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A Roadmap:

Modernizing Workplace Standards to Fit 21st Century Families

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Women, their families, and the economy have greatly benefited from women's entry into the labor force. While it was never the case that every woman was a stay-at-home mom, today's it not at all common. Yet, even as the way that families work and care has changed, the workplace has not kept pace. Most families no longer have someone in the home to take care of life's big and little emergencies, which in the absence of policies to help families cope, creates hurdles for women's employment and earnings. The lack of adaptation has resulted in a workplace that works for a few but not all—women and their families. Among other things, this means that not all women can realize their full potential.

We have a set of labor market standards and social policies built for a long-gone era. The last time we took steps to craft a national a vision for level playing field in the workplace was with President Franklin Delano Roosevelt's New Deal. Three pieces of the New Deal puzzle are especially relevant for thinking about an agenda for today's workers: the 1935 Social Security Act, the 1935 National Labor Relations Act, and the 1938 Fair Labor Standards Act. Together, these three pillars regulate today's boundaries between work and family life.

We need to recognize that the intellectual legacy of the New Deal was at once progressive and patriarchal. It has married us to a set of policies and proposals geared for a time when women had only recently won the vote and tended to work inside, rather than outside, the home.¹ It no longer fits today's families,—even as it never fit every family—and certainly does not support our economy in the ways we need it to.

We must modernize workplace standards to fit 21st century families. There is a set of policy ideas that would do just that and establish a gender-neutral "level playing field" that respond to both the glass ceiling and the sticky floor. Federal and state programs like paid family and medical leave, early childhood education programs, and addressing the wide array of scheduling issues—from overwork to underwork, alongside a lack of predictable schedules for many low-wage workers—can increase the employment and earnings of women, and caregivers more generally. Pay equity, strengthened protections against pay and pregnancy discrimination, and updated workplace standards will advance women's economic equality and financial stability. Together, these policies will promote a fair and just workplace and most importantly, shared economic prosperity.

This agenda will benefit our economy and improve workplace equity. The gap in pay and labor force participation between men and women, especially here in the United States, is in no

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small part because we have not found sufficient ways to help workers with care responsibilities. A level playing field for women—and all caregivers—will provide more workers with the opportunity to realize their full economic potential, increase family economic security, and promote broad-based, equitable economic growth.

Often, our discussion focuses on what a level playing field means for women and families. But it is also critically important to consider what this means for the nation's economic condition and the future to which our nation aspires. There is a large body of evidence showing that each element of this agenda supports women and caregivers' employment and earnings, and more broadly, family economic security:

- Eileen Appelbaum, John Schmitt, and I find that between 1979 and 2012, our nation's gross domestic product increased by almost 11 percent due to women's changed employment patterns.² This translates to about \$1.7 trillion in output in today's dollars—roughly equivalent to U.S. spending on Social Security, Medicare, and Medicaid in 2012.³
- According to Heidi Hartmann and Jeffrey Hayes of the Institute for Women's Policy Research, if women received pay equal to their male counterparts, the U.S. economy would produce \$447.6 billion in additional income (2.9 percent of 2012 gross domestic product), about equal to the entire economy of the state of Virginia.⁴
- Even the International Monetary Fund has shown that women's contribution to economic growth is below potential when women cannot fully participate in the economy.

When I talk to policy leaders from the United Kingdom or Canada, they make the argument that addressing conflicts between work and family are critical for economic productivity. In Japan, in order to boost growth in the face of declining population growth, they are pursuing "womenomics" and implementing policies to boost female labor force participation and close the gender wage gap. Yet, U.S. policymakers have yet to fully acknowledge the connection between family well-being and economic growth, and that remains among our biggest challenges.

Given the economic importance, it is a national problem that progress on the agenda to modernize workplace standards has been stalled for far too long. This discussion paper identifies <u>where the</u> <u>hurdles are</u> and lays out a set of <u>proposed solutions and strategies</u> to put them into place.

This is the right moment to consider this agenda. There is an appetite for change. We see it from elected leaders in both major political parties using similar rhetoric to describe working families' challenges. We see it in the fact that we must look beyond our borders for good ideas. We see it in leaders across the country, who have developed and conducted successful campaigns for new workplace standards at the state and local levels. Because of their hard work and dedication, **all of the ideas proposed in this paper are being tested right now someplace in the United States**. This is a remarkable step forward and an indication of the strategic thinking of leaders from around the country.

An important key to the success of state and local campaigns has been an inclusive strategy that addresses the needs of families across the income spectrum. While all women face barriers to reaching their full economic potential, these challenges play out differently depending on where a woman sits in terms of class, race, immigration status, or a host of other factors. But, this doesn't

change the fact that women and families everywhere struggle with workplaces that too often are incompatible with family life.

The Problem: Stalled Progress on Economic Equality

Women's economic reality has changed:

Today, most women work outside the home. The entry of large numbers of women into the labor force is one of the nation's most important economic transformations in recent decades. Between 1970 and 2000, the share of women in the United States labor force steadily increased, from 43.3 percent to 59.9 percent.⁵ Today, most women work full time. Before the Great Recession in 2007, the share of women who worked 35 hours or more per week was 75.3 percent.⁶ Notably, the largest increase was among middle class and college-educated women, but employment rates have risen for women across educational attainment levels.

Women are the breadwinners or co-breadwinners in most families. Once upon a time, if money was being made outside the house, the men made it. Today, women bring home at least a quarter of the earnings in slight under two-thirds of families with children.⁷ In a growing number of households, women bring in half or even more of the earned income.⁸

Women work out of economic necessity. There are many reasons to be excited about the social and personal opportunities that working outside the home brings to women, but it is not all roses. Women are not working just to fulfill their dreams and learn new things—they are doing so out of sheer economic necessity. Most families would have seen their income drop over the last few decades were it not for women going to work.⁹

There is no longer a "typical family." In 1960, two-thirds of children lived in a family where their parents were married and only their father worked outside the home. In 2014, only one-in-five families looked like that.¹⁰ Many children are now born to single mothers or into a family where lifelong marriage may not be the norm.¹¹ This is not only poor families, but also those further up the income distribution. Policy rules—who's covered, who's considered a "family member" for laws like the Family and Medical Leave Act, tax credits and more—need to adapt.

Home work does not disappear just because both men and women are working outside the home. For all kinds of families across the income spectrum, the dual demands of home and out-of-home work cause significant stress. Today's families report feeling insecure and pressed for time, whether they are high-flying dual-career couples, poor single mothers, or the middle class families in between.¹² The world of work and the needs of families always seem to be in conflict—and it's been this way for over 30 years.

Further, despite major gains, women's economic equity has stalled:

Women still face an unequal playing field in the workplace in large part due to the lack of work-family policies. It's important to flag that the work-family challenges play out differently across families, and access to work-family policies varies across the income distribution, leading to a widening gap between women of different incomes. While some women have made great gains in the workforce, too many women have been left behind.

Women's labor force participation has stalled. Between 1960 and 2000, women's labor force participation steadily grew, but progress has stalled for more than a decade. The share of women in the labor force has not significantly increased since 2000, hovering a bit below 60 percent.¹³ The situation has deteriorated so much that labor force participation rate of women in the United States compared to other OECD countries has fallen from 6th to 17th out of 22 countries.¹⁴

Progress on the gender wage gap has stalled. Between 2000 and 2013 the female-to-male earnings ratio inched up only two percent to 78 percent.¹⁵ To be sure, some women have pulled ahead and experienced increases in incomes despite the recent slow-down in women's entry in the workforce. But not all women have experienced gains. Between 2000 and 2007, for example, higherwage women saw their real wages increase by four times the amount of women with poorly paid jobs.¹⁶

Given the new reality of family economics, why did progress stall? The obstacles can be categorized as culture, class, and economic vision. And, entangled within each is plain, old-fashioned sexism and racism, alongside the soft bigotry of low expectations.

Culture: Too many view work-family conflicts as a "ladies problem," rather than a serious economic issue. To the average Joe on the street, work-family policy does not sound "serious," but instead sounds like something that should take a backseat to "real" economic issues. Because Joe thinks these policies are just "for the ladies," politicians and policymakers follow suit. Part of the problem is embedded in how we think about what is and is not "labor policy." Many tend to think that if it's not already enshrined in one of the alphabet soup of agencies established by the New Deal, it's a frill.

Much of this is because we still tend to view work-family conflicts as private problems that families have to solve on their own. Unlike other labor standards, these policies such as paid sick days, predictable schedules, or paid family leave are too often seen as not as fundamental—which needs to change.

Further, even as many men have stepped up, we also continue to have a double standard about women and men balancing paid work and providing care. Women continue to be more likely than men to manage childcare and other family issues. This feeds into pervasive gender norms that play out at home and at work, creating hurdles for change.

Class: Too often, the national debate focuses on the challenges for professional women and men—missing the opportunity to create a big-tent political coalition. Women across the income distribution face barriers. We need to recognize all women's obstacles in order to achieve economic equality, as well as how these challenges differ for women across the income distribution.

In particular, we need to stop invoking stereotypes about women and caregivers, especially those in low-wage jobs. For example, when a parent (usually a woman) needs to take a day away from work to care for a sick child, stay home with a child on a snow day, or come to work a few minutes after the start of a shift because of unreliable child care, the problem lies less with the worker and more with our nation's failure to guarantee basic standards that enable people to make their life work.

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Too many woman must leave the labor force because her job doesn't provide paid time to recover from childbirth or paid family leave to care for an aging parent. They must leave because child care costs are too high and wages too low. They must leave because work shift schedules are too uncertain to create stable household routines. These occurrences are not individual failures. Those are national failures.

We need to stop blaming women who cycle in and out of low-wage work for their failings—or even for their basic decision to have a child—rather than recognizing that the policy rules, or lack thereof, contribute to working families' economic uncertainty.

Economic vision: At the end of the day, most opponents argue against work-family policies on economic grounds. Policies that will help women and their families have an equal footing in the workplace are often framed by those entirely opposed to these policies (or any so-called "mandates") as "job killers." But, those who agree that labor standards, like the minimum wage are important, too often argue that this agenda is more about "perks," when in reality these are both basic labor standards. What good is a 40-cent increase in the minimum wage if you get fired for missing a day because you were sick? It's about having the full basket of policies, rather than a single magic bullet.

When politicians do trot out their positions on so-called work-family when courting female voters ahead of elections, they are too often forgotten after the victory lap in favor of "real economic policies." Yet the available evidence shows that policies that help keep women in the workforce lead to greater economic opportunity for their families—and for the nation at large. The needle on this piece of the conversation is starting to move, but more work needs to get done to bring work-family policies into the national economic debate.

Solutions: Modernize Workplace Standards to Fit 21st Century Families

Today's families need a basket of polices that reflect the complexity of family life. Both women and men, up and down the income spectrum, face challenges when managing the dual demands of work lives and home lives. There isn't one magic bullet. It may come as a surprise, but the solutions— both public and private—aren't one magic fix, but a series of affordable, pro-growth fixes that will provide big gains to women, their families, and the economy.

Here, at Home: Paid Time to Care

- Paid Sick Days
- Paid Family and Medical Leave

There, at Work: Scheduling Work

- Flexibility for employees ("Right to Request")
- Overtime: more inclusive overtime protections
- Schedule predictability and stability
- Part-time parity

Care: When We Have to Work

• Affordable, high quality childcare for all families

- Universal Pre-K
- Affordable, high quality options for eldercare for all families
- Good jobs for care workers

Fair: Ensure No Discrimination Against Those with Family Responsibilities

- Ensure everyone earns a fair day's pay
- Ensure that caregivers can fully participate in the labor market
- Ensure no one experiences harassment and or sex (or other)
- Protect workers against retaliation for using work-family policies
- Consider both legislative, as well as cultural changes

The kinds of changes I am talking about will absolutely benefit women and children—no question about it. But, they are about so much more: These policies are front and center for our economy's well-being. Economists and other researchers have been laboring awayon the kinds of policies families and households need to make ends meet, what businesses need from their employees, and what all of these policies will do to strengthen our economy and our nation's competitiveness.

The policy prescriptions above won't happen in a vacuum. Good ideas are never enough on their own, unfortunately. We need to create the conditions for success, ensuring that policy work is married to organizing, culture change and communications, and that adequate funding is available for all of the above.

For this discussion, I began with the strategic planning that I worked on with Vicki Shabo of the National Partnership for Women & Families and the other members of the Work Family Strategy Council in the summer of 2011.¹ The Strategy Council came together to create a plan to update workplace policies that started with families.

As we stated at the time, "The following goals and objectives further the vision of raising the profile of work-family issues and policies so that they become central to political, economic, and policy debates."

Goals

Change, first and foremost, will not happen without a paradigm shift. We refer to this paradigm shift as getting these issues "in the water."

Paradigm Shift: Get Work Family Ideas "in the Water"

• In 2 years: Solid, compelling language conveys the public policy changes we seek.

¹ At the time, the Work Family Strategy Council brought together the following organizations: 9-5, A Better Balance, Berkeley Center on Health, Economic & Family Security, Caring Across Generations, Center for American Progress, Center for Economic and Policy Research, Center for Law and Social Policy, Family Values@Work, Institute for Women's Policy Research, Kalmanovitz Center for Labor and the Working Poor, Labor Project for Working Families, Mom's Rising, National Partnership for Women & Families, and ROC United. I am grateful for their partnership and leadership and the many hours we spent debating this agenda.

- Within 5 years: Our language permeates dominant political and cultural conversations.
- Within a decade: The culture has shifted. Young people can't imagine how flexibility and paid leave were once not the norm.

In order to modernize our nation's labor standards for 21st century families, we need to see action in five specific areas:

1. Develop a coherent political strategy

- In 2 years: Politicize work-family issues by engaging key political & demographic constituencies in work-family issues—show them how these policies are important to their constituencies.
- Within 5 years: Political elites view our issues as integrally connected to economic security and health; Heighten the salience of work-family issues among key constituencies and continue to broaden support.
- Within a decade: Political elites realize these issues mobilize key constituencies, and important political and demographic constituencies prioritize work-family issues when evaluating candidates, parties, and campaigns.

To be effective, this strategy must address three specific areas.

A. Reach New Electoral Constituencies

- In 2 years: Work to ensure that **both parties** prioritize work-family issues. Focus on outreach to key electoral constituencies important to swinging elections ("emerging American electorate").
- Within 5 years, then ongoing: Work-family issues are re-framed so that they are not just seen as "women's" issues, but core to key audiences (women of color).
- B. Engage political leaders and the electorate
 - In 2 years: Inject work-family issues into races at the federal and state levels and measure how successful that is connecting with constituents.
 - Within 5 years: See work-family issues in a greater number of races at the federal and state levels, all across the nation.
 - Within a decade: See work-family issues "mainstreamed" and that key, high-profile races prominently feature work-family issues.

C. Neutralize opponents

- In 2 years: Identify key opponents and develop various strategies to debunk their claims using research, testimonials, public relations, and good employers with a proven track record.
- Within 5 years, then ongoing: Our work and economic evidence undermines Chamber and business lobby who are uniformly opposed to any work-family policy

2. Develop a powerful and vibrant movement for American Families

- In 2 years: Work with diverse communities to lay the groundwork and deepen the involvement of key interest groups. Work-family issues are part of the constellation discussed as central to workers' rights, empowerment, and economic growth.
 - Develop strategies for outreach to key groups that have a clear stake in work-family issues to broaden the range of voices on these issues; Develop stronger reciprocal relationship with organized labor and workers' rights groups and become integral to their work as they are integral to ours; Engage in targeted outreach and strategies focused on progressive change.
- Within 5 years, then ongoing: A well-rounded, strong vibrant and politically important movement illustrates the power of work-family issues to mobilize and unite people across race, class, gender, and economic circumstances. Work-family issues are a gateway to engaging average people in movement building and power.
 - A diverse array of established grassroots organizations share common priorities, demands and goals regarding work and family policy and actions; Organized labor, new labor groups, and other workers' rights groups include work and family issues in their policy, organizing, and bargaining work; Masses of un-organized people build or join constituency-based organizations fighting for work and family public policy.
 - Work-family agenda embedded into mainstream liberal/progressive or even moderate economic agenda so that work-family issues are no longer marginalized as "women's" issues or in the framework of "benefits." Reliably harness and contribute to labor power, power of faith community, and other groups.

3. Funding: More funding from a diverse pool of resources

- In 2 years: Develop new sources of private and public funding, both 501(c)(3) and 501(c)(4), from a broad range of funders; Advocate for private funding for NGO outreach and education around existing laws.
- Within 5 years, then ongoing: There is a solid funding stream, both public and private, that supports the outreach and education work that remains; Work-family issues are an integral component of social justice, economic, environmental, health, education, and other grantmaking ("in the water"), and there are serious investments in capacity-building beyond the current groups who work in this space.

4. Communications & popular culture

- Ongoing: Develop a coherent and coordinated communications plan to infuse these workfamily issues into mainstream and new media that is influential to policy makers and reaches voters and as "product placement" in popular culture. This plan must include social media and more in depth polling.
- In 2 years: Develop cadre of work-family supporters within Hollywood and among key social media players—like the how the "million words study" got elevated in the TV show "Orange is the New Black."
- Within 5 years: Ingrain work-family issues in popular culture more broadly reflecting the diversity of experiences (i.e., not just for white, professional women).
- Within a decade: Work-family issues are in the water—always injected into popular culture and no longer remarkable and seen as an issue for all kinds of families, up and down the income spectrum.

5. Achieve policy outcomes

- In 2 years: Shift the policy terrain begins to shift with local wins and more serious policy consideration by policymakers and opinion leaders.
- Within 5 years: State and local wins build the momentum needed for national policy change. Link to complementary policy work by allies. Advocate for increased public funds for enforcement, outreach, and education connected to every policy win.
- Within a decade: National PSD, PFL, right to request, as well as some laws addressing the substantive dimensions of hours/scheduling (mandatory overtime, predictability guarantees, part-time parity, compensation for showing up).

It's not enough to pass legislation; it must be implemented and enforced. Our strategy must take this into account from the start.

A. Litigation and Enforcement

- In 2 years: Develop a litigation strategy around access to public paid leave benefits and use to push helpful new interpretations of the scope of protections offered under existing laws (Title VII, FLSA, FMLA, public paid leave benefits).
- Within 5 years, then ongoing: Encourage state/federal agencies to do more on enforcement and public education on FMLA, PDA, and other existing laws. Work with regulatory and enforcement agencies to ensure that the laws we've passed are being vigorously enforced and that public education and outreach are conducted at appropriate levels.

B. Research

- In 2 years: Map out long-term research agenda to build the case for work-family supports; Incorporate research plan (and funding) into state/local legislative wins. Build up body of research to support key themes: Good for families, good for U.S. economy, doesn't kill jobs.
- Within 5 years, then ongoing: Use findings to ramp up public education and inform electoral, fundraising, and cultural conversations with key research from wins. Develop a large body of evidence that supports widespread acceptance of work-family as part of a sound economic development strategy.

Throughout, key players that need to be involved in all five of these throughout include a wide array of players:

- Men
- Employers and business leaders
- Unions and worker's rights groups and other allied groups
- Policymakers
- Advocates—including for civil rights, women, children, the aged, disabled, LGBT, immigration, racial justice, class, health
- Researchers

Workplace Fairness is an Urgent National Economic Issue

We—all of us, no matter our age—have lived through an era where the presumption is that our society marches always towards great equality or less discrimination, even if slowly. In *Capital in the 21st Century*, Paris School of Economics professor Thomas Piketty argues that inequality is likely to continue to rise and, today's income inequality will calcify into tomorrow's wealth inequality. If he's right about this, then this era of greater equity could be at an end.¹⁷ The results could be dire, particularly for women, given the work that's left to do in creating conditions that promote economic equality.

This lends urgency to our work. Policymakers—and our culture—must recognize that women are an underutilized source of growth. Addressing this is critical for our economy and may be imperative if we don't want to regress on the gender progress we have made. If we're on the cusp of an era where wealth becomes more important, the failure to implement work-family policies and achieve greater equality in the preceding era are all the more urgent to address.

Endnotes

- ⁴ Heidi Hartmann and Jeffrey Hayes, *How Equal Pay for Working Women Would Reduce Poverty and Grow the American Economy* (Washington, DC: Institute for Women's Policy Research, January 2014).
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⁷ Sarah Jane Glynn, *Breadwinning Mothers, Then and Now* (Washington, DC: Center for American Progress, June 2014), http://cdn.americanprogress.org/wp-content/uploads/2014/06/Glynn-Breadwinners-report-FINAL.pdf.
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¹⁰ Philip Cohen, *Family Diversity Is the New Normal for America's Children* (Council on Contemporary Families, September 4, 2014).

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¹² Marianne Cooper, *Cut Adrift: Families in Insecure Times* (University of California Press, 2014).

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¹⁴ Francine D. Blau and Lawrence M. Kahn, *Female Labor Supply: Why Is the US Falling Behind?* (Bonn, Germany: Institute for the Study of Labor, January 2013).

¹⁵ Carmen DeNavas-Walt and Bernadette D. Proctor, *Income and Poverty in the United States: 2013* (Washington, DC: U.S. Census Bureau, September 2014).

¹⁶ The statistic refers to the 90th to 10th wage percentile ratio. Lawrence Mishel et al., "Table 4.6 - Hourly Wages of Women, by Wage Percentile, 1973-2011," in *The State of Working America*, 12th ed. (Ithaca, NY: Cornell University Press, 2012).

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¹ Heather Boushey, "A New Agenda for American Families and the Economy," *Dissent Magazine*, 2014, http://www.dissentmagazine.org/article/a-new-agenda-for-american-families-and-the-economy.

² Eileen Appelbaum, Heather Boushey, and John Schmitt, *The Economic Importance of Women's Rising Hours of Work* (CEPR and Center for American Progress, April 2014).

³ Ibid.