

The National Grocers Association (NGA) represents 21,000 independent community grocers and wholesalers across the United States. Independent community grocers account for 33 percent of all grocery sales, exceeding \$250 billion, and more than 1 million American jobs.

Independent Community Grocers

Our industry's workforce has been classified by the Cybersecurity and Infrastructure Security Agency as essential to the public health and safety of the nation. Our stores remained open during the COVID-19 pandemic and independent grocers were able to spend more on labor and benefits than rent, utilities, supplies, advertising, credit card fees, maintenance, depreciation, and interest combined. With rising labor costs, independent grocers must find innovative ways to attract new associates while maintaining their slim 1-2% net profit margins.

Labor Policy Must Address the Small Business Labor Shortage

In 2022, retail job openings remained over 1 million per month on average, representing a 28% increase from pre-pandemic levels and a 138% increase over the last decade. The aging baby boomer generation is retiring and there are not enough skilled younger people to replace them. In addition, small businesses do not have enough access to the entire workforce, including immigrants and second chance workers. Finally, the COVID-19 pandemic required people across the country to step out of the labor force to take care of their health and care for family.

What's next?

Congress must ensure independent grocers and wholesalers have access to the talent they need to feed our communities. NGA has three key labor policy asks to support independent grocers:

1. Make it Easier to Hire Workers

- ◆ The National Labor Relations Board is proposing a new joint employer standard that does not define key terms, exposes independent grocers to increased liability, and creates uncertainty in the labor market. Congress should pass legislation that clarifies that under the National Labor Relations Act, two or more employers must have "actual, direct, and immediate" control over employees to be considered joint employers.
- ◆ Oppose the PRO Act, which makes significant changes to long-established employment law, including eliminating right-to-work laws in 27 states; limiting work for independent contractors; removing secret ballot protections for union elections; requiring employers to provide sensitive employee records to unions; limiting employers' right to counsel during union elections; and advancing a litany of other policies make it harder for small businesses to hire workers.

At the HEART of the community.



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2. Incentivize Labor Force Participation

- ◆ Congress should leverage immigration reform to create a pathway for workers to come to the U.S. on market-driven, non-immigrant, three-year visas to allow small businesses to hire in non-agricultural jobs with lower education thresholds that have been unfilled for extended periods of time.
- ◆ With one-quarter of the U.S.'s population holding some sort of criminal record, it is more important than ever for Congress to devote additional resources to connect small businesses with eligible employees and expand the Work Opportunity Tax Credit.

3. Encourage Workforce Development

- ◆ Independent grocers have access to a number of registered apprenticeship programs for bakers, butchers and meat cutters, first-line supervisors of retail sales workers, floral designers, general managers, and pharmacy technicians. Congress should pass legislation that encourages additional professional apprenticeship registrations and create programs to assist small businesses in implementing apprenticeship programs.

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