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Labor Policies on the Federal Level and Manufacturers: Time for Change

Every time a new Administration takes office, particularly when there is a change in the party leadership, business owners and employees alike not only witness a giant pendulum swing by way of policy implementation, but moreover, they are personally impacted by it. Regardless of what side of the policy you are on, this constant shift, change, and imposition on businesses to suddenly adapt to entirely different labor policies is a challenge in and of itself. Not only does this impact the employers of the manufacturing sector, but their employees as well.

In my position, I have the distinct pleasure of chatting with many of you during these times of change, so not only do I get to see the perspective from the policy side, but I also hear from the people the change (or lack thereof) impacts: manufacturers and the hard-working folks who own and operate them.

One of the most consistently changing areas on the Federal level on pendulum style change comes through labor policy, and how much oversight is provided at any given time. Recent changes during the Obama Administration called for heavy increases in oversight, causing frustration amongst many of our members over the last few years. However, with the Trump Administration and its polar policy differences from the Obama Administration, change has been brought to the forefront and we are seeing many positive changes and dialogue in the area of labor policy. What many considered overzealous oversight by the National Labor Relations Board on businesses is being lifted at the direction of the Trump Administration, much to the delight of the national manufacturing community. Instead of unnecessary oversight

and a climate that fosters unnecessary and costly rules and mandates, our sector needs labor policies that will instead support flexibility, innovation, and the ability to create world class goods in an ever growing competitive global market.

A recent report conducted by The Manufacturing Institute of the National Association of Manufacturers projects that over the next decade; nearly 3.5 million manufacturing jobs will need to be filled. The current and growing skills gap is expected to result in 2 million of those high paying, reliable jobs and careers to go unfilled. This in turn will cost up to 11% of earnings annually in increased production costs and lost revenue, altogether contributing to a less competitive manufacturing sector in the United States.

All is not lost however, because knowing what we know; we continue to promote what we believe to be the solution to all of this. One such way is through giving manufacturers and businesses the freedom and flexibility they need in order to operate and grow their businesses. Manufacturers need less oversight and more flexibility to fill open jobs and retain employees by offering unique and enticing incentives and benefits to include paid time off or flexible work schedules, in order to attract not just any employee, but the RIGHT employee. With recently enacted policy set forth under the Obama Administration such as mandated sick leave requirements for Federal contractors, manufacturers are expected to carry the costs of this to be as much as \$49 billion and require over 146 million hours of compliance time over the next 10 years.

While there are a myriad of solutions that are not only critical, but necessary by way of fixing the overzealous regulatory climate that we currently face, here is an example we recently advocated for on a trip to Washington meeting with New York State Congressional representatives, on behalf of our membership:

Repeal the mandated sick leave requirement for Federal contractors: Our readership knows it better than anyone: manufacturers provide fair and excellent paid leave benefits to their employees, and do not need excessive oversight and regulations in order to do so. To the contrary, current policies such as the mandated sick leave requirements actually cost businesses more in time, money and resources, hindering not only the business, but the employees as well. It is time we repeal the mandated requirements that are hindering our manufacturing companies and their ability to grow.

What do you think of the current Labor policies and mandates? What else would you like to see changed under the new Administration? Contact me at kburns@macny.org.