

Expanding Access to Earned Sick Leave to Support Caregiving

Nicole Maestas



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NOTE

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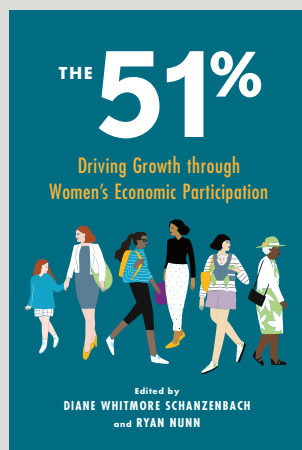


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A CHAPTER IN THE RECENTLY RELEASED HAMILTON PROJECT BOOK



The 51%: Driving Growth through Women's Economic Participation

The U.S. economy will not operate at its full potential unless government and employers remove impediments to full participation by women in the labor market. The failure to address structural problems in labor markets—including tax and employment policy—does more than hold back women's careers and aspirations for a better life. In fact, barriers to participation by women also act as brakes on the national economy, stifling the economy's ability to fully apply the talents of 51 percent of the population. By acting to remove barriers to women's participation, we can realize stronger economic growth that will be more broadly shared by the American people.

Abstract

The rapid growth of the older population in the United States will dramatically increase the need for elder care, most of which will be provided at home by family members. Supporting an older person sometimes comes at the cost of leaving the labor force, particularly for caregivers in jobs with an inflexible work schedule. This paper proposes a federal earned sick leave mandate guaranteeing one hour of flexible, multi-purpose sick leave for every 30 hours worked. By helping workers periodically adjust their work schedules to accommodate intermittent and urgent caregiving activities, paid sick leave would increase both home caregiving and employment, as fewer workers would be forced to choose between these activities. This policy would benefit women and low-income workers in particular, as they are more likely to have inflexible working conditions and can less afford to stop working in order to provide care.

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Introduction

Nearly one in five Americans will be age 65 or older by 2030 (Administration on Aging 2017). As the population grows older, more and more Americans will experience health problems and functional limitations, and consequently will need help with activities of daily living. Indeed, 52 percent of today's 65-year-olds are projected to eventually need help with two or more self-care activities (such as bathing or eating) for at least three months, with most (64 percent) of this at-risk group likely to need help for more than one year (Favreault and Dey 2015).

Most of this care will be provided by family members. Indeed, institutional care is comparatively rare: family members have long provided the vast majority of care to older adults (National Academy of Sciences [NAS] 2016). As of late 2014, it is estimated that 39.8 million Americans (16.6 percent of the adult population) had provided unpaid care for an adult in the prior 12 months (National Alliance for Caregiving [NAC] and the AARP Public Policy Institute [AARP] 2015a). Women make up 60 percent of these caregivers (NAC and AARP 2015b). They care for parents (47 percent), parents-in-law (8 percent), spouses (11 percent), other relatives (20 percent), and neighbors or friends (12 percent). Two-thirds of the beneficiaries are female, with an average age of 75 years (NAC and AARP 2015b).

Among women, the lifetime prevalence of providing elder care rises sharply in middle age. For example, by age 50 only about

7 percent of women have ever provided elder care, but by age 65 nearly one-third of women have ever provided elder care (Fahle and McGarry forthcoming). When they are in their 50s and 60s, women most often provide care to a parent or parent-in-law, but the likelihood of providing care to a spouse or partner rises rapidly: by the time women are age 75, such care is the most common (Fahle and McGarry forthcoming).

Caregivers provide help with household tasks, mobility needs, self-care such as bathing or dressing, medication management and, increasingly in recent years, medical care coordination and nursing tasks. While caregiving can range from intermittent to intensive, it is most often a long-term activity (NAS 2016). Importantly, caregiving sometimes proceeds for many years at a moderate or intermittent level before becoming intensive.

In this proposal I document how much of this substantial burden of caregiving rests on the shoulders of working people, many of whom are forced to choose between working and caregiving because they are not able to be absent from work for short periods of time and on short notice. Earned sick leave policies, already in force in several U.S. states and municipalities, could help many to sustain both employment and caregiving over a longer horizon at little cost to employers and with very significant benefit to caregivers and their families.

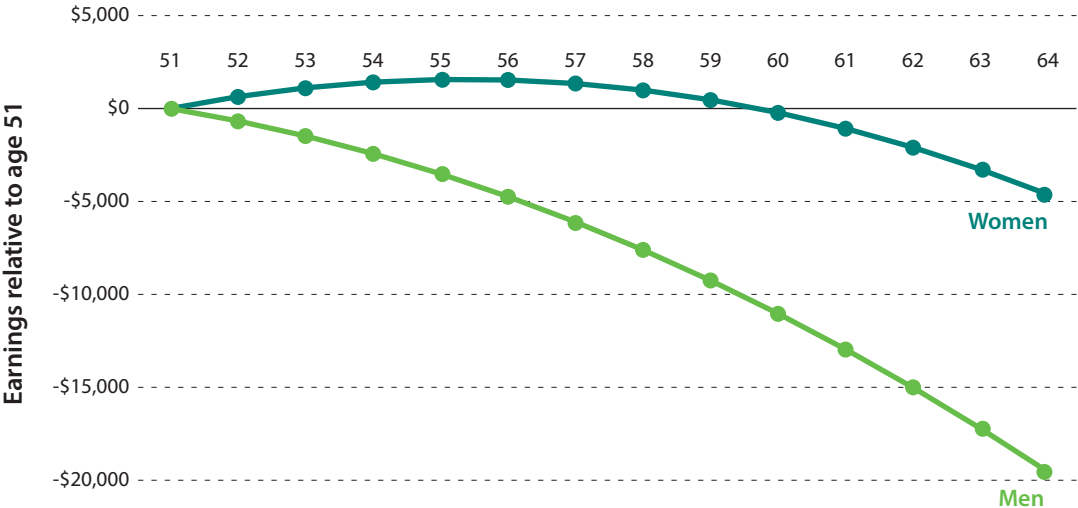
The Challenge

Family has a central role in providing elder care. Not only is it by far the dominant mode of care provision, but it is also highly preferred by families over institutional care (Mommaerts 2016). Individuals and their families are better off when care proceeds according to their wishes, and society benefits from reduced public expenditures on formal institutional care. Although these benefits are significant, so too are the individual and social costs. First and foremost are costs related to forgone work opportunities. Most people who provide care have worked at some point, and 60 percent of caregivers report having been employed while providing care during the past 12 months, with more than half of them working full time (NAC and AARP 2015a). That said, caregiving is associated with reduced employment, and research indicates that the need to provide caregiving likely causes reduced employment. In other words, the association does not merely reflect a tendency

for people to provide care when their prospective wages are low (Fahle and McGarry forthcoming; NAS 2016; Van Houtven et al. 2013).

To better understand why caregiving reduces employment, Maestas and Truskinovsky (2017) used the linked Current Population Survey and American Time Use Survey to examine what happens when working individuals ages 40 to 70 first start providing care. In the months after caregiving begins, the likelihood of the caregiver being absent from work increases by 22 percent and their employment rate falls by 1.8 percent (both effects statistically significant). Even more interesting is that the employment effect is asymmetric for men and women: employment falls among women (by 2.9 percent) but not among men. The difference is not entirely due to men and women providing different amounts of care; the gender difference is

FIGURE 1.
Predicted Annual Earnings by Age and Gender, Relative to Earnings at Age 51



Source: Author’s calculations from the Health and Retirement Study (National Institute on Aging 1992–2012).

Note: The figure plots mean potential earnings by age, relative to earnings at age 51, separately for men and women. Estimates of potential earnings were obtained by regressing individual earnings on a quadratic function of age, controlling for baseline (age 51) measures of earnings, hours/weeks worked per year, job tenure, lifetime number of years worked, occupation category, education, race/ethnicity, fair/poor health, and household wealth quintile, and plotting the level of earnings implied by the coefficients on the age function (minus earnings at age 51). For further details as well as estimates for married women versus married men, see Maestas (forthcoming).



present even among caregivers providing care on a regular weekly basis. The patterns are also asymmetric by education, with college graduates more likely than non-graduates to both increase absences and stop working when they start providing care.

The finding that women are more likely than men to stop working when they begin providing care is important. The chances that an individual's parents or parents-in-law will need care are highest when the prospective caregiver is in middle age. But middle age is when women hit their peak earnings years, making employment interruptions particularly costly (Maestas forthcoming). Figure 1 displays the estimated age profile in earnings for women and men separately, each shown relative to earnings at age 51 (adjusted for differing worker characteristics following the methodology of Maestas [forthcoming]). As women age through their 50s, they earn on average the same or slightly more in real terms than they earned at age 51. Men, however, earn progressively less in real terms compared to their earnings at age 51. This difference between women and men is not explained by relative growth in women's labor supply; moreover, the overall pattern holds for married women as well as divorced women. One possible explanation for the fact that women's earnings peak later than men's is that women are more likely to have had early career gaps for caregiving of another kind—child rearing. If women continued working until age 70, the financial benefit would put them on even footing with men in terms of their Social Security benefits (which increase with average career earnings): that is, working longer increases both current income and future retirement income (Maestas forthcoming).

One study of caregivers valued their total lifetime lost wages and Social Security and pension benefits at more than \$300,000, with women losing substantially more than men when they leave the workforce early due to caregiving responsibilities (MetLife Mature Market Institute 2011). Elder caregiving often occurs just when women are at peak productivity, resulting in sizable forgone immediate earnings and, later, retirement income. Thus, elder care might contribute to the gender disparity in lifetime income, and policy that supports caregiving will promote equality in lifetime income.

Forgone earnings and retirement income are not the only costs of family caregiving. Caregiving can lead to large out-of-pocket costs for the caregiver (Evercare and National Alliance for Caregiving 2007). In addition, caregivers are more likely to experience health problems than are non-caregivers, problems that are thought to arise from the emotional stress, social isolation, and physical demands of caregiving (Wolff et al. 2016). On the societal level, the economic costs of population aging are already significant enough (Maestas, Mullen, and Powell 2016) without further losses in employment associated with workers becoming unpaid family caregivers.

WHAT EXPLAINS THE DIFFERENCES IN EMPLOYMENT EFFECTS?

Why is it that working women and men respond to caregiving differently, with men maintaining employment but taking more absences and women reducing employment? The explanation could lie in part in the structure of jobs. Taking time off from work—whether planned or for an emergency—generally requires the permission of one's employer; without permission, workers risk losing their pay and even their jobs. Medical appointments and care coordination often take place during business hours. To help a parent with these activities, a caregiver must be able to shift the timing of their work to start late or stop early, or to take time off in the middle of the day. Someone without access to paid time off must be able to make the time up later. While some kinds of jobs can be accomplished remotely, other jobs cannot: some work must be done at a prescribed time and place, and in coordination with others. For example, telecommuting options make work more flexible for many employees of technology companies, but workers engaged in food service must be present for every hour they work. In general, the growing service industries, which disproportionately employ women (Bureau of Labor Statistics [BLS] 2016), offer less flexibility to employees.

Even when it is technologically feasible to make up work after hours, doing so can be undesirable for those with caregiving or other personal responsibilities. Thus, some degree of flexibility in hours of work might be necessary for combining work and caregiving. One survey found that nearly one-half of working caregivers reported needing to arrive at work late or to leave early from time to time because of their caregiving responsibilities, and 34 percent of caregivers who stopped working said they did so because their job did not provide flexibility (NAC and AARP 2015a).

A large proportion of American workers do not have the ability to vary their hours or to take paid sick days. More than one-third of workers have no ability to adjust their work schedule: their schedules are set by their employers with no possibility for changes (Maestas et al. 2017a). Those with less education are significantly more likely to have restrictive schedules. But within education groups there are gender differences. College-graduate women are substantially more likely than college-graduate men to have a restrictive schedule (27 versus 18 percent), while non-college-graduate women are less likely than similar men to have a restrictive schedule (40 versus 48 percent). Women in both education groups are more likely than men to have fixed starting and finishing times (54 versus 46 percent).

Equally challenging can be work hours that change unpredictably. One in three American workers experiences frequent and unpredictable changes in their hours on short notice, and 78 percent of workers do not have the option

BOX 1.

The Difference between Earned Sick Leave and Family Leave

“Family leave” generally refers to a longer-term absence from work (typically several weeks), most often for the birth of a child but also for one’s own illness or to care for a sick family member. On the other hand, “earned sick leave” refers to a short absence of a few hours or days that can be used more flexibly to care for one’s own health and the health of family members. Both carry a legal guarantee of job protection if the employee complies with employer guidelines on leave.

Sick leave as described in this proposal is an earned benefit that is accrued through hours of work and provided at 100 percent wage replacement. Family leave can be unpaid or paid at an arbitrary percentage of earnings based on local laws and the employer’s choice. There is currently no federal legislation requiring employers to allow earned sick leave; this proposal advocates for such a policy, but does not advocate for a family leave policy change.

to telecommute (Maestas et al. 2017a). Among working caregivers, only about half work for an employer who offers flexible work hours (NAC and AARP 2015a). Overall, women are more likely than men to report that they have difficulty arranging for time off to take care of personal or family matters—reflecting both their higher propensity to provide care and their higher likelihood of holding a job without hours flexibility (Maestas et al. 2017a).

Paid sick time is one of the primary tools for addressing intermittent caregiving responsibilities, but approximately one in three American workers has no paid sick time, a fraction that is roughly the same for men and women (Maestas et al. 2017a). In the private sector workforce, as many as 40 percent of workers do not have paid sick time; this figure rises to 70 percent among low-wage workers in the bottom earnings quartile (U.S. Department of Labor 2015). In stark contrast, the federal sector workforce has had paid sick leave since 1994 (Federal Employees Family Friendly Leave Act of 1994); federal contractors are covered as well due to a 2015 executive order by former President Obama (U.S. Department of Labor 2016).

THE VALUE OF PAID TIME OFF

Research by Maestas et al. (2017b) has examined how much people value nonwage aspects of jobs, such as paid time off, hours flexibility, work intensity, autonomy, prospects for advancement, and other job attributes. Using experimental methods to elicit stated preferences from a nationally representative sample of Americans, they find that the most highly valued job attribute was paid time off, which includes vacation as well as sick time. People were willing to give up a substantial portion of their earnings—more than it would cost the employer to provide it—to get access to paid time off. In fact, their estimates suggest paid time off functions as insurance against adverse events, providing value worth about 10 percent of earnings, in addition to daily wage replacement valued at about 0.7 percent of earnings. That is, access to paid time off

provides income protection—and peace of mind—in case of emergencies. Paid time off was the most preferred job attribute of younger, middle-aged, and older workers alike. Interestingly, while women valued the daily wage replacement the same as men, the insurance value was worth nearly twice as much to them—12.3 percent of earnings among women compared to 6.8 percent among men. These estimates imply that women are much less willing than men to work in jobs without paid time off, all else equal. It also implies that Americans—and American women in particular—would be willing to contribute a portion of their earnings to an insurance pool to secure the job protection and daily wage replacement that paid time off confers.

WHAT PROTECTIONS ARE AVAILABLE?

The statistics in the preceding discussion indicate that the American workforce is far from equipped to manage the demands of caregiving, and existing public policies in this area are inadequate, especially to the degree they favor high-wage workers over low-wage workers. Unlike almost every other developed country, the United States has no federal requirement for the provision of paid sick time. Under the Family and Medical Leave Act of 1993 (FMLA), a worker can take up to 12 weeks of unpaid leave (in a 12-month period) to care for a family member and is guaranteed their same or an equivalent job at the end of the leave period. But small employers (less than 50 employees) are not covered, unpaid leave is unaffordable for many workers, and the definition of “family” is exceptionally narrow, excluding, for example, parents-in-law. Because of these limitations, it is estimated that as much as 40 percent of the American workforce does not qualify for FMLA protection (Klerman, Daley, and Pozniak 2014).

While 14 states have expanded FMLA protection to a broader set of family relationships, and six states have expanded coverage to workers in smaller firms, only four states have gone so far as to mandate paid family leave—California, New

BOX 2.

Case Study: Leave Mandates in California

The state of California has long been a leader in family-friendly workplace policies. In 2004 California became one of the first states to implement a paid family leave program using the administrative structure of its temporary disability insurance system. Since then, more than 2 million paid family leave claims have been filed in California, with nine of every ten claims being from new parents for maternity and paternity leave (NPWF 2016).

Recognizing that paid family leave does not fulfill the same need as paid sick leave, San Francisco became the first city in the state to mandate earned paid sick time as well. Under the policy, those employed by any size employer in the city (including part-time and temporary employees) earn at least one hour of sick leave for every 30 hours worked. The policy covers medical need of the worker or a family member (from grandchild to grandparent, partner, or “designated person”). Sick leave accrues from the first hour of employment but cannot be used until the 90th calendar day of employment, and includes strong job protections (A Better Balance 2016). Researchers found that sick leave coverage in San Francisco increased significantly after the ordinance was passed, although employers tended to finance sick leave benefits by reducing other benefits (Colla et al. 2014). Despite this trade-off, employee morale increased, indicating that employees were better off on net. Notably, employers argued that it would have been better to mandate sick leave policy at the state or national level (as opposed to city level) to avoid unfair competition (Boots, Martinson, and Danziger 2009).

In 2015 the State of California enacted a statewide policy closely matching the San Francisco law. Since then, several cities, including Oakland, Emeryville, Los Angeles, and San Diego, have passed ordinances that provide for even-more-generous sick leave benefits. The program is popular with voters: San Franciscans voted to expand the scope of the sick leave policy in 2016 by a vote of 80 percent to 20 percent, and similar measures passed in other cities by wide margins (San Francisco Department of Elections 2016; A Better Balance 2017).

A New Approach

To make it easier for people to remain in the workforce while caring for a family member, I propose the U.S. Congress mandate the provision of earned paid sick time to all American workers, allowing the states to decide how they will comply with minimum standards. This would ensure broad coverage of the American workforce, but give states the flexibility to adopt the model most suitable to their economy. Across the developed world, paid sick leave is provided in many forms, with some countries choosing employer financing and provision, and others using payroll-tax financing through their social insurance systems (Heymann et al. 2009). Employer provision offers the most flexibility and ease of access for workers, with the least administrative cost. However, employer provision works best for large employers who can pool employee absence costs across a large group of workers, effectively self-insuring against the risks they face. To enhance risk pooling for small employers, states could establish statewide sick pay funds: employees would contribute to the state fund through an addition to the payroll tax, and payments would be made from the fund. Although more complex to administer, a statewide fund would benefit small employers through enhanced risk pooling, thereby ensuring that all workers can earn paid sick leave.

Regardless of the financial and administrative structure chosen by a state, the cost of the policy is likely to be passed on to workers in the form of lower earnings—that is, workers will ultimately pay for the policy whether employers provide earned paid sick time directly or employees contribute to a state insurance fund. Our estimates of workers’ willingness to give up earnings for paid time off suggest that workers are willing to pay far more than such a system would cost, judging from the low payroll tax rates required to operate the state paid family leave programs currently in existence. For example, California has provided paid family leave benefits of several weeks at 55 percent pay replacement with an average annual payroll tax addition of \$45 per year per worker (NAS 2016).² Earned sick leaves, measured on a scale of hours or days rather than weeks, would be cheaper to finance on a per worker basis.

Table 1 describes the proposed policy in more detail. Notably, there are no firm-size exemptions, because the goal is broad coverage of the American workforce, including part-time and temporary workers. Employees would earn one hour of paid sick time at 100 percent of their regular wage for every 30 hours worked, up to an annual cap of 40 hours per year. Unused sick time can be carried forward, with some limitations, to avoid costly use-it-or-lose-it behavior. Importantly, earned sick leave can be used to provide care for loved ones as well as oneself.

American workers would be substantially better off if they had access to earned paid sick leave; indeed, they are willing to pay far more for this paid time off than it would cost to provide. Such a policy would permit many people who lose or quit jobs due to caregiving responsibilities to balance the two while maintaining their current income, career prospects, and future retirement income. The policy could have powerful equalizing effects, reducing the economic costs of caregiving for many women, while at the same time enabling lower-income workers to contribute to caregiving without the risks of income and job loss.

Although the focus here has been on the benefits of earned sick leave to support elder care, sick leave would also help American workers meet their own medical needs and the medical needs of their children. Recent evidence suggests that providing sick leave for self-care benefits American employers. Primary among such benefits could be reduced transmission of infectious disease (Pichler and Ziebarth 2017), resulting in a healthier and more productive workforce with reduced turnover costs. Another study identified large potential savings from reduced health care utilization as some employees shifted their medical care from (more-costly) after-hours emergency departments to regular business hours in physicians’ offices (Miller, Williams, and Yi 2011). Although some have worried about potential costs in the form of negative employment effects, there appears to be little evidence of such an effect in the U.S. cities and states that have adopted paid sick leave (NPWF 2017). Finally, if paid sick leave increases employment across the age distribution, then it has the potential to offset some of the slowdown in economic growth caused by an aging population.

TABLE 1.

Details of Proposed Earned Sick Leave Policy

Provision	Detail	Rationale
Form of legal requirement	Federal mandate on employers, with state discretion as to implementation.	The federal mandate ensures broad coverage, but allows states to determine the best structure and financing. For example, some states might rely exclusively on employer provision, while other states might devise an insurance pool to help small employers pool risks, or to integrate earned sick leave benefits into an existing social insurance benefit structure.
Covered employers	All employers.	Ensures full coverage of the U.S. workforce, including employees working for small employers.
Covered employees	All employees, including part-time and temporary workers.	Sick leave is earned based on hours worked, so it is naturally prorated for part-time or temporary workers.
Beginning of accrual period, and eligibility for first use	Employees earn sick time beginning with their date of hire, but they must wait 90 days before first using earned sick time.	This is a typical probationary period for new hires.
Minimum accrual rate	Employees earn one hour of paid sick time for every 30 hours worked.	This is a minimum accrual rate; employers could offer a more generous accrual rate.
Cap on total annual accrual	Employees can earn up to at least 40 hours (five days) per year.	This is a minimum standard; employers could offer a more generous annual cap.
Carrying forward unused time	Employees can carry forward unused time into subsequent years, but employers can restrict the amount of carryforward time that is used in a year.	Allowing employees to carry forward time avoids a use-it-or-lose-it situation that tends to induce more leave-taking than is needed to avoid loss of accrued benefits.
Wage replacement rate	Employees receive 100 percent of their usual wage while taking earned sick leave.	Workers are fully insured against income losses from own and family illness.
Job protection	If the employee complies with their employer's leave policy, they will be entitled to return to their same job or an equivalent.	Job protection is a major reason why sick leave is highly valued by employees.
Permissible uses	Own sickness, care for sick spouse, domestic partners, children, parents, parents of spouse or domestic partner, grandchildren, grandparents, siblings, or designated person of worker's choice. Children include biological, adopted, foster, or stepchildren; legal wards; or a child or children for whom the worker stands in loco parentis.	To best support caregiving, the permissible uses should be as broad as possible, recognizing the diversity of American families, and enabling more family members to help provide care.
Waiting period and/or medical certification requirement	None.	Earned sick leave is designed to support short leaves that occur on short notice. Waiting periods and medical certifications are more appropriate for longer leaves, such as those that occur under FMLA.

Questions and Concerns

1. Which demographic group of women is most likely to be working while caring for family?

Notably, the group that is most likely to work while providing care for an elderly relative, most often their parents, tends to be more-educated women in their 50s. About two-thirds of caregivers with at least some college education were employed in 2015, compared to about half of those with less education (NAC and AARP 2015b). This means that the women most at risk of underemployment or unemployment as a consequence of caregiving are also those who have the highest potential income, which increases the lifetime income gap between men and women. Still, less-educated women and men could be less likely to engage in caregiving precisely because they lack access to the job and income protections that come with earned paid sick leave.

2. What is the ideal rate at which earned sick leave accrues?

Current practice in the states and cities that have enacted earned paid sick leave policies is a useful guide to what has worked in the past. In general, there are two key components to the accrual rate: the rate at which employees earn sick time and the maximum amount they can accrue in a year and carry forward into the next year. Accrual rates vary from one hour per 30 hours worked in Arizona, California, Massachusetts, and Oregon, to one hour per 52 hours worked in Vermont. The minimum caps on earned hours are set at anywhere from 40 hours to 72 hours in different states and municipalities, and often differ for large and small employers.

3. Will sick leave be costly for employers?

As noted above, the cost of earned sick leave is likely to be passed on to workers in the form of lower earnings. If this

is the case, then employers who do not already provide sick leave benefits to their employees might experience some added administrative costs. The added costs are likely to be small in states that choose direct employer provision, and larger in states that choose payroll financing of sick leave. There are also potential costs associated with disruption of business activities when employees use earned sick leave for absences. However, these costs are offset by potential gains from reduced employee turnover, greater employee satisfaction, and productivity gains from reduced transmission of disease in the workplace. In addition, employers who are already experiencing labor shortages associated with population aging might find employee benefits to be an important tool for attracting and retaining workers. Recent research has not found evidence of negative effects on employment, which suggests that the cost of providing sick leave is either minimal, is fully passed on to workers, or produces employer benefits in the form of improved employee morale and less turnover.

4. Could this proposal lead to employment discrimination or retaliation against likely caretakers?

Discrimination and retaliation are potential issues under any kind of protected leave policy. For instance, the Family and Medical Leave Act (FMLA) contains language to protect workers from employer discrimination and retaliation, and employees often win settlements for violations of that law. Because the costs to the employer are likely to be small under this policy, especially in comparison to the protected leaves under the FMLA, the additional incentive for discriminatory employer behavior on the basis of earned sick leave (either taken or anticipated) should be small.

Conclusion

The aging of the U.S. population has brought about a growing need for day-to-day elder care, almost all of which is currently provided informally by family members. However, current employer regulations are insufficient to ensure that working people can provide this care. Women and low-income workers in particular are often trapped between the responsibility to care for older family members when they become sick and the unaffordability of missing or quitting work.

This paper proposes a federal earned sick leave mandate, with state discretion over implementation, thus allowing for flexibility in administration and financing as well as the possibility of setting higher standards. Earned sick leave would provide workers with the flexibility they need to

balance employment and intermittent elder care. Recognizing this important need, several states have already mandated that employers extend paid sick leave to all workers on this basis. Even so, coverage across the United States is inadequate, with an estimated one-third of the workforce lacking access to sick leave benefits.

The benefits of such a policy outweigh the costs. Higher and more-equal income among workers in late middle age, as well as higher labor force participation, are among the chief economic benefits. The evidence to date suggests that the costs of earned leave policies for employers have been minimal. Paid sick leave will help ensure that families are able to meet the day-to-day needs of family members who are sick while continuing to support themselves through gainful employment.

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Nicole Maestas is an associate professor of health care policy at Harvard Medical School and a research associate at the National Bureau of Economic Research. Her research studies how the health and disability insurance systems affect individual economic behaviors, such as labor supply and the consumption of medical care. She received her MPP in public policy from the Goldman School of Public Policy at UC Berkeley and her Ph.D. in economics also from UC Berkeley. Prior to joining Harvard, Dr. Maestas was a senior economist at RAND, where she served as director of the Economics, Sociology, and Statistics Research Department and director of the Center for Disability Research.

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Endnotes

1. An exception is Washington, D.C., which requires small businesses (those with 24 employees or fewer) to provide earned sick time at a rate of one hour per 87 hours worked. The accrual rate is gradually increased with employer size.
2. In 2018 the replacement rate will rise to 70 percent for low-wage workers and 60 percent for other workers.

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Highlights

Nicole Maestas of Harvard Medical School proposes a multi-purpose sick leave mandate to support workers with caregiving responsibilities driven by an aging population. She demonstrates how helping workers accommodate intermittent and urgent caregiving activities would encourage more workers to stay in the labor force.

The Proposal

Mandate earned sick leave to support workers with caregiving responsibilities.

Maestas proposes guaranteeing one hour of flexible, multi-purpose sick leave for every 30 hours worked, allowing individual states to decide how they will comply with minimum standards.

Benefits

This proposal aims to reduce the need for workers to leave the labor force in order to take on caregiving responsibilities, increasing both home caregiving and employment. It would benefit women and low-income workers in particular, as they are more likely to have inflexible working conditions and can less afford to stop working in order to provide care.



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