

Key Facts: Paid Family and Medical Leave

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The vast majority of working people, regardless of income, do not have paid family leave.

More than 100 million people – 81 percent of workers – do not have paid family leave through an employer to care for a new child or a loved one with a serious health condition, or to address their own medical issue. Sixty percent lack temporary disability insurance for their own major medical needs.¹

**94% OF THE LOWEST-PAID
WORKERS LACK ACCESS**

**76% OF THE HIGHEST-PAID
WORKERS LACK ACCESS**

The paid leave crisis has a high cost for America's families.

- **Millions of families are one unexpected bill from financial emergency.** Nearly 4 in 10 adults (39 percent) would struggle to or be unable to cover an unexpected \$400 expense, or would have to cover it by selling something or going into debt.²
- **Families are losing income.** People's lack of access to paid family leave or personal medical leave costs U.S. families \$22.5 billion per year in lost wages.³
- **Elder care is a growing need.** The number of people over age 65 is expected to double to 98 million people by 2060.⁴ Already, 43.5 million people provide unpaid care to family members and most of those people also have paying jobs.⁵ Nearly half (48 percent) of family members providing care to older parents or family members who take time away from their job lose income.⁶ When sons over the age of 50 leave the workforce to provide care for their moms or dads, they lose, on average, nearly \$284,000 in earnings and retirement savings. For daughters it is even worse – \$324,000.⁷

The paid leave crisis reinforces gender and racial inequality and harms families' health.

- **Women's jobs and careers suffer.** More than 1 in 4 women (26 percent) say family caregiving has had a negative impact on her ability to keep a job or advance in the workplace.⁸
- **Too often, gender-based stereotypes and discrimination determine whether a worker can care for those they love.** Ninety-five percent of fathers in Fortune 500 companies take

**4 IN 10 AAPI WOMEN, 4 in 10
LATINAS SAY FAMILY
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less than two weeks of paternity leave,⁹ keeping them from bonding with children and supporting their spouses' health, which exacerbates gender inequality.¹⁰ Less than half (45 percent) of LGBTQ workers say their employer has inclusive leave policies, and nearly 6 in 10 (58 percent) expect to care for a loved one outside the so-called 'nuclear family.'¹¹

- **The health of women and families is undermined.** Nearly one-quarter (23 percent) of U.S. women are back at work within two weeks of giving birth,¹² elevating their risk of postpartum depression.¹³
- **The gender-based wage gap persists,** in part because men cannot take an equal share of leave.¹⁴ Without intervention, the gender wage gap isn't expected to close until 2059.¹⁵ Black women lose more than \$800,000, Native women more than \$900,000 and Latinas more than \$1 million over their lifetimes to the wage gap.¹⁶

The paid leave crisis harms businesses and our economy.

- **Businesses lose valued employees and productivity.** Workers are more likely to leave their employers after taking leave if it is unpaid.¹⁷ It costs businesses, on average, anywhere from 16 percent to more than 200 percent of a worker's annual salary to replace them.¹⁸ Firms' productivity improves by 3.6-6.5 percent after implementing paid leave.¹⁹ After a statewide paid leave program was implemented, businesses with 50 or fewer employees were even more likely than larger employers to report positive outcomes on profitability, productivity, retention and employee morale.²⁰
- **Women leave the workforce, hurting their families and our economy.** Lack of paid leave is a major cause of U.S. women's relatively low labor force participation rate, which has actually declined since the 1990s, and costs the U.S. economy an estimated \$500 billion per year.²¹ Increasing women's labor force participation could add as much as 5 percent to the U.S. GDP – adding up to billions annually for the country and thousands in extra income for individual families.²²

It is time for Congress to pass the FAMILY Act, the only proposal that would guarantee access to paid leave and meet the needs of women and families.

- **More workers now receive paid family leave through state programs than through employer-provided benefits, proving that public policy works.** By the end of 2018, four states had fully implemented paid leave programs, covering nearly 31 million workers²³ – 7 million less than the number receiving paid family leave as an employer-provided benefit.
- **Six in 10 Asian American and Pacific Islander women, 6 in 10 Latinas and more than half of Black women** say paid leave would help "a lot" with managing work and family responsibilities.²⁴
- **Nearly 9 in 10 women** (89 percent) say it is important for Congress to pass a paid family and medical leave program.²⁵

- **Seventy percent** of small business owners and operators support creating a family and medical leave insurance program funded by shared employer and employee contributions.²⁶
- **Eighty-four percent of voters**, including 94 percent of Democrats, 83 percent of independents and 74 percent of Republicans, support a comprehensive, inclusive, sustainably-funded paid leave plan that includes all working people for all serious family and medical needs established in the FMLA.²⁷

¹ U.S. Bureau of Labor Statistics. (2019, September). *National Compensation Survey: Employee Benefits in the United States, March 2019* (Tables 16 and 31). Retrieved 16 January 2020, from <https://www.bls.gov/ncs/ebs/benefits/2019/employee-benefits-in-the-united-states-march-2019.pdf>

² Federal Reserve Board. (2019, May 28). *Report on the Economic Well-Being of U.S. Households in 2018*. Retrieved 16 January 2020, from <https://www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-dealing-with-unexpected-expenses.htm>

³ Glynn, S. J. (2020, January 21). *The Rising Cost of Inaction on Work-Family Policies*. Retrieved 27 January 2020, from Center for American Progress website: <https://www.americanprogress.org/issues/women/news/2020/01/21/479555/rising-cost-inaction-work-family-policies/>

⁴ Colby, S. L., & Ortman, J. M. (2015, March). *Projections of the Size and Composition of the U.S. Population: 2014 to 2060* (p. 5). Retrieved 16 January 2020, from U.S. Census Bureau website: <https://census.gov/content/dam/Census/library/publications/2015/demo/p25-1143.pdf>

⁵ National Alliance for Caregiving. (2015, June). *Caregiving in the U.S. 2015*. National Alliance for Caregiving and AARP Public Policy Institute Publication. Retrieved 16 January 2020, from <http://www.aarp.org/content/dam/aarp/ppi/2015/caregiving-in-the-united-states-2015-report-revised.pdf>

⁶ Aumann, K., Galinsky, E., Sakai, K., Brown, M., Bond, J. T. (2010, October). *The Elder Care Study: Everyday Realities and Wishes for Change* (p. 8). Retrieved 16 January 2020, from Families and Work Institute website: <http://familiesandwork.org/downloads/TheElderCareStudy.pdf>

⁷ MetLife Mature Market Institute. (2011, June). *The MetLife Study of Caregiving Costs to Working Caregivers: Double Jeopardy for Baby Boomers Caring for Their Parents* (p. 14). Retrieved 16 January 2020, from <https://www.caregiving.org/wp-content/uploads/2011/06/mmi-caregiving-costs-working-caregivers.pdf>

⁸ YWCA and New America's Better Life Lab. (2019, December 12). *Navigating Work and Care*. Phone survey of 1,000 adult women conducted by Lake Research Partners and American Viewpoint from Sept. 5 - Sept. 14, 2019. The survey includes oversamples of 100 African American women, 100 Latina women, 100 Asian/Pacific Islander women, 100 Native American women, 100 Gen Z women, 100 Millennial women and 100 white rural women without a college degree. Retrieved 16 January 2020 from, <https://www.newamerica.org/better-life-lab/reports/navigating-work-and-care/>

⁹ Harrington, B., Van Deusen, F., & Humberd, B. (2011). *The New Dad: Caring, Committed and Conflicted*. Retrieved 16 January 2020, from Boston College Center for Work & Family website: http://www.bc.edu/content/dam/files/centers/cwf/research/publications/researchreports/The%20New%20Dad%202011_Caring%20ommitted%20and%20Conflicted

¹⁰ ZERO TO THREE, & National Partnership for Women & Families. (2018, December). *The Child Development Case for a National Paid Family and Medical Leave Program*. Retrieved 16 January 2020, from <http://www.nationalpartnership.org/research-library/work-family/paid-leave/the-child-development-case-for-a-national-paid-family-and-medical-leave-insurance-program.pdf>

¹¹ Maxwell, M. B., Johnson, A., Lee, M., & Miranda, L. (2018). *U.S. LGBTQ Paid Leave Survey*. Human Rights Campaign Foundation Publication. Retrieved 15 January 2020, from https://assets2.hrc.org/files/assets/resources/2018-HRC-LGBTQ-Paid-Leave-Survey.pdf?_ga=2.136232115.301839260.1579104902-1852936393.1579104902

¹² Lerner, S. (2015, August 18). "The Real War on Families: Why the U.S. Needs Paid Leave Now." *In These Times*. Retrieved 16 January 2020, from <https://web.archive.org/web/20180309022353/http://inthesetimes.com/article/18151/the-real-war-on-families>

¹³ Kornfeind, K. R., & Sipsma, H. L. (2018, May 2). Exploring the Link between Maternity Leave and Postpartum Depression. *Women's Health Issues, 28*(4), 321-326. DOI: 10.1016/j.whi.2018.03.008

¹⁴ Tito, Maria D. (2016, August 17). *Maternity Leave and the Gender Wage Gap: An Analysis of New Jersey Family Leave Insurance*. FEDS Notes. Board of Governors of the Federal Reserve System. Retrieved 16 January 2020, from

<https://www.federalreserve.gov/econresdata/notes/feds-notes/2016/maternity-leave-and-the-gender-wage-gap-an-analysis-of-new-jersey-family-leave-insurance-20160817.html>

¹⁵ Institute for Women's Policy Research. (2017, November 1). *Women's Median Earnings as a Percent of Men's, 1985-2016 (Full-time, Year-Round Workers) with Projections for Pay Equity, by Race/Ethnicity*. Retrieved 16 January 2020, from <https://iwpr.org/publications/womens-median-earnings-percent-mens-1985-2016-full-time-year-round-workers-projections-pay-equity-raceethnicity/>

¹⁶ National Women's Law Center. (2017, March). *Women and the Lifetime Wage Gap: How Many Woman Years Does it Take to Equal 40 Man Years?*. Retrieved 16 January 2020, from <https://nwlc-ciw49tixgw5lbab.stackpathdns.com/wp-content/uploads/2017/03/Women-and-the-Lifetime-Wage-Gap-2017-1.pdf>

¹⁷ Horowitz, J. M., Parker, K., Graf, N., & Livingston, G. (2017, March 23). *Americans Widely Support Paid Family and Medical Leave, but Differ Over Specific Policies* (p. 64). Retrieved 16 January 2020, from Pew Research Center website: <https://www.pewsocialtrends.org/2017/03/23/americans-widely-support-paid-family-and-medical-leave-but-differ-over-specific-policies/>

¹⁸ Boushey, H., & Glynn, S. J. (2012, November 16). *There Are Significant Business Costs to Replacing Employees*. Retrieved 16 January 2020, from Center for American Progress website: <https://www.americanprogress.org/issues/economy/reports/2012/11/16/44464/there-are-significant-business-costs-to-replacing-employees/>

¹⁹ Panorama & American Sustainable Business Council. (2019, October). *The Business Impacts of Paid Leave: A Financial Analysis of the Return on Investment of Paid Family and Medical Leave*. Retrieved 16 January 2020, from <https://panoramaglobal.org/wp-content/uploads/2019/11/Business-impacts-of-paid-leave-A-Panorama-report.pdf>

²⁰ Appelbaum, E., & Milkman, R. (2013). *Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy*. Ithaca, NY: Cornell University Press

²¹ Blau, F. D., & Kahn, L. M. (2013, May). Female Labor Supply: Why Is the United States Falling Behind? *American Economic Review*, 103(3): 251-256. doi: 10.1257/aer.103.3.251; U.S. Department of Labor. (2015, September 4). *The Cost of Doing Nothing: The Price We All Pay Without Paid Leave Policies to Support America's 21st Century Working Families* (p. 29). Retrieved 16 January 2020, from <https://www.dol.gov/wb/resources/cost-of-doing-nothing.pdf>

²² Aguirre, D., Hoteit, L., Rupp, C., & Sabbagh, K. (2012). *Empowering the Third Billion. Women and the world of work in 2012* (p. 9). Retrieved 16 January 2020, from Strategy& website: http://www.strategyand.pwc.com/media/file/Strategyand_Empowering-the-Third-Billion_Full-Report.pdf

²³ Estimate based on reported program coverage for California Disability Insurance, New Jersey Family Leave Insurance, Rhode Island Family Leave Insurance, and New York Paid Family Leave in 2018, the most recent year for which full data is available. State of California Employment Development Department. (2019, May). *May 2019 Disability Insurance (DI) Fund Forecast*. Retrieved 16 January 2020, from https://www.edd.ca.gov/about_edd/pdf/edddiforecastmay19.pdf; New Jersey Department of Labor and Workforce Development, Office of Research and Information. (2019, September). *Annual Report for 2018: Family Leave Insurance and Temporary Disability Insurance Programs*. Retrieved 16 January 2020, from https://myleavebenefits.nj.gov/labor/myleavebenefits/assets/pdfs/ANNUAL_FLI-TDI_REPORT_FOR_2018.pdf; Office of Governor Andrew C. Cuomo. New York State. (2019, August). *New York State Paid Family Leave: 2018 Year in Review*. Retrieved 16 January 2020, from <https://paidfamilyleave.ny.gov/system/files/documents/2019/08/PFL-EOYReport-2018-v1%207-11-19%20FINAL.pdf>; Rhode Island Department of Labor and Training; *2018 Annual Report*. Retrieved 16 January 2020, from <http://www.dlt.ri.gov/pdfs/2018DLTAnnRpt.pdf>

²⁴ See note 8.

²⁵ Ibid.

²⁶ Small Business Majority. (2017, March 30). *Small Businesses Support Paid Family Leave Programs*. Retrieved 16 January 2020, from <http://www.smallbusinessmajority.org/our-research/workforce/small-businesses-support-paid-family-leave-programs>

²⁷ PerryUndem Research/Communication and Bellwether Research & Consulting. (2018, October). *Voters' Views on Paid Family + Medical Leave: Findings from a National Survey*. Retrieved 16 January 2020, from <http://www.nationalpartnership.org/our-work/resources/workplace/paid-leave/voters-views-on-paid-family-medical-leave-survey-findings-august-2018.pdf>

The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy group dedicated to promoting fairness in the workplace, reproductive health and rights, access to quality, affordable health care and policies that help all people meet the dual demands of work and family. More information is available at NationalPartnership.org.

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