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PARENTAL LEAVE -- A WINDFALL FOR YUPPIES

The liberals and the feminists have come up with a new regulation which will impose a costly burden on employers, and at the same time grievously discriminate among classes of employees. It's called the Federally-Mandated Parental and Disability Leave Act.

H.R. 4300 would force all private and public employers of five or more employees to provide 18 weeks of unpaid parental leave to both male and female employees within two years after the birth, adoption or serious illness of a child; to provide up to six months of unpaid leave annually because of any serious health condition; to guarantee that the employee can return to the same or an equivalent job; and to continue health benefits during the leave.

These benefits would be costly in cash and costly in productivity lost from having to train a substitute employee to work for only four or five months. Loose definitions in H.R. 4300 would impose all sorts of other costs. For example, no length of service is required; the replacement employee who fills in for the one on leave would be just as eligible for reemployment as the original employee.

The sponsors of this bill disdain to conceal their goals. Their aim is to force employers to pay full wages to employees on leave, and the bill would establish a commission to recommend ways to achieve this.

Advocates of this bill assert that the United States is backward among other nations because we lack a mandatory parental leave policy. That claim is out of touch with reality. You can't enjoy a "leave" unless you have a job in the first place, and the U.S. economy has created nine million new jobs in the last three years while most other industrialized countries have suffered a net loss of jobs.

While some government regulations are surely necessary, the line must be drawn before the costs force the business to close its doors. A government-mandated job benefit becomes worthless at the point where the job ceases to exist.

H.R. 4300 is unfair and discriminatory because it requires every company to divert a portion of its employee benefit package (which should be equally available to all

employees) and give it to one discrete class of employees. This is in contrast to the other federally-mandated employee benefits which are equally available to all employees, namely, Social Security, worker's compensation, and unemployment compensation.

And which discrete class of employees is singled out for preferential treatment at the expense of other employees? It is those employees who live in two-wage-earner families--those in which the father and mother are both employed in the labor force.

It is obvious that the single-earner family cannot afford to take four months of leave without pay. This is true whether the single-earner family is a single-parent family or is a couple made up of a father-provider and mother-homemaker. Those parents simply cannot afford to be without income (and employees who are non-parents would not be eligible for any benefits at all under H.R. 4300).

The latest U.S. Census Bureau statistics show how grievously unfair it would be to give preferential employee benefits to two-earner families only. The median family income of married couples where the wife is <u>not</u> in the paid labor force is $23,562, but the average annual earnings are $34,560 if both husband and wife are employed.

The Parental Leave Bill would thus give an expensive preferential benefit to a class of employees whose average earnings are about $10,000 per year more than the average income of employees to whom this benefit is effectively denied.

If father and mother are employed by different companies (which is customary), they can double their benefits by mother taking an 18-week leave from Company A and father from Company B, simultaneously or consecutively. This would be a real fringe benefit to the well-paid yuppie couples who could use their mandated leave for vacationing instead of parenting.

The benefit package that accompanies wages in today's economy costs the U.S. employer, on the average, 37 percent of payroll. Most of these benefits, including health/medical plans, pension plans, and educational assistance have grown up voluntarily, without any government mandate.

A voluntary system is the most cost-efficient, flexible, and fair to all. The Federal Government should not mandate regulations whose cost impacts too harshly on small businesses which are the source of most of the new jobs that are created. Most important, the Federal Government should not mandate regulations that discriminate in favor of some employees and against others.