

Busting the Myths about Paid Sick Days

Nearly half of private-sector workers don't have a single paid sick day to recover from an illness or to care for a sick family member. As a result, workers have no choice but to go to work sick or lose pay or risk their jobs.

Working people need a basic labor standard of paid sick days. Below are commonly-used myths used to attack paid sick days standards and the facts that bust them.

MYTH: Workers don't need paid sick days: they can use paid vacation days.

REALITY: Most workers who lack paid sick days also lack paid vacation days.

- ✓ Most workers who don't have paid sick days don't have any paid time off at all—no paid sick days, no paid vacation days or no paid personal days.¹
- ✓ Two in five working parents (41%) with household incomes below twice the federal poverty level do not have paid time off of any kind.²

MYTH: Setting a standard of paid sick days would make businesses less flexible.

REALITY: Working people need our elected leaders to create a minimum labor standard of paid sick days to ensure businesses address workers' basic needs.

- ✓ It's clear that workers need paid sick days—and they overwhelmingly support it. But businesses aren't addressing this need. That's why a minimum standard of paid sick days—like a minimum wage or 40-hour workweek law—is necessary.
- ✓ Requiring a labor standard of paid sick days would also level the playing field for businesses that already provide paid sick days.

Myth: Workers with access to paid sick days may abuse the policy.

REALITY: On average, workers covered by paid sick days policies take only one

additional day off per year than workers without paid sick days.

- ✓ Workers with access to paid sick days take 3.9 days per year for their own illnesses and 1.3 days to care for other family members. Workers not covered by a paid sick days policy take on average 3.0 days off for sickness per year.³
- ✓ Among workers covered by a paid sick days policy already, half do not use any of their paid sick days.⁴
- ✓ When sick workers are on the job, it costs our national economy \$180 billion annually in lost productivity. For employers, this costs an average of \$255 per employee per year and exceeds the cost of absenteeism and medical and disability benefits.⁵

MYTH: Small businesses will go out of business with a paid sick days law.

REALITY: Without paid sick days policies, businesses face high turnover, spend more on hiring and training new workers, and risk spreading illness.

- ✓ Without paid sick days, workers have no choice but to go to work sick, risking widespread infection among coworkers and customers, which could have disastrous consequences on a business.
- ✓ While a paid sick days policy would impose modest costs, the estimated business savings total \$11.69 per week per worker from lower turnover, improved productivity and

¹IWPR analysis of the 2004 National Health Interview Survey.

⁴Heidi Hartmann, Healthy Families Act Testimony, 2007.

⁵Ron Goetzal, et al, Health Absence, Disability, and Presenteeism Cost Estimates of Certain Physical and Mental Health Conditions Affecting U.S. Employers, Journal of Occupational and Environmental Medicine, April 2004.

¹ Vicky Lovell, No Time to be Sick, www.iwpr.org

² Katherin Ross Phillips, Getting Time Off, Urban Institute, www.urban.org/url.cfm?ID=310977.

reduced spread of illness.⁶

MYTH: Restaurants have small profit margins and large labor forces: they cannot afford to offer paid sick days.

REALITY: Without paid sick days, one worker forced to come in to work sick could risk a food-borne outbreak directly costing \$75,000.

- ✓ A single food-borne outbreak could cost a restaurant up to \$75,000 in direct costs, including clean up, re-staffing, restocking, settlements and regulatory sanctions.⁷ The cost of a food-borne outbreak rises dramatically if it involves death or serious injury.
- ✓ The indirect costs of a food-borne outbreak for a chain restaurant—including the negative public opinion, which affects other operations in a metropolitan area—can be up to \$7 million.⁸
- ✓ An outbreak of “norovirus” (which causes stomach-flu) in Kent, Ohio affected 505 customers who dined at a Chipotle restaurant. The Kent Dept. of Health suggests the outbreak was caused by a worker without paid sick days who reported for work with symptoms of “norovirus.” The outbreak cost the Kent community between \$130,233 and \$305,337 in lost wages, tuition paid by students for classes not attended, taxpayer education subsidies, lost income tax revenues, and health care costs.⁹

MYTH: A paid sick days policy would force employers to cut wages or workers.

REALITY: Much like minimum wage increases—which created similar business claims—a paid sick days policy can be implemented without negative business impacts.

- ✓ While a paid sick days policy would impose modest costs, it is also likely to help business by reducing turnover and improving worker productivity.

- ✓ According to a 2006 statement from 650 economists, increasing the minimum wage “can significantly improve the lives of low-income workers and their families, without the adverse effects that critics have claimed”¹⁰ and results higher productivity, lower turnover and improved worker morale.

MYTH: Jobs will be outsourced if a paid sick days law is passed.

REALITY: Food service and hotel jobs are the least likely to have paid sick days—and cannot be outsourced because of customer contact.

- ✓ The majority of workers who would benefit most from paid sick days are in jobs that are the least likely to be outsourced because they involve direct contact with customers.
- ✓ In fact, three in four food service and hotel workers don’t have a single paid sick day to use when they are ill. Majorities of retail, child care and nursing home workers also lack paid sick days.

⁶ Institute for Women’s Policy Research, *Valuing Good Health: An Estimate of Costs and Savings for the Healthy Families Act, 2005*

⁷ Norman G. Marriott, *Principles of Food Sanitation*, 1999.

⁸ *Ibid.*

⁹ Policy Matters Ohio, www.policymattersohio.org/pdf/OutbreakInOhioWebExec2008.pdf

¹⁰ See the economists’ statement at www.epi.org/minwage/epi_minimum_wage_2006.pdf.