

CofC president insists on importance of labor reform

SAN JUAN – The president of the Puerto Rico Chamber of Commerce, David Rodríguez, insisted Wednesday on the importance of approving the labor reform proposed by Gov. Ricardo Rosselló Nevares to make the island more competitive and that the private sector can create new jobs.

“We are asking for some flexibility in labor laws to see how we can compare more with jobs in the United States [mainland]. We have lost 300,000 jobs in 10 years, and people have gone to Texas, Florida and Pennsylvania, where they have free contracts and voluntary,” Rodríguez said before the start of a panel discussion with Resident Commissioner Jenniffer González Colón at the Condado Plaza Hotel.



Puerto Rico Chamber of Commerce

The CofC president said that Puerto Rico and the state of Nevada are the only jurisdictions in which employers are penalized for an unjustified dismissal, and that is why they have requested changes to Act 80, which currently leans more in favor of employees.

“We ask that the compensation [severance pay] be no more than nine months, and second that the negative presumption that currently exists against the employer isn’t that way since the beginning of a dispute. What we ask is that the employee demonstrates, as in all legal cases, that the dismissal was unjustified, and that’s what we’re talking about in changes to Act 80,” he said.

Rodríguez explained to several of the CofC members who attended the forum that what is sought is that there be an individual and voluntary negotiation between the employer and the employee that benefits the business’ operation.

“I know that the issue of the constitutional right to work eight hours daily is being raised and that is up to the lawyers, but I just want to say that the Constitution’s rights are waivable,” the business leader said.

Rodríguez added that the CofC has been asking for years to repeal the Closing Law, so it is beneficial that this measure be included as part of the governor’s labor reform.

If the repeal of the Closing Law created during the administration of former Gov. Pedro Rosselló is approved, businesses could open and operate as they wish without being subject to penalties, as is currently the case.

However, not everything is rosy for business people, Rodríguez said. The CofC president said that the proposed labor reform increases unemployment benefits, which employers must pay.

“If we have an employer who wants to try to be clever, he fires all his employees and creates a new corporation; when he goes to court he would face penalties for restitution of the jobs and/or paying compensation for what the employee stopped generating during that time [he or she] was furloughed,” he said.

Nevertheless, Rosselló’s labor reform, Rodríguez said, benefits the private sector and seeks to make Puerto Rico competitive.

“We have already started with the tax reform, now the labor reform is discussed and we must continue to make changes. A single law won’t make the changes we need; all the reforms together [are needed]. Yesterday, we spoke about the importance

of status in the development of the country and it is important to talk about the advantages and disadvantages of each available status. I think it's important that Puerto Rico soon determine what its north is on the status issue," he said before presenting González Colóin in the panel discussion with the private sector.