

**TESTIMONY OF  
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JOINT ECONOMIC COMMITTEE HEARING  
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WASHINGTON, DC**

**Introduction.**

Good morning Chairman Schumer, Vice Chair Maloney and members of the Committee. I appreciate this opportunity to testify at this timely and important hearing to discuss work-family policies in the United States.

I've spent several years studying work-family policies in the U.S., relative to those in place in other rich countries. When I say "work-family policy", I'm referring to public policies that help parents – both mothers and fathers – to balance the competing demands of paid work and family care.

In my brief comments today, I'll draw on findings from several collaborative projects. Most of the work that I'll present was reported in my 2003 book, *Families That Work: Policies for Reconciling Parenthood and Employment*.

My co-author -- Marcia Meyers -- and I began the research for our book with a question: "How well are American working parents and their children faring, in comparison to those in other high-income countries?" We compared the U.S. to Canada and 10 countries in western and northern Europe.

Our conclusion was: "Not all that well".

First, American working parents work exceptionally long hours. Second, American parents report higher levels of work-family conflict than do parents in many other countries. Third, gender equality in employment is only fair-to-middling. And, fourth, our children are not doing especially well. An exceptionally large share of American children lives in poverty. Our children also fare poorly on a number of other indicators -- ranging from infant and child mortality, to school achievement, and adolescent pregnancy.

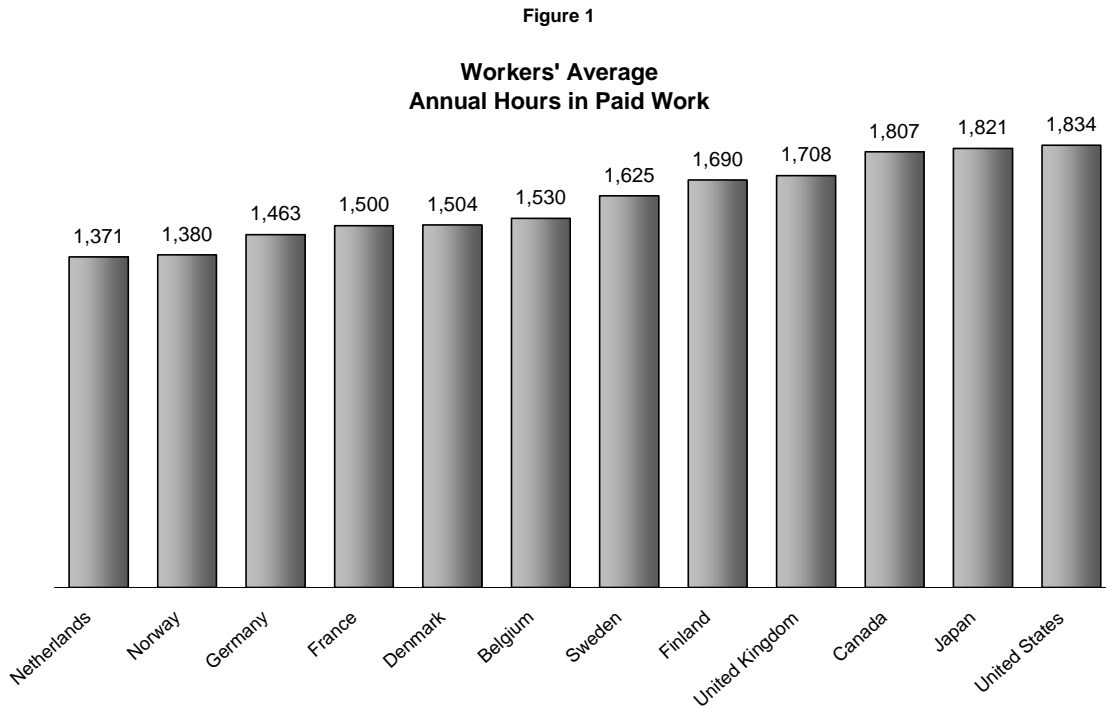
Parents in all countries face competing demands on their time. But American families struggle more than families elsewhere – in part because American public policy offers less help to them than what's available for working families in many other countries.

In my few minutes here today, I'm going to give you some highlights from our research about three particularly consequential areas of public policy: working time regulations, paid family leave, and child care. And I will close with some brief comments that underscore that public provision of these programs is consistent with healthy macroeconomic outcomes.

## Work Hours.

Let me preface my comments about policy by offering brief a snapshot of actual work hours across countries.

This figure reports average annual hours spent in paid work, in the U.S., Japan, Canada, and nine European countries.



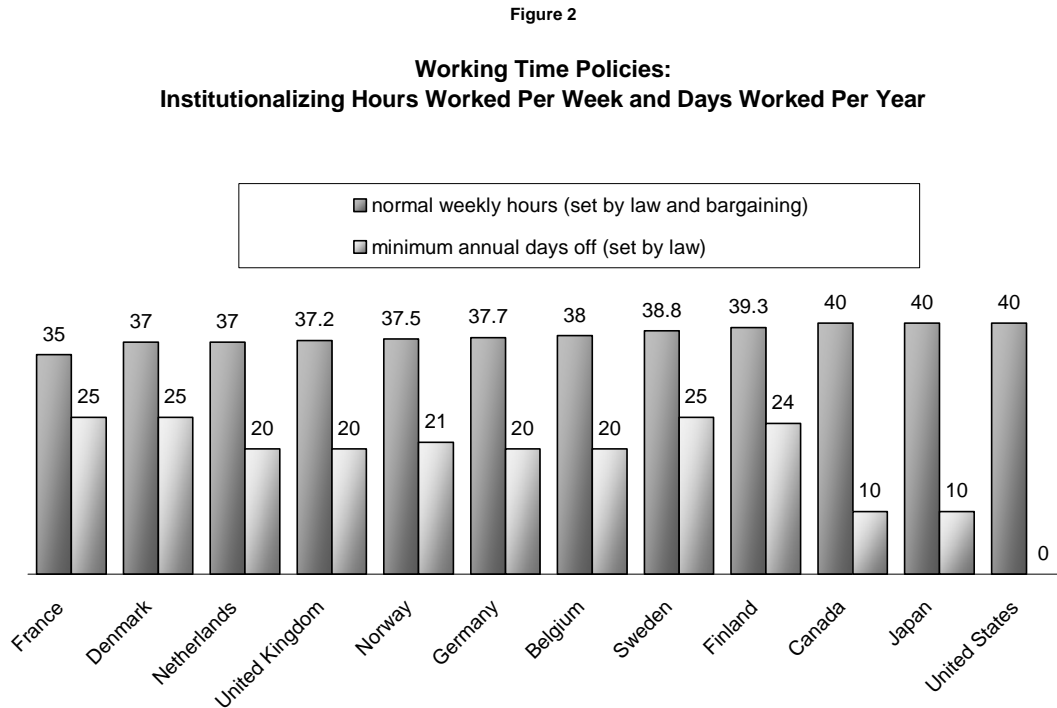
As shown here, American workers spend -- on average -- over 1830 hours a year at work. That's about 200 hours more than the Swedes, 300 more than the Belgians, and nearly 500 more than our Dutch counterparts. We even outwork the famously long-hour-working Japanese.

And, parents are no exception in this story. While I won't take the time to show the numbers now, my research has found that American working parents work long hours as well, compared to their counterparts in these other countries.

## Working Time Policies.

This figure provides two clues to Americans' long work hours.

The figure reports standard weekly work hours (the shorter bars) – that generally refers to the overtime threshold -- as well as the minimum number of paid days off per year, as required by law (the taller bars).



As the figure shows, the standard work week in these European countries is now set in the range of 35 to 39 hours. The U.S. sets a 40-hour week, as it has for over six decades. In Canada and Japan, the normal work-week is also typically 40 hours.

In addition, the European Union requires that member countries guarantee all workers *at least* four paid weeks off per year -- and several require more. U.S. national law is entirely silent on paid days off.

Of course, there are other types of public policies that “matter” as well. For example, a number of European countries provide workers with the right to request changes to their work schedules – in order to reduce their hours, to alter the timing of those hours, or both.

Thus, other countries provide shorter full-time hours, a shorter work-year, and institutions that raise the quality *and* availability of both part-time work and work with flexible schedules. Together, these measures allow many European parents to choose various types of reduced-hour work -- an option that's limited and economically infeasible for a large share of American parents.

## Paid Family Leave.

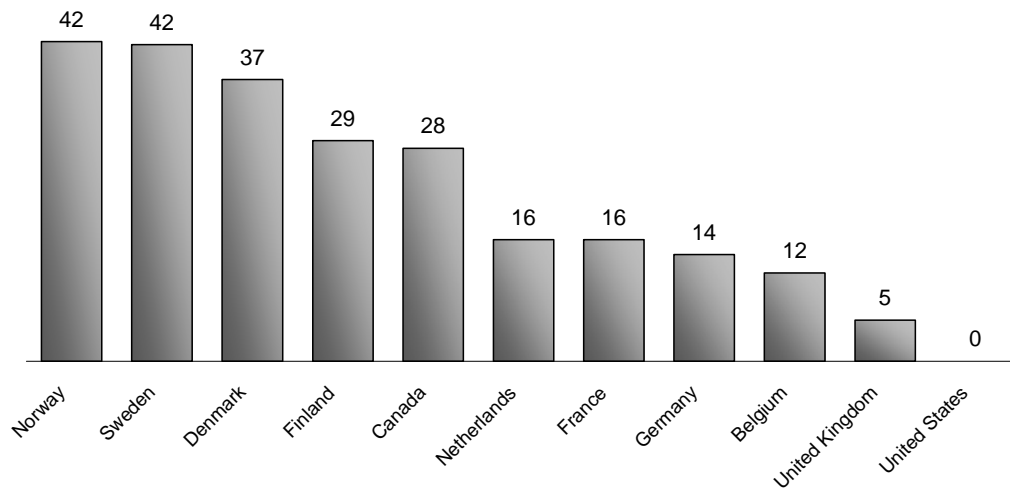
In addition, all of our comparison countries offer mothers and fathers some period of paid leave, in the wake of birth and adoption. U.S. national law is silent on *paid* leave -- and access to private provisions is limited and uneven.

This figure reports the total number of weeks of leave available to new *mothers*, multiplied by the percentage of wages replaced.

Figure 3

### Paid Family Leave Policies: Fully Paid Weeks Allowed (for Mothers), Following Birth or Adoption

includes: national social insurance programs, earnings-related benefits only



In the Nordic countries and in Canada -- the five countries shown on the left -- new mothers are awarded in the range of 28 to 42 weeks of fully paid leave, whereas mothers in continental Europe are typically entitled to about 12 to 16 weeks.

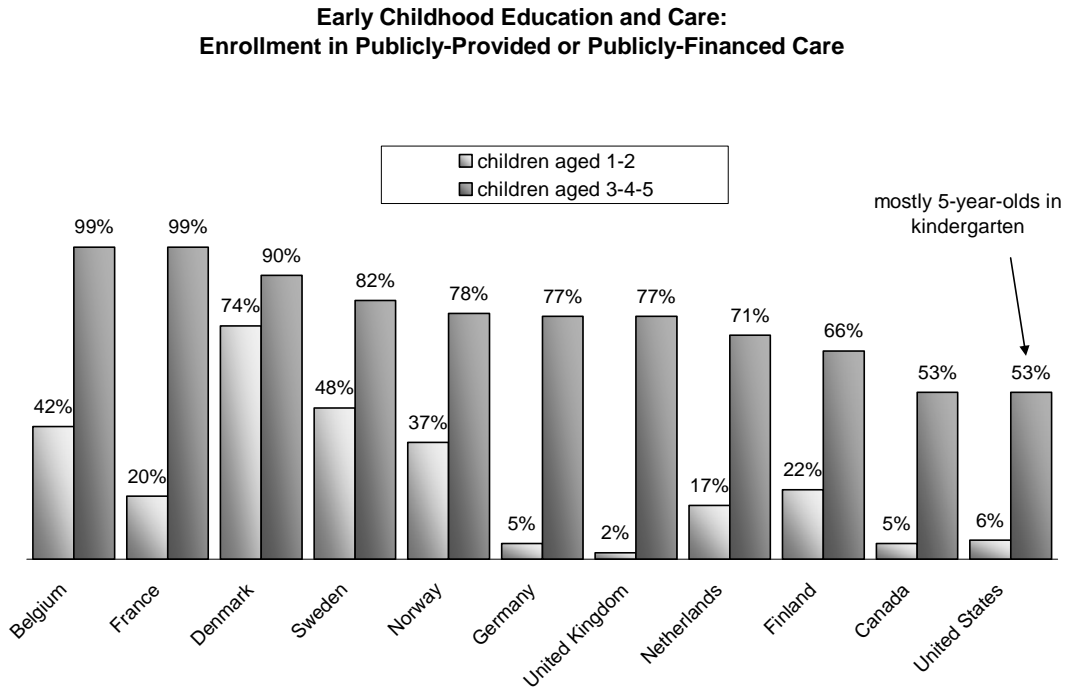
The lack of paid leave in the U.S. forces many parents to choose from among a restricted set of options. Many new parents have to choose between taking unpaid leave and losing their pay, or remaining at work and placing their newborns in child care, essentially from birth.

## Early Childhood Education and Care.

And, finally, “the great American time squeeze” is worsened by our meager investments in early childhood education and care.

This figure reports the percentage of young children – age 1 and 2 (the shorter bars) and age 3, 4, and 5 (the taller bars) – in publicly-supported child care.

Figure 4



As the figure indicates, levels of publicly-provided or -subsidized care for 1 and 2 year-olds vary widely across Europe. But, in *all* of these countries, the majority of 3-to-5 year-olds are in public programs.

In comparison, in the U.S., six percent of the “under 3’s” are in public care and just over half of the “3-to-5s” – and most of those are 5-year olds in kindergarten.

Most American working parents, instead, buy private care. They pay most of the cost out-of-pocket and most children get care that’s judged by experts to be mediocre in quality.

## Conclusion.

To conclude, generous work-family policies are good for parents, children, and worker productivity, and especially benefit lower-income workers who tend to have less bargaining power and can't afford to pay for help privately. Public systems equalize access and affordability, across family types and throughout the income spectrum, leading to outcomes that are more equitable than the results we get when we leave the provision of these crucial supports to the marketplace.

In addition, generous work-family policies are compatible with good economic outcomes. Consider GDP-per-hour-worked, a powerful indicator of productivity. The six top-ranked countries in the world are European countries with comprehensive work-family policies. The U.S. is ranked eighth.

Furthermore, the World Economic Forum's *Competitiveness Index* includes, among the top five countries in the world, Denmark, Sweden, and Finland -- three countries with extensive work-family policies. The U.S. is ranked sixth.

In my view, American public policy is failing our working parents and their children. We have much to learn about institutional reform, and we'd do well to draw some lessons from the collective experience of many of our neighbors across the Atlantic.