Lee, Chris

From: Michael Rosen <rosenmatc@gmail.com>
Sent: Wednesday, February 2, 2022 9:11 AM

To: Lee, Chris

Subject: Fwd: Parental Leave Polic Memo

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Good morning,

I sent the following email to all committee members. Can you make sure they receive it for today's deliberations.

Thank you,

Michael Rosen

----- Forwarded message -----

From: Michael Rosen < rosenmatc@gmail.com >

Date: Wed, Feb 2, 2022 at 9:06 AM Subject: Parental Leave Polic Memo

To: <<u>mmurph@milwaukee.gov</u>>, <<u>scott.spiker@milwaukee.gov</u>>, Nik Kovac <<u>nkovac@milwaukee.gov</u>>, Milele Coggs <<u>mcoggs@milwaukee.gov</u>>, JoCasta Zamarripa <<u>JoCasta.Zamarripa@milwaukee.gov</u>>,

<<u>Marina@milwaukee.gov</u>>

Cc: Ellen Bravo < bravo.ellen@gmail.com >

Dear Chairman Murphy and Committee Members,

I have reviewed the Parental Leave Memo of January 26, 2022.

The memo appears to GROSSLY exaggerate the cost of Milwaukee adopting a twelve week parental leave program and contradicts itself in presenting the inflated numbers. It also alleges increased costs based on the questionable assumption that the policy will create a liability as employees use parental leave in lieu of paid sick days resulting in increased pay out of sick days when employees retire or leave. This seems to suggest that the city is comfortable with women receiving smaller payouts than their male employee counterparts because women currently use sick time for maternity. Is the city really comfortable with this inequity?

The key question is why is there a cost at all? On page two the memo states that the calculations assume there is no backfilling. If there is no backfilling, the only cost is the city paying an employee 12 weeks salary while he/she is off work caring for their child. But the city has already budgeted that salary. There is no additional cost to the city. The only difference is that that employee is now at

home caring for their child and not reporting to work at the city. To put it another way, it appears the cost in the chart is already budgeted for employee salaries. This isn't a new or added cost.

The analysis has a cursory discussion of employee turnover as a potential additional cost of parental leave. But that is not the experience in cities and states that have implemented the policy. Rather than increased costs employees with a parental leave benefit have exhibited a greater attachment to work and lower turnover. The result is decreased costs to the city in recruiting and training new employees.

In addition to reducing employee turnover there are other societal cost savings associated with parental leave including a reduction in infant and maternal mortality, increased positive health outcomes for mother and child, and enhanced child brain development. All result is immediate and long-term social cost savings.

The real issue is whether the city intends to backfill employees when they exercise this benefit. There is no evidence or argument that they will. As a result, there are no increased costs to the city for implementing twelve weeks of parental leave and no reason to reduce the number of weeks which are the good public policy standard.

Thank you,

Michael Rosen, PhD

Economics Professor Emeritus, MATC

rosenmatc@gmail.com

414 467 8908