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OPINION | COMMENTARY

## A Stiff Job at Flexible Work Schedules

After the California minimum-wage increase, next up is dictating when employees do their jobs.



California Gov. Jerry Brown discusses legislation to increase the state minimum wage to \$15 an hour, March 28. *PHOTO: ASSOCIATED PRESS*

By **MICHAEL SALTSMAN**

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Labor unions in California won't be taking a break after their victory Monday, when legislators and Gov. Jerry Brown announced a tentative deal to raise the state's minimum wage to \$15 an hour by 2022. Another economically destructive campaign is already under way: Unions want lawmakers to dictate how businesses schedule

employees' work.

The idea first gained traction in San Francisco when a coalition of labor unions and union-backed organizations joined together to advocate for a "Retail Workers Bill of Rights" ordinance early in 2014. The ordinance passed later that year and took effect in July 2015.

The entitlements include: a requirement that employers provide work schedules two weeks in advance, with a penalty of up to four hours of pay for subsequent changes; a requirement to provide up to four hours of penalty pay for scheduled on-call shifts when the employee is told not to report; and a requirement to offer more work to certain part-timers before hiring additional staff. The challenges these provisions present should not be surprising to anyone familiar with the inefficiencies of a unionized workplace.

For instance, imagine an ice-cream shop faced with an all-day rainstorm during peak summer season. A work schedule created two weeks earlier could not have anticipated the storm and the resulting lull in customers. No matter: The late schedule change means that the shop must pay workers whose help is no longer needed. For a business with small profit margins, a few such scheduling problems could mean the difference between a profitable and unprofitable summer.

Six months after the San Francisco ordinance took effect, a survey team led by Lloyd Corder, president of CorCom Inc., a market research firm, spoke with 52 businesses affected by the law. (The Employment Policies Institute, where I work, provided support for his research.) His forthcoming study reports that one in five responding businesses had already cut back on the number of part-time positions, and a similar number were now scheduling fewer employees per shift. More than one-third of responding businesses offered employees less flexibility to make changes to their schedule once it was set.

This is cruelly ironic, as most of the employees affected by the changes were specifically looking for flexible part-time work. Using Census Bureau data, University of Kentucky economist Aaron Yelowitz estimated that 86% of the affected part-time employees in San Francisco were working part-time voluntarily. (For example, nearly 30% were enrolled in school, and 16% were women with children.) Legislators elsewhere should take note. In Washington, D.C., where the city council is considering a similar ordinance, Mr. Yelowitz finds that only one in seven of the affected part-timers are working part-time involuntarily.

Labor unions that advocate these work-schedule changes claim to have the best

interests of part-time workers at heart. In reality, a workplace forced to have more full-time employees might be easier to organize. Forcing nonunion firms to comply with arduous scheduling rules also levels the playing field for unionized businesses, which likely face these mandates already in a collective-bargaining agreement. It is no help to students and others who would prefer a flexible schedule to someone else's arbitrary definition of a "fair" one.

*Mr. Saltsman is research director at the Employment Policies Institute, which receives support from businesses, foundations and individuals.*

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