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The Importance of Paid Leave for Caregivers

Labor Force Participation Effects of California's Comprehensive Paid Family and Medical Leave

By Joelle Saad-Lessler and Kate Bahn September 2017

Center for American Progress



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Introduction and summary

In recent years, the public has engaged in a more rigorous dialogue about the dual demands of work and family and for modern workplaces that are more responsive to diverse family needs. Paid family and medical leave has emerged as an important step toward modernizing the workplace. Research consistently shows that both men and women—across race, ethnicity, gender, economic status, age, and political affiliation—support a comprehensive program to provide paid family and medical leave to assist with family caregiving or personal medical needs.¹

A persistent partisan divide among lawmakers at the federal level, however, has stalled any opportunity for progress. Paid family and medical leave opponents in Congress reject calls for a comprehensive federal program and instead argue for lesser, voluntary measures. Amid this stalemate, the push for paid family and medical leave took on new energy when, for the first time, both of the major party candidates in the 2016 presidential election put forward their version of a paid leave plan. The Clinton plan proposed a national paid family and medical leave program, but the Trump plan was narrower, proposing a plan to offer solely paid maternity leave and no other types of paid leave.² The narrower Trump proposal, which post-inauguration was modified into a paid parental leave proposal, reinforced the frequent narrative around paid family leave: It focused the most attention on the needs of new parents and less attention on other caregiving concerns, such as caring for an aging parent or ill spouse.

Most workers in the United States take family and medical leave to care for a sick family member or oneself;³ the elevation of parental leave deprioritizes and ignores workers' most common caregiving needs. Everyone will require care at some point during their life besides when they are first born. Aging people, for example, usually receive care from a child, spouse, or another family member who often needs to balance their work and their caregiving responsibilities. A paid family and medical leave program that in actuality only covers parental leave is insufficiently comprehensive to help American families as well as the overall economy.

In a 2016 report, “The Cost of Work-Family Inaction,” the Center for American Progress found that the lost wages from lack of access to paid time off cost the American economy \$20.6 billion per year.⁴ This report follows up on those findings, using new data analysis to determine that access to universal paid leave under California’s long-standing paid leave program significantly increased the labor force participation of those who were caring for family members. Specifically, we found an 8 percent increase in labor force participation in the short run and a 14 percent increase in labor force participation in the long run.⁵ This finding is significant because individuals who experience increased and sustained labor force participation can maintain their income and see more wage growth over their lifetime.⁶ Higher labor force participation is also an indicator of a stronger labor market, with more opportunities for workers.

Any paid leave plan that does not address the myriad reasons other than maternity leave that require workers to take time away from work will fall short of addressing both families’ needs as well as the potential economic benefits of a comprehensive program.

Current status of paid family and medical leave in the United States

Currently, the only federal policy that ensures access to time off to care for others is the Family Medical Leave Act (FMLA), which was passed in 1993 and guarantees eligible workers access to unpaid leave for up to 12 weeks in a 12-month period.⁷ Eligibility for leave through the FMLA is dependent on how many hours an individual worked in the past year and the size of the employer they work for; because of these requirements, roughly 40 percent of workers don't have access to the FMLA.⁸

Of those covered by the FMLA, some may receive some pay while on leave, usually through paid vacation, sick leave, or other paid time off. But rates of pay drop for leaves longer than 10 days, since sick leave is generally full wage replacement and paid family and medical leave is typically partial wage replacement. Paid family and medical leave programs usually provide longer periods of leave beyond what is covered through access to paid sick leave, which may be used to cover short-term leaves.

The difference between paid sick days and paid family and medical leave

Paid sick days and paid family and medical leave are two different types of paid time off from work to care for oneself or family. Paid sick days provide pay for short-term medical needs, including a temporary illness or to get medical care for oneself or a family member, such as bringing a child to the doctor. Paid family and medical leave provides pay for medical or family caregiving needs that require more time off of work, commonly conceived of as time off for the birth or adoption of a new child, but can also include recovery from a serious illness or to attend to a family member who requires more medium-term care from a family member. More information can be found in the CAP issue brief "Paid Leave 101."⁹

However, while the FMLA guarantees the ability to take time off to care for a family member, dependent on working hours and employer size, it does not guarantee pay for time off. According to analysis of the U.S. Bureau of Labor Statistics' National Compensation Survey,¹⁰ only 14 percent of workers had access to paid family and medical leave in 2016. A statewide program guaranteeing paid time off for family caregiving only currently exists in three states: California, Rhode Island, and New Jersey. Other states—including New York and Washington—have passed paid leave plans that have not gone into effect. Without broader adoption of a national paid leave program, many will continue to struggle to balance work with caregiving responsibilities and, furthermore, the economy will lose out on earnings and decreased labor force participation.

Workers need comprehensive paid family and medical leave to care for their families throughout the life cycle

Everyone requires care at some point in their life—often from family members or close friends who may need to take time off from work to meet these caregiving needs. Seventy percent of people turning age 65 can expect to need some form of medium- to long-term care during their lives that would require a family member to take leave from work beyond what would be covered by paid sick time off.¹¹ About 80 percent of care at home is provided by unpaid caregivers—mostly women—and may include emotional, financial, nursing, social, and homemaking, as well as other personal services or tasks.¹² As the U.S. population ages, more and more workers will become involved in providing unpaid care. Paid family leave, to the extent that it allows workers to remain in the labor force while caring for aging relatives, can boost labor force participation and employment rates.

While some family caregivers can take unpaid leave through the FMLA, an even larger number have an unmet need for leave either because they are ineligible for FMLA leave or they are eligible but cannot afford to take unpaid leave. New analysis by CAP in “Rhetoric vs. Reality: 4 Myths About Paid Parental Leave” found that of the 7 million workers with an unmet need for family and medical leave, 35.8 percent needed family caregiving leave but were unable to take it, with the most common reason given being because they cannot afford to take unpaid time off.¹³

A survey of 7,660 people by the AARP and the National Alliance for Caregiving¹⁴ found that 18.2 percent of respondents reported being caregivers for someone else, with 85 percent of those respondents receiving care being a relative of the person who is giving care. According to the survey, 60 percent of caregivers are also employed, and a little more than half of employed caregivers are working full time. These caregivers provide a crucial service to both their family members as well as society. In order to balance caregiving responsibilities with workplace security, however, workers need policies that allow them to manage the time for both and take leave from work for intensive caregiving needs.

The FMLA grants many employees access to unpaid family and medical leave, but most workers could not afford to take unpaid time off for family caregiving without some guaranteed replacement income. As a result, many employees are often forced into untenable situations that can jeopardize their family stability. Some workers may need to work an excessive combination of paid formal employment hours and unpaid family caregiving hours or withdraw from the labor force entirely in order to address intensive caregiving needs. Still, other workers may need to cut their hours—and potentially reduce their income—due to time constraints from caregiving responsibilities.

Too often, the public narrative ignores the many other reasons besides caring for a new child that require workers to take leave from their jobs. According to the U.S. Department of Labor,¹⁵ new children account for 21 percent of FMLA-type leaves. More than half of FMLA-type leaves—55 percent—are taken by individuals who need to address their own illness. But another significant portion, 18 percent, are taken to care for a parent, spouse, or child—other than a new child.¹⁶ A comprehensive paid family and medical leave program, therefore, must address the full scope of workers' caregiving needs.

California's paid family leave policy

California has the longest-running paid family and medical leave program in the United States. In 2004, the state implemented a paid family leave policy, known as CA-PFL, which provides workers access to six weeks of partially paid leave to care for a newborn or for sick family members.¹⁷ CA-PFL applies to almost all workers,¹⁸ with no restrictions on firm size or minimum hours. It offers a 55 percent wage replacement¹⁹ but does not contain any job protection unless CA-PFL is taken simultaneously with FMLA leave. On September 12, 2017, the California Legislature passed the New Parent Leave Act, or S.B. 63, which guaranteed job protection to all new parents, not only those also eligible for the FMLA, when they take time off to bond with a new child.²⁰

Previous research has shown that a paid leave policy such as California's has positive effects for women's labor force participation. Economist Tanya Byker found that paid leave laws in California and New Jersey are associated with a substantial increase in women's labor force attachment²¹ in the months directly around birth, especially for women in jobs with lower educational requirements.²² Economists Charles Baum and Christopher Ruhm found that rights to paid leave in California are associated with higher work and employment probabilities for mothers nine to 12 months after birth.²³ They also found positive effects of California's program on hours and weeks of work, as well as on wages, so mothers seeking more hours are both able to work more and earn more. Another study on California's paid leave policy, conducted by economists Tirthatanmoy Das and Solomon Polacheck, found that the labor force participation rate; the unemployment rate; and the duration of unemployment among young women rose in California compared with men and older women in California as well as other young women, men, and older women in states that did not adopt a paid family leave policy.²⁴

These studies have shown the benefits to mothers and young families. The majority of workers who take leave, however, are not new parents, but rather they are workers who take time off to care for a sick child, spouse, parent, or other family member, as well as those who take time off to care for themselves during an illness.

This report looks at the effect of California’s paid leave policy on the labor market outcomes for those who are providing unpaid care or assistance to a family member or a friend who has a long-term illness or disability. As our care needs increase across the country with an aging population, it is important to understand how comprehensive paid family leave benefits the entire economy by allowing workers to take time off while continuing to earn income and maintain their attachment to the labor force.

Analysis of the labor participation effects of paid family leave on family caregivers

To understand the importance of a comprehensive paid family and medical leave policy that provides for family caregivers as well, we compare the labor force participation of those who currently provide unpaid care to a family member with the rates of participation of those who did so before the policy. We refer to those who are giving unpaid care to others as family caregivers. Labor force participation includes both workers who are employed and individuals who are unemployed but looking for work.

To measure the effect of California's paid leave program, the authors analyzed data from the 2001, 2004, and 2008 Survey of Income and Program Participation (SIPP) care module, which gathers information on people who provide regular unpaid care or assistance to a family member or friend who has a long-term illness or a disability. (For details on the SIPP survey, see Appendix)

According to the SIPP care module, 4 percent of nonbusiness owners provided care for a family member in 2003 and 2004; this increased to 6 percent in 2011. (see Table 1) Unpaid family care providers tend to be slightly older than those who don't provide unpaid care. Additionally, they come from all races and ethnicities but are less likely to be Asian than of another race in the survey.²⁵ (see Table 7)

Most unpaid care providers have an associate degree or higher-level educational degree. This overrepresentation of higher educated workers probably reflects the fact that better educated workers are more likely to have the resources to take time away from work to care for their loved one.²⁶ Finally, more unpaid care providers participate in the labor force, which may be due to their older age, but more of those who work do so part time, which is defined as working for less than 36 hours on their primary job.

More than 80 percent of family caregivers are providing care for one person, with 14 percent providing care for two people and 4 percent providing care for three people. (see Table 2) Unpaid care providers who provide care for someone within their own household are most likely caring for their spouse, parent, or child. If they are providing care for someone outside their household, they are most likely caring for their parent, relative, or nonrelative. (see Table 3)

Older Americans in particular depend on unpaid family caregivers. Combining the household and nonhousehold members receiving care, the persons most likely to receive unpaid care are parents. Forty-eight percent of persons receiving care through informal arrangements are age 61 or older.²⁷ (see Table 4)

Family caregivers often spend many years in these informal care arrangements, which frequently develop at a significant cost to their careers.²⁸ For many unpaid family caregivers, these informal arrangements require the same amount of time per week as a job. The SIPP data reveal that 18 percent of those giving unpaid care to a household member spend 21–39 hours a week doing so, and 38 percent of unpaid caregivers spend upwards of 40 hours a week on this activity. Paid family leave may allow these unpaid family caregivers to keep working while caring for their family, with the ability to take off periods of time where more intensive caregiving is required, such as an acute medical issue for the person they are caring for.

The number of hours spent caring for someone outside a caregivers' own household, such as an elderly parent living elsewhere, are lower, with 9 percent of those caring for a nonhousehold member spending 21–35 hours a week and 4 percent spending upwards of 36 hours doing so. (see Table 5) A whopping 61 percent of those providing unpaid care to a household member have been doing so for three years or more, and the figure is 41 percent for those providing care to nonhousehold members. (see Table 6)

The introduction of a paid leave program is important to caregivers because it can allow them to take necessary leaves from work to carry out caregiving duties for their family members or close friends while maintaining a proportion of their earnings. Without these earnings, they would either not be able to provide care or they would need to withdraw from the labor market to do so.

Our results found that the implementation of CA-PFL did indeed increase the labor force participation of these caregivers by a significant amount. Two groups of people are affected by a paid leave program:

- Unpaid care providers who were working and for whom the availability of paid leave improves their ability to juggle work responsibilities with their unpaid care provision
- Unpaid care providers who were not working but were enticed to re-enter the labor market once paid leave became available

Following the implementation of CA-PFL, labor force participation of unpaid care providers increased by 8 percent in the short run in the 2006 survey and increased by 14 percent in the long run in the 2011 survey. The increase in labor force participation was limited to women, who provide the majority of unpaid care to their families. Family caregivers from higher-income households had a larger increase in labor force participation than those from lower-income households in the short run, but in the longer run, the labor force participation rate of lower-income households overtook that of unpaid care providers from higher-income households.

While there was an overall increase in labor force participation, there was a decline in full-time work as workers transitioned to part-time work and were still able to maintain their access to paid leave under California's comprehensive policy.²⁹ This decline in full-time work was larger for men as well as low-income households.

Shortly after the implementation of California's paid leave program, the full-time status of lower-income family caregivers fell by 20 percentage points compared with a 1 percentage point increase in the full-time status of lower-income people who were not caregivers. In other words, for lower-income people, those who were working full-time decreased to part-time while being caregivers. Higher-income caregivers had a 15 percentage point decrease in the rate of full-time work compared to a 1 percentage point increase for higher-income people who were not caregivers.

But in the longer run, the full-time status of lower-income family caregivers in California rose by 5 percentage points for a net decrease of 15 percentage points, so some of this effect was an immediate response to the policy implementation that began to slightly balance back upward after six years of the program. Among higher-income family caregivers, full-time status rose by one percentage point for a net drop of 14 percentage points in the long run.³⁰

Overall, our results suggest that access to paid family leave after the implementation of California's paid leave program helped family caregivers balance their responsibilities in their families and their jobs that required necessary income to maintain their livelihoods. This demonstrates that access to paid leave is a crucial part of the ability to care for one's own family beyond the immediate need to take time off with a new child.

Labor force participation of caregivers increased 8 percent in the short run and 14 percent in the long run.

Conclusion

The ability to take time away from work to be able to care for a sick child, spouse, or parent is a vital part of maintaining attachment to the labor force for workers and strong labor force participation rates in the U.S. economy. As family caregiving needs increase with an aging population and as all people continue to need care at some point in their lives for illness, caregivers must balance both those responsibilities with their careers. Access to a paid family and medical leave program that provides for family caregiving will be crucial to their ability to do this.

Increased labor force participation is a benefit to the entire economy, boosting earnings and aggregate demand as well as encouraging a dynamic labor market. The long-term decline in labor force participation of both women and men in the U.S. economy has been a cause for concern by many. Some have speculated this decline in participation is because we have hit a threshold where families cannot manage their careers and their caregiving responsibilities without adequate work-life policy, including paid family and medical leave.³¹ As our results show, when families do have access, they are able to increase their labor force participation.

These positive benefits demonstrate that all people need a paid family and medical leave program that covers the variety of reasons people need time away from work to care for their families. A parental leave program is not sufficient for the broad caregiving needs of families. Not only is it essential to many families, but it is also important to the structure of our labor market that workers be able to take time off to care for a sick child, spouse, or parent, in addition to taking time off for a new child or one's own illness.

About the authors

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Kate Bahn is an economist at the Center for American Progress. Her work has focused on labor markets, entrepreneurship, the role of gender in the economy, and inequality. In addition to her work on the Economic Policy team, Bahn has written about gender and economics for a variety of publications, including *The Nation*, *The Guardian*, *Salon*, and *The Chronicle of Higher Education*. She also serves as the executive vice president and secretary for the International Association for Feminist Economics. Bahn received both her doctorate and master of science in economics from the New School for Social Research, where she also worked as a researcher for the Schwartz Center for Economic Policy Analysis.

Appendix

Data

Survey of Income and Program Participation (SIPP) 2001, 2004, and 2008 panels informal care module gather information on people who provide regular unpaid care or assistance to a family member or friend who has a long-term illness or a disability. Survey respondents are asked about the recipient of their care, the type of care they provide, the number of hours they provide care, and the number of years they have been providing care. Responses on care recipients are gathered for up to two household members and two nonhousehold members. The SIPP survey contains information about the unpaid care providers, including their labor force status and, if they are working, their full-time status. The informal care giving module was fielded in 2003 (as part of the 2001 panel), 2006 (as part of the 2004 panel) and in 2011 (as part of the 2008 panel).

Merging the 2001, 2004, and 2008 panels of the SIPP yields an initial sample of 249,635 observations. The sample is then limited to persons who provide unpaid care and are ages 20–65, which reduces it to 7540 observations. The data sample is further limited to persons who are not self-employed, yielding a total of 7135 observations. For short-run effects of the CA-PFL, the authors only use data from the 2001 and 2004 panels. The longer-term effects also include data from the 2008 panel.

TABLE 1
Number of unpaid family caregivers in sample

Share of nonbusiness owners who provide unpaid care to a household member or friend due to illness or disability

	Observations	Mean	Standard deviation	
2003	34,154	0.04	0.20	
2006	52,316	0.04	0.21	
2011	46,632	0.06	0.24	***

Note: *** Indicates a rejection at 1 percent level of the hypothesis that 2006 and 2011 have the same value.

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

TABLE 2
Number of people receiving care from an unpaid family caregiver

	Observations	Percentage
1	5842	82%
2	1014	14%
3	262	4%
4	16	0%

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

TABLE 3
Relationship of unpaid family caregiver to care recipient

	Recipient is a household member		Recipient is a nonhousehold member		Combined for household member and nonhousehold member	
	Observations	Percentage	Observations	Percentage	Observations	Percentage
Spouse	681	22%	36	1%	717	8%
Partner	85	3%	31	1%	116	1%
Child	792	25%	750	14%	1542	18%
Grandchild	84	3%	208	4%	292	3%
Parent	648	21%	1545	29%	2193	26%
Sibling	119	4%	306	6%	425	5%
Other relative	250	8%	894	17%	1144	13%
Nonrelative	122	4%	687	13%	809	10%
Relationship not identified	334	11%	914	17%	1248	15%

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

TABLE 4
Ages of those receiving unpaid family caregiving

Age profile of care recipients suffering from a long-term illness or disability

Age, in years	Observations	Percentage
0–2	15	0.48%
3–17	176	5.63%
18–60	1430	45.65%
61+	1510	48.24%
Total	3131	100%

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals who receive unpaid care from only one person in the household, or 81 percent of total number of persons cared for informally. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

TABLE 5
Hours per week spent providing unpaid family care

First household member			First nonhousehold member		
Hours per week	Observations	Percentage	Hours per week	Observations	Percentage
Less than 10	590	20%	Less than 10	2604	59%
10–20	683	23%	10–20	1258	29%
21–39	524	18%	21–35	377	9%
40+	1111	38%	36+	175	4%

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are not business owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

TABLE 6A
Length of unpaid family caregiving spell for any household or nonhousehold member, in years

	Observations	Percentage
One or less	2,979	42%
More than one	4,140	58%

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

TABLE 6B
Length of unpaid family caregiving spell and labor force participation, in years

	Observations	Labor force participation rate	Observations	Full-time status	Observations	Hours of work
One or less	2979	71%	2105	72%	1936	36
More than one	4140	69%	2876	71%	2668	35

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

TABLE 6C
Age of unpaid family caregivers and labor force participation

Age of unpaid caregivers, in years	Observations	Labor force participation rate	Observations	Full-time status	Observations	Hours of work
50–65	3713	64%	2384	72%	2199	35
20–49	3407	76%	2598	71%	2406	35

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

TABLE 7
Characteristics of unpaid family caregivers and noncaregivers

Observations	Nonproviders 125,967		Providers 7,135		Significant difference
	Mean	Standard deviation	Mean	Standard deviation	
Average age, in years	41	13	48	12	***
Household income per capita	\$28,150	\$28,882	\$28,238	\$29,206	
	Fraction		Fraction		
Female	51.07		64.89		***
Race					
White	68%		74%		***
Black	12%		13%		*
Asian	4%		2%		***
Hispanic	15%		11%		***
Education					
High school diploma	39%		35%		***
Some college, no degree	19%		19%		*
Associate degree	15%		20%		***
Bachelor's degree	18%		17%		***
Master's degree or higher	9%		10%		***
Marital status					
Married	55%		58%		***
Widowed	2%		3%		***
Divorced	11%		15%		***
Separated	2%		3%		**
Never married	29%		20%		***
Employment status					
In labor force	77%		71%		***
Works part time (less than 36 hours per week on first job)	21%		24%		***

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

Note: *** Denotes significant differences of 1 percent; ** denotes significant differences of 5 percent; and * denotes significant differences of 10 percent.

TABLE 8A

Demographic profile of unpaid family caregivers in California and in all other U.S. states

	California			Rest of the United States		
	2003	2006	2006 and 2011	2003	2006	2006 and 2011
Average age, in years	47	48	48	47	48	48
Female	65%	67%	64%	66%	66%	65%
Race						
White	55%	57%	55%	78%	76%	75%
Black	8%	9%	8%	13%	12%	13%
Asian	9%	7%	9%	1%	2%	2%
Hispanic	28%	26%	29%	8%	10%	10%
Education						
High school diploma	36%	31%	29%	43%	34%	33%
Some college, no degree	24%	18%	19%	20%	21%	18%
Associate degree	12%	19%	22%	11%	20%	22%
Bachelor's degree	17%	18%	19%	16%	16%	17%
Master's degree or higher	11%	13%	11%	10%	9%	10%
Marital status						
Married	59%	57%	53%	60%	61%	59%
Widowed	2%	4%	3%	2%	3%	3%
Divorced	16%	19%	17%	16%	14%	15%
Separated	5%	4%	3%	4%	3%	2%
Never married	19%	16%	23%	18%	19%	21%
Sample size						
Providers	159	167	446	1,284	2,432	5,231
Providers who are in the labor force	101	120	323	894	1,712	3,664
All, including providers and nonproviders	4,294	4,086	8,871	32,626	48,232	90,079

Source: Authors' analysis of Survey of Income and Program Participation data from the informal care giving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals age 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

TABLE 8B

Labor market characteristics of unpaid caregivers in California and in all other U.S. states

Variable	California			Rest of the United States		
	2003	2006	2006 and 2011	2003	2006	2006 and 2011
Labor force participation rate	65%	74%	75%	71%	72%	71%
Labor force participation rate of lower-income providers	44%	44%	64%	50%	52%	53%
Labor force participation rate of higher-income providers	72%	81%	78%	78%	78%	78%
Labor force participation rate of male providers	76%	82%	82%	80%	81%	79%
Labor force participation rate of female providers	59%	70%	71%	66%	68%	67%
Full-time status of providers in the labor force	73%	68%	59%	67%	65%	62%
Full-time status of working lower-income providers	51%	25%	27%	38%	42%	40%
Full-time status of working higher-income providers	78%	73%	68%	74%	69%	67%
Full-time status of working male providers	80%	68%	65%	77%	74%	68%
Full-time status of working female providers	69%	68%	55%	61%	59%	58%
Similar unpaid care provided by other	42%	41%	39%	45%	42%	41%
Receipt of professional health care service	20%	15%	21%	26%	24%	26%

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

Econometric specification

Difference in difference (D-D) design was used that compared the outcome for unpaid care providers before and after CA-PFL was implemented, as well as in California versus in other states where workers would not have been affected by CA-PFL.³² The specification is:

$$Y_{it} = \beta_0 + \beta_1 X TREATMENT_i + \beta_2 X POST2004_t X TREATMENT_i + \gamma' X_{it} + \delta_t + \varepsilon_{it}$$

where Y is the outcome for person i at time t . The authors investigate two outcomes: labor force participation of unpaid care providers and full-time status of working unpaid care providers. The treatment variable takes on the value of one for those in the treatment group and zero otherwise. The post2004 variable takes on a value of one for observations after 2004 and zero otherwise. When evaluating the labor force participation of unpaid care providers, the treatment group comprises unpaid care providers in California, while the control group consists of unpaid care providers in all other states. Analysis of full-time status of working unpaid care providers utilizes the same treatment and control groups but limits the treatment and control groups to unpaid care providers who work. The coefficient β_2 measures the D-D impact of California's paid family leave policy on the treatment group.

X is a vector of person and time specific characteristics, including age, gender, race, education, marital status, and household income per capita, as well as the number of persons the unpaid care provider cares for; whether the recipient of care also receives professional health care services; and whether similar unpaid care is provided by others. The X vector also controls for the state- and time-specific unemployment rate, in an attempt to account for other economic factors not captured by the model. δ_t is a vector of year dummies that capture year-specific elements of the outcome and ε_{it} is an error term. The baseline effect of the post2004 variable is omitted due to the inclusion of year dummies.

The D-D setup assumes that the only reason California unpaid care providers fare differently than unpaid care providers in other states is because of the paid family leave law that was enacted in 2004. One potential problem with this assumption is that it does not account for other changes in California's labor market, which might have triggered a change in the labor market behavior in California unpaid care providers, irrespective of the paid family leave law. To control for that, the authors also run the regression on data for all people age 20–65 who are not self-employed,

regardless of whether they provide unpaid care to others. Then, the estimate from this sample is differenced from the β_2 estimate derived for the sample of unpaid care providers. This effectively adds another difference to the D-D setup, making the final estimate a difference-in-difference-in-difference (D-D-D) estimate. All regressions correct standard errors for the clustering of observations at the state level.

The short-run analysis of the 2004 paid leave law compares data from 2003 with 2006. The longer-run analysis compares data from 2003 with data from 2006 and 2011.

Regression results

California's paid family leave policy enacted in 2004 increased the labor force participation of people age 20–65 who provide regular unpaid care or assistance to a family member or friend who has a long-term illness or a disability and are not self employed by 0.06—a 9 percent increase from a baseline labor force participation rate of 0.65 in California before 2004. (see Table 9) The D-D-D estimate is slightly smaller at 0.05 (an 8 percent increase) when differencing out the change in labor force participation of noncare providers in California versus all other states after 2004. The longer-run D-D-D effect is larger at 0.09—a 14 percent increase in labor force participation.

Looking across gender, California's paid family leave policy raised the labor force participation of female unpaid care providers by 0.07 (a 12 percent increase from a baseline labor force participation rate of 59 percent) in the short run. In the longer run, the labor force participation of female unpaid care providers grew by 0.11 (a 19 percent increase). There was no significant impact on the labor force participation rate of men. Given that women make up a majority of unpaid caregivers, it makes sense that the paid family leave law affected their labor force participation. (see Table 9a)

TABLE 9A
Regression results

	Labor force status						Full-time status				Weekly hours of work			
	Short run		Long run				Short run		Long run		Short run		Long run	
	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D		
Treatment group: informal care providers in California versus the comparison group: informal care providers in other states	0.06	*** 0.05	0.10	*** 0.09	-0.14	*** -0.15	-0.14	*** -0.15	-1.22	* -1.24	-1.22	* -1.41		
	0.02		0.02		0.02		0.02		0.72		0.72			
Treatment group: overall population in California versus the comparison group: population in other states	0.00		0.01	**	0.01		0.01		0.02		0.19			
	0.00		0.00		0.01		0.01		0.20		0.19			

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

Notes: The first D-D estimate compares informal care providers in California with informal care providers in other states. The second D-D estimate compares the overall population in California with the overall population in other states. The D-D-D estimate compares the second D-D estimate with the first D-D estimate. This ensures that the D-D-D estimate captures the effect of the CA-PFL policy, not other unrelated happenings in the California labor market. *** Denotes significant differences of 1 percent; ** denotes significant differences of 5 percent; and * denotes significant differences of 10 percent.

California's paid family leave policy affected unpaid care providers from higher-income households more than those from lower-income households in the short run, with the former experiencing an increase in labor force participation of 0.05 (a 7 percent increase from a baseline labor force participation rate of 0.72 for higher-income providers) while the latter had an insignificant change in labor force participation. But in the longer run, the labor force participation of unpaid care providers from lower-income households grew by 0.18—a stunning 41 percent increase from a baseline labor force participation rate of 44 percent. This is compared with 0.04, a 6 percent increase, for unpaid care providers from higher-income households. This suggests that lower-income households are the most affected by the paid family leave law, but they take time to adjust their labor market behavior in response to its introduction. (see Table 9b)

TABLE 9B
Regression results by gender

Men	Short run		Long run		Short run		Long run		Short run		Long run	
	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D
Treatment group: informal care providers in California versus the comparison group: informal care providers in other states	0.01	0.01	0.04	0.04	-0.19 ***	-0.19	-0.16 ***	-0.15	1.27	1.19	2.57 *	2.57
	0.04		0.03		0.02		0.02		1.35		1.49	
Treatment group: population in California versus the comparison group: population in other states	0.00		0.01		0.00		-0.00		0.08		-0.00	
	0.00		0.00		0.00		0.01		0.27		0.25	
Women												
Treatment group: informal care providers in California versus the comparison group: informal care providers in other states	0.08 ***	0.07	0.12 ***	0.11	-0.12 ***	-0.13	-0.13 ***	-0.14	-3.12 ***	-3.02	-4.28 ***	-4.63
	0.02		0.02		0.03		0.02		1.07		0.86	
Treatment group: population in California versus the comparison group: population in other states	0.00		0.01 **		0.01		0.02 **		-0.10		0.35	
	0.01		0.00		0.01		0.01		0.25		0.21	

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

Notes: The first D-D estimate compares informal care providers in California with informal care providers in other states. The second D-D estimate compares the overall population in California with the overall population in other states. The D-D-D estimate compares the second D-D estimate with the first D-D estimate. This ensures that the D-D-D estimate captures the effect of the CA-PFL policy, not other unrelated happenings in the California labor market. *** Denotes significant differences of 1 percent; ** denotes significant differences of 5 percent; and * denotes significant differences of 10 percent.

As to the full-time status of unpaid care providers who work, the California paid family leave policy of 2004 was associated with a short run decrease in full-time status of 0.15, a 21 percent drop from a baseline of 0.73 before 2004. (see Table 9) The effect remained the same in the longer run. The drop in full-time status resulted from workers reducing their weekly hours by 1.24 hours in the short run and 1.41 hours in the longer run.

The decline in full-time status was larger for men than women, with men experiencing a drop of 19 percentage points (24 percent from a baseline of 0.80 before 2004) in the short run and 15 percentage points (19 percent) in the longer run, while women experienced a drop of 13 percentage points (19 percent from a baseline of 0.69 before 2004) in the short run and 14 percentage points (20 percent) in the longer run. (see Table 9a) This could be because many of the women who provide unpaid care are already in part-time work. Again, the decline in full-time status resulted from a decrease in weekly hours of 1.19–2.57 for men and 3.02–4.63 for women, with the number of hours being further reduced as workers transitioned from the short toward the longer run.

Looking across household income, lower-income unpaid care providers had a larger drop in full-time status than higher-income unpaid care providers, with the former experiencing a drop in full-time status of 21 percentage points (41 percent from a baseline of 0.51 before 2004) in the short run and 15 percentage points (29 percent) in the longer run, compared with the latter's 16 percentage points (21 percent from a baseline of 0.78 before 2004) in the short run and 14 percentage points (18 percent) in the longer run. (see Table 9b) Again, the drop in full-time status resulted from a decline in weekly hours of 7.86–3.01 hours for workers from lower-income households and 1.6–0.83 hours for workers from higher-income households.

Length of caregiving spell

In order to gain further perspective on the impacts of the paid family leave policy, the authors break up the sample by the length of the caregiving spell, and I refer to those who have been caring for someone for less than one-year, short-term care providers, while those who have been providing unpaid care for at least one year are referred to as longer-term unpaid care providers. Short-term unpaid care providers have a higher labor force participation rate and are more likely to be working full time with a higher number of hours. (see Table 6b). They can be thought of as so-called incidental care givers who haven't had to adjust their lives that much to accommodate their caregiving responsibilities.

TABLE 9C
Regression results by household income

Lower-income households	Labor force status				Full-time status				Weekly hours of work			
	Short run		Long run		Short run		Long run		Short run		Long run	
	D-D	D-D-D	D-D	D-D-D	D-D	D-D	D-D-D	D-D	D-D	D-D	D-D	D-D-D
Treatment group: informal care providers in California versus the comparison group: informal care providers in other states	0.01	0.01	0.19 ***	0.18	-0.20 ***	-0.21	-0.15 **	-0.15	-7.13 ***	-7.86	-2.83	-3.01
	0.05		0.04		0.07		0.07		2.26		2.62	
Treatment group: population in California versus the comparison group: population in other states	0.01		0.01		0.01		0.00		0.73 *		0.18	
	0.01		0.01		0.01		0.01		0.41		0.32	
Higher-income households												
Treatment group: informal care providers in California versus the comparison group: informal care providers in other states	0.06 ***	0.05	0.05 ***	0.04	-0.15 ***	-0.16	-0.14 ***	-0.14	-1.41 **	-1.60	-0.40	-0.83
	0.02		0.02		0.02		0.02		0.63		0.60	
Treatment group: population in California versus the comparison group: population in other states	0.01 **		0.01 ***		0.01		0.01		0.19		0.43 **	
	0.00		0.00		0.01		0.01		0.18		0.19	

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

Notes: The first D-D estimate compares informal care providers in California with informal care providers in other states. The second D-D estimate compares the overall population in California with the overall population in other states. The D-D-D estimate compares the second D-D estimate with the first D-D estimate. This ensures that the D-D-D estimate captures the effect of the CA-PFL policy, not other unrelated happenings in the California labor market. *** Denotes significant differences of 1 percent; ** denotes significant differences of 5 percent; and * denotes significant differences of 10 percent.

The regression analysis reveals that the labor force participation of longer-term unpaid care providers rose by 6 percentage points in the short run and 8 percentage points in the longer run, while the labor force participation of short-term unpaid care providers rose by 4 percentage points in the short run and 9 percentage points in the longer run. (see Table 9c). This indicates that there was not much difference in labor force participation effects by length of caregiving spell. However, there was a difference in the full-time status effects by length of caregiving spell, with longer-term unpaid care providers experiencing a sharp drop in full-time status of 18 percentage points in the short run and 11 percentage points in the longer run, compared with short-term unpaid care providers, who had no change in full-time status. The findings regarding full-time status are supported by the change in weekly hours, with longer-term unpaid care providers experiencing declines of 5.25–6.06 in their weekly hours, while short-term unpaid care providers saw an increase of 4.84–6.77 in their weekly hours. This finding supports a narrative where all unpaid care providers are drawn back into the labor market regardless of the length of the caregiving spell, but longer-term care providers in particular take advantage of the paid family leave law to adjust their hours of work to accommodate their roles as unpaid care providers.

Age of caregiver

The authors also look at the effects of the California law on different cohorts of unpaid care providers, differentiated by their age, with younger caregivers defined as those ages 20–49, while their older counterparts are ages 50–65. Seventy-six percent of younger caregivers are in the labor force, compared with 64 percent of older caregivers, and 19 percent of the former group work part time, compared with 18 percent of the latter group. (see Table 6c) This suggests that younger caregivers are more attached to the labor force but also more willing to accommodate their work schedule to fit their lifestyle.

A regression analysis reveals that the labor force participation of older caregivers rose by 13 percentage points in the short run and 11 percentage points in the longer run, compared with no change in labor force participation in the short run for younger caregivers and a 7 percentage points increase in labor force participation in the longer run. (see Table 9d) On the other hand, younger caregivers had more of a change in their full-time status after the law was passed, with their full-time status falling by 22 percentage points in the short run and 16 percentage points in the longer run, while the full-time status of their older counterparts fell by 8 percentage points in the short run and 13 percentage points in the longer run. The weekly hours worked fell for younger caregivers by 6.41 hours in the short run and 3.77 hours in the longer run, while the hours of older caregivers rose by 4.91 hours in the short run and had no significant change in the longer run. This suggests that the California paid family leave law stimulated more older caregivers to re-enter the labor force and it encouraged more younger caregivers to reduce their hours of work and switch to part-time status.

TABLE 9D
Regression results by length of caregiving spell

Short caregiving spell (one year or less) caregivers	Labor force status				Full-time status				Weekly hours of work			
	Short run		Long run		Short run		Long run		Short run		Long run	
	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D
Treatment group: informal care providers in California versus the comparison group: informal care providers in other states	0.04	0.04	0.10 ***	0.09	-0.02	0.00	-0.07 **	0.00	6.80 ***	6.77	5.02 ***	4.84
	0.03		0.03		0.04		0.03		1.62		1.01	
Treatment group: population in California versus the comparison group: population in other states	0.00		0.01 ***		-0.02		-0.07 ***		0.02		0.19	
	0.00		0.00		0.04		0.03		0.20		0.19	
Long caregiving spell (more than one year) caregivers												
Treatment group: informal care providers in California versus the comparison group: informal care providers in other states	0.06 ***	0.06	0.09 ***	0.08	-0.21 ***	-0.18	-0.18 ***	-0.11	-6.04 ***	-6.06	-5.07 ***	-5.25
	0.02		0.02		0.02		0.02		0.78		0.93	
Treatment group: population in California versus the comparison group: population in other states	0.00		0.01 ***		-0.02		-0.07 ***		0.02		0.19	
	0.00		0.00		0.04		0.03		0.20		0.19	

Source: Author's analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are not business owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

Notes: The first D-D estimate compares informal care providers in California with informal care providers in other states. The second D-D estimate compares the overall population in California with the overall population in other states. The D-D-D estimate compares the second D-D estimate with the first D-D estimate. This ensures that the D-D-D estimate captures the effect of the CA-PFL policy, not other unrelated happenings in the California labor market. *** Denotes significant differences of 1 percent; ** denotes significant differences of 5 percent; and * denotes significant differences of 10 percent.

TABLE 9E

Regression results by age of caregiver

Older caregivers (ages 50–65)	Labor force status						Full-time status						Weekly hours of work					
	Short run		Long run				Short run		Long run				Short run		Long run			
	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D				
Treatment group: informal care providers ages 50–65 in California versus the comparison group: informal care providers ages 50–65 in other states	0.12	***	0.13	0.12	***	0.11	-0.07	**	-0.08	-0.13	***	-0.13	4.06	***	4.91	0.66	0.63	
	0.03		0.02	0.04		0.03		0.03		1.02		0.90						
Treatment group: population ages 50–65 in California versus the comparison group: population ages 50–65 in other states	-0.01	*	0.01	0.01	**	0.01	0.01	0.00		-0.86	***	0.02						
	0.01		0.01	0.01		0.01	0.01	0.01		0.29		0.27						
Younger caregivers (20–49)																		
Treatment group: informal care providers ages 20–49 in California versus the comparison group: informal care providers ages 20–49 in other states	0.01		0.00	0.08	***	0.07	-0.21	***	-0.22	-0.16	***	-0.16	-6.11	***	-6.41	-3.43	***	-3.77
	0.03		0.03	0.03		0.03	0.03	0.03		1.56		1.16						
Treatment group: population ages 20–49 in California versus the comparison group: population ages 20–49 in other states	0.01	**	0.01	0.01	**	0.01	0.01	0.01		0.31		0.34						
	0.00		0.00	0.01		0.01	0.01	0.01		0.24		0.23						

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

Notes: The first D-D estimate compares informal care providers in California with informal care providers in other states. The second D-D estimate compares the overall population in California with the overall population in other states. The D-D-D estimate compares the second D-D estimate with the first D-D estimate. This ensures that the D-D-D estimate captures the effect of the CA-PFL policy, not other unrelated happenings in the California labor market. *** Denotes significant differences of 1 percent; ** denotes significant differences of 5 percent; and * denotes significant differences of 10 percent.

Robustness check

In order to test the robustness of the results, the authors experiment with different sets of control states. First, following Rossin-Slater, Ruhm, and Waldfogel, the authors use three large states that are similar in size to California—New York, Florida, and Texas. (see Table 10a) Results with this second set of control states indicate that in the short run, the labor force participation rate of unpaid care providers rose by 5 percentage points, and in the longer run, it rose by 0.10 percentage points. This is an almost identical result as when comparing California with all other states, though the effects are not statistically significant. Full-time status dropped by 15 percentage points in the short run and 13 percentage points in the longer run, also almost identical to what was found using all other states as controls.

TABLE 10A
Regression robustness check

Control group limited to New York, Texas, and Florida

	Labor force status				Full-time status				Weekly hours of work			
	Short run		Long run		Short run		Long run		Short run		Long run	
	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D
Treatment group: informal care providers ages 20–65 in California versus the comparison group: informal care providers ages 20–65 in New York, Texas, and Florida	0.06	0.05	0.10	0.10	-0.14 ***	-0.15	-0.11 *	-0.13	-2.35 **	-2.21	-0.30	-0.62
	0.04	0.04	0.02	0.02	0.04	0.04	0.75	1.36				
Treatment group: population ages 20–65 in California versus the comparison group: population ages 20–65 in New York, Texas, and Florida	0.00	-0.00	0.02	0.02	0.02 *	0.02	-0.14	0.33				
	0.01	0.00	0.01	0.01	0.01	0.01	0.13	0.34				

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

Note: *** Denotes significant differences of 1 percent; ** denotes significant differences of 5 percent; and * denotes significant differences of 10 percent.

An alternative specification uses Massachusetts and New York as control states, because they have a high population density and were contemplating adopting a paid family leave program (as in Das and Polacheck). Results using this third set of control states indicate even stronger results on labor force participation, with labor force participation rising by 15 percentage points in the short run and 19 percentage points in the longer run in California relative to New York and Massachusetts. (see Table 10b) Full-time status decreased by 13 percentage points in the short run and by 18 percentage points in the longer run, similar in size to what was found using all other states as controls. The results using two alternative sets of states as controls signal that the findings are not driven by the choice of control states.

TABLE 10B
Regression robustness check

Control group limited to New York and Massachusetts

	Labor force status						Full-time status				Weekly hours of work					
	Short run		Long run		Short run		Long run		Short run		Long run					
	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D	D-D	D-D-D				
Treatment group: informal care providers ages 20–65 in California versus the comparison group: informal care providers ages 20–65 in New York and Massachusetts	0.15	***	0.15	0.20	**	0.19	-0.13	*	-0.13	-0.17	*	-0.18	0.27	0.50	-2.95	-3.27
	0.01		0.03	0.04		0.05	0.31		3.82							
Treatment group: population ages 20–65 in California versus the comparison group: population ages 20–65 in New York and Massachusetts	-0.01		0.00	0.00		0.01	-0.23		0.33							
	0.01		0.00	0.00		0.01	0.39		0.20							

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

Note: *** Denotes significant differences of 1 percent; ** denotes significant differences of 5 percent; and * denotes significant differences of 10 percent.

Next, following Das and Polachek, the authors use strong state placebo tests. A placebo test pretends that the paid family leave law was passed in a state other than California and evaluates its effect on that state's labor force participation rate among unpaid care providers, and the full-time status of its working unpaid care providers. If the placebo effect of a so-called paid family leave law yields similar effects to what was found in California, this invalidates the finding that what happened in California was a result of the paid family leave law there. Due to sample size constraints, this test is limited to states where the number of observations on labor force status (full-time status) among unpaid care providers in 2003 was at least 50—New York and Texas.

The strong state placebo tests indicate that New York had a large decrease in labor force participation in the short and the longer run as a result of adopting a so-called family leave law. (see Table 10c) On the other hand, Texas had a slightly significant increase in labor force participation in the short run, but that increase went away in the longer run. As for full-time status, New York had no change in full-time status in the short run and an increase in the full-time status of its unpaid caregivers in the longer run, while Texas' unpaid caregivers had no change in their full-time status. Results of the strong state placebo tests provide support for the assertion that the labor force participation and full-time status effects in California were actually due to the implementation of the paid family leave law there.

TABLE 10C
Regression robustness check

Strong state test

Long run									
	Labor force participation			Full-time status			Hours of work		
	Coefficient	Standard error	Significance	Coefficient	Standard error	Significance	Coefficient	Standard error	Significance
New York	-0.10	0.02	***	0.08	0.02	***	2.09	0.56	***
Texas	0.03	0.02		-0.02	0.02		-0.93	0.66	

Short run									
	Labor force participation			Full-time status			Hours of work		
	Coefficient	Standard error	Significance	Coefficient	Standard error	Significance	Coefficient	Standard error	Significance
New York	-0.15	0.02	***	0.03	0.02		1.18	0.55	**
Texas	0.04	0.02	*	0.00	0.02		1.23	0.70	*

Source: Authors' analysis of Survey of Income and Program Participation data from the informal caregiving topical modules in the 2001 panel, wave 7; the 2004 panel, wave 7; and the 2008 panel, wave 9. Sample is limited to individuals ages 20–65 who are nonbusiness owners. See U.S. Census Bureau, "Survey of Income and Program Participation: 2001 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2001.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2004 Panel Topical Module List," available at <https://www.census.gov/programs-surveys/sipp/tech-documentation/topical-modules/topical-modules-2004.html> (last accessed July 2017); U.S. Census Bureau, "Survey of Income and Program Participation: 2008 Panel Wave 09," available at <https://www.census.gov/programs-surveys/sipp/data/2008-panel/wave-9.html> (last accessed July 2017).

Note: *** Denotes significant differences of 1 percent; ** denotes significant differences of 5 percent; and * denotes significant differences of 10 percent.

Endnotes

- 1 John Halpin and Karl Agne, "American Voters Did Not Endorse Trump's Extremist Policy Agenda in 2016 Election" (Washington: Gerstein Bocian Agne Strategies and Center for American Progress, 2016), available at <https://cdn.americanprogress.org/content/uploads/2016/11/21072333/CAP-2016PostelectionPollingMemo-Final.pdf>; Lake Research Partners, "National Partnership for Women & Families National Omnibus January 28-31, 2016: 1,004 Total Sample, 808 Likely Voters," available at <http://www.nationalpartnership.org/research-library/work-family/fmla-23-lrp-poll-questionnaire.pdf>.
- 2 The Office of Hillary Rodham Clinton, "Paid family and medical leave," available at <https://www.hillaryclinton.com/issues/paid-leave/> (last accessed September 2017); Sean Sullivan and Robert Costa, "Donald Trump unveils child-care policy influenced by Ivanka Trump," *The Washington Post*, September 13, 2016, available at https://www.washingtonpost.com/news/post-politics/wp/2016/09/13/donald-trump-joined-by-ivanka-trump-to-outline-child-care-policy/?utm_term=.357a18538b87.
- 3 Jacob Alex Klerman, Kelly Daley, and Alyssa Pozniak, "Family and Medical Leave in 2012: Technical Report" (Cambridge, MA: Abt Associates, 2012), available at <https://www.dol.gov/asp/evaluation/fmla/FMLA-2012-Technical-Report.pdf>.
- 4 Sarah Jane Glynn and Danielle Corley, "The Cost of Work-Family Policy Inaction: Quantifying the Costs Families Currently Face as a Result of Lacking U.S. Work-Family Policies" (Washington: Center for American Progress, 2016), available at <https://www.americanprogress.org/issues/women/reports/2016/09/22/143877/the-cost-of-inaction/>.
- 5 The short-run analysis of the 2004 paid leave law compares SIPP data from 2003 with 2006. The longer-run analysis compares data from 2003 with data from 2006 and 2011.
- 6 For example, the CAP report, "Calculating the Hidden Cost of Interrupting a Career for Childcare," finds that withdrawing from the labor force for five years during prime working years for childcare can reduce a woman's lifetime earnings nearly 20 percent. See Michael Madowitz, Alex Rowell, and Katie Hamm, "Calculating the Hidden Cost of Interrupting a Career for Childcare" (Washington: Center for American Progress, 2016), available at <https://www.americanprogress.org/issues/early-childhood/reports/2016/06/21/139731/calculating-the-hidden-cost-of-interrupting-a-career-for-child-care/>.
- 7 This FMLA survey data includes those who take leaves of a short duration, less than one week, that would not be covered by FMLA protections.
- 8 Klerman, Daley, and Pozniak, "Family and Medical Leave in 2012."
- 9 Kaitlin Holmes and Sarah Jane Glynn, "Paid Leave 101: Demystifying Paid Sick Days, Paid Family and Medical Leave, and Unsatisfactory Alternatives" (Washington: Center for American Progress, 2016), available at <https://www.americanprogress.org/issues/women/reports/2016/11/02/292026/paid-leave-101/>.
- 10 Bureau of Labor Statistics, "Table 32. Leave benefits: Access, civilian workers, March 2016," available at <https://www.bls.gov/ncs/ebs/benefits/2016/ownership/civilian/table32a.pdf>.
- 11 Different family caregiving needs require different work-life policies to address. Short-term care, such as a family member who needs care for an acute, short-term illness or recovery from an operation, can be provided for with paid sick time off to care for a family member. Paid leave can cover medium-term care for a family member beyond what would be covered by paid sick time. Long-term care is indefinite care for the tasks of daily living that can be provided for by family caregivers with workplace flexibility or paid caregiving.
- 12 U.S. Department of Health and Human Services, "Long-Term Care.gov," available at <http://www.longtermcare.gov> (last accessed September 2017).
- 13 Sunny Frothingham and Sarah Jane Glynn, "Rhetoric vs. Reality: 4 Myths About Paid Parental Leave" (Washington: Center for American Progress, 2017), available at <https://www.americanprogress.org/issues/women/reports/2017/08/14/437285/rhetoric-vs-reality-4-myths-paid-parental-leave/>.
- 14 AARP Public Policy Institute and National Alliance for Caregiving, "Caregiving in the U.S." (2015), available at <http://www.aarp.org/content/dam/aarp/ppi/2015/caregiving-in-the-united-states-2015-report-revised.pdf>.
- 15 Klerman, Daley, and Pozniak, "Family and Medical Leave in 2012."
- 16 Ibid.
- 17 State of California Employment Development Department, "Paid Family Leave," available at http://www.edd.ca.gov/Disability/Paid_Family_Leave.htm (last accessed September 2017).
- 18 California's paid leave program has minimal eligibility requirements that include \$300 of taxable earnings in the base period. Unlike the eligibility requirements for the FMLA, there is no employer size requirement.
- 19 Paid leave benefits were expanded in 2016 to provide 70 percent wage replacement for minimum wage workers and 60 percent wage replacement for workers earning up to \$108,000 a year. For additional details, see Patrick McGreevy, "Brown signs California law boosting paid family-leave benefits," *Los Angeles Times*, April 11, 2016, available at <http://www.latimes.com/politics/la-pol-sac-paid-family-leave-california-20160411-story.html>; California Assembly Bill No. 908, April 11, 2016, available at https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB908.
- 20 California S.B. 63, September 15, 2017, available at https://leginfo.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB63.
- 21 Labor force attachment is when a person remains attached to the labor force through active employment, actively seeking work in unemployment, or temporarily out of the labor force but likely to re-enter. A person is not attached to the labor force when they have withdrawn entirely and is not likely to re-enter, such as a discouraged worker or a person with prolonged absences that decrease the likelihood of re-entering.
- 22 Tanya S. Byker, "The Economics of Gender Paid Parental Leave Laws in the United States: Does Short-Duration Affect Women's Labor-Force Attachment?," *The American Economic Review* 106 (5) (2016): 242–246.

- 23 Charles L. Baum and Christopher J. Ruhm, "The Effects of Paid Family Leave in California on Labor Market Outcomes," *Journal of Policy Analysis and Management* 35 (2) (2016): 333–356.
- 24 Tirthatanmoy Das and Solomon W. Polachek, "Unanticipated Effects of California's Paid Family Leave Program," *Contemporary Economic Policy* 33 (4) (2015): 619–635.
- 25 The "residual race" is likely to be an individual of Hispanic ethnicity.
- 26 More of unpaid care providers are married, widowed, divorced, or separated relative to those who were never married. This is largely because unpaid care is often provided for a spouse, so those who are providing this care are necessarily married.
- 27 Based on authors' analysis in the Appendix.
- 28 A paid family and medical leave program may not fully cover those who spend a significant amount of time in unpaid family caregiving arrangements, who may also require long-term care supports as mentioned in endnote 11. But given the significant impact of the data results, the implementation of paid family and medical leave in California had a large enough impact on labor force participation rates that it included those who also are doing long-term unpaid family caregiving. See Meghan M. Skira, "Dynamic Wage and Employment Effects of Elder Parent Care," *International Economic Review* 56 (1) (2015): 63–93.
- 29 Findings showed there was not much difference in labor force participation effects by length of caregiving spell. However, there was a difference in the full-time status effects by length of caregiving spell, with longer-term unpaid care providers experiencing a sharp drop in full-time status of 18 percentage points in the short run and 11 percentage points in the longer run, compared with short-term unpaid care providers who had no change in full-time status. This finding supports a narrative where all unpaid care providers are drawn back into the labor market regardless of the length of the caregiving spell, but longer-term care providers in particular take advantage of the paid family leave law to adjust their hours of work to accommodate their roles as unpaid care providers.
- 30 Lower-income unpaid care providers had a larger drop in full-time status than higher-income unpaid care providers, with the former experiencing a drop in full-time status of 21 percentage points (41 percent from a baseline of 0.51 before 2004) in the short run and 15 percentage points (29 percent) in the longer run, compared with the latter's 16 percentage points (21 percent from a baseline of 0.78 before 2004) in the short run and 14 percentage points (18 percent) in the longer run. (see Table 9b) Again, the drop in full-time status resulted from a decline in weekly hours of 7.86–3.01 hours for workers from lower-income households and 1.6–0.83 hours for workers from higher-income households.
- 31 Patricia Cohen, "Why Women Quit Working: It's Not for the Reasons Men Do," *The New York Times*, January 24, 2017, available at <https://www.nytimes.com/2017/01/24/business/economy/women-labor-force.html>.
- 32 The results shown include both New Jersey and Rhode Island, who have implemented paid leave programs in 2008 and 2014, respectively. However, the model was run with multiple controls, which included excluding these states, and the results remained robust.

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