




# Paid Leave Options and Other Policies for a Family-Friendly Agenda

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January 18, 2007



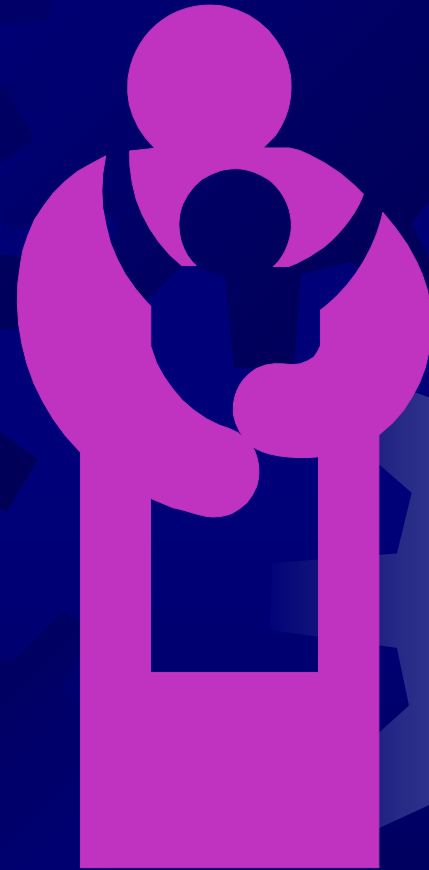
# The Problem – Much Talk About:

Family  
Values

Personal  
Responsibility

# Yet - Being a Good Family Member Can Cost You:

- ✦ your job
- ✦ or career opportunity
- ✦ or health or well-being
- ✦ or security
- ✦ or peace of mind.



# Being a Dutiful Employee Can:

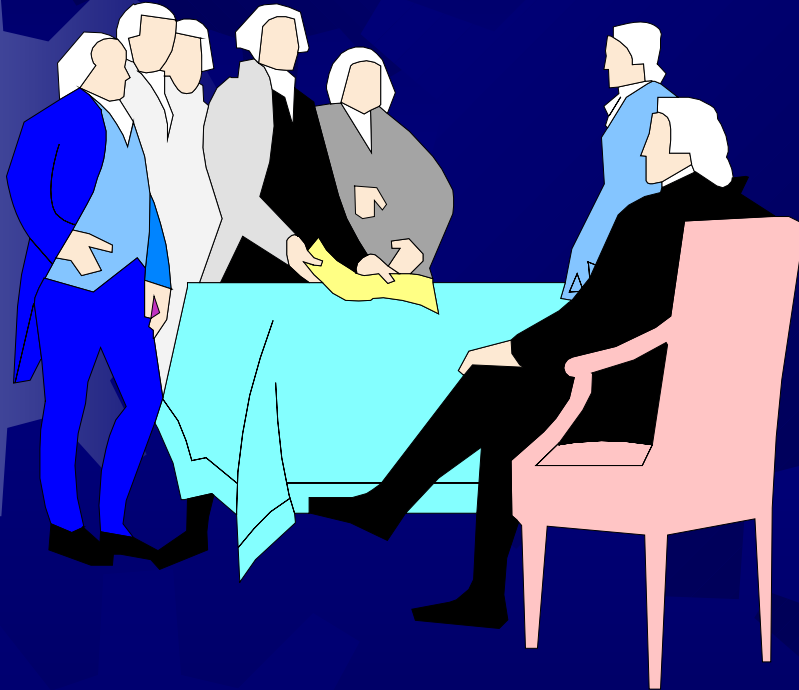


- ✦ jeopardize a loved one
- ✦ add to health or learning problems of children
- ✦ create a public health hazard

# Background: 1940-1960s

- ✦ Temporary Disability Insurance funds introduced in 5 states – Rhode Island, New Jersey, New York, California, Hawaii
- ✦ Pregnancy not included
  - NJ: lumped with injuries that were “willfully self-inflicted or incurred during the perpetration of a high misdemeanor.”

# Background: 1976



- ★ Supreme Court says pregnancy has nothing to do with sex – not covered by Title VII.

# Background: Outmoded Policies

- ★ Pregnancy Discrimination Act:
  - can't fire women for being pregnant – but you don't have to hold their jobs.
  - pregnancy like other temporary disabilities – but most women work for firms with no short-term disability plans.



# Problems with FMLA

Nearly half the private sector workforce isn't covered

Doesn't cover siblings, same-sex partners

Doesn't cover routine illness

It's unpaid.

# Background: Sick Days

- Half the workforce – and  $\frac{3}{4}$  of low-wage workers - have no paid sick days.
- Only 14% of food and public accommodation workers have paid sick days.
- Many who do can't use them to care for sick family members.
- Presenteeism costs employers \$180 billion annually in lost productivity.



# Which Countries Lack Paid Leave?

- ✦ Bangladesh
- ✦ Botswana
- ✦ Brazil
- ✦ Cameroon
- ✦ Canada
- ✦ India
- ✦ Iran
- ✦ Mexico
- ✦ Mongolia
- ✦ Netherlands
- ✦ Norway
- ✦ Swaziland
- ✦ Sweden
- ✦ U.S.
- ✦ Zambia

# How the US Stacks Up

## ☀ 100% Pay:

- Bangladesh
- Brazil
- Cameroon
- India
- Netherlands
- Norway
- Sweden
- Zambia

## ☀ Partial Pay

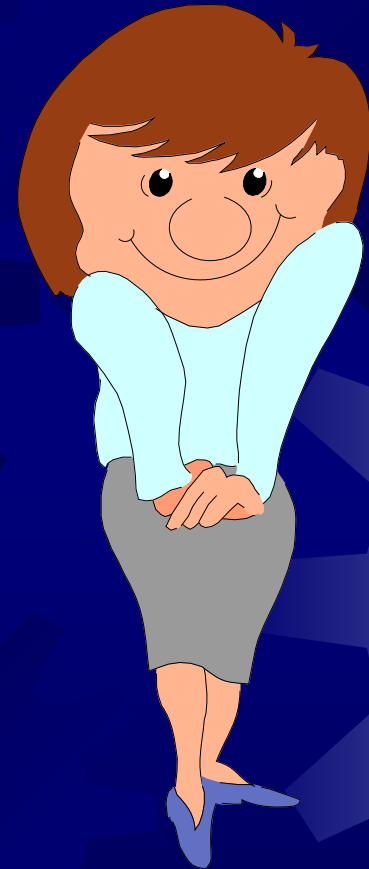
- Canada - 50 weeks, 55%
- Botswana - 12 weeks 25%
- Iran, 16 weeks, 66%
- Mongolia - 17 weeks, 70%

## ☀ No Pay

- Swaziland
- U.S.

# Outmoded Systems

- ★ Some employers do a great job.
- ★ Most workplaces operate as if all workers have wives at home full time.



# The Stakes



- ✦ Affects general public
- ✦ For low-wage, more than stress - survival
- ✦ Consequences for kids
- ✦ Affects women most, but men as well.

# Paid Leave Options: Payroll Tax

## ☀ Payroll tax:

- ☀ What percent: 55% (CA) – 100% (MA)
- ☀ What tax base: social security best
- ☀ Flat rate and flat payout (WA proposal)
- ☀ Who pays:
  - Employers
  - Employees
  - Employer/employees

# Paid Leave Options: General Fund

- ★ Surcharge on income tax: most progressive.
- ★ Surcharge on general fund
  - ★ Includes more regressive sales tax
- ★ Issues:
  - Novel in this country
  - Needs public education
  - Need to ensure stability, like state employee pensions

# Other Issues

- ✦ Percent of wages replaced.
- ✦ Cap on the maximum benefit
- ✦ Cap on the length of time for which wages can be replaced.
- ✦ What size companies
- ✦ Job guarantee or not
- ✦ Job tenure and wage requirements

## Other Issues

- ☀ Who's covered.
- ☀ When eligible.
- ☀ Universal or sliding scale (e.g, exempt first \$10,000 of wages)
- ☀ Waiting period
- ☀ Intermittent leave
- ☀ Department that administers

# Social Security Model

- ✦ stepped benefits
- ✦ minimum amount paid by all
- ✦ high percent of wages paid for low-wage earners
- ✦ progressively smaller percentages of wages paid moving up the wage spectrum.

# Two Tracks of Policy Change

## ☀ Employer-Paid Benefit

- Minimum number of paid sick days – for more routine needs, including minor illness, preventative care.

## ☀ Family and Medical Leave Insurance

- For more long-term needs such as serious illness, new child.

# What's Changing



- ☀ More attention to these issues.
- ☀ New framing: family values means valuing families.
- ☀ Groups linking what happens to children with what happens to parents at work.