

Flexible Work for Strong Families

by Michele Stockwell

Americans are working more hours than ever before in pursuit of middle-class lifestyles. Only on nostalgic TV reruns do fathers work 40 hours a week while mothers stay home to care for the kids. Today's fathers are working longer than that—and three-quarters of all mothers with children under 18 are now in the labor force too.¹ Together, two-parent households typically work a total of 80 hours a week. Compared to 30 years ago, that is the equivalent of an extra month of full-time work per year.² Nearly one out of eight couples work as much as 100 hours per week,³ with many parents working nights and weekends.

Not surprisingly, the trend toward longer hours on the job has workers feeling starved for time to spend at home with their families. More than two-thirds of employed parents say they do not have enough time to spend with their children, and 63 percent express similar frustrations about their lack of time with their spouses.⁴ Experts call this phenomenon a "time famine."

To help people cope with that time famine, progressives should put the issue of flexible work at the center of their agenda for the 110th Congress. Although they have been promising to relieve the "work-family squeeze" for years, their message does not seem to be getting through to working parents. Instead, as Barbara Dafoe Whitehead documented in a 2005 PPI report, the last two presidential elections illuminated a large and growing "parent gap" in American politics that favors

the Republicans rather than the Democrats.⁵

There is evidence, in fact, that progressives are failing to speak to either the cultural or the economic worries of many working parents. As previously highlighted by PPI, parents are struggling to shield their children from the sex- and violence-drenched popular culture⁶ and multi-billion dollar youth marketing campaigns,⁷ and do not see Democrats as being on their side. Meanwhile, economist Stephen Rose argues that traditional Democratic economic policies appeal more to low-income families than to the aspiring middle class.⁸

A progressive agenda for flexible work and leave would address both the economic and cultural outlook of working parents. It would expand opportunities for them to control their work hours, spend more time raising their kids, and continually readjust the

“One person with a belief is a social power equal to ninety-nine who have only interests.”

—John Stuart Mill

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balance between work and family as their circumstances change.

The Growing Demand for Flexibility

Americans are struggling to balance the competing demands of work and family. Yet few jobs offer meaningful leave or flexibility options that allow workers to attend to family and medical needs when they arise. Less than 5 percent of workers receive paid parental leave benefits to care for a new child. And while the Family and Medical Leave Act (FMLA) was enacted to provide workers with *unpaid* leave for serious health and family care, the law only applies to tenured workers in companies with more than 50 employees, so it covers just 45 percent of parents in the private sector.^{9, 10}

In order to stay home to care for a sick child, more than one-half of all employed parents say that they must take time off without pay, use vacation days, or lie.¹¹ The situation is even worse for low-income workers, many of whom hold shift, temporary, contract, or

part-time jobs that provide few benefits. For a large portion of workers, taking extended time off for the birth of a child, for a serious illness, or to care for a sick family member, typically means losing income, benefits, or job security.

People certainly may need to take extended leaves from work on occasion, for the sorts of reasons that FMLA envisions. But more commonly, they may simply need a little flexibility during their workdays to address short-term family needs. Yet when it comes to routine doctors’ appointments or parent-teacher conferences, more than three-quarters of all U.S. workers do not have the ability to adjust their daily schedules.¹² Among those who do have access to flexible schedules, managers and high-earners outnumber those making less. And people without children are more likely than parents to say it is easy to get time off during the day.¹³ Ironically, workers in small businesses, in general, enjoy greater flexibility and report having a more supportive workplace when it comes to accommodating family needs than workers in large businesses. Research finds that small business owners feel a strong connection to their workers and may try to offset

their inability to provide paid time off with greater flexibility.¹⁴

Given the family-time crunch, it is not surprising that workers say that the best thing employers can do to help them better manage their work and family responsibilities is give them greater job flexibility. According to the Families and Work Institute, 79 percent of employees (and 85 percent of younger workers) report wanting more flexible work options. Even with this strong support, many workers worry about negative repercussions from their superiors or fellow employees and are hesitant to pursue flex options. Nearly 40 percent—and parents more than non-parents—fear using flexible work options will damage their careers.¹⁵

Working mothers, in particular, suffer from the effects of work-life imbalance. Compared to previous generations, today's mothers have greater career opportunities. But they are putting in more hours on the job than ever before while still serving as primary caregivers to their children. Although men have increased the time they are spending with their children, women bear responsibility for 75 percent of household responsibilities.¹⁶

In order to meet the competing demands placed on them as care givers and employees, working mothers are seeking alternatives to traditional full-time jobs. Younger women are not foregoing careers but, according to one expert, they are redefining what "having it all" means. They are determining that success has "more to do with job satisfaction and flexibility than with prestige and position."¹⁷ Data indicate that women are taking longer leaves after childbirth, but eventually returning to the workforce, and projections indicate the trend will continue.¹⁸ Nearly 60 percent of women say they plan to take several weeks or a few months off when they have a child, either by birth or adoption, and about 30 percent expect to take more time.¹⁹ Married, highly-

educated women are expressing an especially strong desire for job "time-outs" when their children are very young.²⁰

Unfortunately, women who do leave the workforce are often penalized for doing so. Women start their careers earning salaries that are roughly similar to men's. But their wages drop by one-third compared to men's once they start having children.²¹ In addition, mothers returning to work after childbirth would often prefer to work shorter or more flexible hours, possibly telecommuting from home, but their employers often do not offer those options. As a result, more women are choosing to leave their jobs in search of more family-friendly arrangements—either working for different employers or working for themselves. In fact, women are reported to switch jobs at five times the rate of men as they look for work that fits their family needs.²² The demand among younger mothers for flexible jobs has helped spur the growth of what one female business leader has dubbed the "mompreneurs"—those who are more interested in creating their own jobs that accommodate family than in traditional employment security.

That trend is particularly significant in light of the fact that women account for nearly half of the U.S. workforce, are more likely than men to have earned college degrees, and thus comprise a growing share of the highly skilled labor pool. Barring any larger societal changes, however, women will likely continue to bear the load of child-rearing responsibilities, and will therefore need greater flexibility to carry out their dual roles as mothers and salary earners.

Although flexibility is usually seen as a working mothers' issue, men's attitudes toward work and family are changing, too, as more fathers, particularly younger ones, spend more time at home. Even traditional career men want more balance and are questioning whether the time spent on the climb up the

executive ladder is worth it. According to the Families and Work Institute, college-educated males are growing less inclined to pursue promotions if it means taking on more work responsibility.²³ And a 2005 survey of senior Fortune 500 male executives found that 84 percent would prefer jobs that let them achieve their career goals while having more time for personal life, and more than one-half would sacrifice income to achieve this balance. Men also say that restructuring their jobs to allow for more time outside of work would not hurt productivity. In fact, 87 percent contend that if companies adopt such changes, they will have a competitive edge in attracting talent.²⁴

Balance may become even more important to men as their parents age. A study in the United Kingdom found that men were more likely to want flexible part-time work options when they have eldercare responsibilities than when they have young children. This may reflect a shared belief among men and women that women are still the primary caregivers for young children, but not necessarily for elderly parents.²⁵ So, as the baby boom generation ages, demand for flextime is bound to grow among the boomers' children—men and women in their prime working years, and those just entering the workforce. In fact, by one estimate, the number of parents who need support from their children or from care-giving staff will more than triple by 2050, as the elderly population rises to some 70 million.²⁶

Meanwhile, just as the demand for workplace flexibility is crossing gender lines, it is also crossing generational lines. Surveys find that a growing number of people want to keep working into their 60s and 70s, either because they like their jobs or because they cannot afford to retire. But while older Americans are working longer now than in the past, they often prefer to work fewer hours near the end of their careers than they did

when they were younger. Their aim is often to have a gradual transition into retirement, rather than an abrupt one. Unfortunately, few employers offer older workers phased retirements with gradually reduced hours, so older workers are often forced to retire abruptly, or take part-time, and often lower-skilled, positions. Organizations such as AARP believe that many older workers would likely stay in the workforce if their employers offered non-traditional alternatives to full-time work or full-time retirement.

The Harms of Inflexibility

Work and family demands are colliding, but what exactly is our inflexible work culture doing to the health and welfare of American families? In a notable 1999 report examining the issue of work-family balance, the president's Council of Economic Advisors found that as parental work hours (particularly among mothers) went up between 1969 and 1999, children lost 22 hours each week of their parent's time—nearly a full day every week.²⁷ Surely, this loss of time is having an impact.

Researcher Shelley Waters Boots has examined a wide range of work and family studies, finding several concerns related to work schedules and family health. In general, parents overwhelmed with work stress are less effective in their parenting. Among women, the lack of workplace flexibility has been linked to depression, and when long work hours create negative maternal attitudes at home, children display more negative social behaviors. Children under 3 whose mothers work nonstandard hours score poorly on tests for cognitive development, especially when the nonstandard schedule occurs in the first year of children's lives. Older children whose parents work irregular hours have also been found to have lower reading and math scores. Such findings are not surprising. The

more parents work, the more stressed they are and the less time they have for the kind of quality parent-child interaction that research shows is critical to early cognitive development, which includes much more than just helping children with their homework. Fathers who feel overloaded by work tend to be less accepting of their children, less able to share their children's perspectives, and less likely to have positive relationships with them. In addition, nonstandard work schedules, such as nights or variable shifts, have a negative impact on marriage stability, with separation and divorce rates higher among couples where mothers or fathers have to work nights.^{28, 29}

Most working parents must rely heavily on childcare outside of the home for young children. The vast majority of children 5 and under—80 percent—are in non-parental care an average of 40 hours per week.³⁰ Unfortunately, most of that care has been reported to be of poor or mediocre quality, and recent data reveal that the more time children spend in non-parental care, the more behavior problems they exhibit.³¹ Once children are in school, parents often struggle to find adequate after-school care arrangements, and many are forced to leave their children home alone without any adult supervision at all. As a result, more than 3 million 6- to 12-year-olds regularly care for themselves in the afternoons.³²

A Changing Workforce, a Growing Family Focus

Today's parents are worried about the impact of work schedules on their families' wellbeing, and data indicate that demand for workplace flexibility will only increase in the future as younger workers—planning for and starting families—actively seek family-friendly jobs. Even as they put in more weekly work hours than same-age workers of 25

years ago, studies find that younger workers, in comparison to their baby boomer predecessors, are less “work-centric” and more “family-centric.” This difference is evidenced, in part, by the notable drop in the percentage of young workers willing to take on more work burdens in order to advance their careers, and—among fathers—the greater amount of time that they spend with their children.³³

Research data on younger generations help explain the workforce's changing attitudes toward work and family. Generation X, the 46 million people born between the mid-1960s and late 1970s, is the first generation to predominantly grow up in households headed by either dual-income or single parents. Members of Generation X have had their views of work and family colored by unsettling trends: Their parents divorced in record numbers compared to earlier generations, and in many cases their parents also struggled professionally as they lost their jobs to corporate downsizing. Although members of Generation X value work, family stability is also critical to them because they feel they missed out on it during their childhoods. As a result, Gen Xers tend to want more control over their work schedules.

Not surprisingly, mothers in Generation X are leading the charge for longer maternity leaves and more flexible work hours. But an even more substantial demographic force is about to arrive—Generation Y, the 70 million Americans born between 1980 and the late 1990s.³⁴ Also known as the Millennials or the Echo Boom, they have been coming of age since the turn of the 21st century. They have been significantly shaped by the shootings at Columbine High School and by September 11. As such, they see life as fleeting and family relationships as a top priority.³⁵ More religious and traditional in their values, especially in their views toward

motherhood, they want jobs that are self-fulfilling and that accommodate family life.³⁶ Job stability is not a priority for them; they expect to change jobs and careers several times, because that is the way it is in the global economy. But they also are confident in their abilities, so they are not inclined to view jobs as life rafts that they must cling to; they are perfectly willing to change jobs simply to find balance in their lives, or to achieve life goals.³⁷

As businesses grow more heavily dependent on this rising segment of the workforce, companies will need to better address the desires of young parents for family-friendly policies and benefits to attract and retain employees. In fact, offering such policies and benefits may be crucial to business' bottom line. Flexibility has been shown to have a significant positive impact on worker engagement and productivity levels, job turnover rates, and customer satisfaction—indicators that translate into higher profitability.³⁸

A study of 100 companies on a highly touted list of "great places to work"—99 of which have flexible work policies—found that those companies consistently outperform the S&P 500, retaining key talent and experiencing a turnover rate that is one-half of the national average."³⁹ Other data show that companies with job flexibility policies such as flextime, telecommuting, and job sharing have a 3.5 percent higher market value than companies without such policies, and companies with employee-friendly cultures have seen their stock values rise three times the rate of companies with rigid workplace policies.⁴⁰

Business groups do not dispute the benefits of a more family-friendly workplace, but they contend that existing laws unintentionally discourage employers from expanding work flexibility.⁴¹ In particular, they argue federal regulations and court interpretations of the

FMLA have distorted the law's original intent as it relates to medical leave and have resulted in unclear definitions, which in some cases facilitate employee abuse of the benefit. According to the business sector, "serious health conditions," as envisioned by Congress, no longer means "serious" when virtually any illness qualifies. This issue is compounded when workers with diagnosed chronic health conditions are allowed to take "intermittent leave" to receive treatment, or when the condition makes them unable to work. In some cases, leave can be taken in increments as small as 10 minutes, so tracking it can be time consuming and administratively challenging for employers. And when employees take unscheduled intermittent leave, employers must adjust their operations with little or no advance notice. Department of Labor data show that most businesses covered by FMLA report positive reactions to the law.⁴² But industry groups say employers are experiencing growing administrative costs and productivity issues since the law's enactment, and that is making them reluctant to consider additional flexibility.

Moreover, when it comes to supporting working families, other highly developed countries—and many poorer countries, too—far outperform the United States. Currently, 163 countries guarantee paid maternity leave for women, 45 ensure that fathers have access to paid paternity leave, and 37 provide paid leave for parents whose children are ill.⁴³ The United States does none of these. Workers in other countries also receive greater work flexibility than American workers, allowing them to better manage family needs. European Union countries have established a variety of policies that provide such benefits as flexible leave to deal with major family events and the right to request part-time work, and all have enacted measures to implement an EU directive that prohibits employers from treating part-time workers less favorably than

full-time employees with regard to pay, social security, benefits, job training, and promotions.⁴⁴ Not only do U.S. employees lack leave and flexibility benefits enjoyed by workers in other countries, they also work significantly more hours per year. But according to a 2003 report by the International Labor Organization (ILO), while America ranks first in the world in annual output per worker, it trails some of its competitors in output per hour, suggesting a burnout effect.⁴⁵

Policies in the United States not only lag behind other industrialized countries, they are out of step with the new realities of the American labor force that is becoming increasingly family-focused, and they undermine the natural family safety net wherein family members care for each other. By chipping away the time workers have to spend with their families, the drive toward longer work weeks has pushed workers to rely more than they would like on a system of non-family care for their loved ones. Lawmakers regularly hail the importance of family values, but they are failing to provide the leave and flexibility measures working parents need to meet their most basic family obligations. It is not surprising, then, to learn that more than three-quarters of likely voters say it is hard for workers to earn an adequate living and still have time to care for their families, and almost as many say the struggle is getting worse.⁴⁶

Recommendations for a Pro-Family Workplace

American families and businesses need a new working-family strategy that values employees' responsibilities to their children, spouses, and aging parents. Businesses and federal lawmakers are doing too little, even though studies suggest that better leave and flexibility policies could improve business

productivity as much as they improve workers' family lives. Some places, such as Britain and California, have already taken the lead in providing strong flexibility and leave models. Now it is time for private sector leaders and policymakers in Washington to follow suit. PPI recommends the following policies:

A "3-6-12" System of Guaranteed Leave

Passage of the Family Medical Leave Act (FMLA) has been a historic step forward for American workers. It provides 12 weeks of unpaid leave after the birth or adoption of a child, or to care for a sick spouse, parent, or child. But the law only applies to companies with 50 or more employees, which leaves out a majority of U.S. workers, and it does not help those who cannot afford to take time off unpaid. Moreover, it does nothing for those who only need an occasional sick day, or an hour or two off of work to meet with a child's teacher or to take an aging parent to the doctor.

To bolster the system of minimum guaranteed leave that FMLA helped establish, PPI proposes a "3-6-12" plan under which all workers would receive a combination of paid and unpaid leave, as follows:

□ Three days of unpaid, short-term leave per year.

Congress should require that all U.S. workers have at least three days per year—that is, 24 hours of work time—to be used incrementally, as necessary, for essential but short-term personal and family business, such as parent-teacher conferences, doctors' visits, or nursing a child with a cold.⁴⁷

That amount of unpaid leave is a relatively small but nonetheless important measure that can help make up for the 22 extra hours a

week that parents are spending at work today compared to three decades ago. Hard work is central to the American ethic, but it is not something that should stand in the way of people's basic responsibilities to their families. And while longer leave for serious health crises and childbirth is important, what employees often need most is just a few hours here and there for non-emergency needs.

As this proposal seeks a modest number of leave hours, it is reasonable to require all employers to provide the benefit. And in truth, small businesses have traditionally been more flexible than large employers in providing their workers with time off for routine family needs.

□ Six weeks of paid leave for the birth or adoption of a child, or for serious health crises in the immediate family.

Congress should require states to develop paid leave systems that would be funded by nominal employee contributions. Workers who take leave for permitted purposes should receive up to six weeks of replacement wages under this family leave system. States should set rules for the leave policy, including the required employee contributions and replacement wage benefits. Circumstances qualifying for wage replacement should include bonding with a newborn or adopted child, recovering from a serious personal illness, or caring for a seriously ill spouse, child, or parent.⁴⁸

Employees should not bear the cost of this new system alone; federal and state governments should invest in it, too. To that end, employee contributions would be made out of pre-tax income. In addition, for lower-income workers who take paid leave and are also eligible for the Earned Income Tax Credit (EITC), wage replacement should not be counted as taxable income. Finally, to ease the burden on states for instituting paid leave, the federal government should

pay the administrative cost of the program, which would be modest.

This paid leave model uses principles that are already working in California. For two years, Californians have been able to take up to six weeks of paid leave through the state's Temporary Disability Insurance (TDI) program. It is the first paid leave system of its kind in America. California workers contribute approximately \$4 per month to the insurance program and can draw 55 percent of their wages while on leave, with an inflation-adjusted maximum of \$840 per week. Employers pay nothing into the fund the program, and they can require workers to use their two weeks vacation time before they start receiving TDI benefits.⁴⁹

A prognostic study of the program conducted before it went into effect estimated that California employers would save up to \$89 million a year from reduced job turnover.⁵⁰ In its first year, the program paid nearly 138,000 workers about \$300 million. Benefits averaged little over \$400 a week, with leaves averaging about five weeks, primarily for parental bonding with a new child.⁵¹ Data on the second year are not yet available.

Paid leave in California is not a job guarantee, like FMLA; it is simply a wage replacement guarantee when workers take leave. Those who work for employers that fall under FMLA regulations have their jobs guaranteed for up to 12 weeks. Everyone else can receive the wage replacement for six weeks, but their employers are not prohibited from replacing them or eliminating their jobs while they are gone.

Since the California law was enacted, other states including Washington and Massachusetts have introduced legislation calling for comprehensive paid leave for all workers. The Washington plan would provide partial wage replacement with the costs shared by workers and employers, and the Massachusetts proposal would provide full

wage replacement. Advocates in Massachusetts have been emboldened by the passage of a bipartisan measure to extend health benefits to nearly all residents. States leading in paid leave programs could be grandfathered into the national system outlined here, as appropriate.⁵²

Establishing a national system of state-administered wage-replacement plans will truly deliver on the promise first outlined under FMLA. As it is now, many workers who are entitled to unpaid leave under FMLA do not take it, because they cannot afford to. Even among workers who do take unpaid leave, nearly 10 percent have to go on public assistance to stay afloat.⁵³ If Americans truly value the ability for all parents, not just wealthy ones, to spend time with their children when they are first born or adopted, and to take care of a child or elderly parent when they suffer a major illness, then unpaid leave is insufficient.

Critics may argue that requiring employees to fund a wage replacement program is unfair to those who do not have children or family members in need of care. But there are several rebuttals to that argument: First, wage replacement would be available to any worker who needs to take leave from work due to a serious medical problem—for example, to recover from cancer treatment. Second, as Robert D. Atkinson has argued in a PPI report, “the time and energy parents spend in providing high-quality parenting is an investment that benefits the whole society.”⁵⁴ Third, as a large segment of the U.S. population ages, the percentage of workers caring for their parents will rise. Moreover, with paid leave required in all states, employers will not be at a competitive disadvantage relative to other American businesses. By putting a higher premium on child and family care, mandatory paid leave makes American families stronger, which makes America stronger.

❑ Twelve weeks of unpaid leave under FMLA for millions more workers.

Congress can extend FMLA benefits to 13 million more Americans by requiring companies with 25 or more employees to comply with the law, instead of the current threshold of 50 or more employees. This extension of FMLA would still exempt America’s smallest businesses, which may not have enough manpower to afford holding jobs for employees taking extended leave, but it brings into the fold many medium-sized firms that can assume this burden. In reality, approximately 60 percent of establishments with 25 to 49 employees already report providing FMLA coverage.⁵⁵

Working families cannot afford to wait any longer for adequate leave, and it is in the national interest to ensure that they have immediate access to a modest amount of time off with pay for serious family needs. In particular, child development research has clearly established a link between mother-child bonding during the first months of children’s lives and their long-term wellbeing, including their healthy cognitive, physical, and social development. That is perhaps the most compelling of many good reasons to enact a comprehensive system of guaranteed leave.

A Right to Request Flexibility

Beyond provisions to allow leave from work for special family circumstances, Congress should also establish a “Right to Request Flexibility” benefit that would help parents of young children arrange their everyday work lives in a way that balances work and family obligations. Within reason, parents should be able to request flexible schedules, and the burden should be on employers to show why they cannot accommodate those requests.

Congress can follow the United Kingdom's lead in creating this right to request flexibility. The UK's "Right to Request Flexible Working" measure, passed in 2002, balances working parents' familial obligations with business needs by establishing a simple legal principle, not an onerous set of regulations.

Congress should enact a similar "soft touch" law in the United States, as first introduced by Karen Kornbluh and further outlined by Jodie Levin-Epstein.⁵⁶ It should start by establishing a legal principle that applies to all U.S. workers who have children under 6: They should be able to request flexible schedules from their employers, and their employers should either accept those requests or give formal responses that show legitimate reasons why the requests have to be denied.

Parents of young children would submit formal requests to their employers, detailing their proposals for flexible work arrangements—which might include flextime, telecommuting, job sharing, or any other creative proposal. Requests also would describe how the new arrangement will affect the employer and how the effects can be addressed. Employers would be required to meet with workers to consider their requests within four weeks, and issue a decision within two weeks of that meeting. (This is the key aspect of the British system: Workers do not have the right to flexible work; they simply have the right to ask for it, and to have their requests taken seriously.) If employers have legitimate business reasons for denying flexibility requests, they may offer formal explanations of those reasons and deny workers' requests. Employees should have a right to appeal employers' decisions. In the UK, employees appeal first to their employers, and then, if necessary, to an employment tribunal or third-party arbiter. Employees are not allowed to appeal just because they disagree with employers' decisions, and the

tribunal or arbiter cannot question employers' business reasons. The only way employers can be faulted is by failing to process a legitimate request and give an employee a fair hearing, or by rejecting a request based on incorrect facts.⁵⁷

In 2007, the British system will be extended to workers who seek flexibility so they can care for adults, older parents in particular. After establishing a right to request flexibility for U.S. parents, Congress should consider a similar extension in America.⁵⁸

Counter to many businesses' fears, following the British law's enactment, employers there were not pummeled with requests for flexibility. Most employers received between one and five requests, 70 percent of which were accepted. In fact, British business leaders think they save money by attracting better employees and by facing lower turnover rates.⁵⁹

The innovation of the Right to Request law is that without forcing employers to change their policies, it forces them to think about offering flexibility and helping their employees satisfy their family obligations. It creates a paradigm shift from a work ethic that considers flexibility a mere perk offered to favored employees, to a standard practice that is regularly granted unless there are legitimate business reasons to deny it.

A "HomeWork" Tax Credit for Telecommuters

Congress and the states should help parents and other workers who work from home because they are caring for children, spouses, or elderly parents, by allowing them to take a tax credit for telecommuting-related expenses. Applicable expenses could include the purchase of equipment and materials such as computers, software for sharing and securing business data online, printers, fax machines, or other necessary equipment.

To encourage employers to create telecommuting policies, Sens. John Kerry (D-Mass.), Rick Santorum (R-Penn.), and Sam Brownback (R-Kan.) have all introduced separate bills in recent years that would provide tax credits either to individual employees, or to employers for each employee working from home, ranging from \$250 to \$500 per year.

A “Working Families 2020” Project

Congress should create a new Working Families 2020 project with the goal of turning all workplaces into family-friendly workplaces by the year 2020. Congress should provide initial seed money, via the U.S. Department of Labor, to establish a new public-private entity that will bring together private and public sectors, non-profits, unions, and faith-based organizations to share ideas and resources and promote best practices. This new partnership project should also provide technical and legal assistance to businesses in designing work-

flexibility plans, including efforts to ease the transition of mothers back into the workforce, and provide grants for programs that train managers to effectively implement and promote flexibility and leave time. In addition, it should fund high-quality research on the benefits and costs of flexibility and leave time on worker productivity and health, as well as to business growth and profitability. Finally, it should fund an effort to identify existing federal and state laws and policies that may be hindering flexible work environments, and identify and advocate for solutions to help reduce impediments where they exist and foster an improved dialogue between employers and employees.

Several businesses are providing employees with flexibility benefits, but those pockets of innovation are far from pervasive across the job landscape. Other employers are open to the idea of flexibility, but are hampered by a lack of knowledge of how to develop and implement policies. And still, a large number of employers and lawmakers are not aware of the financial benefits that flexibility policies have brought to workplaces that have instituted them. The Working Families 2020 project would bring together a wide range of leaders to share solutions and facilitate the growth of family-friendly worksites.

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⁴⁷ This proposal is an outgrowth of President Clinton's 1997 memorandum to executive branch departmental and agency directors, in which he asked that federal employees be granted 24 hours of non-emergency family leave. See: <http://www.opm.gov/oca/leave/HTML/fampres.htm>.

⁴⁸ Since the enactment of the California law, some members of Congress have proposed paid leave programs for employees for serious medical reasons, or the birth or adoption of a child. In 2003, while running for the presidency, Sen. Joseph Lieberman proposed a national paid leave system that would be based on the California model and would provide eligible employees partial wages. Like the California program, replacement wages would be paid for by employee contributions. See: http://www.paidleave.org/docs/780_LiebermanPaidFMLRelease.pdf; Sen. Chris Dodd has introduced the Family and Medical Leave Expansion Act, S. 282, to fund a pilot grant program to help states establish paid leave programs that would provide employees with six weeks of partial, or full, wage replacement. Federal funding under each grant would be scaled down over a period of five years and may be used to pay partial or full wages directly, or through an insurance program, such as a state temporary disability program, or a state unemployment compensation program, or other mechanism; Rep. Pete Stark has introduced the Paid Family and Medical Leave Act, H.R. 3192, to establish a national paid leave program that would be administered by the states. Eligible employees would receive partial wage replacement for up to 12 weeks while on leave. Replacement wages would be paid out of a "Family and Medical Leave Trust Fund" financed through a .4 percent payroll contribution from employers.

⁴⁹ Employees' contribution to the paid leave fund is based on a percentage of their earnings. According the fact sheet, a minimum wage earner will pay an additional \$11.23 a year into SDI, while the estimated average additional annual cost is \$46.00 per worker; paid leave benefits will replace about 55% of wages up to a maximum of \$840 per week in 2005; and the maximum benefit will increase automatically each year, based on the state's average weekly wage. "Ten Quick Facts on Paid Family Leave," Fact Sheet, Paid Leave Collaborative, http://www.paidfamilyleave.org/pdf/1_ten_quick_facts.pdf.

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