

Sixteen for '16 - Number 10: 10-10-10

By [Salvatore Babones](#), [Truthout](#) | Op-Ed

The most memorable slogan of the 2012 election campaign was Herman Cain's "9-9-9" plan. The Republican presidential primary candidate called for a 9 percent value added tax, 9 percent flat income tax, and 9 percent federal sales tax to replace all existing federal taxes.

It has been suggested Cain's economic advisers copied the 9-9-9 plan from the default tax structure implemented in the computer game Sim City.(1) Whether or not this is true, no one believes that 9-9-9 is practical solution to the problems of contemporary society.

No one, that is, outside the Herman Cain campaign team and the still-operating 9-9-9 Fund political action committee. After losing the Republican nomination battle, Cain was invited to deliver the Tea Party State of the Union response in 2012. Look for a return of the 9-9-9 plan in 2016.

Whether or not Cain comes back in 2016, progressives should up the ante to 10-10-10: a plan to require all employers to provide ten paid sick days, ten paid holidays, and ten paid vacation days a year for all full-time workers, prorated for part-time workers as well.

Those with well-paid professional jobs may not realize that other people don't already have 10-10-10, but they don't. Far from it. For many working Americans, 10-10-10 would be a dream come true.

Take sick days. Today just 65 percent - less than two-thirds - of all American workers have any opportunity to take paid sick days at all, according to official government statistics. For private-sector workers, the proportion is even lower at 61 percent.(2)

Most people expect paid sick days to be an ordinary benefit of a full-time job, but in the private sector only 74 percent of full-time workers receive any paid sick days at all. Whether or not they get to use them when they need them is another matter.

For part-time workers, the figures are catastrophic: just 26 percent of all workers and 24 percent of private-sector workers have the opportunity to take paid sick days. And part-time employment is the fastest-growing segment of the labor market.

The real situation for vulnerable parts of the workforce is even worse than these statistics indicate. Government statistics completely ignore the cash economy of illegal and semi-legal employment.

Day laborers who wait before dawn in the parking lots of home improvement warehouses every morning looking for work do not get paid sick days - and they are not included in government employment benefits surveys.

Accounting for those who fall between the cracks of government record-keeping and those who technically get paid sick days but are afraid to use them, it is likely that slightly less than half of all American workers can feel secure about calling in sick when they come down with the flu, without fear of losing pay - or even their jobs.

Fewer still can afford to get seriously ill, be involved in a car crash, or need an operation.

You should at least be able to get sick on a holiday. The United States has ten federal holidays: New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, Thanksgiving, and Christmas.

Except, of course, that in America that your employer doesn't have to give you a paid day off just because it's a public holiday. Only 76 percent of American workers get any paid holidays at all.. Among part-timers, that figure drops to 38 percent.

Similarly, paid vacation days are the preserve of well-paid full-time workers. Among all workers, the proportion receiving paid vacation time is 74 percent. Among part-timers, it is 34 percent. State and local governments are particularly stingy with paid vacation time. Only two-thirds of full-time state and local government workers receive paid vacation days.

All of these figures get worse the further you go down the pay scale, and all of them are worse for small employers. In the bottom quarter of the economy (those paid at or near minimum wage), only 30 percent of private-sector workers get any paid sick days and slightly less than half get paid holidays and vacation days.

Again, these figures apply only to the kinds of employers that get caught up in federal statistical surveys. Your local supermarket is in. Your local unregistered after-hours parking lot cleaning company almost certainly is not.

And that is part of the problem. Companies now outsource many services that used to be performed by their own employees. The result is that a job with a barely regulated big business is turned into a job with a completely unregulated small business.

Among large private-sector employers of 500 or more workers, 81 percent offer their workers paid sick days. Among small employers of fewer than 100 employees, the figure is 51 percent. When jobs are outsourced, benefits like sick pay tend to disappear.

A lack of benefits and poor working conditions are the reasons why small private contractors can clean parking lots, mow lawns, or even unload trucks more cheaply than big, super-efficient retailers can do these jobs for themselves.

For example, industry bulletin boards report that Walmart pays its contractors and through them its sub-contractors anywhere from \$22 to \$50 to clean an entire store parking lot in the middle of the night.⁽³⁾ These rates seem to be typical for other big-box retail stores as well.

In other words, a big box retail store can have its parking lot cleaned overnight so that it is litter-free and ready to welcome your car in the morning for the price of a nice shirt. Think how many shirts (toasters, drills) these stores sell in a day and it gives you some idea what a trivial expense cleaning is for a large store.

Still, if you spend five minutes browsing industry bulletin boards online you'll find contractors complaining about being screwed down from \$35 to \$30 to \$25 a job. Big retailers are always looking for that extra \$5.

Mind you, that's not an extra \$5 per customer or \$5 per item sold. That's an extra \$5 a day - for a store the size of a Walmart. No one ever got rich throwing away pennies.

In this business outsourcing sector of the economy, if you don't work, you don't get paid. It's as simple as that. And the big businesses that do the outsourcing typically shirk any responsibility for what happens to the outsourced workers.

But then, what's wrong with only getting paid for the hours you actually work? After all, many high-skill professionals work on this principle. Just ask any freelance writer, designer, or architect. Or any small business owner.

Freelancers and small business owners have to set aside savings for a rainy day all on their own. No one gives them paid sick days, holidays, or vacation days. They rely on their own discipline and planning to pay for time off.

The difference between freelancers and hourly workers is that at the federal minimum wage of \$7.25 an hour, or even at President Obama's preferred minimum wage of \$10.10 an hour, it is nearly impossible to save for a rainy day.

A bare minimum 10-10-10 benefits plan of ten paid sick days, ten paid holidays, and ten paid vacation days a year amounts to 30 days off out of a typical 260 day work year. Roughly speaking, workers have to save 11.5 percent of their take-home pay every week to fund a 10-10-10 plan through personal discipline and planning alone.

Personal discipline is quite a tall order when your total take-home pay is just \$268 a week (minimum wage minus payroll taxes) or \$373 a week (at \$10.10 an hour).

Planning can be even harder. People who have irregular, poorly paid jobs with no benefits tend to know many other people who have irregular, poorly paid jobs with no benefits. If you do somehow manage to save for a rainy day, more often than not, you find yourself saving for someone else's rainy day.

That is to say, if it comes to a choice between keeping your savings intact or paying your son's speeding ticket to keep him out of jail, it takes a hard heart to save your savings for your own rainy day.

Research on micro-savings plans confirms this. In 2011 and 2012, low- and middle-income Americans in four cities were recruited for a pilot study on the impact of incentives to save.⁽⁴⁾ Participants were offered a 50 percent bonus (up to \$500) if they saved up to \$1,000 of their tax refunds for at least one year.

Depending on how you interpret the results, between one-quarter and one-third of the study participants were unable to keep their pledged savings in the bank for a full year, despite the massive reward of a 50 percent bonus at the end of the study period.

This study represents a best-case scenario: research subjects got their money in a lump sum (through their tax refunds) instead of having to save a few dollars a week out of their paychecks, and many of the participants were nowhere near poor (enrollees had taxable incomes of up to \$50,000).

What's more, among those who saved for a full year and got their 50 percent bonuses, more than 60 percent cashed out and withdrew all their savings immediately after the end of the one-year lock-up period.

If people find it difficult to save small sums under such favorable conditions, it is simply unrealistic to expect low-wage workers to save up for their own sick days, holidays, and vacation days.

The progressive solution is a federally mandated 10-10-10 plan. Most of us already have at least 10 sick days, 10 holidays, and 10 vacation days. We take them for granted. We consider 10-10-10 (or better) a basic benefit that defines a "real" job.

Well, all those people who are sweeping parking lots, mowing lawns, and unloading trucks for minimum wage (or less) have real jobs too - in many ways much more real than the jobs professionals do in their air-conditioned office cubicles.

Herman Cain etched 9-9-9 permanently into our collective political memory. For a while it made him the Republican front-runner in the 2012 primary campaign. In 2016 progressives should do him one better. One, one, and one better.

Every progressive presidential candidate should embrace 10-10-10 from the very start of the 2016 primary season. It is hard to imagine a progressive argument against it. Who doesn't deserve 10-10-10?

Everyone deserves a break now and then, and even people who don't deserve a break need one. The 10-10-10 plan ensures that everyone gets the time off that everyone needs. It's the least we can do - and we should do it. Say it often and say it loud: 10-10-10 in 2016!

Notes:

1. Amanda Terkel, Herman Cain 999 Plan: Did It Come From SimCity? Huffington Post, October 13, 2011.
2. BLS, Employee Benefits in the United States -- March 2013, Table 6. Selected Paid Leave Benefits: Access, National Compensation Survey, March 2013; this and all other statistics cited refer only to workers outside the federal government.
3. See for example the comments under the article "WalMart Dissolves Relationship With USM throughout the United States," by Ranger Kidwell-Ross, April 1, 2011 in the Sweeping Industry News Bulletin (accessed April 23, 2014); many other quotes between \$25 and \$40 can be found on similar industry websites.
4. Gilda Azurdia, Stephen Freedman, Gayle Hamilton, and Caroline Schultz (2013) "Encouraging Savings for Low- and Moderate-Income Individuals: Preliminary Implementation Findings from the SAVEUSA Evaluation," MDRC.