

Testimony
Subcommittee on Federal Workforce, Postal Service and the District of Columbia and
Joint Economic Committee
Jane Waldfogel
Professor of Social Work and Public Affairs
Columbia University
March 6, 2008

Chairman Davis, Vice Chairman Maloney, and Members of the Subcommittee and Committee:

Thank you for inviting me to testify about the effects of extending paid parental leave rights for federal employees. Paid parental leave has been shown to improve employee productivity and retention, and we also know that employees who have paid parental leave are more likely than those without this benefit to return to their employer. This reduces turnover, which is good for employers. However, the main purpose of paid leave is to allow families time together when they need it and I would like to use my time today to talk about the effects of paid parental leave on child and family well-being.

As you know, the Family and Medical Leave Act (FMLA) allows parents with a newborn or newly adopted child to take up to 12 weeks of leave (so long as they meet its qualifying conditions) but makes no provision for paid parental leave. As a result, many new parents do not take the leave to which they are entitled, cutting their time at home short or forgoing leave altogether, while others take leave but undergo substantial financial hardship, placing stress on themselves and their families (Cantor et al., 2001; Waldfogel, 2001b). The Federal Employees Paid Parental Leave Act of 2007 (H.R. 3799) would address this situation for federal employees by providing them with eight weeks of full pay and benefits for leave taken for the birth or adoption of a child.

My testimony today will focus on three points:

- Research shows that parental leave is beneficial for children and parents.
- The FMLA has increased leave coverage, but its effects on parental leave-taking have been limited due to the leave not being paid
- Providing paid leave, as other countries do, would improve child and family health and well-being.

I. Research shows that parental leave is beneficial for children and parents.

Research in the U.S. has shown that women who return to work later in the first year have better mental health (less depression) (Chatterji & Markowitz, 2005). And, several comparative studies have found that when paid leave periods are longer, infant mortality rates are lower (Ruhm, 2000; Tanaka, 2005). Unpaid leave does not have the same protective effect, because parents are less likely to take it (Ruhm, 2000; Tanaka, 2005).

These improvements in child health may come about because parents on leave are better able to monitor their children's health and safety at home.

There is also evidence that children whose mothers stay home longer in the first year of life receive more preventive health care and are more likely to be up-to-date on their immunizations (Berger, Hill, & Waldfogel, 2005). Moreover, women who take leave are more likely to initiate breast-feeding and breast-feed longer (Berger, Hill, & Waldfogel, 2005; Cunningham, Jelliffe, & Jelliffe, 1991; Lindberg, 1996).

We know less about fathers' leave-taking, but analyses of new birth cohort surveys indicate that when fathers take longer parental leaves, they are more involved in the care of their infants – changing diapers and waking up with the baby at night – 9 to 10 months after the birth (Neponmyaschy & Waldfogel, 2007; Tanaka & Waldfogel, 2007).

These findings about the beneficial effects of parental leave are particularly consequential given what we know about child health and development in the first year of life. Reviews by the National Academy of Sciences concluded that the quality of care a young child receives – in particular, its sensitivity and responsiveness – is crucial for child health and development (Shonkoff & Phillips, 2000; Smolensky & Gootman, 2003). In the first weeks and months of life, when infants are dependent on their parents, sensitive and responsive care is especially important (Hrdy, 1999; Waldfogel, 2006).

II. The FMLA has increased leave coverage, but its effects on parental leave-taking have been limited due to the leave not being paid.

The FMLA was a landmark piece of legislation. It has had a dramatic impact on raising parental leave *coverage* in the United States, especially for men, few of whom previously had the right to a paternity leave (Waldfogel, 1999a). However, the impact of the law on parental leave *usage* has been less pronounced. Studies have found generally small effects of the U.S. law on increasing leave usage by new mothers (Han & Waldfogel, 2003; Klerman & Leibowitz, 1998; Ross, 1998; Waldfogel, 1999b) and either small or no discernible effects on increasing leave usage by new fathers (Han & Waldfogel, 2003; Han, Ruhm, & Waldfogel, 2007). The fact that the law extended coverage but had so little impact on usage suggests that there are limits to the extent to which families are willing and able to use unpaid leave. Given the financial constraints that families with new children often face, taking leave without pay may not be an option for many of them. Such constraints probably explain why leave laws have a larger effect on leave-taking among high-income families than low-income families (Han, Ruhm, & Waldfogel, 2007).

Surveys confirm that some parents do not take the leave to which they are entitled under the FMLA because they can not afford it (Commission on Family and Medical Leave, 1996; Cantor et al, 2001; Waldfogel, 2001b). Among parents reporting that they needed a leave but did not take it, the most frequent reason was the inability to afford it (cited by 78% of those in this category in 2000) (Cantor et al., 2001; Waldfogel, 2001b). Others take leave but undergo financial hardship, falling into debt or turning to welfare for support while out on unpaid leave (Commission on Family and Medical Leave, 1996).

Among those who take unpaid leave (or leave at less than full pay), more than half report it was difficult to make ends meet, and about half say they would have taken a longer leave if additional pay had been available (Cantor et al., 2001; Waldfogel, 2001b).

III. Providing paid leave, as other countries do, would improve child and family health and well-being.

The evidence indicates that a substantial share of parents in the U.S. are not able to take the leave to which they are entitled under FMLA because they do not have the right to paid leave, while others take leave but experience financial hardship. These problems are particularly acute for lower-income parents who can ill afford a period of unpaid leave. Extending paid leave rights would increase the share of parents taking family and medical leave as well as reduce financial hardship among those taking leave, leading to improvements in child and family well-being.

It is informative to consider how parental leave in the US compares to the situation in other countries (Kamerman, 2000; Waldfogel, 2001a). The results are clear: American mothers go back to work much more quickly than mothers in other peer nations, in large part due to the lack of paid parental leave (see, e.g., Berger, Hill, & Waldfogel, 2005). The OECD countries now provide an average of 18 months of childbirth-related leave, much of it paid (Waldfogel, 2006b). Generous leave policies have been instituted not just in the Nordic countries and continental Europe but in the Anglo-American countries as well. Our closest neighbor, Canada, extended its leave coverage in 2002 and now offers a year of childbirth-related leave, with all but two weeks of the leave paid from a social insurance fund. The United Kingdom also recently extended its leave provisions and now provides a year of job-protected maternity leave to all new mothers, with the first 9 months paid from social insurance funds. Australia and New Zealand provide a year of unpaid parental leave (New Zealand also provides 12 weeks of paid maternity leave). Thus, all the Anglo-American nations except the U.S. now offer a year of job-protected parental leave, and all but Australia and U.S. provide at least some paid leave.

IV. Conclusion

Thank you again for inviting me to testify today on this important piece of legislation. By extending paid parental leave rights to provide new parents with 8 weeks of fully paid leave, H.R. 3799 would be an important step in improving the health and well-being of children and parents.

V. References

- Berger, L., J. Hill, & J. Waldfogel (2005). "Maternity Leave, Early Maternal Employment, and Child Health and Development in the U.S." Economic Journal 115 (February): F29-F47.
- Berger, L. & J. Waldfogel (2004). "Maternity Leave and the Employment of New Mothers in the United States." Journal of Population Economics 17(2): 331-349.
- Cantor, D, J. Waldfogel, J. Kerwin, M.M.Wright, K.Levin, J.Rauch, T. Hagerty, & M.S. Kudela (2001). Balancing the Needs of Families and Employers: Family and Medical Leave Surveys, 2000 Update. Rockville, MD: Westat.
- Chatterji, P. & S. Markowitz. (2005). "Does the Length of Maternity Leave Affect Maternal Health?" Southern Economic Journal 72(1), 16-41.
- Commission on Family and Medical Leave (1996). A Workable Balance: Report to Congress on Family and Medical Leave Policies. Washington, D.C.: U.S. Department of Labor, Women's Bureau.
- Cunningham, A.S., Jelliffe, D.B., & Jelliffe, E.F.P. (1991). "Breast-feeding and Health in the 1980s: A Global Epidemiological Review." Pediatrics, 118(5), 659-666.
- Gornick, J. & M. Meyers (2003). Families that Work: Policies for Reconciling Parenthood and Employment. New York: Russell Sage Foundation.
- Han, W., C. Ruhm, & J. Waldfogel (2007). "Parental Leave Policies and Parents' Employment and Leave-Taking." Paper presented at the Association of Public Policy Analysis and Management Annual Research Conference, Washington, DC, November 8, 2007.
- Han, W. & J. Waldfogel (2003). "Parental Leave: The Impact of Recent Legislation on Parents' Leave-Taking." Demography 40(1), 191-200.
- Hrdy, S.B. (1999). Mother Nature: A History of Mothers, Infants, and Natural Selection. New York: Pantheon Books.
- Kammerman, S. (2000). "Parental Leave Policies: An Essential Ingredient in Early Childhood Education and Care Policies." Social Policy Report 14(2), 3-15.
- Klerman, J. & A. Leibowitz (1998). "FMLA and the Labor Supply of New Mothers: Evidence from the June CPS." Santa Monica, CA: Rand.
- Lindberg, L. (1996). Women's Decisions about Breast-Feeding and Maternal Employment. Journal of Marriage and the Family, 58(1), 239-251.

Nepomnyaschy, L. & J. Waldfogel (2007). "Paternity Leave and Fathers' Involvement with Their Young Children: Evidence from the ECLS-B." Community, Work, and Family 10(4): 425-451.

Ruhm, C. (2000). "Parental Leave and Child Health." Journal of Health Economics 19(6), 931-960.

Shonkoff, J.P. & D.A. Phillips (eds) (2000). From Neurons to Neighborhoods: The Science of Early Childhood Development. Washington, DC: National Academy Press.

Smolensky, E.& J. Gootman (eds) (2003). Working Families and Growing Kids: Caring for Children and Adolescents. Washington, DC: National Academy Press.

Tanaka, S. (2005). "Parental Leave and Child Health Across OECD Countries." Economic Journal 115 (February): F7-F28.

Tanaka, S. & J. Waldfogel (2007). "Effects of Parental Leave and Working Hours on Fathers' Involvement with Their Babies: Evidence from the UK Millennium Cohort Study." Community, Work, and Family 10(4): 407-424.

Waldfogel, J. (1999a). "Family Leave Coverage in the 1990s." Monthly Labor Review October, 13-21.

Waldfogel, J. (1999b). "The Impact of the Family and Medical Leave Act." Journal of Policy Analysis and Management 18(2), 281-302.

Waldfogel, J. (2001a). "What Other Nations Do: International Policies Toward Parental Leave and Child Care." The Future of Children: Caring for Infants and Toddlers 11(1), 99-111.

Waldfogel, J. (2001b). "Family and Medical Leave: Evidence from the 2000 Surveys." Monthly Labor Review September, 17-23.

Waldfogel, J. (2006a). What Children Need Cambridge: Harvard University Press.

Waldfogel, J. (2006b). "Early Childhood Policy: A Comparative Perspective." In Kathleen McCartney and Deborah Phillips (eds). The Handbook of Early Childhood Development. London: Blackwell.