

Would mandatory maternity leave hinder workplace equality?

By Kiley Crossland
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President Barack Obama continued to push for national paid maternity leave in a speech this week, but he hasn't proposed any plans to achieve it. While his supporters cheer the idea, some economists warn that legally mandating maternity leave will have unintended consequences for women and working families.

Obama spoke about maternity leave Monday, at the first White House Summit on Working Families. The event was a gathering of working parents and business leaders to discuss time flexibility, childcare, wage equality, and parental paid leave. Obama decried the U.S. stance on family and medical leave as outdated: "There is only one developed country in the world that does not offer paid maternity leave, and that is us. ... It's time to change that."

Congress enacted the Family and Medical Leave Act, the law that still governs family leave in the United States, in 1993. The law allows employees of companies with at least 50 workers to take up to 12 weeks of job-protected leave. But the leave is unpaid, which advocates of paid leave claim inhibits many women from actually taking leave at all.

According to a report by the International Labor Organization, the amount of pay and the percentage of women who are eligible for maternity leave vary in developed countries. In some developed countries, the payment is only a fraction of their previous earnings, and many women are excluded from paid leave.

In America, 12 percent of private industry workers receive paid family leave from their employer, according to 2013 data released by the Bureau of Labor Statistics. Three states—California, New Jersey, and Rhode Island—provide paid family leave, collected through payroll taxes.

A recently introduced bill would nationalize that plan. Rep. Rosa DeLauro, D-Conn., and Sen. Kirsten Gillibrand, D-N.Y., introduced legislation that would require up to 12 weeks of paid family leave nationally. The bill would increase payroll tax contributions for

employees and employers by 0.2 percent. Despite his rhetorical conviction, Obama has not yet backed their plan.

In lieu of a tax, the other option would require employers to offer paid leave as part of their benefits packages. Supporters say mandatory maternity leave encourages healthy child development, and keeps women in the workplace. But some experts say requiring businesses to provide leave harms employees in general, and women in particular.

“Sooner or later, someone has to pay for it,” said Jeffrey Miron, director of economic policy studies at the Cato Institute. Although mandatory maternity leave sounds like a wonderful idea in theory, requiring employers to offer the benefit will invariably increase the cost of labor, which will decrease wages, Miron said. People without children will pay for those with children to take paid leave. It also would incentivize employers to hire employees who won’t take as much family leave, primarily men.

“Balancing work and family is challenging, and paid maternity leave would ease the strain of childbirth for many families,” wrote James Sherk, a senior policy analyst for the Heritage Foundation, in an article on paid leave legislation. “But requiring employers to provide paid maternity leave would have serious unintended consequences that would harm women in the workforce.”