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ACCESS TO PAID SICK LEAVE IN ESSEX COUNTY, NEW JERSEY

INTRODUCTION

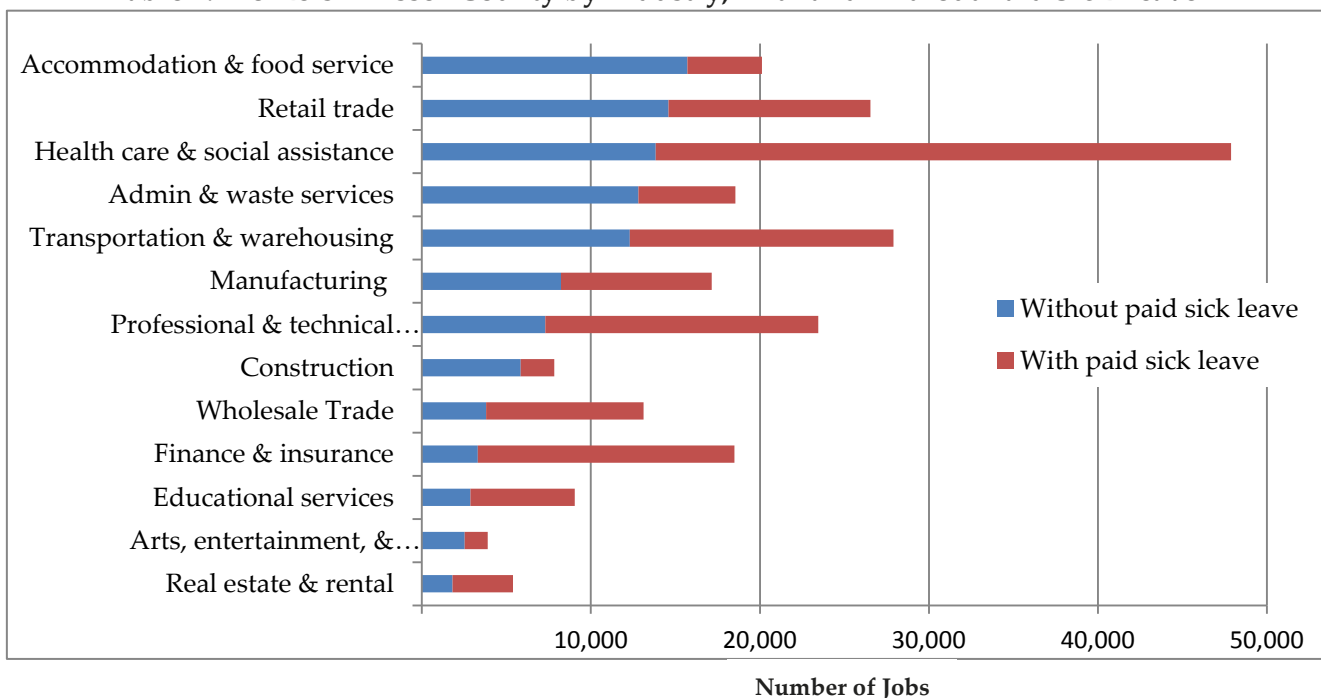
Currently, no federal law guarantees workers the right to earn paid sick days from their employers when they or their families are sick, and only one state, Connecticut, has adopted such a policy. Earned sick days ordinances have been passed in nine municipalities: Jersey City and Newark, NJ; New York City; Seattle, WA; Eugene and Portland, OR; San Diego and San Francisco, CA; and Washington, D.C.

The seat of Essex County and its most populous city, **Newark**, passed a paid sick day ordinance earlier this year and three other municipalities in Essex County, **East Orange**, **Irvington**, and **Montclair** are considering adoption of a similar policy. Research shows that paid sick leave:

- ✓ Allows workers to be **good employees & good parents** and will help their children lead healthier lives
- ✓ Protects the **health** of the **public** by reducing risk of the spread of contagions
- ✓ Contributes to a **strong local economy** by helping families maintain buying power
- ✓ Experienced by employers in cities where it is legislated is generally **positive**
- ✓ Is **supported** by Essex County voters by wide margins regardless of political affiliations

Over **114,100** private-sector workers in Essex County lack access to paid sick leave, including over **13,800** in health services, over **15,700** in accommodation and food services and over **14,500** in the retail industry (See Table 1).¹

Table 1: Workers in Essex County by Industry, With and Without Paid Sick Leave



Access to paid sick leave is unequally distributed across the U.S. population, with differences by race and ethnicity, occupation, earnings levels, and work schedules. Paid sick leave is especially uncommon in certain jobs, such as health care, retail, food preparation and serving, where workers come in contact with the public.² In addition, lower income workers, part-time workers, women, and people of color – and their children – are disproportionately impacted by the lack of paid leave.³ Nationally, 80 percent of the lowest wage earners (those in the bottom 10 percent) have no paid sick leave.⁴ People without paid sick leave suffer negative health consequences and face financial losses, ranging from smaller paychecks to fewer career advancement opportunities and a more limited ability to build retirement savings. Ensuring greater access to paid sick leave for all workers would bring many public health and economic benefits for employers, families, and communities.

PAID SICK LEAVE STRENGTHENS FAMILIES

Every family wants what’s best for their children, but without paid sick leave, parents are often forced to choose between their family’s financial stability and their own or their children’s health. Too often parents have no choice but to send a child to school sick or skip medical care. With paid sick leave, parents are able to take their children to well-child visits and for immunizations, which may prevent serious illness.⁵

- 42 percent of Essex County residents report they cannot afford to take time off work for illness.⁶
- Parents with paid sick leave are 20 percent less likely to send a sick child to school, reducing the risk of spreading illness in classrooms.⁷
- When parents are able to care for sick children at home they get better sooner and their long-term health improves.⁸

Guaranteeing paid sick leave would allow workers to be good employees and good parents – and will let children lead healthier lives, and be more successful in school and better prepared for the future.

PAID SICK LEAVE PROTECTS PUBLIC HEALTH

Paid sick leave protects the public health, reduces healthcare costs and promotes a healthier more productive workforce.

When workers have paid sick leave they are less likely to go to work sick or send sick children to school. Paid sick leave also promotes healthier businesses and workplace by preventing the spread of food-borne disease, and boosting employee productivity and morale. Yet many workers without paid sick leave are in low-wage service jobs, caring for vulnerable populations such as children and the elderly or preparing and serving food in restaurants.

- 76 percent of food preparation and service workers in New Jersey do not have paid sick days.⁹

*A **paid sick leave municipal ordinance** would build healthier communities by ensuring that everyone working 80 hours in a year receives paid sick leave, to be usable for the worker’s own preventative care or sickness absences and for time off to care for family members.*

The ordinance would require private-sector employers to allow their employees to accrue paid sick leave at a rate of 1 hour for each 30 worked. Employees who provide food service, child care, or home health care, or who work for employers with 10 or more employees would be entitled to up to 40 hours of paid sick leave each year. Other private-sector employees would be entitled to up to 24 hours of paid sick leave each year.

- Paid sick leave minimizes the spread of the flu; this highly contagious ailment accounts for 10 to 12 percent of all illness-related work absence.
- Workers without paid sick leave make more visits to the emergency room, costing taxpayers hundreds of millions of dollars per year.¹⁰ In New Jersey in 2005, over 150,000 hospitalizations were entirely preventable.
- With paid sick leave, workers are 28 percent less likely to get injured on the job.¹¹
- Presenteeism, (the cost of employees' lower productivity when working sick) costs employers \$160 billion annually – considerably more than the cost of absenteeism.

*When the City of Newark, NJ passed its Earned Sick Days Ordinance, an estimated **38,000** private-sector workers no longer had to choose between their paycheck and their health or the health of their family. If paid sick leave ordinances are passed in East Orange, Montclair, and Irvington, over **56%** of private-sector workers without paid sick days in Essex County would be covered. Currently there are an estimated **7,068** private-sector workers without paid sick days in Montclair, **9,111** in Irvington, and **10,044** in East Orange.*

PAID SICK LEAVE IS GOOD FOR THE ECONOMY

When working families have enough money in their pockets to cover the basics, that helps the whole economy. Losing even a day's wages – or worse, a job – undermines families' ability to contribute to the economy and forces many to rely on public programs to keep their families afloat.

- Nearly one quarter of adults in the US have been fired or threatened with job loss for taking time off to recover from illness or care for a sick loved one.¹²
- For a low-income family without paid sick days, going just 3.5 days without wages is the equivalent to losing a month's groceries.¹³

Businesses in the local community rely on customers – who are also workers – to have enough money to spend at their establishments. The basic protection of guaranteeing workers paid sick leave ends up helping not just those individuals and families, but communities and the local economy.

EMPLOYERS' EXPERIENCE WITH PAID SICK LEAVE LAWS IS GENERALLY POSITIVE

Studies in San Francisco, Washington D.C., Seattle, and Connecticut, where paid sick leave ordinances have been adopted, provide evidence the laws are working well for most employers and actually make business and economic sense.

- Three years after implementation of San Francisco's law, more than 70 percent of employers reported no impact on profitability (another 15 percent said they didn't know) and two-thirds of employers expressed support for the law.¹⁴
- A report by the Office of the District of Columbia Auditor found that Washington DC's paid sick days law "did not have the economic impact of encouraging business owners to move a business from the District nor did the law have the economic impact of discouraging business owners to locate a business in the District of Columbia."¹⁵
- Since Seattle's Paid Sick and Safe Time Ordinance took effect in 2012, the county has seen stronger job growth and lower unemployment rates than Washington State and the nation.¹⁶
- A recent survey of Connecticut employers found that the law has had a minimum impact on costs and few employers have made adjustments such as increasing prices or reducing employee hours.¹⁷

NJ VOTERS, INCLUDING ESSEX COUNTY VOTERS, SUPPORT A PAID SICK LEAVE LAW

An overwhelming majority of New Jerseyans support earned sick days (83 percent) and the support spans all economic and racial groups, both genders and even political affiliations – regardless of party identity a strong majority of all respondents favored a paid sick leave law (see Table 2).¹⁸

Essex County Democrats and Republicans both reported increased favorability toward this proposed policy compared with favorability toward the general concept of paid sick days; for Democrats 91.2% to 97%, and Republicans 73.3% to 86.7%.

Table 2: Percent Strongly or Somewhat Favoring PSD by Political Party, Essex County

| | Democrats | Independents | Republicans |
|----------------------|-----------|--------------|-------------|
| | % | % | % |
| PSD Favor | 91.2 | 95.0 | 73.3 |
| PSD Oppose | 8.8 | 5.0 | 26.7 |
| Policy Favor | 97.0 | 80.0 | 86.7 |
| Policy Oppose | 3.0 | 20.0 | 13.3 |

NOTE: Percentages are weighted to represent New Jersey registered voters.

¹ Estimates are made by the Center for Women and Work at Rutgers University using the Institution for Women’s Policy Research (IWPR) sick days calculator with the Bureau of Labor Statistics (BLS) data. Estimates of workers without sick leave us national percentages and county-level data and adjust for the industrial composition of the jurisdiction. “Private sector workers” includes private wage and salary workers and workers self-employed in their own (not incorporated) businesses.

² Institute for Women’s Policy Research (IWPR) report, Paid Sick Days Access in the United States: Differences by Race/Ethnicity, Occupation, Earnings, and Work Schedule, Marcy 2014, Retrieved from <http://www.iwpr.org/publications/pubs/paid-sick-days-access-in-the-united-states-differences-by-race-ethnicity-occupation-earnings-and-work-schedule>

³ Institute for Women’s Policy Research (IWPR) analysis of the 2013 National Health Interview Survey (NHIS). “Paid Sick Days Access Varies by Race/Ethnicity, Sexual Orientation, and Job Characteristics”, July 2014. Retrieved from <http://www.iwpr.org/initiatives/family-leave-paid-sick-days>

⁴ U.S. Bureau of Labor Statistics, Employee Benefits in the US, National Compensation Survey, March 2012, retrieved www.bls.gov/ncs/eds/

⁵ Lovell, V. No Time to be Sick, Retrieved from www.iwpr.org/publications/pubs/no-time-to-be-sick-why-everyone-suffers-when-workers-don2019t-have-paid-sick-leave

⁶ The Eagleton Institute of Politics at Rutgers University surveyed New Jersey residents to assess their opinions of paid/earned sick day policy in general, as well as proposed New Jersey paid sick days legislation in particular. Using random digit dialing (both landline and cell phone), the survey selected a random sample of 925 New Jersey residents. The Essex County subsample included 82 residents of Essex County. Polling data can be weighted to be representative of New Jersey residents (based on most recent U.S. Census Data) or New Jersey registered voters (based on most recent American Community Survey data). Due to small sample sizes, findings should be viewed with caution. The Essex County subsample contained 33 Democrats, 21 Independents, and 17 Republicans.

⁷ IWPR Retrieved from <http://www.iwpr.org/initiatives/family-leave-paid-sick-days>

⁸ Retrieved from <http://www.washingtonpost.com/wp-dyn/content/article/2006/05/12/AR2006051201817.html>

⁹ Rutgers Center for Women and Work and Human Impact Partners. “A Health Impact Assessment of Paid Sick Days Policies in New Jersey”, April 2011, available at www.humanimpact.org/past-projects

¹⁰ Miller K., Williams, C. & Yi, “Paid Sick Days and Health: Cost Savings from Reduced Emergency Department Visits,” November 2011, Institute for Women’s Policy Research, www.iwpr.org/initiatives/family-leave-paid-sick-days.

¹¹ Retrieved from <http://blogs.cdc.gov/niosh-science-blog/2012/07/30/sick-leave/>

¹² Retrieved from <http://www.publicwelfare.org/resources/DocFiles/psd2010final.pdf>

¹³ Retrieved from http://www.epi.org/publication/the_need_for_paid_sick_days/

¹⁴ Drago R. and Lovell, S. (2011, April). San Francisco’s Paid Sick Leave Ordinance: Outcomes for Employers and Employees. Institute for Women’s Policy Research Publication. Retrieved 31 January 2014, from www.iwpr.org/publications/pubs/San-Fran-PSD

¹⁵ Audit of the Accrued Sick and Safe Leave Act of 2008, Office of the District of Columbia Auditor, <http://dcauditor.org/reports/audit-accrued-sick-and-safe-leave-act-2008>.

¹⁶ The Main Street Alliance of Washington. (2013, September). Paid Sick Days and the Seattle Economy: Job growth and business formation at the 1-year anniversary of Seattle’s Paid Sick and Safe Leave law. Retrieved from <http://washington.mainstreetalliance.org/files/2013/09/PSD-1-Year-Report-Final.pdf>

¹⁷ Appelbaum, E., & Milkman, R. (2014, January). Good for Business? The Case of Paid Sick Leave in Connecticut. Center for Economic and Policy Research. Retrieved from <http://www.cepr.net/index.php/blogs/cepr-blog/is-paid-sick-leave-good-for-business>

¹⁸ Rutgers Center for Women and Work and Human Impact Partners. “A Health Impact Assessment of Paid Sick Days Policies in New Jersey”, April 2011, available at www.humanimpact.org/past-projects