# Paid Leave Means A Stronger North Carolina

#### **FEBRUARY 2024**

Most working people in the United States do not have paid family leave through their jobs, including **about 76 percent** — **about 4,007,000 workers** — **in North Carolina.**<sup>1</sup> **Even unpaid leave under the federal Family and Medical Leave Act is inaccessible for 65 percent of North Carolinians.**<sup>2</sup> The lack of paid leave exacerbates the state's economic and care challenges — from the cost of living, to a scarcity of reproductive and maternal health care, to an aging population, with devastating costs for North Carolinians and their families, public health and the economy.

Impossible choices between work and family are hurting North Carolina's economy, and women suffer most. Paid leave means people — especially women — aren't forced to leave the labor force to care for their families or health.

North Carolina's economy and families are suffering

- If women in North Carolina participated in the labor force at the same rate as women in countries with paid leave, there would be an estimated 180,000 additional workers in the state and \$5.7 billion more wages earned statewide.<sup>3</sup>
- Nationally, if women participated in the U.S. labor force at the same rate as in Germany and Canada, our economy would benefit from more than \$775 billion in additional economic activity each year.<sup>4</sup>
- In North Carolina, a typical worker who takes four weeks of unpaid leave loses more than more than \$3,200 in income.<sup>5</sup>
- Paid leave improves employee retention, morale and productivity, reducing turnover for employers of all sizes and boosting the economy. But small employers often cannot provide the benefit and universal paid leave would help them do that.<sup>6</sup>

### North Carolinians are caught between their work and family responsibilities. Paid leave means not having to choose between job and family.

- About 121,400 children are born in North Carolina each year, and in 70 percent of all North Carolina households with children nearly 1,516,000 homes all parents report to work.<sup>7</sup>
- Women's wages support their households. In North Carolina, 80 percent of Black mothers, 45 percent of Latina mothers, 50 percent of white mothers and 40 percent of AAPI mothers are key family breadwinners.

People in North Carolina both work and provide care

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State-level data is limited, but nationally 64 percent of Native American mothers are breadwinners.<sup>8</sup>

- Women make up nearly half North Carolina's labor force (48 percent) and more than one-quarter of its business owners (28 percent).<sup>9</sup>
- Across the country, many men want to play a larger role in caring for their children, but unsupportive policies and stigma hold them back.<sup>10</sup>

### North Carolina families' care needs are increasing. Paid leave means older adults and disabled people can provide and receive care, and our care workforce is more resilient.

- Nearly one-quarter of North Carolina workers are 55 and older,<sup>11</sup> and in the next 20 years, North Carolina's population aged 65 and older will grow by 569,000.<sup>12</sup>
- Nationwide, nearly one third of all adults aged 55-64 and 41 percent of older Black women and 43 percent of older Latinas hold a physically demanding job, <sup>13</sup> which may exacerbate or cause serious medical conditions that require care, particularly in older workers and workers with disabilities.<sup>14</sup> In North Carolina, that would mean 285,300 older workers, 37,100 older Black women workers and 6,600 older Latina workers.<sup>15</sup>

The state's caregiving needs are growing

- About 36 percent of North Carolina nursing homes have a shortage of direct care workers.<sup>16</sup> Paid leave reduces nursing home utilization and can help recruitment and retention of care workers.<sup>17</sup>
- An estimated 981,000 North Carolinians report having long-term COVID-19 symptoms that affect their daily activities.<sup>18</sup> Paid leave is a critical support as we continue through this mass disabling event, which disproportionately impacts women, people of color and workers with low incomes.<sup>19</sup>
- Paid leave helps family caregivers and disabled people (who are often caregivers themselves) manage their health and care needs while maintaining their income and employment.<sup>20</sup>

## North Carolinians need a common sense, national paid leave program. We recommend one that:

- includes all workers, no matter where they live or work or what kind of job they have;
- > replaces enough income that workers at any income level can afford leave;

#### A national paid leave plan is the solution

- provides enough time and covers the range of major needs workers face, including addressing their own health conditions, caring for seriously ill, injured or disabled family members and welcoming newborn, newly adopted or foster children;
- provides education and outreach to ease implementation for workers and small businesses;
- has a sustainable funding source that is affordable for workers, employers and the government without harming other essential programs.

## National paid family and medical leave means a stronger economy, healthier families and businesses, and greater equality for all women and families.

#### To learn more, visit NationalPartnership.org/PaidLeave.

2 diversitydatakids.org. (2023, March). Indicators of FMLA Eligibility and Affordability for Working Adults. Retrieved 16 January 2024, from Brandeis University, The Heller School, Institute for Child, Youth and Family Policy website

https://data.diversitydatakids.org/dataset?vocab\_Subtopic=FMLA&\_ga=2.14449139.551199344.1673292061-1693714331.1656615545; Workers are considered unable to take unpaid FMLA leave because they are either ineligible based on employer size or job tenure requirements or because 12 weeks of lost wages from unpaid leave would result in their family income dropping to or below 200 percent of the Supplemental Poverty Measure.

3 U.S. Bureau of Labor Statistics. (2022). Local Area Unemployment Statistics, Expanded State Employment Status Demographic Data (2021 Annual Averages). Retrieved 13 December 2022, from https://www.bls.gov/lau/ex14tables.htm; U.S. Census Bureau. (2022). American Community Survey 1-Year Estimates, 2021 (Table B20017). Retrieved 6 December 2022, from data.census.gov. For methodology, see Novello, A. (2021, July). The Cost of Inaction: How a Lack of Family Care Policies Burdens the U.S. Economy and Families. Retrieved 6 December 2022 from National Partnership for Women & Families website: https://nationalpartnership.org/wp-content/uploads/2023/02/cost-of-inaction-lack-of-family-care-burdens-families.pdf

4 Glynn, S. J. (2023, November). The Cost of Doing Nothing, 2023 Update: The Price We STILL Pay without Policies to Support Working Families. Women's Bureau of the U.S. Department of Labor Publication. Retrieved 16 January 2024, from: https://www.dol.gov/sites/dolgov/files/WB/paid-leave/CostofDoingNothing2023.pdf

5 U.S. Bureau of Labor Statistics. (2023, April). May 2022 State Occupational Employment and Wage Estimates (Median Income, All Occupations). Retrieved 16 January 2024, from: https://www.bls.gov/oes/tables.htm

6 National Partnership for Women & Families. (2023, November). Paid Leave Works: Evidence from State Programs. Retrieved 16 January 2024, from https://nationalpartnership.org/wp-content/uploads/2023/02/paid-leave-works-evidence-from-state-programs.pdf

7 Centers for Disease Control and Prevention. (2023, June). National Vital Statistics Rapid Release, Births: Provisional Data for 2022 (Table 4. Total number of births, by state of residence, provisional 2022, and percentage of cesarean delivery and preterm births, by state of residence: United States, each state and territory, final 2021 and provisional 2022). Retrieved 16 January 2024, from https://www.cdc.gov/nchs/data/vsrr/vsrr028.pdf; U.S. Census Bureau. (2023, September). 2022 American Community Survey 1-Year Estimates (Table DP03). Retrieved 16 January 2024, from https://data.census.gov/

8 Shaw, E., Mason, C. N., Lacarte, V., & Jauregui, E. (2020, May). *Holding Up Half the Sky: Mothers as Workers, Primary Caregivers, & Breadwinners During COVID-*19. Retrieved 16 January 2024, from Institute for Women's Policy Research website: http://iwpr.org/wp-content/uploads/2020/07/Holding-Up-Half-the-Sky-Mothers-as-Breadwinners.pdf; "Key breadwinner" means a single mother who heads a household or a married mother who contributes 40 percent or more of the couple's joint earnings. Nationally, 79 percent of Black mothers, 64 percent of Native American mothers, 60 percent of mothers identifying as multiracial or "other" race, 49 percent of Latina mothers, 48 percent of white mothers and 43 percent of Asian/Pacific Islander mothers are key breadwinners.

9 See note 3, U.S. Bureau of Labor Statistics; Institute for Women's Policy Research. (2021). Status of Women in the States (Table 4.1). Retrieved 16 January 2024 from https://statusofwomendata.org/explore-the-data/poverty-opportunity/additional-state-data/composite/

10 Lenhart, A., Swenson, H., & Schulte, B. (2019, December). Lifting the Barriers to Paid Family and Medical Leave for Men in the United States. Retrieved 16 January 2024 from New America website: https://www.newamerica.org/better-life-lab/reports/lifting-barriers-paid-family-and-medical-leave-men-united-states/; Livingston, G. (2018, January 8). Most dads say they spend too little time with their children; about a quarter live apart from them. Pew Research Center Publication. Retrieved 16 January 2024, from http://www.pewresearch.org/fact-tank/2018/01/08/most-dads-say-they-spend-too-little-time-with-their-children-about-a-quarter-live-apart-from-them/

11 See note 3, U.S. Bureau of Labor Statistics.

12 See note 3, U.S. Bureau of Labor Statistics; University of Virginia Demographics Research Group. (2018). *National Population Projections: Projections for the 50 States and D.C. (Age and Sex)*. Retrieved 14 January 2024, from http://demographics.coopercenter.org/national-population-projections/?q=demographics/national-population-projections (Unpublished calculation based on projected rate of growth of older adult population from 2019 to 2040)

13 Morrissey, M., Radpour, S., & Schuster, B. (2022, November 16). *The Older Workers and Retirement Chartbook (Chart 1D)*. Retrieved 16 January 2024, from Economic Policy Institute website: https://www.epi.org/publication/chapter-1-older-workers/

14 National Academy of Social Insurance. (2023, September). Older Workers in Physically Challenging Jobs Need Stronger Social Insurance Supports. Retrieved 16 January 2024, from: https://www.nasi.org/wp-content/uploads/2023/09/OlderWorkersTaskForce-Report-FINAL.pdf

15 See note 3, U.S. Bureau of Labor Statistics; National Partnership analysis of 2018-2022 American Community Survey accessed via IPUMS USA, University of Minnesota, www.ipums.org. Number of Black, non-Hispanic women and Hispanic/Latina women in the state's labor force who are aged 55 to 64. We use a fiveyear dataset to have a sufficient sample size to analyze state-level data; due to pandemic-related labor force impacts in 2020 and 2021, this is a conservative estimate and we expect the population of older women workers to be higher in future years.

16 AARP Public Policy Institute and Scripps Gerontology Center at Miami University in Ohio. (2023). AARP Nursing Home COVID-19 Dashboard Fact Sheets (Most recent data from May 2023). Retrieved 16 January 2024, from https://www.aarp.org/ppi/issues/caregiving/info-2020/nursing-home-covid-dashboard.html

17 Arora, K., & Wolf, D. A. (2017, November.) Does Paid Family Leave Reduce Nursing Home Use? The California Experience. *Journal of Policy Analysis and Management*, *37*(1), 38-62. doi: 10.1002/pam.22038; Espinoza, R. (2020). *Would You Stay? Rethinking Direct Care Job Quality*. Retrieved 16 January 2024, from PHI National website: https://www.phinational.org/caringforthefuture/wouldyoustay/

18 U.S. Census Bureau. (2023). Week 63 Household Pulse Survey: October 18 - 30 (Long COVID-19 Symptoms: Adults who previously had COVID-19, with symptoms lasting 3 months or longer). Retrieved 16 January 2024, from https://www.census.gov/data-tools/demo/hhp/#/?

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<sup>1</sup> U.S. Bureau of Labor Statistics. (2023, September). National Compensation Survey: Employee Benefits in the United States, March 2023 (Excel tables). Retrieved 16 January 2024, from https://www.bls.gov/ebs/publications/employee-benefits-in-the-united-states-march-2023.htm (Percent of civilian workers who have access to paid family leave by Census division); U.S. Bureau of Labor Statistics. (2023, November). Current Population Survey: State Employment and Unemployment (Table 1. Civilian labor force and unemployment by state and selected area, seasonally adjusted). Retrieved 16 January 2024, from https://www.bls.gov/news.release/laus.t01.htm

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