

Pros & Cons Quick Guide: Paid Family Leave Legislation

What is it the Legislation?

Senator Kristen Gillibrand, a Democrat from New York has introduced a universal paid family leave law bill every year for the last five years. Her bill promises up to **12 weeks of paid time off for any worker** -- male or female -- that has a new child, including newly fostered or adopted children. It also applies to people who have a "serious" medical condition or a family member suffering with one.

When it comes to the broader implications of this nationwide policy, there are of course pros and cons. Below is your quick guide to each:

Pros:

- **Increased talent retention**: employees would have the flexibility to take time off when they need to, while continuing to maintain their quality of life
 - o It can cost up to 6-9 months of the annual salary to replace a worker (SHRM)
- Allows for women to earn wages that are currently being lost during maternity leave, or caring for children, themselves or other family members
 - Women can lose up to 25% of their annual wages while on leave dependent on length of time taken for leave, and short disability and vacation options offered through their employer
 - Provides financial stability for men on paternity leave
- Aligns the US with most other advanced nations offering such benefits
 - US is one of three nations that don't guarantee paid maternity leave (<u>International Labor</u>
 Organization, 2014)

Cons:

- **Increased employer costs** and potentially even costs for employees and contractors, plus the cost of training others during the workers' leave
 - Could lead to an increase in employee requests for policy changes allotting additional paid time off for those not protected by family paid leave
 - o Could lead to increased costs in recruiting or temporary staffing needs to cover absent workers
 - Could lead to increased overtime wages for the workloads of employees covering absent worker
- Could cause HR challenges regarding discrimination for people on unpaid disability
 - Could lead to employees to feel discriminated or penalized for not having families
- Increases Federal Government involvement, some people think this kind of legislation should be left up to the states to decide

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