



Horwath HTL™

Hotel, Tourism and Leisure

Industry Report: USA

Maternity Leave

September 2015

Changes in the hotel industry for maternity leave

After Obama's Paid Parental Leave Act for federal employees, it's time for the hotel industry to think about this issue

Early this month, Hilton has announced its new parental leave policy, which gives ten weeks of fully paid leave for new mothers and two weeks of fully paid leave for new fathers and adoptive parents. Hilton's new policy gives us a great model of Hotelier's effort on supporting working parents and retaining top talents. We are asking what the next step is for hotel industry.

According to world policy analysis center, US, joining Suriname and Papua New Guinea are the only three countries without paid parental leave. Although some progressive companies, like technology companies, has taken the lead on the paid parental leave trend, unfortunately, there are not many companies in hospitality industry that could provide such generous parental policies, or even comparable.

The benefits of parental leave have been documented by extensive research, including promoting early parent-child bonding and breastfeeding. At the same time, it supports the development of employees, employers, and the economy overall. "Although the FMLA does not require companies to provide paid leave to employees, providing paid leave for the birth or adoption of a child may be a valuable benefit that helps a hotel attract and retain top talent," says Kenneth Winkler, an employment attorney with the Atlanta law firm Berman Fink Van Horn P.C. "Because paid maternity leave is not the norm, such a benefit may be a significant differential that permits a smaller entity, or geographically less desirable location to compete for talent."

Mr. Winkler also mentions there hoteliers must also be mindful to comply with federal and state laws that prohibit discrimination based on pregnancy.

- "The Patient Protection and Affordable Care Act requires employers to provide reasonable break time for an employee to express breast milk for her nursing child for a one year period after the birth of the child. The Act also requires employers to provide a place other than a bathroom that is shielded from view and free from intrusion from coworkers and the public to express milk in private."
- "The Pregnancy Discrimination Act (PDA) bars discrimination based on pregnancy. Under the PDA, an employer that allows temporarily disabled employees to take disability leave or leave without pay, must allow an employee who is temporarily disabled due to pregnancy to do the same."
- "Title VII of the Civil Rights Act of 1964 prohibits discrimination against employees on the basis of sex, which includes what benefits are provided. Even though Title VII has no leave provisions, employers must apply there leave policies consistently."

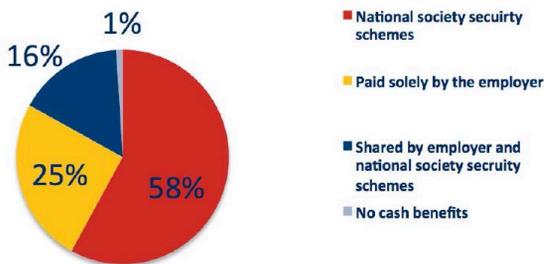
President Obama has initiated Paid Parental Leave Act for federal employees, and we could expect that paid parental leave is going to become federal law sooner or later.

AH&LA's article on paid leave has described four standards that need to be met in order to support the paid leave policy in hotel industry, including:

- Recognize employers who are offering generous paid leave programs,
- Recognize the disproportionate impact on small employers,
- Foster leave flexibility for employers and employees,
- Ensure consistency and ease of recordkeeping.

Moreover, the implementation of the paid parental leave should be a joint effort of all three parties, employee, employer and the government. In addition to the state/federal unemployment insurance tax that employer pays, employees should be willing to contribute a small amount of their payroll to fund the parental leave. They can also have the choice to put extra percentage in a saving account for their future absence, or even choose to buy short-term parental leave coverage from insurance company if they would like longer stays than the employers could provide. The following graph shows the source of cash benefits on maternity leave by 185 countries surveyed by International Labor Organization.

Source of Cash Benefits on Maternity Leave



Source: International Labor Organization

Hospitality industry is a unique industry because it has lots of part-time employees. Since FMLA has some limitation on funding only full-time employees who have worked for a certain amount of time, many of the hotel industry employees who work odd and long hours are not eligible for the job guaranteed parental leave. It's time for "Hoteliers" to think about this issue since what we do towards this issue not only will affect the life of our employees, but also the image of hotel industry.

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Michelle Yin is a recent graduate from the Cornell School of Hotel Administration with a Bachelor's degree in Hotel and Restaurant Management together with a minor in Real Estate. She joined Horwath HTL in June 2014 as an Intern and returned as an Analyst in August 2015 upon graduation. She is involved in various projects in hotel development, market research & analysis, and hotel asset management.

Michelle is a native of China, and is proficient in both Mandarin Chinese and English. Michelle has extensive and international experience in the hotel and real estate industry. She started her career in hospitality as a server in the Jin Jiang International Hotel in Tangshan, China. After that, she gained further work experience in the F&B Department and Banquet Department at the Statler Hotel in Ithaca, NY.

To further develop her expertise in real estate and finance, Michelle completed financial consulting training with the firm MassMutual Hong Kong. She interned with Knight Frank in Singapore and worked on a project launch with the marketing team. She also worked as Finance Assistant at The Ritz London Hotel Finance and Accounting Department.

Michelle is ServSafe certified, TIPS certified, and a certified wedding planner by the Bridal Society. During her time at Cornell, she worked as a Teaching Assistant in various areas. Michelle is also the founding President of the Cornell Chapter of the American Hotel & Lodging Association, an instructor for Cornell Piano Society, and a volunteer at Cornell Elderly Partnership.



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Paul Breslin, Managing Director of the Atlanta office of Horwath HTL, is a 35-year veteran of the hospitality industry. His background within the industry is all encompassing, with extensive experience in hotel operations, development and asset management with major branded hotels as well as independent and smaller luxury hotels. From asset management and operational support, planning and development services, sales, marketing and revenue management, transactional advice and financial restructuring, Mr. Breslin has provided consulting services to a global client base.

Mr. Breslin is a member of the prestigious International Society of Hospitality Consultants and the Hotel Asset Managers Association. He is a Certified Hotel Administrator by the Educational Institute of the American Hotel and Lodging Association. He is a founding member and immediate past president of the Atlanta Hospitality Alliance, and currently serves on the Board of the Atlanta Hospitality Alliance and the Governmental Affairs Committee of the Georgia Hotel and Lodging Association.

Mr. Breslin is a Certified Hospitality Educator (CHE) and a well-respected teacher and leader within the industry. He is the Executive-in-Residence in Lodging in the J. Mack Robinson College of Business, Cecil

B. Day School of Hospitality at Georgia State University. Through Sabanci University in Turkey, he has trained senior level executives at the Rixos Hotel Leadership Training Program. Mr. Breslin is a frequent lecturer at national conventions and hospitality industry conferences throughout the United States. Mr. Breslin has also been quoted on hospitality issues in publications such as The Wall Street Journal, USA Today, Atlanta Business Chronicle, Atlanta Journal-Constitution and The Miami Herald.

In addition to his work as a consultant and educator, Mr. Breslin provides hotel expert witness services to attorneys specializing in hospitality law. His caseload as an expert witness includes work with both plaintiffs and defendants.

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Ken Winkler is a shareholder at Berman Fink Van Horn P.C., based in Atlanta, Georgia. Ken's practice provides counsel to entrepreneurs, business owners and companies regarding employment laws and regulations that govern the workplace. Ken is dedicated to the continued growth and success of his clients and the hospitality and service industry as a whole. He serves as the General Counsel to the Georgia Hotel & Lodging Association and serves on the Industry Board of the Cecil B. Day School of Hospitality at Georgia State University. Ken obtained his J.D. from The Ohio State University Moritz College of Law and his Bachelor of Science in Business Administration, summa cum laude, from The Ohio State University.

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