

Paid medical leave is good for business

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What do New Guinea, Suriname and the United States have in common?

They are among the few countries, out of nearly 200 recognized globally, that do not offer federally mandated paid family leave. The U.S. is the only industrialized country on the planet that doesn't guarantee paid time off due to the birth of a baby, to care for an ailing loved one — to care for oneself.

The Colorado Springs Business Journal appreciates that businesses bear the fiscal cost when workers are away from their desks or the factory floor and are still being paid. The Business Journal also recognizes the value of limiting the government's intrusion in the marketplace.

But some issues simply shouldn't be partisan, especially when it comes to creating policy that's good for everyone.

That's why the Business Journal stands behind President Donald Trump's call (no doubt inspired by his daughter, Ivanka) at this year's State of the Union Address for the federal government to adopt a paid family leave policy.

"I am also proud to be the first president to include in my budget a plan for nationwide paid family leave — so that every new parent has the chance to bond with their newborn child," the president said, although offering little in the way of specifics.

The importance of staying away from the office, however, goes beyond spending time with a newborn.

A 2017 survey conducted by CareerBuilder found a quarter of all U.S. workers do not set aside any savings each month. Twenty-eight percent of workers making \$50,000-\$99,999 annually live paycheck to paycheck, and 70 percent are in debt.

Much of the workforce is living on the precipice of financial catastrophe and wouldn't dare step away from the workplace for fear of financial ruin.

And yet, life goes on. Children are born. Parents get sick. People need time to catch their breath.

Even if the president's sentiment someday makes its way through Congress and into the law books, businesses should consider the current payoffs of offering paid medical leave.

Few would argue the benefits of a mother spending time with her newborn, to include lower infant mortality rates and healthier babies. But paid paternity leave would allow fathers to assist and support their partners during the stressful postpartum period. And that's just in the short term. Over the long term, paid medical leave has been shown to improve employee focus, boost job satisfaction and strengthen loyalty.

Research also shows paid leave makes it more likely new mothers will return to their employers following time away. A study by the Society for Human Resource Management found that every time a business replaces a salaried employee, it costs six to nine months' salary on average. That's \$20,000 to \$30,000 in recruiting and training expenses for someone making \$40,000 a year.

And, with an unemployment rate hovering around 3 percent, paid medical leave can be a powerful incentive in recruiting and retaining top talent during times of short supply.

And sick employees working paycheck to paycheck are more likely to attend work while sick, thus infecting their co-workers and costing the nation's businesses billions of dollars annually in lost productivity.

The libertarian-leaning Washington, D.C.-based think tank, The Cato Institute, published the results of its 2018 Paid Leave Survey of 1,700 adults, which found 74 percent support 12 weeks of federal paid family leave for new parents or individuals with medical conditions. Just last week a pair of Democratic U.S. senators reintroduced the Family Act, which would provide Americans up to 12 weeks of paid leave at 66 percent of their monthly wages.

It's a move in the right direction. It's time the United States joins the rest of the industrialized world.

Life happens. Let's be sure we don't punish our workforce (and our economy) when it does.