

# Economic Analysis

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## MOST WORKERS HAVE ACCESS TO PAID ILLNESS LEAVE

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According to the U.S. Bureau of Labor Statistics (BLS), 83 percent of all workers in private industry have access to paid illness leave, far more than the 52 percent that proponents of the Healthy Families Act recognize.<sup>1</sup> The BLS defines illness leave as any combination of paid-leave benefits that can be used to attend to illness or injury.<sup>2</sup> As noted by the BLS, focusing on paid sick leave alone does not tell the whole story. “A complete picture of access to benefits should present not just benefits in isolation, but benefits in combination.”<sup>3</sup>

- In 2008, 93 percent – nearly all – full-time employees had access to paid illness leave.
- Moreover, a majority of part-time workers, 51 percent, have paid illness leave even though most, 82 percent,<sup>4</sup> voluntarily work part-time in order to better manage work and family.
- The vast majority, 79 percent, of low-wage workers (\$7.25 to \$14.99 per hour) have paid illness leave.
- In two-thirds of the major occupational categories, 90 percent or more of all workers have paid illness leave.
- Even 76 percent of *all* workers in small businesses (1 to 49 workers) have paid illness leave and “other employers offer informal plans – for example, those in which paid time off due to health-related concerns is granted by the employer on a case-by-case basis.”<sup>5</sup>
- Although the construction industry and the leisure and hospitality industry have the lowest rates of illness leave, they still exceed 60 percent for *all* workers in those industries. The rates for all other industries are 80 percent or more.

There is a consensus among most economists that the costs of employer mandates are passed on to workers in the form of lower wages and reduced job opportunities.<sup>6</sup> With so many workers already able to take paid illness leave when they need it, the focus should be on ways to increase job opportunities and not on one-size-fits-all legislation that has serious unintended consequences.

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<sup>1</sup> Iris S. Diaz and Richard Wallick, *Leisure and Illness Leave: Estimating Benefits in Combination*, Monthly Labor Review, February 2009, and the National Partnership for Women & Families, Fact Sheet, available at: [www.nationalpartnership.org/site/DocServer/PSD\\_FactSheet\\_GoodBusinessSense.pdf?docID=4183](http://www.nationalpartnership.org/site/DocServer/PSD_FactSheet_GoodBusinessSense.pdf?docID=4183). All of the data presented in this analysis are from Diaz and Wallick unless otherwise noted.

<sup>2</sup> Specifically it includes any combination of one or more of the following: paid sick leave, paid family leave, paid personal leave, and paid vacation leave – as long as that leave can be taken for illness reasons.

<sup>3</sup> Iris S. Diaz and Richard Wallick, *Leisure and Illness Leave: Estimating Benefits in Combination*.

<sup>4</sup> U.S. Bureau of Labor Statistics, 2008 annual data, available at: [www.bls.gov/webapps/legacy/cpsatab5.htm](http://www.bls.gov/webapps/legacy/cpsatab5.htm).

<sup>5</sup> Natalie Kramer and Alan Zilberman, New Definitions of Employee Access to Paid Sick Leave and Retirement Benefits in the National Compensation Survey, Bureau of Labor Statistics, December 23, 2008, available at: [www.bls.gov/opub/cwc/print/cm20081219ar01p1.htm](http://www.bls.gov/opub/cwc/print/cm20081219ar01p1.htm).

<sup>6</sup> Katherine Baicker and Helen Levy, *Employer Health Insurance Mandates and the Risk of Unemployment*, NBER, Working Paper 13528, October 2007; and other citations in that research.