



Caringiving Sector Employers Would Benefit from Improved Workforce Stability Achieved by Earned Sick Leave & Minimum Wage Policies

A stable caregiving workforce is critical to ensuring that children, older adults, and those with disabilities receive the high-quality care they need and deserve. Yet the care sector – which includes childcare workers, home health aides, and workers in mental health and child welfare caregiving capacities – consistently struggles with high turnover and retention challenges, even as demand for services continues to increase.

An increased minimum wage coupled with earned paid sick leave would provide a needed boost to attract and retain high-performing workers to the care workforce and generate savings by reducing turnover and improving productivity for employees while working.

Across the country and here in Missouri, caregiving jobs experience high turnover – not only impacting the quality of care provided, but costing employers who must consistently hire and train new workers.

- For example, in Missouri, Home Health and Personal Care Aides are among the top 20 occupations with the most job openings.ⁱ
- Similarly, projections show that in 2030, nearly 10 percent of positions for childcare workers will be open every year.ⁱⁱ

Reductions in turnover combined with improved employee performance related to reduced presenteeism go beyond simple cost savings for service providers. Stability in care and attentive workers are essential for high quality service provision. And, for workers in the helping professions, showing up sick to work risks not only their colleague's health, but also that of their clients.

Guaranteed paid sick leave has been shown to improve quality of care for clients, reduce regulatory violations, and reduce the spread of contagion in the workplace – which is especially important when working with children, older adults, and people living with disabilities who are at higher risk of complications due to illness.ⁱⁱⁱ

Overall earned paid sick leave leads to additional benefits for employers:^{iv}

- ✓ **Increased productivity from employees** – *estimated \$104 million in savings to Missouri employers from reduced presenteeism*
- ✓ **Reduced absenteeism** - *estimated 18% reduction in illness-related absenteeism.*
- ✓ **Fewer workers' compensation claims** - *estimated \$20 million in savings to employers.*
- ✓ **Reductions in health care costs** - *estimated \$34 million in savings to employers.*
- ✓ **Reductions in illness and visits to the emergency room** - *estimated 28% reduction in influenza-like illnesses.*

Combined, increasing workers' access to earned sick leave would generate over \$600 million in societal savings each year.

ⁱ Missouri Economic Research and Information Center (MERIC). *Missouri Overview Top Openings 2022-2024*. Retrieved from <https://meric.mo.gov/media/pdf/statewide-top-openings>

ⁱⁱ Data produced by Missouri Economic Research and Information Center (MERIC). Funding provided by U.S. Department of Labor's Employment and Training Administration (ETA), Annual Openings in Childcare.

ⁱⁱⁱ Dicke, R., Ohler, A., & Thorpe, A. (2022) *Research on paid leave in Missouri*. MU Institute of Public Policy. <https://truman.missouri.edu/sites/default/files/publication/Research-on-Paid-Leave-in-Missouri-Report.pdf>

^{iv} Dicke, R., Ohler, A., & Thorpe, A. (2022) *Research on paid leave in Missouri*. MU Institute of Public Policy. <https://truman.missouri.edu/sites/default/files/publication/Research-on-Paid-Leave-in-Missouri-Report.pdf>; Vander Weerd, C., Stoddard-Dare, P., & DeReigne, L. (2023). Is paid sick leave bad for business? A systematic review. *American Journal of Industrial Medicine*, 66(6), 429-440. Missouri Economic Research and Information Center (MERIC). *Missouri Overview Top Openings 2022-2024*. Retrieved from <https://meric.mo.gov/media/pdf/statewide-top-openings>