Trends in paid leave

Access to paid holidays and paid vacation leave has remained stable for the past 2 decades. The average number of paid holidays and vacation days provided during the period has also remained relatively stable. In contrast, access to paid personal leave for private-industry workers has increased significantly since the early 1990s. About 14 percent of workers received paid personal leave according to the 1990–91 Employee Benefits Surveys, and that number increased to 37 percent by March 2008. State and local government workers received paid personal leave starting in the 1990s. (See table 1.)

Private-industry occupations that pay higher compensation incur higher paid-leave costs. For example, the average worker in management, professional, and related occupations, in which total compensation averaged $47.55, received $3.96 in paid-leave benefits; this was equal to 8.3 percent of total compensation. In contrast, service workers, who averaged $13.27 in total compensation, received 58 cents in paid-leave benefits, or 4.4 percent of total compensation.

For additional assistance on benefits, contact one of our information offices:

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NCSinfo@bls.gov www.bls.gov/ehs

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ATLANTA (404) 893-4222
BOSTON (617) 565-2327
CHICAGO (312) 353-1880
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Access to paid leave

Paid holidays were available to 77 percent of private-industry workers as of March 2008, and paid vacation leave was available to 78 percent of the workers. (See table 1.) Sixty-eight percent of State and local government workers received paid vacations, and 60 percent received paid vacation leave. Government workers’ access to paid holidays and vacation leave was lower than that of their private-sector counterparts, primarily because workers in education occupations typically work 9 or 10 months per year and many do not receive paid holidays. For example, 29 percent of public-sector primary, secondary, and special education schoolteachers received paid holidays and only 9 percent received paid vacation leave. Compared with access to holidays and vacation leave, access to sick leave was less frequent in private industry but more frequent in State and local government.
Personal leave was more generous than those for part-time workers. Differences in holidays and vacation leave, compared with nonunion workers, were most pronounced in private-industry establishments. Eighty-six percent of union workers received paid holidays, compared with 77 percent of nonunion workers. In private-sector establishments, the average worker received 10 paid holidays, whereas nonunion workers received 8 days on average. Private-sector workers in goods-producing industries averaged 8 days of paid vacation leave, compared with 7 days for workers in service-providing industries. The differences were most pronounced after 10 and 20 years of service, when workers in the larger establishments generally were receiving about a week more vacation time than workers in the smaller establishments. Workers in State and local governments received more vacation days at nearly all lengths of service than their private-sector counterparts.

The numbers of paid vacation days available by length of service are shown in chart 1. Private-sector workers in establishments employing 100 workers or more received significantly more vacation days than workers in smaller establishments. Differences in holidays and vacation leave for union workers in the establishments employing 1–99 workers were more frequent in State and local government, in which 72 percent of nonunion workers received paid vacation leave, compared with 65 percent of State and local government workers. For personal leave, the difference between union and nonunion workers was greater in State and local government, in which 72 percent of union workers received personal leave, in contrast to 49 percent of nonunion workers.

Leave benefits in private-sector establishments also varied by establishment characteristics—that is, by establishment size and by whether the establishment was in a goods-producing industry or a service-providing industry. Eighty-six percent of private-sector workers in goods-producing industries received paid holidays and vacation leave, compared with about three-quarters of workers in service-providing industries. Sixty-nine percent of workers in establishments employing 1–99 workers received paid holidays, and 71 percent received paid vacation leave. This contrasts with workers in establishments employing 100 or more workers, where 86 percent received both holidays and vacation leave. Twenty-six percent of workers in the smallest establishments (those with 1–99 workers) received personal leave, compared with 50 percent of workers in establishments employing 100 workers or more.

**Holidays and vacation leave**

In private-sector establishments, the number of paid holidays varied by worker characteristics. Paid-leave provisions for full-time workers were more generous than those for part-time workers. Differences in holidays and vacation leave for union workers compared with nonunion workers were most pronounced in private-sector establishments. Eighty-five percent of private-sector union workers received paid holidays, compared with 76 percent of nonunion workers. Eighty-four percent of union workers received paid vacation leave, compared with 77 percent of nonunion workers. For personal leave, the difference between union and nonunion workers was greater in State and local government, in which 72 percent of union workers received personal leave, in contrast to 49 percent of nonunion workers.

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**Employer costs for paid leave**

Employer costs of providing paid-leave benefits to workers can be determined by computing the cost per hour worked (CPHW). The CPHW can be calculated for workers as a whole and also can be calculated for separate groups of workers, which provides important opportunities for comparison. The CPHW is simply the annual cost of a benefit divided by the number of hours worked during the same period. The mean cost of paid leave for private-sector employers was $1.80 per hour (6.7 percent of total compensation) and was higher for employers in State and local governments, at $3.12 (8.2 percent). The higher costs in State and local government hold for all the individual benefits that make up paid-leave benefits in more detail. (See table 1.) Union workers, for example, averaged 10 paid holidays, whereas nonunion workers received 8 days on average. Private-sector workers received paid personal leave, compared with 86 percent of State and local government workers. In State and local government, 72 percent of nonunion workers received paid vacation leave, compared with 65 percent of State and local government workers. For personal leave, the difference between union and nonunion workers was greater in State and local government, in which 72 percent of union workers received personal leave, in contrast to 49 percent of nonunion workers.

**Note:** Dash indicates datum not available.

**Source:** National Compensation Survey.