

We've dawdled enough about paid maternity leave's value

Kathleen C. Jacobs 10:26 p.m. EDT July 19, 2014



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According to the American Pregnancy Association, "maternity leave refers to the period of time that a new mother takes off from work following the birth of her baby."

It was adopted nearly a century ago in 1919 when the International Labor Organization introduced it as a way to provide medical benefits and job security for women in the workplace.

Many businesses have similar policies referred to as paternity leave for fathers. Under the 1993 Family and Medical Leave Act businesses must allow employees – male and female – up to 12 weeks of leave time after the birth or adoption of a child. But it is *unpaid* leave and there are also exceptions to the act based on the size (smallness) of a business which allows it to be exempt from any provisions of this federal law.

However, based upon data compiled by the Organization for Economic Cooperation and Development of member nations as of April 2013, America ranks last in mandating *paid* maternity leave for mothers who have given birth.

We are the only country, according to the OECD ranking, to provide zero weeks of paid maternity leave as allowed by any of its nations' federal laws.

According to the Organization for Economic Cooperation and Development, the average *paid* maternity leave across all OECD nations is about 18 weeks. Paternity leave is a little shorter, but approximately two-thirds of the nations do provide paid paternity leave. For example, the most high-profile figure

internationally to take paternity leave in recent years was Britain's Prime Minister David Cameron in 2010.

Britain allows fathers to take approximately two weeks off with pay. Deputy Prime Minister Nick Clegg took over while the Prime Minister was at home with his family and new baby daughter according to British Broadcasting Corp.

Only three states in the U.S. offer some form of paid family maternity and/or paternity leave. They are, in order of inception: California, New Jersey and Rhode Island. California's paid family leave is referred to as California Paid Leave. A female employee can take up to six weeks of paid maternity leave. It even covers businesses with less than 50 employees according to the state's website.

Sharon Lerner and Eileen Appelbaum from the Center for Economic and Policy Research conducted research in New Jersey and released an extensive report titled "Business as Usual: New Jersey Employers' Experiences with Family Leave Insurance."

Their report is based on in-depth interviews with employers in different industries ranging in size from 26 to 36,000 employees. The conclusion of their study was that the paid family leave law, officially known as Family Leave Insurance, did not overall adversely affect productivity or employee turnover.

The report revealed that the work environment even improved for some of the participants in the survey and only two of the 18 employers felt that FLI hurt their profitability.

Several employers in the survey stated that the length of time employees spent at home to care for a new baby was longer than before the FLI program was implemented and that worker morale improved.

Without some form of paid maternity leave in place it is questionable as to whether or not an employer will experience any type of long-term profitability.

The bottom line is financially faced with uncertainty and fluctuations. The cost of replacing an experienced worker can be greater than anticipated. The bottom line for the business will surely suffer. The uncertainty that surrounds what type of employee an employer will hire can become a quagmire for a workplace.

Consider the cost of ads (online and/or in print media), time spent going through applications to find the perfect match for the business, time spent on conducting interviews, and time spent training a new employee to bring productivity back up to speed that a former employee held.

The Joint Economic Committee of Congress issued data after conducting a survey of Fortune 100 companies showing that 40 percent of companies paid some type of parental leave with the average cost of turnover 20 percent of an employee's salary, whereas the average cost of leave is less than 8 percent of a regular employee's salary.

It is not financially viable for a business to neglect offering paid maternity leave with more females entering the workplace. As of July 3 the unemployment rate for females was 5.3 percent and for males the unemployment 5.7 percent based upon a Bureau of Labor Statistics report.

The paradigm shift from predominantly manufacturing jobs to predominantly service-oriented jobs has played a big role in the BLS data.

If businesses do not want to pay for maternity leave this could feed into a female employee seeking and finding employment, while on unpaid maternity leave, with a competitor in the same industry who offers paid maternity leave.

As the Feb. 26 issue of the Economist magazine states "America could do better by its mothers." America should stop taking baby steps towards federally mandated paid maternity, paternity, and family leave and learn to put the family first.

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