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Paid Parental Leave in the United States: Reconciling Competing Demands

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Paid Parental Leave in the United States: Reconciling Competing Demands

submitted to
Professor William Ascher

by
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Abstract: The United States is the only developed nation that fails to provide its citizens with paid parental leave. The lack of parental benefit provision operates to the detriment of individuals and society as a whole by contributing to inequity across gender, race, socioeconomic status, and sexual orientation. As the demographics of the American workforce have changed, public policy has not kept pace. Paid parental leave is associated a number of health, economic, and social benefits. However, the greatest barrier to legislating paid parental leave is the philosophical underpinnings of American politics, specifically the strong current of liberal individualism and absence of maternalism. This thesis examines the policy option space for paid parental leave in the United States and recommends a paid parental leave policy that is gender-neutral and has a combination of three months individual leave and three months of shared leave at 100 percent wage replacement.

Key terms: paid parental leave, maternity leave, paternity leave, parental benefits, maternalism
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Chapter 1: Introduction

Glossary of Terms

**Political Philosophy**

*Liberal Individualism*: the idea that the basic unit of the state is the autonomous individual and that all individuals are born equal

*Maternalism*: the government’s guarantee that all citizens’ minimum economic needs will be met

*Positive Rights*: guarantee that groups of people will be treated differently because of their group differences

*Negative Rights*: guarantee that every person will be treated the same in spite of their individual differences

*Welfare State*: provide services that ensure that all persons have a basic right to life, including the right to basic care

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**Feminist Theory**

*Benevolent Sexism*: the favorable, chivalrous treatment of women who embrace conventional gender roles

*Subtyping*: creating specific variations on more general stereotypical themes, often emphasizing a single aspect of the general stereotype

*Politics of Care*: the social, political, and economic ramifications of women being the main performers of care-work

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**Types of Work-Family Reconciliation Policies**

*Sequential*: policies in which care-work is the responsibility of the family

*Defamilializing*: policies in which care-work is the responsibility of the state

*Regulatory*: policies in which care-work is the responsibility of the family but is regulated by the state

*Maternal-responsibility*: policies that recognize and financially reward care as a female responsibility without reducing the gender gap

*Maternal-responsibility-floor*: policies that acknowledge the roles of women in giving birth and breast feeding

*Co-responsibility*: policies which involve the government and men in caregiving on the basis of recognizing women’s roles as workers

*State co-responsibility*: policies which provide public or subsidized private care with hours that correspond to the work day

*Paternal co-responsibility*: policies which involve the government and incentivize the involvement of men in caregiving on the basis of recognizing women’s roles as workers

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**Leave Policies**

*Maternity Leave*: time off work for new mothers

*Maternity Pay*: benefits received during time off work for new mothers

*Paternity Leave*: time off work for new fathers

*Paternity Pay*: benefits received during time off work for new fathers

*Shared Leave*: time off work that may be utilized by any new parent

*Shared Pay*: benefits receiving by any parent utilizing shared leave

*Family Leave*: time off work to take care of any family member

*Family Pay*: benefits received during time off work for employees caring for a family member
Problem Orientation

“It’s time we stop treating child care as a side issue or a women’s issue, and treat it like the national economic priority that it is.” – Barack Obama¹

The United States is the only developed nation without paid parental leave. 179 countries, five states and the District of Columbia have recognized paid parental leave to be central to building a healthy, prosperous, and equitable society.² The absence of a comprehensive paid parental leave program contributes to the continued oppression of women in the United States. Passing legislation that gender-neutral, has a combination of three months individual leave and three months of shared leave at 100 percent wage replacement is the most promising policy option. However, women stand to gain more from such legislation due to their historic oppression both in the workplace and at home. Paid parental leave is an issue of gender, racial, sexual orientation, and socioeconomic equity.³

First, paid parental leave is an issue of gender equity due to societal expectations around motherhood. Women are simultaneously expected to raise their children and be able to operate on a work schedule that allows little to no time for family care. Faced with this challenge, many women exit the workforce, creating a version of “Brain Drain”, in

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order to raise their children. Should these women attempt to return to work, they are often met with great barriers to re-entry and have lost momentum for higher pay. Both men and women who take time off work to raise their children say that it negatively affected their career, but women (25 percent) are almost twice as likely to say so as men (13 percent).\footnote{Horowitz, Juliana, Kim Parker, Nikki Graf, and Gretchen Livingston. 2017. "Americans Widely Support Paid Family And Medical Leave, But Differ Over Specific Policies". Pew Research Center’S Social & Demographic Trends Project. Accessed April 20 2018. http://www.pewsocialtrends.org/2017/03/23/americans-widely-support-paid-family-and-medical-leave-but-differ-over-specific-policies/.}

Including new fathers in paid parental leave policies is critical to creating more equitable gender dynamics. Research has shown that paternity leave is correlated with mothers losing fewer days of work due to illness, reduction in mothers’ depression, and increased earnings for mothers. Further, fathers who have access to paternity leave are more likely to provide care after the period of leave is terminated.\footnote{Isaacs, Julia, Olivia Healy, and H. Elizabeth Peters. "Paid Family Leave in the United States: Time for a New National Policy." Washington, DC: Urban Institute (2017).}

One of the many components of gender inequity is that women typically perform more care-work than men. Work-family reconciliation policies provide time, income, support and/or services to families, thereby lessening the physical, psychological and economic inequalities between men and women. A paid parental leave policy that encourages all parents to take leave to care for their new children will result in greater gender equity; mothers will not be penalized, socially, physically, or economically, for taking time off to spend with their children and fathers will take on more caregiving responsibilities.\footnote{Joseph, Sydney. Memorandum, "Instituting California’s Paid Parental Leave Program Nationwide," November 29, 2017.}
Second, paid parental leave is also an issue of racial and socioeconomic equity. 69 percent of people who took parental leave could not take as much time as they wanted because they could not afford to lose more money. Of those who took leave 45 percent cut their leave short. Blacks, Hispanics, those without a bachelor’s degree, and those with household incomes less than $30,000 are more likely than whites or those with higher education or higher incomes to say that they could not take leave when they needed or wanted to do so. 7 Socioeconomic status affects the amount of time that parents can take off work for childcare. Mothers with household incomes less than $30,000 took a median of 6 weeks off, those with household incomes between $30,000 and $75,000 took a median of 10 weeks off, and those with incomes over $75,000 took a median of 12 weeks. 8 Women earning less return to work sooner than women with more disposable income. Many of those women who return to work then seek out paid childcare, which can cost between $300 and $1,500 per month. 9 This cost puts further financial strain on new parents. Of those who took leave, 50 percent used savings set aside for something else, 37 percent took on debt, 33 percent put off paying bills, 24 percent borrowed money, and 17 percent went on public assistance. Furthermore, of those who earned less than $30,000, 57 percent took on debt and 48 percent went on public assistance. 10 These disparities can have major health and economic consequences. Race and socioeconomic

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7 Horowitz, Americans Support Paid Family and Medical Leave, 2017
8 Ibid.
10 Horowitz, Americans Support Paid Family and Medical Leave, 2017
status should not determine whether mothers are able to spend the critical first weeks with their newborn or newly adopted children.

Finally, paid parental leave can contribute to equity between single parents, heterosexual couples, and same-sex couples. Policies that are framed in terms of parental leave, rather than maternity or paternity leave, protect same-sex couples from facing a double motherhood penalty or from the stigma many new fathers face when taking leave.

For all that paid parental leave has to offer, there are some drawbacks and concerns that policymakers must keep in mind when structuring a policy. Paid parental leave may create a bias against hiring young women, thus leaving them less economically well off than before the program. Furthermore, paid parental leave may create a bias against working women, resulting in women being overlooked for promotions or being resented by co-workers who were made to work overtime during their leave period. Additionally, enacting federally mandated paid parental leave may motivate companies that already offer private paid parental leave to terminate their program, which may be more generous than that required in a national policy. Finally, depending on the structure of paid parental leave, it is possible that self-employed and informal workers would be ignored.

The American public overwhelmingly supports paid parental leave. 82 percent support paid maternity leave and 69 percent support paid paternity leave.\(^\text{11}\) This issue receives a tremendous amount of bipartisan public support as well; 88 percent of

\(^{\text{11}}\) Horowitz, Americans Support Paid Family and Medical Leave, 2017
democrats and 71 percent of republican support paid parental leave.\textsuperscript{12} Support for both maternity (82 percent) and paternity leave (69 percent) remains strong, although the difference in the two is reflective of extant gender expectations.\textsuperscript{12} Younger people (82 percent) are more supportive than their older counterparts (55 percent).\textsuperscript{13} However, public opinion is split on whether it should be the responsibility of the government or individual employers to provide paid leave. 51 percent believe it is the responsibility of the government while 48 percent believe employers should be able to decide whether they will provide it.\textsuperscript{14} Based on the priority of creating greater equity across gender, socioeconomic status, race, and sexual orientation, a policy that is gender-neutral, has a combination of three months individual leave and three months of shared leave at 100 percent wage replacement is the most promising.

Chapter 2 examines the political philosophy at the base of paid parental leave policies and grounds this theory in the context of American politics. Chapter 3 explores the historical, health, and economic trends around paid parental leave, as well as presents an international and domestic comparison of paid parental leave policies. Chapter 4 lays forth the conditioning factors necessary for making an informed policy recommendation and opens the policy option space. Finally, chapter 5 presents a policy recommendation and enactment strategies.

\begin{thebibliography}{99}
\bibitem{Isaacs2} Isaacs et al., Time for a New National Policy, 2017
\bibitem{Ibid} Ibid.
\bibitem{Horowitz} Horowitz, Americans Support Paid Family and Medical Leave, 2017
\end{thebibliography}
It is not the intention of this thesis to propose that there is any one right path for new parents to take with respect to parental leave. Rather, the aim of this thesis is to advocate for a national paid parental leave policy that will cover the greatest number of people, maximize new parents’ options, and facilitate the decision-making processes of new parents. The primary objective of the policy recommendation is to reduce inequity across gender, race, socioeconomic status, and sexual orientation. Analysts with different objectives may reach different conclusions about whether or not, and to what extent, a paid parental leave policy would benefit individual citizens and the United States.
Chapter 2: Philosophical Underpinnings of Parental Leave Policy

Devaluation of Caregiving

The status degradation of homemaking has created a hostile tension between careerism and motherhood. The devaluation of caregiving is rooted in gender stereotyping, specifically the association of communal traits with women. Gender categorization occurs quickly and automatically based on physical traits, personality, social roles, and occupations. Prevailing gender stereotypes suggest that women, who are categorically viewed as nurturing, are suited for caregiving while men, considered confident and courageous, are apt to take on the roles of protector and provider. In the 1970s and 1980s, increasing job opportunities led to the rise of careerism and declining attraction of housework among educated women. As a result, high status women abandoned homemaking and as a whole, women became less likely to share common experiences. It is worth noting that while many privileged middle and upper class white women during this time elected to work, many women of color and women of lower socioeconomic strata had been working out of necessity for decades. Second-Wave Feminists were opposed to, or were ambivalent about, homemaking, “The more full-time homemakers there are, the harder it will be to break traditional expectations that homemaking ought to be a women’s career.” At the same time, women who were the

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b Mansbridge, Jane J. Why we lost the ERA. University of Chicago Press, 2015.
c Mansbridge, Why we lost the ERA, 2015
beneficiaries of benevolent sexism shamed women who did not wish to stay home to raise children."

Subtyping and benevolent sexism contribute to the constant berating of women who stay home, work, or perform some combination of the two. As women’s labor force participation rates grew, they were unable to shed the image of the homemaker that had been tied to their gender for generations. Rather, subtyping, which allows for specific variations on more general stereotypical themes and often emphasizes a single aspect of the general stereotype, created further stereotypes under which women are criticized. Women are punished for deviating from societal norms and are rewarded for conforming to those same norms.

Due to gender stereotyping, women are pushed towards care industries and professions that are classed as “women’s work.” This occupational segregation results in women receiving lower wages than their male counterparts. Many of the functions are the same in stereotypically masculine and feminine jobs with comparable requirements, yet those employed in women’s work receive lower pay because masculine professions have a higher social status. The commission on American Women found that “women earn less than men because they cluster in professions that are paid less, need to take

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* Rudman and Glick, *The social psychology of gender*, 2012.
more frequent leave for child-care, and are passed over for advancement opportunities.”

Institutional biases against women waste the potential of millions.

Not only are women funneled into professional caregiving, women are often required or expected to do care work for free at home, and without compensation at work. Motherhood can plummet families into poverty, particularly in single mother households which are already stigmatized. Although every person at one point or another in their life will require caregiving from another human, the performance of care-work is not valued in the United States because it is viewed as being a feminine act.

The absence of a federal paid parental leave policy contributes to the oppression of women as a social group, through marginalization, cultural imperialism, exploitation, and powerlessness. Women are marginalized in the workforce at nearly every step of their careers. Women are encouraged to go into feminine professions, may be hired less due to bias against perceived susceptibility to needing time off to provide care, and are overlooked for promotions and pay raises should they take leave. When women take time off work to care for children, their careers are set back by being looked over for promotions and pay raises or being unable to find work. Challenging institutional norms proves difficult when women are not able to reach executive positions. This further exacerbates the issue of how to incorporate ‘feminine’ leadership styles in masculine institutions.

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* Mansbridge, Why we lost the ERA, 2015.
The cultural dominance of the ideal worker, socially coded as male, does not allow for the flexible work schedules that new parents, particularly mothers, require. Workforce standards created and enforced by men, who are by and large free from the responsibility of care-giving, are not amenable to many women. There are few opportunities for women, who are consistently marginalized in the workforce, to create change in work schedules. Women exhibit different leadership styles and are typically considered to be more cooperative and inclusive. Allowing for flexible work schedules would require recognizing the intrinsic value of care work, and thus the value of maternal qualities.

As a result, women are exploited through the politics of care. Women are channeled into professions in which they provide care, and those professions are consistently underpaid in comparison to their male counterparts. At work, women are expected to perform care-work for other employees when they are asked to plan office gatherings. When women require time off work to care for children, they go largely uncompensated. In each scenario, women and care-work are being exploited in that they are under-valued and under-compensated.

**Maternalism and Liberal Individualism**

Eileen McDonagh, author of *In The Motherless State: Women’s Political Leadership and American Democracy*, examines currents of maternalism and

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individualism in the United States and abroad. According to McDonagh, the primary function of the state is to create law and order domestically and defend from threats internationally. These militaristic goals are typically coded as masculine, which lends to the idea that men are suitable leaders. Feminine qualities, then, are not associated with the functioning of the state, and women are kept outside of the governmental sphere.

Liberal individualism, the idea that the basic unit of the state is the autonomous individual and that all individuals are born equal, leads to the creation of negative individual rights, which treat all people the same by outlining what the state will not do. One such negative right grounded in liberal individualism is the Equal Protection Clause, which promises to treat individuals the same “in spite of” differences. Maternalism, on the other hand, may be conceptualized as the government’s guarantee that all citizens’ minimum economic needs will be met. There are three types of maternalism: social, biological, and state. Social maternalism is the performance of paid or unpaid care-work, biological maternalism is reproduction, and state maternalism is the adoption of public policies based in maternal traits. Women are more likely to perform both paid and unpaid care-work;

The disproportionate greater involvement of women in mothering, compared to male mother-ing, renders the social construction of women’s sex group differences from men to be social maternalism, defined by care-work.”

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* Ibid.
* Ibid.
* Ibid.
* Ibid.
* Ibid.
* Ibid.
maternalism affords positive group rights, in which the state guarantees that the government will provide benefits, protections, and privileges to people because of group differences that perpetuate inequality. These positive group rights are realized through maternal policies, such as child-care funding or parental leave.  

Welfare provision, then, is government care-work and thus a form of state maternalism. In a welfare state, all persons have a basic right to life, including the right to basic care. A welfare system may be either residual or institutionalized. In a residual welfare system, the state provides welfare support only when the family and market systems fail to do so. An institutionalized welfare system on the other hand, provides an extended commitment to providing welfare support. A welfare system’s relationship to the market economy may be liberal, conservative, or socially democratic. A liberal welfare system, such as the one in place in the United States, operates in contexts where persons do not have a right to care, and thereby only provides care-work when people cannot provide it for themselves. Conservative welfare systems and socially democratic welfare systems grant a right to care to all individuals and holds the state responsible for the provision of welfare programs. Unlike socially democratic welfare systems, under a conservative welfare system, there is no goal to reduce inequity.

Most European countries have adopted policies that merge liberal individualism and maternalism. Countries that have been able to merge liberal individualism and

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* Ibid.
* Ibid.
* Ibid.
* Ibid.
* Ibid.
* Ibid.
maternalism are “hybrid states” in which “voters learn that the maternal traits they associate with women signify a location not only in the private sphere of the home or in the service sector of the market, but also in the public sphere of political governance.”

McDonagh, furthers her argument:

The state’s public policies are ongoing, quasi-permanent sources of gender information. By defining what the state “does”, they define what it means to be political... When it embodies the characteristics associated both with women’s individual sameness with men and their maternal group differences from men by adopting public policies representing maternal traits, it boosts public attitudes about the suitability of women as political leaders and women’s election to national political office.

A brief examination of American history can explain why, as a nation, the United States has failed to merge liberal individualism and maternalism. When the United States separated from the British hereditary monarchy, women’s familial roles no longer formally connected them to the political sphere. Instead, they were expected to participate in democracy indirectly, via their husbands and sons. Fifty years after women were granted the right to vote, Second Wave Feminists fought for gender equity. However, in order to achieve equity, women needed not only to be treated the same as men in spite of their differences, but also needed government policies that directly addressed those differences.

Women still need these resources, yet little progress has been made. Paid parental leave constitutes a form of welfare provision. In states that do not guarantee positive

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* Ibid.
group rights, welfare provision will be sparse. In states where maternalism and liberal individualism coexist, welfare provision flourishes. Welfare provision is inextricably linked with women’s maternal identity because women are associated with providing care. Thus, welfare provision is analogous to government care-work. A welfare state guarantees a basic right to life and pledges to meet the needs and to protect the rights of its constituents. Because the United States lacks maternalist policies, American citizens are not guaranteed a right to care. However, in order to reduce inequity, the United States must adopt a socially democratic welfare policy in which all individuals have the right to care. The U.S. adoption of welfare would be no small feat. Welfare has been demonized since Ronald Regan’s January 1976 campaign rally, in which he said, “In Chicago, they found a woman who holds the record. She used 80 names, 30 addresses, 15 telephone numbers to collect food stamps, Social Security, veterans’ benefits for four nonexistent deceased veteran husbands, as well as welfare. Her tax-free cash income alone has been running $150,000 a year.” This idea of a “welfare queen” has been burned into American consciousness, and presents a great barrier to promoting welfare policies, such as paid parental leave.

* McDonagh, The motherless state, 2009.
http://www.slate.com/articles/news_and_politics/history/2013/12/linda_taylor_welfare_queen_ronald_reagan_made_her_a_notorious_american_villain.html.
The philosophical underpinnings in the United States are most similar to those of France, as both nations have demolished their respective monar chies and neither have implemented any new state maternalist policies, either through instituting a welfare state or by creating quotas for female representatives. Furthermore, both the United States and France do not have a constitutional provision for protecting the welfare of its citizens.

The United States does not exhibit maternalist qualities, and rather gives itself entirely to liberal individualism. Rather than displaying an extended commitment to welfare through an institutionalized welfare system, the United States provides care-work through a liberal residual welfare system only when the market fails.

Liberal individualism perpetuates the motherhood paradox in which working mothers are tested on their ability to continue work while raising children. In order to overcome this obstacle, women who are able afford to hire other women, often mothers themselves, to care for their children do so. This continues an inequitable system in which parents’ ability to care for their children is a luxury afforded primarily by the wealthy, while less financially secure women leave their own children to care for the children of others.

In the case of paid parental leave, the market system is failing countless women and their families. The continued oppression of women necessitates the enactment of a state maternalist policy that provides for paid parental leave. Such a policy would provide economic and social freedom to all parents, but would particularly benefit women, who have been responsible for care work that has been historically under-valued.
Women’s Political Representation

The greatest obstacle to achieving maternalist policies was women’s lack of political representation. While women are more likely to vote and are equally likely to be politically active, few women hold elected positions. Women are by no means powerless, but they do experience powerlessness in that as a social group, they lack sufficient political representation. Only 24.9 percent of legislators are women. Women are more likely to support and propose legislation concerning education, health and welfare and are more likely to see women’s issue legislation passed into law than men who propose similar bills. In congress, female legislators use their committee positions to advocate for the incorporation of women’s issues. This likely occurs because female legislators feel responsible in representing women’s interests and are more likely than men to view women as a distinct part of their constituencies. Without greater representation of women in the political process, creating lasting policy initiatives that seek to end the oppression of women will prove difficult.

McDonagh, a strong proponent of increasing women’s political representation as a way of creating policy change, proposes that public policy informs citizens which traits are associated with political governance and who are suitable as political leaders:

When the state itself becomes a care-giving institution, not only are there accommodations for women’s group difference, but there are also feedback effects on public attitudes about the political meaning of women’s social construction as maternalists. Specifically, when the government engages and performs care-work roles and activities associated with women, those policies

50 Swers, Understanding the policy impact of electing women, 2001.
teach people that the political meaning of maternalism signifies a location not only in the home, but also in the public sphere of the government. The result is that the public then views women as more suitable for political office than when the state does not take on care-work roles. Women’s political representation is crucial to enacting policy change, as women are more likely to support welfare, peace, rehabilitation, and educational policies, regardless of political party membership. Not only are women more likely to support these policies, but they are also more likely to see this legislation passed into law than men who proposed similar policies. Furthermore, female legislators feel a greater degree of responsibility to their women constituents and use their committee positions to advocate for their constituents. Finally, women congress-members have higher participation rates in floor debates about women’s issues than men.

Increasing women’s political representation affects young women’s participation in politics. Christina Wolbrecht and David E. Campbell have termed this phenomenon “The Role Model Effect”. In a sense, it is a self-fulfilling prophecy: the increased representation of women in politics encourages more young women to become engaged in politics, and later increases the representation of women in politics.

The presence of fellow group members as candidates may signal to women that the political system is open, fair, and/or deserving of their trust. A political system that more fully represents the diversity of the population may be viewed as more legitimate, and engaging with that system may be more attractive as a result. If female politicians are more likely to raise issues of particular relevance to women in their campaigns, they may stimulate greater interest and engagement in the

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* McDonagh, Gender and the State, 2014.
* Ibid.
* Ibid.
* Swers, Understanding the Policy Impact of Electing Women, 2001
political arena among women. The presence of women in politics may transform assumptions about the appropriateness of politics as an activity for women, thus encouraging more women to become engaged.

As the number of female candidates increase, young women are more likely to engage in politics. This theory rests on the premise of descriptive representation; when a constituent sees an aspect of their identity reflected in a candidate, the constituent may feel greater loyalty to that candidate and feel that their interests are protected and valued.

The current political climate is strongly individualistic and lacks maternalism. As a result, maternalism is solely located in non-governmental areas. The key, then, to increasing women’s representation at all levels of government, is creating a political climate in which maternalist and individualist policies work in tandem.

McDonagh suggests that the most promising strategy is for the United States to adopt quotas. She finds it unlikely that the United States would adopt a hereditary monarchy or a comprehensive welfare policy, which would require amending the constitution to include properties of social citizenship. Quotas, on the other hand, are compatible with representative democracy. The United States has employed representative democracy on the basis of location. Using representative democracy on the basis of some other grounds, such as race or gender, may be more politically palatable and could create a forum in which more women are elected to positions of political power and thereby see more education, health, and welfare legislation passed into law.

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* Wolbrecht and Campbell, Role models revisited, 2017.
* Ibid.
Work-family reconciliation policies can be understood on the basis of how they shift care responsibilities and whether that shift affects gender inequity. In terms of shifting care responsibilities, there are sequential, defamilializing, and regulatory work-family reconciliation policies. Sequential policies, as the name suggests, sequence work and care responsibilities while maintaining care provision as the responsibility of the family. Paid parental leave, for example, is a sequential policy that allows for leave from work for caregiving without threatening income security. In sequential policies, caregiving remains the responsibility of the family. Defamilializing policies shift the responsibility to provide care from families to the state via direct public provision, funding private provision, or laws for employer provision or tax incentives or subsidies for market provision. Employer mandates on childcare services, public or subsidized provision of early childhood education and care, extension of school days, and after school programs are all defamilializing policies that assume mothers are not infinitely available to work in unpaid care labor at home and that all adult members of a household may be in the labor market. Regulatory work-family reconciliation policies regulate the labor standards of home based care.

According to Merike Blofield and Juliana Martínez Franzoni, when examining work-family reconciliation policies on the grounds of how gender equity is affected, there

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* Ibid.
* Ibid.
are maternal-responsibility, maternal-responsibility-floor, and co-responsibility policies. Maternal-responsibility policies, such as generous maternity leaves, tax incentives, and cash transfers, recognize and reward care as a female responsibility without reducing the gender gap. These policies increase the value of motherhood and reinforce the idea that care work is women’s work. Not to be confused with maternal-responsibility policies, maternal-responsibility-floor policies acknowledge the roles of women in giving birth and breast feeding. Maternity leave allows women to recover physically and emotionally, to establish routines, and to bond with their child. Co-responsibility policies involve the government and men in caregiving on the basis of recognizing women’s roles as workers. State co-responsibility policies provide public or subsidized private care with hours that correspond to the work day. These policies are considered defamilializing by the framework laid out earlier. Paternal co-responsibility policies, which are considered sequential by the other framework, incentivize fathers’ involvement in caregiving. Paternal co-responsibility policies, such as paternal leave, have the potential to reorganize gender roles, reduce the gender gap in caregiving and the labor market, and reduce gender discrimination in the labor force that results from the traditional gender division of care work.

The cultural norms predicated by the American government, which is built on liberal individualist ideals, presents the greatest barrier for instituting paid parental leave

* Blofield and Franzoni, A typology of work–family policies, 2014.
* Ibid.
* Ibid.
* Ibid.
* Ibid.
* Ibid.
policies. Liberal individualist policies provide for negative rights; every person will be
treated the same in spite of their individual differences. Maternalist policies, on the other
hand, provide for positive rights specifically because of group identifications that make
some persons less advantaged than others. Equality is consistent with the idea of liberal
individualism and negative rights. In an equal society, all individuals are treated equally.
Equity, on the other hand, is aligned with maternalism and positive rights. In an equitable
society, individuals and groups are treated differently based on those differences with the
hopes that that differential treatment will lead to equity between all groups.

Liberal individualism is seemingly in conflict with maternalism. However, the
United States is one of the few countries in which this is the case. Every developed nation
except for four has liberal individualist and maternalist policies that work in tandem to
provide negative and positive rights, respectively. Fundamentally, paid parental leave is a
maternalist policy.  

Chapter 3: Trends

History of Policies Affecting Employed Parents

The United States has had an erratic history with public policies that affect working parents. Starting with Muller v. Oregon in 1903 and concluding with the most recent proposals in the 115th Congress, there has been little consensus reached about what positive group rights may be afforded to women, and particularly new mothers. As the roles of women expanded beyond the home, conflicting demands and expectations led to inconsistent policies that at once recognized the importance of women in childbearing and neglected to reform the existing American work culture to better accommodate their distinct needs.

Muller v. Oregon (1903)

Oregon’s labor laws once prohibited women from working more than ten hours per day. Curt Muller, owner of Grand Laundry, was convicted of violating these labor laws. The Supreme Court’s decision upheld restrictions on women's work hours based on a compelling state interest in protecting women and their reproductive capacity. Supreme Court Justice David Brewer’s unanimous opinion reads,

That woman's physical structure and the performance of maternal functions place her at a disadvantage in the struggle for subsistence is obvious. This is especially true when the burdens of motherhood are upon her. Even when they are not, by abundant testimony of the medical fraternity continuance for a long time on her feet at work, repeating this from day to day, tends to injurious effects upon the body, and as healthy mothers are essential to vigorous offspring, the physical well-being of woman becomes an object of public interest and care in order to preserve the strength and vigor of the race.
In this decision, the Supreme Court recognized that women are at a disadvantage to earn a living wage due to maternal responsibility. Additionally, the Supreme Court held that protecting the well-being of expectant mothers is a compelling state interest.

**Presidential Commission on the Status of Women (1961)**

On December 14th, 1961, President Kennedy created the Presidential Commission on the Status of Women (PCSW) through Executive Order 10980. Esther Peterson, director of the United States Women’s Bureau and vice-chair of the Commission, encouraged Kennedy’s appointment of Eleanor Roosevelt to the position of Chair of the Commission. Recognizing that wartime brought great opportunities to American women, Kennedy created the commission to advise him on issues concerning the status of women, stating “In every period of national emergency, women have served with distinction in widely varied capacities but thereafter have been subject to treatment as a marginal group whose skills have been inadequately utilized.”

In 1963, the Commission published *American Women: Report of the President’s Commission on the Status of Women*, which examined economic and societal trends from 1900 to 1960. In the introduction, Roosevelt writes, “Greater development of women’s potential and fuller use of their present abilities can greatly enhance the quality of American life.” The report continues to argue for greater public services to as to protect the family unit,

If the family is to continue to be the core institution of society as it has been for many centuries, new and expanded community services are

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necessary. Women can do a far more effective job as mothers and homemakers when communities provide appropriate resources and when they know how to use such resources for health, education, safety, recreation, child care, and counseling.

The first half of the 20th century saw great changes for American women. In 1920, the 19th amendment was passed, granting women the positive right to vote. Significant transformations in women’s roles were brought on as they entered the workforce at record rates after World War II. By 1967, there were 7.6 million more women working than 15 years prior. During this time, women began to marry younger, work longer, and divorce more frequently. In conjunction with a rising standard of living, these societal changes increased the need for women to work and be financially independent. At the same time, inequalities brought on by industrialization continued to mount in American cities. This poverty, rather than pauperism, blamed individuals for their inability to “attach themselves to the economy.” In many circumstances, women are faced with choices between working and taking care of children.

The PCSW report is one of the first to demand maternity benefits. Without maternal policies that respond to the economic demands on women to provide for their families as well as the societal expectations that women will also be able to perform care-work, which goes largely uncompensated and unnoticed, women will not be able to advance in a liberal democracy. The commission advocates for women to receive an

* Kaplan, AMERICAN WOMEN, 1965.
* Ibid.
* Ibid.
* Ibid.
education on physical and mental health, child rearing, and familial relations. This home management training, which encompasses nutrition, clothing, interior design, finance, leisure time, and the interaction between society and the family unit, is designed for women, rather than all people. Where the report falls short in its advocacy for programs limited to maternal issues. Promoting a culture in which men and women share the burdens of family care is critical to the betterment of society as whole.

**Hoyt v. Florida (1961)**

Gwendolyn Hoyt was convicted by an all-male jury for the murder of her husband, who had been mentally and physically abusing her. "Hoyt appealed, arguing that it was unconstitutional to exclude women from jury duty on the basis of sex." The Supreme Court held that women may be treated differently than the men on the basis of sex in regards to jury duty because women needed to be home to take care of children."

**The Civil Rights Act (1964)**

Title VII of the Civil Rights Act prohibits employers from discriminating against employees or on the basis of sex, race, color, nationality, and religion, unless there is a bonafide occupational qualification to do so.«

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* Oyez, Case 1961/31
* Ibid.

In 1946, California created a temporary insurance program, funded through a payroll tax, for employees suffering from injuries or illnesses not covered by workers’ compensation. However, the program excluded pregnant women and women who had given birth in the last month. Four female employees who had experienced complications with their pregnancies sued the state on the basis that pregnancy exclusion was sex discrimination, thereby violating the Equal Protection Clause of the Fourteenth Amendment. California excluded pregnancy because it would increase program costs by 12 to 33 percent. The Supreme Court found that under-inclusivity does not equate to discrimination. The majority opinion, delivered by Supreme Court Justice Potter Stewart, reads, “The program divides potential recipients into two groups – pregnant women and non-pregnant persons”, arguing that because there were both men and women in the second category, the policy was not sex-discriminatory. Supreme Court Justice William Brennan’s dissent argued that because pregnancy is a sex-linked condition, pregnancy discrimination is sex-based discrimination:

By singling out for less favorable treatment a [sex]-linked disability peculiar to women, the State has created a double standard for disability compensation... In effect, one set of rules is applied to females and another to males. Such dissimilar treatment of men and women, on the basis of physical characteristics inextricably linked to one sex, inevitably constitutes sex discrimination.

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* Frietsche, Exploring the Undue Burden Test
* Ibid.
* Ibid.
* Ibid.
The Equal Rights Amendment (Never Passed)*

The Equal Rights Amendment (ERA) is comprised of three sections guarantees “equality of rights under the law shall not be denied or abridged by the United States or by any state on account of sex.” Congress passed the ERA in 1972, but by 1982, only thirty five of the necessary thirty eight states had ratified it. To this day, it still has failed to reach the necessary 3/4ths of states, despite being re-introduced to every congress. On March 22, 2017, Nevada became the 36th state to ratify the ERA and Illinois is well on its way to becoming the 37th state this year."

Pregnancy Discrimination Act (1978)

The federal Pregnancy Discrimination Act (PDA) confers that “women affected by pregnancy, childbirth, or related medical conditions shall be treated the same for all employment-related purposes, including receipt of benefits under fringe benefit programs, as other persons not so affected but similar in their ability or inability to work.” However, the PDA does not provide stipulations for any form of leave, paid or unpaid, before, during, or after pregnancy, and thus proves insufficient in creating a workforce in which women are able to advance their careers while raising children."

* ERA: Home, 2018
* Ibid.
Proving pregnancy discrimination is remarkably difficult. In Young v. United Parcel Services (2015), the Supreme Court found that a person suing for pregnancy discrimination must show that another person with a disability that would require similar workplace modifications is being accommodated. In other words, if a pregnant person is not accommodated at work, she must show that another employee who needs similar accommodations for a disability is being accommodated. If there is no person of comparison, her case is moot.

The Pregnancy Discrimination Act fails to address pregnancy discrimination that may occur against young women simply due to their capacity to become pregnant. Furthermore, the subjectivity in the application of the Pregnancy Discrimination Act proves unsatisfactory for protecting employed mothers.

The Family Medical Leave Act (1993)

In response to the needs of women who were entering the workforce at record rates in the 1980s and 1990s, President Bill Clinton signed The Family and Medical Leave Act (FMLA) into law. The FMLA requires employers to offer 12 weeks of unpaid leave annually for new parents and allows them to return to their same job, unless they are in the top 10 percent of the highest paid employees. An employee seeking family leave must offer 30 days’ notice, be employed at the business for at least 12 months, and have worked a minimum of 1250 hours over the last 12 months. Only companies

* Frietsche, Exploring the Undue Burden Test
* U.S. Department of Labor, FMLA WHD, 2018
employing 50 or more people working within 75 miles of the main office must follow these guidelines."

The benefits of FMLA include human capital retention, more productive employees, lower long-term healthcare costs, lower turnover costs, lower presenteeism costs, and lower public assistance costs." Additionally, 91 percent of employers report that complying with the FMLA has had either a positive effect or no noticeable effect on employee absenteeism, turnover and morale."

The costs of FMLA include workers not showing up for shifts on time, unscheduled intermittent leave, lack of notification, and burdening other employees. When people take FMLA leave, companies most often temporarily assign work to other employees and hire outside temporary replacement workers. However, some of these costs are not connected with new parents taking leave. Intermittent leave is typically used for care of a sick family member, rather than long-term parental leave, and accounts for less than a quarter of FMLA leave." Furthermore, the potential burden faced by employees required to take on extra work is typically not as big an issue in cases of parental leave, in which employees take large periods of time off with advance notice.

* "Ibid.
* U.S. DOL, FMLA Survey, 2018
Additionally, less than 2 percent of FMLA-covered worksites reported misuse of FMLA.100

While the FMLA was an important step in recognizing the needs of working parents, the Act is not without its weaknesses. Employers that choose to offer paid leave must only offer FMLA protection for 12 weeks of whatever the paid leave term is. Of the 147,450,000101 employed persons in the United States, nearly 60 percent102 are eligible for FMLA leave. Of those who are eligible, roughly 13 percent103 take FMLA in a given year.

While the FMLA provides for unpaid parental leave, only the most financially secure parents are able to take advantage of this opportunity. Many employers voluntarily provide parental leave benefits to the employees they consider to be the most valuable (i.e. professional and managerial employees) as an investment. However, employers rarely extend this benefit to less-educated and lower salaried employees, who are not expected to stay with the organization or who they anticipate may give birth more frequently. In fact, many companies, such as Starbucks, offer paid leave to the corporate staff but not to in-store employees. Financially insecure parents are unable to take 12 weeks off work without pay, and thereby have to return to work shortly after welcoming a new child. Of those who took leave in a given year, 47 percent were paid their full salary, 16 percent were paid part of their salary, and 36 percent received no payment at all. Leave-taking is highly stratified on the basis of income. While 62 percent of people

100 Ibid.
102 U.S. DOL, FMLA Survey, 2018
103 Ibid.
who took leave and earned less than $30,000 annually were not paid at all, only 26 percent of people who earn more than $75,000 annually were not paid.***

Additionally, the FMLA does not protect employees who work at small businesses, are part time workers, or are self-employed – only 46 percent of private sector workers are covered.*** Of those who are covered, only 8-17 percent take FMLA leave.*** Furthermore, the FMLA may encourage sex discrimination because female workers are viewed as more expensive to hire. Additionally, many women still feel unable to take maternity leave when men do not take the paternity leave offered to them. Finally, the Act did not recognize same-sex marriages. United States v. Windsor revised the definition of spouse to include same-sex couples in 2015.


The Parental Leave Standard of the International Labor Organization (ILO) considers maternity protection a fundamental human right. Its goals are threefold: enabling women to combine their reproductive and productive roles successfully, preventing unequal treatment at work due to their reproductive role, and promoting equal opportunities and treatment in employment and occupation, without prejudice to health or economic security.*** To meet these goals, the ILO standard specifies 14 weeks of paid

leave of at least two-thirds of salary. Additionally, it is the recommendation of the ILO that employers not be burdened with funding paid maternity leave, so as to reduce the driving force for discrimination against women in the labor market.

The Patient Protection and Affordable Care Act (2010)

The ACA amended the Fair Labor Standards Act to protect new mothers’ right to pump breastmilk at work in the year following the birth of a child. However, only hourly and over-time employees are eligible for this protection. Salaried employees, on the other hand, are not protected by this amendment. The breastmilk pumping provision of the ACA was created to protect workers with little to no control over their breaks and workers who did not previously have access to a private area to pump. The exclusion, however, of salaried employees must be remedied.

The Strong Families Act and The Family and Medical Insurance Leave Act

Two paid parental leave policies have been proposed in the 115th Congress: the Strong Families Act (SFA) and the Family and Medical Insurance Leave Act (FAMILY). Introduced by Senator Deb Fischer (R-NE), the Strong Families Act proposes granting employers tax credits for providing new mothers two to 12 weeks of paid maternity leave, capped at $3000. This translates to a weekly benefit of only $250. Furthermore,


Grant and Patel, Expecting Better, 2005.
this Act ignores the roles of fathers in caregiving and has the potential to continue to produce gender inequity. The FAMILY Act, introduced by Representative Rosa Delauro (D-CT) and Senator Kirsten Gillibrand (D-NY) would provide 12 weeks of paid family leave to new parents and people caring for ill family members. Those who opt into the program would be eligible to receive two-thirds of their wages. However, both of these policies fall short of the international standard for maternity leave. The SFA would provide for 5.4 weeks of full paid leave and the FAMILY Act would provide for eight weeks of full paid leave. Figure 3.1 reflects how these leave policies fall well behind those implemented in other countries. Additionally, neither of these policies pay full wages and instead offer wage replacement rates of 50 percent and 66 percent, respectively. Again, failure to provide full wage replacement is insufficient for encouraging financially insecure parents from taking leave.

(Figure 3.1)

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113 Ibid.
114 Ibid.
115 Ibid.
Workforce Trends

The demography of the American labor force has changed markedly, but the public policies affecting the labor force has lagged behind. As a result, women, and particularly women of color and low-income women, experience social and economic lag behind their male counterparts. Rosanna Hertz documents the changes in the American workforce and family structure observed in the last century:

For dual-career couples, the American Dream is a combination of the old and the new. What is old is the desire for achievement and with it a measure of self-sufficiency. Achievement means upward progression in rank, responsibility and influence, status, and quite commonly, pay. Self-sufficiency means the ability to transform achievement into independence, to “make a life” that is distinctly one’s own. What’s new is the fact that both spouses now want achievement and self-sufficiency. Both want that upward progression and perhaps, a greater and swifter measure of self-sufficiency.¹⁶

Further, Hertz examines why dual-careerism has left many dual-career couples with new challenges. First, the work-force has been modeled around individual male work schedules consistent with the gender dynamics in effect during the 1940s. Second, women that enter the male-dominated labor market are often faced with “tests of manhood” in which they are measured on whether their personal responsibilities, still unchanged, conflict with their professional commitments. Finally, the solution individual dual-career couples finds often perpetuates the issues of caregiving: high income individuals outsource their caregiving to low income women, primarily women of color, thereby contributing to a system in which the economically and socially most disadvantaged are less able to invest time into their own children.

Since 1945, women have been steadily increasing their participation in the workforce. Figures 3.2-3.18 are extracted from the website of the US Bureau of Labor. A significant upward trend is evident in 1970 continuing up to the present day, the result of which is near parity with men in terms of numbers in the US labor force." This trend is grounded in the civil rights movement and women’s rights movement. Additionally, an increase in the number of women attending college, rising divorce rates, and an ever climbing standard of living contributed to the rise of dual-career households.

In the last 70 years, men and women have moved closer towards parity in labor market shares as the participation rate of women in every age group increased markedly (Figure 3.2). However, this trend does not equate to the economic equity of the sexes.

(Figure 3.2) Share of Civilian Labor Force Participation by Sex

![Image of graph showing labor force participation by sex]

Figure 3.3 illustrates women’s labor force participation over time by age. As women gained larger shares of the civilian labor market, the average age of first time mothers has also increased In 2016, the average age of mothers at first birth in the United

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States was 26.4 years old. Since 1970, this age has increased from 21.4 years old.

Women aged 24 to 44 have exhibited the most marked increases in labor force participation.

(Figure 3.3) Women’s Labor Force Participation over Time by Age

From ages 16-24, the labor force participation rates of men and women are fairly similar. However, as women enter peak childbearing years, they occupy a smaller share of the labor market. This trend, observed in Figure 3.4, does not dissipate as men and women enter older age brackets. Instead, it appears that those women who continue working through peak childbearing years retain their jobs and those who exit the labor market are unable to re-enter, thereby creating a disparity between the labor force participation rates of men and women.

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The labor force participation rates of women have increased across racial and ethnic groups (Figure 3.5). The labor force participation rates of Black women in the workforce has surpassed that of white women, while the labor force participation rate of Asian women in the labor force has decreased in the past decade, although data specifically on Asian women in the workforce was not collected prior to 2000.
At every level of educational attainment, men hold a greater share of the labor market than women (Figure 3.6). However, women earn a higher percentage of degrees at every educational attainment level, a trend that has been observed for nearly two decades.\(^\text{10}\)

Additionally, Black and Hispanic women participate in the labor force at a higher rate at every educational level in comparison to white women (Figure 3.7).

(Figure 3.7) Women’s Labor Force Participation Rate by Educational Attainment, Race, and Ethnicity
Labor force participation rates must be understood in conjunction with pay. As women have continued to enter the labor force, the contribution of wives’ earnings to family income has increased as well, meaning that a woman’s pay has become increasingly important to the well-being of her family. Figure 3.8 depicts this trend. In 1970, wives’ earnings constituted roughly 27 percent of the family’s income. Today, wives’ earnings are more than 37 percent of the family’s income. However, women make up more than 50% of the labor market in 20 out of the 25 lowest paying careers.\textsuperscript{121}

(Figure 3.8) Wives’ Contribution to Family Income over Time

More than a third of mothers are unmarried and a quarter of families with children under the age of 18 are maintained by the mothers (Figure 3.9 and Figure 3.10). This is not to say that married women do not contribute to the financial security of their family.

\textsuperscript{121} NCES, Fast Facts, 2018
As mentioned above, the contribution of wives’ earnings to family income has risen steadily.

(Figure 3.9) Marital Status of New Mothers

![Marital status of women with births in the last 12 months](chart)

Note: Based on women 15-50 years of age. Unmarried women include those who are never married, widowed, and divorced.

Source: U.S. Census Bureau, 2013 American Community Survey (ACS) 1-year estimates/ Chart by the Women's Bureau, U.S. Department of Labor

(Figure 3.10) Family Status of Families with Children Under 18

![Type of families with children under 18, 2013 annual averages](chart)

Note: Families maintained by mother and families maintained by father have no spouse present.


As one would expect, the labor force participation rate of women and mothers has grown simultaneously (Figure 3.11).
In fact, a higher percentage of mothers with children under the age of 18 work than all women. Fathers and men exhibit this trend as well. However, a much greater share of fathers with children under the age of 18 participate in the labor force. Figure 3.12 depicts the labor force participation rate disparity between women, men, mothers, and fathers.

(Figure 3.12) Labor Force Participation Rates of Women, Men, Mothers, and Fathers
Since 1975, the labor force participation rates of mothers with their youngest children in every age group has increased. Mothers with children under three years of age have seen an increase of 26 percent in labor force participation (Figure 3.13). As the age of the youngest child increases, so does the labor force participation rate of mothers. This trends suggests that many mothers desire or need to return to work while raising children.

(Figure 3.13) Labor Force Participation Rates of Mothers by Age of Youngest Child

Of mothers who have given birth within the last 12 months, 62 percent are employed. As the age of the youngest child increases, so does the labor force participation rate of mothers (Figure 3.14). This trends suggests that many mothers desire or need to return to work while raising children. Additionally, mothers who are unmarried, divorced, widowed, separated, or married but not with a spouse present participate in the labor force at a higher rate than married women.

122 NCES, Fast Facts, 2018
123 Ibid.
Figure 3.15 depicts the relationship between sex, marital status, age of youngest child, and labor force participation. No matter the age of the youngest child, fathers participate in the labor force at higher rates than mothers. Mothers without a spouse present participate in the labor force at a higher rate than mothers with a spouse present for every age group. Conversely, fathers without a spouse present participate in the labor force less than fathers with a spouse.
(Figure 3.15) Labor Force Participation Rates by Sex, Marital Status, and Age of Youngest Child

Unemployment is experienced differently by women and men, and mothers and fathers (Figure 3.16). Mothers exhibit a higher unemployment rate than do women in general. Fathers, on the other hand, exhibit a lower unemployment rates than all men in general. Additionally, mothers with younger children are unemployed at higher rates than mothers with older children.
Figure 3.17 reflects data on the primary source of family income, age of youngest child, and employment. Mothers who are never married, divorced, widowed, separated, or married without a spouse present are unemployed at two to three times higher rates, depending on the age of the youngest child, than are married mothers who have a spouse present.\textsuperscript{124} Mothers who are never married, divorced, widowed, separated, or married without a spouse present, who also have children under the age of three experience the highest level of unemployment among mothers.\textsuperscript{125} Fathers are employed at similar rates in families in which the father is the primary breadwinner, regardless of how old the youngest child is.\textsuperscript{126} In families in which the mother is the primary breadwinner, however, mothers with younger children have lower employment rates than do those with older

\textsuperscript{124} NCES, Fast Facts, 2018
\textsuperscript{125} Ibid.
\textsuperscript{126} Ibid.
Mothers work less than fathers in married-couple families, particularly those in which the children are under six years of age.\textsuperscript{127}

\textbf{Figure 3.17} Family Status, Age of Youngest Child, and Employment

Mothers without a spouse earn less than their married counterparts and male counterparts. Furthermore, mothers without a spouse present and with children under six earn the least of any subgroup (Figure 3.18).

\textsuperscript{127} NCES, Fast Facts, 2018
\textsuperscript{128} Ibid.
The demography of the American labor force has dramatically changed, but the public policies affecting the labor force has not. Women and Men are almost at parity in labor work force participation, but this trend does not equate to the economic equity of the sexes. Recognition of working mothers challenges (physical, time, level of complexity) as well as the needs of children are not reflected in existing policies. Family structures are vastly different today with many households being managed by single, divorced, widowed women. Many families now need both parents to work to meet the rising cost of living leaving many families with two wage earners both trying to juggle the demands of work and family needs.

Together, the data reflects the labor market disparities between men and women, married and unmarried parents, and parents of different races and educational attainment levels. Over time, women’s share of the labor market has increased. Simultaneously, women’s income has become increasingly important to the economic well-being of a
family. Additionally, women with young children are working more than they have historically. However, as women enter their peak childbearing years, they occupy a smaller portion of the labor market and mothers experience greater rates of unemployment than their male counterparts. Paid parental leave could reduce the Brain Drain that results from new mothers exiting the labor market, by providing job security and economic incentives to new parents. Furthermore, these benefits could then increase women’s labor force attachment and in turn increase labor force participation during peak childbearing years. Mothers’ unemployment rates may then fall closer to that of fathers. Women of color participate in the labor force at greater rates than white women at every level of educational attainment. Paid parental leave may benefit women of color who are also mothers greatly. The Bureau of Labor Statistics does not report data on same-sex couples, limiting the specificity of this report.

All of these facts don’t encompass the emotional and physical needs of providing the proper environment to nurture physically and emotionally healthy children. Preventative health care, physical and mental, requires parental involvement. Parents should not have to choose between the basic necessities of food and shelter and taking care of their children at their most vulnerable time. Proactively helping parents succeed at both benefits the family and the country.
Health Trends

Children

Children benefit from having a parent present in the first months of life. In the United States, children with mothers who return to work within 3 months of giving birth are less likely to be breastfed, have their immunizations, and receive regular medical care. These same children are more likely to have behavioral problems.\textsuperscript{139} Parents who are able to take paid time off work are able to invest time into their child’s health by taking them to regular doctor visits, vaccinating them, and breastfeeding longer, resulting in lower rates of infant mortality.\textsuperscript{129, 130}

The United States has the highest infant mortality rate (5.8 of every 1000 live births) of all developed nations.\textsuperscript{132} Further, the infant mortality rate of Black infants is more than twice that of white infants.\textsuperscript{133} 10 weeks of paid leave has been shown to reduce infant mortality by as much as 10 percent.\textsuperscript{134} The CDC, the US Surgeon General, the American Academy of Pediatrics, and the World Health Organization have repeatedly


\textsuperscript{133} PL+US, Haves And Have Nots Of Paid Family Leave, 2018.

\textsuperscript{134} Ibid.
stated the importance of breastfeeding and recommend a full six months.\textsuperscript{135} The benefits of breastfeeding include lower incidence of disease, reduced infant mortality, and improved cognitive abilities.\textsuperscript{136}

Again, although this may be due to other factors, children who have been breastfed show lower risk of SIDs, necrotizing enterocolitis, respiratory infections, high blood pressure, diabetes, asthma, obesity, and childhood leukemia.\textsuperscript{137} SIDS (sudden infant death syndrome) alone is responsible for 21 percent of infant deaths.\textsuperscript{138} Without access to paid leave, many mothers cannot take time off work to breastfeed at all, or may be forced to stop breastfeeding before they would like. One study showed that 90 percent of mothers who stopped breastfeeding within the first six weeks wanted to continue breastfeeding, but were unable to. Furthermore, mothers who return to work within the first six weeks are 40 percent less likely to breastfeed than those who take 12 or more weeks off work.\textsuperscript{139} In California, paid family leave doubled the amount of time new mothers breastfed their children.\textsuperscript{140}

It could be that the long-term benefits of paid parental leave on child health are very high. Children whose parents were able to take paid parental leave exhibited higher IQ and educational attainment, as well as lower dropout rates and teenage pregnancies.\textsuperscript{141}

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\textsuperscript{135} Burtle and Bevruchka, Population health and paid parental leave, 2016.
\textsuperscript{137} Burtle and Bevruchka, Population health and paid parental leave, 2016.
\textsuperscript{138} Ibid.
\textsuperscript{139} Ibid.
\textsuperscript{140} PL+US, Haves And Have Nots Of Paid Family Leave, 2018.
\textsuperscript{141} Burtle and Bevruchka, Population health and paid parental leave, 2016.
\end{flushright}
The health outcomes observed after implementing a paid parental leave policy when there previously was none are different from the health outcomes observed after extending an existing paid parental leave policy. While extending paid leave policies have been shown to have no lasting effects on child health outcomes, the introduction of paid leave programs have led to marked improvements in these same outcomes. When the paid leave program in Canada was extended from six months to one year, the time a mother spent at home increased, as did breastfeeding rates, but children saw no cognitive or behavioral changes.142 Similarly, when Sweden extended paid leave from 12 to 15 months, no cognitive changes were observed in children.143 The extension of paid leave also fails to improve educational attainment or future earnings. Extending paid leave in Denmark from 14 to 20 weeks failed to improve educational attainment. Germany expanded paid leave from two to six months, and found no effects on educational attainment or future earnings.144 Unlike extensions of paid leave, the introduction of paid leave programs have led to improvements in child health. Norway introduced four month maternity leave, which led to a two percent decline in the high school drop-out rate and five percent increase in future earnings.145 The use of Temporary Disability Insurance for paid parental leave in the United States has led to a five percent decrease in low birth rates and eight percent decrease in pre-term births.146 California’s Paid Family Leave

144 Ibid.
145 Ibid.
146 Ibid.
program has increased breastfeeding rates by 10 to 20 percent. The health benefits of paid parental leave seem to be capped at six months; paid leave periods lasting longer than six months have shown no impact on children’s health outcomes.

Paid parental leave has been found to be a cost-effective means to improve child health and long-term outcomes. One study proposes that suboptimal breastfeeding accounts for 3,340 premature deaths, $3 billion dollars in medical costs and $17.4 billion in societal costs.

Mothers

Not only are the first several months of life important for a child’s health, but for the mothers’ as well. Mothers who take less maternity leave have higher rates of depression. Mothers who were able to take maternity leave saw improvements in mental health. Interestingly, there seems to be an ideal length of leave to produce the greatest health benefits to mothers; mothers who had access to 50 weeks of paid leave saw higher incidence of depression than mothers who had access to 25 weeks of paid leave. This trend suggests that mothers may exhibit depressive symptoms due to lack of occupational stimulation.

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Ibid.


There are however, several potential health-related costs to paid parental leave. For example, providing paid parental leave may encourage some expectant mothers to work early in their pregnancies so as to meet requirements for paid leave, potentially creating a more stressful environment for a fetus. Additionally, the economic benefits of paid parental leave may encourage more people to have children while they are in unstable relationships. Family instability is associated with negative health and economic outcomes for both children and their parents. Adults in unstable relationships exhibited more economic insecurity, higher stress, and less parental involvement. Children with parents in an unstable relationship are more likely to exhibit problem behavior, graduate high school, and have poor emotional health.

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Economic Trends

The economic ramifications of unpaid parental leave prevent parents from taking parental leave and threaten the economic security of those who do. In the absence of federal paid parental leave, many women cannot afford to take time off work to care for new children. Yet, new mothers are expected to play the primary role of caring for children. Even if a new mother continues to work, the financial burden of childcare further plunges women into poverty. Childcare in the United States has reached astronomical costs. Childcare for children under the age of four costs, on average, more than $9,000 per year, which equates to 18 percent of the median household income and 64 percent of income for minimum wage earners.  

New Parents

Employed and expectant mothers have three options: keep working through pregnancy, take paid leave, or quit. Increased leave taking may occur due to employed mothers taking more time off work or because mothers who would have quit their jobs in the absence of paid leave were able to continue their employment. Paid leave better equips new parents with the ability to choose the path that works the best for them. Furthermore, gives parents the economic security to take care of a new child without losing their job if they desire to continue working. Roughly 80 percent of people who were eligible for unpaid leave did not take it because it was unpaid. An additional 84 percent of workers with partial paid leave reported having difficulty paying their bills.

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during periods of leave. Increased leave taking occurs through two channels: women who would have continued working in the absence of paid leave and women who would have quit their jobs in the absence of paid leave. Paid parental leave allows the latter group to maintain job continuity, accrue raises, and rely less on public assistance.

By protecting new parents’ jobs, paid leave strengthens workforce attachment and stability. Women who receive paid leave are more likely to be working nine months to a year later. Paid leave also reduces the “motherhood penalty”, in which women who stop working for a year or more experience a reduction in wages and hours when they re-enter the labor market. Women who are employed before, during, and after their pregnancy at the same place of employment do not experience a reduction in wages when provided with paid leave. However, increased leave-taking may result in fewer opportunities for promotion and advancement. The economic benefits of paid leave seem to be capped at one year; leaves lasting longer than 12 months can negatively impact long-term wages, employment, and promotions.

California Paid Family Leave (CA-PFL) increased the average length of maternity leave from three to seven weeks. This led to a six to nine percent increase in average weekly work hours and wages for employed mothers. The increase in duration of leave

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159 Rossin-Slater et al., The Effects of California’s Paid Family Leave Program, 2013.
taking, hours worked, and wages served to reduce inequity. Women with a high school diploma (three weeks), unmarried mothers (four weeks), and black and Hispanic mothers (six weeks) saw the largest increases in leave taking after the implementation of CA-PFL relative to their college educated (one week), married (three weeks), and white (two weeks) counterparts.\textsuperscript{160}

Low-income workers are less able to afford paid caretaking, which then leads low-income mothers to drop out of the workforce to care for their children. Additionally, the unpredictable work schedule that is typical of minimum wage employment presents an additional obstacle for low-income workers seeking childcare.\textsuperscript{161}

Paid leave reduces the number of men and women receiving public assistance and food stamps. Women who take paid leave receive an average of $413 less from public assistance than those who do not take paid leave.\textsuperscript{162} Women who receive paid leave are 6 percent less likely to receive public assistance.\textsuperscript{163} Additionally, it seems that the longer the paid leave, the less likely it is for a woman to receive public assistance. Women who take 30 days or more of paid leave are 43 percent less likely to increase their dependence upon public assistance after welcoming a new child.\textsuperscript{164} Paid leave also decreases the number of men and women who rely on food stamps. Women who receive paid leave are 40 percent less likely to rely on food stamps and 60 percent less likely to increase

\begin{thebibliography}{1}
\bibitem{160} Rossin-Slater et al., The Effects of California’s Paid Family Leave Program, 2013.
\bibitem{161} PL+US, Haves And Have Nots Of Paid Family Leave, 2018.
\bibitem{162} Houser and Vartanian, Pay matters, 2012.
\bibitem{163} Ibid.
\bibitem{164} Ibid.
\end{thebibliography}
reliance on food stamps after welcoming a new child.\textsuperscript{165} Women who are not married and women in low-income households see the most drastic affects.

Paid parental leave may also serve to narrow the gender wage gap, which was 19.5 percent in 2016.\textsuperscript{166} It is a common misconception that closing the gender wage gap is a zero-sum game, meaning that increases for women mean decreases for men. For the gender wage gap to close, women’s wages must increase at a higher rate than men’s.\textsuperscript{167} In practice, this can only occur in a productive economy in which real wages are rising. Women occupy more part-time positions and positions with hours that vary weekly.\textsuperscript{168}

There does, however, seem to be a non-linear relationship between duration of paid leave policies and economic benefits to new parents, suggesting that there is an ideal length of time for paid leave. New parents amass benefits for one year, after which, paid leave negatively affects parents. Leaves lasting more than a year can have a negative impact on earnings, employment, and career advancement. The creation or extension of paid leave policies increased the probability that women would return to their job after taking leave in Canada (22 percent) and Germany (12 percent).\textsuperscript{169} However, extending paid leave policy past one year led to a decrease of mothers’ wages in France and Austria.

\textsuperscript{165} Houser and Vartanian, \textit{Pay matters}, 2012.
\textsuperscript{167} IWPR, "The Gender Wage Gap, 2017.
\textsuperscript{168} Ibid.
\textsuperscript{169} Rossin-Slater, \textit{Maternity and family leave policy}, 2017.
Paid parental leave may have negative effects on women’s labor market outcomes by encouraging employers to discriminate against women in the hiring process or offer lower wages. After the implementation of CA-PFL, women’s labor force participation rate, unemployment rate, and duration of unemployment increased.\(^{170}\)

**Employers**

Employers face direct and indirect costs to paid parental leave. However, there is also a slew of benefits they are afforded by providing paid leave. Direct costs include profitability, operating costs, and total wage. Depending on the structure of the paid leave program, it may cost employers to provide paid parental leave. Payroll-funded paid leave occurs at no direct cost to employers; a tax is levied on all employee paychecks, creating a paid leave fund. All five states that provide paid parental leave use a payroll tax. Other countries fund paid parental leave through national healthcare, which again comes at no direct cost to the employer. Employers would be required to bear the costs of a parental leave program if the business itself was taxed. This is an unpopular structure as it may lead to discrimination against women.\(^{171}\)

Indirect costs of paid parental leave include productivity, morale, and workplace resentment. However, state-level paid leave policies have had little to no negative impact on productivity, morale, profitability, turnover, operating costs, or total wage.\(^{172}\)

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\(^{172}\) Ibid
Employers stand to gain a great deal by providing parental leave policies. By protecting new parents’ jobs, paid leave reduces turnover costs for the employer.\textsuperscript{173} Replacing an employee can cost anywhere from one month to several years’ salary, depending on the level of the position.\textsuperscript{174}

\textsuperscript{173} Houser and Vartanian, \textit{Pay matters}, 2012.
Corporate-provided parental leave

Some policymakers argue that corporations should be able to determine whether or not, and to what extent, they will offer paid parental leave because of financial constraints and varying corporate structures. However, this operates primarily to the benefit of high-earning employees and to the detriment of hourly earners. 94 percent of low-income workers do not have access to paid parental leave.\footnote{PL+US, Haves And Have Nots Of Paid Family Leave, 2018.} In fact, those who earn at least $75,000 are twice as likely to have access to paid parental leave than those who earn less than $30,000.\footnote{Ibid.} Additionally, almost half of those earning less than $30,000 without access to paid parental leave sought public assistance.\footnote{Ibid.} Again, this lack of access to paid family leave has negative effects on both mothers and children, and has particularly negative impacts on low-income mothers and mothers of color.

Corporate-provided parental leave is far from uniform. While some companies offer equal parental leave benefits to their hourly and salaried employers, others extend benefits only to those in executive positions. Some companies that offer parental leave benefits to hourly employees choose to exclude part-time workers, giving corporations an easy loophole to hire more workers part time, thereby reducing the cost of paid family leave. Walmart, the largest employer in the United States, uses this cost-reduction strategy. Walmart has been reported of limiting employees from exceeding a certain number of hours so that they are unable to qualify both for paid corporate leave as well as
unpaid FMLA leave. This policy negatively affects all employees. Of their 1.2 million retail workers, 42 percent are people of color.\textsuperscript{178}

Walmart is not alone in paid leave discrimination against hourly workers.

Yum!Brands, the parent corporation of KFC, Pizza Hut, Taco Bell, and Wingstreet, offers 18 weeks of paid leave for corporate mothers, 6 weeks for adoptive parents and fathers who work in corporate offices, but nothing for their hourly employees.

Some companies offer benefits to birth mothers, but do not recognize the role of fathers in early childhood caregiving. Policies like these offer no benefits to male same-sex couples, adoptive parents, or fathers. Corporate employees of Starbucks have two to three times more paid leave than do hourly employees.\textsuperscript{179} Corporate mothers at Starbucks are entitled to 18 weeks of full paid leave; corporate fathers receive 12 weeks of paid leave.\textsuperscript{180} However, in-store employees who are birth-mothers receive only six weeks of paid leave.\textsuperscript{181} Starbucks offers no benefits to fathers or adoptive parents. Additionally, Starbucks employees 155,000 people nationally, 5,000 of whom work in corporate offices; the remaining 150,000 are hourly employees.\textsuperscript{182} Starbucks is a clear example of a company offering benefits only to their highest earners and only recognizing the role of women in caregiving.

Other companies offer all hourly and salaried employees paid leave, but exempt part-time workers. Under such a policy, a corporation can tout social progressivity whilst

\textsuperscript{178} PL+US, Haves And Have Nots Of Paid Family Leave, 2018.
\textsuperscript{179} Ibid.
\textsuperscript{180} Ibid.
\textsuperscript{181} Ibid.
\textsuperscript{182} Ibid.
using cost-reduction strategies that exclude major segments of their workforce from leave benefits. For example, Nike hourly and salaried birth mothers are eligible for 14 weeks of paid family leave and all new parents are eligible for eight weeks of paid family leave. However, Nike explicitly exempts part-time employees. Considering Nike’s history of using sweatshop labor, it should not come as a shock that they employ such cost-cutting strategies as making part-time employees ineligible for paid family leave.

There are some companies, however, that seem to get it right. Ikea offers four months of paid parental leave to all hourly and salaried employees. Levi’s provides for 16 weeks paid family leave for birth mothers and eight weeks paid family leave for new parents. Nordstrom too gives 12 weeks of paid family leave for birth mothers and six weeks paid family leave for new parents. Bank of America, Wells Fargo, JPMorgan Chase, Hilton, and Apple all provide equal paid parental leave to all of their employees.

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184 Ibid.
185 Ibid.
186 Ibid.
**State-run Parental Leave**

The existing patchwork of state paid parental leave laws is insufficient in meeting the needs of working new parents. As of the date of publication, five states and the District of Columbia have implemented or passed Paid Parental Leave (PPL) regulations. California, New Jersey, Rhode Island, and New York have administered PPL through Temporary Disability Insurance (TDI) programs. Washington and Washington D.C. passed PPL legislation in 2017 that will become effective in 2020. All state-run PPL programs provide paid leave for the birth, adoption, or fostering of a new child.

**California**

In 2002, California became the first state to pass PPL legislation.187 The initial program was implemented in 2004 and was revised in 2016. The new program, effective January 1, 2018, provides for six weeks of paid leave at 55 percent of the weekly wage up to a maximum of $1173.188 Employees whose quarterly earnings amount to $929 but are less than one third of the average California quarterly wage will receive benefits at 70 percent of their weekly wage. Employees whose quarterly earnings amount to at least one third of the average California quarterly wage will receive benefits at 23.3 percent of the California average weekly wage or 60 percent of their weekly wage, whichever is greater. Employees whose quarterly earnings are less than $929 will receive a flat benefit rate of

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$50 per week.\textsuperscript{189} In order to be eligible for PPL, an employee must have earned at least $300 during the base period.\textsuperscript{190} California’s PPL program is funded through a 0.9 percent tax on annual wages.\textsuperscript{191} All private sector and some public sector employers are covered; self employed persons can opt-in.\textsuperscript{192} Unlike the FMLA, CA-PFL covers all private employers, regardless of size. However, CA-PFL does not provide job protection during the leave period. An employee must take FMLA and CA-PFL concurrently, which then creates job-protection.

California’s Paid Family Leave/Family Temporary Disability Insurance spreads the “risk” of having a child and wanting to take time off across employees. Employees pay an average of $30 per year into the paid leave fund through payroll deductions. In order to be eligible, a new parent must take California Paid Family leave as the same time as FMLA leave and the California Family Rights Act, both of which provide for 12 weeks of unpaid leave.\textsuperscript{193} Additionally, the new parent must participate in State Disability Insurance. Unlike the FMLA, the California Paid Family Leave/Temporary Disability Insurance does not have a minimum number of employees.\textsuperscript{194}

\textsuperscript{189} National Partnership for Women & Families, State Leave Laws, 2018.
\textsuperscript{190} Ibid.
\textsuperscript{191} Ibid.
\textsuperscript{192} Ibid.
In 2013, more than 202,000 Californians filed for CA-PFL. Of those claims, 87 percent were for new parents. Three in ten new births will have a parent take paid leave. The average duration of leave increased by one to three weeks. These increases were even more significant for less educated, unmarried, and racial minority mothers. Before CA-PFL, black mothers (two percent), Hispanic mothers (four percent), mothers with a high school diploma or less (2.4 percent), and unmarried mothers (two percent) had the lowest rates of leave-taking. After the implementation of CA-PFL, black mothers (12.6%), Hispanic mothers (10.2%), mothers with a high school diploma (7.4%), and unmarried mothers (9.2%), all experienced large increases in leave-taking rates.

One study found that California’s Paid Family Leave/Family Temporary Disability Insurance has had a positive or no negative effect on profitability and performance, productivity, turnover, and employee morale. However, instituting paid parental leave may lead to discrimination against women of child bearing ages.

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196 Bartel et al., California’s paid family leave law, 2014.
197 Ibid.
198 Ibid.
199 Ibid.
201 Rossin-Slater et al., California's paid family leave program, 2013.
However, more than half of working Californians were unaware of CA-PFL. \footnote{Bartel et al., California’s paid family leave law, 2014.} Of those who knew about CA-PFL, a third did not utilize the program for fear of upsetting their employer or of losing out on advancement opportunities. \footnote{Ibid.} Yet, 90 percent of employers have reported positive or no effects on productivity, profitability, morale, and general operating costs. \footnote{Ibid.}

A drawback of California’s Paid Family Leave/Family Temporary Disability Insurance is that it provides only 55 percent of weekly wages during parental leave, which inhibits many low-income workers from taking leave. A nationwide rollout of paid parental leave at a higher pay rate would allow for more low-income women to take paid parental leave. \footnote{Joseph, Instituting California’s Paid Parental Leave Program Nationwide, 2017.}

**New Jersey**

New Jersey passed PPL legislation in 2008 and began implementation the following year. Under New Jersey’s PPL, new parents are eligible for six weeks of paid leave at 66 percent of their average weekly wage up to a maximum weekly benefit of $633. \footnote{National Partnership for Women & Families, State Leave Laws, 2018.} In order to be eligible for New Jersey’s PPL, employees must have been working for 20 weeks, during which time they must have earned $168 or more each week or a total of $8400. \footnote{Ibid.} This program is funded through a 0.1% tax on the taxable base wage of
$33,500. All private and public sector employers are covered. This program costs individual employees less than one dollar per week.

**Rhode Island**

Rhode Island began providing four weeks of PPL in 2014 after leveraging a 1.2 percent tax on the taxable base wage of $68,100. Beneficiaries receive 4.62 percent of their wages, up to a maximum $817, earned during the greatest quarter of the base period. In order to be eligible for PPL in Rhode Island, an employee must be employed, (a) have paid into TDI and earned at least $11,520 during the base period or (b) earned $1920 during a quarter of the base period, have a total base period taxable wage that is at least 1.5 times more than their highest quarter, and have taxable wages of at least $3840 during the base period. All private sector and some public-sector employers are covered.

**New York**

New York is the most recent state to have implemented PPL. After passing the Paid Family Leave Benefits Law in 2016, New York has started providing eight weeks of paid leave at a rate of 50 percent of an employee’s average weekly wage, up to the state

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211 Ibid.
212 Ibid.
213 Ibid.
average weekly wage.\textsuperscript{215} By 2021, New York will provide 12 weeks of paid leave at a rate of 67 percent of average weekly wages.\textsuperscript{216} Employees working for a covered employer for 26 or more consecutive weeks are eligible to receive paid leave.\textsuperscript{217} Most private sector and some public-sector employers are eligible; self-employer persons may opt-in. New York’s PPL is funded through a .62% tax on wages.\textsuperscript{218}

**Washington D.C.**

As of 2017, Washington D.C. has plans to unroll eight weeks of PPL by 2020. Employees who earn wages less than or equal to 60 times the D.C. minimum wage will receive 90 percent of their average weekly wage.\textsuperscript{219} Employees who are paid more than 60 times the D.C. minimum wage will receive 90 percent of their average weekly wage up to the threshold of 60 times the D.C. minimum wage, at which point they will receive additional benefits at a rate of 50 percent.\textsuperscript{220} No weekly benefits may exceed $1000.\textsuperscript{221} In order to be eligible for this program, employees must spend 50 percent or more of their worktime in DC for a covered employer for a year; self-employed persons must have


\textsuperscript{216} National Partnership for Women & Families, State Leave Laws, 2018.

\textsuperscript{217} Ibid.


\textsuperscript{219} National Partnership for Women & Families, State Leave Laws, 2018.

\textsuperscript{220} Ibid.

\textsuperscript{221} Ibid.
earned self-employment income and spent 50% of their time working in DC for a year and also must have opted into the paid leave program. A 4 percent payroll tax on the taxable base wage funds Washington D.C.’s Universal Paid Leave Implementation Fund program. Employers may deduct the premium for family leave from the wages of each employee and employers with fewer than 50 employees are not required to pay their portion – if they do pay, they are eligible for state assistance. Employers with 150 employees or less are eligible for state assistance with premiums. All private sector employers are covered and self-employed persons may opt-in. No public-sector employers are covered under this program.

Washington State

Most recently, Washington State passed PPL legislation in 2017 that will become effective in 2020. Eligible employees in Washington State will be able to take 12 weeks of paid leave; if a birth mother experiences serious pregnancy-related health issues, this leave is extended to 18 weeks. Employees earning 50 percent of the Washington State average weekly wage or less receive benefits at a rate of 90 percent of their average weekly wages. Employees earning more than 50 percent of the Washington State average weekly wage will receive benefits at a rate of 90 percent of their average weekly wages.

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224 Ibid.
225 Ibid.
226 Ibid.
wages.\textsuperscript{228} The maximum weekly benefit may not exceed 50 percent of Washington State average weekly wage plus 50 percent of individual average weekly wage or $1000.\textsuperscript{229} In order to be eligible for this program, employees must have worked for four of the five quarters prior to their leave and must have worked at least 820 hours in those four quarters.\textsuperscript{230} All employers are covered and self-employed persons can opt-in. Employers with 50 or less employees are not required to pay into the fund.\textsuperscript{231} Employers with 150 or less employees are eligible for federal assistance.\textsuperscript{232} Washington State will fund this program through a 0.4 percent tax on the taxable wage base.\textsuperscript{233}

\textsuperscript{228} National Partnership for Women & Families, State Leave Laws, 2018.
\textsuperscript{229} Ibid.
\textsuperscript{230} Ibid.
\textsuperscript{231} Ibid.
\textsuperscript{232} Ibid.
\textsuperscript{233} Ibid.
International Paid Parental Leave

A comprehensive look at the parental benefit programs provided in other countries is imperative to understand the costs and benefits of each program structure. Due to language constraints, I focused on 11 countries: France, the United Kingdom, Germany, Canada, Australia, Sweden, Switzerland, New Zealand, Denmark, Finland, and Norway. This section specifically looks at the presence of maternity leave, maternity pay, paternity leave, paternity pay, shared parental leave, and shared parental pay. Some countries choose to prioritize shared benefits over individual benefits, while others do the opposite. The results of this analysis are summarized in Figure 3.18. An additional analysis on the relationship between individual benefits and shared benefits is provided in Figure 3.19. Shared benefits were classified as not shared, hybrid, or shared, while individual benefits were graded on a scale of low to high. Finally, Figure 3.20 reflects which countries fund their parental benefit programs through healthcare insurance, employment insurance, or general taxation. All data in this section is from the Leave Network; each country is cited at the title.
(Figure 3.18) National Parental Benefits

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<th>Paternity Pay</th>
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(Figure 3.19) Individual v. Shared Parental Leave Benefits

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(Figure 3.20) Parental Leave Benefit Funding Schemas

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<th>Employment Insurance</th>
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</table>
France: Parental Benefit Programs

Maternity Leave
Maternity leave in France lasts 16 weeks, the first 8 weeks of which are mandatory. For a third child, maternity leave is extended to 26 weeks. For multiple births, maternity leave is extended to 36 weeks.

Maternity Pay
Mothers on maternity leave are paid 100% of their wages up to a weekly cap of $663.19.

Paternity Leave
Paternity leave in France lasts 11 days.

Paternity Pay
During paternity leave, fathers are paid 100% of their wages up to a weekly cap of $663.19.

Adoption Leave
Adoption leave is 10 weeks for a single child and 22 weeks for multiple children. If adopting a third child in a household, leave is extended to 18 weeks.

Self-employed Parental Leave
France also provides parental leave for self-employed parents through the social security office. Women who stop working for six to ten weeks are eligible for self-employed

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parental leave. During this leave, self-employed mothers receive a flat rate of $56.43 per day. In cases of multiple births, leave is extended by 30 days and an additional $1692.40. Self-employed fathers can claim $56.43 per day for the statutory 11-day paternity leave.

**Funding**

The French universal healthcare system, Puma, covers healthcare costs for those who are working, or have been residents of France for at least three months. To qualify for cash benefits, the claimant must have worked at least 150 hours in the last 3-months or have paid contributions on earnings amounting to at least 1,015 times the hourly SMIC in the last six months. To continue receiving cash benefits after six months on sick leave, the claimant must have worked at least 600 hours in the previous 12-month period or have paid contributions on at least 2,030 times the hourly SMIC prior to going on medical leave. Additionally, the claimant must also have been registered with the health insurance scheme for at least one year. Unemployed persons are entitled to healthcare coverage if they have been residents of France for at least three months. Through Puma, France provides maternity and paternity insurance that covers 100 percent of pregnancy costs and delivery-related costs, so long as the pregnancy is reported before the end of the first trimester. Parental leave benefits are paid through the local Health Insurance Funds (Caisses Primaires d’Assurance Maladie/CPAM).
Maternity Leave

Maternity leave in the United Kingdom lasts 52 weeks, the first two of which are mandatory. Employment rights (pay raises, vacation accrual, ability to return to work, etc.) are protected during maternity leave. Employees who give 15 weeks’ notice are eligible for maternity leave. In cases of adoption, mothers are required to give notice within seven days of being matched with a child.

Maternity Pay

Mothers are eligible for paid leave for 39 of the 52 weeks of their maternity leave. For the first six weeks, mothers receive 90 percent of their average weekly earnings before taxes. For the next 33 weeks, mothers receive 90 percent of their average weekly earnings before taxes or $186.62, whichever is lower. To be eligible for UK Maternity Pay, a woman must earn an average of $149.58 per week in an eight-week period, notify her employers 15 weeks prior to the due date, provide proof of pregnancy (a letter from her doctor or midwife or a MATB1 certificate) or adoption, and have worked continuously for 26 weeks before the 25th week of the pregnancy or adoption match. In cases of adoption, employee must give notice 28 days before taking leave.

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Additionally, a woman becomes ineligible for maternity pay if she is held in police custody during the pay period.

**Paternity Leave**

Paternity leave in the United Kingdom lasts for one to two weeks, and must be taken in the eight weeks following the birth. Employment rights (pay raises, vacation accrual, ability to return to work, etc.) are protected during paternity leave. Fathers who are classed as employees, earn at least $149.58 per week in an eight-week qualifying period, have worked continuously for the employer for 26 weeks before the 25th week of pregnancy, and notify their employer 15 weeks prior to the birth are eligible for paternity leave. To begin this leave program, a parent must end their other leave periods.

**Paternity Pay**

Fathers are eligible to receive 90 percent of their average weekly earnings before taxes or $186.62, whichever is lower, for their one to two week leave, so long as they request pay 15 weeks before the baby is expected.

**Shared Parental Leave**

Shared parental leave provides for 52 weeks (minus any maternity, paternity, or adoption leave already taken) of leave that may be shared in total by both parents. This leave can be taken in blocks or all at once; each parent may take up to three separate blocks of leave each. To be eligible for shared parental leave, one must share responsibility for the child, have been employed continuously by the same employer for at least 26 weeks by your 25th week of pregnancy or by the date of adoption match, and be eligible for
maternity leave, maternity pay, maternity allowance, adoption leave, or adoption pay. Additionally, during the 66 weeks before the week the baby’s due or adoption match, each parent must have been working for at least 26 weeks and have earned at least $516.24 in total in 13 weeks.

Shared Parental Pay

Shared parental pay provides for 39 weeks (minus any weeks of maternity pay, maternity allowance, paternity pay, or adoption pay) of pay at 90 percent of their average weekly earnings before taxes or $186.62, whichever is lower. Those who are eligible for maternity pay, maternity allowance, paternity pay, or adoption pay are eligible for shared parental pay. Additionally, the person seeking parental pay must provide binding notice of the date when they plan to end their leave.

Self Employed and Unemployed Maternity Leave and Maternity Pay

The United Kingdom enacted a Maternity Allowance program for mothers who don’t qualify for paid leave, mothers who are self-employed and pay national insurance, and mothers who have recently stopped working. Maternity Allowance is structured in three tiers. The first tier is for women who have been employed or self-employed for at least 26 of the last 66 weeks, have earned $39.71 per week in 13 of the previous 66 weeks, and pay Class Two National Insurance. Mothers in this tier are eligible to receive 90 percent of their average weekly earnings or $186.62 per week, whichever is less, for 39 weeks. The second tier of Maternity Allowance provides $35.74 per week for 39 weeks to women who do not pay Class Two National Insurance, but have been employed or self-employed for at least 26 of the last 66 weeks and have earned $39.71 per week in 13 of
the previous 66 weeks. The final tier of Maternity Allowance distributes $35.74 per week for 14 weeks. This tier applies to women who are married or in a civil partnership, are unemployed, work for a spouse, perform unpaid labor, or who do not qualify for a higher amount of maternity allowance.

Other Programs: Corporate Parental Leave

Companies may offer maternity leave plans that go above those in the federal plan.

Other Programs: Family Leave

The United Kingdom provides an additional family leave program that allocates 18 weeks of unpaid leave for a child’s life up to their 18th birthday. This leave must be taken in complete weeks. An employee can take no more than 4 weeks per year off for each child. To be eligible, one must work at the company for more than a year, are the child’s primary caregiver, and give 3 weeks’ notice.

Funding

All citizens 16 years or older in the United Kingdom pay into the National Insurance if they earn more than $207.85 per week or are self-employed and profit $ 7976.50 per year. Employers distribute parental leave benefits, but are reimbursed by the National Insurance Department. Employers can claim back 92%-103% from the National Insurance Contributions.
Germany: Parental Benefit Programs

Maternity Leave

Germany guarantees 14 weeks of maternity leave to all female employees.

Maternity Pay

During their 14-week maternity leave, women are eligible to receive 100 percent of their earnings.

Shared Parental Leave

Shared parental leave in Germany can last up to 24 months. Each parent may take two blocks of leave. All parents who are employed at the date of birth are eligible for shared parental leave.

Shared Parental Pay

Under the 12-month parental leave plan, parents are eligible to receive 67 percent of their average earnings during the 12 months preceding childbirth up to a ceiling of $2113.65 per month and minimum of $352.27. Parents with average monthly earnings less than $1174.25 are given a .1 percent parental benefit increase for every $2.35 of their monthly earnings. Parents with average monthly earnings greater than $1174.25 are given a .1 percent parental benefit decrease for every $2.35 of their monthly earnings down to a

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minimum rate of 65 percent. If both parents take at least two months of leave, the total leave period extends by two months. The parental benefit increases by $352.27 per month for each additional child in cases of multiple births. If another child is born within 24 months, the parental benefit is increased by 10 percent. Under the 24-month plan, the parental benefit is halved (33.5 percent). All parents who are unemployed or who have reduced their employment hours below 30 hours per week are eligible for shared parental leave. Should a person choose to work during their leave period, they will receive parental benefit for the lost income of the hours they did not work.

Other Programs: State Funded 3rd Year

Additionally, 4 federal states in Germany provide a parental benefit for a third year of parental leave ranging from $234.85 to $410.99 per month and child.

Self Employed & Unemployed

Self-employed and unemployed women have no maternity leave benefit rights, but have access to shared parental pay.

Funding

Maternity leave benefits are funded by the mother’s health insurance and the mother’s employer. Shared parental leave is funded by the federal government through general taxation.
Canada: Parental Benefit Programs

Maternity Leave

Maternity leave in Canada targets biological mothers, including surrogate mothers, who cannot work because they are pregnant or have recently given birth. To be eligible, a woman must be employed, sign a declaration of pregnancy, and have accumulated 600 hours of insurable employment during the last 52 weeks or time since last employment insurance period, whichever is shorter. This leave entitles eligible women to 15 weeks of leave.

Maternity Pay

Canada does not have a maternity pay program.

Paternity Leave

Canada does not have a paternity leave program.

Paternity Pay

Canada does not have a paternity pay program.

Shared Parental Leave

Canada’s shared parental leave provides 52 weeks of leave for parents following the birth or adoption of a child.

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Shared Parental Pay

Canada’s shared parental pay benefit is calculated based on total insurable earnings and number of highest earning weeks in the last year. The number of weeks required for this calculation depends on the regional rate of poverty. Each parent may receive up to $423.71 per week.

$$\text{Weekly benefit} = \frac{\text{Total insurable earnings}}{\# \text{ of best weeks}} \times 55 \text{ percent}$$

<table>
<thead>
<tr>
<th>Regional Rate of Unemployment</th>
<th>Required Weeks</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;6 percent</td>
<td>22</td>
</tr>
<tr>
<td>6.1-7 percent</td>
<td>21</td>
</tr>
<tr>
<td>7.1 percent-8 percent</td>
<td>20</td>
</tr>
<tr>
<td>8.1 percent-9 percent</td>
<td>19</td>
</tr>
<tr>
<td>9.1 percent-10 percent</td>
<td>18</td>
</tr>
<tr>
<td>10.1 percent-11 percent</td>
<td>17</td>
</tr>
<tr>
<td>11.1 percent - 12 percent</td>
<td>16</td>
</tr>
<tr>
<td>12.1 percent-13 percent</td>
<td>15</td>
</tr>
</tbody>
</table>

If a parent decides to work while taking shared parental leave, they can earn $39.02 per week or 25 percent of their weekly benefit, whichever is higher. Parents are eligible if they are employed in insurable employment, sign a statement declaring date of birth or date of adoption, and have accumulated at least 600 hours of insurable employment during the qualifying period (last 52 weeks or time since last EI period, whichever is shorter).

Self-Employed & Unemployed Parents
Self-employed parents have access to maternity leave, shared parental leave, and shared parental by registering with the Canada Employment Insurance Commission. Eligible individuals include Canadian citizens, permanent residents of Canada, those who operate their own businesses, and those who control more than 40 percent of a corporation’s
voting shares. People who work independently (barbers, hairdressers, taxi drivers, drivers, fishers) are eligible to receive benefits through the regular EI program.

**Other Policies: EI Family Supplement**

The EI Family Supplement increases the benefit rate up to 80 percent for families with a net income below $20226.29. Their benefit rate will be calculated based on number and ages of their children. If both partners are claiming EI benefits, only one can receive the family supplement.

**Other Policies: Quebec Parental Insurance Program**

Quebec is responsible for providing maternity, paternity, parental, and adoption benefits through the Quebec Parental Insurance Program. People who enroll in this program can receive a maximum amount of $508.38 per week.

**Funding**

Parental leave programs are funded through employment insurance (EI). Canadian employers deduct EI premiums from wages and salaries,
Australia: Parental Benefit Programs

Shared Parental Leave

Australia provides 12 months of parental leave for employees with newborns or newly adopted children under 16 years of age. Employees are eligible for this program if they have worked for their employer for at least 12 months.

Shared Parental Pay

Parental pay in Australia is splits payment by primary and secondary caregiver. Primary caregivers are guaranteed 18 weeks of paid leave at the national minimum wage ($523.54 per week). Secondary caregivers receive two weeks of paid leave at the national minimum wage. Paid leave does not affect or replace unpaid parental leave. Parents who have worked for 10 of the last 13 months, have worked 330 hours in that 10-month period, and are on leave or not working are eligible for the program.

Self-Employed & Unemployed Parents

Self-employed and unemployed parents are eligible for shared parental leave and shared parental pay.

Other Policies: Employer Funded Leave

Employer-funded paid parental leave can be provided by companies, but it does not affect national leave.

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Funding

Shared parental leave is funded by the federal government in Australia. Employers receive funds from the Australian Department of Human Services, which they then distribute to eligible employees the same way they would a paycheck.
Sweden: Parental Benefit Programs

Paternity Leave

Sweden provides 10 days of paternity leave for new fathers.

Paternity Pay

During paternity leave, fathers can receive 80 percent of their salary.

Shared Parental Leave

Sweden’s shared parental leave program provides for 69 weeks of parental leave to be split between both parents. Each parent has an exclusive right to 13 of those weeks. This leave can be taken any time during the first 8 years of a child’s life. All persons who are insured in Sweden are eligible for shared parental leave. Most people who live or work in Sweden are insured.

Shared Parental Pay

58 weeks of shared parental leave are paid. Parents can receive 80 percent of their monthly earnings up to a maximum monthly income of $4368.87.

Other Policies: Reduced Working Hours

Parents retain the legal right to reduce their working hours by up to 75 percent until the child turns 8. The parent will only get paid for the time they work should they choose to reduce their hours.

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Other Policies: Child Care Allowance

Sweden provides an additional monthly allowance of $123.70 until a child turns 16 to cover the cost of childcare.

Other Policies: Special care for expectant mothers

Sweden provides free or subsidized prenatal care for expectant mothers. Additionally, many hospitals have adjoining hotels where mothers and partners may stay for 2-3 days after a birth so nurses can monitor the mother and child.

Other Policies: Pregnancy Benefit

Mothers who cannot work because they are employed in a physically demanding or risky work environment are eligible to receive a pregnancy benefit during their final two months of pregnancy. Mothers receiving the pregnancy benefit can receive 80 percent of their salary up to $84.12 per day.

Funding

Parental leave benefits are funded through a combination of employers’ fees and general taxation. A 25% tax is levied on employees’ salaries to cover the costs of pension, unemployment, sick leave, death of a loved one, injury, and parental leave. Parental benefits constitute 2.2% of the collected taxes. Two-thirds of the costs are covered by the employers’ fees, and the remaining third is funded through general taxation. The Swedish Social Insurance Agency then distribute parental leave benefits to eligible parents.
Switzerland: Parental Benefit Programs

Maternity Leave

Switzerland’s maternity leave lasts 14 weeks, the first eight weeks of which are mandatory. Mothers are eligible if they are employed under AVH during their pregnancy, worked for at least five months of the pregnancy, and were still employed at the time of birth.

Maternity Pay

During maternity leave, mothers can receive 80 percent of their wages up to $1381.56 per week.

Funding

Employers and employees each pay .5 percent of their earnings to the Loss of Earnings Compensation Fund, which then funds parental leave benefits.

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New Zealand: Parental Benefit Programs

Primary Care Leave

Rather than establish maternity and paternity leave, New Zealand uses primary and secondary caregiver models. Primary caregivers may receive 18 weeks of leave. This leave may be transferred to another member of the family.

Primary Care Pay

During primary care leave, the primary caregiver may receive the greater of their ordinary weekly pay or average weekly income up to a maximum of $366.59 weekly maximum.

Partner Leave

Spouses or partners are eligible for 1-2 weeks of leave, depending on whether they meet the six or 12 month criteria. If the spouse or partner has worked for the same employer for an average of at least 10 hours a week in the last six months, they are eligible for one week of unpaid leave. If the spouse or partner has worked for the same employer for an average of at least 10 hours a week in the last 12 months, they are eligible for two weeks of unpaid leave.

Partner Pay

New Zealand does not provide pay during partner leave.

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Shared Parental Leave

If both parents meet the 12 month criteria, they are eligible for 52 weeks of leave to be shared by both parents. If both parents meet the six-month criteria, they are eligible for 26 weeks of leave to be shared by both parents. If one parent meets 12 month criteria and the other parent meets the six-month criteria, they are eligible for 52 weeks of leave to be shared by both parents, but the person who meets the six-month criteria may only take 26 of the weeks. Shared parental leave is added on top of partner leave and primary care leave.

Self-Employed Parents

Self-employed parents are eligible to receive the greater of 100 percent average weekly earnings or minimum amount of parental leave payment payable to an eligible self-employed person ($107.21/week).

Other Policies: Negotiated Caregiver Leave

Employers can offer their own policies if they are better than the government policies.

Other Programs: Special Leave

New Zealand grants up to 10 days of leave for birth mothers for pregnancy-related reasons.

Funding

Parental leave in New Zealand is funded by general taxation.
Denmark: Parental Benefit Programs

Maternity Leave

Denmark provides 18 weeks of maternity leave.

Maternity Pay

During maternity leave, eligible mothers can receive daily cash benefits based on former earnings up to $631.26 per week. To be eligible, mothers must have worked for at least 13 weeks for 120 hours total and provide a 3-month notice to their employers, have completed a vocational training course, or are doing a paid work placement.

Paternity Leave

Fathers who are in a recognized partnership, who have worked for at least 13 weeks and 120 hours, and have provided 4 weeks’ notice to their employers are eligible for two weeks of paternity leave.

Paternity Pay

Fathers on paternity leave are eligible to receive daily cash benefits based on former earnings up to $631.26 per week.

Shared Parental leave

Parents who have worked for at least 13 weeks for 120 hours are eligible for 32-46 weeks of shared parental leave.

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Shared Parental Pay

The duration of the leave affects payments. Parents can receive daily cash benefits based on former earnings up to $631.26 per week.

Self-Employed and Unemployed Parents

Self-employed parents are eligible for maternity leave and maternity pay. Unemployed parents are eligible for cash benefits through unemployment insurance. Students who are new parents can receive an extra 12 months of educational benefits rather than receiving parental benefits; this program is aimed at encouraging young adults to stay in school.

Funding

Parental leave programs are funded through general taxation. Additionally, municipalities are responsible for funding half of the cost of the first eight weeks.
Finland: Parental Benefit Programs

Maternity Leave

Finnish mothers who provide two months’ notice and who are covered by Finnish social security for six months are eligible for 4 months of maternity leave. Maternity leave begins 5-8 weeks before due date.

Maternity Pay

For the first eight weeks of maternity leave, the benefit rate increases up to 90 percent of earnings.

<table>
<thead>
<tr>
<th>Annual Earnings</th>
<th>First 56 Working Days</th>
<th>Remainder of Benefit Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 1425</td>
<td>23.73 per day</td>
<td>23.73</td>
</tr>
<tr>
<td>1426-37,113</td>
<td>.9 * annual earnings</td>
<td>.7 * annual earnings</td>
</tr>
<tr>
<td>37,114 – 57,101</td>
<td>86.6 + .4 * (annual earnings – 37,113)</td>
<td></td>
</tr>
<tr>
<td>Above 57,101</td>
<td>171.3 + .325(annual earnings – 57,101)</td>
<td>113.25 + .25(annual earnings – 57,101)</td>
</tr>
</tbody>
</table>

Paternity Leave

Finnish fathers may take up to nine weeks of paternity leave. This leave can be broken up into 4 periods or can be taken all at once. 2.5 of these weeks may overlap with another parent’s leave.

Paternity Pay

Paternity pay follows the same payment scheme as maternity pay.

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Shared Parental Leave

Finland provides six months of parental leave to be shared between two parents.

Shared Parental Pay

If parents choose to work during their leave period, they are eligible to receive minimum parental pay. Shared parental pay follows the same payment scheme as maternity and paternity pay.

Other Programs: Special Maternity Allowance

Mothers who must refrain from working due to exposure to chemical substances, radiation, or infectious disease are eligible for an additional maternity leave benefit.

Funding

Parental leave earnings benefits are funded by the sickness insurance scheme, which employers and employees pay into. Employers contribute 72 percent of the funds, and employees contribute the remaining 28 percent. Employers’ total salary bills are taxed 2.12 percent. Employees’ salaries are taxed 18 percent. Minimum allowances and .1 percent of the benefits are funded through general taxation.
Norway: Parental Benefit Programs

Maternity Leave

New mothers in Norway are entitled to 10 weeks of maternity leave. The first six weeks of this leave must be taken within the first six weeks following the birth or adoption of a new child.

Maternity Pay

Maternity pay may be either 80 percent or 100 percent of wages.

Paternity Leave

Norway provides eligible fathers with 10 weeks of paternity leave. In order for new fathers to be eligible, the mother must be eligible as well. Additionally, if the mother is the sole caretaker, this paternity leave period may be given over to her. This leave may not be taken concurrently with maternity leave: fathers may only take leave six weeks after welcoming a new child.

Paternity Pay

Paternity pay may be either 80 percent or 100 percent of wages.

Shared Parental Leave

Norway’s shared parental leave program lasts for 26 to 36 weeks, depending on what percent of wages are being reimbursed.

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Shared Parental Pay

When applying for shared parental pay, maternity pay, or paternity pay, both parents must agree to receiving the same rate of wage replacement. As a whole, parents may choose between 49 weeks of leave at 100 percent wage replacement or 59 weeks at 80 percent wage replacement. Thereby, parents receiving 80 percent of their wages have access to 36 weeks of leave, while parents receiving 100 percent of their wages have access to 26 weeks of leave. Three weeks of the shared parental leave period are allotted to the mother prior to welcoming a new child.

Funding:

Norway’s parental benefit programs are funded through general taxation.
Chapter 4: Conditioning Factors

Policy Alternatives & Tradeoffs

Given the international experience, one can identify some of the factors that shape the likelihood of more accommodating parental leave. Compensation, hiring discrimination, opportunities for promotion and advancement, gender roles, job protection, and childcare are key conditioning factors for policymakers to consider.

Compensation

Compensation is a combination of wages and benefits. Employers fashion a combination of wages and benefits to attract employees. Employers may choose to offer greater wages and less benefits or lower wages and greater benefits. This tradeoff is weighed by many people entering the job market. Enacting federally mandated paid parental leave may lead companies to reduce the wages of their employees, which could negatively impact employees who do not intend to have children, but are required to pay into the leave fund. However, this effect can be mitigated by grouping paid parental leave policies with more general paid leave policies that allow for periods of absence for any family member, as five states and the District of Columbia have done.

Hiring Discrimination

Young women may face hiring discrimination in reaction to a paid leave policy. Women of childbearing age may be perceived as a greater liability to the company, as they are assumed to be more likely to take paid leave. If young women are discriminated against during the hiring process, it is possible that they will face higher rates of unemployment or may be unable to advance professionally.
Opportunities for Promotion and Advancement

In the case of paid parental leave, more employees may elect to take leave. As a result of existing gender roles, it is likely that women would take paid parental leave at higher rates than men. Should employees elect to take paid parental leave, it is possible that, with or without protections, they may lose their place in the organizational hierarchy. The FMLA and the paid leave policies in place in five states and the District of Columbia formally protect occupational position. However, even if pay grade and status is protected formally, it is possible that an extended absence from work may have informal effects on promotion and advancement. Presently, women who leave the workforce for childcare face a motherhood penalty, characterized by difficulties re-entering the job market and receiving promotions. If more women take leave to care for new children, it is plausible that fewer women will rise among the ranks of organizations, leaving long-term effects on their pay and ability to move to managerial positions. However, depending on the leave structure, this negative outcome may be avoided in the long term.

Gender Roles

A paid parental leave policy has the potential to alter gender roles both at work and at home. A gender-neutral paid-leave policy that has a short period of mandatory leave followed by a longer period of optional leave would have the greatest positive impact on gender roles. A mandatory period of paid parental leave that requires new parents, regardless of gender identity, to take leave, could mitigate discrimination against women in the hiring and promotion process, as well as encourage men to be actively
involved at home in the first few weeks of a child’s life. A gender-neutral policy has the potential to positively impact LGBTQ+ parents.

Same-sex couples face additional challenges in taking leave when welcoming new children. Families with two mothers may experience the motherhood penalty twice over, whereas families with two fathers may not be able to take time off work due to social pressures to continue working. A gender-neutral paid parental leave policy could create a more flexible environment in which new parents experience neither a double motherhood penalty or social ramifications for taking paternity leave.

Depending on the structure of paid leave, men may feel more comfortable taking leave and may begin taking leave at higher rates. This outcome is more likely to occur if there is a period of mandatory paid leave in which recipients receive full pay, as they would be both obligated and well compensated. By mandating that all new parents take time off work to spend with their new child, young women and mothers may face lesser discrimination.

Enacting a paid parental leave policy does not guarantee changed gender dynamics. Hiring and promotional discrimination may persist if women participate in the optional leave period at greater rates than men. Still, in the long term, it is possible that paid parental leave could lead to more egalitarian gender dynamics both at work and at home.

**Job Protection**

A paid parental leave policy may provide formal job protection, in that employees who take leave may be guaranteed the ability to return to their same position. However,
during their leave, they may experience informal status loss, in which in their absence, their status as a team member is lessened informally.

**Childcare**

Improved childcare is perhaps the greatest benefit of paid parental leave. As examined in Chapter 2, children benefit from being with their parents in the first months of life. However, many parents are unable to take as much time off as they would like because they needed to receive their full salary in order to be able to support their family. Therefore, receiving full payment is necessary in order to allow parents to take the time off that they and their child need. However, it is possible that new parents taking paid leave will not invest more time or resources into their children.
Policy Option Space

Each parental leave policy is either mandatory or optional, constructed for the individual or a couple, and is gendered or gender-neutral. Additionally, each parental leave policy varies in payment and duration. Figure 4.1 illustrates the policy option space for parental leave policies.

(Figure 4.1) Policy Option Space

<table>
<thead>
<tr>
<th>Mandatory vs. Optional</th>
<th>Mandatory</th>
<th>Optional</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Mandatory Period + Optional Period</td>
</tr>
<tr>
<td>Shared vs. Individual</td>
<td>Shared</td>
<td>Individual</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Shared + Individual</td>
</tr>
<tr>
<td>Gendered vs. Gender-Neutral</td>
<td>Gendered</td>
<td>Gender Neutral</td>
</tr>
<tr>
<td>Payment</td>
<td>Full Pay</td>
<td>Partial Pay</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Full Pay + Partial Pay</td>
</tr>
<tr>
<td>Duration</td>
<td>14 weeks</td>
<td>6 months</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1 year</td>
</tr>
</tbody>
</table>

Shared vs. Individual

Paid parental leave may be structured so that there is (1) a shared amount of leave for both parents to draw from, (2) a set amount for each parent, or (3) a combination of a shared amount of leave and individual set amounts. Additionally, paid parental leave policies may be constructed so that there may be special leave for birth mothers for physical recovery in circumstances in which the birth mother is not raising the child in
her household. Each policy option has drawbacks and advantages. The final consideration that must be made for paid parental leave is whether it should be optional or mandatory.

Shared Leave: Paid parental leave policies that provide for a total amount of leave to be shared by both parents are popular in Europe. A total shared amount allows for the greatest flexibility and for the utilization of the maximum amount of time off for new parents. However, shared leave may result in one parent taking all of the leave while the other takes little to none. Due to cultural norms, new mothers may be likely to take the majority of the shared leave, thus further reinforcing caregiving gender roles. Additionally, in circumstances in which parents are not raising the child together, one parent may argue for the use of all of the paid leave time while the other parent receives less than he or she desires. This policy structure is not as flexible, nor does it maximize leave time for both parents.

Individual Leave: All states that grant paid parental leave a structured so that each parent has a given amount of leave that may be taken upon welcoming a new child. This model guarantees that every parent will be guaranteed a given number of days of leave. However, in many instances, paternity leave, in practice, is either shorter than maternity leave or it is discouraged from being taken to the same degree as maternity leave.

Shared Leave + Individual Leave: Although a less widely-implemented structure, some European nations have created parental leave policies that combine shared and individual paid parental leave policies. Under this type of policy, each parent is guaranteed a set amount of paid leave that can then be supplemented through a shared amount of paid leave. This structure protects individual leave preferences and allows for flexibility.
Mandatory vs. Optional

Whether paid parental leave policies are mandatory or optional is an additional consideration that must be made. Mandatory paid parental policies could contribute to gender equity by requiring that new fathers take a certain amount of time off work after welcoming a new child. However, if a paid leave policy is mandatory, it must provide full pay during the leave period, or else workers are forced to operate at a loss. Optional policies grant greater flexibility to new parents, but does not assist with creating more progressive family models in which men and women share in caretaking more equally. Policies that require a short period of mandatory paid leave followed by an optional amount of shared and individual leave are preferable, although they may not be politically feasible.

A mandatory paid leave policy may lead to discriminatory hiring practices against women who are perceived to be more likely to have children. This would be particularly harmful to young women, less educated women, and women of color. This outcome would be analogous to the discrimination against Americans with disabilities after the Americans with Disabilities Act was passed. \(^{245}\)

Gendered vs. Gender-Neutral

Gendered parental leave policies encompass maternity and paternity leave, whereas gender neutral parental leave policies apply to all new parents, and often have concessions for birth mothers who will not be the legal caregiver. In many cases,

gendered parental leave policies are unequal; mothers are offered more time off than fathers. This creates a gendered dynamic in which women are expected to take more time off work than men and are thereby assumed to be primary caregivers. Gender-neutral parental leave policies, on the other hand, grant the same amount of leave to all new parents, regardless of gender identity. In many cases, gender neutral parental leave policies are supplemented with leave specifically set aside for birth mothers as a way of recognizing the physical toll of pregnancy and as a way to protect surrogate mothers or women who carried a pregnancy to term but will not be a primary or secondary caregiver.

**Payment**

Paid leave policies may provide (1) full pay, (2) partial pay, or (3) a combination of full pay and partial pay.

*Full Pay*: Paid parental leave policies that provide full paid leave allow new parents to take time off work without short-term financial penalty. Yet, in the long term, it remains possible that parents who took leave may be passed over for advancement opportunities. Fully paid parental leave offers the greatest incentive for new parents to take leave from work.

*Partial Pay*: Most paid parental leave policies offer a percentage of wages up to a wage ceiling. These policies do not offer as great an incentive to take time off work, but still offers some compensation during leave.

*Full + Partial Pay*: Some paid parental leave policies create an initial period in which recipients can receive 100 percent of their wages and a secondary period in which recipients receive lesser percentage of their wages. This structure incentivizes new
parents to take leave during the initial period without taking a financial loss, and then grants them the option to continue taking leave at a lower wage replacement rate.

Several additional considerations may be made in regards to payment. Benefit ceilings and floors may be created to protect part-time, low-income workers and simultaneously reduce program costs. High wage replacement rates with low benefit ceilings benefits low-income workers because they receive a higher portion of their wages and are unlikely to be affected by the ceiling. An additional option would be implementing graduated wage-replacement rates, so as a worker’s income increased their wage replacement rate would decrease. Such a policy however could discourage middle-income and higher-income workers from taking paid leave.

Duration

The ILO set a 14 week standard for maternity leave, but many countries surpass this three month allotment up to six months or one year.

Administration

Paid parental leave must operate at a corporate, state, or federal level. California, New Jersey, New York, Rhode Island, Washington State, and Washington D.C. have created state-funded paid parental leave. The remaining 45 states leave corporations responsible for creating paid parental leave programs. As detailed in Chapter 2, Section 4, corporations are not providing paid parental leave to all of their workers equally.

The five states and the District of Columbia administer their paid parental leave programs through temporary disability insurance. This strategy has the advantage of
utilizing existing infrastructure and reducing the time it takes to process claims. However, this is also a financially unstable source for benefits.

In moving to a national paid parental leave plan, a new office in the Social Security Administration may be created. Another option may be having state agencies administer a national plan.
Cost and Funding

More than four million babies are born each year. Roughly 62 percent of mothers and 94 percent of fathers with children under the age of one work, resulting in nearly six million potential parental leave recipients. The national median weekly wage of full-time workers is $857. The cost of paid parental leave further depends on the duration of leave and the wage replacement rate.

Paid parental leave may be funded through universal healthcare, employer taxes, employee payroll taxes, or general taxation. States that have already implemented paid parental leave policies accrue funds through a payroll tax. Should paid parental leave be implemented at a federal level, a payroll tax may be implemented. In 2012, annual payroll data shows that American workers earned over 5.5 trillion dollars.

Figure 4.2 depicts the annual federal cost and payroll tax rate associated with each level of leave duration and wage replacement rate. Calculations for federal paid parental leave cost and federal paid parental leave payroll tax rate were completed using the formulas in notes.

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(Figure 4.2) Annual Federal Cost and Required Tax Rate for Paid Parental Leave, Varying by Duration and Wage Replacement Rate

<table>
<thead>
<tr>
<th>Wage Replacement Rate</th>
<th>67% Wage Replacement</th>
<th>100% Wage Replacement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Annual Federal Cost</strong></td>
<td><strong>Payroll Tax</strong></td>
</tr>
<tr>
<td>Leave Duration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Three Months</td>
<td>$44,564,000,000</td>
<td>0.81%</td>
</tr>
<tr>
<td>Six Months</td>
<td>$89,128,000,000</td>
<td>1.62%</td>
</tr>
<tr>
<td>Twelve Months</td>
<td>$178,256,000,000</td>
<td>3.24%</td>
</tr>
</tbody>
</table>

*Note*: Federal Paid Parental Leave = Recipients * National Median Weekly Wage * Leave Duration (Weeks) * Wage Replacement Rate

*Note*: Paid Parental Leave Payroll Tax Rate = Cost of Federal Paid Parental Leave ÷ National Payroll
Chapter 5: Policy Recommendations, Enactment Strategies, & Conclusion

Policy Recommendations

The most promising paid parental leave policy in the United States is a gender-neutral paid parental leave policy that provides for a three month period of individual leave followed by three months shared leave. Additionally, policymakers should note the importance of providing for 100 percent of wage replacement for the duration of the program so as to encourage maximum uptake.

Mandatory v. Optional

Policies that require a short period of mandatory paid leave followed by an optional leave are preferable, although they may not be politically feasible. Due to the strong current of liberal individualism in the United States, it is likely not politically palatable to propose a mandatory paid parental leave policy.

Shared v. Individual

A paid parental leave policy that provides for both individual leave periods as well as a pool of shared leave that may be taken by either parent emphasizes the importance of both mothers and fathers in caregiving, thereby creating greater gender equity within the home.
Gendered v. Gender Neutral

It is critical that these policies not be framed in terms of maternity or paternity leave, but rather parental leave so that same-sex couples are able to receive the same amount of leave as heterosexual couples.

Payment

Perhaps the most important aspect of a paid parental leave policy is the percent of wages paid to employees on leave. In order to maximize leave taking, particularly for less advantaged parents, paid parental leave must provide for full payment of wages.

Duration

In order to prevent an individual parent from reaching a point of diminishing returns while simultaneously promoting the greatest caretaking flexibility, I recommend a combination of three months of individual paid parental leave and three months of leave that may be shared by both parents. Individually, no one parent would surpass six months of total paid parental leave.

Job Protection

Formal job protection must be provided during the period of paid parental leave. This formal job protection, however, will not serve as a barrier against informal status degradation that may occur simply due to the absence of an employee.

Coverage

It is important to not only consider the formal labor market, but also the informal labor market, self-employed persons, and part-time employees. In California, 99 percent
of the civilian labor force is covered by California Paid Family Leave. California achieves this high coverage rate by allowing self-employed persons to opt-in and creating provisions for low-income workers. Additionally, the minimal requirement of earning only $300 during the base period makes more people eligible.

**Birth Mother Concession**

In circumstances in which the birth mother is not a caregiver of the child (i.e. surrogacy or adoption), two weeks of paid physical recovery time can be provided. This policy is similar to that implemented by New Zealand.

**Other Sources of Paid Parental Leave: States and Corporations**

Should individual states or employers desire to offer more generous paid parental leave programs, they should be permitted to do so, granted they surpass the minimums provided by federal paid parental leave.

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Enactment Strategies

Paid parental leave is able to exist within countries that have reconciled liberal individualism and maternalism. The United States does not exhibit maternalist qualities, making the likelihood of adopting a paid parental leave policy very low. For this reason, it is critical that policymakers consider a multitude of enactment strategies, such as public communications campaigns, bundling, prototyping, and coalition-building.

Public Communication Strategies

As with the Social Security Tax, some individuals who are paying into the paid parental leave fund will never draw from it. For this reason, it is critical that they be convinced of the value of such a system. There are many arguments for paid parental leave, but the most emotional pull may be promoting the health and well-being of future generations.

Additionally, policymakers and the public must be convinced that this is an affordable plan. As demonstrated in Figure 4.3, a payroll tax between 1.21 percent and 2.43 percent could fund four and a half months of fully paid parental leave for every new parent.

Currently, Nev Schulman and his wife Laura Perlongo are running a publicity campaign with attn:, a media company. Attn: posts videos on Nev and Laura on Facebook talking about gender roles, parenting, and paid parental leave. Their most-viewed video, which is just under two minutes long, is laden with statistics and has over
104 million views. This sort of consciousness raising is a cornerstone of creating cultural shift that could encourage more men to take paid parental leave.

**Bundling**

In many instances, paid parental leave is bundled with paid family leave. This bundling creates for greater inclusion in the idea of what constitutes a family. Due to the broader definition of family, and thereby widening the policy’s coverage, support may increase.

**Prototyping**

One of the first steps towards enacting a federal paid parental leave policy is designating “prototype states” that would enact a given policy for a set number of years on a sunset provision. After the period has concluded and evaluations have been conducted, adjustments may be made to the program and continued or not. Policies with sunset provisions reduce the risks of enacting a national policy without testing and are easy to renew. Individual adoption by states is crucial in attempting to create a national policy because it “demonstrates that these policies help families, dispels myths about effects on businesses, shows support from smaller businesses, and strengthens the economy,” which in turn “enable[s] other states to take action, paving the way for change at the national level.”

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Coalition Building: Legislators, NGOs, and Activists

Bi-partisan interest on paid parental leave policy is at a peak. Both the Republicans and Democrats have laid forth respective plans for paid parental leave. However, these policies, outlined in Chapter 2, fall short. Still, in examining the co-sponsors of the SFA and the FAMILY Act, it is possible to identify legislators that may support a national paid parental leave policy. Senator Kristen Gillibrand (D-NY), the champion of the FAMILY Act, would likely support a more progressive paid parental leave policy.

Voters are highly driven by whether a candidate supports paid parental leave policies; 64 percent of voters are more likely to vote for an elected official who supports paid parental leave.253

PL+US, The National Partnership for Women & Families, The Institute for Women’s Policy Research, The Women’s Media Center, Guttmacher Institute, the Society for Women’s Health Research, the American Association for University Women, the Center for Reproductive Rights, and the National Women’s Law Center may be potential NGO allies.

As noted in the Public Communication Strategies section, Nev Schulman and Laura Perlongo are prominent activists for paid parental leave. Sheryl Sandberg could be a highly influential champion of paid parental leave. Sandberg famously urged Facebook to create special parking for expectant mothers, clearly illustrating her understanding of special considerations that must be made for new and expecting parents.

Employees themselves are the best advocates for paid parental leave. PL+US has recognized the power in personal testimonial, particularly when combined with heavy data. Over the last year, PL+US has been organizing hourly employees at some of the largest corporations in the country, such as Walmart, collecting personal testimony and data, and publishing their findings. In June of 2017, Carolyn Davis, an hourly employee of Walmart, spoke at the annual investors meeting to urge the board to change their paid parental leave policy so that hourly employees would receive the same benefits as corporate employees. Still, this policy applies only to female employees of Walmart, again illustrating the importance of a national paid parental leave policy that is inclusive of all gender identities.

Conclusion

Paid parental leave can become a reality in the United States. It is affordable, effective, and necessary. Tradeoffs must be made when creating a paid parental leave policy. Different conclusions may be drawn depending on priorities. Based on the priority of creating greater equity across gender, socioeconomic status, race, and sexual orientation, a policy that is gender-neutral, has a combination of three months individual leave and three months of shared leave at 100 percent wage replacement is the most promising.
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