research, February 2012.

<sup>2</sup> Jody Heymann, Alison Earle, and Jeffrey Hayes, "The Work, Family, and Equity Index: How Does the United States Measure Up?," The Project on Global Working Families, February 2007.

<sup>3</sup> John Petro, "Paid Sick Leave Does Not Harm Business Growth or Job Growth," The Drum Major Institute for Public Policy, October 2010.

Research, indicating that paid sick days do not increase unemployment.<sup>4</sup> Instead, the policy provides a meaningful benefit to workers while improving public health and workplace productivity.

In places where paid sick leave has been implemented, there is a significant divergence between predictions of economic doom beforehand and the actual impact. For example, in San Francisco the restaurant industry trade group initially asserted that the policy would substantially increase small business costs and discourage employment. Yet now that the policy has been in place for a number of years, the Golden Gate Restaurant Association calls the law “successful” and “the best public policy for the least cost,” acknowledging that employees have not abused paid sick leave.<sup>5</sup> A top official at the San Francisco Chamber of Commerce, another original opponent to paid sick leave, admitted that “it has not been a huge issue that we have heard from our members about... I don’t think it’s quite on the minds of employers.”<sup>6</sup> The Urban Institute conducted a broad survey of San Francisco businesses and came to the same conclusion, as did the Institute for Women’s Policy Research.<sup>7</sup>

Rather than predicting negative outcomes once again, I suggest that looking at the concrete evidence of how this policy has operated in practice is the best way to predict the impact in New York. That evidence strongly suggests that this is a successful policy, it is one that does not harm employment or the growth of small businesses.

One lesson from San Francisco is that this is a law that levels the playing field.<sup>8</sup> Companies want to provide paid sick days to their employees, but if their competitors aren’t providing that benefit, they find themselves at a disadvantage. This law enables employers to do the right thing.

There is no reason to continue deferring a vote on Intro 97-A: The Paid Sick Time Act. I urge the Council to take action and approve this legislation without further delay.

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<sup>4</sup> John Schmitt, Hye Jin Rho, Alison Earle, and Jody Heymann, “Paid Sick Days Don’t Cause Unemployment,” Center for Economic and Policy Research, June 2009.

<sup>5</sup> Stephen Singer, “States push law to require paid sick days,” USA Today, August 20, 2008.

<sup>6</sup> Kelly Spors. “Should Employers Be Required to Give Paid Sick Days?” Wall Street Journal Blogs. August 25, 2008.

<sup>7</sup> Shelley Waters Boots, Karin Martinson, and Anna Danziger, “Employers’ Perspectives on San Francisco’s Paid Sick Leave Policy,” Urban Institute, March 2009; Robert Drago and Vicky Lovell, “San Francisco’s Paid Sick Leave Ordinance: Outcomes for Employers and Employees,” Institute for Women’s Policy Research, February 2011.

<sup>8</sup> “Marketplace of Ideas: Sara Flocks on Guaranteeing Paid Sick Leave,” Drum Major Institute for Public Policy, May 28, 2008.