



## FACTS ABOUT PAID FAMILY LEAVE

**DEFINITION:** Paid family leave provides benefits to employees who need time off to take care of a child, a spouse, a parent or an adult child with a serious health condition, or who are ill or disabled.

Paid time off to take care of a sick child or other family member

Time off to bond with a new child (either through birth, adoption, or foster care)

Paid time off to take care of family-related issues

### What are the benefits of offering paid family leave?

A key argument posed by skeptics of paid family leave is that such practices are costly and place an unfair burden on employers. However, the birth of a child or a serious illness is not a frequent event, and evidence from the states that have paid leave policies in place, as well as other developed countries, shows that these policies do not cause undue interruptions in the workplace. In fact, **research finds that these practices can benefit employers by improving their ability to recruit and retain talent, lowering costly worker turnover and minimizing loss of firm-specific skills and human capital, as well as boosting morale, loyalty and worker productivity.**

Access to paid family leave leads to **greater workforce attachment and earning capacity**. The Center for Women and Work at Rutgers University found that women who took paid leave following the birth of a child in the United States were better off economically than those that did not (controlling for other differences between the two groups). Leave takers were more likely to be working than non-leavers nine to twelve months after childbirth, and were 54 percent more likely to report wage increases in the following year. (Cassidy, 2015)

Policies supporting parents often work together to **benefit children**. For instance, as part of the Affordable Care Act, employers must now provide a reasonable break time, as well as a private place for nursing mothers to express breast milk. This both helps nursing mothers go back to work and makes it easier for mothers to continue nursing (Dept of Labor).

Paid leave **increases gender equality**: It increases the probability that women continue in their job after having a child, rather than quitting permanently, saving employers the expense of recruiting and training additional employees. (Rossin-Slater, Ruhm, and Waldfogel, 2011)

An examination of European leave policies found that **paid leave programs are a relatively cost-effective** way to reduce infant mortality because family leave allows parents to better care for their child and monitor their child's health. (Ruhm, 2000)

### FEDERAL LAW

The Federal Family Medical Leave Act (FMLA) of 1993 provides up to 12 weeks of unpaid, job-protected leave for all public sector employees and private sector employees at firms with at least 50



employees. Leave can be used to care for a newborn, foster, or adopted child, as well as to take care of a seriously ill family member.

## How can employers help?

Set up clear policies and review them with employees. Here are some basic steps:

- Decide upon levels or options of leave and which workers (FT/PT) have access to them
- Describe the process for scheduling/requesting to use family leave
- Clearly state how Family Leave is accrued (mention probationary periods, when accrual begins, if it is accrued hourly or monthly, etc)
- Describe employee rights for carrying over unused leave and whether or not they will receive a cash-out of all or part of their accrued but unused leave upon termination of their employment.

### Sample Family Leave Policies

**OECD Family database:** <http://www.oecd.org/els/family/database.htm>

**Women Employed:** <https://womenemployed.org/sites/default/files/resources/ParentalLeaveModelPolicy.pdf>

## BUSINESS TESTIMONY FOR FAMILY LEAVE PROGRAMS

When Donna Morris, senior vice president of people and places at Adobe, announced their new paid leave policy, she wrote, “We join an industry movement to better support our employees while striving towards increased workforce diversity.” (Morris, 2015) This industry movement is raising the profile of paid leave nationally. As technology companies compete for talent and recognize the benefits of these policies to their productivity, the movement highlights that paid leave is a smart business strategy.

In a 2013 article in *Mother Jones*, reporter Dana Liebelson wrote:

*America remains one of the few countries in the world without mandatory paid leave for new parents, but tech giants are jostling to attract and keep the best talent, triggering a benefits arms race in Silicon Valley that has led to longer leave, cheaper child care, and perks like onsite doctors and dry cleaning. (Liebelson, 2013).*

Even in the two years since she wrote that article, more and more tech companies have expanded their paid leave policies. In recent years, Netflix, Adobe, Apple, Google, Microsoft, Facebook, Yahoo! and Amazon have all adopted family leave policies that are 100 percent paid.

SOURCE: The Century Foundation (2015) Tech Companies are leading the way on Paid Family Leave, and the rest of the country should catch up. Julie Kashen. November 12, 2015, Issue Brief.

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When Work Works: <http://www.whenworkworks.org/>





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