



## **Quality Jobs and Supports Build Strong Workplaces**

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Statement of Barbara Gault  
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Thank you, Chairman Brady, and Vice Chair Klobuchar, for this opportunity to speak to the committee about empowerment in the workplace. Employees are empowered through access to quality jobs and services that help them build skills, to support and care for families, and do their best work every day. Research shows the important benefits brought to businesses, families, the economy, and society as a whole when employers offer jobs with fair wages, paid sick days, predictable schedules, and when workers have access to supports such as quality early care and education, paid parental leave, and the Earned Income Tax Credit (EITC).

Many basic workplace benefits and supports are inequitably distributed in today's economy. Almost four in ten (39 percent) private sector workers in the United States lack access to a single earned sick day (Williams and Gault 2014). Among Hispanic workers, 53 percent do not receive paid sick days, compared with 36 percent of white workers (Williams and Gault 2014). Employees in food preparation and direct care health care occupations are especially unlikely to be able to take a day off with pay when they are sick (Williams and Gault 2014), which increases contagion in the workplace (Smith and Kim 2010), forestalls preventive health care, and costs taxpayers and businesses millions of dollars each year in unnecessary health expenditures (Miller, Williams, and Yi 2011) and lost productivity (Cook, Heller, Bhatia, and Farhang 2009). Since employees, on average, take so few paid sick days when they are available, the costs to employers are negligible and offset by benefits in the form of health, safety, productivity, and retention (Barthold and Ford 2012; Williams and Andrzejewski 2014).

Research has found that when parents have access to stable child care, they stay in their jobs longer (Lee 2007), and exposure to high quality early care and education among low-income children leads to social and economic gains to families and society that last decades (Heckman et al. 2010; Schweinhart et al. 2005). In many states, however, economic growth is hampered by a lack of access to affordable, quality child care. Infant care costs more than public college tuition in 31 states (Child Care Aware 2013), and 19 states have waiting lists or frozen intake for subsidies (Schulman and Blank 2013). Among community college students seeking to gain job skills, a striking 30 percent are parents of dependent children (IWPR calculations, 2012 National Postsecondary Student Aid Survey), but less than half of community college campuses have child care facilities (Gault, Reichlin, and Román 2014), and those that do have long waiting lists (Miller, Gault, and Thorman 2011). Research finds that when parents attain postsecondary

education, their children experience real-time cognitive gains, especially if parents go to college while their children are still young (Magnusen 2007). Empowered workplaces need skilled workers with stable, reliable child care arrangements that allow them to focus on doing their best jobs.

Workers in hourly positions often have difficulty arranging child care, elder care, or college attendance due to increasingly common scheduling practices that give them only a few days' notice of their schedules, or that require them to be available for call-in shifts (Lambert, Halye-Lock, and Henly 2012). We can empower workers to plan ahead by requiring employers to distribute schedules with sufficient advance notice, and by prohibiting retaliation against workers who request schedule changes (Watson, Frohlich, and Johnston 2014). Improved scheduling practices also have bottom line benefits for businesses – they are associated with lower absenteeism and turnover and heightened employee engagement (Moen, Kelly, and Hill 2011).

Expanded access to paid family and medical leave insurance can also help families stay connected to work while they care for newborns, sick children, or elderly parents; or seek treatment for their own serious medical condition (Baum and Ruhm 2013). While such benefits are the norm in other high-income countries (Heymann and McNeill 2013), the United States has yet to establish a family and medical leave insurance system, which would help employers retain talent, and improve the health and welfare of families and children (Berger, Hill, and Waldfogel 2005; Chatterji and Markowitz 2012; Heymann, Raub, and Earle 2011). Three states, Rhode Island, California, and New Jersey, have established paid family leave programs, and these successful state models demonstrate that a federal family and medical leave insurance program is both attainable and cost effective. In a study of California's paid family leave program, the vast majority of employers report increases in employee morale, minimal costs, and positive or no noticeable effects on productivity (Appelbaum and Milkman 2011).

Allowing transparency in pay would also go far toward creating empowered workplaces and helping women address gender-based pay inequities. About half of all workers say they could be disciplined or reprimanded for sharing salary information (IWPR 2014). An analysis by the Institute for Women's Policy Research finds that if women earned wages equal to those of men with the same education levels and work hours, the poverty rate among working women would be cut in half, falling to 3.9 percent from 8.1 percent (Hartmann, Hayes, and Clark 2014).

Finally, we can strengthen our economy through basic supports to help low-income adults when they are looking for work, attending school, or receiving wages that are too low to cover their basic needs. Recent economic analysis of the effects of the EITC over several decades demonstrates the program's effectiveness at helping families maintain work (Meyer and Rosenbaum 2001). The Center on Budget and Policy Priorities found that in 2012 alone, the EITC lifted 6.5 million people out of poverty (CBPP 2014). Similarly, the U.S. Census Bureau finds that unemployment insurance keeps millions of job seekers from falling into poverty each year (DeNavas-Walt, Proctor, and Smith 2011).

Employees, businesses, and our communities as a whole are stronger when people have the supports they need to attain new skills, stay healthy, care for their families, and maintain secure, high quality jobs.

Thank you.

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