

# THE UNHEARD THIRD 2011

Our Tenth Annual Survey of Low-Income New Yorkers

## STILL SICK IN THE CITY

### What the Lack of Paid Leave Means for Working New Yorkers

By Nancy Rankin  
January 2012



**The Community Service Society of New York (CSS)** draws on a 168-year history of excellence in addressing the root causes of economic disparity through applied research, advocacy, litigation, and innovative service models that serve to strengthen and benefit all New Yorkers.

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We thank The New York Community Trust for their generous on-going support which makes The Unheard Third survey possible. Lake Research conducts the survey annually for CSS and provides valuable assistance in developing the questions and reporting the results. In addition, the author would like to thank Apurva Mehrotra for his many contributions in analyzing the findings and developing the charts.

**The widespread lack of paid sick days among working New Yorkers**—and the risks it poses to the financial security and health of workers, their families and the wider public—was revealed in our 2009 report, *Sick in the City: What the Lack of Paid Leave Means for Working New Yorkers*.<sup>1</sup> These findings helped fuel the drive for passage of a law, modeled after similar measures in San Francisco and Washington, D.C., that would require New York City employers to provide at least a modest amount of paid sick time, much like the minimum wage sets a floor for pay. Bills were introduced in the City Council in August 2009 and again in March 2010. Despite widespread support for the measure from the public and a veto-proof majority of 35 City Council members on board, Council Speaker Christine Quinn decided to keep the bill from coming to a vote in October 2010. Citing her concerns about burdening small business in the midst of hard times, she promised to review her decision, should the economy improve.

In the meantime, momentum for paid sick days has grown around the country. Connecticut became the first to enact a statewide law requiring paid sick days in June 2011, and Seattle passed paid sick days legislation the following September. Active campaigns are underway in states and cities across the nation from Massachusetts to Hawaii.

In addition, more evidence has come in from San Francisco, where the law has been in effect since 2007, showing that the paid sick time requirement—one similar to that proposed for New York City—has not been detrimental to business or employment. Studies by the Institute for Women's Policy Research, The Urban Institute, and the Drum Major Institute as well as interviews with business leaders and

testimony in public hearings by the San Francisco agency responsible for enforcing the ordinance draw similar conclusions: requiring paid sick days has not been a problem for businesses. [See box: Still in Business.] Kevin Westlye, executive director of San Francisco's Golden Gate Restaurant Association, has even been quoted by the business press as saying paid sick days, "is the best public policy for the least cost. Do you want your server coughing over your food?"<sup>2</sup>

New research is also strengthening the public health arguments for paid sick days. A 2011 study by University of

Pittsburgh researchers estimates that the absence of workplace policies such as paid sick days results in 5 million additional cases of flu annually in the U.S. population.<sup>3</sup> An analysis of federal National Health Interview Survey data by the Institute for Women's Policy Research projects that 1.3 million emergency room visits could be prevented in the United States each year by providing access to paid sick time to workers currently without it, reducing medical costs by \$1.1 billion annually, with over \$500 million in savings for Medicaid and Medicare.<sup>4</sup> The potential emergency room

### **Still in Business: The Research Shows San Francisco's Paid Sick Days Law, in Effect Since 2007, Has Not Been a Burden**

**"Most employers reported no difficulty providing paid sick days to their employees under the ordinance. . . . and employer profitability did not suffer,"** according to a study by Robert Drago and Vicky Lovell based on surveys of 727 employers and 1,194 employees working in San Francisco. ("San Francisco's Paid Sick Leave Ordinance: Outcomes for Employers and Employees," Institute for Women's Policy Research, February 2011.)

**"After the introduction of paid sick days, San Francisco's percentage growth in civilian employment was strong and exceeded the average growth of the surrounding counties [that did not have a paid sick days requirement]. From 2007 to 2008, San Francisco's civilian employment increased by 4.0 percent, with a 0.4 percent increase in the surrounding counties. The Great Recession was reflected in a negative growth rate (-3.5 percent) in San Francisco, but an even larger decline in the surrounding counties (-4.2 percent)"** according to Miller and Towne, "San Francisco Employment Growth Remains Stronger with Paid Sick Days Law Than Surrounding Counties," Institute for Women's Policy Research Fact Sheet, September 2011.

**"Most employers were able to implement this mandate with minimal impacts on their business in the first year,"** according to a study of "Employers' Perspectives on San Francisco's Paid Leave Policy," by Shelley Waters Boots, Karin Martinson, and Anna Danziger, The Urban Institute, March 2009.

Since San Francisco's paid sick leave was enacted, both job growth and business growth in San Francisco have consistently

outperformed the five neighboring counties of the Bay Area, none of which have enacted paid sick leave. **"Business growth has been greater in San Francisco for small businesses as well as large businesses, and in specific industries such as retail, food service, and accommodations,"** according to an analysis of data from the California Employment Development Department and U.S. Census, by John Petro ("Paid Sick Leave Does Not Harm Business Growth or Job Growth," Drum Major Institute, March 2010.)

When interviewed by the Wall Street Journal about the impact of San Francisco's paid sick days law, Jim Lazarus, **Senior Vice President of the San Francisco Chamber of Commerce, said that the burden has been minimal.** "Will Sick Days Cost Billions for NYC Businesses? San Francisco Says No," in the Wall Street Journal online, May 13, 2010.

Testifying before the New York City Council, at a November 17, 2009, Hearing of the Committee on Civil Service and Labor, Donna Levitt, head of San Francisco's Office of Labor Standards Enforcement, said, **"The implementation of our law has been quite smooth and businesses have not reported compliance with the law to be a major problem. Employees did not use all of the days of paid sick leave that were available and there were very few reports of abuse of paid sick leave...A study was done of the first year of our ordinance and found that no businesses had either closed or laid off workers specifically citing the cause as the San Francisco paid sick leave ordinance."**

savings for New York City alone are estimated to be \$39.5 million annually, with substantial savings to the city which covers about 19 percent of its overall Medicaid costs.<sup>5</sup>

As the fight for paid sick days in New York City heats up again, we thought it would be useful to update the picture from our 2009 report based on previous surveys with 2011 data on who lacks access to paid sick time in New York City and public support for a measure to make paid sick days a minimum labor standard. This policy brief uses the findings of *The Unheard Third 2011*, a telephone survey of 1,419 New York City adults conducted in July 2011 by Lake Research for CSS, to look at what has happened since 2009. [See box: *How the Surveys Were Conducted*.]

## **Half of working New Yorkers report that their employers do not provide paid sick leave. An estimated 41 percent—1.4 to 1.6 million workers—have no paid leave whatsoever, for sickness or vacation.**

The new survey data confirms our key findings from 2009. [See charts beginning on page 6.] New Yorkers are still sick in the city.

- Lower income workers, Latinos, and those employed by smaller firms are the least likely to have access to paid sick time, similar to the findings in 2009. Nearly two out of three low-income workers (64 percent) lacked paid sick time in 2011, not a significant change from 2009 when 66 percent of low-income workers said their employers did not provide paid sick leave. More than three out of four low-income Hispanic workers (76 percent) now lack paid sick time, an increase over the 72 percent without paid leave in 2009.
  - Smaller workplaces with fewer than 50 employees account for a growing share of workers without access to paid sick days. In 2011, two out of three workers without paid sick time labored in small workplaces compared to 48 percent of those without sick leave in 2008, the last time we asked that question. The fact that the majority of workers in need of paid sick days are now employed by firms with fewer than 50 employees underscores the need to insure that a bill intended to help them actually covers most if not all smaller workplaces. The lack of paid sick time is especially worrisome among workers in occupations that involve handling food, such as restaurant employees, and among those caring for young children and the vulnerable elderly, where the risks of spreading contagious illnesses are high. Over half (56%) of workers who prepare, handle or serve food and 43 percent of those whose jobs put them in close contact with children or the elderly do not have any paid sick leave. These figures are for workers of all incomes.
  - By strong majorities, New Yorkers across income groups and party lines favor a law like the proposed bill now before the City Council. Overall, 74 percent of New Yorkers surveyed favor a paid sick days law, including over half (54%) who strongly favor it.
  - Moreover, paid sick days rises to the level of a voting issue. By more than a two-to-one margin (62 percent to 24 percent), Democrats say they are less likely to vote for a mayoral candidate who opposes the measure requiring employers to provide their workers with paid sick time. Independents and Republicans are also more likely to punish than reward a candidate who opposes paid sick time.
- Half of working New Yorkers, compared to 48 percent two years ago, report that their employers do not provide paid sick leave. An estimated 41 percent—1.4 to 1.6 million workers—have no paid leave whatsoever, for sickness or vacation. While the change in the proportion of workers without sick leave since 2009 is not large, access to workplace benefits has eroded substantially compared to 2007 pre-recession levels. Some of this is likely because employees had their hours reduced, and as part-time workers they are no longer eligible for benefits, or because workers lost good jobs with benefits and were forced to settle for lower-wage jobs without them. In 2007, 56 percent of near-poor workers (living in households between poverty and 200 percent of the federal poverty level) had paid sick leave, compared to only 41 percent in 2011. Moderate and higher income workers also lost ground; 62 percent reported having jobs offering paid sick leave in 2007 compared to 58 percent in 2011.

Strikingly, the level of public support for paid sick days has remained as high as when we last polled on this issue in 2007,<sup>6</sup> despite the fact that the public has now heard the arguments against paid sick days made by opponents of the bill and despite the severe recession and continued weak economy. Rather than giving the public pause, the deep economic worries of New Yorkers, especially those at the bottom of the ladder, provide greater urgency to giving workers a much-needed measure of job security. Forty-three percent of all low-income New Yorkers—including two out of three low-income single mothers—said they worry all or most of the time that their total family income will not be enough to meet their basic expenses and pay the bills. And

over half (54 percent) of low-income New Yorkers say they are concerned that they or someone in their household will be out of a job in the coming year. For financially insecure New Yorkers, losing a day's pay is not a decision that can be made lightly. Staying home with the flu or leaving work when the school nurse calls to tell you to pick up your child who is having an asthma attack must be weighed against bills due and fears about being able to hold onto jobs—especially in the current difficult economic times.

Our 2009 survey<sup>7</sup> provided evidence of how real these choices are in the daily lives of low-income New Yorkers. Workers living in households under 200 percent of the

## New York City Paid Sick Time Bill Revised to be More Business-Friendly

### Original Bill Introduced March 2010 (Intro 97)

#### Who's covered:

All private employers in NYC

#### How much paid sick time is required:

Employees earn 1 hour for every 30 hours worked, up to 5 days (small employers with <20 workers)

OR

9 days (larger employers with 20+ workers)

#### What can sick time be used for:

Worker's own medical needs, caring for medical needs of a close family member, or in case of closure of schools or workplaces for a public health emergency

#### Flexibility allows other time off to count:

Employers do not have to add any paid sick days if they already provide the required amount of paid leave under another name, like PTO, personal days, or vacation, as long as it can be used for all sick days purposes.

#### Protections for employers and employees:

Employers may require medical certification after 3 days absence. Employers are prohibited from retaliating against employees for using paid sick time; disciplinary actions for other matters are not affected.

### January 2012 Changes

#### Excludes "mom and pop" shops while insuring job protection for their employees:

Employers with fewer than 5 workers would not have to provide paid sick days, but workers could not be fired for using up to 5 days of unpaid sick time a year. This would exclude about 62 percent of businesses in New York City and an estimated 15 percent of workers without paid sick days.

#### Public emergencies:

During declared public emergencies, employers regulated by the Public Service Commission do not have to comply with the provisions of the bill.

#### Small start-ups given more time to comply:

New small businesses would have one year grace period before they need to start providing sick time.

#### More flexibility for employers:

Employers have flexibility in determining increments of use and small businesses can use head count or FTEs.

#### Administrative remedy added:

Enforcement would be complaint-driven and could be resolved through administrative process without going to court.

federal poverty level and without paid sick days were more likely to report

- Going to work sick because they feared losing their pay or their jobs (71 percent compared to 60 percent of those with paid sick days);
- Sending a sick child to school or day care because they could not take off from work (30 percent compared to 25 percent of those with paid sick days); and
- Using hospital emergency rooms because they were unable to take off from work to get medical care during their normal job hours (24 percent compared to 17 percent with paid sick days).

Lack of paid sick days puts more than a million New Yorkers one illness and one sick child away from disaster. Dr. William Jordan, a Bronx physician, writes in a recent blog post entitled “Worked to Death”:

I was saddened to learn this week that a patient under my care had died. A man in his 50s who worked hard on his feet all day in the food service industry, he was afraid of losing his job if he came to the doctor. He missed countless appointments. The last time I saw him, he had been having chest pain for a month that turned out to be a blocked artery in his heart, but he had delayed coming in because he couldn't take a day off from work. Being on his feet all day at work had led to diabetic foot ulcers and one of these became infected—this is what ultimately took him from us. He was another victim of a system that doesn't provide time off from work to seek health care.<sup>8</sup>

And Marjorie Salas, a pediatric oncology nurse in Manhattan, recounts a recent experience translating for a physician about a child's condition to her family:

I could see her mother's eyes fill with tears and the father hold his daughter a little bit tighter in his arms as I gently told the family nothing else could medically be done to save their 3 year-old's life. The sadness in the room was overpowering. After explaining what they might encounter in the next few days, the conversation changed direction dramatically. Could the father take time off from work to spend the last few days of his little girl's life by her side? He chose to be with her and

go a week without pay. A week without pay would take a serious financial toll on the family because his wife didn't work, they had another child to support and they had mounting medical bills to pay. How do you ask a parent to make a decision between supporting their family and spending what little time is left with their daughter before she dies?<sup>9</sup>

## **Lack of paid sick days puts more than a million New Yorkers one illness and one sick child away from disaster.**

At a time when so many people are struggling to hold onto their jobs and make ends meet, passage of paid sick time is a sensible step that would offer real help. A growing body of research evidence demonstrates that a paid sick time law would confer health benefits and savings for the public without undue burdens on business. The vast majority of New Yorkers understand this. They favor passing a law now to insure that all workers can earn paid sick time.

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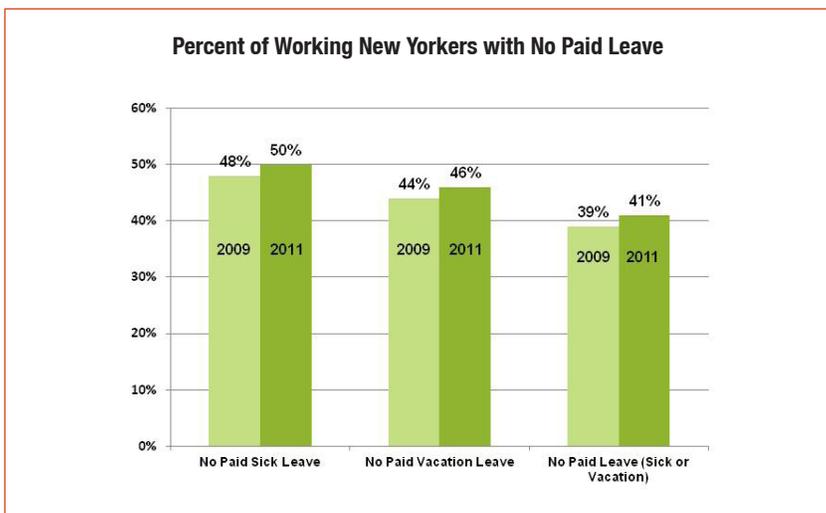
### **Notes**

1. Nancy Rankin, Jeremy Reiss, and Krista Pietrangelo, “Sick in the City: What the Lack of Paid Leave Means for Working New Yorkers,” Community Service Society and A Better Balance, October 2009.
2. “Cough If You Need Sick Leave,” by James Warren, in Bloomberg Businessweek, June 3, 2010, online.
3. Supriya Kumar, et. al., “The Impact of Workplace Policies and Other Social Factors on Self-Reported Influenza-Like Illness Incidence During the 2009 H1N1 Pandemic,” in the American Journal of Public Health, published online ahead of print, November 17, 2011.
4. Kevin Miller, Claudia Williams and Youngmin Yi, “Paid Sick Days and Health: Cost Savings from Reduced Emergency Department Visits,” Institute for Women's Policy Research, November 2011.
5. Estimate of emergency department savings provided by Kevin Miller, Institute for Women's Policy Research, January 10, 2012. Estimate of New York City share of Medicaid costs provided by Christina Fiorentini, Budget and Policy Analyst, NYC Independent Budget Office, January 13, 2012.
6. See, “Sick in the City,” p. 10. The question used in 2007 was phrased somewhat differently than the question in 2011, but the major point that support for paid sick days has remained high holds up.
7. See, “Sick in the City,” pp. 10-13 for a fuller analysis.
8. National Physician's Alliance blog post by William Jordan, MD, MPH, February 24, 2011.
9. Interview with Marjorie Salas, February 16, 2009.

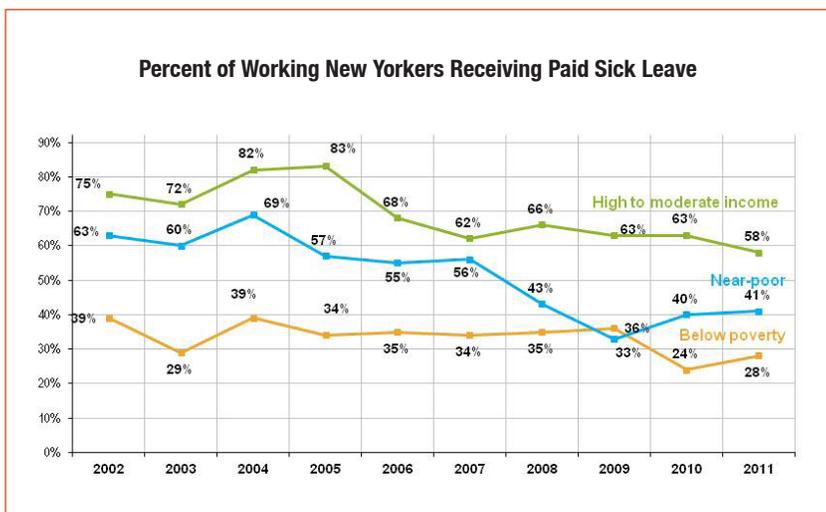
# Findings from The Unheard Third 2011

**Between 1.4 and 1.6 million working New Yorkers receive no paid leave from their jobs—neither paid sick leave nor paid vacation leave.**

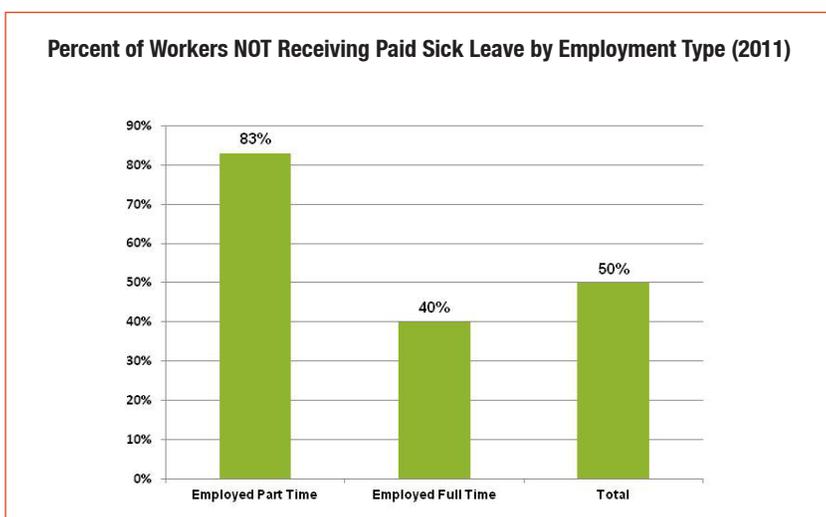
(Calculated based on NYC employment of 3.76 million, July 2011, BLS, LAUS. The range reflects a margin of error for the full sample of +/- 2.6 percentage points.)



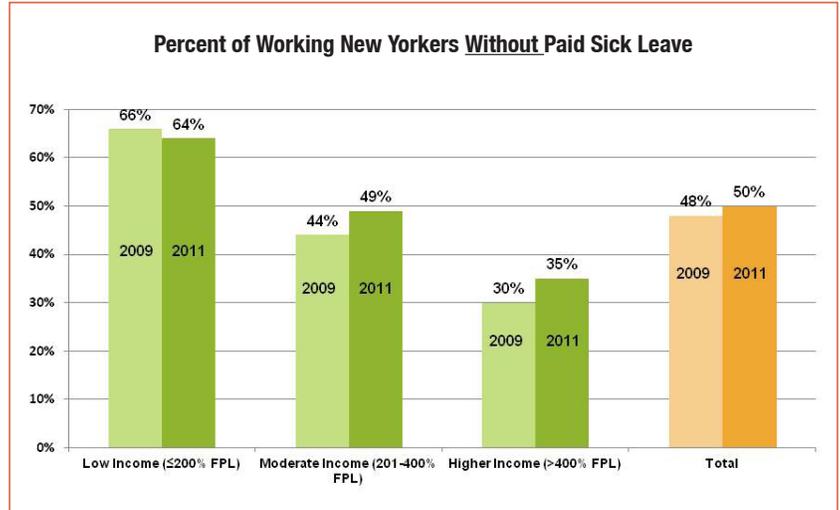
**Access to sick days has eroded compared to 2007 pre-recession levels. Now seven out of ten of New York City's working poor do not have a single paid sick day.**



**Four out of ten full-time employees do not have paid sick days.**



**Lower-income workers are less likely to have paid sick time; nearly two out of three low-income workers do not have a single paid sick day.**

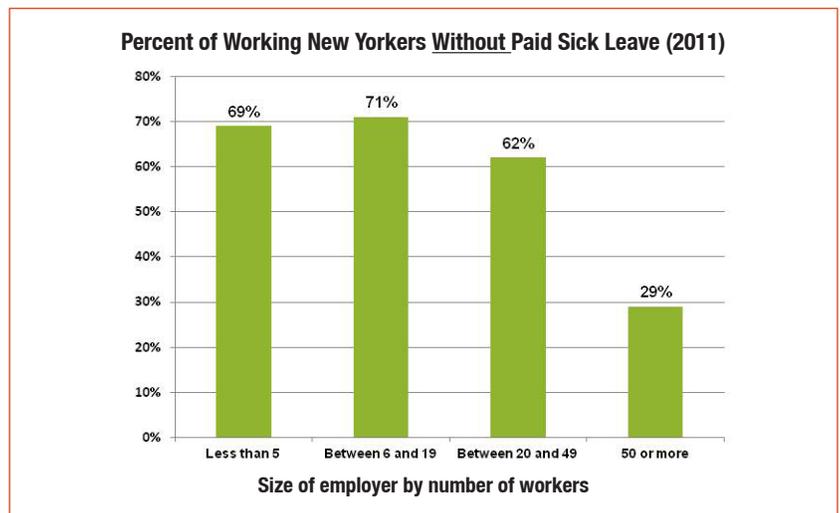


**Low-income working moms—often the ones to care for sick kids—low-income Latinos, and immigrants are most likely to lack paid sick time.**

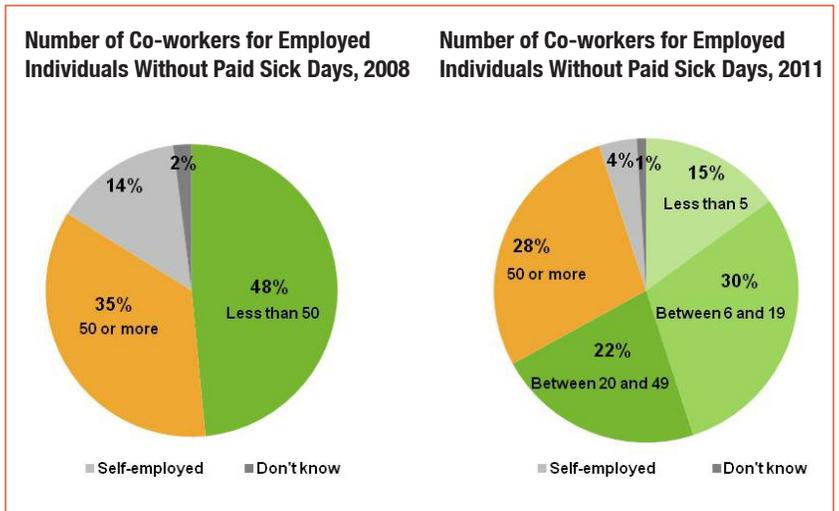
Demographic	No Paid Sick Leave, 2009	No Paid Sick Leave, 2011
<b>Race</b>		
Low Income Hispanic	72%	76%
Low Income White	66%	61%
Low Income African American	58%	52%
Low Income Asian	N/A	57%
<b>Immigrant Status</b>		
Low Income Foreign-Born	68%	70%
Low Income Native-Born	64%	61%
<b>Low Income Parents</b>		
Low Income Families with School-aged Children*	65%	66%
Low Income Working Mothers with Children under 18	60%	70%

\*In 2009, figures were reported for low-income public school parents, a similar population.

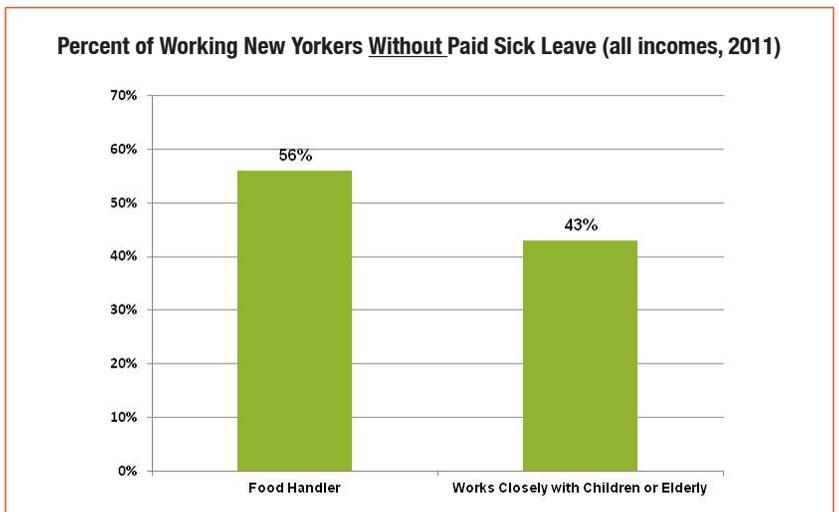
**Workers in smaller businesses are less likely to have access to paid sick time.**



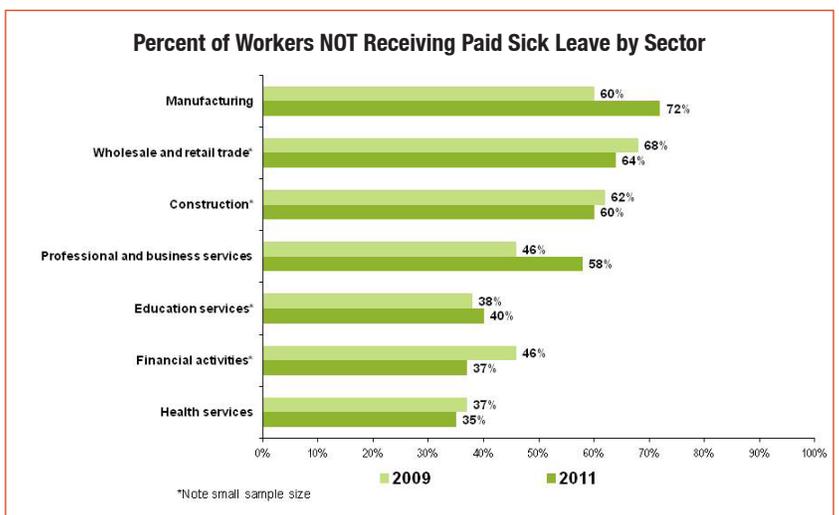
**Two-thirds of those without paid sick days work for employers with fewer than 50 employees.**



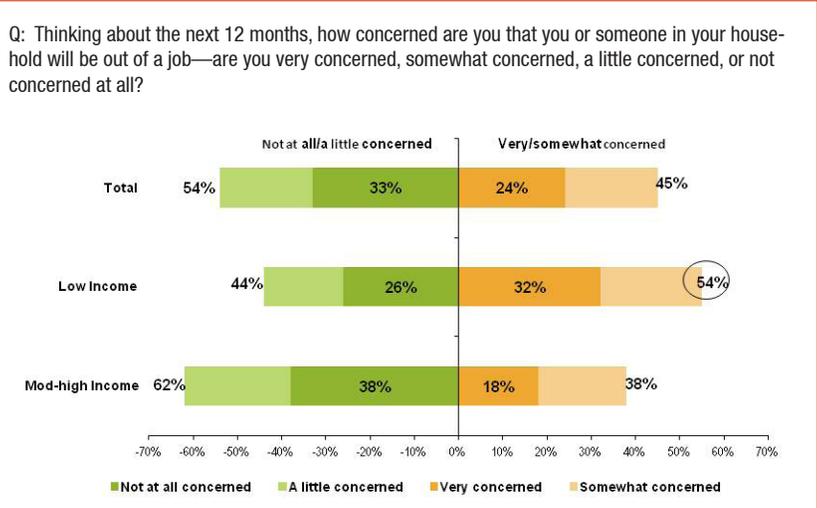
**More than half of workers who handle food and 43 percent of workers in close contact with kids or the elderly do not have paid sick time.**



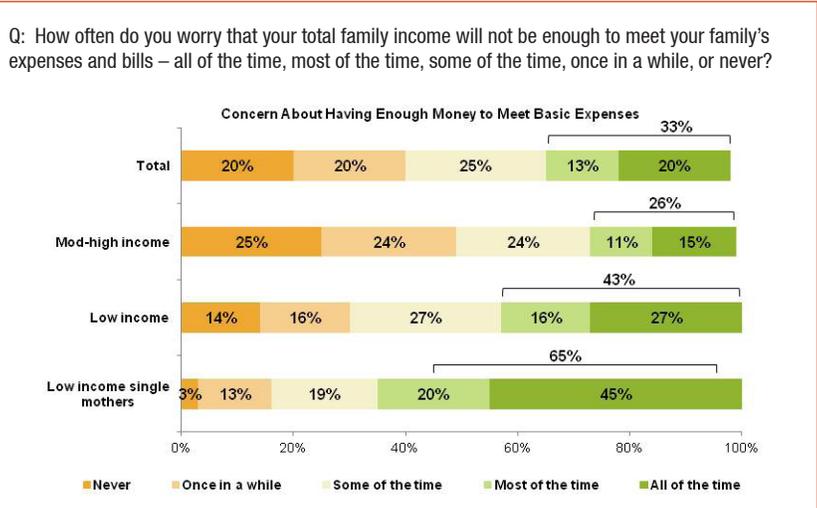
**Workers in the manufacturing, wholesale and retail trade, and construction sectors are least likely to have paid sick days.**



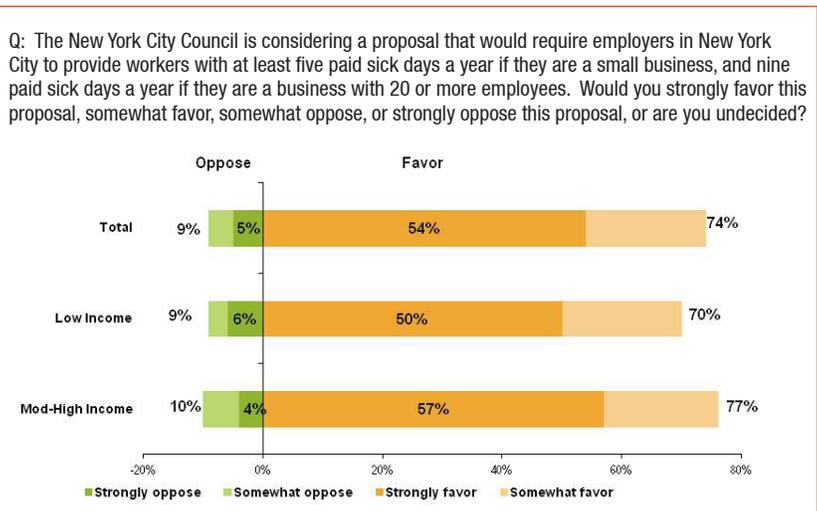
**More than half of low-income New Yorkers are worried someone in their household will be out of work in the next year.**



**Four in ten low-income New Yorkers frequently worry their income will not be enough to pay the bills; two out of three single moms worry most or all of the time.**

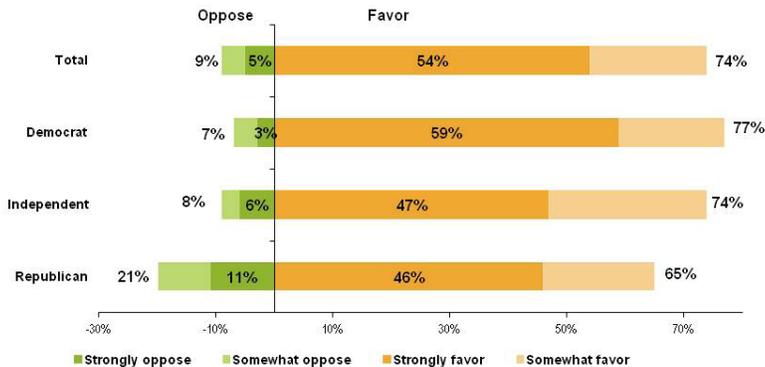


**By strong majorities, New Yorkers of all incomes favor a law to provide all workers with a minimum number of paid sick days.**



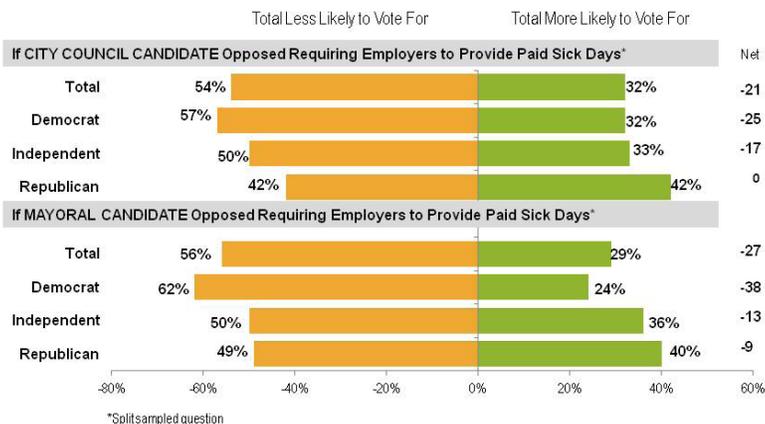
**Across party, New Yorkers favor the paid sick days proposal with real intensity.**

Q: The New York City Council is considering a proposal that would require employers in New York City to provide workers with at least five paid sick days a year if they are a small business, and nine paid sick days a year if they are a business with 20 or more employees. Would you strongly favor this proposal, somewhat favor, somewhat oppose, or strongly oppose this proposal, or are you undecided?



**Democrats and Independents are less likely to vote for a candidate for City Council or Mayor who opposes requiring paid sick days.**

Q: Would you be more or less likely to vote for a candidate for City Council or Mayor who opposed the proposal which requires employers in New York City to provide their workers with paid sick days?



**By a margin of more than five to one, New York City’s registered Democrats—across incomes—want a mayor who supports worker-friendly over business-friendly policies.**

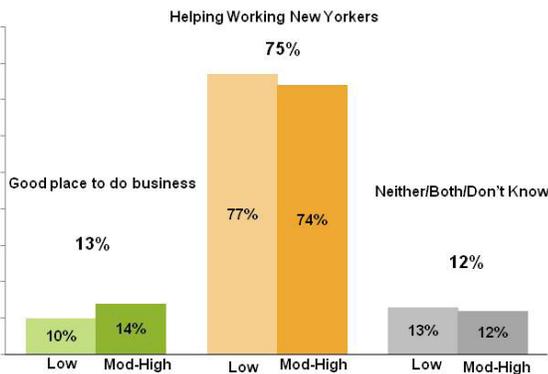
And thinking about our next mayor, which of the following two statements do you agree with more?\*

**Statement A:** We need a mayor who supports policies that make New York City a good place to do business like lower taxes and fewer regulations for small businesses.

**Statement B:** We need a mayor who supports policies that help working New Yorkers and their families get ahead like making housing more affordable, protecting schools from cuts, and promoting better benefits for workers.

\*Split sampled question

**Mayoral Priorities of Registered Democratic Voters**



## How the surveys were conducted

The Community Service Society designed these surveys in collaboration with Lake Research Partners, who administered the surveys by phone using professional interviewers.

The 2011 survey was conducted from July 5 to July 31, 2011. The survey reached a total of 1,419 New York City residents, ages 18 or older, divided into two samples:

- 915 low-income residents (up to 200% of federal poverty standards, or FPL) comprise the first sample:
  - 454 poor respondents, from households earning at or below 100% FPL
  - 461 near-poor respondents, from households earning 101%-200% FPL
- 504 moderate- and higher-income residents (above 200% FPL) comprise the second sample:
  - 301 moderate-income respondents, from households earning 201%-400% FPL
  - 203 higher-income respondents, from households earning above 400% FPL.

This year's survey also included an oversample of 200 cell phone interviews among adult residents at up to 400% FPL.

Telephone numbers for the low-income sample were drawn using random digit dial (RDD) among exchanges in census tracts with an average annual income of no more than \$40,000. Telephone numbers for the higher-income sample were drawn using RDD in exchanges in the remaining census tracts. The data were weighted slightly by gender, age, region, immigration status, education and race in order to ensure that it accurately reflects the demographic configuration of these populations. In the combined totals, respondents in the low income sample were weighted down to reflect their actual proportion among all residents. Also, in the combined totals, the sample is weighted by telephone status. Interviews were conducted in English, Spanish and Chinese.

In interpreting survey results, all sample surveys are subject to possible sampling error; that is, the results of a survey may

differ from those which would be obtained if the entire population were interviewed. The size of the sampling error depends upon both the total number of respondents in the survey and the percentage distribution of responses to a particular question. The margin of error for the total sample is +/- 2.6%. The margin of error for the low-income component is +/- 3.2% and for the higher-income component is +/-4.4%.

The report also contains data from previous editions of The Unheard Third survey. The Unheard Third 2009 surveyed 1,212 New York City residents, age 18 or older, and was conducted from July 7 to August 3, 2009. There were 809 low-income respondents (up to 200% of the federal poverty level or FPL) and 403 moderate- and higher- income respondents (above 200% FPL). The margin of error for the low-income component is +/- 3.5 percentage points, +/- 4.9 percentage points for the higher-income component and, for all respondents combined, +/- 2.8 percentage points. The chart below provides the sample sizes for each of the previous years.

Year	Total Sample	Low-income Sample (≤200% FPL)	Moderate-Higher Income Sample (>200% FPL)
2011	1429	915	504
2010	1414	900	514
2009	1212	809	403
2008	1523	1015	508
2007	1551	1036	515
2006	1888	1388	500
2005	1500	1000	500
2004	1300	1000	300
2003	1000	750	250
2002	800	600	200

