

# Why Paid Family and Medical Leave Matters for the Future of America's Families, Businesses and Economy

Kristin Rowe-Finkbeiner<sup>1</sup> · Ruth Martin<sup>1</sup>  · Brett Abrams<sup>1</sup> · Anna Zuccaro<sup>1</sup> · Yasmina Dardari<sup>1</sup>

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**Abstract** Paid family and medical leave are vital public policies for promoting large-scale improvements in maternal and child health that can boost our national economy. That is why MomsRising—a national on-the-ground and online grassroots organization with over a million members across the United States—is thrilled by the growing momentum for paid family and medical leave. We are not the least bit surprised that support for this critical policy is growing. The United States is the only industrialized nation in the world without paid family and medical leave, and the fact that these basic workplace protections are missing hurts America's global competitiveness, businesses, economy, and, most importantly, infant and maternal mortality rates.

**Keyword** Paid maternity leave · Paternity leave · Family leave · Medical leave · Breastfeeding · Maternal health

## Introduction

These are some of the many reasons organizations like MomsRising are eager to work closely with advocates for maternal and child health to help harness that momentum and move paid family and medical leave across the finish line.

Advancing paid family and medical leave has been at the core of MomsRising's work since the organization was founded over 10 years ago. Paid family leave is central to our mission of increasing family economic security, ending

discrimination against women and mothers, and building a nation where both businesses and families can thrive. From the very beginning, MomsRising members have shared stories about the importance of paid family leave. Members like Nakeshia, Karen, and Jorddan have struggled with the severe lack of paid family leave in the U.S. workforce:

*"I am currently 2 1/2 months pregnant and have already started fretting about what I am going to do when it is time for me to take maternity leave. Not only will I not be paid for the time off, but due to my loss of income I will have to un-enroll my 4 year old from child care because we won't have the money to cover the expense."*—Nakeshia

*"I didn't have any paid maternity leave, so with both my first and my second baby I went back to teaching classes at the university 1 week after they were born. I prepared classes while nursing babies, I taught classes with my husband holding the baby outside the door (I wasn't allowed to drive for 6 weeks after each C-section). Yes, the university would have given me unpaid leave, but we couldn't afford unpaid leave. Paid maternity leave is what I needed, and what I should have had."*—Karen

*"After the birth of my third child, I utilized my accumulated vacation to stay at home for 10 days. After that time ran out, I had to return to work or we wouldn't have been able to pay the basic necessities of utilities, water, rent, food, gas, etc."*—Jorddan

Nakeshia, Karen, and Jorddan's stories are powerful. Sadly, they are not unique. Only 13% of all U.S. workers — and only 5% of low-wage workers — have access to paid family and medical leave after a new baby arrives, despite the fact that more than half of all new mothers work outside the home for pay. (United States Bureau of Labor Statistics,

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✉ Ruth Martin  
ruth@momsrising.org

<sup>1</sup> MomsRising.org  
<http://www.momsrising.org>

(n.d.), Shierholz, (2015), United States Department of Labor 2016).

The current Family Medical Leave Act (FMLA) allows some employees to take up to 12 weeks of unpaid job-protected leave, but even this policy only covers about 60% of employees (The White House Council of Economic Advisers 2014). Moreover, many people who are eligible to take FMLA leave cannot afford to take it, simply because it is unpaid (The White House Council of Economic Advisers 2014). There is also a profound difference in infant and maternal health when it comes to paid versus unpaid leave. Studies have found that there is no change in infant mortality with unpaid leave, but there is a more than 20% decrease in infant mortality with paid leave (Tanaka 2005).

Simply put, paid family leave saves lives.

Without access to paid family leave, too many parents are forced to go back to work before they are able to establish breastfeeding, fully heal from childbirth, and forge a thriving bond. According to research from 2015, one in four employed mothers returned to work within 2 weeks of giving birth, because they could not afford to forgo lost wages (Lerner 2015). For poor women and mothers of color that rate is even lower, and for moms with less than a high school education, that rate is below 20% (Shierholz 2015).

Lack of paid family and medical leave can drive families below the poverty level. All too often, the pay gap widens when new mothers are forced to take unpaid leave after giving birth, coupled with the sky-high cost of childcare, which now amounts to more than college in most states, and sets families back financially for years to come. This is one reason why a quarter of young families are living in poverty (Belkin 2010).

But the good news for working families, maternal and child health advocates, and the national economy is that the fight for paid family and medical leave is garnering more support than ever before. Advocates may reflect on 2015 and 2016 as turning points for policymakers, who are starting to realize that paid family and medical leave are critical to supporting America's families and boosting the national economy. It is no longer a question of if these policies will pass, but when.

The momentum is clear. Over the past 2 years, the United States has witnessed several watershed moments for paid family and medical leave. In January 2015, President Obama announced that federal employees would be eligible for advances on paid leave to care for new children, for adoption proceedings or the placement of a foster child in their homes (The White House 2015). The Department of Labor will award 3 million dollars to numerous American cities and states to study the implementation of paid leave insurance programs (United States Department of Labor 2016). The United States military announced changes to standardize paid maternity and paternity leave policies, doubling the

amount of paid maternity leave that women in the Army and Airforce receive (but cutting 6 weeks of paid maternity leave for women in the Marine Corp and Navy at the same time-Bushatz 2016). Meanwhile, paid paternity leave will increase from 10 to 14 days in all branches of the military. These benefits apply to same-sex married couples and those seeking leave for adoption (Kube and Miklaszewski 2016).

In addition to these administrative and agency changes, momentum for legislative change is also growing. More than two dozen municipalities passed paid family leave for local government employees (National Partnership for Women and Families 2016). San Francisco made history in 2016 by becoming the first city in the United States to approve 6 weeks of fully paid leave for all new parents—not just municipal employees (Fuller 2016). San Francisco's new law is also notable because it includes mothers and fathers (and same-sex couples) who either bear or adopt a child. New York became the fourth state in the Union to pass a statewide paid family and medical leave insurance program and several states, including Connecticut, Massachusetts, and the District of Columbia are on the verge of passing paid family and medical leave (Rose 2016). At the federal level the FAMILY Act (the paid maternity, paternity, medical leave insurance bill) has gained many new congressional cosponsors (H.R.1439-114th Congress 2015–2016) and legislation that would expand and clarify paid family and medical leave for members of the US Armed Services has been gaining traction (Duckworth 2016). The issue has even broken through into national presidential politics: For the first time ever, the need for a national paid family and medical leave program was included in the Democratic Party Platform and several top Democratic and Republican candidates spoke to the importance of this policy area (Democratic National Convention 2016).

Momentum for paid family and medical leave is growing the private sector as well, most notably in the tech industry. Companies such as Facebook, Microsoft, Amazon, eBay, Netflix, Adobe, and Nestle have spent 2015 and 2016 seemingly competing with each other to offer better paid family and medical leave benefits (McGee 2016). Facebook founder Mark Zuckerberg made international news when he announced that not only was Facebook expanding their paid leave program for employees, but he himself would take 2 months of leave to bond with his newborn daughter (The Guardian 2015).

This growing momentum comes not a moment too soon. Women comprise half of the paid labor force; nearly three-quarters of moms are in the workforce and the majority of families need two working parents to make ends meet (White House Council of Economic Advisers 2014). What is more, over 80% of women in the U.S. have children by the time they are 44, meaning that mothers constitute the backbone of the labor market, pointing to the pressing need

for paid family leave to be at the top of our national priorities (United States Census Bureau, 2014). It is long past due for our public policies to catch up to the modern realities of today's families, because the simple truth is that paid family leave is good for families, businesses, and the economy.

### **Paid Family Leave is Good for Businesses and the Economy**

Paid family leave is not just good for families—it also benefits businesses and the economy too. California is one of four states that has a paid family leave program in place, and several important studies have been conducted on the impact of businesses that illustrate national economic trends. For instance, a 2011 study of the California Paid Leave program showed that most employers found that the policy had a positive effect on employee productivity and performance, while increasing profitability and employee morale and lowering turnover, which saved businesses recruitment and retraining costs (Appelbaum and Milkman 2011).

Further, research from the Center for Women and Work at Rutgers University showed that access to paid leave increased workforce attachment and decreased reliance on government assistance—thus boosting the economy. Study author Dr. Linda Houser notes: “While we have known for a long time about the maternal and infant health benefits of leave policies, we can now link paid family leave to greater labor force attachment and increased wages for women as well as to reduced spending by businesses in the form of employee replacement costs, and by governments in the form of public assistance.” (Houser and Vartanian 2012).

### **Paid Family Leave is Good for Moms and Families**

Paid family leave after the birth of a child helps give kids a healthy start in life and their families the economic security they need to stay out of poverty at a critical time in their children's early development. Studies show that paid family leave after the birth of a child combats poverty, gives children a healthy start, lowers infant mortality by more than 20% (Ruhm 1998) and helps lower the wage gap between women and men (Fortune 2015).

Yet, in the United States, only 53% of working people are able to stitch together any form of paid leave by using sick days, vacation days, disability leave, and maternity leave (The White House Council of Economic Advisers 2014) and only half of new mothers take any type of paid leave around their child's birth, indicating a serious lack of paid leave (Laughlin 2011).

In light of mothers' tough options, it is no wonder that having a baby is one of the leading causes of “poverty

spells” in our nation (Caring for Infants and Toddlers 2001). Additionally, studies have shown that maternity leave has a positive impact on how long women breastfeed, which in turn affects the long-term health of mother and child (Rossin 2011). This is a major benefit, as major medical authorities such as the American Academy of Pediatrics recommend that infants be breastfed exclusively for their first 6 months of life. Despite the government's Healthy People 2010 breastfeeding goals, only 18.8% of U.S. infants are breastfeeding exclusively and only 49% are breastfeeding at all at 6 months of age (Centers for Disease Control and Prevention 2014). In 2011 the U.S. Surgeon General called paid family leave policies important for families and babies' health—drawing the link between the ability of new moms to take paid leave with increased rates of breastfeeding (U.S. Department of Health and Human Services 2011).

Tricia, a new mom from Texas shared her story with MomsRising and explained how the lack of paid parental leave left her in the hospital and separated from her child in his first weeks:

I was a single mother and because I didn't have paid leave after the birth of my first child, I had to go back to work within 2 weeks—using all the vacation I had to take the time off. It was a horrible experience. My son was too young for daycare, so I had to find an individual to watch him. That was not easy and very expensive. My health declined because I wasn't getting enough sleep—or enough to eat—because I was too tired working all day and staying up all night with my son. I eventually ended up in a hospital for a week because I got so sick. My son had to be without me for that week, and I ended up having to put him on formula because I was too sick to breastfeed. It was a horrible experience for me and for him.

Paid leave is not just smart policy for mothers—it benefits fathers as well: Studies show that while not all dads have access to paid leave, fathers who are able to take paid time to care for their children are more involved in their kids' lives 9 months after the child is born, and are less likely to rely on public assistance (Nepomnyaschy and Waldfogel 2007; Houser and Vartanian 2012).

### **Call to Action**

It is clear that paid family leave laws are a huge win-win for families, businesses and the economy alike. The momentum is on our side, but we cannot take anything for granted. The United States is at a turning point where it is time to increase our attention to this matter in order to push the policy over the top to a national win for all workers. Currently, with the growing momentum, only elite, high-wage

employees gain coverage, while low wage and/or contract workers may remain uncovered, exacerbating the already large gap between high and low wage earners who are able to earn paid leave. MomsRising's goal is for all workers to have paid family leave through a national program that is portable with the worker as they change jobs.

While attention to this matter is increasing, maternal and child health advocates are in a unique position to help win paid family leave because their stories about their personal experiences and those of their clients are among the most powerful and effective tools we have for creating culture and policy change. The fact of the matter is that while the data and research is critical to winning paid leave, legislators are not swayed by the empirical evidence alone. We consistently hear that legislators need to hear the voices of their constituents explaining what paid family leave means to them.

Maternal and child health advocates are also critical to help turn the tide and make common-sense policies like paid family leave a reality. We invite you to share your stories and experiences with us at MomsRising.org and encourage your patients and clients to do the same. Together, we can help educate our neighbors, inform public policy and the media, and influence decisions makers. By sharing our stories together, we help break down barriers and prove that being physically, financially or emotionally stressed because of the lack of paid leave is not an epidemic of personal failings, but rather a set of systematic issues that hurt everyone.

America's economic and public health will benefit the most when all working people are able to access paid family and medical leave, not just those working people who have won the "boss lottery" or "location lottery." Whether it is to care for a newborn you swear already smiles, a mom who is seriously ill, or a spouse battling cancer, being able to be there for family is what matters and is also what boosts our economy in the long run. Together we can help win paid family and medical in the United States.

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