

Parental Leave: An Analysis of Job Protected, Paid Parental Leave in the United States

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Overview

This research reviewed the current literature on job protected, paid family leave policy in the United States and examined the history of parental leave and the evolution of America's social fabric by spanning the initial entrance of women into the workforce during WWII to the current prevalence of dual career families in America. The review revealed that family leave programs benefit the United States economy, employers and organizations, and mothers and their children. New York and California offer the most progressive family leave programs in the country and are used as a standard to explore the paid family leave policies that currently exist. The subsequent effect on the lives of citizens living in California after its family leave policy was introduced were used as a criterion to judge the economic prosperity and health of Californians in comparison to the residents of other states that do not offer family leave programs. This inquiry produced evidence suggesting that offering a federal job protected, paid family leave policy is an achievable endeavor which would greatly benefit the American people. However, there are significant hurdles which could prevent a federal plan from being accepted or successful such as lack of awareness and mobilization issues. To this end, provisions that must be put in place for a future federal mandate to be effective are also discussed.

Impact

Paid parental leave is beneficial to the U.S. economy. Offering paid parental leave increases the likelihood of mothers returning to the workforce after the leave has been used. More women returning to the workforce means increased tax contributions from their income, which benefits the entirety of America. Women who are offered and use paid parental leave are also less reliant on public assistance, as they are able to take care of the needs of their child and while still returning to the workforce.

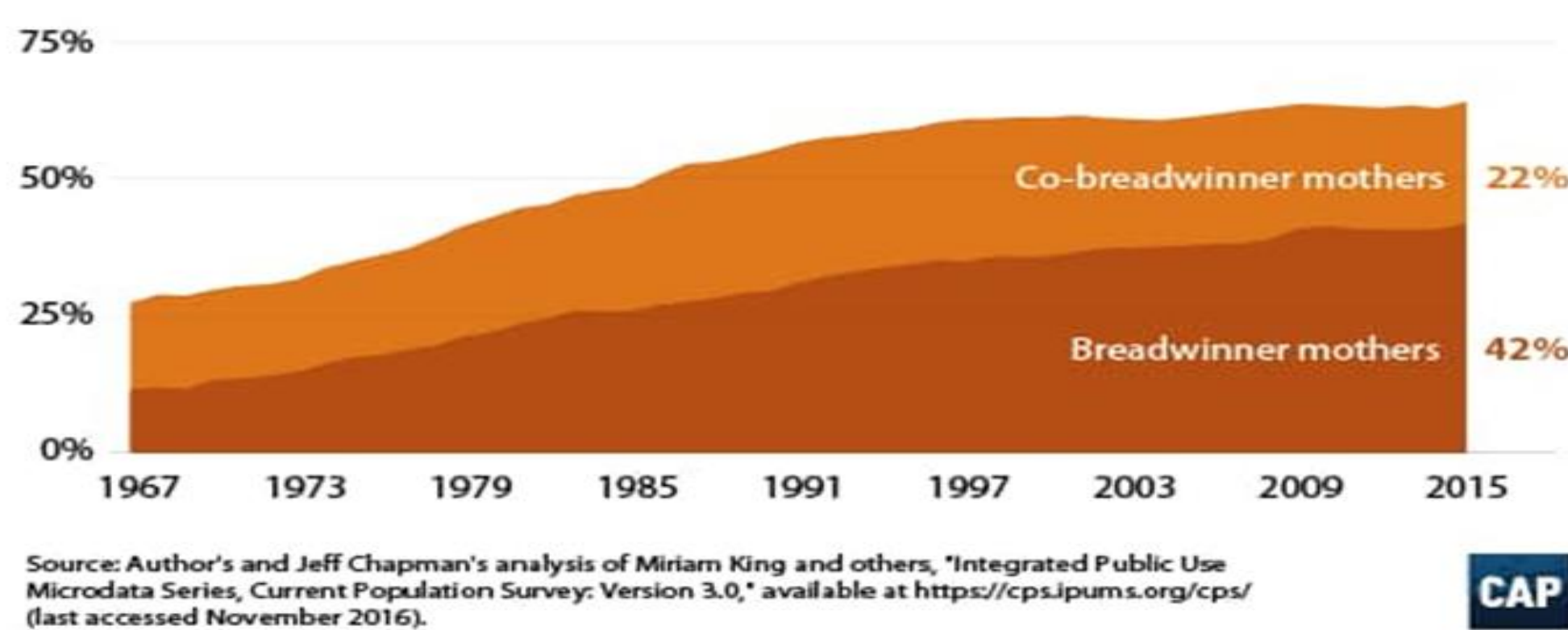


Figure 1. Share of all mothers who are breadwinners or co-breadwinners, 1967 to 2015

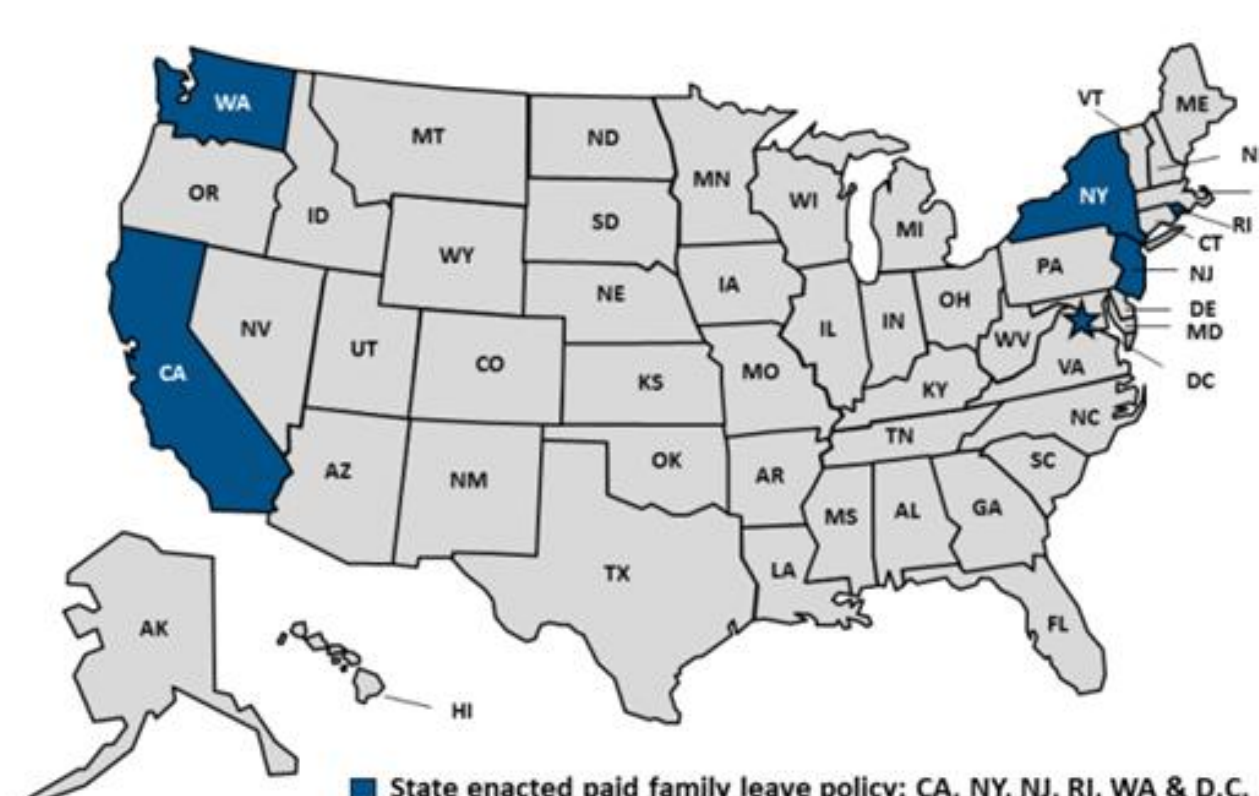


Figure 2. State Policies on Paid Family Leave, 2017

Acknowledgements: Dr. Mahalingam

Key Findings

The United States must offer paid parental leave to stay competitive with the offerings of other nations. The United States of America is the only developed nation without federally mandated paid parental leave. A survey of 190 countries, conducted in 2010 in a study by Pressman, shows that only three countries failed to offer this kind of paid leave: The United States, Papua New Guinea, and Swaziland.

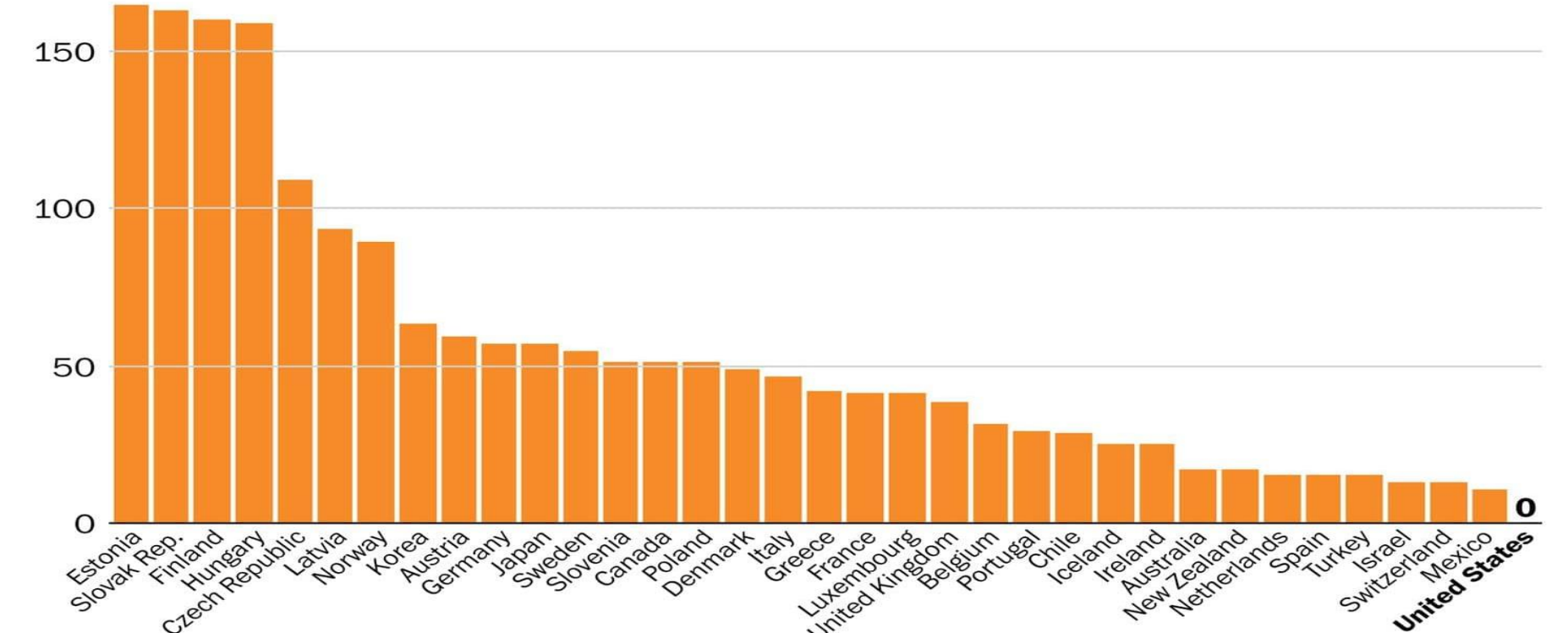


Figure 3. Total weeks of paid leave available to mothers in OECD countries in 2018

Explanation

Data pulled from the Bureau of Labor Statistics shows that in the United States, women's wages are lower than men's. This trend becomes more evident as women and men grow older. According to the Bureau of Labor Statistics 3rd Quarter 2018 data, the difference in wages between men and women in the 20-24 age range is 56 dollars. That number increases to 228 dollars for those between the ages of 35 to 44. For those who are 55 and over, the difference is 285 dollars. The effects of pregnancy and subsequent motherhood on women's wages could be an explanation for the marked differences in the data. A review of literature on this topic was the first step in determining the existence and cause of this discrimination between women and men. The motivation for this research was to review current literature and studies that provide comparison data on labor market outcomes for mothers who do and mothers who do not utilize paid parental leave. Women are subject to labor market discrimination because of their gender, and on average make less than their male counterparts. Employers who do not offer paid leave options for women who must miss work due to pregnancy and related complications put women at a further disadvantage.

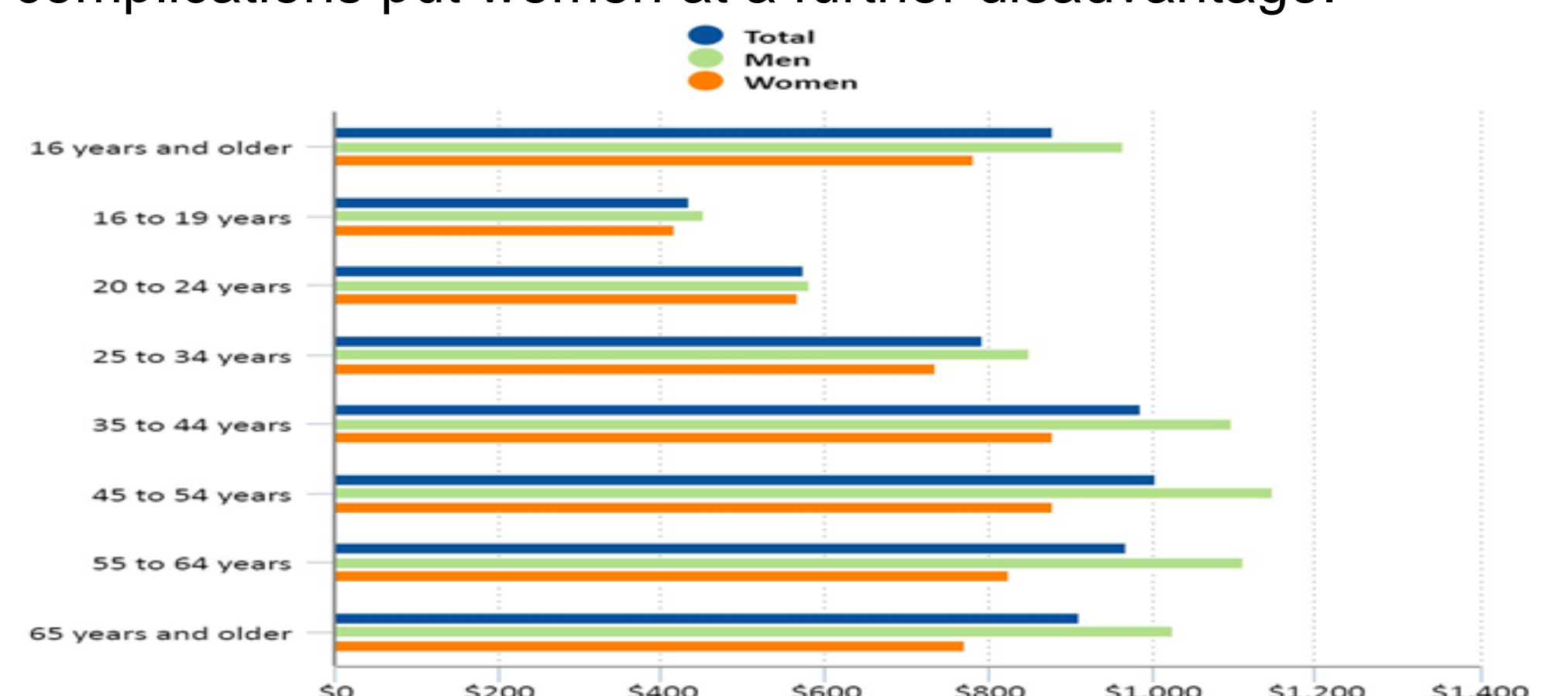


Figure 4. Median usual weekly earnings of full-time wage and salary workers by age and sex, first quarter 2018.