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Louis Lista, Owner of The Pond House restaurant, Hartford
Testimony for Labor and Public Employees Committee
In support of SB 913 - AN ACT MANDATING EMPLOYERS PROVIDE PAID SICK LEAVE
TO EMPLOYEES.

March 1, 2011

To the co-chairs and members of the Labor and Public Employees Committee:

My name is Louis Lista. I live in Hartford and I am the owner and manager of the Pond House Café located in Elizabeth Park in Hartford. I am also a member of CBIA, the Connecticut Business and Industry Association.

The Pond House opened in 1999. Like a lot of restaurants, when we first opened we wanted to keep operating costs as low as possible. This meant very few benefits for employees, no healthcare and no sick days. We learned pretty quickly, however, whatever we were saving by not providing those benefits we ended up spending on employee turnover. The restaurant industry is known for this, and with good reason. Without providing some of those benefits, we had no way to attract and retain staff. Sure, we could usually find new employees to replace the ones who left, but it took time and money away from other things we could have been doing to promote the businesses.

So a couple of years later in 2003 we decided to take another look at the issue of providing benefits like sick days and healthcare. We began offering those benefits and pretty soon we could see the difference it made in terms of attracting dedicated staff people and keeping them happy. Instead of needing to replace employees every month or so, our staff began to see their job at the pond house as a career. Right now we have some employees who have been on staff for 8-10 years or more. We even have dishwashers who have been on for over 6 years.

Looking back at the past seven years, I've learned my initial assumption that providing these benefits would be too costly, was wrong. I didn't realize then how much turnover was a drag on our cost structure and how costs could be reduced by providing decent benefits for employees. Particularly in these difficult economic times, we've found that having a stable workforce with a good working knowledge of how our business operates has been beneficial in keeping us profitable and growing. It has enabled us to effectively develop new approaches to attract more customers, and has enabled us to effectively keep our current customers coming back by increasing customer satisfaction. It has also enabled us to evaluate how to change procedures and lower our operating cost without resorting to laying off workers or cutting benefits.

My experienced and dedicated workforce is due, in no small part, to the fact that I show respect to my employees by providing paid sick days. That has helped my business navigate the waters of this recession.

Some businesses may have an old-fashioned view that anything that is good for employees is necessarily costly for employers. But I think my business serves to prove that this is not a zero-sum game, and that providing decent benefits like paid sick days, even to workers in the food service industry, can pay real dividends for a business.

Paid sick days has a few other important benefits for our business. First, encouraging employees to stay home when they are sick reduces the spread of illnesses in the workplace. I would rather have one employee stay home for a day or two than have half of my staff catch the flu. This is especially true in a business where people prepare and handle food all day. The last thing I would want would be to infect customers by making sick people cook their food.

A restaurant without paid sick days is a public health disaster waiting to happen. According to the Center for Disease Control, of 21 million 'norovirus' (stomach flu) infections annually, fully half stem from ill food service workers. I find it astonishing that anyone would oppose restaurants providing paid sick, any more than they would oppose requiring meat to be fully cooked or requiring employees to wash their hands.

Lastly, I think this is just the right thing to do for my peace of mind. I just think that people should be able to go to the doctor when they're sick. They shouldn't have to come to work and expose other workers and customers to their germs. CBIA says that providing this kind of benefit is too expensive for some employers. I think most businesses would experience the same results as mine: lower turnover costs and higher quality staff. For me, the benefit for our business and the public benefits easily outweighs the cost.

Many employers in Connecticut (including many of the most successful) provide paid sick days because they have found the same results I have. Providing paid sick days has been a win-win for my business, my employees and my customer, and certainly not a burden.

I hope the members of this committee and the legislature and Governor will support SB 913. Thank you.