

FACT SHEET



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Business leaders: support paid sick days for employees

Problem: Approximately 41 percent of private sector workers, **1.2 million employees in Virginia, have no paid sick days** or any paid time off (PTO).

Policy solution: Create a paid sick day standard to require all employers with six or more employees to provide five paid sick days (40 hours) each year for full-time workers that could be used for themselves or to care for sick family members. Part-time employees would accrue fewer paid sick hours based on hours worked. PTO policies qualify as paid sick days.

Benefits: Almost everyone benefits from a paid sick day standard, which is why more than 75 percent of employers were supportive of Connecticut's paid sick leave law a year and half after its' implementation. Paid sick days will:

- **Cut costs and increase workforce stability** – Paid sick days decrease employee turnover which decreases the costs associated with replacing workers (16 to 200 percent of annual compensation). Constantly going through the hiring process and training new employees is financially draining. Securing current employees is more cost-efficient long term.
- **Increase productivity** – Presenteeism (the loss of productivity when workers come to work but perform below standards due to illness) results in a loss of productivity and profit that could be avoided. Workers with contagious illnesses can infect other workers, which further hurts productivity and profit. A study estimated the cost of presenteeism in the U.S to be over \$150 billion in a year.
- **Reduce the spread of disease** - Employees who go to work sick put the health of workers and customers at risk, which also creates a liability to

the profits for the company. A restaurant can lose anywhere from \$4,000 to \$1.5 million for a single outbreak. These workplaces are also the least likely to allow paid sick days. A study found that 1 in 5 restaurant workers have worked at least 1 shift while vomiting or experiencing diarrhea because they could not afford to take an unpaid day off.

- **Decrease health care costs** - Employees without paid sick days are more than twice as likely than those who do have paid sick days to seek care for themselves, their children, or other relatives in emergency rooms because they cannot afford to seek help during business hours. Emergency room care is expensive and when it replaces normal medical appointments and preventive care, leads to an increase in health insurance costs for businesses.
- **Fewer workplace injuries** - A study found that employees who do not have paid sick days are 30 percent more likely to suffer an injury during work than those who do have paid sick days. A higher number of workplace injuries will lead to a higher insurance premium, and a poor safety record will taint your company's reputation.

Thirteen states have paid sick days, including: Arizona, California, Connecticut, Maine, Maryland, Massachusetts, Michigan, Nevada, New Jersey, Oregon, Rhode Island, Vermont, and Washington. Of the 13 states with paid sick days, nine of them rank higher than Virginia in overall health.

Sources: Family Values @ Work, Institute for Women's Policy Research National Partnership for Women & Families, United Health Foundation, and U.S Bureau of Labor & Statistics, American Productivity Audit, Johns Hopkins Bloomberg School of Public Health, U.S National Library of Medicine, National Institute of Health