

# The business case for Paid sick days for all staff



## Maximize business productivity

Many businesses can handle one staff off sick – but **multiple workers off could shut down your business and create long-term performance headaches** until everyone is healthy again.

Offering paid sick days creates real financial returns too. It helps retain experienced, high-performing staff, leading to better customer service and healthier bottom lines.

There are additional direct and indirect benefits when you offer paid sick days to all staff:

- Avoiding lost productivity from underperforming workers
- Retaining an efficient highly-trained team
- Avoiding preventable shut-downs



+6.8%

Average revenue increase per worker after introducing a paid sick day program

**BETTER WAY ALLIANCE**

CANADA'S ETHICAL EMPLOYMENT NETWORK

# Maximize business productivity

## **Benefit 1: Avoid lost productivity from underperforming sick staff**

When sick or injured workers go to work, they under-perform. This “presenteeism” costs businesses money and productivity – it often reduces staff morale too. Offering paid sick days reduces presenteeism because staff can access health care and recover more quickly at home (1). It also avoids the domino effect of under-performance by avoiding infections in all your staff.

## **Benefit 2: Retain an efficient team – even during staff shortages**

Employees stay with employers longer in workplaces where they feel healthy, respected and trusted. In a study of 41 U.S.-based publicly-traded companies, average revenue increased by 6.8% per full-time equivalent (FTE) employee after introducing a paid sick leave program (2). Tenured employees have more expertise and can deliver better customer service – which directly improves the bottom line.

## **Benefit 3: Avoiding preventable closure due to short-staffing**

When staff use paid sick days to stay home and recover, they limit the spread of viruses in the workplace. When COVID-19 hit, one BWA Member, a food manufacturer employing 500 staff, offered all workers 14 paid sick days in case they fell ill (3). The company avoided production line shut downs – protecting worker incomes and company revenue.

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(1) Asfaw, A., Rosa, R., & Pana-Cryan, R. (2017). Potential Economic Benefits of Paid Sick Leave in Reducing Absenteeism Related to the Spread of Influenza-Like Illness. *Journal of Occupational Environmental Medicine*, 59(9), 822-829. <https://bit.ly/3sMgZVE>

(2) The Business Impacts of Paid Leave. (2019). American Sustainable Business Council. <https://bit.ly/3Dr9v3W>

(3) CBC (2021). How offering employees paid sick leave can pay off for businesses. <https://bit.ly/3TKG09b>