Transcript

Welcome to Boring Facts. This podcast is dedicated to taking what you hear or read in the news and making it boring. We remove the drama, the partisanship and the arguments and just present the facts. That's it. No punditry, no debate, just plain old boring facts.

In our last episode we dipped our toe into the topic of the minimum wage in the United States. Today we are going to explore another benefit that can a be part of the employment package for a full-time job and that is time off.

Time off comes in many forms but is often divided into three primary categories. Vacation time, sick time, and Family and Medical Leave, often referred to as FMLA for the Family and Medical Leave Act. FMLA is not paid leave as the act allows a worker to take job-protected unpaid medical leave under certain circumstances with the continuation of group health insurance during the time they are away from work.

While it is not paid, it does protect a worker's job and medical insurance while they are out on leave for reasons such as childbirth, adoption, care of a relative, a serious health condition, and exigencies related to a family members' military service.

Salary that is paid when you are not at work can be loosely lumped into the category of Paid Time Off or PTO. Let's explore the facts around PTO in the United States. In short on the Federal level only FMLA is mandated by law, there are no requirements that any employer offer paid time off in any federal statutes.²

That brings us to the state level where things get a little more complicated. I made an effort to parse out the data on the Paycom website³ which has a listing of the current PTO Laws by state. You will find the link in the transcript. I came up with the following summary of paid time off availability by loosely grouped categories to keep the information digestible, but still accurate.

Twenty-three states and the District of Columbia have no requirements for paid leave of any kind. Thirteen states have some requirements for Paid Family and Parental Leave. Thirteen States have some form of required paid sick leave, with two states overlapping with the Paid Family and Parental Leave category.

Four states also have developed state run paid family leave systems that are financially supported by both employer and employee generally through payroll deduction.

¹ https://www.dol.gov/agencies/whd/fmla

² https://www.dol.gov/agencies/wb/featured-paid-leave

³ https://www.paycom.com/resources/blog/pto-laws-by-us-state/

BF-0004 Paid Time Off

In summary this means that twenty-eight states have some sort of paid medical leave requirements with state specific rules and restrictions. The remaining twenty-two states and the District of Columbia have no mandated paid medical leave requirements. No states require employers to offer employees paid time off for non-medical reasons, except for four states with jury duty requirements.

This does not by any means imply that people do not get PTO or sick leave. According to the U.S, Bureau of Labor Statistics⁴ on average private sector employees receive seven days of sick leave a year and state and local government employees receive twelve days of sick leave a year.

As far as paid vacation goes, on average, private sector employees receive between eleven and twenty days per year and state and local government employees receive between thirteen and twenty-two days per year based on their years on the job. FlexJobs⁵ reports that 18% of workers receive no paid time off at all.

Earning vacation and taking it are two different things. According to a 2024 survey⁶, of the 82% of workers that do receive PTO 48 percent of employees expected not to use all their allotted vacation and 38% said they had not taken vacation in the last 12 months.

Let's wrap up with a basic comparison to other countries' policies and practices. World Population Review⁷ reports one hundred and eighty-six countries have at least some paid vacation day requirements and one hundred and forty-seven have mandated paid holidays. The country with the most required paid days off is Iran with fifty-three and the country with the least required paid days off, but still having required days off, is Nigeria with five. The European union requires workers to receive a minimum of four weeks of paid vacation every year along with a variety of Family and Medical leave options. ⁸

These are just some of the facts that explain how time off is legislated, managed, and taken in the U.S. I recommend you explore the links in the transcript if you would like to dig into the data yourself.

⁴ https://www.bls.gov/charts/employee-benefits/paid-leave-sick-vacation-days-by-service-requirement.htm

⁵ https://www.flexjobs.com/blog/post/pto-statistics

 $^{^{6} \, \}underline{\text{https://www.shrm.org/topics-tools/news/benefits-compensation/nearly-half-of-employees-expect-to-leave-vacation-time-unused--w}$

⁷ https://worldpopulationreview.com/country-rankings/average-vacation-days-by-country

⁸ https://europa.eu/youreurope/business/human-resources/general-employment-terms-conditions/leave-flexible-working/index_en.htm

BF-0004 Paid Time Off

Thank you for listening to Boring Facts. A link to the transcript with references is in the show notes. If you have a suggestion for a topic you would like us to make boring, please click on the link in the show notes.

Sorry, no spreadsheet for this episode, trust me there was one, but it is ugly and you don't really want to see it.