Paid Family Leave has enormous benefits, but awareness is low

Paid Family Leave allows most employed Californians to take up to 6 weeks per year of leave from their job and receive up to 55% of their wages up to a maximum. Paid Family Leave (PFL) may be taken for bonding with a new baby or to take care of a sick family member, and is 100% employee funded. It is a critical support to families and has wide benefits. However, low awareness about the program keeps some families from benefiting. Targeted education efforts will raise awareness so that Californians who most need it can take Paid Family Leave.¹

Problem: Awareness and Take-Up Are Low

Overall, awareness of the Paid Family Leave program is low. About 43% of Californians know about PFL, compared to 59% of people who are aware of the federal, unpaid Family Medical Leave Act (FMLA). Awareness of the program is particularly low among certain populations. Young adults, Latinos, and low-income people have the lowest awareness rates, creating a disparity in accessing Paid Family Leave.

Awareness of Paid Family Leave for caring for a family member is very low: Among respondents who had heard of the program, almost one-quarter (22.3%) were not aware that it could be used to care for a family member.²

Take up is also low among these populations. Family members with low wages use Paid Family Leave at lower rates than those with higher wages. Parents of newly adopted children or foster children also have very low rates of filing claims to bond with those children.³

The result is inequity: Many families, including low wage earners, pay into the Paid Family Leave fund, but better-off families are benefiting the most.

Enormous Benefits of PFL

- Mothers who took Paid Family Leave breastfed their babies for twice as long as the median duration of new mothers.
- New mothers who are able to take leave after the birth of their babies experience lower rates of post-partum depression. Studies suggest that parental leave enhances children’s health and development.⁴

---

¹ Our research also uncovered some serious limitations of the program’s effectiveness. First and most important, we found that awareness of PFL remains extremely limited among Californians.”

—Dr. Ruth Milkman, Professor of Sociology & Dr. Eileen Appelbaum, Senior Economist
People with low-quality jobs reported a positive effect on their ability to care for a new child because of Paid Family Leave, and are more able to find reliable child care before they return to work.

The proportion of new fathers taking PFL for bonding has increased significantly, suggesting that the program increases bonding opportunities for the whole family.

An overwhelming majority of individuals who took leave to care for an ill family member stated that the leave positively impacted that family member’s health. An overwhelming majority of employers (90%) report that PFL has either a positive effect or no effect on their business.

The Need is Great

Three-quarters of women entering the workforce today will become pregnant while employed. However only about a quarter of all new mothers benefit from the Paid Family Leave program to bond with their newborns.

The need for caregiving for family members is increasing: More than 1 in 6 working Americans provide care to an elderly or disabled family member. However only 11 percent of authorized PFL claims are for caregiving.

Solution: Targeted Education Efforts

Almost every employed Californian pays into the State Disability Insurance (SDI) Fund to pay for their Paid Family Leave benefits. That fund is healthy, containing a projected balance of $3.1 billion in 2014. A portion of the State Disability Insurance Fund should be spent on targeted education efforts.

Research suggests that the most effective way to educate people about public programs is to reach the target audience a number of times, and to deliver the message via a trusted source. Targeted messages and efforts, such as person-to-person contact, are important for reaching and enrolling people, especially hard-to-reach groups. This type of education effort should be coordinated with other enrollment strategies, and targeted to low-income, Latino, and young family members, as well as families with a newly adopted or foster child. These efforts should be funded out of the existing SDI fund, thereby incurring no general fund cost. Well coordinated education efforts can ensure that this important program is accessible to those who pay for it and who need it the most.

For more information, contact Jenya Cassidy at jenya.cassidy@thenextgeneration.org or (415) 523-8016.

April, 2014

Notes

2. Ruth Milkman and Eileen Applebaum. Id.
7. While approximately 500,000 births occur every year in California, 130,000 women used PFL for bonding with newborns. Estimate based on California Employment Development Department data.
8. Data from EDD: DIS 33RO6-01 First Payment Time Lapse, data for 2011.

The California Work & Family Coalition is a project of Next Generation. www.thenextgeneration.org