

Pay matters: The positive economic impacts of paid family leave for families, businesses and the public ^[1]

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AVAILABILITY

News release ^[2]

Full report in pdf ^[3]

Excerpts from the executive summary:

Changes in the demographic composition of the U.S. workforce mean that more women and men are actively engaging in both paid work and care work. As of 2010, the percentage of children who had both parents (in married-couple families), or their only parent, in the labor force reached 72.3%, an increase of 13 percentage points since the mid-1980s. Now, more than ever, U.S. workers - both women and men - need workplace and public policies that will promote healthy careers *and* healthy families. Foremost among these policies is paid family leave.

Despite public conversation and energy around the value of strong families and secure childhoods, the United States has fallen notably behind other industrialized countries in adopting public policies that support workers who need time off to address family needs. As of March 2011, a mere 11% of private sector workers and 17% of public sector workers report having access to paid family leave; among those earning in the bottom quarter of wages, those percentages drop to 5% and 14% respectively. A recent Census Bureau report concludes that, between 2006 and 2008, 50.8% of women who were employed during pregnancy used some form of paid leave after their child's birth. Not surprisingly, the likelihood of reporting paid leave was higher for women aged 25 and over, for white women, for married women, and for women with a college education. Only a third of working mothers without post-secondary education reported paid leave time.

Although the proportions of those able to access unpaid family leave of any length through either public policy or voluntary employer policies are considerably higher, many families are unable to afford the immediate and long-term consequences of unpaid time off, regardless of the immediacy and seriousness of the care need. To date, few studies have examined the economic effects of paid family leave as distinct from the effects of unpaid leave or no leave. As such, this is an important emerging area of research. If paid leave policies have the potential to protect women's and men's wages and long-term earnings, and perhaps even to reduce the use of state- and federally-funded public assistance, then any political or economic investment in such policies would be - quite literally - worth the cost.

Region: United States ^[4]

Tags: maternity and parental leave ^[5]

work/life balance ^[6]

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