



Opinion Poll

North Carolina small businesses support paid family and medical leave

October 24, 2024

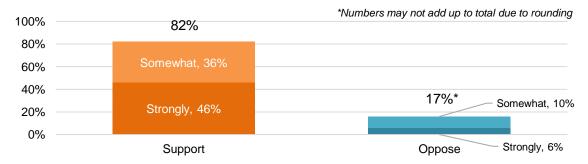
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Executive summary

Small business owners across the Tar Heel State know it makes good business sense to take care of the people who work for them. However, it can be challenging to provide key benefits, including paid family and medical leave, which they believe would help them recruit and retain their workers. With small businesses struggling to compete with large companies that can offer attractive benefits packages, it should come as no surprise that small business owners support establishing a comprehensive paid family and medical leave program that would make it easier for them to facilitate their employees' access to the paid time off they need to support their families while keeping their jobs.

A new scientific opinion poll conducted for Small Business Majority and the National Partnership for Women & Families by Lake Research Partners found that 82% of North Carolina small business owners support the creation of a national paid family and medical leave program that would guarantee employees wage replacement for up to 12 weeks, funded by 0.5% employer and employee contributions each. The leave could be for welcoming a new child (born or adopted), or a serious health condition or injury for an employee or a family member. In the absence of a federal program, 10 states (including the District of Columbia) have programs fully in effect, with four more in the process of implementation.¹ In the last legislative session, the North Carolina legislature considered establishing a statewide paid family and medical leave insurance program that would be paid for through joint employer and employee payroll contributions.

Figure 1: North Carolina small businesses support the creation of a national paid family and medical leave program



North Carolina small business owners support paid family and medical leave for several reasons:

- 91% agree that employees are more invested in the business when they know they can stay despite changes in life circumstances.
- 89% agree that businesses are better able to retain highly skilled and experienced employees.
- 87% agree that employee morale is better when they know they can take care of themselves and their families if needed without losing their job.
- 85% agree that businesses have more cohesive teams when turnover is lower.
- 85% agree that businesses have more reason to invest in employees, resulting in a more skilled workforce.

Most small business owners (84%) say they support access to paid family and medical leave as an employer and also as someone who cares about the people who work for them, and many are taking steps to offer at least some paid leave to their employees. However, it's important to note that there is a clear gap between the amount of paid leave that small businesses do offer and the amount they would like to provide. More than 7 in 10 (74%) small business owners agree that they would like to offer more paid family and medical leave than their business can currently afford, and only some are able to offer it:

- Among the 52% of small businesses offering paid medical leave for an employee's serious health needs, 55% offer one month or less.
- Among the 35% of small businesses offering paid family leave to care for relatives, 47% offer one month or less.
- Among the 52% of small businesses offering paid leave for pregnancy and/or childbirth, 45% offer one month or less.
- Among the 54% of small businesses offering paid parental leave for a newborn child, 41% offer one month or less.
- Among the 30% of small businesses offering paid parental leave for adoptive and/or foster parents, 56% offer one month or less.

North Carolina small businesses overwhelmingly support establishing a paid family and medical leave program, and they think it would improve employee morale and help with recruitment and retention. This support is underscored by how many small businesses have been impacted by extended leave, with both small business owners and their employees having taken extended leave to care for themselves or family members. As North Carolina legislators consider proposals that would establish a state-wide paid family and medical leave insurance program, it's important that they keep the views of small businesses in mind.

Additional poll findings

- Nearly 8 in 10 (79%) North Carolina small business owners agree that having access to paid family and medical leave is important to their employees' economic security.
- The need for paid family and medical leave is an issue that is already familiar to them: **nearly two-thirds (64%) have had at least one employee take more than a week to care for a newchild, for their own serious health needs or to care for a family member's serioushealth needs**.
- Entrepreneurs have also taken extended time away from their business. **Fifty-four percent have taken more than a week to care for an immediate family member**, while 24% have taken more than a week to care for extended family or a friend.
- When asked to choose between two approaches, **small business owners are more than twice as likely to support a universal paid family and medical leave program** (67%) than a voluntary insurance program that businesses could choose to buy into (31%).

Methodology

Lake Research Partners designed and administered this survey, which was conducted online. The survey reached a total of 500 small business owners nationwide, plus oversamples of 100 small business owners each in Michigan, Pennsylvania, North Carolina, and South Carolina, and 100 small business owners of color nationwide. The sample size in North Carolina was 116 respondents and was conducted August 13-21, 2024. The margin of error for the North Carolina results is +/- 9.1% at a 95% confidence level.

 $Download \ North \ Carolina \ report \ toplines: \ \underline{https://smallbusinessmajority.org/our-research/workforce/north-carolina-small-businesses-support-paid-family-and-medical-leave}$

National report: <u>https://smallbusinessmajority.org/our-research/workforce/small-businesses-support-national-paid-family-medical-leave-program</u>

¹ "State Paid Family & Medical Leave Insurance Laws." National Partnership for Women & Families. July 2024. <u>https://nationalpartnership.org/wp-content/uploads/2023/02/state-paid-family-leave-laws</u>