

# Working in America

## Time to Care: A Discussion on Improving Paid Leave Policies for Workers, Businesses, and Our Economy

Today, the United States lacks federal legislation to guarantee paid leave for personal or family illness or the birth of a new child, which forces millions of working Americans to choose between earning a paycheck or caring for themselves and their loved ones. In several states and localities throughout the nation, there is growing momentum towards providing guaranteed paid sick days and paid family and medical leave. As the nation looks towards policies and practices that will strengthen the middle class, this momentum is fueling debate about the provision of paid sick and family medical leave at the national level. Updating labor standards to include earned paid sick days as well as paid family and medical leave would likely have far-reaching benefits for working families, businesses, the economy and the public's health.

### The Need for Paid Sick Days

- **Approximately, 40 million working Americans lack paid sick days. This amounts to four of every 10 private sector workers.**<sup>1</sup> An additional 4.2 million workers have not served in their jobs long enough to be eligible for paid sick days due to the stipulations of their employers' benefit policies.<sup>2</sup>
- **The financial security that comes with paid sick days is disproportionately out of reach for many low-income workers.** Eight in ten private sector workers in the lowest ten percent of the income distribution lack access to even a single paid sick day, compared to just one in ten workers in the highest 10 percent of private sector earners.<sup>3</sup> With women and people of color disproportionately holding these low-wage jobs, the lack of access to paid leave contributes to disparities in earnings across racial and gender groups.
- **The risk of spreading contagious illnesses at the office is greatest in workplaces where workers have frequent contact with customers, but these industries often are the mostly likely to lack paid sick days.** For instance, nearly 90 percent of the restaurant industry's workforce does not have access to paid sick days, including those workers who cook and serve food. Consequentially, two-thirds of restaurant workers report having worked while ill.<sup>4</sup> Across the workforce, adults without access to paid sick days are 1.5 times as likely to report going to work with a contagious illness.<sup>5</sup>
- **Across socio-demographic and political groups, the majority of adults in the United States support a law that would guarantee a minimum number of paid sick days,** with nine out of ten adults favoring a proposal that would secure up to 7 paid sick days per year.<sup>6</sup>

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<sup>1</sup> Bureau of Labor Statistics, *Economic News Release*, Table 6. Selected paid leave benefits: Access, March 2013. <http://www.bls.gov/news.release/ebs2.t06.htm>

<sup>2</sup> National Partnership for Women & Families, [http://go.nationalpartnership.org/site/PageServer?pagename=psd\\_toolkit\\_quickfacts](http://go.nationalpartnership.org/site/PageServer?pagename=psd_toolkit_quickfacts)

<sup>3</sup> Bureau of Labor Statistics, March 2013.

<sup>4</sup> Restaurant Opportunities Centers United, *Serving While Sick: High Risks and Low Benefits for the Nation's Restaurant Workforce, and Their Impact on the Consumer*, September 30, 2010. <http://rocunited.org/roc-serving-while-sick/>

<sup>5</sup> National Partnership for Women & Families, "The Time for Paid Sick Days is Now: Survey Shows Overwhelming Public Support for a paid Sick Days Workplace Standard," June 2010. [http://go.nationalpartnership.org/site/DocServer/Microsoft\\_Word\\_-\\_The\\_Public\\_Strongly\\_Supports\\_Paid\\_Sick\\_Days.pdf?docID=6742](http://go.nationalpartnership.org/site/DocServer/Microsoft_Word_-_The_Public_Strongly_Supports_Paid_Sick_Days.pdf?docID=6742)

<sup>6</sup> Smith, Tom and Jibum Kim, National Opinion Research Center, "Paid Sick Days: Attitudes and Experiences," June 2010. <http://www.publicwelfare.org/resources/DocFiles/psd2010final.pdf>

## The Need for Paid Family Medical Leave

More than two decades ago, the Family and Medical Leave Act (FMLA) was enacted to secure 12 weeks of unpaid, job-protected leave for certain employees of public agencies, schools, and companies with 50 or more employees. This legislation, however, does not cover about half of the workforce, with women and people of color especially likely to hold jobs that are exempt from this benefit. Further still, with only the provision of unpaid leave, many of the FMLA's eligible working Americans cannot afford to take time off to recover from common illnesses, care for an ill family member or new child.

- **Lack of access to paid family medical leave creates financial instability for working families and new parents.** Nearly 80 percent of workers who are eligible for unpaid leave under the Family and Medical Leave Act report not taking leave due to its financial cost.<sup>7</sup> For the workers that are not eligible, approximately one quarter report having lost a job or being threatened with termination for taking time off to deal with a personal or family illness.<sup>8</sup> Furthermore, an overwhelming 96 percent of single mothers report paid leave as the workplace policy that would help them the most.<sup>9</sup>
- **As the population ages, more workers will need to take time off to care for elderly family members with serious health problems.** Only 12 percent of the workforce has paid family leave, but the majority of elderly Americans with disabilities live outside of nursing homes or other care facilities.<sup>10</sup> With paid family and medical leave, workers would be able to provide care for their aging parents as serious medical conditions arise without losing income.

## Benefits for Businesses and the Economy

- **Research has shown that businesses lose less productivity and experience lower turnover when workers have access to paid leave for personal or family medical needs.** Paid sick days work to reduce the potential loss of productivity when employees work while sick. The cost to the economy of this reduced productivity is estimated at \$160 billion annually, surpassing the cost to the economy when workers stay home from work to recover from an illness.<sup>11</sup>
- **The United States is disadvantaged by its lack of federal legislation to guarantee paid sick and family medical leave.** The United States is the only industrialized nation that does not guarantee paid time off to provide care for a new child and one of only a few countries that does not guarantee paid leave for other types of medical events.

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<sup>7</sup> Sarah Jane Glynn, "Fact Sheet: Paid Family and Medical Leave," August, 16, 2012.

<http://www.americanprogress.org/issues/labor/news/2012/08/16/11980/fact-sheet-paid-family-and-medical-leave/>

<sup>8</sup> National Partnership for Women & Families, June 2010.

<sup>9</sup> Facts and Figures from *The Shriver Report: A Woman's Nation Pushes Back from the Brink*, January 12, 2014.

<http://shriverreport.org/a-womans-nation-pushes-back-from-the-brink-facts-and-figures/>

<sup>10</sup> National Partnership for Women & Families, "The Case for a National Family and Medical Leave Insurance Program (The FAMILY Act)," November 2013. <http://www.nationalpartnership.org/research-library/work-family/paid-leave/the-case-for-the-family-act.pdf>

<sup>11</sup> Stewart, W. et al. "Lost Productive Health Time Costs from Health Conditions in the United States: Results from the American Productivity Audit," *Journal of Occupational and Environmental Medicine*, 45, December 2003.

[http://www.workhealth.org/whatsnew/whnewrap/Stewart%20etal\\_lost%20productive%20work%20time%20costs%20from%20health%20conditions%20in%20the%20US\\_%20Results%20from%20the%20American%20Productivity%20Audit%202003.pdf](http://www.workhealth.org/whatsnew/whnewrap/Stewart%20etal_lost%20productive%20work%20time%20costs%20from%20health%20conditions%20in%20the%20US_%20Results%20from%20the%20American%20Productivity%20Audit%202003.pdf)