

Making Leave Affordable

How can policy reduce affordability barriers to family and medical leave?

A diversitydatakids.org Data-For-Action Fact Sheet | MAY 2017

Over the life course, many workers will need to take family and medical leave (FML) to care for their own or a close family member's serious medical condition. In addition, FML provides maternity/paternity leave for workers who experience the birth or adoption of a child.

The US lacks a national paid leave policy, offering only unpaid FML. Four states and DC currently have paid leave laws.

Research has found that a primary barrier workers face in taking unpaid FML is financial cost. Due to the absence of paid FML policy, many workers in the US—particularly low-income and racial/ethnic minority workers—do not have access to FML.

diversitydatakids.org FML indicators measure the proportion of total family income that would be lost if a worker needed to take unpaid or paid FML for 6 or 12 weeks.

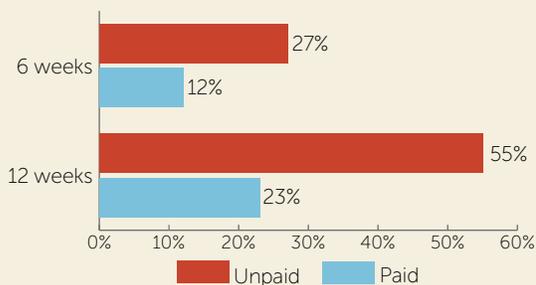
diversitydatakids.org
data for a diverse and equitable future

Visit diversitydatakids.org to explore data on paid and unpaid family and medical leave across states.

Source: Authors' analysis of data from the pooled 2011-2014 March Current Population Survey.

Paid family and medical leave would significantly reduce the financial cost of leave for families.

Estimated Wage Loss as a Percent of Family Income* in the Event a Full-Year Worker Needed to Take Family or Medical Leave

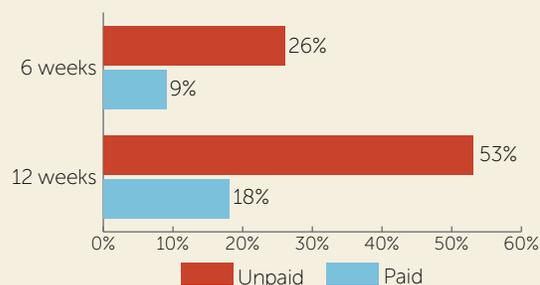


In the event a worker needed to take leave (experienced a qualifying health condition), paid FML would reduce the financial burden of leave by half.

*Wage loss as a percentage of family income is calculated on a three month timeframe: wage loss due to leave is compared to a family's total income for three months.

Paid family and medical leave would further reduce affordability barriers for middle-income workers.*

Estimated Wage Loss as a Percent of Family Income in the Event a Full-Year Middle-Income Worker Needed to Take Family or Medical Leave



For middle-income workers who need to take leave, moving from unpaid to paid leave would reduce the percent of income lost by almost two-thirds.

*Middle-income workers are those living in working families with income between the 33rd and 66th percentile.

Notes: A full-year working adult works 50 weeks or more per year. This analysis assumes that only one working adult in a family takes leave at a time. A worker's family does not lose 100% of income during unpaid leave due to the presence of other sources of income or wage earners. Wage loss is based on weekly wages. The paid leave scenario provides a worker with wage replacement at a rate of 66% of weekly wages up to a maximum amount of \$633 per week.