

PAID SICK LEAVE BILL = FEWER JOBS



**Building Trades
Employers'
Association**

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**A Message from Louis J. Coletti,
President & CEO, Building Trades
Employers' Association (BTEA)**

The proposed Paid Sick Leave legislation under consideration by the NY City Council should be defeated. Simply put, it is not good for the construction industry, not good for business and not good for the future growth of New York City.

Over 60% of the 1,700 construction managers, general and specialty trade contractors who are members of the Building Trades Employers' Association are small and mid-sized companies who would be affected by this bill.

A report done by the Partnership for NYC shows that construction costs would increase more than in any other industry if this legislation is enacted. There can be no compromise, the bill must not be enacted.

Over the last two years, BTEA contractors have laid off 20% of their project management and administrative personnel, frozen and reduced the salaries of their remaining management staff, asked their employees to pay more for the costs of their health care, suspended contributions to employee 401(k) plans and eliminated profit margins in order for their companies to survive. Adoption of a Paid Sick Leave provision will increase the likelihood that current personnel will be asked to take even more cuts and put at risk the survival of construction companies.

I get more and more calls each week telling me about companies that are declaring bankruptcy in the construction industry. Creating a business environment which includes a Paid Sick Leave requirement will only make that worse.

BTEA union contractors have been working in partnership with their Building Trade union partners to REDUCE construction costs and create new jobs; New York City's construction costs are already the highest in the nation. In some cases, building trade unions have taken up to 20% wage and fringe benefit cuts to get projects moving. What sense does it make to then increase costs on the contractor side by passing a Paid Sick Leave requirement?

The union construction industry has been devastated in this economic climate. Unemployment in the building trade unions is 30-40%. For centuries the construction industry has worked in a system where you have to show up and work in order to get paid—a construction project cannot be delayed, the costs are too high.

This legislation would require contractors to pay for two workers with only one worker actually performing the work. This just doesn't work. Contractors must submit financial bids and guaranteed prices for construction projects. How do you budget for sick time? It is unworkable, costly and unnecessary.

The Paid Sick Leave bill is bad business for New York, the bill should be defeated.