

Making Leave Affordable

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

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Over their lives, 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. Other workers will benefit from taking FML in the form of maternity/paternity leave after the the birth or adoption of a child.

The US lacks a national paid leave policy, offering only unpaid FML. Five 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 a national paid FML policy, many workers in the US—particularly low-income and racial/ethnic minority workers—do not have access to affordable FML.

diversitydatakids.org indicators measure the total wage loss and the proportion of total family income that would be lost if a worker needed to take leave for 12 weeks.

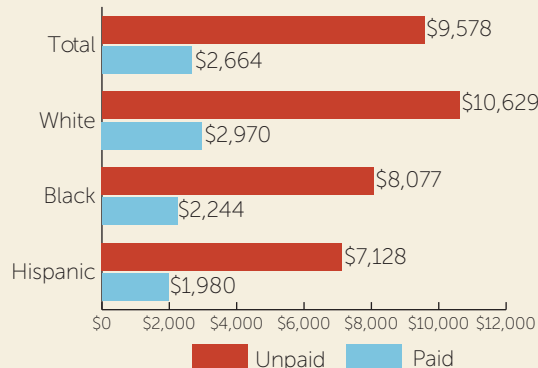
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Source: Authors' analysis of data from the pooled 2014-2017 Current Population Survey March ASEC.

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

Estimated Median Wage Loss in the Event a Full-Year Worker Age 21-64 Needed to Take 12 Weeks of Family or Medical Leave

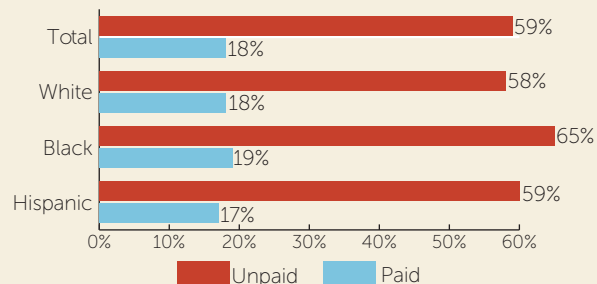


A worker that needed to take 12 weeks of unpaid family or medical leave would lose \$9,578.

A worker that needed to take the same amount of paid leave would lose only \$2,664.

In the event a worker needed to take leave (experienced a qualifying health condition), a paid family and medical leave policy would reduce the financial burden of leave by almost two-thirds.

Estimated Median Wage Loss as a Percent of Quarterly Family Income* in the Event a Full-Year Worker Age 21-64 Needed to Take 12 Weeks of Family or Medical Leave



*Wage loss as a percent 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.

Notes: The sample for this analysis is working adults, ages 21-64, who worked 50 or more weeks in the previous year and lived in states that have not passed a statewide paid leave law (N=172,078). Working adults living in CA, NJ, NY, RI, WA and DC were excluded because these jurisdictions have implemented or passed statewide paid leave laws. This analysis assumes that only one working adult in a family takes leave. 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. Due to data limitations, these estimates do not account for any paid leave benefits provided through employers that could potentially mitigate wage loss. The paid leave scenario is based on the proposed [FAMILY Act](#) which provides workers with wage replacement at a rate of 66% of monthly wages up to a maximum amount of \$1,000 per week. Wage loss is presented in 2016 dollars. See diversitydatakids.org for additional notes.