FAMILY LEAVE INSURANCE:
SUPPORTING WORKING FAMILIES

Family leave insurance, or paid family leave, provides job protection and wage replacement when employees need time off work to care for new children or other family members. The United States is the only industrialized country without guaranteed family leave insurance for the working population. Nationwide, only 13 percent of workers have access to paid family leave through their employers. Employees in Hawaiʻi do not have any legal right to paid family leave. Current policies, including the federal Family and Medical Leave Act and the state’s Hawaiʻi Family Leave Law, only provide access to unpaid leave and eligibility restrictions exclude many workers.

In the absence of a federal policy, a handful of states have implemented their own paid family leave programs. Data from U.S. states and other countries that guarantee paid leave for working families demonstrate that family leave has positive impacts on family economic security as well as the health and wellbeing of people of all ages. Paid family leave:

*Improves family economic security.* Family leave insurance programs promote labor force attachment, especially for new mothers; reduce reliance on public assistance after the birth of a child; and are linked with increased wages and work hours. In California, low-income families benefit most from access to paid family leave. Research indicates that returning to work after paid leave reduces new parents’ dependence on food stamps by 40%.

*Benefits family health and wellbeing.* Evidence shows that universal paid leave increases the chances that children are breastfed longer and receive regular checkups and immunizations, which improves child health. In California, paid leave doubled the median duration of breastfeeding of working mothers. Paid leave also supports the mental and physical health of new mothers and increases fathers’ involvement in children’s lives.

*Supports the aging population.* As the population of older adults in Hawaiʻi continues to increase, so does the demand for family caregiving. In Hawaiʻi, 1 in 5 people is 60 years and over, which is slightly higher than the national average. Family leave insurance can alleviate financial strain and pressure associated with taking care of a parent or older relative with a serious illness.

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