



Economic Opportunity Institute

Discussion Brief - Minimum Leave

Paid leave from work contributes significantly to workers' ability to maintain their own health, care for their families, and maintain financial stability, as well as to remain productive members of the workforce. Workers without access to paid leave have little choice but to quit their jobs during times of serious illness or other family crisis.

Access to paid leave varies considerably, as the following table shows. Full time workers with paid leave average 11 days of sick leave and 10 days of vacation annually after one year on the job. After five years, the averages increase to 15 days of sick leave and 14 days of vacation.¹

United States Workers with Paid Leave

	Paid Vacation	Paid Sick Leave
All Workers	76%	51%
Private sector workers:²	79%	53%
Full time	90%	63%
Part time	43%	19%
Private sector:		
Professional/technical	88%	81%
Construction	63%	22%
Retail	64%	34%
Public sector workers:³		
Full time	67%	96%
Part time	19%	43%
Former welfare recipients⁴ (Washington WorkFirst participants)	37%	30%

Labor unions have been able to win generous benefit packages for some workers, and some employers have voluntarily adopted family friendly policies.⁵ But without public policies requiring paid leave for all workers, a significant percentage of workers will remain without this important benefit, and will be extremely vulnerable to falling from self-sufficiency into poverty and dependence on public programs in times of family illness or stress.

Minimum leave legislation makes sense now. Guaranteeing workers at least 5 days paid leave after 6 months work and 10 days leave after 1 year work would be good policy because:

- The majority of parents are in the workforce.
- Our population is aging, putting more pressure on workers to spend time caring for ailing family members.
- Public policy is pushing more low income parents into low quality jobs.
- The average work week continues to lengthen.
- Paid leave is good for the business bottom line.

Lower wage workers are least likely to have leave or other benefits, and typically have few if any resources to fall back on in times of family illness or other crisis. The shifts in welfare policy are pushing more low income parents into the workforce. Local and national studies confirm that former welfare recipients who move initially into high quality jobs that include employer provided benefits, are almost twice more likely to stay employed than those who get jobs with poor pay and no benefits.⁶

Public policy has made slow progress on the issue of leave from work. Since 1993, the federal Family and Medical Leave Act has guaranteed up to 12 weeks of *unpaid* leave for new parents or for the serious medical condition of the worker or close family member - but only to a little over half the workforce. Some states have expanded those protections to additional workers in smaller companies.

In 2002, Washington state enacted legislation requiring employers to allow workers with paid leave to use that leave to care for seriously ill family members. Washington has also led the nation in minimum wage legislation. A citizen initiative in 1998 raised the state minimum wage and provided for annual cost of living adjustments. Washington’s minimum wage is now \$6.90 compared to the federal minimum of \$5.15.

Legally required minimum paid leaves are the norm in other countries. In Europe, collectively bargained annual leaves average about four days longer than the statutory requirement.⁷

Legally Required Days of Paid Annual Leave in Other Countries

France	30	United Kingdom	20
Spain	30	Netherlands	20
Sweden	25	Italy	20
Finland	24	Germany	20
Norway	21	Canada	10

Notes:

¹ Bureau of Labor Statistics, “Employee Benefits in Medium and Large Private Establishments, 1997,” January 7, 1999.

² Bureau of Labor Statistics, “Employee Benefits in Private Industry, 1999,” *News*, December 19, 2001. <http://www.bls.gov/ncs/ebs/sp/ebnr0006.pdf>

³ Bureau of Labor Statistics, "Employee Benefits Survey Technical Note," *Compensation and Working Conditions, Winter 2000*. <http://www.bls.gov/opub/cwc/2000/winter/ebstable.pdf>

⁴ Marieka M. Klawitter, “WorkFirst Study: Employment,” 2001.

(<http://www.wa.gov/WORKFIRST/about/STudyEmployment.pdf>)

⁵ Studies confirm that paid leave available for family care improves business profitability. See Christine Siegarth Meyer, et al, "Work-Family Benefits: Which Ones Maximize Profits?" *Journal of Managerial Issues*, Spring 2001.

⁶ Heather Boushey, “Staying Employed After Welfare,” Economic Policy Institute, 2002. In this study, ¾ remained employed after two years if they had health benefits, which were used as a proxy for benefits generally, but only about 40% if they did not.

⁷ European Foundation for the Improvement of Living and Working Conditions, "Working Time Developments – Annual Update 2000," www.eurofound.europa.eu/2001/03/update/TN0103999U.html; Human Resources Development Canada, Pamphlet 3 – Annual Vacations, http://info.load-otea.hrdc-drhc.gc.ca/publications/labour_standards/annual.shtml.