

**Statement – A-873 (Albano, Oliver) - ALA February 28, 2008**

The New Jersey Business & Industry Association, which represents 23,000 businesses in New Jersey, **STRONGLY OPPOSES**. The bill requires all employers to provide 6 weeks of paid family leave to employees. Unlike the existing unpaid leave laws, which recognized the burden on small employers and exempted small businesses with 2 – 49 employees, this bill applies to every employer, no matter how small. It will have a profoundly negative impact on the ability of employers to do their job and on our State's business climate, economic competitiveness and ability to create jobs.

It is simply unrealistic to expect employers, especially small employers, to operate without employees for almost three months. The paid leave will be used mainly for childbirth. Current law gives a mother 6 weeks of temporary disability benefits and this bill gives an additional 6 weeks for a total of 12 weeks. Businesses will be forced to pay for temporary workers, overtime, or lost productivity in their workplaces. Some jobs will simply not get done. In many cases it will be difficult to find skilled workers for these positions. This will hurt the businesses' relationship with their customers and put them at a competitive disadvantage with our neighboring states which do not have this mandate.

It is important to note that businesses work with their employees to balance work and family needs. However, employers need the flexibility to operate their workplace to meet their specific needs. A one-size-fits-all mandate does not take into account the differences in the needs of the small retailer, medium-sized manufacturer or large hospital. These employers use common sense to balance the needs of work with the employees' personal needs. Sick days, vacation, other time off, flexible scheduling and many other methods are used to do this.

We must also note that despite assertions to the contrary, businesses do not have the right to fire employees that take the leave, for instance for childbirth. The New Jersey State Law against Discrimination, the Federal Pregnancy Anti-Discrimination Act, and the Americans with Disabilities Act stand against this. It is simply wrong to suggest that small businesses can terminate employees without inviting massive litigation and liability.

It is already very difficult and expensive to operate a business in New Jersey. In NJBIA's 2008 Business Outlook Survey, only 19 percent of employers thought New Jersey was a good place to expand a business. Additionally, New Jersey continuously ranks near the bottom of most of the leading business climate surveys. New Jersey was recently ranked as the worst state in the nation for small business and the 47<sup>th</sup> least competitive state in the nation.

Now, we are either in a recession or great economic slowdown. While Congress, in a bipartisan fashion, approved legislation to help business weather this tough economic time, New Jersey is making it more difficult for employers by imposing a huge new mandate. This legislation will damage employers, add to our State's negative business climate and continue to slow the creation of jobs in New Jersey.