VETO OF H.R. 770

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

HIS VETO OF H.R. 770, THE "FAMILY AND MEDICAL LEAVE ACT OF 1990"



July 10, 1990.—Message and accompanying bill were ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

39-011

WASHINGTON: 1990

To the House of Representatives:

I am returning herewith without my approval H.R. 770, the "Family and Medical Leave Act of 1990." This bill would mandate that public and private employers with 50 or more employees, and the Federal Government, provide their employees with leave under specified circumstances.

In vetoing this legislation with its rigid, federally imposed requirements, I want to emphasize my belief that time off for a child's birth or adoption or for family illness is an important benefit for employers to offer employees. I strongly object, however, to the Federal Government mandating leave policies for America's

employers and work force. H.R. 770 would do just that.

America faces its stiffest economic competition in history. If our Nation's employers are to succeed in an increasingly complex and competitive global marketplace, they must have the flexibility to meet both this challenge and the needs of their employees. We must ensure that Federal policies do not stifle the creation of new jobs, nor result in the elimination of existing jobs. The Administration is committed to policies that create jobs throughout the economy—serving the most fundamental need of working families.

The strong American labor market of the past decade is a sign of how effectively our current labor policies work. Between 1980 and 1989, the United States created more than 18 million new jobs. In contrast, within European countries, where mandated benefits are more extensive and labor markets less flexible, job growth has been weak. Between 1980 and 1989, all of Europe generated only 5 million new jobs. As a Nation, we must continue the policies that have been so effective in fostering the creation of jobs throughout our economy. H.R. 770 is fundamentally at odds with this crucial objective.

H.R. 770 ignores the realities of today's work place and the diverse needs of workers. Some employees may believe that shorter paid leave is more important than the lengthy, unpaid leave mandated by this legislation. Caring for a sick friend, aunt, or brother might be just as critical to one employee as caring for a child is to another. In other cases, some employees may prefer increased health insurance or pension coverage rather than unpaid family and medical leave.

Choosing among these options traditionally has been within the purview of employer-employee negotiation or the collective bargaining process. By substituting a "one size fits all" Government mandate for innovative individual agreements, this bill ignores the differing family needs and preferences of employees and unduly limits the role of labor-management negotiations.

We must also recognize that mandated benefits may limit the ability of some employers to provide other benefits of importance to their employees. Over the past few years, we have seen a dramatic increase in the number of employers who are offering child care assistance, pregnancy leave, parental leave, flexible scheduling, and cafeteria benefits. The number of innovative benefit plans will continue to grow as employers endeavor to attract and keep skilled workers. Mandated benefits raise the risk of stifling the development of such innovative benefit plans.

My Administration is strongly committed to policies that recognize that the relationship between work and family must be complementary, and not one that involves conflict. If these policies are to meet the diverse needs of our Nation, they must be carefully, flexibly, and sensitively crafted at the work place by employers and employees, and not through Government mandates imposed by legislation such as H.R. 770.

GEORGE BUSH.

THE WHITE HOUSE, June 29, 1990.