

Fact Sheet on Extended Time Off (EXTO)

I. The Need for Extended Time Off (EXTO)

A. NEW CHILDREN

More women and mothers are working, and there is an increase in the number of couples with children in which both parents work.¹

Over 4.18 million working age women, ages 15-50, had a child during the 12 months prior to a 2006 Census survey. Nearly 2.4 million of these women were in the labor force.²

- New parents often feel forced back to work before they are ready or feel compelled to leave the labor market. Based on one recent national survey, four out of five parents with children believe that new mothers are pressured to return to work too quickly.³
- In another national survey, respondents were asked what would be the ideal length of time for a mother who has a newborn to be able to stay home from her job to take care of her baby. Three months or less garnered the most affirmative responses: 37% of respondents indicated 3 months or less, about a quarter indicated 4 to 11 months, and just over 30% said the ideal length is a year or more.⁴
- With regard to fathers, respondents in this survey indicated that fathers should get time off when they have a new baby, but generally not as much time as mothers. Nearly 75% of respondents said new fathers should have three months off or less, 6% indicated 4 to 10 months, and only 3% indicated a year.⁵

B. HEALTH ISSUES

According to a 2000 survey of employees regarding the Family & Medical Leave Act (FMLA), among those who took FMLA leave, more than half, 52.4%, of workers used the leave to attend to their own health conditions.⁶ Thirteen percent reported taking leave to care for a parent and nearly 12% reported using leave to care for an ill child.⁷

- Women are more likely than men to take leave under the FMLA; 58.1% of all leave takers under the FMLA are women.⁸ Among the men who take FMLA leave, the majority of them take leave to care for their own health needs (57.6% of male leave takers, as compared to 48.6% of female leave takers).⁹ Women are more likely than men to take leave for family reasons (not including medical leave for their own conditions)—almost 9% of all employed women were taking leave for family reasons

during the 18 months period covered by the survey, as compared to 4% of employed men. Women were also more likely to be taking their family leave to care for newborns, ill children, and ill parents, while men were more likely than women to be taking leave to care for a sick spouse.¹⁰

More than half of the longest leaves taken were **for ten or fewer workdays**. About a tenth of leave-takers took between 41 and 60 days, and another tenth reported taking leave for longer than the 60 days covered under the FMLA.¹¹

According to a national survey on caregiving, of all 44.4 million caregivers, including those not covered by the FMLA, the majority, 59%, are employed and balancing work and caregiving responsibilities at the same time. The burden of caregiving may force workers to give up work entirely (6%), take a leave of absence (17%), or change from full-time to part-time work and/or take a less demanding job (10%).¹²

C. THE NEED FOR PAID EXTO

Despite the availability of unpaid EXTO to those employees who are eligible under the FMLA, many workers do not use the benefit because of a lack of sufficient wage replacement during the leave.

According to a 2000 survey of employees, approximately 65% of employees who took FMLA leave reported receiving *some* pay during their leave.

When asked about their source(s) of pay during their longest leave, 61% of leave takers reported sick leave, 40% reported vacation leave, and 26% reported personal leave. Nearly one in 5, 18%, reported temporary disability insurance.¹³ Among those receiving pay during their leave, 43% reported receiving pay from more than one source.¹⁴

Among FMLA leave takers who did not receive full pay while on leave, nearly 10% reported that they relied on public assistance as a result of their diminished income.¹⁵

The 2000 survey found that lack of pay was the number one reason that workers who needed leave did not take it. Nearly 90% of those who needed leave, some of whom would not have received any compensation and some of whom would have received only partial compensation, said they would have taken leave had they received some or additional pay.¹⁶

II. Access to EXTO, Including Paid EXTO

A. NEW CHILDREN & HEALTH ISSUES

EXTO, including paid EXTO, is currently provided by employers to a range of employees under a variety of employer-sponsored benefits and, to some extent, as a result of government requirements.

A federal law, the FMLA, requires employers to provide eligible workers with up to 12 weeks per year of unpaid time off to care for a serious health condition of the employee or to allow the employee to care for a family member with a serious health condition, as well as to care for a newborn or adopted child.

- About 60% of employees in the U.S. work for employers that are covered by the FMLA and are otherwise eligible for FMLA leave; the remaining 40% are not eligible.¹⁷
- Findings from the Family and Work Institute's (FWI) 2008 National Survey of Employers indicate that among employers with more than 50 employees at a single location (hence employers who would be covered under the FMLA), 21% of small and 18% of large employers report offering fewer than 12 weeks of unpaid family leave.¹⁸

Many employers voluntarily provide a range of paid time off benefits. These may include paid STO benefits (such as paid sick leave or personal days) and/or paid EXTO benefits (such as paid vacation). Many employees combine these benefits in order to cover EXTO needs.

Workers' access to benefits such as sick leave, vacation and personal leave vary based on occupation, full-time or part-time work status, and hourly wage.¹⁹

Chart from the 2007 National Compensation Survey of private sector organizations conducted by the U.S. Bureau of Labor Statistics (BLS):

Employee access to EXTO by category of plan and worker characteristics, work status, and wage ²⁰					
	Paid Sick Leave	Paid vacations	Paid personal leave	Family Leave	
				Paid	Unpaid
ALL workers	57	77	38	8	83
Worker Characteristics					
Management, professional, and related	80	87	57	14	90
Service	39	59	26	5	79
Sales and Office	63	80	40	9	84
Natural resources, construction, and maintenance	44	75	27	6	75
Production, transportation, and material moving	47	83	33	4	84
Work Status					
Full Time	68	90	44	9	86
Part Time	23	38	21	5	73
Wage					
Average wage less than \$15/hour	44	69	30	5	80
Average wage \$15/hour or higher	72	88	48	11	88

In FWI's 2008 National Study of Employers, 64% of organizations report allowing *some* employees to take extended career breaks for caregiving or other family/personal responsibilities, while only 47% of organizations report providing this policy to *all or most* employees.²¹

Fewer than half of all workers overall have access to short-term and long-term disability coverage, and access varies along occupational, work status, and wage lines. A bit over 50% of workers with an average wage of \$15/hour or more have access to short-term disability coverage.

Short-term disability benefits typically compensate employees who are unable to work due to their own health needs. Benefits following the birth of a child are often included in such benefits. (Such benefits do not usually cover employees who need EXTO for paternity, adoption, or other caregiving reasons.)

Chart from the BLS 2006 National Compensation Survey:

Employee access to EXTO through disability plans and employee occupational category, work status, and wage ²²		
WORKER CHARACTERISTICS	Short-term	Long-term
ALL workers	37%	29%
Occupational Category		
White collar occupations	41%	40%
Blue collar occupations	42%	22%
Service occupations	21%	11%
Work Status		
Full time	45%	36%
Part time	12%	5%
Wage		
Avg. wage less than \$15/hr	26%	16%
Avg. wage \$15/hr or higher	52%	46%

According to FWI's 2008 National Study of Employers, of companies providing at least some pay to women during time off for maternity purposes, most, 80%, fund this pay through temporary disability insurance (TDI) plans.²³

- The trend for such coverage is downward. While 27% of organizations reported providing full disability pay after the birth of a child to new mothers in 1998, ten years later, only 16% of organizations reported offering full pay after the birth of a child.²⁴
- Among employers that offer at least some time off for maternity or paternity purposes, 52% offer at least some replacement pay for women (excluding paid vacation and sick time), while only 16% offer some replacement pay for men.²⁵

EXTO that is specifically designated for the care of newborns or newly adopted children is not widely available nor equally accessible, according to a 2008 survey of members of the Society for Human Resource Management (SHRM), representing public and private employers. (This survey is not nationally representative.)

Employer Provision of Paid Maternity, Paternity, or Adoption Time Off by organization size and industry ²⁶			
ORGANIZATION CHARACTERISTICS	Paid Maternity Leave* <i>*other than what is covered by Short Term Disability</i>	Paid Paternity Leave	Paid Adoption Leave
ALL Organizations	15%	13%	15%
Organization size			
Small organizations (1-99 employees)	12%	11%	10%
Medium organizations (100-499 employees)	15%	13%	15%
Large organizations (500 or more employees)	17%	14%	18%
Industry			
Finance	20%	16%	20%
Government	11%	13%	14%
Health	12%	13%	15%
Wholesale/Retail trade	8%	8%	8%
Manufacturing (durable goods)	17%	10%	17%
Manufacturing (nondurable goods)	14%	14%	14%
Services (nonprofit)	17%	16%	13%
Services (profit)	15%	15%	15%

As noted above, employees often accumulate vacation days, sick days, and personal days to pay for EXTO. The trend among employers, however, is towards the provision of Paid Time Off (PTO) programs, which replace distinct categorical time off programs with a single block of time. At times, this may result in less than the sum available under separate programs.²⁷

A survey by SHRM illustrates that the prevalence of PTO programs has more than doubled over the past ten years. While 25% of organizations surveyed in 1998 reported offering PTO programs, over twice that amount, 60%, report offering PTO programs in 2008.²⁸

Evidence from the SHRM survey reveals some differential access to these programs by organizational size and industry.²⁹

Employer provision of PTO plans by organization size and by industry ³⁰	
ORGANIZATION CHARACTERISTICS	PTO plan
ALL Organizations	60%
Organization size	
Small organizations (1-99 employees)	61%
Medium organizations (100-499 employees)	54%
Large organizations (500 or more employees)	64%
Industry	
Finance	57%
Government	53%
Health	70%
Wholesale/Retail trade	62%
Manufacturing (durable goods)	52%
Manufacturing (nondurable goods)	53%
Services (nonprofit)	63%
Services (profit)	72%

As noted, employees with access to vacation days often use such days to pay for other EXTO purposes. The average number of days of paid vacation available to employees varies based on an employee's length of service, worker characteristic, work status, and wage.

Chart from the 2007 BLS survey:

Average Days of Paid Vacation By Length of Service ³¹							
	Years of Service						
	After 1	After 3	After 5	After 10	After 15	After 20	After 25
ALL workers	8.9	11.0	13.5	16.1	17.7	18.5	19.1
Worker Characteristics							
Management, professional, and related	12.9	13.6	16.5	19.3	20.7	21.6	22.3
Service	7.9	10.3	13.2	15.5	16.5	16.9	17.2
Sales and Office	8.7	10.8	13.3	15.9	17.7	18.4	19.1
Natural resources, construction, and maintenance	7.0	9.1	10.9	13.1	14.4	15.1	15.8
Production, transportation, and material moving	7.0	9.6	11.6	14.6	16.2	17.7	18.4
Work Status							
Full time	9.2	11.3	13.7	16.5	18.0	18.9	19.5
Part time	6.8	8.6	11.2	13.2	14.2	15	15.6
Wage							
Avg. wage less than \$15/hr	7.5	10.0	12.3	14.8	16.1	16.8	17.2
Avg. wage \$15/hr or higher	10.3	12.0	14.7	17.5	19.1	20.2	21.0

The 2000 survey of employees regarding the FMLA provides data regarding differences in access to pay. Among those who received pay during their longest FMLA leave, male leave takers were more likely to receive pay (70%) than female leave takers (63%) and salaried workers were more likely to receive pay (88%) than hourly workers (54%). Leave takers of relatively high education and income levels were more often paid while on leave, while younger employees (18-24), those who have never been married, those with less than a high school education, and those with household incomes of less than \$20,000 were especially unlikely to have been paid while on leave.³²

As a general matter, evidence indicates that the amount of paid vacation, paid sick days, paid personal days, and paid time off days may be decreasing.³³ In addition, a SHRM survey indicates that firms are offering less family leave above state and federal FMLA requirements in 2008 than they were in 2004.³⁴

B. ALL OTHER EXTO NEEDS

Time off programs designed to enable professional development, advanced education, sabbaticals, time off for service work, or to provide employees time off for other personal reasons are evolving, but are not yet widely available or equally accessible to all employees.

According to FWI's 2008 National Study of Employers, 74% of organizations allow *some* employees to take time off for education/training to improve skills while 40% of organizations allow this policy for *all or most* employees.³⁵ There is variability in access to this policy by organization size. While 41% of small organizations provide time off for education/training to *all or most* employees, only 33% of large organizations do so.³⁶

The majority of companies do not provide time off for sabbaticals or volunteerism purposes. Again, access to these plans varies according to organization size and industry.

Chart from 2008 SHRM Survey:

Employer provision of formal Sabbatical Leave by organization size and industry ³⁷		
ORGANIZATION CHARACTERISTICS	Sabbatical	
	Paid	Unpaid
ALL Organizations	5%	13%
Organization size		
Small organizations (1-99 employees)	3%	10%
Medium organizations (100-499 employees)	4%	11%
Large organizations (500 or more employees)	6%	17%
Industry		
Finance	8%	11%
Government	3%	22%
Health	2%	12%
Wholesale/Retail trade	4%	8%
Manufacturing (durable goods)	1%	12%
Manufacturing (nondurable goods)	2%	10%
Services (nonprofit)	6%	19%
Services (profit)	4%	12%

Employer provision of paid time off for volunteering by organization size and industry ³⁸	
ORGANIZATION CHARACTERISTICS	Paid time off for volunteering
ALL Organizations	18%
Organization size	
Small organizations (1-99 employees)	17%
Medium organizations (100-499 employees)	18%
Large organizations (500 or more employees)	19%
Industry	
Finance	36%
Government	14%
Health	9%
Wholesale/Retail trade	14%
Manufacturing (durable goods)	18%
Manufacturing (nondurable goods)	9%
Services (nonprofit)	20%
Services (profit)	19%

(Endnotes)

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- 2 U.S. Census Bureau (2008). *American Community Survey 2006*, table 8. Retrieved October 2008 from <http://www.census.gov/population/socdemo/fertility/cps2006/table8-acs.xls>
- 3 Public Agenda (2000). *Necessary compromises: How parents, employers and children's advocates view child care today*. NY, NY: Author as cited in National Partnership for Women and Families (2005). *Expecting better: A state-by-state analysis of parental leave programs*. Washington, D.C.: Author, p. 6. Retrieved August 2006, from <http://www.nationalpartnership.org/portals/p3/library/PaidLeave/ParentalLeaveReportMay05.pdf>
- 4 Civitas Initiative, Zero to Three, & the Brio Corporation (2000). *What Grown-ups understand about child development: A national benchmark survey*. Washington, D.C.: p. 168. Retrieved September 2006, from <http://www.zerotothree.org/fullreport.pdf>
- 5 Civitas Initiative, Zero to Three, & the Brio Corporation (2000). p. 172.
- 6 Cantor, D., Waldfogel, J., Kerwin, J., McKinley-Wright, M., Levin, K., Rauch, J., Hagerty, T., & Stapleton-Kudela, M. (2001). *Balancing the Needs of Families and Employers: Family and Medical Leave Surveys 2000 Update*. Rockville, MD: Westat, p. 2-5.
- 7 It is important to note that these numbers add to over 100%; this is because some leave takers took more than one leave. Cantor, D., Waldfogel, J., Kerwin, J., McKinley-Wright, M., Levin, K., Rauch, J., Hagerty, T., & Stapleton-Kudela, M. (2001). p. 2-5.
- 8 Cantor, D., Waldfogel, J., Kerwin, J., McKinley-Wright, M., Levin, K., Rauch, J., Hagerty, T., & Stapleton-Kudela, M. (2001). Appendix A-2-5.
- 9 *Id.*
- 10 Armenia, Amy, and Naomi Gerstel. 2006. "Family Leaves, the FMLA, and Gender Neutrality: The intersection of Race and Gender." *Social Science Research* 35: 871-891.
- 11 Cantor, D., Waldfogel, J., Kerwin, J., McKinley-Wright, M., Levin, K., Rauch, J., Hagerty, T., & Stapleton-Kudela, M. (2001). p. 2-3.
- 12 National Alliance for Caregiving and AARP (2004, April). *Caregiving in the U.S.* Bethesda, MD, p. 6, p. 7, p. 65. Retrieved October 2006, from <http://www.caregiving.org/data/04finalreport.pdf>
- 13 Cantor, D., Waldfogel, J., Kerwin, J., McKinley-Wright, M., Levin, K., Rauch, J., Hagerty, T., & Stapleton-Kudela, M. (2001). p. 4-6.
- 14 Cantor, D., Waldfogel, J., Kerwin, J., McKinley-Wright, M., Levin, K., Rauch, J., Hagerty, T., & Stapleton-Kudela, M. (2001). p. 4-6.
- 15 Cantor, D., Waldfogel, J., Kerwin, J., McKinley-Wright, M., Levin, K., Rauch, J., Hagerty, T., & Stapleton-Kudela, M. (2001). p. 4-9.
- 16 Cantor, D., Waldfogel, J., Kerwin, J., McKinley-Wright, M., Levin, K., Rauch, J., Hagerty, T., & Stapleton-Kudela, M. (2001). p. 2-17.
- 17 Cantor, D., Waldfogel, J., Kerwin, J., McKinley-Wright, M., Levin, K., Rauch, J., Hagerty, T., & Stapleton-Kudela, M. (2001). p. 3-3.
- 18 Galinsky, Ellen, James T. Bond, Kelly Sakai, Stacy S. Kim, and Nicole Giuntoli (2008). 2008 National Study of Employers. New York, NY: Families and Work Institute. P. 17. Retrieved October 2008, from <http://familiesandwork.org/site/research/reports/2008nse.pdf>
- 19 The 2006 Bureau of Labor Statistics (BLS) National Compensation Survey (NCS) from which this data is derived included responses from 10,370 private industry establishments representing about 105 million workers. It is important to note that the data presented here differs from the SHRM data as it is a representative sample of private sector workers. Additionally, while SHRM data is presented in terms of the percentage of organizations reporting provision of particular plans, data from the BLS establishment surveys is extrapolated to provide an indication of the percentage of employees with access to particular plans. The BLS has not updated its survey of public sector (state and local government) establishments since 1998 and since that time the classification system and plan definitions utilized in the NCS survey have changed. Therefore it is not possible to provide public sector data that aligns with the recently released 2006 private sector surveys. See U.S. Bureau of Labor Statistics (2006, August). *National Compensation Survey (NCS): Employee benefits in private industry in the United States, March 2006*. Washington, D.C.: Author. Retrieved September 2006, from <http://www.bls.gov/ncs/ebs/sp/ebsm0004.pdf>
- 20 US. Bureau of Labor Statistics (March 2007 National Compensation Benefits), table 19.
- 21 Galinsky, Ellen, James T. Bond, Kelly Sakai, Stacy S. Kim, and Nicole Giuntoli (2008), p. 15.

- 22 U.S. Bureau of Labor Statistics (2006, August). *National Compensation Survey (NCS): Employee benefits in private industry in the United States, March 2006*. Washington, D.C.: Author, p. 24. Retrieved September 2006, from <http://www.bls.gov/ncs/ebs/sp/ebsm0004.pdf>
- 23 Galinsky, Ellen, James T. Bond, Kelly Sakai, Stacy S. Kim, and Nicole Giuntoli (2008), p. 19.
- 24 Galinsky, Ellen, James T. Bond, Kelly Sakai, Stacy S. Kim, and Nicole Giuntoli (2008), p. 19.
- 25 Galinsky, Ellen, James T. Bond, Kelly Sakai, Stacy S. Kim, and Nicole Giuntoli (2008). *2008 National Study of Employers*. New York, NY: Families and Work Institute. P. 19 Retrieved October 2008, from <http://familiesandwork.org/site/research/reports/2008nse.pdf>. This report is based on a nationally representative survey of 1,100 employers with 50 or more employees. The sample included both for profit and not for profit organizations.
- 26 Society for Human Resource Management (SHRM) (2008). *2008 Employee Benefits*. Virginia: Author, p. 47-48.
- 27 This is a definition provided by the Society of Human Resource Management. See for example, S. F., & Morrison, T.M. (2006, September). *Paid-time-off programs: Giving employees more control over leave*. Alexandria, VA: SHRM. Retrieved September 2006, from http://www.shrm.org/rewards/library_published/benefits/nonIC/CMS_018373.asp
- 28 SHRM (2006, September). p. 46, and SHRM 2008, p. 50.
- 29 Society for Human Resource Management (SHRM) (2008). *2008 Employee Benefits*. Virginia: Author, p. 47-48.
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- 31 US. Bureau of Labor Statistics (March 2007 National Compensation Benefits), table 21.
- 32 Cantor, D., Waldfogel, J., Kerwin, J., McKinley-Wright, M., Levin, K., Rauch, J., Hagerty, T., & Stapleton-Kudela, M. (2001). p. 4-5.
- 33 Wiatrowski, William J. (2004). "Documenting Benefits Coverage for All Workers." U.S. Bureau of Labor Statistics, *Compensation and Working Conditions Online*. Retrieved October 2008, <http://www.bls.gov/opub/cwc/print/cm20040518ar01p1.htm>
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- 36 Galinsky, Ellen, James T. Bond, Kelly Sakai, Stacy S. Kim, and Nicole Giuntoli (2008), p.15.
- 37 Society for Human Resource Management (SHRM) (2008). *2008 Employee Benefits*. Virginia: Author, p. 47-48.
- 38 Society for Human Resource Management (SHRM) (2008). *2008 Employee Benefits*. Virginia: Author, p. 47-48.