

GET THE FACTS

Paid Family Leave



The United States is rare: Most other countries provide government-guaranteed paid family leave for workers. Some argue that this hurts women and families, putting them in a difficult position when a new child arrives or when workers need time off to face other medical and family-related responsibilities.

THE PROBLEM: Do American Workers Have Access to Paid Leave?

- The Bureau of Labor Statistics says that 13 percent of full-time American workers have paid family leave. But reality is more encouraging than this.
- Workers use a variety of different types of leave when a baby is born including personal time, vacation, and sick time. A Census Bureau survey found that 56 percent of full-time working mothers used paid leave following childbirth.

Conclusion: Many Americans have access to paid leave, even in the absence of a government mandate or program, but not everyone has sufficient leave time or pay replacement for their needs.

THE SOLUTION: What are the Proposals to Increase Access to Paid Leave?

Government Mandates on Employers

- Mandates on employers come with costs. When employees are out on paid leave, employers have to make up the cost, either by reducing other compensation, raising prices, or some of both.
- This policy could backfire on women of childbearing age, as employers might discriminate in favor of men or older women who would be less likely to go on leave.

Government Entitlement Programs

- A one-size-fits-all program (often designed to provide partial pay to workers on leave, funded by payroll taxes) also comes with costs.
- This policy could displace many of the customized leave and workplace-flexibility arrangements many workers already have.

Tax Credits to Encourage Employers to Provide Leave

- Some states are experimenting with providing tax credits to small businesses that offer paid family leave as an incentive.

Personal Care Accounts

- This proposal would allow families to save tax-free for a family leave period, just as they can do for educational or health-related expenses.
- Workers, employers, and charitable organizations could make contributions to families' accounts.

Conclusion: Policymakers should keep in mind that every family is different. One-size-fits-all solutions often do more harm than good. Allowing individual families, businesses, and communities to work together will provide maximum opportunity and flexibility.

For citations and more information, visit workingforwomenreport.com