WORKING TIME IN EUROPE:
A EUROPEAN WORKING TIME POLICY IN THE PUBLIC SERVICES

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ABBREVIATIONS

ABVV-FGTB Algemeen Belgisch Vakverbond/Fédération Générale du Travail de Belgique
ACV-CSC Algemeen Christelijk Vakverbond/Confédération des Syndicats Chrétiens
CC.OO Confederación Sindical de Comisiones Obreras
CEEP European Centre for Enterprises with Public Participation
CEMR-EP Council of European Municipalities and Regions – Employers Platform
CEOE-CEPYME Spanish State Employers Organisation
CFDT Confédération Française Démocratique du Travail
CFTC Confédération Française des Travailleurs Chrétiens
CGIL Confederazione Generale Italiana del Lavoro
CGTP Confederação Geral de Trabalhadores Portugueses
CGT Confédération Générale du Travail du Luxembourg
CGT-FO Confédération Générale du Travail - Force Ouvrière
CNV Christelijk National Vakverbond
CPSA Civil and Public Services Association
CISL Confederazione Generale Sindacati Lavoratori
DAG Deutsche Angestelltengewerkschaft
DGB Deutscher Gewerkschaftsbund
GBB Gesellschaft für Beratung und Beschäftigungsfürderung mbH
GdG Gewerkschaft der Gemeindebediensteten
EFA European Federation of Agricultural Workers Trade Unions
EIRO European Industrial Relations Observatory
EIRR European Industrial Relations Review
EMF European Metalworkers Federation
EOC Equal Opportunities Commission
EPSU European Federation of Public Service Unions
ETUC European Trade Union Confederation
EU European Union
FDA First Division Association
FNV Federatie Nederlandse Vakbeweging
GDP Gross Domestic Product
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<td>GSEE</td>
<td>Geniki Synomospondia Ergaton Ellados</td>
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<tr>
<td>ICTU</td>
<td>Irish Congress of Trade Unions</td>
</tr>
<tr>
<td>ILO</td>
<td>International Labour Organisation</td>
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<tr>
<td>IDS</td>
<td>Income Data Services</td>
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<tr>
<td>IPMS</td>
<td>Institution of Professionals, Managers and Specialists</td>
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<tr>
<td>KOMMUNAL</td>
<td>Swedish Municipal Workers Union</td>
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<tr>
<td>KTO</td>
<td>Danish Association of Local Government Employees</td>
</tr>
<tr>
<td>LCGB</td>
<td>Lëtzebuerger Chrëschtleche Gewerkschafts-Bond</td>
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<tr>
<td>LO - D</td>
<td>Landsorganisationen i Danmark</td>
</tr>
<tr>
<td>LO - N</td>
<td>Landsorganisasjonen i Norge</td>
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<tr>
<td>LO - S</td>
<td>Landsorganisasjonen i Sverige</td>
</tr>
<tr>
<td>LRD</td>
<td>Labour Research Department</td>
</tr>
<tr>
<td>NUCPS</td>
<td>National Union of Civil and Public Services</td>
</tr>
<tr>
<td>NKF</td>
<td>Norwegian Union of Municipal Employees</td>
</tr>
<tr>
<td>NEKF</td>
<td>Norwegian Electrician and Power Station Union</td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for European Cooperation and Development</td>
</tr>
<tr>
<td>ÖGB</td>
<td>Österreichischer Gewerkschaftsbund</td>
</tr>
<tr>
<td>ÖTV</td>
<td>Gewerkschaft Öffentliche Dienste, Transport und Verkehr</td>
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<tr>
<td>PSEU</td>
<td>Public Services Executive Union</td>
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<tr>
<td>SAK</td>
<td>Suomen Ammattiliittojen Keskusjärjestö</td>
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<tr>
<td>SHSTF</td>
<td>The Swedish Association of Health Officers</td>
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<tr>
<td>STK</td>
<td>Statsansattes Kartel</td>
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<tr>
<td>SKTF</td>
<td>Swedish Union of Local Government Officers</td>
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<tr>
<td>STTK</td>
<td>Julkisten alojen ammattijärjestö STTK-J r.y.</td>
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<tr>
<td>TCO</td>
<td>Tjänstemännens Centralorganisation</td>
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<tr>
<td>TUC</td>
<td>Trades Union Congress</td>
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<tr>
<td>UGT - P</td>
<td>Uniao Geral de Trabalhadores</td>
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<td>UGT - S</td>
<td>Union General de Trabajadores</td>
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<td>UIL</td>
<td>Unione Italiana del Lavoro</td>
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<td>UNISON</td>
<td>Public Sector Union (UK)</td>
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<td>UNICE</td>
<td>Union of Industrial and Employers’ Confederations of Europe</td>
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<tr>
<td>VYT</td>
<td>Finnish Joint Organisation of State Employers</td>
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EXECUTIVE SUMMARY

This report presents the findings of an EPSU project on working time and develops these into a European Working Time Policy for the public service unions at the European level. It is the result of an extensive review of existing public service trade union positions on working time, a survey of collective agreements on working time across Europe, and extensive discussions with public service trade unions across Europe. This has led to an important debate about the nature of EPSU activity, most notably in the development of a European public services working time policy.

This report shows that an exciting debate is currently taking place about working time across Europe that is leading to new ways of conceiving work and time. As a result public service trade unions across Europe are attempting to be in the forefront of debates and initiatives on working time and for this reason attach a great deal of importance to the reorganisation and reduction of working time. In part this is in order to preserve and create new jobs, to voluntarily redistribute part-time and full-time work, to enhance individual choice and flexibility in working time, and to improve conditions of work and productivity. It is also about developing new ways of working to enhance leisure time, choice and equal opportunities, and provide better quality services. As public services are increasingly opened up to competition and as the need to extend and improve the quality of services, new strategies on working time are required, as employers demand more flexible workforces.

Across Europe the regulation of working time in the public services takes place in most countries through legislation or through collective agreements. In many cases these instruments have led to new innovations in working time emerging across Europe, many of which have been initiated by the trade unions. These include experiments in reducing and redistributing working time in order to create and preserve jobs, new flexible arrangements like annualised hours, new working time models, initiatives to develop partial retirement and paid leave from the labour market. Increasingly, these innovations are set within a framework of working time across the life time or life cycle, in breaking down the divisions existing between full-time, standard and continuous employment and the new flexible labour market that is emerging in the public services. In particular, this has led to new negotiating strategies to enhance the protection of flexible work, to develop new forms of paid leave from the labour market through job rotation schemes, and to improve the individual choice and the quality of work for public service workers. The result is that in many cases these innovations have resulted in increased productivity, reorganised and reduced working time arrangements, and improved services in small units, whole municipalities or even cities.

At the same time a vigorous debate is taking place within the EU about the future of work, about new forms of work organisation and flexibility. This is in part a response to the EU’s demands for new forms of flexibility to respond to global competition. Of growing importance is the recognition by the EU that unemployment will only be reduced in the future through new forms of work organisation and labour market flexibility.

In responding to these challenges this report, for the European Federation of Public Service Unions, sets out the debates about working time in Europe, by looking at trends in working time across the public services in Europe and by reflecting on innovations in working time that have been developed through collective agreements or government policies. In so doing it develops a number of principles that form the basis of and starting point to a European public service trade union strategy on working time to be pursued through the social dialogue at the European level.
CHAPTER 1

INTRODUCTION: WORKING TIME ISSUES AND PERSPECTIVES

1. Working time: a public service trade union priority

Working time has become one of the most hotly debated issues across Europe and is now a central element of national and European policy initiatives. Because the nature of work is changing so dramatically, public service trade unions are at the forefront in initiating new working time arrangements as tools for introducing flexible working times, job creation and reduced hours. This chapter will look at some of these debates in order to provide the context for working time developments in the public services.

The way that we use our time has become more and more important. The intensification of work and of the lives of working people means that time has become a precious commodity. This is coupled with the demands of a 24-hour society and the growing importance of technology. At the same time as more women have entered the labour market the need for both men and women to balance work with family responsibilities has led to new strategies to reorganise and redistribute work to encourage equal opportunities and family friendly policies. At the same time employers’ demands for greater flexibility has also led to new working time schedules to deal with peaks in demand at different times of the day, week or year. As a result public service trade unions have been debating the ways in which the different demands of employers that require workers to be more flexible, can be reconciled with the preferences of workers to have more control over how, when and where they work.

New thinking on ‘time’ poses a number of issues related to this study. For instance, because of restraints on pay and public expenditure in the public services, time is increasingly viewed as a resource that can be traded-off against other time factors such as choice in working hours or leisure time. In this sense time can be viewed as a unit of account that can be used for equalising access to work or other services, for instance, to enhance equal opportunities, and therefore can represent an important dynamic of social justice, equality and redistribution. This new thinking on time is relevant to agreements on working time and to the development of a co-ordinated European policy and approach. In summary, the public service unions have been developing new initiatives on the flexible use of working time since a positive response to flexibility can help:

- to make public services more efficient and responsive to the user, whilst at the same time improving the competitiveness and value of services to prevent privatisation or the deterioration of services; extending production times, whilst also reducing working hours, by introducing new forms of job sharing, worksharing, new working time and shift models
- to improve the quality of life for working people by giving them access to more leisure time, education and training, and to reconcile family and professional life
- to redistribute work to enable working people to voluntarily move in and between part-time and full-time work and to develop a more overt strategy to preserve jobs and to create new job opportunities for unemployed people
- to increase individual choice and flexibility in working time, about when and where people work, with opportunities to develop working schedules that people want, and enhance equal opportunities, to help reconcile family and work and develop family friendly policies, and improve conditions of work, reduce stress and ill-health.
2. **Scope and objectives of the study: working time in the public services**

As a result this study of working time, carried out for the European Federation of Public Service Unions (EPSU), responds to the challenges that new working time developments pose. The study is also a reflection of the growing importance attached to working time in the public services across Europe, and the need for a co-ordinated European approach to working time and the development of policy to be pursued through the sectoral social dialogue. First, the study explores a number of perspectives on working time, second, it reviews working time developments, innovations and initiatives in the public services at the national level, and, third, it reviews these developments by each four sectors in the public services (health and social services, local and regional government, public utilities, and national administration). Specific reference is made to legislation affecting working time in the public services, agreements that have been signed in the public services on working time, and the different perspectives and priorities of the public service unions.

Thus as public service unions across Europe explore different approaches to working time in the context of modernisation, flexibility, equal opportunities, job creation and the delivery of quality public services, it has become increasingly important to give European responses to these. For this reason the EPSU Working Time Project has the following objectives:

- to document existing national and European practices and initiatives on working time and their impact on public services and public service workers
- to determine the linkages between the modernisation of public services, flexible work organisation and working time patterns and employment, particularly on women
- to frame these national and European debates into a wider strategy for an EPSU policy on working time and employment in the public services
- to consider issues for EPSU policy in social dialogue negotiations on working time and the sectoral social dialogue in the future.

Working time, the reorganisation of work and flexible work patterns have become important political issues, reflected in a recognition that new job opportunities across Europe will only take place within the context of a new approach to working time\(^1\). As a result an important focus of this study is the effect of working hours on employment creation, improved working conditions, equal opportunities and good quality public services. A strategy of reduced working hours can have a positive effect on employment, so long as this takes wages and salaries, and opening hours and production shifts into account (Seifert et al, 1991, Houpis, 1993, ETUC/LRD, 1994).

A new dynamic in this debate is the linkage between working time reductions and the redistribution of working hours, a reflection of the use of working hours reductions to enable part-time workers to increase their hours and to redistribute time to enable more time sovereignty, choice and flexibility. There is also a growing desire on the part of many workers to work more flexibly, to have more time sovereignty and to work shorter hours (European Foundation for the Improvement of Living and Working Conditions, 1993; ILO, 1995; European Commission, 1997; OECD, 1998).

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\(^1\) This is reflected in a number of important policy initiatives at the European level, including the 1993 White Paper on Growth, Competitiveness and Jobs, the conclusions of the Essen Summit, Santer’s Jobs Pact, the negotiations for the part-time work directive, and more recently the Commission’s Green Paper on ‘A New Partnership on Work Organisation’; European Parliament (1996) Report on a reduction in working hours Committee on Social Affairs and Employment, Rapporteur Michel Rocard, PE 212.851/fin; and the European Commission’s Employment Guidelines, 1998.
3. The context of working time in Europe

There now exists an intensive debate about working time in Europe. Trade unions have been concerned about long working hours and the effects of these on health, and on family and community life. Concerns about high levels of unemployment have seen the emergence of innovations in working time which have led to the introduction of policies to encourage ‘work-sharing’, aimed at reducing the numbers of hours worked by full-time employees in order to increase the number of people in employment. Employers are increasingly demanding more flexible workforces and flexible working time schedules in order to reduce costs whilst also increasing competitiveness and extending service provision. This has led to the need to develop more efficient forms of work organisation in order to achieve reductions in labour costs, for instance, by reorganising working schedules to reduce the need for overtime payments. Across the public services, these flexible working times have been the subject of negotiation, usually agreed through trade-offs for reduced working hours, leave schemes or the introduction of family-friendly policies.

National government and EU policies have likewise reflected these trends. There has been a general willingness in a number of countries to pass legislation to increase the opportunities for flexible work with regulation of some of its worst effects working in parallel. In some countries legislation has been introduced for the generalised reduction in working hours (introduced in France and proposed in Italy), for regulating flexible work and part-time work, and for encouraging the redistribution of and balance between part-time and full-time work (the Netherlands). In the EU finding the balance between the flexibility that employers need with the security that employees require, in the context of promoting flexibility and new forms of work organisation, has been the subject of recent EU policy and strategy on employment.

Trade unions have played a critical role in campaigning for reduced working hours. Indeed, those countries where collective bargaining is the most developed have seen a faster decline in working hours, than those that where collective bargaining is not so well developed (OECD, 1998). Trade union activity surrounding working time is no longer simply a question of a rigid policy advocating reductions in weekly working hours. Policy and practice has increasingly moved from practice advocating the collective reduction in working hours towards more individualised agreements on flexibility. The explosion of activity and debate around flexible working practices, new forms of work organisation, and working time means that it has become vital for trade unions to engage in this debate. As the Economic and Social Committee (1996) argue:

Radical thinking is taking place on the subject of working time. By the end of the millennium the conventional five-day/fourty hour working week is likely to be the exception rather than the norm. More diversified working patterns will evolve. (p.1)

Although different perspectives exist on the ‘norm’ of work that should be aspired to there is a general acceptance that the labour market of the future will be increasingly flexible and that the restructuring of working time will be inevitable. Although all public service unions share the same view that shorter working hours have important societal benefits, the mechanism for achieving this is not so clear, particularly in the context of compensating workers for reduced and/or restructured working hours, options for reducing employers levies, and taxation strategies. This brings with it a number of important equal opportunities considerations, related to the higher participation of women in the labour market and the growing levels of non-standard working practices.
Trends in working time

The OECD (1998) identifies eight main features of the trends in working time in recent years. These include:

- A long-term trend towards reduced average working hours. This long-term trend has slowed significantly in recent years in the OECD countries (with the exception of Germany, Japan and the Netherlands). In some countries there has been an upward trend in working hours, whilst in others the average reduction in working hours is masked by the growth of part-time employment.

- The growing diversity in the hours worked, with larger numbers of people than before reporting that they work below 40 hours.

- A large increase in flexible working, most notably part-time working, whilst other forms of flexible working, for instance, annualised working patterns, are also increasing.

- The average rate of increase in hourly labour productivity has slowed in most OECD countries, implying that reductions in average working hours will not be offset by increases in productivity and will not take place without reductions in average earnings.

- Although the numbers of employees who express a preference for reduced working hours has grown in all EU countries; overall employees still favour increased earnings rather than reduced hours.

- Government policies have sought to increase flexibility in working hours and to extend the possibilities for the annualisation of working hours.

- Some countries have introduced programmes which provide incentives for employers to reduce working hours, whilst increasing the numbers of employees (France and Belgium), whilst others have introduced schemes of extended leave for employees and replaced the leave with temporary employment for unemployed people (Belgium, Denmark and Finland).

- Little empirical evidence exists to suggest that generalised reductions in working hours will lead to the creation of a large number of new jobs.

These trends apply equally to the public services in Europe. Indeed, the focus on working time reductions has accelerated dramatically in the 1990s, resulting in national legislation being introduced in France and proposed in Italy for a 35-hour week. In other countries experiments to reduce working hours have been made at local and regional levels in the public services in Sweden, Norway, Finland and Belgium.

Working time in a comparative framework

The comparative study of working time is not without its problems. Different legal, political and collective bargaining routes to determining working time, different systems of industrial relations, and different definitions given to determining what constitutes working time, exist across Europe. In some countries clear legal definitions are given to part-time work and temporary work, whereas in others these do not exist. Flexible work patterns further complicate this picture, as bargaining has become more decentralised. Also working time regulation has not always covered all public service workers, for instance, in Austria and France civil servants have been excluded from legislation in the past. An additional problem is that the European Labour Force Survey, which provides the most detailed data on working time in Europe, provides an inadequate breakdown of statistics in the public services, which is further marred by differential national reporting systems.

Working time regulation has been the subject of different degrees and levels of legislative action and collective agreements across Europe, ranging in a continuum from the laissez-faire model in the UK to the regulation model in France and other countries (Blanpain et al, 1997). However, working hours are regulated in most European countries through a
combination and varying degrees of statutory provisions, backed up and often extended by local or national collective agreements across the economy or in specific sectors. The approach taken to working time regulation is dependent, in turn, upon the different models of industrial relations that exist across Europe. Whilst, for example, little or no statutory provisions have existed in the UK and Denmark, collective agreements have been the major form of working time regulation, whereas legislation on working hours has played a major role in the Netherlands and France.

The implementation of the EU directive on working time introduces for the first time a common European standard to be implemented by legislation and/or collective agreements. Across Europe it is possible to distinguish between normal hours of work (set by statutory law or collective agreement), maximum hours (which determine the maximum hours under which work is illegal), hours actually worked, and hours paid for when not in work (including holiday, leave and other schemes). In many cases statutes have provided definition of these, and this is clear in international instruments from the ILO and EU.

4. Working time in the public services: towards a European social dialogue

This report shows that different priorities in public service unions across Europe reflect different cultural, historic, organisational, socio-economic and political imperatives. In turn this is related to different regimes and systems of industrial relations, the strength and level of trade union participation in the economy, and the relative strength of the public sector. In addition, different priorities for the development of working time policy inevitably means that developing a European working time policy is complex and not uncontentious. Nevertheless, significant progress has been made in this area in recognition of the need for public service unions to respond collectively to the development of flexible labour markets and structural unemployment.

Although the movement towards a European system of industrial relations in the public services has been slow to develop, an important space has opened up for the development of a European public service policy on working time. Despite the different models of industrial relations that exist across Europe\textsuperscript{2} it is possible to identify some key themes for a European framework on working time policy, but which allows for interpretation and implementation at the national, regional and local levels. The model developed by the European Metalworkers Federation (EMF) and the development of a European approach and charter on working time are helpful here. The EMF proposes to co-ordinate strategy at the European level, whilst implementing working time reductions at the national level. This approach enables account to be taken of the different national conditions and approaches, within a European strategy. Of particular importance is the agreement on working time developed by the European Federation of Agricultural Unions (EFA) that is being pursued through the social dialogue and it will be useful to monitor the implementation of this in practice.

There are problems in developing the social dialogue, not least because of the absence of European employers organisations in a number of sectors, further hinders this development. EPSU and the ETUC have been pressing for the creation of representative employers organisations in these sectors.

\textsuperscript{2} Broadly speaking three models exist and these have implications for the development of European agreements in the public services. The Romano-Germanic individualised model emphasises individual rights and freedoms guaranteed by the constitution. The state plays a major role in industrial relations, labour market regulation is extensive and collective agreements are binding. In contrast the Anglo-Irish model of voluntarism exists in the context of the absence of a written constitution and where labour legislation plays a limited role. This is based on a tradition of non-intervention by the state and legal system in industrial relations, where collective agreements are, nevertheless, not binding. The strongest model of industrial relations is found in the Nordic collective model that recognises the importance of collective rights through local and national collective agreements, enforceable by law.
organisations in this respect. There are also varying levels of legal and collective bargaining structures that underpin the development of social and economic rights for public sector workers.

EPSU has for a number of years been developing a position regarding EU debates on working time\(^3\). EPSU’s strategy on jobs has reflected these debates with an increasing emphasis placed on the reorganisation of work and working time (EPSU, 1996, 1997a). Likewise the ETUC has been pressing for new strategies on job growth, including the reorganisation and reduction of working time within a lifetime concept of hours (ETUC/LRD, 1994; Hoffman, 1997; ETUC, 1998). The 1995 ETUC Congress set the reorganisation and reduction of working time and the introduction of a 35-hour week as a key objective for the future. The emphasis given to working time in a resolution passed at the 8th ETUC Congress sums up the approach of the trade unions:

> We now realise that working time needs to be seen over a person’s whole working life - taking into account training periods and family and social responsibilities - however the working week will remain the key reference point even if it is part of longer periods...in the context of mass unemployment, we must keep open the option of even more ambitious objectives.

The next chapter will go on to discuss these issues of working time within the context of European debates about flexibility at work and employment in the public services, focusing particularly on recent EU debates about working time.

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\(^3\) These debates reflect concerns about the continuation of high unemployment across the EU (at 10.8 per cent of the EU average in mid 1997, or 18 million) and a growing number of job losses in the public services. In 1996 more than 5 per cent of the EU’s labour force had been out of work for at least one year. Unemployment for young people stands at over 20 per cent, and women continue to have a higher unemployment rate than men (12.7 per cent compared to 9.4 per cent). However, in 1996, 600,000 jobs were created in the EU, largely in the service sector (with a corresponding decline of jobs in industry and agriculture). Many of these new jobs have been temporary and part-time, with part-time work accounting for virtually all of the net increase.
CHAPTER 2

EUROPEAN UNION DEVELOPMENTS IN WORKING TIME

1. Introduction

Many governments, employers, the EU and OECD see future solutions to unemployment to be dependent on new forms of flexibility, work-sharing and part-time work, rather than a generalised reduction in working hours. There is no doubt that the Essen Guidelines and the 1998 Employment Guidelines have had an effect on the willingness of trade unions to negotiate on employment flexibility, particularly on how this can be traded off, for instance, against reductions in working time. This chapter reviews the policy and debates on working time in the EU.

2. The European Union and working time

Recent EU policy initiatives relating to working time emphasise employment flexibility and employability rather than the reduction of working hours per se. Flexibility at work and new forms of work organisation are recognised to be critical to future employment growth. The European Commission argues that “the prevalence of the standard working week, a standard contract or a standard career within a lifetime job is gradually declining” (European Commission, 1977, p 19).

Attempts to regulate working time in the EU dates back to a Recommendation for a 40-hour week and 4 weeks annual paid vacation in 1975, followed by a second Recommendation in 1992 which dealt with flexible and early retirement as a labour market strategy. The 1989 Community Charter on the Fundamental Social Rights of Workers went on to emphasise working time as integral to the improvement of living and working conditions.

Further developments were marked by the Green Paper that preceded the publication of the White Paper on Social Policy (European Commission, 1994) which began an important debate about the future direction of social policy within the context of high levels of structural unemployment. It stressed the need for greater labour market adaptability, including the reorganisation of working time. It is clear that the adoption of the White Paper in 1994 marked an important stage of European social policy, reinforcing the need for social policy to support European competitiveness and improve flexibility by removing regulatory rigidities in the labour market and the reorganisation of work to improve productivity.

However, the European Commission’s White Paper on Growth, Competitiveness and Employment (1993), was the first attempt to seriously tackle employment flexibility. It stated that reductions in working hours were not a cure for unemployment, since this could result in the slowing down of production. Instead it recommended that obstacles and rigidities in the labour market would need to be removed in order to encourage “preferences and demands of employees and employers regarding patterns and hours of working which will increase the number of jobs for given levels of output”. Although the White Paper points to job increases of eight per cent in northern European countries and 30 per cent in the Netherlands resulting from working time reductions, it is evident that this has been achieved from the growth in part-time work. The White Paper led to an important set of principles agreed at the Essen Summit. These emphasised the need for Member States to introduce measures that would promote both employment and equal opportunities, and called for measures to “increase the employment intensiveness of growth, in particular by more flexible organisation of work in a way which fulfils both the wishes of employees and the requirements of competition”. The
EPSU response to the White Paper and the Essen Guidelines makes it clear that employment growth can result from proper investments in jobs in the public services alongside regulated and negotiated flexibility (EPSU, 1996).

Flexibility has been identified as a key theme in the European Commission’s (1997b) Green Paper on a Partnership for a New Organisation of Work, as a first step to developing a new framework agreement for the modernisation and reorganisation of work. According to the Green Paper the debate about flexibility is a debate about two separate questions:

One is about working time flexibility: the adjustment of working time arrangements to the needs of firms or the needs of individual workers. The other question is about working time and employment: can a shortening of working time create more jobs?

The Green Paper sets out an agenda for discussing “the scope for improving employment and competitiveness through a better organisation of work at the workplace” as a means of promoting new jobs and competitiveness within and between businesses, in relations between the social partners, the organisation of the labour market, and the relationship between the organisation of work and society. This view is set within a framework of post-fordism, whereby rigid production systems are increasingly being transformed into working methods that are more flexible and innovative, and that require workers to have higher levels of skill and adaptability. The Commission believes that flexibility can be negotiated and should result in a constructive balance between flexibility and job security. Indeed, the Green Paper identified many innovative working time arrangements, some of which exist in the public sector. Examples of the decoupling of opening times from individual working time, of the annualisation of working time, and the greater use of part-time work, are seen to have benefited the reorganisation of work. Finally, the Green Paper raises a number of questions about the scope for improvements in growth, productivity and employment from working time flexibility, the role of sectoral agreements on working time, and questions whether other levels of bargaining might be more appropriate.

A wide range of organisations have responded to the Green Paper, including EPSU. Whilst welcoming the Green Paper, EPSU consider it to be “lacking in concrete proposals for implementation”, particularly regarding the need for negotiation between the social partners to ensure the quality of work is maintained within a framework of modernisation. Thus “flexibility in the organisation of work should not be interpreted as carte blanche for implementing jobs cuts”. EPSU concludes by stating that reforming the public sector and reducing working hours as a “route to modernisation is more promising than excessive job cuts” (EPSU, 1997a).

The Amsterdam Treaty marked a major step forward in the employment debate by including a new Title on Employment, which sets out the aim of “a high level of employment”. Member States are required to draw up Action Plans for measures to promote jobs, although no sanctions are proposed against non-fulfilment. The European Commission’s Employment Guidelines prepared for the November 1997 Jobs Summit, underline the importance of working time flexibility, and argues for a move from “intentions to actions and for Member States to show their willingness to make a common commitment to employment” (European Commission, 1997c).

In particular, the Employment Guidelines make it clear that the social partners have a key role to play in the modernisation of work organisation, and measures to increase flexibility and employability. Of importance is that the Commission makes reference to the need for a balance between flexibility and security. The social partners are invited to:

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4 The Employment Guidelines are part of the EU’s integrated strategy based on agreed Broad Economic Policy Guidelines, agreed in 1997, in tandem with the Employment Guidelines. The strategy is based on a sound macro-economic framework and structural reforms.
Negotiate, at the appropriate levels, in particular at sectoral and enterprise levels, agreements to modernise the organisation of work, including flexible working arrangements, with the aim of making undertakings productive and competitive and achieving the required balance between flexibility and security. Such agreements may, for example, cover the expression of working time as an annual figure, the reduction of working hours, the reduction of overtime, the development of part-time working, lifelong training and career breaks.

The Guidelines are based on four pillars to: improve employability, develop entrepreneurship, encourage adaptability of businesses and their employees and promote equal opportunities. National Action Plans for employment were subsequently drawn up during 1998 in order to implement the nineteen Employment Guidelines, which include requirements for quantifiable targets for improving labour market flexibility, employability, vocational training, and reducing youth and long term unemployment. The Action Plans were required to address sound macroeconomic policy and budgetary consolidation, alongside action to reduce mismatches in the labour market and to enable firms to respond to economic change by introducing active labour market policies, taxation reforms, welfare reforms and new working time arrangements. Because the emphasis was on prevention and active labour market policies to produce an educated and trained labour force and to create new jobs, it was recommended that new incentives for reviewing tax and benefit systems be introduced. For instance, the European Commission recommends reductions in labour taxes and employer social security contributions in order to “make the taxation system more employment friendly”, and welfare reforms to develop “welfare support through work”.

New working time arrangements are seen to be critical to achieving these Employment Guidelines. It is important to note here that the Commission argues that a “compulsory and across the board reduction in working time, however, in part prompted by the desire to increase the level of employment, may have adverse consequences and should therefore be avoided” (European Commission 1998a, p. 19). It does argue though that reductions in weekly and annual working hours which took place during times of growth and high employment, by redistributing productivity growth and reducing working hours with low growth in real wages, would be welcomed with an upturn in the economy. As a result “employment could be favoured by specific measures of working time reduction at the microeconomic level where it is warranted by local conditions”. The Commission goes onto argue that this “involves a de-coupling of capital hours from labour hours” and negotiation by the social partners. Two strategies are suggested. First, working time reductions can be combined with job creation and tax and welfare benefit incentives. Second, to increase the labour content of growth through developing voluntary part-time work and new forms of employment. In order to reconcile the different positions on part-time work across Europe, the Commission encourages exchanges of experiences and best practice at the Community level.

In the Commission’s response to national Action Plans, it is evident that a number of countries are able to promote labour market flexibility and tackle youth and long-term unemployment (European Commission, 1998d). The role of the social partners in supporting the guidelines is seen as underdeveloped in most countries and equal opportunities had not been properly integrated into all Action Plans. The Communication points out that in some countries the modernisation of work organisation has been linked to wider labour market policies on the reduction and distribution of working time, lifelong learning and social security (France, Italy, Belgium and Luxembourg) (European Commission, 1998d). In these countries, there has been an integrated approach, whereby legislation has been introduced that allows the social partners to negotiate for the implementation of labour market initiatives. In some countries there is a view that the role of the state is to set minimum standards, allowing the social partners to agree on flexible working time arrangements (Ireland and UK). Finally, for those countries with well-established tripartite industrial relations traditions, negotiation takes place through those bodies in effective ways (Denmark, Finland, Austria, Netherlands and Sweden). However, Italy and France are criticised for their plans for
introducing legislation for a 35-hour week. The reduction of the working week as a mechanism to create jobs has been at the forefront of campaigns and legislation in France and Italy. Both countries have been pressing for a Europe wide policy for a 35-hour week. The European Commission argues that this is too rigid an approach on the basis that it would not assist in creating labour market flexibility or new jobs (Financial Times, 13.5.98).

In the European Commission’s separate analysis of the commitments made to gender mainstreaming and the better reconciliation between family and work life, since the adoption of the 1998 Employment Guidelines, the Commission argues that there continues to be a “gender imbalance in the entire approach to caring, with the persistence of the assumption that care is the responsibility of women” (1998b, p.2).

Draft Employment Guidelines for 1999 were proposed by the Commission in October 1998, in preparation for the Vienna European Council planned for 11-12 December 1998 (European Commission, 1998g). Of importance is that the draft Guidelines argue that increasing employment will depend on an expansion of jobs in the service sector. As well as consolidating initiatives relating to the four pillars contained in the 1998 Guidelines, the Commission proposes that a review of benefit and tax systems should be carried out in order to encourage job seekers to take up work or training, alongside measures to encourage lifelong learning. Of equal importance is the emphasis on family-friendly policies. The Commission continues to press for a partnership approach on employment, including agreements that develop training, work experience and other measures designed to promote employability. On working time, the Commission invites the social partners to:

…negotiate at all appropriate levels agreements to modernize the organization of work, including flexible working arrangements, with the aim of making undertakings productive and competitive and achieving the required balance between flexibility and security. Such agreements may, for example, cover the expression of working time as an annual figure, the reduction of working hours, the reduction of overtime, the development of part-time working, lifelong training and career breaks (European Commission, 1998g, p5)

Overall, the European Commission’s priorities are to create high employment and to introduce EMU, through macroeconomic policies that encourage growth and employment. Working time and work organisation has become one of the planks upon which this strategy is based. The European Commission (1998a) makes it clear that reductions in unemployment will result from a “vigorous and unremitting use of a broad range of mutually reinforcing policies with success often emerging only over the medium to longer term”. The EU’s Broad Economic Guidelines argue that “solving the community’s unemployment and non-employment problem will require a simultaneous and comprehensive modernisation of the Community’s labour markets with a view to increasing the employment-content of growth and ensuring the employability of the labour force” (Commission 1998a, p17).

There is no doubt that these issues are inextricably linked to discussions about employment growth. The European Commission argues that net job creation in the European Union will take place in the services, and particularly in what it defines as the communal services (health, education, social services, recreational services and public administration) where job growth has remained relatively high against the backdrop of restricted budgets and pressures to reduce levels of taxation. Nevertheless, the European Commission has recommended more innovative forms of partnership between the public and private sector, initiatives for local development and employment, and controversially the introduction of voucher schemes by which care services are paid for by vouchers directly to the workers (European Commission, 1997a). The European Commission’s Report on Employment Rates (1998) reiterates this point by arguing that increases in the employment rate depend on an expansion of service sector jobs, particularly in the communal services. The report adds that public policy has a dual role to play:
...on the one hand, a more determined transition from passive to active measures based on employment-supportive restructuring of public expenditure; on the other hand the development of various forms of public/private partnerships and the promotion of the ‘social economy’ (1998i, p.12)

It is interesting to add that although employment rates in 1997 in agriculture and industry were at similar levels to those in the US, employment in the services accounted for only 39.2 per cent in the EU, compared to 54.2 per cent in the US. Employment remains low in all sections of the services, with lower levels of employment in public administration being offset by higher levels of employment in education health and social work. The largest differences between the EU and the US are in communal services (representing an employment rate of 21.4 per cent in the EU and 17.8 per cent in the US (European Commission, 1998h). This provides a powerful case for the expansion of employment in the public services, and coupled with a growing emphasis on the reorganisation of work and of flexible working time, the potential for strengthening the public services remains high.

Finally, on the future of European Union social policy the 1998-2000 Social Action Programme (European Commission, 1998c) points to the need to prioritise action aimed at reducing unemployment, with the focus on drawing on the “labour reserve of the young unemployed, women and the long term unemployed” and by reducing the skills gap Europe can be competitive in the global economy. Changing working patterns, work organisation and improving the skills base of Europe is the key to greater adaptability, and again the European Commission refers to the “need for flexibility for enterprises and security for employees so as to harness the potential of new forms of work organisation and new technology and promote decent, safe and healthy working conditions” (European Commission, 1998, p.6). Finally, reference is made to poverty and social exclusion, which the Commission argues “exist side by side with prosperity and wealth and many people continue to suffer from discrimination, inequality and poor health” (p.6). What is reflected in this Action Programme is an emphasis on competitiveness, over and above the measures to combat poverty and social exclusion. This is not surprising given that the EU’s commitment to economic prosperity is closely aligned to its social policy, whilst issues of welfare policy and income redistribution remain the territory of national governments.

European Union regulation of working time and flexibility

It is the Directive on Working Time that has had a significant impact on EU Member States working time policies, resulting in new legislation in most European countries that also allows the social partners to develop new flexible working time arrangements. Following an unsuccessful challenge by the UK regarding the legal base of the Directive (under article 118a of the Treaty), the European Court of Justice determined in November 1996 that the Directive had effect in all Member States via national implementation legislation. A large number of derogations are included in the Directive covering certain occupations, certain activities, and the voluntary right of the individual worker to work more than 48 hours over a 7 day period. In the public services this includes services related to care provided by hospitals or similar establishments, residential institutions, ambulance, fire and civil protection services, gas, water and electricity production, household waste collection and incineration plants. This has resulted in new campaigns and strategies by trade unions to extend protection to these groups (Blanpain et al, 1997; Bercusson, 1995).

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5 Council Directive 93/104/EC covering certain aspects of the organisation of working time, 23.11.93

6 The Directive provides for: a) minimum rest period of eleven consecutive hours for every 24 hours, b) a break when daily working time exceeds 6 hours, c) minimum uninterrupted rest period of 24 hours for every 7 day week, d) average work for each 7 day period to not exceed 48 hours, including overtime, e) annual leave of at least 4 weeks (and cannot be replaced by financial compensation), f) normal night work no more than 8 hours per 24 hour period, with an 8 hour maximum in work involving hazards or heavy physical or mental strain, with health assessments for night workers to transfer to day work if they suffer from health problems.
The European Commission, in its White Paper on sectors excluded from the Directive, has indicated that those workers who are currently excluded from the Directive should be given protection and a proposal was prepared with this in mind (European Commission, 1997f). In October 1998 agreement was reached between the employers and trade unions in the railway and maritime sectors on working time, and these will be developed into proposals for EU legislation. However, agreement was not reached between the employers and the unions in the transport sector and the Commission plans to put forward legislative developments for the transport sector, based on the 1997 White Paper. In an attempt to include doctors in training, a derogation covering doctors in training was introduced, on the basis that working time would be decided at the national level, rather than be laid out in a European agreement.

Finally, although the Directive has been important in regulating the worst excesses of working time, particularly beyond a 48-hour week, it remains the case that many trade unions continue to view the 48-hour maximum limit on working time as too restrictive a threshold. The ETUC has been at the forefront in arguing that the Directive should be revised to reduce the maximum weekly hours limit from 48 hours to 44 hours in order to achieve the goal of trade unions in Europe to cut overtime by half (ETUC, 1998). It is unlikely, however, that this will be taken on board in the near future, and reductions in working hours will be achieved through collective agreements, rather than through a revised European regulatory framework.

The European Union’s approach to equal opportunities at work has also stressed the need for measures to reconcile work and family life. The Directive on Parental Leave passed in 1995 gives both men and women workers the right to 3 months unpaid leave after the birth of a child and the right to take leave if a child or family member is sick. In some member states parental leave has been extended to up to 12 months and has been paid. The Directive is currently being introduced in the UK and Ireland and will for the first time provide the legal right to leave to care for children in these countries, albeit unpaid. Trade unions are also able to use the Directive to extend provisions through collective agreements.

In 1997 the trade unions and employers at the European level negotiated the terms of a new Directive on Part-Time Work. The agreement was a compromise between the trade unions and employers. The employers wanted the agreement to be limited to permanent part-time workers, whilst the European Trade Union Confederation wanted it to cover all workers including those on fixed-term contacts. The European Commission sees this framework agreement as part of its European strategy on employment, notably to promote the flexible organisation of working time and assist competitiveness. The agreement sets out principles and minimum requirements for the elimination of discrimination against part-time workers, and to assist the development of opportunities for voluntary part-time working. It allows for consultation over flexible working, including measures to enable women and men to prepare for retirement, reconcile family and work life, and to take up education and training opportunities. By giving part-time workers the same protection as other workers, means that part-time workers will no longer be on the periphery of the European labour market. The Directive also commits the social partners to develop “similar agreements relating to other forms of flexible work” notably casual and temporary work and homeworking.

In December 1997, the process of negotiating a new directive on fixed-term contracts between the social partners at the European level began. This is considered to be an important area for regulation given the rising proportion of employment which is now temporary and fixed term. In 1997 this had risen to some 12 per cent of all EU employment and is particularly prevalent in Spain, Portugal and Finland; it disproportionately affects women more than men. However, the negotiation for a new directive has been highly controversial, with considerable reluctance.

Part-time workers are defined as those who have an employment contract or employment relationship defined in the law or by collective agreement, but excludes casual workers. It includes those whose normal weekly or annual hours of work are less than the normal hours of a comparable full-time worker, or less than those set out in national law or collective agreements. The agreement relates to employment conditions of part-time workers, whilst social security remains the responsibility of Member States.
shown from the employers (UNICE and CEEP). If negotiations fail to agree a framework, the ETUC have argued that a directive should be introduced by the Commission directly (EIRO, 1998u). In September 1998, the ETUC drew up compromise proposals for the introduction of minimum employment conditions for fixed-term workers (ETUC, 1998).

3. The European social dialogue and working time

According to the European Commission a new approach to working time needs to take place through the social dialogue. The approach can be summed up as follows:

   Carefully designed programmes of reform are required, preferably negotiated through (the) social dialogue between governments and social partners. Such programmes should both end the discrimination against permanent work contracts due to excessive regulation, and extend social protection, acquired and transferable rights, to non-standard approaches (European Commission, 1997a, p.2)

With the importance attached to the social dialogue in the Maastricht and Amsterdam Treaties, the inter-sectoral and the sectoral social dialogue have become an increasingly important feature of European trade union activity, and in particular of EPSU activity. It is likely that working time and flexibility, in the broadest sense, will be important subjects of social dialogue activity in the future.

Inter-sectoral Social Dialogue

It is possible for working time to be the subject of European collective bargaining through the social dialogue (under Article 118b of the Treaty). The Maastricht Agreement led to a firmer legal foundation for this to take place enabling a dialogue between the social partners at Community level leading ‘to contractual relations including agreements’ (Article 4) and this is further reinforced in the Amsterdam Treaty. Nevertheless no direct obligation is placed on Member States to implement agreements, the assumption being that they would be implemented through national collective bargaining systems. Where an agreement is based on a request from the social partners and a proposal from the Commission, it is possible for an agreement to be implemented through a regulation, directive or recommendation. This procedure has resulted in the two agreements on parental leave and part-time work.

Sectoral Social Dialogue

It is in the sectoral social dialogue that agreements are likely to be pursued vigorously in the future, despite that fact that this decision making process has, to date, largely failed to meet the aspirations of the European Commission and above all EPSU’s expectations in contributing to the creation of a system of European industrial relations. Many of the problems are related to the absence of representative European employers’ organisations with whom to negotiate, and to the implementation of European agreements in practice. It is not surprising that there have been a limited number of agreements that have the potential to be implemented at the national or local levels, or for whom concrete objectives have been set that could be formulated into agreements. Nevertheless, the European Commission is actively supporting further social dialogue initiatives at the European level. The proposal for a Sectoral Dialogue Committee and for the further development of the social dialogue is one of a number of proposals made by the European Commission to further promote the social dialogue (European Commission, 1998h).

Nevertheless, in the process of considering and formulating a European social dialogue in the area of working time, it is worth referring to two developments introduced by Industry Federations, notably within the European Federation of Agricultural Workers’ Unions and the European Metalworkers Federation, from which important lessons can be drawn.
European Federation of Agricultural Workers Unions (EFA)

It is in the agricultural sector that the social dialogue has been the most established and long-standing, dating back to the Joint Advisory Group on the Social Problems Affecting Agricultural Workers in 1963 and the creation of a Joint Agricultural Committee in 1974. In 1978, 1980 and 1981 common declarations were drawn up establishing targets on working time for different groups of agricultural workers. Of particular significance is the recent agreement\(^8\) on improvements in paid employment in agriculture between the EFA and the employers organisations in July 1997, which specifies reduction in working time as a mechanism for safeguarding employment. This represents a major breakthrough for the social dialogue and includes recommendations for a reduction of weekly working hours to 39 hours, longer periods of paid leave, greater flexibility in working time, improved regulation of overtime, rest periods and night work, and the annualisation of working hours in order to reflect the seasonal nature of agricultural production. However, it is still too early to assess its implementation at the national level.

European Metalworkers Federation (EMF)

The EMF has been formulating a policy on working time in order to frame collective bargaining at the national level\(^9\). The initiative is designed to encourage collective bargaining that “distributes work more fairly and thus reducing unemployment by co-ordinating policy on working time at the European level”. The EMF has developed a position that opposes increases in working time, with diverse approaches to time reductions, including overtime, co-ordinated at the European level, and a number of minimum criteria. The EMF’s campaign on working time, which is to be targeted at the national level, will be launched with the signing of a charter on working time at the 1998 EMF General Assembly.

The social dialogue in the public services

To date the social dialogue in the public services has largely concentrated on developing joint statements between employers and the European Federation of Public Services (EPSU, 1997b). Perhaps the most developed is the social dialogue in local and regional government which has led to two important joint statement between EPSU and the Council of European Municipalities and Regions - Employers Platform (CEMR-EP) on the modernisation of local public services and on employment (CEMR-EP/EPSU, 1996 and 1997). The joint statement on employment, agreed during the November 1997 jobs summit, recognises that a number of strategies in local and regional government can assist in meeting the Commission’s employment guidelines. It identifies the roles of local and regional authorities as employers “which should be recognised in the formulation of a European approach to employment policy”. The statement stresses the need for stable employment in local government as a “catalyst for economic growth”. The recognition that equal opportunities, employment adaptability, and education and training measures are critical to this, is coupled with an awareness that job creation measures should be considered alongside strategies for developing efficient and high quality services. In particular, the statement stresses that:

Local government employers and trade unions can negotiate on measures to increase employment. Factors in job creation such as redistribution and reduction of working time; new working time arrangements; leave arrangements, should be dealt with in the context of: productivity, pay settlements, pension arrangements etc.

There is no doubt that the social dialogue will grow in importance in the area of working time and employment in the light of the Jobs Summit held in November 1997 and the emphasis placed on social partnership in the 1998 and draft 1999 Employment Guidelines.

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9 Meeting of EMF Executive Committee Decision on Principle: Initiative on Working time and Initiative Fund, August 1997; EMF Initiative on Working Time Transposition Concepts (Working Time Charter), August 1997
CHAPTER 3

WORKING TIME: ISSUES AND PERSPECTIVES

1. Introduction

This chapter introduces some issues and perspectives on working time, which provide an important context to the specific developments taking place within the public services across Europe. It focuses specifically on a discussion of flexibility and working time, part-time work, equal opportunities and working time, and job creation and working time. These provide an important backdrop to the discussions about working time in the public services, explored in more detail in chapters 5 and 6.

A shift in thinking has been taking place across Europe on working time, which is affecting the public services as much as the private sector. According to the OECD, the long term trend to reduced working hours (including holiday and other forms of leave, and part-time working) has almost come to a halt or even reversed in a large number of countries, or slowed down significantly in others. The exception is that in Germany and the Netherlands, this trend has remained largely unchanged, although lower than in the 1970s. However, part-time working has increased significantly and has been an important contributory factor to overall decline in average annual hours (OECD, 1998). However, as this study shows, it is clear that reduced working hours are very much on the agenda of the public service trade unions as the discussion below demonstrates.

2. Flexibility and working time

A significant feature of the European labour market is the growing flexibilisation of work, in response to the needs for employers to extend production times, increase competitiveness, and productivity, and in the public services to do this within budget constraints. This is seen from the dramatic growth of non-standard forms of employment, particularly of part-time, temporary and short-term contract work.

- Flexible working time arrangements (reflected in an increase in part-time and temporary working arrangements, reductions in working hours and overtime, job sharing, annual hours contracts, flextime, shift work, flexible daily or weekly hours; and leave schemes and partial and early retirement schemes) which theoretically enable public services to respond to consumer demands;
- Contractual flexibility where public services are provided on a contract basis through part-time and temporary work, contracting out from public to private etc;
- Flexible workplaces whereby services are provided away from traditional workplaces, for instance, through teleworking and homeworking;
- Functional flexibility based on flexible tasks, multi-skilling;
- Flexibility in bargaining: decentralised bargaining on pay, working time, including trade-offs for working time reductions, performance and profit related pay.
These models of working time organisation originated in the private sector, based on new management techniques and the concept of the ‘flexible firm’ (Atkinson and Meager, 1996) and are increasingly being applied to the public services. They can, with proper regulation, provide new opportunities for changes in standard working practices towards more choice for workers and equal opportunities, whilst, on the other hand, create new forms of insecurity at work. Nevertheless, it is evident that over the last two years the introduction and implementation of annualisation and flexibility of working time and the redistribution of working time have become increasingly common in the public services.

Developing new conceptions of flexibility: towards positive flexibility

In developing new thinking on working time it is important to distinguish between negative flexibility and positive flexibility. For this reason a distinction is made between these two concepts. This is in order to develop new innovations in working time that enable trade unions to take pro-active strategies that extend choice and equal opportunities through new working time arrangements, whilst also defending rights at work and rejecting the negative flexibility that has come to typify many contemporary labour markets. For this reason developing positive flexibility is a central and important objective of the EPSU working time project.

Positive flexibility means giving workers more autonomy and choices about their working time arrangements, allowing for flexible working hours that balance family and work life, leisure time and extended periods of leave, and which give workers more control in determining their working hours. Positive flexibility can contribute to equal opportunities, family friendly working practices, and to other broader social objectives, including creating new jobs for unemployed people. Positive flexibility requires regulated labour conditions that provide workers with security, and social partnership between unions and employers. Positive flexibility can help to meet employers’ needs for competitiveness, whilst also enhancing workers’ security.

Negative flexibility means limited protection for workers under the law, casualised work, long working hours, lack of choice in determining working hours, and inadequate security. It can result in employers’ imposition of working time schedules, which may require workers to work unsocial hours or unpredictable hours. Trade unions have a limited impact on employer imposed flexibility.

Public service trade unions across Europe have quite rightly been opposed to many of the negative forms of flexibility which have typified new working arrangements, resulting from the need to modernise and extend services as they are opened up for competition. This has led to a significant growth of insecurity in the labour market, including involuntary part-time work, temporary work and short-term contract work. This flexibility has often been imposed by employers who seek to develop flexible labour markets in order to be competitive, and, in the case of the utilities in a number of countries, and especially in the UK, to increase profit margins.

Despite opposition to negative flexibility, there has been a growing trend across Europe and by the EU to regulate the nature and extent of a-typical working patterns. The EU’s directives on working time and part-time work are particularly important in this respect, in the recognition that regulation is essential to flexible labour markets. As negative flexibility has been rejected by public service trade unions across Europe, new strategies to regulate and control it have been developed through collective agreements and legislation. This is particularly the case with the growth of involuntary part-time work. It has, in some countries (for instance, Sweden, Finland, Denmark and Norway), led to agreements which allow all workers to have the option for full-time work, thereby allowing part-time workers to move onto full-time contracts or for full-time workers to voluntary reduce their working hours to part-time contracts, on the basis that there will always be a full-time job available to them if they require this at a later date. In other countries (for instance, the Netherlands) the policy has been to give part-time workers the option to increase their hours and full-time workers to reduce their hours in a policy that is geared to redistributing work between women and men. The difference in the two approaches
is that employment growth in the Netherlands has been achieved through the growth of part-time work, whereas in the Nordic countries, full-time work has remained the norm.

Likewise, agreements have been developed and strategies proposed which aim to reduce the extent of temporary work and where it exists to regulate it so that temporary workers are given rights associated with permanent workers. The growth of temporary work across Europe, and particularly in Spain, has led to growing concerns that flexibility has been negatively imposed in order to enable employers to adjust service provision in line with consumer and other competitive demands. In some countries, most notably Norway, collective agreements have been agreed that trade-off flexible working hours and wage moderation for full-time, permanent employees, with greater protection for temporary workers and restrictions in the number of temporary jobs created.

However, flexibility in working time can also be positive and result from pro-active strategies by trade unions. In these cases it can lead to new forms of positive flexibility. For this reason, this study demonstrates that positive flexibility has had important consequences in securing more choice, leisure time and equal opportunities in working time. In some countries, employers needs for more flexibility and extended service delivery has enabled public service trade unions to trade-off flexibility with either reduced working hours, improved rights, or other forms of compensation.

3. Part-time work

Since the 1970s there has been a sustained growth of part-time working, although higher in the northern European countries than the southern European countries. The proportion of employees working part-time work has largely taken place in the service sector, and in particular in the public services. The vast majority of part-time workers are women, although in the last five years there has been an increase in the numbers of men and young people (particularly students) who work part-time.

An increase in the incidence of part-time working can partly be explained by the growth of flexible labour markets across Europe. In this sense part-time workers are used to increase flexibility, their employment fitting in with peaks in demand for services and to extend services into weekends and evenings. This is confirmed by the Labour Force Survey (Eurostat, 1998) which shows that one-third of part-time workers regularly work evenings, nights, weekends and shifts. However, part-time working has also increased as women’s participation in the labour market has grown, whereby mothers seek to work part-time in order to fit in with school hours. Indeed this is a common feature of German part-time working schedules which fit into school hours (Bosch, 1996). Just as rates of part-time work vary across Europe, there a number of different approaches to part-time work in public service trade unions (these approaches are further discussed in chapters 5 and 6).

Table 1 shows the extent of part-time work across Europe, based on figures from Eurostat. Overall, 17.7 per cent of all jobs across Europe are part-time and 33.1 per cent of women work part-time, compared to 5 per cent of men. For historical and cultural reasons part-time work is highest in the Netherlands, followed by the UK and Sweden. The growth of new jobs in the economy in recent years is largely accounted for by the growth of part-time work, particularly for women (European Commission, 1997a). Table 2 introduces different definitions of part-time work which can be found in OECD statistics on part-time work, based on a definition of hours of less than 30 hours per week. These statistics reveal some interesting trends in those countries where part-time work is characterised by longer hours, or where full-time hours are reduced. In these cases, the extent of part-time work reduces significantly in the Netherlands and Sweden, where part-time hours tend to be higher than in other countries. A further discussion of this methodology and the implications for part-time work statistics can be found in Bastelaer, Lemaître and Marianna (1997). Finally, table 3 breaks down the proportion of part-time workers by service sector.
Table 1 - Part-time work in Europe (% of total employment), 1997

<table>
<thead>
<tr>
<th>Country</th>
<th>Men and women</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU-15</td>
<td>17.7</td>
<td>5.5</td>
<td>33.1</td>
</tr>
<tr>
<td>B</td>
<td>16.8</td>
<td>3.6</td>
<td>35.2</td>
</tr>
<tr>
<td>DK</td>
<td>23.6</td>
<td>13.0</td>
<td>35.5</td>
</tr>
<tr>
<td>D</td>
<td>17.6</td>
<td>3.7</td>
<td>35.2</td>
</tr>
<tr>
<td>EL</td>
<td>3.4</td>
<td>1.8</td>
<td>5.8</td>
</tr>
<tr>
<td>E</td>
<td>8.1</td>
<td>2.9</td>
<td>17.1</td>
</tr>
<tr>
<td>F</td>
<td>17.6</td>
<td>5.6</td>
<td>31.6</td>
</tr>
<tr>
<td>IRL</td>
<td>13.7</td>
<td>6.1</td>
<td>23.2</td>
</tr>
<tr>
<td>I</td>
<td>7.0</td>
<td>2.9</td>
<td>13.4</td>
</tr>
<tr>
<td>L</td>
<td>8.5</td>
<td>1.0</td>
<td>20.9</td>
</tr>
<tr>
<td>NL</td>
<td>38.4</td>
<td>16.7</td>
<td>68.1</td>
</tr>
<tr>
<td>A</td>
<td>14.8</td>
<td>3.2</td>
<td>29.5</td>
</tr>
<tr>
<td>P</td>
<td>5.3</td>
<td>1.8</td>
<td>9.5</td>
</tr>
<tr>
<td>FIN</td>
<td>10.9</td>
<td>6.1</td>
<td>15.6</td>
</tr>
<tr>
<td>S</td>
<td>25.2</td>
<td>8.7</td>
<td>41.8</td>
</tr>
<tr>
<td>UK</td>
<td>25.3</td>
<td>8.3</td>
<td>44.8</td>
</tr>
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</table>


Table 2 - Part-time employment using OECD definitions (employment less than 30 hours per week) 1997

<table>
<thead>
<tr>
<th>Country</th>
<th>Part-time work as proportion of total employment</th>
<th>Women’s share of part-time employment</th>
<th>Women’s part-time employment as a proportion of total employment</th>
</tr>
</thead>
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<tr>
<td>EU-15</td>
<td>16.5</td>
<td>79.3</td>
<td>29.6 (33.1)**</td>
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<tr>
<td>B</td>
<td>17.4</td>
<td>83.2</td>
<td>34.3 (35.2)</td>
</tr>
<tr>
<td>DK</td>
<td>17.9</td>
<td>64.8</td>
<td>24.7 (35.5)</td>
</tr>
<tr>
<td>D</td>
<td>15.0</td>
<td>87.6</td>
<td>29.8 (35.2)</td>
</tr>
<tr>
<td>EL</td>
<td>8.7</td>
<td>62.9</td>
<td>14.2 (5.8)</td>
</tr>
<tr>
<td>E</td>
<td>7.9</td>
<td>77.1</td>
<td>16.6 (17.1)</td>
</tr>
<tr>
<td>F</td>
<td>15.5</td>
<td>78.8</td>
<td>25.6 (31.6)</td>
</tr>
<tr>
<td>IRL</td>
<td>16.7</td>
<td>74.0</td>
<td>27.1 (23.2)</td>
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<tr>
<td>I</td>
<td>12.4</td>
<td>74.7</td>
<td>24.0 (13.4)</td>
</tr>
<tr>
<td>L</td>
<td>10.7</td>
<td>87.8</td>
<td>25.3 (20.9)</td>
</tr>
<tr>
<td>NL</td>
<td>29.1</td>
<td>78.9</td>
<td>54.6 (68.1)</td>
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<tr>
<td>A</td>
<td>10.8</td>
<td>89.1</td>
<td>22.0 (29.5)</td>
</tr>
<tr>
<td>P</td>
<td>7.9</td>
<td>81.3</td>
<td>14.1 (9.5)</td>
</tr>
<tr>
<td>FIN</td>
<td>7.9</td>
<td>68.6</td>
<td>10.2 (15.6)</td>
</tr>
<tr>
<td>S</td>
<td>14.2</td>
<td>76.3</td>
<td>22.6 (41.8)</td>
</tr>
<tr>
<td>UK</td>
<td>23.1</td>
<td>82.8</td>
<td>40.1 (44.8)</td>
</tr>
<tr>
<td>Norway</td>
<td>21.2</td>
<td>80.0</td>
<td>36.8</td>
</tr>
<tr>
<td>Switzerland</td>
<td>25.4</td>
<td>82.5</td>
<td>47.8</td>
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<tr>
<td>Turkey</td>
<td>5.8</td>
<td>63.7</td>
<td>12.7</td>
</tr>
<tr>
<td>Iceland</td>
<td>20.0</td>
<td>82.8</td>
<td>33.0</td>
</tr>
<tr>
<td>Hungary</td>
<td>3.3</td>
<td>71.3</td>
<td>5.0</td>
</tr>
<tr>
<td>Czech Rep</td>
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<td>68.9</td>
<td></td>
</tr>
</tbody>
</table>

Table 3 - Part-time workers in Electricity, Gas & Supply, Public Administration, and Health & Social Work (%), 1997

<table>
<thead>
<tr>
<th>Country</th>
<th>Electricity, gas and supply</th>
<th>Public administration*</th>
<th>Health and social work</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>All</td>
<td>Men</td>
<td>Women</td>
</tr>
<tr>
<td>AT</td>
<td>5.3</td>
<td>2.9</td>
<td>21.9</td>
</tr>
<tr>
<td>BE</td>
<td>2.4</td>
<td>0.0</td>
<td>18.2</td>
</tr>
<tr>
<td>DE</td>
<td>4.9</td>
<td>1.1</td>
<td>21.9</td>
</tr>
<tr>
<td>DK</td>
<td>8.5</td>
<td>3.1</td>
<td>32.8</td>
</tr>
<tr>
<td>ES</td>
<td>0.4</td>
<td>0.5</td>
<td>0.0</td>
</tr>
<tr>
<td>FI</td>
<td>1.0</td>
<td>0.2</td>
<td>0.0</td>
</tr>
<tr>
<td>FR</td>
<td>4.9</td>
<td>6.7</td>
<td>15.7</td>
</tr>
<tr>
<td>GR</td>
<td>1.0</td>
<td>1.3</td>
<td>3.5</td>
</tr>
<tr>
<td>IE</td>
<td>4.7</td>
<td>1.6</td>
<td>24.1</td>
</tr>
<tr>
<td>IT</td>
<td>2.5</td>
<td>1.1</td>
<td>11.5</td>
</tr>
<tr>
<td>LU</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>NL</td>
<td>12.2</td>
<td>7.1</td>
<td>49.4</td>
</tr>
<tr>
<td>PT</td>
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<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
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<td>8.4</td>
<td>2.8</td>
<td>28.1</td>
</tr>
<tr>
<td>UK</td>
<td>6.8</td>
<td>2.0</td>
<td>23.6</td>
</tr>
</tbody>
</table>


4. Equal Opportunities and Working Time

Working time has become a vitally important tool for women. Not only are reductions in working time and policies to redistribute work potentially beneficial to women, they also have the effect of making a fairer balance between home and work, and therefore the sharing of family responsibilities, a reality. This is good for all working people, but also for the possibility for women to have more control over their working time (European Commission, 1998b).

Across Europe women are systematically paid less than men and they are likely to work in jobs that exploit rather than recognise their potential. Women are also under greater pressure to provide child and elder care in the home at a time when social policies and state support are being cut. At the same time women’s participation in the labour market has been the main source of employment growth in Europe, a trend that is expected to continue into the next century\(^\text{10}\).

There exists an intensively structured feminisation of the workplace, which is particularly evident in the public services (Weber and Foster, 1998). Service sector employment (in health, education, distribution and other service industries) accounted for nearly one half of employment growth between 1991 and 1995, much of which was part-time, low paid and insecure. It is evident that low pay is more prevalent amongst women than men and this is a major cause of poverty for women during their working lives and in later life because it often

\(^\text{10}\) The European labour market has grown by nearly 30 million workers in the last 30 years, of which an estimated 25 million are women. Since 1980, 12 million of the new 15 million entrants into the labour market have been women. A similar trend can be seen in the EFTA countries where 2 million of the 2.5 million entrants to the labour market since 1960 have been women (European Commission, 1996). In 1992 women represented 41% of the European labour market (compared to under 30% in 1960). The most significant rise has been in the participation of women in the 25-49 age group, from 34 per cent in 1960 to 67 per cent in 1992, whilst at the same time there has been a similar proportional decline of the male participation rate within this age group.
fails to produce an adequate pension (European Parliament, 1994). Women’s employment insecurity can also be seen from their more vulnerable positions in the labour market, since women are, first, more likely than men to both enter and leave employment, and second, to be more at risk of unemployment.

Of particular importance to trade union strategies on working time are initiatives that integrate a gender perspective. Integral to this are mechanisms to ensure that flexibility is properly regulated and developed within a framework of choice for employees. According to Catelene Passchier of the Dutch FNV “.. a working time policy is not a good policy if it does not take account of part-time work and the effects of reductions in working time on part-time workers.11

Therefore, one of the key objectives of working time policy is its potential for enhancing equal opportunities and reconciling family and working life. For this reason it is important to recognise the specific circumstances of women’s working time. According to Rubery, Smith & Fagan (1995):

Time is a gender issue. Women have to divide their time between domestic and wage work while men still concentrate on wage work....Women may require work organised along a different time dimension to men’s, but this provides a basis for differentiation and segregation of the labour force by gender. (p.1)

This wider context of ‘time’ becomes relevant when family and domestic roles are taken into consideration. Surveys continue to demonstrate that despite more egalitarian attitudes to family roles, men continue to do systematically less domestic work than women, leading to a large share of working time devoted to unpaid work in the home by women. The undervaluing of women’s work and skill is closely related to their relationship to production. Evidence from the European Community Household Panel survey (European Commission, 1997) shows that despite the large numbers of women in paid work, women across Europe still carry out the bulk of family and household responsibilities. Women in the Netherlands and Denmark have more help from their partners in looking after children than they do in any other European countries. This is at its starkest when consideration is given to the levels of unpaid work carried out by women across Europe. In the EU, 81 million women were engaged in unpaid work in the home and a further 9 million work unpaid in family businesses. If this unpaid activity was recorded this would represent between 30 per cent and 75 per cent of GDP in Europe and contributes huge savings in public spending, for example, in childcare, elder care (Crew Reports, 1993).

Across Europe, women work shorter daily, weekly and lifetime hours than men. The disparity between women’s and men’s working hours is the most marked in countries where working hours are long and where overtime is common. Overall, women work 35 per cent of total labour hours (29 per cent full-time, 6 per cent part-time). In the Netherlands, where part-time work is regulated and protected and where longer part-time hours exist, part-timers contribute a total of 16 per cent of total labour hours (European Commission, 1996a and 1996b, Rubery, Smith & Fagan, 1995). It is estimated that by the year 2001 more than half the workforce will be female, there will be more than 7.5 million part-time workers (one third of the workforce), four in every ten employees will be managerial and professional, personal services including care and catering jobs which will increase by half a million (Lindley, 1994).

The life cycle of women’s working hours is relevant in the broader context of public policy, particularly in supporting working mothers. In this respect, the level of the increase in women’s participation in the labour market varies across Europe. Women are more likely to work continuously in the Scandinavian countries and France, than elsewhere, whereas the

11 Speaking at EPSU seminar on working time, Brussels, March 1997.
incidence of motherhood has a profound effect on women’s overall labour market participation and working hours. Women’s activity rates and working hours are, therefore, affected by the incidence of motherhood and in turn by access to publicly funded childcare. Whilst activity rates exceed 60 per cent in the Scandinavian countries, France, Belgium and Portugal, they fall sharply in other European countries. Working hours are sharply reduced with motherhood in the United Kingdom, whereas mothers employed in the Scandinavian countries, France and Belgium are likely to move to more moderate hours (21-35 hours), whilst women in Greece and Portugal are unlikely to reduce working hours overall, owing to limited arrangements for part-time work and publicly funded childcare.

Nevertheless, younger women are less likely to experience labour market interruptions and there is a growing trend towards more continuous employment for women in permanent jobs. This contrasts sharply with the new areas of labour market growth, typified by non-contractual, temporary and part-time work. However, mothers have higher rates of part-time work than any other group in the labour market. Here part-time work is used as a substitution for full-time work. As a result family responsibilities constrain women’s employment flexibility and choices, reduce their chances of promotion and often force them into part-time work. Part-time workers face many disadvantages in the labour market, in their pay, access to promotion and job insecurity (European Commission, 1996b). Part-time work is associated with lower status, lower paid work, with poor access to seniority, promotion and training. For instance, women who move into part-time work are likely to experience a loss of occupational status in the UK and Germany, whereas in the Netherlands the effect on status is not so marked (Rubery, Smith & Fagan, 1995).

In Finland, working time experiments in the municipalities and in the health sector to introduce a six hour shift, part-time pension, work rotation experiments and part-time benefit, have been designed to divide work, create new jobs and allow for a more equitable sharing of work and family life. However, according to the Finnish Member Affiliates of EPSU (1998) research shows that it is largely women who take up these schemes, which have largely encouraged part-time work. The effect is that:

The Finnish labour market and the financial well being of families is largely based on the high percentage of women who work full-time. This is why these new models have inevitably led to a lower income level for families in general and especially to the lower income level of women.

The danger, therefore, is that working time policies, supported by compensation from the state, can have the effect of legitimising women’s exit from the labour market, and further undermining their labour market position. This is of concern to a large number of public service unions across Europe, who have attempted, in recent years, to integrate gender issues into working time policy. Nevertheless, a strategy of a reduced working week can have important equal opportunities effects. In particular, the European Commission’s Network of Experts on Employment have argued that financial incentives, through the tax and social security system are important to ensuring that working time initiatives regarding the “...length and organisation of working time be consistently in favour of greater equality and more individual control over one’s time” (Bettio, Del Bono and Smith, 1998, p.2).

Of additional importance are the debates about the effectiveness of mainstreaming equal opportunities into the social dialogue at the national and European levels. Women are largely absent from the social dialogue at the European level and women continue to be under-represented at the national level. It is clear that different approaches to collective bargaining across Europe also impact on the extent to which equality is integrated into bargaining structures. However, good examples of equality policies in the public services do exist in a number of countries (Weber and Foster, 1998). Yota Kravaritou’s study of collective
bargaining and equality (1997) identifies three main groups of countries in relation to their roles in equality bargaining and concludes that:

Collective bargaining on equal opportunities exists in varying degrees in all member states, though it may lie under the surface of the bargaining system as it has not yet fully emerged or developed. However, even in the countries where it is most developed – such as the Nordic countries, Belgium and Italy – it remains ‘very limited or even marginal’. It is the countries where bargaining plays an important role in regulating employment conditions that the integration of bargaining and equal opportunities is most developed…In countries where legislation plays a more important role in regulating employment conditions, collective agreements aimed at helping women combine work and family or at encouraging the alignment of women’s careers with men’s are regarded as promoting equal opportunities (p. xiv)

The European Commission has urged the social partners to include a stronger focus to women and equal opportunities mainstreaming in their work, by considering gender-specific effects on concepts and measures which are considered to be gender-neutral (European Commission, 1996; ETUC, 1995). In addition, the European Commission continues to argue that the reconciliation between work and family life in Europe is key to equality between women and men. However, it is clear that this has not gone as far as the Commission would have liked (European Commission, 1998b). The importance of applying mainstreaming to both the social dialogue and to initiatives on working time is growing in importance in trade union negotiations (see chapters 5 and 6 for further discussion of how working time agreements have impacted on equality in the public services).

This discussion has shown just how important working time is to women. Indeed, a growing literature shows the extent to which equality issues have been marginalised in trade union collective bargaining in a large number of countries. The persistence of inequalities faced by women has led to working time strategies in some countries, particularly the Nordic countries, where working time initiatives have been developed to assist in making home and family life more compatible. Perhaps the most advanced of these has been in Sweden where parental leave and other working time policies are geared primarily to enhancing equality, with job creation often a secondary consideration. According to Bettio, Del Bono and Smith (1998) flexible working schedules (flexi-time, job-sharing, leave schemes and reductions in working hours) have the potential to benefit women and redistribute work and family life, and in some cases result directly from demands of women employees. They argue that the social security and taxation system can be reformed with incentives to penalise both long and short hours, thereby removing the distinctions that currently exist between full-time and part-time work, thereby ensuring that working time enhances equality.

They conclude by arguing that:

A co-ordinated policy approach to satisfy the twin objectives of reconciling work and personal life and redressing the gender imbalance in the distribution between paid and unpaid work is required. Co-ordination at central policy level and at local government level is necessary if new working time policies are to ensure that bridges and not traps are offered to working mothers during child rearing (p.26)

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12 1) Countries where working time and regulation through bargaining is comprehensive (Austria, Denmark, Finland, Germany, Sweden and to a lesser extent Belgium, France and the Netherlands. 2) Countries where there is limited effectiveness in applying agreements (Greece, Portugal and Spain, or patchy, Luxembourg. 3) Countries where collective bargaining is less important and where individual contracts determine working conditions of at least 40 per cent of the labour force (Ireland and UK)
5. Job creation, employment policy and working time

High unemployment across Europe has prompted new debates about the linkages between the retention and creation of new jobs. These concerns have led to solidarity initiatives in a number of countries and strategies to link innovative ways of reorganising working time with job creation. In the public services concerns about job losses has led to new thinking about the retention of existing jobs, whilst concerns about unemployment across the economy have led to agreements which link working time reductions with the creation of new jobs. Specific examples of these initiatives can be found in chapters 5 and 6.

According to the OECD (1998) there are a number of economic benefits to be derived from reduced working hours. In the public services reduced working time can have a number of benefits to employers and employees. First, they can have the effect of increasing hourly productivity, given that work can be more intensive and productive and employees take fewer breaks. Second, reduced working hours may enable employers to reorganise working schedules, which may be incompatible with the flexible delivery of services, and thereby increase the quality and delivery of services to consumers. Third, additional costs can be saved to the employer by increasing flexibility, for instance through annualisation of hours or through part-time work.

For employees, the benefits of reduced working time are tied up with reducing levels of stress and fatigue at work, improving the quality of life, and allowing for a better balance of work and family life. In practice, reductions in working hours without loss of pay have been largely agreed where flexibility agreements have been introduced in the public services. Where reduced working hours have been agreed that result in reduced pay, these agreements have largely benefited workers in higher wage countries, in meeting working time preferences for more leisure or family time. Overall, the public service trade unions have pressed for full pay or adequate compensation as part of a package of reduced working hours.

Table 4 shows the extent of unemployment in the fifteen member states of the EU and Norway. It is not surprising that those countries which have the highest rates of unemployment are those which have developed the most groundbreaking initiatives on working time to create new jobs.

### Table 4 - Unemployment rates, EU and Norway, 1989-97 (%)

<table>
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<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
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<td>5.1</td>
</tr>
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In the context of a renewed interest in the effects of working time on employment, economic modelling research by the Swedish National Institute of Economic Research (KI) for the SKTF/TCO reveals some interesting findings; notably that a one per cent reduction in average working hours over the next five years would increase employment by 3.7-4.9 per cent, with a corresponding fall in unemployment of between 1.7-2.4 per cent\textsuperscript{13}. Moreover, this would have a marked effect on public finances which would rise by an estimated SEK 10-19 billion, with savings in the public sector of between SEK 6.5 billion and SEK 16.6 billion brought about by savings in benefits and housing payments to unemployed people. Although it is predicted that domestic purchasing power would fall and economic growth would be adversely affected by these reductions, it is anticipated that working time reductions could be achieved whilst retaining real wages and salaries. For instance, a full-time worker who reduced working hours from 40 to 38 hours a week would experience lower relative wages as a result of these working time reductions and reduce overall purchasing power (SKTF/TCO, undated). It is likely, however, that these highly positive figures on the employment effects of shorter working time could be achievable in Sweden because of the combined effects of an active labour market policy and relatively low structural and long term employment, in comparison with other European countries, and would not be automatically transferable to other countries that face different and varying labour market conditions.

Trade union strategies have likewise been proactive in attempting to retain jobs in the public sector, at times when job cuts have been threatened. For instance, in Germany job cuts in the public sector, coupled with rising unemployment and little prospect of structural recovery, has led the public service unions to look at new strategies that link working time with job retention. Between 1991 and 1996 over three-quarters of a million jobs were cut in the public sector and these have been masked by the rising number of part-time jobs. Thus while employment fell drastically, the number of employees did not fall as sharply. For instance, in 1994/5, a cut of 24,000 full-time jobs in the administration of the Länder, was partially offset by an increase of 9,000 part-time jobs (DAG, 1998). As a result the German DAG union have argued that:

The employees in the public sector, as <occupants> of jobs, are faced with the question of making a contribution to the fair distribution of work as a show of solidarity...It is not acceptable that the remaining employees in the public sector come under increasing pressure to perform, have to work even harder, and have to work a substantiated yet concealed quality of overtime, while the number of people excluded from the jobs market continues to grow (p.4 translated from German).

Although there is no direct link between working time reductions and job creation\textsuperscript{14}, research on shorter working hours in Germany indicates that reduced working hours can lead to job replacement of up to 70 per cent of the reduced working hours in the private sector, whilst raised productivity accounts for the remaining 30 per cent of reduced working hours (Seifert et al, 1991), and an increase of nearly 5 per cent in employment growth in the public sector (SKTF/TCO, undated). Research also indicates that employment increases at a faster rate than unemployment decreases since new jobs resulting from shorter working time tend to be filled by groups who are outside of the labour market, particularly women (SKTF/TCO, European Commission, 1997a).

Reducing working time can be the key to job creation. Holland (1997) argues that up to 20 million new jobs could be created through a number of innovative strategies at the European level. This includes using proposals for the European Investment Fund to directly create jobs, with more investment in jobs in the social and care fields, and reductions in hours to 1400 annually. He argues that because public services are labour intensive, the potential to create jobs is high. In health and social work where EU average annual hours total 1570, a reduction to 1400 could create 1.2 million new jobs, whilst in public administration where working time averages 1670 a year, a further 1.9 million jobs could be created.

\textsuperscript{13}This is based on the assumption that in the private sector job replacement would be 70% in the private sector and 100% in the public sector.

\textsuperscript{14}Inge Janerius, Swedish LO, speaking at the EPSU seminar on working time, March 1997
This potential for job creation in the public services is reflected in recent European Commission thinking (1998i), discussed in chapter 3 above, and was reflected in its Report and Communication on Local Development and Employment Initiatives (European Commission 1995a, 1995b, respectively). The report identified seventeen areas of need, including home helps, childcare, assistance to young people facing difficulties, security, better housing and local transport services, culture, and waste management. Creating jobs in these areas could lead to 400,000 new jobs a year across Europe. It is precisely in these areas where needs are crying out to be met that job creation can take place. Reductions in working hours and job rotation is a route to achieving this and can result in savings in unemployment benefit, whilst also improving the quality and provision of services.

The European Parliament (1996) has likewise been discussing a number of proposals for reducing working time to create jobs. The ‘Rocard’ report on reductions in working time proposes five models of working time reductions in order to create new jobs. These include introducing more flexibility to enable partial and early retirement, voluntary part-time work, reductions in overtime, reducing the working week, and integration of vocational and continuous training throughout working life, and finally sabbatical leave schemes. For instance, it is estimated that 2 million jobs could be created by a gradual reduction in overtime. The report argues that expenditure on benefits to unemployed people could be used to financially compensate for reduced working hours, whilst at the same time prevent redundancies and create new jobs for unemployed people. Finally, the report suggests that reductions in working hours would need to be compensated for directly in the public services, where productivity gains may not be so easy to measure, whereas in industry productivity gains may offset any need for compensation.

Similar proposals to reduce and reorganise working time in order to create jobs have been made by the ETUC (ETUC/LRD, 1994 and ETUC, 1995) and the Economic and Social Committee (1995). However, it is clear that where agreements specify job creation targets, it is evident that successful outcomes can result. Examples of these agreements in a number of European countries can be found in chapters 5 and 6.

In a number of European countries the concept of worksharing has been developed in order to find solutions to high unemployment through reorganised and reduced working hours. This is well developed in Germany in the private sector (IG Metal, IG Chemie), in France and Belgium, where the government has gone the furthest in introducing radical initiatives to reduce unemployment, in Denmark, through leave schemes, and in Finland where the government has introduced work sharing with financial assistance from state. Under these models of worksharing the state partially finances various models of work sharing, although most do not give full compensation to the workers for the reduction in working time.

Experiments in work sharing across Europe tend to be characterised by a compromise between different group interests (Høgsnes & Rogstad, 1996). Whilst this may sometimes be based on notions of solidarity between workers and the unemployed, it can also suit the competitive interests of industry or public services. Nevertheless, there still remains uncertainty about the extent to which working time reductions can lead to new jobs. According to the OECD (1998) there is an uncertain connection between reductions in working hours and job creation:

> Recent analyses confirm the importance of negotiating wage moderation and reorganisation of working practices, concurrently with the implementation of hours reductions. Overall, taking into account the most recent evidence, it appears that reductions in normal hours may lead to some overall job creation, and to some job losses being avoided or delayed. However, there is no reason to believe the number of extra jobs will be large, and the risk of job losses cannot be ruled out. (p. 182)
Using a macro-economic model for the Norwegian economy, Cappelen (1996) argues that the effects on employment in the short run depend on whether compensation is given or not (based on the assumption that increases in wages have negative effects on employment), whereas wage compensation does not have negative effects in the long run.

**Reductions in working hours and social security incentives**

Subsidies or incentives to reduce working hours are part of a package of new innovations in working time that are emerging in some countries, in order to create new jobs and sustain employment levels. These subsidies or incentives include subsidies to employers to encourage working time reductions, voluntary reductions in working time, and long term leave, all of which result in replacement of staff.

Subsidies have been introduced in France and Belgium, which reduce employer social security contributions as an incentive to reduce weekly working hours from 39 to 35 hours. The Belgian Vandelanotte Plan provides a reduction in employer social security contributions to companies in difficulty that introduces a 32-hour week in order to preserve employment. This has been further developed under the 1997 Smet Plan to create employment, which aims to further promote a 32-hour week and target unemployed job seekers on part-time contracts. The bulk of this job creation has taken place in the public sector where it is anticipated that 85,000 long term unemployed people will benefit from the scheme (EIRO, 1998r).

This policy is viewed with some controversy by some trade unions, the OECD and the EU. The OECD argue that reduced social security contributions can suffer a similar fate as marginal employment subsidies in that they could suffer from dead-weight and displacement effects. This is explained as follows:

Dead-weight effects occur when firms benefiting from the subsidy intended to reduce hours and increase employment in any case. Displacement effects follow if the same firms are able to use the subsidy to reduce prices and take market share from competitors. There is also the danger that the extra jobs will be maintained only as long as the subsidies last...overall net employment gains may be significantly smaller than the gross rise in employment in participating firms. The net budgetary cost would then be correspondingly higher. (OECD, 1998, p 173)

It is difficult to determine how effective these subsidies are in practice, given the limited empirical evidence available. Likewise, the employment effects of the French 35-hour week policy is difficult to evaluate given that the subsidy is payable to the employer for seven years, whilst the jobs need only last for two years. The obvious danger is that job creation could be short lived, although it is still too early to assess the results of the agreements that have been signed in various areas of the public sector in France (see chapter six for a more detailed discussion of agreements reached in the public services in France).

Regarding incentives given to employees to reduce working time, it is clear that the leave schemes in Denmark, Sweden and Finland, and the career break scheme in Belgium provide generous incentives for workers to voluntarily leave the labour market, with social security payments, in order that an unemployed replacement worker can gain temporary work experience in the labour market. To date there is little empirical evidence to show the actual employment effects of the schemes, although they have been highly popular with employees.

On a broader note the European Commission has argued that shifting the tax base from employers onto non-labour consumption and production taxes would have an important effect on job creation. There is no doubt that this would have a significant effect, also, on employers’ incentives to reduce working time in those countries where employer contributions remain relatively high (European Commission, 1998g, 1998i).
6. Working time preferences

Although data on employee preferences in working time is problematic and requires cautious interpretation, it does give some broad indication about the types of working hours and working times which employees would prefer. These attitudinal surveys show that countries where hours of work are relatively low are those that have the highest preference for fewer hours, whilst that for higher earnings is weak (OECD, 1998; ISSP, 1989). Nevertheless, the preference for increased earnings remains higher than the preference for reduced working time, although the trend is moving towards more preferences for reduced working time (except in Greece, Italy and Spain). There is growing evidence to suggest that larger numbers of employees are seeking more control over their working hours, with a growing number of employees seeking individually negotiated working times. For instance:

- Preferences for reduced working hours and more flexibility are shared by workers and across Europe, although in some countries, increases in pay are a higher priority (Italy, UK, Portugal, and Ireland).

- A survey by the Danish National Institute of Social Research found that control over working hours was a growing preference of employees. Parents, and women in particular, sought more flexible working hours, and in a large number of cases women wanted to work reduced hours in order to spend time with their families, but with the possibility to return to full-time work when family commitments eased.

- Survey data in the UK also shows that large numbers of employees would like to reduce their working hours, whilst large numbers of part-time workers would want to increase their hours (TUC, 1998).

- The SKTF’s recent two yearly survey revealed that 55 per cent of employees favoured a reduction in working time, of these 75 per cent stated that they would prefer a working time reduction rather than a pay rise. A further 70 per cent stated that they would favour more flexible working time in order to manage high and low work demands, with 40 per cent preferring a shorter working day, 35 per cent a shorter working week, and 17 per cent a longer vacation. A further SKTF survey of Personnel Managers in local and regional government reveals that employers believe that working time reductions of 2.5 hours a week for full-time workers will result in increased hours for part-time workers, new jobs, and protection of existing jobs. However, the survey shows that employers would be less likely to agree compensation in pay for these reductions in hours (SKTF, 1997).

- In the EU, in 1997, 20 per cent of those working part-time said that they did so because they could not find a full time job (ranging from 10 per cent of part-timers in the Netherlands and Austria, to 40 per cent of part-timers in Greece, Italy and Finland (European Commission, 1998i).

- Finally, it is estimated that approximately one third of women full-time workers and 13 per cent of male full-time workers would prefer to work part-time, and a large number of workers would trade working time reductions for wage increases (with the highest support for this found in Denmark and the Netherlands) (Rubery, Smith & Fagan, 1995).

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15 Survey results provided by Mats Hjerpe (SKTF)
CHAPTER 4

APPROACHES TO WORKING TIME IN THE PUBLIC SERVICES: NATIONAL APPROACHES, PERSPECTIVES AND PRIORITIES

1. Working time in the public services at the national level

This chapter looks at working time developments in the public services thematically, identifying trends and influences at the national and local levels, and the variations and similarities in approaches taken across Europe. It focuses on legislative developments and collective agreements affecting the public services. Case studies and examples of agreements are provided in order to show positive examples and innovations in working time. The following approaches to working time are discussed:

- Trends in working hours
- Flexible work
- Flexible working time
- Part-time work
- Reductions in working hours: worksharing and redistributing work
- Reductions in working hours and job creation
- Annualisation of working hours
- Time banks/working hours accounts
- Leave schemes and job rotation
- Equal opportunities, parental leave and working time

Tables 5 and 6 provide a summary and overview of these developments, whilst Chart 1 identifies the influence of legislation and collective agreements on working time in the public services.

Working time developments in the public services in Europe are set within a wider context of high unemployment, restraints on public budgets, and growing flexibility in the labour market. The pressure on wages and public expenditure is brought about, on the one hand, by growing demands on welfare budgets, as a consequence of demographic change and high unemployment, and, on the other hand, by the need for governments to reduce expenditure in order to comply with the convergence criteria for EMU. This has led to a reduction in disposable income and a negative impact on jobs. For instance, in France no wage increases took place in 1996 and in Sweden increased taxation and cuts in welfare services outweighed moderate wage increases in the public services.
Table 5 - Working hours in the public services, 1996/7

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<th>Agreements: average weekly hours</th>
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✓ Indicates where agreements and / or legislation have been introduced
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✓ Indicates where agreements and/or legislation have been introduced
* Indicates where specific job creation measures have been introduced as part of the agreement and/or legislation
Chart 1: Trends in working hours: summary of legislation and collective agreements

<table>
<thead>
<tr>
<th>Country</th>
<th>Legislative framework</th>
<th>The role of trade union and the development of collective agreements</th>
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<td>Belgium</td>
<td>Legislation provides for reduced maximum weekly working hours from 40 hours to 39 hours from 1 January 1999, with flexibility to increase daily and weekly hours, alongside measures to encourage reductions in working hours by reducing employers' contributions in sectors of the economy facing restructuring or difficulty. Additional legislation passed in July 1996 enables agreements to be amended to take account of annual working hours.</td>
<td>Working time negotiations in Belgium came to a halt in 1996 following the breakdown of the Belgium social dialogue after the ‘Contract for the Future of Employment’ failed. Trade unions had been negotiating for a linkage to be made between wage restraint, on the one hand, and flexibility, reorganised working hours, job security and job creation, on the other hand (IDS, 413). Collective agreements enable working time to be reduced further than the 39 hours set in the legislation and in practice collective agreements tend to average 38 hours in the public sector. A further effort to reduce unemployment and create new jobs led to the Belgium government’s launch of a new controversial plan for jobs, first, by introducing a new plan to use unemployment benefit as a jobs subsidy, and second, to promote a 32 hour working week (EIRO, 1997b).</td>
</tr>
<tr>
<td>Austria</td>
<td>The 1997 Working Time Act: transposes the Working Time Directive, enabling flexible and annualised working time models to be negotiated through sectoral agreements, with longer working days and shorter working weeks, extended periods of leave, a maximum 48 hour working week. The objective is to introduce flexible hours by substituting overtime for time off in lieu; hours can be averaged over a four-week reference period, which can be extended to 12 months under certain circumstances.</td>
<td>In February 1997 a national agreement was reached on working time, reaffirming the exclusive role that collective agreements play in flexible working arrangements. The agreement is considered to be a significant victory for a social partnership approach in industrial relations and led to the new legislation being introduced in May 1997. A number of agreements have been introduced on flexible working hours in the public sector (EIRR, 278). Normal working hours are 40 hours a week, with extensions to this permitted with a particular reference period. Working time legislation covers all employees, with the exception of some public servants. In practice, collective agreements set working time at an average of 38.5 hours.</td>
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<tr>
<td>Denmark</td>
<td>Legislation introduced a 40-hour working week in Denmark in 1991.</td>
<td>Working time regulation in Denmark largely takes place through collective agreements, which normally set a 37-hour working week. Collective agreements are the main initiators of working time reductions (vis the national agreements in 1986, 1988 and 1990). There is a trend for Danish collective bargaining to be highly decentralised, with possibility of deviation from sectoral agreements over working time.</td>
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<tr>
<td>Country</td>
<td>Description</td>
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<tr>
<td>Finland</td>
<td>In February 1996 legislation introduced the Working Time Directive setting normal working hours at 8 hours a day and 40 hours a week. It reduces permissible overtime, introduces night work supplements, and enables hours to be worked flexibly over a four-week reference period.</td>
<td>At a sectoral level collective agreements determine actual hours, which average between 35 and 38 hours in the public services. Innovative working time experiments have been introduced in the public services which aim to redistribute work through job rotation programmes, reduced hours and voluntary part-time work. Working time policies have been closely tied a) reducing high levels of unemployment, b) increasing the productivity, efficiency and influence of work, and c) tackling work-related stress, the compatibility of work and family life, and the opportunity for women and men to take an equal role in society (Finnish Affiliates of EPSU, 1998). A number of agreements for experiments in working time have been developed in order to have a better understanding of the connections between the division of work, productivity, stress, and employment.</td>
</tr>
<tr>
<td>France</td>
<td>1998 legislation introduced the 35 hour week, (although the public sector remains outside the framework) extending the 1996 legislation on a 35 hour week. It introduces annualisation, flexible working hours and time hours accounts as alternatives to overtime. Exemptions from employers’ social security contributions are an incentive for the reduction and reorganisation of working hours.</td>
<td>Collective agreements have been important in introducing flexible working patterns and agreements for a 35-hour week in a number of sectors in the public services. This has not been without controversy. The trend has been towards sectoral bargaining and local company bargaining.</td>
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<tr>
<td>Germany</td>
<td>Working time is regulated through the 1994 Working Time Act to implement the Working Time Directive, allowing for the introduction of flexible working time through collective agreements, works council agreements or individual employment contracts.</td>
<td>Actual working time is set through sectoral agreements and a trend has been to trade reductions in hours for flexibility and decentralised bargaining. White-collar and manual workers in the public sector have a collective agreed right to reduce their working hours, whilst officials have a legal entitlement. It is in Germany that working time debates have been the most politically sophisticated and developed. However, during the 1980s and 1990s the experience of working time reductions had a limited effect on job creation. In the public sector there has been renewed activity in the area of working time, in the wider context of improving worker’s choices and preferences, and in restructuring and improving the quality of public services. In April 1998 new collective agreement for 3.3 million public service employees were signed after negotiations had broken down, although new working time arrangements failed to materialise as a result of the failure of the employers to grant working time reductions without</td>
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<tr>
<td>Country</td>
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<tr>
<td>Greece</td>
<td>Statutory maximum working hours are set at 48 hours per week and 8 hours a day, under legislation introduced in 1990.</td>
<td>Collective agreements in the public sector set working hours at 37.5 hours a week. Whilst no specific developments on working time have been introduced in Greece, a vigorous and heated debate has begun about working time and work organisation, promoted by legislation to extend shop opening hours.</td>
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<tr>
<td>Ireland</td>
<td>The Organisation of Working Time Act, 1997, sets maximum weekly hours, allowing for local collective agreements to vary hours in a reference period of up to one year. The Tripartite national agreement, <em>Partnership 2000</em> (1997-1999) is the fourth ‘national programme’ and allows for local bargaining on flexible working time.</td>
<td>Working hours are relatively low in the public sector (32 weekly hours for local authority/education workers, 34¾ hours for civil servants, 39 hours for general operatives (manual workers)). As a result the public sector unions consider issues of pay to be more important than reductions in working time. <em>Partnership 2000</em> has cascaded at a sectoral level to the public services and to workplace partnerships, with some interesting results regarding flexible working time. The <em>Strategic Management Initiative</em> was introduced in 1996 to modernise public services and develop new flexible working arrangements. The programme emphasises the role of national bargaining and social partnership.</td>
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<tr>
<td>Country</td>
<td>Legislation/introduction</td>
<td>Agreement/Reform/Goals</td>
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<td>Italy</td>
<td>Legislation introduced in June 1997 reduced normal weekly working time to 40 hours (the first statute passed on working time since 1923). In 1998 a bill introducing a 35-hour week from 2001, to be promoted through a range of financial incentives.</td>
<td>A 1997 intersectoral agreement applied the Working Time Directive with agreement reached on the maximum working hours, including overtime. The unions are clear that reductions in overtime and annualisation of hours can be traded off for less regulation in working time. Attention has been on the reorganisation of working time through the creation of new working time patterns. In the public sector this led to a number of agreements to extend opening hours. Sectoral bargaining plays an important role in defining trade-offs between reduced working hours and flexibility and local agreements have been important in introducing flexible working hours and annualisation.</td>
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<tr>
<td>Luxembourg</td>
<td>Legislation passed in 1970 sets a maximum working week of 40 hours and eight hours a day. Working hours can be distributed over five working days, up to a maximum of nine hours a day, and subject to Ministry of Labour exemptions up to ten hours a day. Exemptions are possible through bargaining to vary hours.</td>
<td>A number of collective agreements at sectoral level have established a shorter working week and the OGB-L and the LCGB have prioritised negotiation for annualised working time arrangements. Few working time arrangements in the public services have led to direct job creation.</td>
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<tr>
<td>Netherlands</td>
<td>1996 legislation on working hours transposed the Working Time Directive, allows for reductions in the working week to 35 hours and restrictions on flexibility, to be agreed through collective agreements or works councils. Legislation also protects the rights of part-time workers.</td>
<td>A landmark national agreement in 1996 introduced the twin goals of flexibility and security. Public service unions have been active in concluding agreements to reduce working hours in a number of sectors in the public services.</td>
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<tr>
<td>Norway</td>
<td>The Worker Protection and Working Environment Act, 1997, sets a 40 hour working week, with shorter working hours for shift workers, with modifications to normal daytime and weekly working, and working hours to be averaged out through collective agreement.</td>
<td>Sectoral and inter-sectoral agreements have recently reduced working time and with some agreements on flexible working time. Collective agreements do not normally distinguish between full-time and part-time workers, except in the area of pensions schemes in local and national administration$^{16}$. Collective agreements have also enabled flexibility in working hours within a reference period of one year.</td>
</tr>
</tbody>
</table>

$^{16}$ Correspondence from Jan-Tore Standås, NKK
<table>
<thead>
<tr>
<th>Country</th>
<th>Legislation and Development</th>
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<tr>
<td>Portugal</td>
<td>Legislation to reduce working time and introduce job flexibility came into force in 1996, transposing the Working Time Directive. It reduces maximum normal weekly hours from 44 to 40 hours, with flexible provisions that allow for extended daily and weekly hours averaged over a four-month period. The Decree-Law no 159/96 introduced the possibility for the progressive reduction of working hours from 40 hours to 35 hours per week on the basis of a one-hour reduction per year until 1999. Flexible working hours have also been introduced under the 1996 law, with average working hours of seven hours for 35 hour week and less than 37 hours a week and eight hours for more than 37 hours a week. In addition, in 1996 a three-day credit was granted to people working 40 hours per week as a transitional measure. Collective agreements have extended provisions in the 1996 legislation resulting in a large number of agreements to reduce weekly working hours, alongside flexible work organisation and work rosters, as well as limiting part-time work. Agreements are being introduced to reduce the working week to 35 hours in a number of areas of the public services. A national tripartite agreement in January 1996 led to new legislation on working time reductions and job flexibility being introduced in Portugal in May 1996 (EIRR, 280, IDS, 414). In Portugal, the demand for a 40-hour working week has been a long-standing goal for both the CGTP and the UGT, with a longer time goal to reduce the working week to 35 hours. However, the implementation of the 1996 legislation has led to disputes in some sectors about whether the statute for introducing a 40-hour working week is no more than a mechanism to introduce flexibility in weekly working time, since the statute resulting from the Short-term Social Consultative Agreement does not envisage reductions in working hours, rather it presses for ‘effective working time’. This has centred on disputes as to whether breaks are regarded as working time. As a result, breaks are taken out of working time and working hours are not necessarily decreased in line with the legislation.</td>
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<tr>
<td>Spain</td>
<td>1994 legislation makes it possible for collective agreements to determine a wide range of employment matters, including some aspects of working time. The statutory limits to working time are 9 hours a day and 40 hours a week, and can be distributed over twelve months. Agreements in the public services have concentrated on the protection of atypical workers, particularly temporary workers, annualisation and reduced overtime. 50 per cent of agreements in 1995 had provisions that reduced overtime hours. The 1997 intersectoral agreement allows for collective bargaining on the working hours and the reorganisation of working time. Since 1997 these agreements have focused on flexibility in exchange for job retention and/or job creation.</td>
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17 Introduced on 4 September 1996 by the Council of Ministers, Portugal  
18 Correspondence from the International Department, SINTAP, 5.11.98
<table>
<thead>
<tr>
<th>Country</th>
<th>Overview</th>
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<tbody>
<tr>
<td>Sweden</td>
<td>The 1992 Working Time Act sets the maximum statutory working week at 40 hours, averaged over a four-week reference period. It allows for the possibility of exemption through collective bargaining at the national level. Further reforms to working time legislation are anticipated, including reducing overtime; with working time reductions achieved through annual leave entitlements. A new Working Hours Act has been drafted to implement the main provisions of the Working Time Directive. Although the draft legislation does not propose across the board reductions in working time, it does clarify issues regarding average maximum working time and overtime, to 48 hours over a four month period (SOU, 1996:145).</td>
</tr>
<tr>
<td>UK</td>
<td>On 1 October 1998 new working time legislation was introduced in the UK, providing regulation of working hours for the first time. The legislation transposes the Working Time Directive and allows for a limit of an average of 48 hours a week, although employees can opt out through individual negotiation with his/her employer. The regulations allow for flexible working time arrangements to be introduced subject to individual negotiation.</td>
</tr>
<tr>
<td>UK</td>
<td>Working time reductions have become an important activity in Swedish collective agreements in the public services since 1996. Collective agreements have set longer reference periods, annualised working time, and working time reductions. High unemployment has led to new agreements on working time to redistribute working time, particularly to enable part-time workers to increase their hours, rather than to create new jobs per se. Collective agreements state that full-time employees normally work 40 hours per week, with a maximum working week of 48 hours. For employees who work shift and weekend work the normal working hours are 38 hours and 15 minutes, and separate agreements on working hours exist for teachers and other public sector workers. The 1998 central bargaining round led to three year agreements with new provisions on the length and organisation of working time, allowing for agreements at a local level to determine how working time reductions will be introduced (either through reduced weekly working time, longer holidays etc) in return for more flexible working schedules (EIRO, 1998).</td>
</tr>
<tr>
<td>UK</td>
<td>In the UK large numbers of public service workers are covered by collective agreements, many of which have moved away from national to local bargaining structures. Before the implementation of the Working Time Directive, collective agreements have been the only route to regulation of working time. Working time agreements have tended to focus on developing more flexible working patterns, including shift-work and flexitime arrangements, rather than a generalised reduction in working hours. Whilst many public service unions report that although working time issues are important, pay issues remain at the forefront of negotiations and union activity.</td>
</tr>
</tbody>
</table>
2. Trends in working time in the public services

Chart 1 shows that working time is either regulated by collective agreement or legislation across Europe. Much of this legislation has been introduced as a result of the Directive on Working Time, which has laid the basis for a range of working time initiatives. Concerns about flexible working patterns and the need to modernise public services has led to some new and innovative approaches to the reorganisation and reduction of working time in the public services. The growth of part-time work particularly in the Netherlands, the UK, Sweden, Denmark and West Germany, and the growth of temporary work, particularly in Spain, has led to new strategies by trade unions. As a result collective bargaining has become increasingly focused on flexibility, reorganisation and reductions in working time in the public services, as attempts to maintain existing jobs and create new jobs have grown from defensive to offensive strategies in a number of countries, most notably France (see tables 1 and 2 for a summary of these initiatives).

Working time negotiations have been the most successful in northern European countries, particularly the Nordic countries, the Netherlands, France and Germany. All trade unions across Europe are striving for shorter working hours, although variations do exist in the aspirations of trade unions across Europe and the linkages that are made between working time reductions and job creation. Even within the national context there exist wide variations regarding trade union strategies and aspirations on working time.

As a result of different systems of industrial relations across Europe, a variety of different approaches have been taken. In summary, the following main trends can be found in working time in the public services across Europe:

- In some countries the reduction of working time has become the overriding preoccupation of working time policy, most importantly as a mechanism to assist in creating new jobs (for instance, France, Finland). In other countries the concern has been to introduce more employee-led and positive flexibility, for instance to increase family friendly policies and equal opportunities (for instance, in Ireland, Sweden and Norway).

- There has been an increasing demand for reduced working hours in a large number of countries. This has resulted in a growing number of collective agreements which have reduced working hours.

- Agreements that have introduced flexible working hours have grown in importance; indeed much of the recent national framework legislation allows the social partners to make specific agreements on flexible working time. This is reflected in a large number of agreements, which have introduced flexible working hours in the public services.

- Agreements on reduced working time and flexible working time have tended to move away from conventional reductions in working time; rather the trend has been towards more flexible reductions, via leave schemes, time banking and so on, over a life-time.

- An important trend in working time policy has been towards more individually negotiated agreements and individualised working time (for instance, through time banking, time swapping and individual working time contracts). Whilst these have been important in establishing more choice in working hours, these schemes work the best where there is strong legislation or central collective agreements setting out the minimum standards that must be applied to individually negotiated working time.

- Although there has not been a significant increase in overtime in the last few years, there has been growing evidence of employers’ reducing overtime in order to reduce costs. This has resulted in new forms of work organisation and scheduling of work, flexibility agreements, growth of part-time workers, or mechanisms to reduce the costs of overtime by translating it into banked hours.
• Although shiftworking is not unusual in those areas of the public services that require 24-service (most notably the health service), there has been an increase in shiftworking patterns in other areas of the public services. In Finland, the introduction of 6-hour shifts is an attempt to reduce working time, create new jobs and improve and extend services.

• Despite growing activity around the reduction of working hours, a number of countries still experience long working hours.

• Different strategies have been introduced to either encourage or discourage the use of part-time and temporary work and to regulate their incidence. In particular, attempts to normalise part-time work, by breaking down the distinctions between part-time and full-time work are increasingly common in the public services.

• Finally, an important trend has been to see working time as part of a concept of lifetime hours.

### Working time over a lifetime...lifetime hours

In the **USA** much discussion is taking place about **work/life policies**. This has led to new approaches to working life, for instance, in California and New York State; employees can select different working patterns depending on their work/life needs and preferences.

The **European Trade Union Confederation**, in recognition of the growing diversity of working time preferences, recognises that working hours over a lifetime may change at different stages in the lifecycle according to workers preferences and circumstances. For this reason they have promoted a concept of **lifetime working hours** to reflect this diversity as a way of promoting positive flexibility and the flexible use of working time over a lifetime. Using this idea it is possible to consider different working patterns over a lifetime, including periods of leave from the labour market for education/training or for parental/family responsibilities, different patterns of part-time or full-time work to suit family and other preferences, partial retirement and early retirement, and so on.

Jacques Delors proposed that lifetime hours should be 40,000 hours. Most people currently work 70,000 hours, and the ETUC consider this could be reduced to 50,000 hours if the above lifetime working model was implemented (Hoffman, 1997). In addition, the ETUC proposes that working time policy should set a goal of a four-day week, with reductions in working time to between 30 and 32 hours, and argues that:

> Only on the basis of a major reduction of working-time of this order is it possible to ensure that the employment effects will not be negated by productivity gains and that an effective contribution will thus be made to the reduction of unemployment...At the same time, possibilities for more diverse working-time arrangements must be created, in order to take account of workers’ changed preferences and specific living situations and increase their scope for personal choice. (ETUC/LRD, 1994 p.240)

Lifetime hours can help to reconcile different patterns of flexibility, paid and unpaid leave from the labour market and partial retirement. This can help to make flexible work more meaningful whilst also improving the quality of services at the same time. The concept of lifetime working hours is being discussed in **Sweden, Denmark and Finland** and provides an interesting model for individually negotiated flexibility over the life cycle, including part-time work, education/training leave, partial and early retirement, and so on.
**Long hours: a continuing problem in some countries**

Despite the long term goal of reduced working hours in the public services, long hours remain a continuing problem in some countries. They are synonymous with low pay and are frequently the result of high rates of overtime. In many countries working time reductions have been developed as a means of reducing overtime and long hours by introducing flexible working patterns. In Finland, reductions in hours have been introduced in the public services to reduce stress and fatigue, whilst in Sweden equal opportunities and the balancing of family and home life have been the objective of reduced hours. The problem of long hours is particularly acute in national and European administration where trade unions report that long working hours militate against collective agreements, owing to the poor implementation of agreements and a culture of long hours which has become necessary for career and employment prospects.

The UK has the longest working hours in Europe (TUC, 1995b and 1996). In 1996 3.9 million people worked more than 48 hours, compared to 2.7 million in 1984. According to the TUC 41 per cent more people worked more than 48 hours per week in 1996 than in 1984. In particular these long hours are worked by men, in 1996 three million men (28 per cent of full time male workers) worked 50 hours or more a week (Coates, 1997). Long working hours are detrimental to family life and health. A study by the Joseph Rowntree Foundation found that excessive working hours worked against equal opportunities and proper balance of family and work life, with one quarter of all fathers working over 50 hours a week and one in eleven more than 60 hours. Likewise, long working hours, combined with inflexible working hours have a negative effect on levels of sick leave. According to the Industrial Society people working agreed and negotiated flexible hours are less likely to have high rates of absenteeism (Labour Research, 1997a). This clearly indicates that long working hours do not constitute good employment practice, they work against equal opportunities, and result in low morale, fatigue and stress.

### 3. Flexible work

It is important here to distinguish between flexible work and flexible working times; the latter refers to the different ways of organising existing (largely full-time) work more flexibly. For the purposes of this discussion flexible work refers to the growing number of jobs which are flexible and which do not necessarily have fixed hours of work and which are temporary, including stand-by contracts, minimum/maximum hours contracts. The public services have not been immune from the growth of these types of flexible working patterns which now exist in varying forms in all European countries (OECD, 1998; European Commission, 1997a). In the Netherlands, the incidence of these types of jobs has doubled in the last ten years, representing 9 per cent of jobs in 1998, whilst the most dramatic increases in temporary and part-time work can be found in Spain. A gender imbalance exists in flexible working (in the Netherlands, flexible jobs are carried out by 6 per cent of the men and 13 per cent of women) and this is reflected across Europe.

In the public services this type of flexible working has been increasing, as employers require more flexibility from their staff. It creates different categories of workers and in the case of flexible workers assigns them to secondary positions in the labour market, with limited legal protection and differential terms and conditions, working hours and wages to ‘standard’ workers. Whilst public service trade unions have generally opposed these working practices they are aware of the dilemmas they also pose. For instance, the goal of the majority of agreements is to give temporary workers the same wages, hours and allowances as provided for in the collective agreements in the public sector and by limiting the number of temporary workers. However, it is clear that limits on the use of external flexibilisation, by reducing the number of flexible workers, can have an impact on internal flexibilisation, by placing more demands on permanent staff to work flexibly. This in turn could lead to more pressures to contract out or privatised services. This dilemma has, as a result, led to
agreements being made to increase the degree and extent of flexible working hours in the public services. Normally, this has led to agreements that trade off these flexible working hours for reduced working hours, a trend evident in a number of European countries.

**Flexibility and deregulated labour markets**

The flexible labour market has led to severe job insecurity and deteriorating working conditions across Europe. The UK has become one of the most deregulated labour markets in Europe, with recent employment growth being confined to atypical forms of employment (Labour Research, 1997a). Moreover the proportions of men working in flexible jobs increased from 15 to 22 per cent between 1986 and 1994, while the numbers of women only increased marginally from 50 to 51 per cent (EOC, 1996a).

Flexibility has often been achieved by introducing alternatives to full-time, permanent jobs, through enforced cuts and pay for existing employees, enforcing part-time working, use of zero hours contracts in the health service, greater use of part-time and short term temporary working, increased weekend working, and teleworking and homeworking. Combined with severe restrictions imposed on public expenditure and the privatisation and contracting out of many services, and pay restraint, public service workers have seen many of their conditions of work deteriorate in a climate of longer working hours. Compulsory competitive tendering in the UK has also had the effect of cutting wages and reducing working hours below national insurance thresholds, making workers, many of whom are women, cheaper to employ and denying them employment protection and access to benefits. In the UK, in 34 cases of local authority cleaning services, the hours of cleaning staff had been adversely affected (EOC, 1996b).

**The regulation of flexible work in the public services**

Experiences of the regulation of flexible work have varied in the public services across Europe. For instance, in the Netherlands legislation regulating flexible labour was passed in 1996\(^\text{19}\). However, the legislation was a compromise. In agreeing to some of the positive aspects of the legislation, which improve the legal position of flexible workers, the trade unions were forced to compromise on the inclusion of a clause which advocates an increase of flexible labour, despite the fact that the Dutch trade unions do not advocate such an increase. Nevertheless, the legislation goes a long way to regulating the growing incidence of flexible work by including the right to a contact with fixed working hours and the right to receive a wage when not directly employed, alongside a minimum three hour working time for stand-by employees. In addition, the legislation provides for restrictions on terms of probation, and on the number and duration of temporary contracts. A collective labour agreement for employment agencies also includes arrangements for paying wages to workers when not employed, and providing for terms of notice, pension schemes and professional training. In the UK a number of agreements have been introduced in the public services to protect temporary workers, and in one agreement in 1995 UNISON was able to force the management at the University of Newcastle to cease temporary contracts (Labour Research, 1996b).

With the highest level of temporary employment in the EU in Spain (34 per cent of all employment in 1996) it is not surprising that the regulation of temporary contracts has become an important priority in Spanish collective agreements. Working time issues in Spain have reflected concerns about unemployment and the growth of temporary work and the high incidence of overtime in the economy, rather than working time reductions per se. Despite some employment growth, Spain still has unemployment twice as high as the EU average (20 per cent in 1997). Youth unemployment has risen dramatically from 24 per cent in 1985 to 40 per cent in 1991. Moreover, temporary employment for young people also rose dramatically during this time, from 65 per cent to 80 per cent in 1991. In 1996, 96 per cent of

\(^{19}\) 1996 Flexibility and Social Security Act and the Allocation of Labour Force by Intermediaries Act
all contracts signed were temporary contracts, 67 per cent of which were for only three months (EIRO, 1997k). In addition, the large numbers of new women entrants onto the labour market have done little to reduce official unemployment figures, which continue to remain the highest in Europe. Moreover, much of the new women’s employment has also been temporary (Cousins, 1994). The 1994 legislation enables collective agreements to extend the scope of the law introduce flexible annual working time and reduce overtime hours. Fifty per cent of collective agreements in 1995 had provisions that reduced the number of overtime hours (EIRR, 268). In 1996, an estimated 62 million hours were official worked as overtime. Spanish trade unions are of the view that reductions in overtime can be used to create new jobs. A recent study by the Economic and Social Council estimates that up to 36,000 new jobs could be created through reductions in overtime (EIRO, 1997l). Although part-time work remains relatively low labour market reforms introduced in 1994 have led to a substantial increase in the incidence of part-time work, particularly for women workers (EIRO, 1997l).

Public service union positions on flexible work

In summary trade union positions on flexible work, reflected in the content of agreements, broadly speaking include attempts to:

- Limit the number and extent of external flexible employees in order to prevent undermining the protection of permanent employees.
- Improve the legal position of flexible workers.
- Control the level of internal and external flexibilisation.
- Negotiate on flexible working hours where this can be traded off against reduced working hours.

The growth of flexible work has posed dilemmas for public services unions. This is particularly the case in agreements for job rotation programmes (most notably in Denmark, Finland and Belgium) which have enabled temporary workers to replace employees who are taking extended leave. Whilst it is recognised that these schemes are important to providing work experience for unemployed job seekers, they do have the effect of creating a secondary labour market. Although it is uncertain the extent to which flexible workers move into other more secure forms of work, Kåre Skollerud (1998) argues that marginalised workers (defined as temporary and part-time workers) in Norway are likely to be integrated into the labour market over time. By looking at marginalised workers between 1989 and 1993, it was found that half of those in temporary employment had moved into permanent employment by 1993, whilst fewer changes were found amongst part-time workers moving into full-time work.

4. Flexible working time

Flexible working time has become increasingly common in the public services across Europe and the introduction of flexible working hours in the public services are now more frequently found than standard working hours in all countries with the exception of France (Olsen, 1996). In part these flexible working hours have been necessary to prevent the contracting out or privatisation of services as employers require more external and internal flexibility. Many unions have developed agreements that allow for the flexible scheduling of working hours in the public services, including agreements on flexitime and variable hours (annualised hours are dealt with in section 8 below). These agreements enable working time be evened out over a reference period of between one month and one year, with agreed core hours. Employees are often able to set their starting and finishing times, and can respond to work demands in more effective ways.

As a result a wide variety of models of working time allow for more effective work organisation and greater flexibility regarding the start and end of the working day, and most importantly giving employees more choice about their working times. The result is that the
trend has been towards more individually negotiated working time, often framed by national agreements. In addition, the restructuring of the public services has led to many new initiatives on flexible hours, particularly to allow for extended service provision. In Italy trade unions have been involved in discussions about job restructuring in response to first, cuts in public expenditure and the trend towards privatisation and the contracting out of services to the private sector; second, the additional pressures to improve the quality of services and respond to growing user expectations; and third trends towards greater decentralisation of services and administrative reform. In particular these dynamics of change have brought with them new forms of public sector management that requires more flexibility in the organisation of work (D’Orta and Talamo, 1996, Palidda, 1994).

Flexible hours are now common in the public services, often framed in national agreements which are then implemented locally. In Germany, 30 per cent of employees in the public sector work flexitime and this is implemented by local agreements. In Austria flexible working hours can be introduced at the Federal, regional and local levels so long as it fits in with work requirements; in Belgium a general framework regulation allows for implementation by local agreement; and in Denmark national framework agreements allow for individuals to agree their working time with their employer.

Examples of flexible working time agreements include:

- **Flexi-time arrangements** are common amongst clerical workers in the public sector in UK, Ireland, Italy, Germany and the Netherlands, allowing for choice in starting and finishing times, around core, compulsory hours. This particularly benefits women workers who can combine working hours with school opening times and school holidays (Bettio, Del Bono and Smith, 1998)

- In the UK, Ireland, the Netherlands and Germany, term-time working agreements have been signed by the public service unions, allowing working parents to take leave during school vacations. These agreements vary in the extent to which compensation is provided for a lower than average working year. In some agreements in the UK, payment is only made for the actual time worked, whilst other agreements even pay out over 12 months, although only nine months is worked. In the Netherlands, school cleaners work for 9.5 months of the year, their wages are paid for 11 months and the 12th month is compensated for by a vacation allowance.

- Flexible working time arrangements have been progressively introduced in the public sector in Ireland and according to the ICTU this offers new opportunities for parents to combine family and work life. These have included the introduction of flexitime, job sharing and career breaks, designed specifically to assist working women (ICTU, 1993).

- In Austria, flexible working time has been an important mechanism for trade union agreements regarding job security, working time reductions and compensation for time off, as trade-offs for flexible working arrangements. Flexitime agreements can also be set to extend daily working hours to a limit of 10 hours, allowing for time-off in lieu, rather than overtime. The Austrian public service union EGÖD has developed a new working hours model that can be introduced on a voluntary basis by teams of workers. The model replaces fixed scale payments for overtime by variable payments for times worked.

- Finnish public service trade union working time policy reflects the perspective of many public service trade unions across Europe, notably that shorter working hours are not a feasible strategy at the current time. It is worth noting that in Finland, discussions about the connection between working hours and employment in 1996, led the Finnish government and the central labour market organisations to prioritise flexible working hours and the redistribution of work in order to create new jobs, rather than a policy of generalised reductions in working hours.

- In Portugal, in the first half of 1997 agreements relating to non-wage negotiations largely concerned reducing weekly working hours, flexible work organisation and work rosters, and limits to part-time work (EIRO, 1997)). As in other European countries, concerns
about the growth of non-standard contacts and atypical work, pressures on public expenditure and rising unemployment have prompted a number of new developments in the public services. This led to reform of industrial relations in the public services in 1996, and to a number of new measures including increased security of employment in the public services for temporary workers, increased leave for older employees, and reductions in the weekly working time of workers and auxiliary staff (previously 40 hours) in alignment with the working time of public servants (35 hours), with the reorganisation of working time to be followed up in subsequent negotiations.

- In Spain flexitime agreements in the public services allow for more choice in working time around core hours of 9am to 2.30pm, and are implemented through individual negotiation.

### ÖTV strategies on working time: developing flexible working time

The ÖTV has 1.8 million members, of whom approximately half are women. Working time has become increasingly important to the union in direct response to job losses in the public sector. Between 1991 and 1995 450,000 jobs were lost, with a further loss of 132,000 jobs in 1996. Also public service workers work the longest hours in Germany (38.5 hours in the west and 40 hours in the East). The ÖTV’s manifesto makes it clear that:

> Employees who are given more of a choice in fixing their working hours tend to be more motivated; at the same time it makes it easier to adjust opening times to customers’ needs...the trend must surely be towards greater freedom for the employees to determine their own working hours and to translate these into new working time models (ÖTV, 1997a)

This has led to proposals for working time accounts for recording extra workload, overtime, bonuses for Sunday and public holiday work, and for on call or standby, which can be translated in time off. Experiments in flexible working time are also proposed, including part-time work, shorter lifetime hours, sabbatical leave, and early retirement schemes for workers with stressful jobs. The ÖTV argues that this should not lead to reduced conditions of employment and discrimination, with the right for employees to return to full-time work if this is chosen (ÖTV, 1997a). Experimental projects to develop more flexibility and enhance the modernisation of public services have been developed in a number of municipalities.

Other agreements affecting working hours are the 1994 agreement that extended the reference period for the calculation of weekly hours from 8 to 26 weeks, paving the way for more flexible working time. In 1997 the ÖTV sought to extend this to 52 weeks. There remains a commitment to work towards a 35-hour working week, reinforced by the preferences of many workers, particularly women, who want a decrease in working hours.

The 1998 collective agreement, covering 3.3 million German public service workers signed in April 1998, stalled further initiatives on working time. Reduced working hours and the redistribution of work to safeguard jobs was the ÖTV’s top priority in the 1998 collective bargaining round. A heated debate ensued in the ÖTV about the extent to which working time reductions should take place with or without full wage compensation, particularly for lower income employees. The majority argued that there should be full wage compensation, particularly because public services wage increases have been moderate and below those of other sectors in the economy in the last few years. Conflicting demands led to a failure in the negotiations. The public service unions prioritised working time reductions, whilst the employers would only accept working time flexibility and reductions in labour costs, as a means to create employment. This resulted in deadlock in a further three rounds of negotiation, with a final agreement being signed in April 1998, which did not introduce any significant changes in working time, although a new provison on partial retirement allows for receipt of 83 per cent of former net wages to be paid as compensation (EIRO, 1998).

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20 In West Germany, wage increases averaged 1.4%, whilst in the public services they only averaged 0.7% in 1997
5. Part-time work

In all European countries part-time work has grown dramatically, most notably in the Netherlands, Sweden and the UK (see discussion in chapter 4). This growth of part-time work has been paralleled by a growing number of agreements and legislation covering public service workers which regulate both the conditions of and the incidence of part-time work. In addition, the active promotion of part-time work to increase employment has been particularly marked in the Netherlands and Finland. In Finland, social security incentives are provided to encourage employees to move from full-time to part-time work. In the UK, the increasing incidence multiple job holding has been partly responsible, along with increased numbers of part-time jobs, for the growth of official employment in the labour market (Labour Research, 1996a, Cave 1997). Finally, part-time work has been increasingly used in the introduction of partial retirement schemes, often supported by either state or employer social security incentives.

Different strategies and approaches exist towards part-time work across Europe. On the one hand, a growing number of countries are developing ways to make part-time work more attractive in order to encourage more choice to work part-time. On the other hand, strategies in the Nordic countries in particular have been based on the full-time norm, enabling opportunities for part-time work to be associated with a reduction in full-time hours. These two different perspectives will be discussed below in the context of the Dutch and the Nordic models.

There is an overwhelming concern amongst the public service unions about the growth of involuntary part-time work, even in those countries where part-time work is well regulated. For instance, the Swedish Municipal Workers Union have expressed their concern about the growth of part-time and particularly involuntary part-time work (despite an agreement on the subject in 1995 and legislation in 1997 on part-time work, allowing part-time workers to increase their working hours before the employer takes on new employees).

Initiatives to regulate part-time work have been developed and supported by public service unions across Europe. For example, although the rate of part-time work is low in Portugal (representing 10 per cent of employment), trade unions are attempting to make part-time work more attractive through improved regulation and protection of part-time work so that it is placed on the same footing as full-time work. The Portuguese government has begun discussions with the social partners with a view to introducing new regulations covering part-time work, covering a legal definition of part-time work, introducing contracts and other pro rata minimum pay as full-time workers.

Part-time work as a central element of employment policy: the case of the Netherlands

The Netherlands has the lowest working hours in the EU, and this is coupled with a relatively high rate of economic growth and lower than EU average unemployment. Although the Netherlands has been more successful than other EU countries in developing new forms of employment growth, it is clear that the volume of employment has largely remained static because employment growth since the 1970s has been concentrated in part-time jobs, largely for women. The Netherlands has the highest levels of part-time work in the EU; of the 6.9 million people working in the Netherlands 2.5 million (or 36 per cent) work part-time, of these 66 per cent of women and 15 per cent of men in paid employment work part-time.

Whilst the success of the Dutch model has been the large numbers of workers working longer part-time hours, a remaining 11 per cent of jobs are of 12 hours a week or less and many of these are based on insecure and flexible contracts. Much of the growth of employment (there has been a staggering 20 per cent growth in employment in recent years), however, can be accounted for in the growth of part-time work. Indeed, the Dutch model of part-time work has been described as one of the more inspiring and well developed models in Europe (European Parliament, 1996; European Commission, 1993).
In 1997, 68.1 per cent of women worked part-time. Levels of part-time work amongst women are high for historical, cultural and religious reasons, where the breadwinner model has typified the exclusion of women from the labour market and from full-time work in particular, reinforced by inadequate childcare to support labour market entry (Fagan, 1997, Passchier, 1997). This has resulted in a highly segregated labour market of full-time male employment and part-time female employment, largely concentrated in service industries (including education, health and welfare services).

However, it is clear that many employees express a preference to work part-time in order to adapt their working hours to their family responsibilities. For many employers, part-time work has enabled more flexible working time schedules, which in turn have benefited employers requirements to extend services (AbvaKabo FNV, 1998). Legislation covering part-time workers has also made part-time work more attractive, as many of the discriminatory conditions affecting pay, allowances and compensations, holiday rights, leave rights, social security and pension schemes, have been removed (Ministry of Social Affairs and Employment, 1997). Likewise, the trade unions have taken a positive attitude towards part-time work. This is reflected in AbvaKabo’s position that sees part-time work as one aspect of working time policy and which:

...considers part-time labour, reduction of working hours and improvement of leave arrangements as important means to achieve a better distribution between paid and unpaid labour as well as to fight unemployment (AbvaKabo FNV, 1998, p.12).

In 1993 this perspective resulted in recommendations from the social partners that part-time work should be encouraged in the context of a differentiation of working time patterns. This has resulted in agreements which give employees the right to work part-time in collective labour contracts on the basis that:

An employee’s request to adapt his or her working hours is honoured by the employer in principle unless this cannot be reasonably expected from the employer on the grounds of considerable company interests.

An evaluation of this clause shows that up to 60 per cent of collective agreements include provisions to stimulate part-time work, on the basis that between 20 and 30 per cent of employees express a preference to work reduced hours (AbvaKabo FNV, 1998). Moreover, AbvaKabo has ensured that its negotiations on working hours include the right of part-time workers to work longer hours, particularly benefiting those part-time workers who work short hours. As a result negotiations for a reduced working week have also led to agreements which make it possible for part-time workers to work longer hours. Because Dutch policy on working hours is closely allied to strategies to improve equal opportunities and redistribute paid and unpaid work, this strategy on part-time work sits alongside other labour market initiatives which stimulate the sharing of work and family life (including child care, paid parental leave) and a reduction in working hours.

Although part-time work may appear to be a preference of many employees, it is clear that part-time jobs do no guarantee economic independence. In the Netherlands, 9 per cent of Dutch workers report that they have accepted a part-time job because they were unable to find a full-time job compared to a European average of 24 per cent (Eurostat, 1998).

The trade unions’ strategy on part-time work led to a national agreement on part-time work in 1993, based on the principle of the redistribution of work in favour of reducing full-time working hours and increasing part-time working hours, enhancing the status and protection given to part-time work, alongside strategies to extend leave arrangements and partial retirement. This represents an important step towards the normalisation of atypical and part-time work. Negotiations with employers focused on the “differentiation and diversification of working time patterns”, working time preferences and a “long term perspective, in which workers have varying patterns of working hours over the life cycle”. The 1993 national agreement recommended collective bargaining at the sectoral and company level to enable
part-time work to be extended to all jobs and sectors, with agreement that employers should meet employees preferences to increase part-time hours or decrease full-time working hours, and that full-time and part-time workers would be treated equally. This was followed up by a highly publicised national FNV campaign on part-time work.

**Part-time work as reduced working hours: the Nordic approach**

The trend to view part-time work as reduced hours in a number of countries has led to some interesting agreements in the public services in Sweden, Norway and Denmark.

In Sweden, developing strategies to protect and enhance the rights of part-time workers, and to develop longer part-time working hours, is integral to Swedish policy on working time (Anxo, 1995). However, the approach has been to resist increases in involuntary part-time work and to develop full-time work opportunities where possible. This strategy is not surprising given that 46 per cent of the labour force works part-time, nearly 90 per cent of whom are women. However, unlike other European countries the incidence of involuntary part-time work is relatively low, and opportunities to shift between full-time and part-time work (and vice-versa) are well developed particularly since this is set within a wider context of enabling workers to combine work with parental, educational or other leave. Generous education and parental leave, and partial-retirement entitlements can be used flexibly, either full-time or part-time, in this context.

High rates of part-time working in the public services in Sweden have prompted the trade unions to press for a strategy the entitles all part-time workers the right to full-time work (in 1996, 21 per cent of employees in the public sector worked part-time. Given that the Swedish social insurance and pensions systems are based on full-time working patterns, the Swedish public service unions regard full-time work to be the best option for earning a decent and independent living. However, this is based on a view that employees should have the right to reduce their working hours, within a flexible system, at different points in their lives, for instance, for the purposes of education/training, parental leave, or prior to retirement. Thus with a full-time job to return to, there is no loss of employment security, often associated with part-time working conditions.

Swedish public service trade union policy is strongly in favour of increasing the working hours of part-time workers, since it is estimated that a large number of part-time workers work shorter hours than they would like. For instance, a survey by the LO in 1996 showed a growth of involuntarily short working hours, particularly for women. Twenty two per cent of LO women, and 42 per cent of those working part-time, work shorter hours that they themselves want. For young people under the age of 25 years this rises to almost 40 per cent of LO women and 81 per cent of part-time LO women workers who want to work longer hours (LO, 1996a). Moreover, the growth in involuntary short hours in recent years is tied closely to the increase in temporary employment, particularly for women. Thus increasing women’s working hours is coupled with a strategy to raise the security, profile and permanence of these jobs.

Likewise, in Norway the public services unions have given priority to having the highest number of full-time workers in employment, based on the perspective that all workers should be entitled to a living wage and to decent pension entitlements. Indeed, there is a consensus in Norway that part-time work should not be encouraged unless employees, at certain stages in their working lives choose to work part-time because of different care responsibilities. In particular, different social security arrangements can facilitate full or part-time leave from the labour market. These include parental leave, allowing parents to take part of their leave over three years, and the 1998 legislation allowing for a cash-benefit enabling care-takers to stay at home with their child until its second year, on the basis that the child will not be in full-time day care. The principle here is that the state should compensate for the financial burdens associated with voluntary part-time work.
In 1998, Norway had a low unemployment rate of 2.6 per cent. As a result part-time was not seen as part of a strategy to create new jobs. Indeed, part-time work has been work falling in Norway, following a similar trend to that in Sweden and Denmark (25 per cent of the total work force worked part-time in 1997, representing 46 per cent of women working part-time in 1997). The Norwegian Union of Municipal Workers (1998) have expressed their concern about the high numbers of women working part-time and particularly the extent of underemployment of women working short part-time hours (20.9 per cent of women worked less than 20 hours a week in 1997). Nevertheless, it is clear that the majority of women part-time workers work more than 20 hours a week. The concern is based on the position of many women workers who will not be entitled to a public service pension, because of the absence of a 30 years full-time contributions record. As a result the Union of Municipal Workers has established agreements which allow part-time workers to opt for longer hours if the employer creates new positions or where relevant vacancies occur. The municipal sector collective agreement also contains a provision that gives workers the right to continue to work beyond the pensionable age limit in order to achieve the full number of contribution years for the public service pension.

As a result of this perspective on part-time work, the Norwegian Union of Municipal Workers prefers to discuss working hour reductions with full compensation of pay, rather than the extension of part-time work. This has led to some pilot projects in Norway which have proved positive for the employees participating in the projects, but to which the employers have not fully committed themselves to investing in this approach.

The approach of the Danish public service unions to working time in the public services can similarly be differentiated from that of other European countries in that the long term objective of working time policy has been to create full-time jobs. This is reflected in a number of agreements to extend the rights of part-time workers. For instance, a regulation applying to collective or organisational agreements that do not have (or have a limited) legal basis for part-time work, concluded with the Danish State Employees Union, StK, states that a person shall from the outset be appointed to a full-time position. The employee can reach an agreement to transfer to a part-time job. Moreover, recruitment of part-time workers will not take place until existing part-time employees have had the opportunity to increase their hours. Part-time workers are given the same pro rata rights as full-time workers 21. Although the StK are not negotiating for reduced working hours in 1997, an increase in paid holiday leave has been requested.

In Finland, public sector unions and employers “have a reserved view on the increasing of part-time work. However, it has been stated that employers should take a positive view on part-time work when it is beneficial to the employee’s needs” (Finnish Affiliates of EPSU, 1998). Conditions of part-time work are regulated by collective agreements and contracts in relation to actual working hours. The principle is that part-time work is based on voluntarism in the public sector, although there are a growing number of circumstances where this has been involuntary. Nevertheless, high unemployment in Finland has led to a range of initiatives, supported by the public service trade unions which link financial and social security initiatives to part-time working, in the context of job creation measures (discussed below).

**Part-time pensions**

A growing number of agreements have been reached in the public services that allow for part-time retirement, some of which are compensated for by social security payments. There are two main objectives to these schemes. First, they create new jobs and in the case of some countries job rotation is built into the schemes. Second, they allow ageing workers to improve their quality of life, in particular by reducing stress and fatigue. The growing

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21 Correspondence from Hanne Johannessen, StK
importance of these schemes is reflected in the fact that in 1998 the Finnish part-time pension reduced the age of eligibility from 58 to 56 years. The flexible pension system allows for the employee to get part-time pay, as well as a partial pension, whilst also creating new jobs from the reduced hours.

- Since 1993, French employees have been entitled to take phased early retirement between the ages of 55 and 65 years. Job creation measures through early retirement were introduced on an experimental basis in France in 1996 (covering both the public and private sectors) for workers aged over 57 years. The scheme enables workers with social security contributions up to 40 years to opt for early retirement on the basis that young unemployed people fill their jobs. It is estimated that 100,000 new jobs will result from the scheme (Dufour, 1996, 1997). In the public sector the scheme covers civil servants in central and local government and hospital workers. Workers over 57.5 years can retire early and their jobs replaced by a young person. It is anticipated that by the end of 1998 this scheme will create 15,000 jobs for young people (10,000 in the state civil service and 5,000 in local civil service and hospitals). In addition civil servants over 58 years are entitled to congé de fin d’activité leave with up to 70 per cent of gross pay (EIRR, 271).

- Recent policy of the Swedish SKTF has been to create more effective partial retirement schemes through the development of the policy of a ‘contract between generations’, enabling people over the age of 60 years to retire early with their jobs replaced by young unemployed people. Early retirement pensions are financed by the state from savings in unemployment benefit, through a contract between young unemployed workers and older workers in the labour market. Partial retirement schemes were first introduced in Sweden in the 1970s as an active instrument of Labour Market Policy. In September 1997 workers over 63 years gained an entitlement to take early retirement, on the basis that a young worker replaces men.

- A recent agreement for Irish nurses has enabled nurses to take partial retirement through half-time working, without pensionable service being affected. It is interesting to note that this pre-retirement settlement grew out of a nurses pay claim.

**Germany: the case for negotiated part-time retirement**

Concerns about growing unemployment in Germany and the increasingly large pensions bill have prompted new action on early and partial retirement. This led to new legislation being introduced in 1996 that reduces the early retirement age of men and enables older workers over 55 years to take part-time retirement. In part these provisions are an attempt to deal with the gradual phasing in of an equal retirement age for men and women at 65 years.

Since August 1996 a law on ‘part-time work for older employees’ Altersteilzeit has been in force and subsequently extended to 31 July 2004. It was introduced for two reasons. First, to enable older workers to take phased retirement and enable younger people to enter the labour market. Second, by placing a time limit on statutory pre-retirement legislation, it eases the burden on pension funds. The scheme guarantees a minimum of 70 per cent of final gross salary for employees of 55 years and over who opt for part-time retirement. This is paid for by the employer (50 per cent) and the Federal Labour Office will pay 20 per cent if the company recruits an unemployed worker. Negotiations to introduce part-time retirement in the engineering sector in Germany have been the most successful. IG Metall have already negotiated a successful agreement with Volkswagen and agreements are under discussion in other companies (Hege, 1997).

In the public sector provisions go beyond existing rules, allowing from 83 per cent of full-time net pay and employer contributions amounting to 90 per cent of full-time pay. Employers must fill posts freed by partial retirement if they want to gain subsidies from the Federal Labour Institute.
The introduction of the partial retirement scheme is innovative in that it requires that jobs created from this scheme must be filled by a trainee or long term unemployed person. It can also have the effect of work replacement within the company, and prevents job losses (Reissert, 1997). In 1997 ÖTV began preparations for a national collective agreement on partial retirement in the public services. This follows a successful agreement, covering workers in the state owned bank Landesgirokasse Baden-Württemberg in Stuttgart, signed in 1997 (EIRO, 1997e). The scheme allows employees over the age of 55 years to take partial retirement over a period of five years, with a partial retirement income of up to 85 per cent of salaries, financed by the employers.

Partial pensions were formally introduced in Germany in 1988 as part of the public sector pay round. Partial retirement may be granted from 55 years of age, and from the age of 60 it must be granted. It is possible for partial retirement to be taken flexibly. Remuneration is also increased, meaning that overall 83 per cent of the full-time salary is paid to the partial retiree, whilst the employer has to pay additional pension contributions and if reductions occur in pensions, compensation must be paid of up to three months salary (ÖTV Tarif, 1998). In addition, the collective agreement states that partial retirement should give trainees and the unemployed career opportunities as a result of partial retirement schemes. However the partial retirement scheme excludes large numbers of people, who do not have a full service or contributions record, and as a result the ÖTV have considered taking legal action to remedy this (ÖTV, 1997).

**Redistributing work by creating part-time work in Belgium**

In an attempt to create new jobs and redistribute existing work in the economy a law was passed in Belgium in 1996 allowing for the increase of voluntary part-time work. This is achieved by allowing people over 55 years to opt for half-time work before retirement and to enable a reduction in the working week to four days. Although the law does not provide for compensation for these reduced hours employees are able to revert back to full-time work if they wish. The law enables 50 per cent of the reduced working hours to be replaced by unemployed job seekers.

**The Finnish part-time work benefit**

This benefit was introduced as an experiment and was made permanent in 1997. It is based on an agreement between the employer, employee and an unemployment agency. The full-time worker on reducing his/her hours to part-time work receives half of the loss in pay from the unemployment agency, which in turn provides the employer with an unemployed job seeker to replace the part-time position. To date 89 per cent of the replacement part-time workers are women and the scheme has been largely used in the health care, administrative and office work, social services and teaching sectors. By August 1997 just over 6,000 people had participated in the experiment, the bulk of whom work in the health care sector, administration/office work, social welfare, and education in the local government sector (80 per cent) with limited take up in the central government sector (6 per cent).

**Part-time work: priorities in the public service unions**

The above discussion shows that varying positions on part-time work exist across Europe. For instance, in Germany the unions do not consider part-time work to be a satisfactory solution to the problem of unemployment. For women with family responsibilities part-time working may be the only chance to earn an independent living. However lack of commitment by men to family responsibilities, poor infrastructure, lack of childcare facilities and the lack of attractiveness of part-time jobs for women, means that part-time work is not always a preference for women. According to Mikrocensus (1992) more than 20 per cent of women in the new Länder were working part-time against their will because they were unable to find full-time jobs. In 1994 the ÖTV established entitlement for full-time white collar and manual workers to work part-time if they have caring or family responsibilities, with the right to return back to full-time work.
The ÖTV’s collective bargaining programme, to be implemented through collective agreements states that:

- Part-time work should not be a compulsory reduction of working hours, without pay compensation
- Part-time work should not be for cheap labour and short part-time jobs below the social security threshold should be prevented
- Women should not be forced into part-time or flexible hours
- Shorter working hours should not result in pay differentials or cuts in pay
- Part-time workers should have equal access to promotion
- Part-time workers should not be expected to work additional hours or overtime.

In addition, the ÖTV recognises the importance of improving working time arrangements for women. They include strategies to upgrade women’s jobs, reduce working hours in order to humanise and redistribute work as well as safeguard existing jobs, alongside a socially acceptable concept of work which considers family duties and eliminates discrimination at work, and the avoidance of poverty in retirement.

6. Reductions in working hours: worksharing and redistributing work

Strategies to reduce working hours are closely tied up with strategies to create new jobs in order to promote worksharing and the redistribution of work (either between women and men, or across the whole economy, or to promote or discourage part-time work). In all countries across Europe, there is a preference for reduced working hours, although the extent to which this is prioritised in collective agreements varies. Likewise, different motivations exist for reducing working hours. In Sweden, reduced working hours are prioritised for reasons of welfare and quality of working and home life, whereas in those countries with high rates of unemployment (Finland, Belgium and France are particular examples here) the priority has been to maintain existing staffing levels and/or create new jobs. Different inter-related perspectives exist in the public services unions on reduced working time, in summary reduced working time is used as:

- a trade-off for flexibility agreements
- a sign of solidarity to preserve and create new jobs, or
- a mechanism for worksharing, or
- an attempt to redistribute work

Reductions in working hours have taken many forms, beyond a daily or weekly reduction in hours. For instance, in Sweden union members over the age of 40 years are entitled to an additional six or seven extra day’s holiday, above the 25 statutory days. In the 1998 wage negotiations the Municipal Workers Union proposed that workers below 40 years be given the same entitlements. These entitlements could be taken flexibly, for instance, through a one-hour reduction in the working week, through half and full days off, as well as holiday leave. Although these proposals are not yet implemented, the 1998 agreement did offset part of the salary increase so that it could be used locally to implement working time reductions.

In the Spanish region of Catalonia a groundbreaking Pact for Employment (1998-2000) was signed by employers, trade unions and the regional government. The Pact paves the way for social partners to reach agreement on job creation and working time, with net creation of both full-time and part-time permanent contracts of employment (EIRO, 1998h). An agreement signed in July 1997 introduces employment security in the Catalan Regional Government Generalitat and changes in working hours.
In Sweden, Finland and Germany, some interesting working time developments that have impacted on work organisation can be found in the private sector where 24-hour production processes have been reorganised away from two eight hour shifts to three six hour shifts. This has led to direct increases in jobs, whilst reductions in pay have been minimal because of general productivity increases. However, it is clear that in both the public and private sectors reductions in shift-work hours can create new working choices and preferences for workers. The trend has been towards more condensed working weeks, whereby double-shifts can allow for longer periods of time off from work. In addition, the Swedish Metal Workers Union has reached an agreement to reduce working time by 20 hours a year (six minutes per day) as the first stage of negotiating for a 100 hours a year working time reduction. This is seen as a route towards increasing holiday and leave time, rather than redistribution of work to create new jobs. The SKTF’s objective is to reduce average working hours from 40 hours a week to 37.5 by the year 2000. According to the SKTF “Our foremost objective is that more jobs will be created”\textsuperscript{22}. Indeed, many of the experiments to introduce reduced and flexible working time in the municipalities in Sweden have been designed to create new jobs (see chapter 6 for a more detailed discussion of these experiments).

In Germany, the public service unions have been increasing the pressure to reduce working hours. According to the ÖTV’s resolution of the Plenary Collective Bargaining Committee in February 1997. Safeguarding and creating jobs by reduced working hours has become a priority:

It is time to act. The public sector must also make its contribution to safeguarding employment and creating jobs...The Plenary Collective Bargaining Commission maintains its demand for reduction in working hours with complete pay compensation. Provided the public employers are prepared to undertake through collective bargaining agreements not only to safeguard jobs but also to create them, in a way that is verifiable at a regional or local level, the Plenary Collective Bargaining Commission is prepared to negotiated graduated partial pay compensation (translated, ÖTV, 1997)

In the public services, heated debates have been taking place on the issue of compensation for reduced working hours. This is nowhere more the case than in Germany. On 28 February 1997, the ÖTV developed a policy principle, with a campaign and collective bargaining to begin in 1998, for a more assertive approach to collective bargaining for the reduction of working hours for all workers. Agreement would be given to limited or no wage compensation, if employers agreed to give a written commitment to introduce measures to protect and maintain existing jobs and create new jobs. Although there is evidence that the proposed campaign would put employers on the defensive, the union was clear that this campaign would gain wider public support in, first, showing solidarity with unemployed people, and second in agreeing to make concessions regarding wage compensation. However, this principle was rejected by the union’s Wage Agreement Commission on the basis that they felt, first, that jobs would not necessarily be guaranteed and second, that the earnings in the public sector had been eroded over previous years. The concern about job guarantees was in part based on the experience in other industries, especially the chemical industry, which had shown that jobs were not always guaranteed in practice. This experience shows the importance attached to wage compensation for working time reductions and is a set back to the ÖTV’s strategy to tackle the relationship between working time and employment. It raises a number of questions about how working time reductions can be adequately compensated for, particularly in the context of rising productivity.

Indeed, a significant reduction in working hours without wage compensation has already taken place, for instance, from the 1980s increased productivity and intensification of work has led to more work taking place in less time. However, only an estimated 25 per cent of

\textsuperscript{22} Correspondence from Anders Hammarbäck, SKTF, 23 March 1998
working time reductions have led to new jobs. According to Vera Morgernstern of the ÖTV\textsuperscript{23} “this was a disaster” that has led the union to seek assurances from employers to increase and maintain new jobs on the basis of reductions in working hours with little or no wage compensation. This approach to reduce working hours in order to create new jobs has been tested and developed in East Germany. The dramatic rise of unemployment in East Germany, immediately following reunification, led to a new urgency to develop negotiations for social and employment reasons. These agreements stipulate that negotiations for working time reductions would only take place if the employer guaranteed the continued existence of jobs. This is also socially motivated, based on differential levels of compensation for lower and higher paid workers. The issue of compensation for working time reduction remains a contentious issue still to be resolved. However, the objective of setting differential levels of compensation that favour the lowest paid workers would make it more feasible for these workers to consider working time reductions.

**Worksharing: reducing working hours to create new jobs**

There are a number of experiments in work sharing that have had positive results in the public services. For example, Norwegian NEKF’s central aim is set out in their book *Sharing Work – A Strategy for Full Employment* (Henning Solhaug, 1996). However, there remains resistance to worksharing as a strategy to create jobs in both the Norwegian government and LO. Research undertaken by the NEKF does suggest that it is possible to introduce arrangements on worksharing that lead to more jobs and that this is possible within existing national legislation and central collective agreements (Henning Solhaug, 1996). A number of local experiments in the sharing of work in the electricity sector have already been introduced and it is clear that opportunities exist for innovative solutions at the Company level. However, many of the initiatives have been of a defensive nature and did have not job creation as their main objective. The NEKF believe that work sharing has to be on the basis that the proper framework conditions need to be set which will enable work sharing to reach the desired effect. The union believes that establishing agreement between unions and employers that work sharing is a shared value is an important starting point. This was achieved in one initiative, which led to the unions and employers agreeing objectives and outcomes, based on the principle of the importance of work sharing as a value to pursue.

There are a number of questions raised about whether work sharing is necessarily the best option to reduce unemployment. Based on an evaluation of work sharing schemes across Europe, Høgsnes & Rogstad (1996) argue that work sharing as a strategy to decrease unemployment has limitations. Although it can contribute to job creation and to the maintenance of jobs, by avoiding redundancies, they argue that work sharing could also create obstacles to introducing economic changes in the economy and prevent the introduction of more flexible working time arrangements. This is a view supported by the European Commission, who argue that reductions in working hours across the board can introduce unnecessary rigidities in the labour market and prevent the introduction of labour market flexibility (European Commission, 1998a).

**Redistributing work**

Like worksharing, redistributing work has become an increasing part of the language of trade union discourse on working time. This arises from the distinct problems associated, on the one hand, with long term unemployment and reduced public service budgets, and, on the other hand, the continuing inequality between women’s and men’s working hours. As a result redistributing work has become a viable mechanism to first, share work more equitably in the economy and create more jobs, and second, to ensure that men’s and women’s working hours are restructured to enable participation in both work and family life.

\textsuperscript{23} Contribution to EPSU working time seminar, Brussels, March 1997

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For instance, the ÖTV argue that general collectively agreed working hours reductions for both men and women are of special interest from a women’s viewpoint and as a result working time initiatives “must restore gender equality in the distribution of paid work” (ÖTV Frau, 1998). As a result the ÖTV argue that women need to be protected from being forced into part-time work due to a lack of full-time jobs. This can be prevented by a collective reduction in working hours which can assist in redistributing work more fairly between women and men in the public services.

Plans to further reduce working hours in Germany have been proposed by the public service unions. In 1998, the Germany DAG union argued that the 1998 collective bargaining round should take on board broader issues of working time, including the redistribution of work (DAG, 1998). The following issues are raised for discussion as mechanisms for redistributing work on the basis that collectively-agreed job guarantees would be essential, particularly since working hours reductions would not necessarily be with full pay compensation in a package that includes:

- Collectively agreed reductions in working hours
- Increased part-time work
- Conversion of extra payments for arduous working conditions and overtime into additional working hours
- Measures to reduce the hours worked in a lifetime, in particular partial retirement and early retirement
- Reductions in overtime

The DAG (1998) argue that the biggest impact on employment would come from the reduction of the normal working week. Based on the experience of the 1989/90 reduction of 1.5 hours a week which led to a saving or creation of 60,000 jobs, the DAG argue that a further similar reduction in hours could create nearly 100,000 new jobs if 50 per cent of the reduction in working hours was compensated by new jobs. A reduction in overtime is also proposed and based on existing levels of overtime; converting overtime into jobs could create 1.15 million full-time jobs. In 1997 the DAG demanded a halving of overtime as an immediate measure to overcome unemployment, on the basis that this could lead to the creation of over half a million full and part-time jobs. The DAG also support the extension of part-time work, the development of working hours accounts, the development of sabbatical year leave models and reductions in hours worked over a lifetime, all of which would contribute to the retention and creation of new jobs.

The DAG go on to argue that if 50 per cent of the reductions in working time, that result from these initiatives, were replaced with new jobs, a total of 460 000 jobs could be created for unemployed people, whilst also bringing about considerable savings in the social costs of unemployment.

**Finland: redistributing work to create new jobs: the 6 x 6 hours model**

A Presidential working group on employment in 1994 proposed a number of different working time arrangements that could be pursued through collective agreements, in order to create new jobs. These included the introduction of a working day shift model of 6 + 6 hours, instead of one 8 hour shift, job alternation in order to redistribute work, and other types of jobs sharing including sabbatical leave, and part-time work. A number of preconditions for agreements were set that would require a commitment by employers to increase jobs, that the agreements would be voluntary, that hourly wages would not be reduced, and that low paid workers would not have their economic position undermined. According to Pertti Ahonen (General Secretary, Joint Organisation of State Employees VTY): “The preconditions seem to be so strict that no serious negotiations have been initiated in any sector” (VYT, 1997). Despite this the trade unions are discussing and initiating a number of agreements to introduce and develop elements of these proposals.
Between 1995 and 1998 a number of government supported working time experiments and new working time models were introduced in municipalities. The most frequently used model is the ‘flexibility through 6-hour shift’ model. The scheme enables employees to reduce their daily working time to six hours and unemployed persons are taken on as substitutes. The government pays twenty per cent of the expenses incurred by the municipalities. Local negotiations set the level of compensation for reduced hours, and in most cases there is no reduction in pay for reduced hours.

Redistributing work in the Netherlands: a Dutch miracle?

The Netherlands has a long history of working time initiatives that aim to redistribute work. A high priority has been to redistribute work between male (full-time) and female (part-time) workers. As a result the Dutch approach has combined opportunities for full-time workers to reduce their hours and part-time workers to increase their hours. The Dutch model of working time has been described as a “miracle”, with low rates of unemployment in an employment regime which has emerged in which “flexibility and security are combined in an efficient way” (Schmid, 1997). The success of the Dutch model is partly explained by wage moderation introduced as a result of a strategic change in Dutch Industrial Relations, which prioritised employment over and above income growth (implemented through the 1982 Wassenaar Agreement). The pact resulted in wage moderation which was traded for working time reductions, but this did not lead to any significant increase in jobs, and where jobs were created these were largely filled by temporary and flexible workers.

The Netherlands has the lowest working hours in the EU, and this is coupled with a high rate of economic growth and lower than EU average unemployment (Schmid, 1997; Bovenberg, 1997). As the discussion on part-time work (above) showed much of the increase in employment since the 1970s has been concentrated in part-time jobs, largely for women.

Of particular interest is that in 1996 a national agreement combined the twin goals of flexibility and security, with agreement on increased flexibility in the context of greater security for temporary and agency workers. The emphasis has been on redistributing working hours between full- and part-time workers. A distinction is made between standard regulation, applying to all sectors, and consultation regulation, which can apply in certain circumstances. Any deviation from standard forms of flexibility can only be introduced through collective agreement. The standard arrangement can be adapted via collective labour agreements and sets varying and flexible norms on working hours for the short term (including no fixed working hours and more variation in working hours on a daily and weekly basis), whilst for the long term the norms are more rigorous. According to ABVAKABO (1998) the standard arrangement makes it possible to vary working hours in municipal councils between 32 and 42 hours on a weekly basis, whilst in hospitals Saturday morning is seen as standard working time and no allowances are given for irregular working hours. This represents:

…a point of departure for ABVAKABO FNV in its policy on labour conditions. There should be limits on the degree of flexibility in individual consultation agreements. When negotiating collective labour contracts it is our goal to make exact agreements, for instance with regard to a maximum of workweeks and breaks. In exchange for a 36-hour workweek rosters have become more flexible in many collective labour agreements with working hours determined on a weekly basis by the volume of work (p. 14).

The legislation includes provision for employers to consider the well being of employees both inside and outside of work, and therefore to take account of personal and family circumstances in working time arrangements (EIRR, 264). A number of agreements have been concluded that trade off shorter working hours for flexibility and extended opening hours (Ministry of Social Affairs and Employment, 1995; IDS 410, EIRR, 264).
Agreements on working time include the 1996 agreement on flexible working which introduces and improves the regulation of temporary work and a 1995 agreement in the municipal sector to reduce working hours from 38 to 36 hours in order to introduce flexible working practices (Van Berckel, 1997). In addition, part-time workers have the same legal and pro-rata rights to pay, conditions and benefits as full-time workers.

In terms of trade union positions, it is likely that less priority will be paid to the collective reduction of working hours in the future, with more emphasis placed on adapting working hours and working patterns to suit employees’ individual preferences. For instance, in the Netherlands the priority of the public service trade unions is to improve the purchasing power by improving wage settlements alongside efforts to adapt working hours in the following ways:

- Adaptation (increase or decrease) of working hours
- Improve the possibilities of taking leave from the labour market (career break, parental leave, or other forms of leave)
- Develop working hours to suit individual preferences
- More flexible working hours and rosters adapted to individual preferences.

The FNV view the redistribution of paid and unpaid work as critical for job creation, longer part-time working hours and the promotion of part-time work, early retirement, and education and training leave (Passchier, 1997). The FNV\(^{24}\) has adopted an offensive strategy on working time. This includes improving health and safety, redistributing work and hours to share or create employment, equal opportunities and challenging labour market segmentation of women and men, and finally to enhance well being, leisure time and the wider participation in society. However, the FNV has rejected a generalised reduction of working hours in favour of an approach that should:

> take into account the various and diversified wishes and needs of workers, and the different possibilities in the various sectors. More free time, worker-orientated flexibility, and time-sovereignty for workers should become central issues in negotiations on working time. (Passchier, 1997, p.5).

Dutch working time preferences can be located in the historic distribution of male and female employment. This is reinforced by research undertaken by the FNV which demonstrates that large numbers of full-time workers (male) would prefer to reduce their working hours, whilst large numbers of part-time workers (female) wish to increase their hours. Thus, whilst full-time workers have indicated that they would be prepared to reduce working hours without financial compensation, this preference is also based on the desire of their partners, who work part-time, to increase their working hours, enabling household incomes to be maintained. In addition, research has also confirmed that if these working time preferences were implemented in practice there would result a net increase in 100,000 new jobs. Catelene Passchier of the FNV warns that this will only work:

> if we are able to upgrade part-time employment to a fully valued and equally treated alternative, instead of, as is now often the case, a derivative, inferior kind of employment. (Passchier, 1997, p.5)

Although the 1993 agreement on part-time work has led to some substantial gains and a number of new agreements, there is a general view that some of the difficulties in local collective bargaining could be overcome through an improved legal framework to protect and enhance the rights of workers to redistribute their working time. The legal protection given to

\(^{24}\) Based on presentation by Catelene Passchier, FNV to EPSU working time seminar, Brussels, March 1997.
part-time and atypical workers is relatively high, compared to other EU countries, and is currently being improved.\(^{25}\)

Of significance, also, is that working time arrangements cannot be considered separately from remuneration and social security and welfare protection. Part-time and shorter working hours are the most widespread in high income countries and the approach to the redistribution and reduction of working time has been successful in Netherlands because of the relatively high incomes enjoyed by Dutch workers. The breadwinner model was based on one income per family, as a result shorter working hours, and, trading this off for more leisure and family time for men, is compensated for by a higher family income resulting from the increasing numbers of women who are in paid work. This model works well in a situation of a two income earning household and in enhancing the labour market rights of women generally. Although, the Dutch model is based on negotiated and regulated flexibility in a way that corresponds to the needs and preferences of women and men in labour market, the overall effect is that wages will be decreased.

### 7. Reductions in working hours and job creation

A large number of public service unions identify clear priorities to reduce working hours in order to create new jobs and preserve existing jobs and this has resulted in a growing number of agreements on the subject. Here we look at progress in working time reductions in the public services in the Netherlands, France and Italy. Further examples of reductions in reductions in working hours can be found in the next chapter where the discussion focuses on agreements within each of the four sectors in the public services.

#### Dutch 36-hour average working week

The existence for more than a decade of tripartite consultation on collective bargaining in the Netherlands, has created a dynamic form of industrial relations that has shown itself able to respond to work flexibility in innovative ways. In particular, Dutch workers have been prepared to agree working time reductions on the basis of minimal or nil pay increases and the public service unions have agreed to lower pay increases if these are traded off for jobs or shorter working hours.

The Netherlands has a low average working week for full-time workers and there has been a sustained campaign since the late 1970s to reduce working hours overall. By the 1990s trade unions began considering different models of working hours and the FNV introduced a target of a four-day week, to be introduced through sectoral agreements. In the public services working time negotiations have led to collective agreements for a 36-hour working week in the education sector, national government and hospitals. The FNV estimate that 50 per cent of employees covered by collective agreements now benefit from a 36-hour working week (van den Toren, 1997).

A Working Time Agreement concluded in the 1995-7 collective bargaining round provides for an average 36 hour working week, to be achieved by 1 January 1997 (Abvakabo, 1995). It also enables a maximum of four hours per week to be saved and used for longer leave. It includes the right to work part-time and for part-time workers to increase their hours and revert back to their original hours if they choose. Flexible working hours require local agreement. The first external evaluation of the impact of the agreement on job creation was completed in August 1997. The results of this show that on average 57 per cent of reduced

\(^{25}\) For instance, since 1994 no threshold of hours is required for paying part-time workers the national minimum wage, a law passed in 1996 on 'equal treatment irrespective of the amount of hours worked' introduces the right to equal treatment for full-time and part-time workers, unless there are objective reasons for this, and new legislation on the protection of atypical workers in law is currently being discussed in the Dutch parliament. In addition, part-time workers enjoy relatively high levels of social protection.
working hours were replaced by new jobs. The effect of this has been the greatest in the municipal sector, where the number of full-time jobs has risen by 5000 (out of total employment of 180,000)\textsuperscript{26}.

The 1996 Working Hours Act allows for reductions in working hours from 38 to 36 weekly hours with state supported job replacement built into some sectors. The legislation aims to increase flexibility in the labour market through annualisation and flexible hours, whilst also giving a high priority to individual choices in working hours. Chapter six given some more detailed examples of how the 36 hour week has been implemented in national administration and the health service.

The French 35-hour working week

Working hours were reduced in France at the beginning of the 1980s. The experience of these working time reductions shows that the substitution was highest amongst occupational groups with low requirements for previous education or training, and lowest in the occupational groups with high demands for professional skills and loyalty to the company. More recently an offensive strategy to link working time reductions to job creation has taken place, culminating in new legislation in 1998 by the Jospin government for a 35-hour statutory working week and new negotiations on working time organisation (Brunhes, 1997).

The agreement signed by the French employers and trade unions (with the exception of the CGT) to reorganise and reduce working time in 1995, set a framework to develop sectoral bargaining\textsuperscript{27}. This represents one of the most proactive national approaches to working time in Europe, linking working time reductions with job creation. Although the 1995 ‘Accord’ failed to develop many successful sectoral agreements, new legislation \textit{Loi Robien} introduced in June 1996, set out a more offensive strategy. In 1998 this was followed by new legislation for a 35-hour working week.

The CFDT argue that the 1998 legislation to introduce a 35-hour week provides the legal backing for a “massive reduction in working hours” in order to push for a 32-hour week. In seeking to link work organisation and a shorter working week in the negotiations for agreements under previous legislation, the CFDT argue that they have achieved a maximum impact on employment. In so doing they argue that there is a direct effect of shorter working hours on employment generally, on the reduction of precarious forms of employment, and on the improvement of the quality of life for working people (CFDT, 1998).

Framework legislation on working time was adopted by the French Parliament on 19 May 1998 and fulfils a major plank of the current Government’s 1997 election manifesto. The legislation, known as \textit{loi Aubry}, aims to achieve a 35-hour working week by 1 January 2000, or by 1 January 2002 in companies with less than 20 employees. It replaces \textit{loi Robien} (introduced under the previous government) but allows for working time agreements concluded under the terms of loi Robien to be valid for their full term. The legislation also introduces a new form of annualised working time, a new definition of actual working time, new regulations on part-time work, as well as transposing the EU’s Working Time Directive into law. Described as “the most important piece of working-time legislation in recent history” (EIRR, 294:19) it is now possible for negotiations to take place on the reorganisation of weekly working time. The objective is to create and preserve jobs through working time reductions and it has been estimated that 13 million workers will be affected by these working time reductions, of whom 9 million work in firms employing fewer

\textsuperscript{26} Correspondence from A Juygevoort, Abvakabo, Netherlands

\textsuperscript{27} The 1995 French ‘accord’ on reductions and reorganisation of working time has been developed as a mechanism for job creation. This was agreed between the government, the trade union confederations (with the exception of the CGT) and employers. In 1996 technical support was provided to the social partners in order to implement the ‘accord’. By July 1996 of the 128 sectors in the economy, 12 had concluded an agreement (EIRR, 273).
than 20 people. In addition, new legislation is planned for 1999 which will address the introduction of the 35-hour week, with new regulations on voluntary part-time work, and a focus on the role of vocational training in working time negotiations. In addition, it will introduce new regulations on overtime and working time for executives, and develop employment in small and medium sized companies.

Of significance is that the legislation requires negotiation for working hours at the most decentralised level, to ensure that changes in working time can reflect local circumstances. In addition, the legislation extends collective bargaining to those firms without worker or trade union representation. The legislation also makes it possible for working time reductions to be pursued through industry agreements and across whole sectors. These collective agreements are required to stipulate the deadlines for the working time reductions, along with setting up mechanisms by which working time will be reduced, which notify employees of changes in their working time, and which ensure proper implementation of the agreement. The agreements must also set out the implications for working time reductions for part-time and shift workers.

As with the forerunner loi Robien, the legislation gives companies financial incentives to develop working time reductions and recruit new workers, by means of reductions in employers’ social security contributions. These incentives, financed through national employment funds, are based on real reductions in working hours from the current statutory level of 39 hours to 35 hours and jobs must be created or safeguarded as a result of these reductions. Additional financial incentives are given if there is a working time reduction of more than 10 per cent, if additional jobs are created over and above the minimum set down (6 per cent), if new recruits are employed on an open-ended contract, and if a high proportion of young people, people with disabilities and long term unemployed people are employed. However, forty-five public sector companies are currently excluded from these financial incentive provisions because of their monopoly status or because of the level of state subsidy already provided. They will be subject to a further Decree that will assess financial incentives on the basis of their budgetary impact and this should result in an aid scheme being implemented. These exempted public sector companies include the EDF-GDF national electricity and gas utilities companies.

Reductions in working hours under loi Aubry also allows for reorganised working time in order to reduce overtime hours, including the introduction of annualised hours and time off in lieu of extra hours worked. This new form of annualised working is another way of reducing working hours, and can also be used alongside a time-banking system, *compte épargne-temps*, which allows for a proportion of time owing to be banked, enabling employees to bank time over several years.

*Loi Aubry* also provides for some important modifications to regulations concerning part-time work, particularly since reductions in the maximum working week have implications for part-time workers. Part-time work is defined as four-fifths or less of the statutory working week. In effect, by reducing the working week to 35 hours, the maximum working week for part-timers will automatically be reduced from the current 32 hours to 28 hours. Employers can also gain subsidies for employing part-time workers, where employees shift from full-time to part-time work and where the employer recruits new workers to make up the shortfall in working time. However, if a change from full-time to part-time work is made in order to prevent redundancies, employers are no longer exempt from recruiting new staff. As a result financial subsidies can only be claimed if the change to part-time work leads to new recruitment.

At the time of writing (summer 1998) it has been difficult to assess the impact of *loi Aubry*. Although a number of agreements in the private sector have already been concluded, none had been concluded in the public sector. Certain difficulties remain. First, the unions are concerned about the impact of the legislation on overtime and the national minimum wage. Second, certain trade unions at a local level may refuse to negotiate on issues of working
time flexibility and pay freezes or cuts until 2000 when employers will be legally required to introduce a 35-hour working week (EIRR, 294). In addition, the CGT-FO unions have opposed the legislation and this is based on concerns that:

- Replacement of staff need not take place for one year and employers could use this to increase their funds.
- Statutory obligation to keep staff on only lasts for two years (whereas relief is give for seven years), there will be nothing preventing employers from reducing staffing levels over a period of four years by not replacing those who leave and meanwhile continuing to receive the 10.12-11.20% relief of the total wage-sum. If the reduction in staffing during this period is the same as, or more than, the reduction in working hours, it will become a net gain.
- Employers mainly benefit from the scheme even if they maintain wage levels.

The FO’s position on the 35-hour week is that agreement on a reduction in working time, particularly for those on a 35 hour week, must be introduced with no loss of pay and with new jobs to compensate28.

**Legislation for reduced working hours in France**

*Loi Aubry d’orientation et d’indication relative à la réduction du temps de travail*, passed in May 1998 has the following provisions:

- The normal working week is reduced from 39 hours to 35 hours on 1 January 2000 for enterprises with more than 20 employees and on 1 January 2002 for the enterprises with fewer than 20 employees
- The effects on earnings are left to negotiation between the social partners
- Financial incentives are given to firms where hours of work for all or part of their workforce are reduced to 35 hours or a lower figure before 1 January 2000 (or 1 January 2002 for firms with 20 employees or fewer). This is a flat-rate deduction of employer social security charges, ranging from FF 5,000 and FF 9,000 a year for each employee whose hours have been reduced for seven years, with a gradual reduction each year. Higher incentives to be given to firms who reduce hours by at least 15 per cent and high levels of job creation of at least 9 per cent up to 1 January 2003.
- Reductions in working hours must be at least 10 per cent, and combined with net hiring of 6 per cent of the number of people whose hours are reduced, or if the same number of jobs are preserved, if they were subject to redundancy. These jobs must be maintained for two years.
- Agreements are responsible for laying down the scale and scheduling of the reduction in hours and the creation or preservation of jobs, including changes in working arrangements. Special arrangements can be negotiated for managers, part-time and shift workers.
- The public sector and certain private sector firms with strong links to the public sector are excluded from the legislation.
- A report on the workings of the provisions will be made to the Parliament by September 1999, where additional provisions will be developed regarding overtime rates for those working between 25 and 39 hours, regulations regarding the organisation and ‘modulation’ of working time, ways to encourage voluntary part-time working, the role of professional training, and special arrangements for managers.

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28 Correspondence from S. Becuwe, FO
Italy: 35-hour working week

In Italy reductions in the public deficit, assertively implemented by the centre-left government headed by Prodi, have led to severe cuts in public expenditure in order to meet the Maastricht convergence criteria. However, involvement of the social partners in the process of socio-economic change led to an important agreement for an employment pact, the Accordo per il Lavoro, in September 1996 (based on a tripartite agreement between the social partners and the government in July 1993) (EIRR, 280). The pact introduces a number of job creation measures and considers that working time and flexibility should be tackled through decentralised decision-making set out in an overall national framework (EIRR, 275). One of the key measures introduced in the Pact is flexible working time arrangement in order to create new jobs. A particular priority is given to restructuring social security contributions and working hours, to enable job creation measures to be introduced in practice. In October 1997 the Italian government in an unprecedented move announced plans to introduce plans for a 35-hour working week in order to create new jobs. Trade unions have been less than enthusiastic about the proposal, in the recognition that job security and pay are considered to be more important priorities, than working reductions per se.

In 1998 the Italian Government published draft proposals for framework legislation in order to introduce a 35-hour working week by 2001 in the private sector. At this point in time the public sector is excluded from this framework legislation. The framework legislation would enable the social partners to regulate working time through collective agreements rather than by statutes, as well as providing financial incentives to employers to cut working time. Despite this being the first legislation since 1923 to regulate working hours, working time reductions have been systematically introduced through collective agreements at the sectoral level in the public and private sectors. In July 1993 the introduction of a pact on bargaining reform enabled social partners to negotiate flexible working at sub-national levels and has led to the negotiation of large numbers of flexible working time arrangements (EIRR, 293). The public service trade unions in Italy are pressing for a 35-hour week and for an extension of this to the public sector. There is a consensus amongst the trade unions that a 35-hour working week will have important effects in terms of an increase in employment and improved social and life style relations. According to the CGIL (the General Federation of Italian Trade Unions), a reduction in working time to 35 hours a week, without loss of pay, coupled with flexibility, guaranteed secure and quality employment, and the increased control of workers over their own lives, are strategic priorities for the unions. This is on the basis that working time reductions will help to remodel working and social life, and improve the quality of work. CGIL (1997a) have developed proposals for reducing working time, which include a campaign to control working time and overtime through changes in work organisation and by ensuring that workloads are tailored to meet changing work conditions. These proposals also argue that agreements on flexibility and flexitime arrangements should accompany weekly or yearly working time reductions. For instance, it is proposed that flexitime arrangements could be managed through the introduction of time banks. CGIL go on to propose that a national treasury financed fund should be set up to assist with working time reduction programmes. CGIL believe that across-the-board reductions in working time are necessary in order to extend service and production times (thereby compensating workers for working unsocial hours and weekends) and provide alternatives to overtime.

In addition, the 1995-6 inter-sector agreement included provisions to create employment at the sectoral level through a number of flexible working time instruments and this strategy has been extended and enhanced under the 1997-8 inter-sectoral agreement. Employers’ social security contributions are reduced on condition of employing unemployed workers. By the end of 1995, ninety-six inter-sectoral agreements had been concluded, leading to the recruitment of 80,000 new staff (Delcroix, Lamas and Serroyen, 1997). An inter-sectoral agreement was signed by the public service trade unions in May 1996 paving the way for negotiations to maintain jobs and create new jobs within the context of reduced working
hours. However, the agreement was stalled and its effect limited by budgetary cuts introduced by the government to meet the Maastricht convergence criteria. The effect has been an emphasis on the voluntary redistribution of work, with little or no progress made regarding the generalised reduction of working hours.

8. Annualisation of hours

Throughout the public services the trend has been to increase the incidence of annualised working time, resulting from a decoupling of opening times from individual working hours (particularly in Germany, France, the Netherlands, Spain, Belgium, UK and Italy) (Cranfield, 1996; OECD, 1998). Annualisation allows employers and employees to decide on variable weekly working hours over a year within fixed total hours. This allows employers to cover for peaks and troughs in demand and reduce overtime, since it is only when annual hours are overworked that overtime premia comes into operation. As a result employers can extend opening hours with lower hourly costs, by saving on premia for long or unsocial hours. It also potentially allows employees to have more choice in their working time. However, different perspectives on annualisation exist across Europe, in some public service unions annualisation is viewed positively to increase choice and spread uneven workloads across a year (this is particularly the case in the UK), whilst other unions have been more sceptical, viewing annualisation as an attempt to compress working time and reduce overtime to suit employers needs to cut costs (see the CGT-FO in France and some unions in Italy). Moreover, annualisation tends to be compensated by reduced working hours for full-time workers, whilst this is less common for part-time workers. According to Bettio, Del Bono and Smith (1998) annualised part-time contracts may work against the reconciliation of family and work life, particularly in the UK and Spain.

There are various ways in which this modulation of hours takes effect in the public services. In some circumstances working hours are fixed, whereas in other circumstances minimum and maximum hours may be set within a ‘working-time corridor’. In a larger number of cases, the opportunity to average hours over a reference period of less than a year has been a widespread tool to introduce more choice in working hours in the public services. Most commonly employees can work variable hours, outside of core hours of say 10.00 to 15.00, which are calculated over a reference period ranging from two weeks to one year. The reference period is one year in Belgium, France, Italy, Norway, Spain and Switzerland, six months in Germany and Denmark, and between two and three weeks in Finland and Luxembourg (OECD, 1998). According to the Department for Education and Employment, in 1995 two million employees (9 per cent of the workforce) were covered by annualised hours in the UK (Bargaining Report, 1995).

Nevertheless, collective agreements have had some positive effects, for instance, in reducing working hours and a greater use of annual hour’s contracts, viewed often to be a positive development by trade unions.

9. Time banks/working hours accounts

The concept of ‘time’ has been developed in innovative ways in a number of European countries, through the creation of time banking systems or working hours credits. The growth of these schemes does suggest a movement towards more individualised hours. Designed to reduce expenditure on overtime payments, these schemes allow for the reorganisation of working hours via time, rather than monetary credits. These developments represent a growing interest in the conceptualisation of time across Europe.

- In France, the July 1994 legislation introduced the concept of ‘time savings account’ enabling bonuses and profit-sharing payments to be translated and accumulated into paid leave. This has had the effect of accounting for pay in time, in potentially creating new jobs and enhancing rights to paid leave (EIRR, 250). This has been further
developed in 1998 legislation for a 35-hour week. Here working hours credits are a mechanism for reducing overtime and redistributing overworked hours into time credits.

- Lifelong working hours have been discussed in Norway, as in Sweden and Finland, through the concept of a working time bank, enabling lifetime working hours to be set, but distributed flexibly and enabling workers to choose their own working patterns.

**Innovative time banking scheme in Spain to reconcile family and work life**

In Spain an interesting use of time banking has been developed in the recognition that the entry of women into the labour market has not led to a redistribution of tasks between men and women in the home. The result is that women’s time has been put under increasing pressure. A project in Barcelona between the local authority, the unions and the family association, led to two mechanisms for redistributing family roles and responsibilities by creating a community time bank and an institutional time bank. The community time bank enabled women to bank services for the mutual exchange of services provided by families, women and men, for tasks like caring and collecting children from school, and caring for elderly dependents. Between 1997 and 1998 eighty families were using the scheme. The institutional time bank enabled local authority employees to build up time credits to enable them to take time off work to carry out family responsibilities. Forty-five per cent of the target groups in the local authority were expecting to use the scheme between 1998 and 1999. Similar time bank schemes to enable citizens to exchange their time also operate in Italy. The most interesting experiments have taken place between groups of people who are not in work, for instance, housewives and pensioners.

**Flexibility through time banks in Norway**

In Norway the trade unions are looking at a wider context of working hours to enable employees to have greater flexibility and choice about when they work. For example, the Norwegian LO trade union confederation agreed a set of principles on flexibility established at the LO Congress in May 1997. This policy stresses the need to reduce annual working time to create longer holiday entitlements and reduce overtime. The LO’s Action Programme makes the case for a shorter working week, lower retirement age and longer annual leave. These working time issues are viewed within the life span of working choices and preferences for workers and are a response to the growing demands for flexibility from employers. Of particular interest is the LO’s proposal for the introduction of a time account scheme enabling workers to choose different working time arrangements during different phases of the life span or career. The Norwegian Confederation of Trade Unions (LO) argue that there is a need to invest efforts in finding arrangements through a time-account scheme, which allows the individual worker to determine his/her own total, daily and weekly working hours and which allows for variations over a lifetime. In this respect the Norwegian Union of Municipal Workers (1998) are of the view that:

> …such an individual-oriented approach may solve the world of work’s needs for flexibility, and also give the individual worker greater opportunity to steer larger parts of his/her own life situation, also with regard to his/her working hours.

**Working hours accounts in Germany**

Working hours accounts have been proposed by the ÖTV in Germany as a mechanism to protect employees from flexibilisation and improve time sovereignty for employees. Negotiations were taking place in 1998 for the introduction of these schemes in the public sector. The differences between collectively agreed and maximum working hours, time credits for overtime, time credits for Sunday, holiday, standby and on-call duty and for shift or arduous conditions, are transferred into the working hours account. In a similar vein the German DAG have been pressing for the introduction of working hours accounts, and although the negotiations for these were interrupted in 1996 no date has been set to continue these negotiations. However, the DAG are of the view that further reductions in weekly hours are not result feasible and as a have shifted their policy to one that focuses on increasing
flexibility and control over work, and in particular through the creation of working hours accounts. In 1994, they argued that:

Accumulated blocks of time-off from time worked previously, flexible working hours credits, as well as credits for overtime, shift work, standby work, night, Saturday, Sunday and holiday work can (under clearly-defined, collectively-agreed framework conditions for maximum working time, minimum time-off and minimum holiday) at a point in time chosen by the employee be converted into time-off subject to continued payment of salary at the prevailing rate at the time of release. This can be done in the short (additional days off or longer holiday), medium (additional blocks of time off for several weeks or months) or long term (even extending to individual early retirements). Only genuine release of jobs prevents concentration of work and allows new recruitment.

A number of agreements have now been signed for the creation of working time accounts in the public services in Germany. These working time accounts have led to service agreements which allow time differences between individual working hours and weekly working hours to be recorded as time credits which are not subject to overtime rates.

Developing working hours banks in Finland

In Finland, new models of work are being developed in order to experiment with and gain more understanding of how working time arrangements can lead to other fundamental changes in the economy and society. As a result working time has been related to reducing the high rate of unemployment, increasing productivity, efficiency and effectiveness at work, improving the well-being of workers, reconciling work and family life, and ensuring equal opportunities between women and men.

The Finnish public service unions have focused on the reorganisation, rather than the reduction of working time. The 1998 collective bargaining policy allowed for the saving of free time, through the creation of a ‘working hours bank’ and which could be regulated through collective agreements and contracts. These opportunities to use part of an employee’s yearly holiday, Sunday work or overtime work, and to compensate this as free time will be subject to further negotiation that will be concluded at the end of 1998 (Finnish Affiliates of EPSU, 1998). In addition, the centralised incomes policy temporarily reduced the minimum age for receipt of a part-time pension to 56 years in order to create new jobs as well as reduce stress and fatigue of ageing workers.

10. Leave schemes

Leave schemes have been developed as a mechanism to rotate jobs in the economy, within a perspective of work sharing. In particular, these schemes allow working time to be flexibly distributed over the life-cycle. They have grown in importance and coverage in the public services in the 1990s in Belgium, France, Finland, Denmark, Sweden and Ireland. For the purposes of this discussion it is important to distinguish between leave schemes which focus on job rotation, for instance, in Denmark, and parental leave schemes which have been introduced primarily for equal opportunities purposes, for instance, in Sweden.

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29 This position was formulated as a result of a closed meeting of the Public Sector Department, Federal Employees Group, Public Sector Department Heads and voluntary representatives of the DAG from the Public Sector department in Walsrode, 1994.

30 See for instance DAG (1998) Arbeitszeitkonto und Notlagenregelung beim Caritas-Verband, 19 January, as an example of an agreement allowing for time credits to replace the payment of overtime as a mechanism to avoid redundancies.
Leave schemes: a central element of Danish Labour Market Policy.

In Denmark unemployment fell to 8.7 per cent in 1996 from an average of 12.2 per cent during the 1980s. This fall in unemployment has been partly attributed to the Danish leave schemes and relatively early retirement, which have been taken up largely in the public sector (Due, Madsen, Jensen and Hansen, 1997).

Danish paid leave schemes were introduced in 1992 and offer an opportunity for workers to reduce the total amount of time spent at work, whilst also creating new jobs (Madsen, 1996, Danish Ministry of Labour, 1996). As a result job rotation has been established to enable unemployed people to gain experience in the labour market. The leave schemes enable workers to take educational, parental or sabbatical leave and although they have been highly popular, entitlements have been reduced in recent years. This has particularly affected the take up of the parental and sabbatical leave schemes. Leave entitlements since 1994 have enabled consecutive leave to be taken from between 13 and 52 weeks, in addition to basic rights to maternity leave. Basic entitlements to leave are set out in legislation. However, collective agreements in the public services have extended these entitlements and benefits beyond the statutory minimum. Wage earners and in some cases self-employed and unemployed people, are able to take subsidised leave for up to one year for parental leave, education/training leave or leave for non-specified purposes (although sabbatical leave in the latter case is to be phased out in 1999). A large proportion of public service workers have taken up leave opportunities, representing 61 per cent of leavers in 1994, 59 per cent from a total of 78,754 leavers in 1995, and 49,897 in 1996. Women have been the highest group of leavers, representing 70 per cent of educational leave, 93 per cent of parental leave and 60 per cent of sabbatical leave. It is in the municipal and state sectors where the highest levels (89 per cent) of job replacement takes place.

Leave entitlements vary in the scheme. Parental leave and sabbatical leave benefits equals 70 per cent of the maximum rate of unemployment benefit. From 1997 this was reduced to 60 per cent. This has affected the take up of the sabbatical scheme, resulting in a fall in the numbers taking leave from 13,000 in 1994 to 3,000 in 1995. The scheme is due to be phased out in 1999. Educational leave, introduced in 1994, covers working people, as well as unemployed and self-employed people, compensated by 100 per cent of maximum unemployment benefit for up to one year. The scheme has been growing in importance with 47,000 people benefiting from educational leave in 1994 and increasing to 80,000 in 1995. An agreement has recently been concluded to enhance the level of education/training leave and job rotation.

In a similar vein early and partial retirement can also be compensated for by unemployment benefit. This has become increasingly popular in Denmark, which has one of the highest retirement ages, of 67 years, in the EU.

Leave schemes in other countries reflecting the importance of the Danish model

The Danish leave schemes have provided important models for the development of leave schemes in other European countries.

In response to growing unemployment a number of experiments regarding new, flexible working time models have been introduced in Finland. In particular the leave scheme introduced in 1996 is one of several options for a policy of reduced hours in Finland. The government subsidised leave/job alternation scheme aims to encourage job rotation (whereby an employee takes leave of between three and twelve months with compensation of between 20 per cent and 30 per cent of the wage) enabling the job to be replaced by an unemployed person. This has had a positive effect in the public services, where take up has been high. The scheme was introduced in 1996 as a mechanism to redistribute work and

31 Figures presented by Henrik Brandt (KTO) at EPSU working time seminar, March 1997
encourage job rotation and is supported by the trade unions. The objective is to reduce unemployment and create a secure way for working people to leave the labour market temporarily, whilst providing employers with new competencies and flexibility (VTY, 1997).

Leave for unspecified purposes is compensated by 60 per cent of unemployment benefit, with a top up given for leave taken for education and training. To date 5,500 employees have taken up the scheme, and according to the VTY levels of compensation will need to be improved if the scheme is going to be taken up on a more widespread basis (VTY, 1997, EIRO, 1997d). In addition, parents are entitled to take up to 6 months parental leave and childcare leave up to a child’s third birthday, compensated through 66 per cent of annual earnings by the state. It is possible, also, for workers to take unpaid study leave for up to two years.

In 1998 the Finnish ‘job rotation’ experiment was extended to the year 2000. Indeed, the Minister of Labour has expressed a willingness to raise the compensation for sabbatical leave to 80 per cent of unemployment allowance and to introduce some amendments to make the scheme more flexible (EIRO, 1998q). This experiment, based on an agreement between the employee and the employer, allows the employee to a minimum ‘work holiday’ of 90 days and a maximum of 539 without pay. During this period the employee receives a monetary compensation equivalent to 70 per cent of unemployment benefit, and the employer has to hire an unemployed job seeker to fill the position. Seventy per cent of the leavers have been women, largely in the fields of teaching and health care.

However, it remains too early to identify the extent to which these new working time arrangements have promoted employment in the long term. This is difficult to quantify given that in the short term the new jobs that have been created have been subsidised by the government. However, by 1998 5,500 employees had taken part in the scheme.

Other experimental leave schemes are as follows:

- In Sweden the introduction of leave for education and training purposes has been introduced in the public sector, with unemployed trainees replacing the leavers (the majority of whom are women).
- Paid sabbatical leave has been introduced in some parts of the public sector in Germany.
- In addition to entitlements to paid educational leave, the Belgium government has established the right to paid leave and career breaks, designed to encourage job rotation and opportunities for unemployed people to gain work experience. Career breaks were introduced in 1995 enabling workers to take full-time and part-time leave for six months or more, renewable to a maximum of five years. Full-time leave is compensated by approximately 10.500 BF a month and the job must be filled by an unemployed person. Employers are also compensated through reductions in social security changes for the replacement worker. Large numbers of workers have benefited from career break schemes, although the proportion of workers benefiting from the scheme has declined. In 1996 50,000 workers took leave, of whom 30,000 were women (Ministère Fédéral de L’Emploi et du Travail, 1997).
- The Austrian Sabbatical Scheme had planned to introduce the right to one year’s leave with 80 per cent of monthly salary and full pension contributions (Gewerkschaft der Gemeindebediensteten, 1998). The trade unions failed to agreed to the scheme after the employers refused to replace employees taking up the sabbatical scheme with additional staff.
- Long paid leave schemes will be introduced in the Netherlands in 1998 entitling workers to take leave of up to six months, with benefit of approximately 900 Dutch Gilders a month compensation. It is also likely that collective agreements will be developed as a consequence in this area. Leave can be taken for parental, training or unspecified purposes. Of importance is that the scheme requires replacement by an unemployed person for the duration of the leave. In addition, since 1996 the provisions of the Parental
Leave Directive have been transposed into Dutch law entitling parents to the equivalent of three months paid leave, which can be taken on a full-time or part-time basis.

- In France the introduction of schemes providing ‘training time capital’ over a lifetime, have been introduced through sectoral agreements. This has led the CFTC to develop policy on sabbatical leave and job rotation, using the Danish leave system as a model.

- In Ireland, the public sector career break schemes, covering 82 per cent of public sector organisations, enable workers to take leave for up to five years without pay, with the right to return to the job at the end of the leave. Although jobs are normally replaced, there is no guarantee laid out in legislation to ensure that job replacement takes place. However, the career break agreement does prevent leavers from taking up jobs elsewhere, since in practice it is designed to encourage educational leave.

11. Equal opportunities and family friendly working time initiatives

There are a growing number of examples of agreements which are allowing women to have more control over their working time through family friendly policies, and employee friendly part-time work, particularly for women returning from maternity leave. In addition, to the policies to redistribute work and strategies on part-time work outlined above, the introduction of parental leave schemes across Europe have been a crucial element of working time policy. Further examples of agreements to introduce family friendly policies, particularly in national administration and the public utilities can be found in chapter 6.

Parental leave

Ten countries in Europe currently provide parental leave arrangements, and the bulk of parental leave continues to be taken up by women (European Commission, 1998c). The most generous provisions are found in Denmark, Finland, Norway and Sweden.

- Danish mothers and fathers can get up to a year’s parental leave if their children are under the age of eight, during which 60 per cent of the maximum rate of unemployment benefit is payable.

- In Finland, either parent is entitled to 158 days’ parental leave, over and above maternity leave, for which a special parents’ allowance is paid. Other features of the Finnish system include reduced working hours during the year the child starts school and unpaid time off for those with children under three years of age.

- Norwegian parents have extremely good entitlements to integrated maternity and parental leave. Women have the right to 42 weeks full pay or 52 weeks leave with 80 per cent pay following the birth of a child and four weeks of the leave has to be taken up by fathers. Parents are also entitled to sick leave to care for children of up to 10 days per year. In recognition of the growing importance of part-time work to the Norwegian economy, attempts have been made to make part-time work more attractive. Part-time workers, who represent 27 per cent of the working population, have similar legal, pension and benefit entitlements to full-time workers.

- The Norwegian NKF union wants to see the introduction of 6 hours daily working time with full wage compensation. It sees working time policy as closely linked to equal opportunities and is against reducing working hours without full compensation on the basis that each worker should be entitled to a full wage. In particular, the growth of women’s part-time work over the last ten years, and coupled with the poor record of the Norwegian municipalities during 1994/5 in introducing large numbers of temporary contracts, has not led to living wages for women. However, the Work Environment Act did slow down the use of temporary contracts and enabled many women to gain legal and secure employment conditions in the municipalities and municipal enterprises. Likewise, negotiations to allow part-time workers to increase their hours have improved the wage position of many women workers. The NKF is resistant to agreeing to the use of more part-time and fixed-term employment, on the basis that this would not enable women to
be financially independent. According to Gunhild Johansen of the NKF “making workers dependent on several employment relationships – several employers – in order to scrape together enough money to live from, is not meaningful in our opinion”.

- In Sweden generous leave schemes exist. Parental leave equals 360 days with benefit equivalent to 80 per cent of lost income, with a further 60 days at a rate of SEK 60 per day. In addition, it is possible for a parent to work reduced hours until a child’s eighth birthday. Employees are also entitled to leave for education/training purposes. The public service trade unions would like to see these entitlements extended. In Sweden, as in the other Nordic countries, entitlements to long paid leave are generous, although these have recently been reduced (from compensation of earnings from 90% to 75% of earnings in 1996) in the light of budget cuts. Parents in Sweden have the right to 12 months parental leave, distributed between the parents on a full-time or part-time basis, and in a recent attempt to increase the number of fathers taking leave, one month of this leave now has to be taken by each parent. An additional 450 days leave is available for parents until the child is 10 years old (Olsson, 1997a).

- In Austria paid parental leave entitlements were extended to parents in 1995, allowing for parental leave of two years. In order to encourage fathers to take up the scheme the entitlements were reduced to one and a half years except in cases where the father takes leave of at least six months.

- Since 1 January 1998 Belgian employees can take three months parental leave from the time the child is born or adopted, until the child is four years of age. Social security entitlements are maintained during the leave. As a result of a national agreement between employers and trade unions concluded in the National Labour Council in April 1997, to implement the Parental Leave Directive, all Belgium workers will be entitled to up to three months paid parental leave of approximately 12,000 BF a month, up to a child’s fourth birthday, extended to eight years for adopted or disabled children. This is an important development in that many parents have used the career break scheme for family leave purposes.

- The introduction of the Directive on Parental Leave has had important implications for those countries that had not developed parental leave. This has led, In the UK, Ireland and Greece, to more limited paid leave entitlements available to workers and parents are entitled to three months unpaid leave for children up to 2.5 years. In the UK the Fairness at Work White Paper (Department of Trade and Industry, 1998) paves the way for a new climate of thinking on the linkages between working time and work and family life. According to the White Paper:

  Parents, both men and women, need time with their children and time to create a supportive home in which their children can thrive…Helping employees to combine work and family life satisfactorily is good not only for parents and children but also for businesses. (p.1)

- Trade unions in Ireland argue that with its healthy economy, the government should be in a position to give parents paid leave. Soheen Callender of Siptu condemns the proposal as “deplorable” and says the absence of pay or an allowance will make parental leave “distinctly unattractive” for the majority of parents. Employers are giving the impression, she says, that they are being asked to pay when what is at issue is whether there should be a new social insurance payment, similar to the provisions for maternity benefits. Union general secretary Blair Horan of the Civil and Public Service Union says he is “concerned and disappointed” but not despondent about the approach being taken by the Government (Irish Sunday Tribune, 14 June 1998).

However, in some countries the rights of public service employees to parental leave can create employment insecurity. Whilst Spain provides a maximum period of three years’ unpaid parental leave, the right to return to the same job applies only in the first year. After that the worker is entitled to a post in the same professional category or an equivalent one.
Greece, the right to three months’ unpaid leave is restricted to parents who work in establishments with 100 or more employees. The leave is granted to only 8% of workers in the company in any one year.

These parental schemes have been important in varying degrees, in contributing to the rising participation of women in the labour market.

12. Conclusion

This chapter has shown that working time developments in the public services have led to the evolution of a variety of different models of working time, which increasingly allow for working time to be considered over a lifetime, with agreements that have become more individually and locally focused, and which have responded to the massive restructuring that is taking place in the public services.

The pace and level of negotiations for shorter working hours, with or without compensation, varies across Europe. However, the overall trend has been towards shorter working hours. The level of interest in and action on shorter working hours can be seen from the French legislation on the 35-hour week, along with the aspirations of the majority of public sector unions to reduce hours.

Flexible working hours, shift work and reorganised working hours have become widespread in the public services. Perhaps some of the most innovative approaches to working time and work organisation can be found in the areas of the public services that are dependent on continuous, 24-hour services, for instance in the Health Service which relies heavily on shift work patterns. However, there is a growing trend to develop more flexible working hours within other areas of the public services, with flexible use of weekly, monthly and annual hours, in order to extend service provision.

In a large number of European countries annualised working hours are being developed and a growing debate is being held about lifetime hours. The use of these perspectives on working hours can be helpful in adjusting working time according to seasonal or workload fluctuations as well as to ensuring that the working hours of part-time workers and workers who leave the labour market on a regular basis are considered away from the parameters of full-time work. In addition, lifetime hours can help to reconcile different patterns of flexibility, paid and unpaid leave from the labour market and partial retirement. These perspectives can equally assist in making flexible work more meaningful and improving the quality of services at the same time. Time banks and time accounts systems are innovative ways of accounting for working time in terms of hours rather than pay have been successfully piloted in a number of countries. They enable overtime, additional hours, periods of high work demand, and other bonuses, profit-sharing schemes and incentive payments to be translated into additional time off, that can be ‘banked’ for between one month and one year.

Leave schemes for training, parental leave or sabbatical leave, are also growing in importance across Europe and most rapidly in the Nordic countries, and reflect a different model for reduced working hours. Paid leave schemes introduced in Denmark, Belgium and Finland have been developed in response to high unemployment, enabling leave to be taken for between one week and one year, and in most cases on the basis that an unemployed person is temporarily recruited as a substitute for the leaver. It is clear that the schemes have had an important impact in the public services, not only in enabling people to take well-deserved leave, but also enabling more time for parental roles or training. Women have formed a large proportion of leavers in Denmark (77 per cent), Belgium (85 per cent) and Finland (70 per cent) and along with other parental leave schemes that have been introduced in most European countries, this gender imbalance raises questions about how far this policy contributes to an overall strategy of equal opportunities. By subsidising women’s leave from the labour market, parental leave, can further reinforce their marginalised and secondary

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position in the labour market. Nevertheless, the introduction in Sweden of the requirement that one months leave to be taken by fathers may help to reverse this process. Shifting the gender balance in leave schemes will become an increasingly important aspect of equal opportunities in the future. Increasingly trade unions are viewing parental leave to be an essential element of working time policy, not least in securing ways of redistributing work to facilitate the sharing of work and family responsibilities. In most European countries parental leave is a legal entitlement and collective agreements have, particularly in the Nordic countries, extended leave beyond the levels set down in national legislation. It is only in Ireland and the UK that no legislative provisions exist on parental leave, and for this reason the introduction of the Parental Leave Directive will be of major importance to these countries.

Policies on partial and flexible retirement have been most vigorously pursued in Sweden as an integral element of Labour Market Policy, enabling people to enter retirement earlier than the statutory requirements either fully or partially, or indeed to work flexibly beyond the statutory limit. Early and partial retirement schemes are increasingly becoming an instrument for job creation across Europe. Schemes for partial (part-time) and early retirement exist in a large number of countries. However new schemes introduced in Belgium and Germany provide for direct job creation to result from reductions in hours of older workers.

Shifting the balance between part-time and full-time work has been an important component of many recent agreements and policies of public service unions across Europe. This includes strategies in the Netherlands to reduce full-time working hours and correspondingly increase part-time working hours, to strategies in several Nordic countries to enable part-time workers to benefit from full-time working hours. In all public sector unions the regulation of part-time work and the option for moving flexibly between the two has been developed as part of an overall strategy for equal opportunities. In this sense the strategy is also about ensuring that the status of part-time work is enhanced and that flexible working patterns do not undermine workers’ job security.

Finally, with the pace of change accelerating and the use of new technology growing in the public services, policies on educational leave and lifelong learning have become critical to ensuring that public service workers are able to adapt and update their skills. Although different approaches exist across Europe, developing entitlements to longer leave for education and training purposes is becoming an increasingly important feature of working time policy, acting in some circumstances as a lever and trade off for employers’ preferences to working time flexibility, and to provide adaptability to changing labour market demands.

The next chapter will go on to show how these working time developments have been introduced within the different sectors of the public services, with a more detailed discussion of agreements, experiments and innovations in working time.
CHAPTER 5

WORKING TIME AT THE SECTORAL LEVEL

1. Introduction

This chapter looks at how working time initiatives have been developed in the different sectors of the public services. This is based on an analysis of collective agreements in each of the sectors represented in the EPSU Standing Committees:

- Health and Social Services
- Local and Regional Government
- Central and European Government
- Public Utilities

Because of different organisational and funding regimes, and statutory responsibilities, working time initiatives have varied across these different sectors. Many of these differences arise from the varying demands and responses to public service modernisation and restructuring in each of the sectors. However, as the previous chapter showed flexibility at work and working time have become important issues related to the delivery and organisation of public services. For this reason, many similarities in approach are also identified.

For the purposes of this study Eurostat data has been used to identify comparisons between sectors. However, this data needs to be treated with caution, owing to different national reporting systems (particularly regarding the breakdown and status of employees in public administration), and because of limited disaggregation of the statistics into all sectors of the public services.

Employment in the public services remains high as a proportion of all employment across Europe, although in many countries reductions in employment have been a common feature of public service modernisation and restructuring in the 1990s.

Table 7 shows the distribution of employment in the public services. Table 8 identifies the average weekly hours in different sectors of the public services. The lowest hours, averaging 33.0 weekly hours can be found in other services (which include health and social services amongst other areas). A medium range of hours can be found in public administration, averaging 37.7 weekly hours. The highest hours are found in the electricity, gas and water supply sector, averaging 39.1 weekly hours.
### Table 7 - Distribution of employment: services in 1997 (% population 15-64)

<table>
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<tr>
<th>Country</th>
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<th>Education</th>
<th>Health and Social Work</th>
<th>Other Services**</th>
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* includes public administration and defence; compulsory social security. Not disaggregated by national, regional and local administration and based on different national reporting systems.
** Sewage and refuse disposal, sanitation and similar activities; activities of membership organisations; recreational, cultural and sporting activities, and other service activities; private households with employed persons; and extra-territorial organisations and bodies.

### Table 8 - Average Weekly Hours (employees), 1997

<table>
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<th>Other Services**</th>
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</tr>
<tr>
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<tr>
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<tr>
<td>I</td>
<td>38.8</td>
<td>36.2</td>
<td>32.3</td>
</tr>
<tr>
<td>L</td>
<td>39.7</td>
<td>37.5</td>
<td>34.4</td>
</tr>
<tr>
<td>NL</td>
<td>37.3</td>
<td>35.2</td>
<td>28.4</td>
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<tr>
<td>A</td>
<td>38.6</td>
<td>38.4</td>
<td>36.5</td>
</tr>
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<td>P</td>
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<td>39.3</td>
<td>34.3</td>
</tr>
<tr>
<td>FIN</td>
<td>38.9</td>
<td>37.2</td>
<td>36.1</td>
</tr>
<tr>
<td>S</td>
<td>38.3</td>
<td>37.7</td>
<td>33.6</td>
</tr>
<tr>
<td>UK</td>
<td>41.8</td>
<td>38.4</td>
<td>33.1</td>
</tr>
</tbody>
</table>

* includes public administration and defence; compulsory social security
** Education; Health and Social Work; Sewage and refuse disposal, sanitation and similar activities; activities of membership organisations; recreational, cultural and sporting activities, and other service activities; private households with employed persons; and extra-territorial organisations and bodies.
2. **Health and Social Services**

In the health and social services, many of the issues concerning the quality, funding and delivery of health and social care are either directly or indirectly related to working time and work organisation initiatives. As welfare states across Europe face funding crises, owing to ever increasing demands for services, demographic change and controls on budgets, the reorganisation of services has become vital to improving the quality and delivery of health and social care. In addition, rising user expectations and the growth of user and social movements pressuring for improved quality has had important effects on the way in which services are delivered. Working time arrangements are of critical importance to health care, since this is based on 24-hour workplaces. A few examples demonstrate the explosion of activity surrounding working time initiatives in health and social services.

In Portugal, the government has committed itself to a strategy for restructuring health care over the next four years, which has important working time implications. In the UK the implementation of the Working Time Directive has led to a number of new initiatives on working time and the public service unions regard this as an opportunity to argue for reduced working hours and flexible working hours. As part of a package of new measures introduced under the new Labour Government, the Minister for Health, Frank Dobson reported to the Health and Social Services Committee (HSSC) that the government was committed to developing family friendly policies, to enable parents to have more choice about when they work (DTI, 1998). The important changes to Italian working time legislation (discussed in the previous chapter) suggest that there will be a potential impact in the health and social services sectors of the economy, within a framework of reducing working hours to 35 weekly hours. In addition, the concept of time banking is being introduced in Italy in the recognition that employees often work beyond their contracted hours. Unions and employers in the railways have signed an agreement on this, and it is anticipated that this initiative will be extended to other sectors in the future.

In Finland, high unemployment and economic recession has led to a massive growth of atypical contracts, including periodic contracts, part-time work and the contracting out of services from the state or municipalities to the private sector. In health care, approximately one-third of employees work on a periodic work contract. The Finnish Union of Health and Social Care Services (Tehy) estimates that every third member is employed on atypical contracts: including short term working, temporary contracts, on-off jobs and part-time work. In addition, short-term replacement workers (normally students and unemployed people) have been employed to provide cover for health and social care workers who are taking annual leave. In 1998, the level of replacement was reduced, particularly in specialist hospitals and health centres (Tehy, 1998).

The introduction of local bargaining in many parts of the public services has led to disparity in hours worked and has led to pressure to harmonise basic hours in the health service. According to IDS (1996), in the UK, twenty-six health trusts had introduced different hours of work from the previous national Whitley agreement. The large proportion of Trusts have agreements for working hours of 37.5 hours, with a small number at 37 hours, whereas four ambulance trusts had working hours of 40 or 42 weekly hours. In one Trust, annualised hours had been introduced.

This context of huge shifts in the organisation of health and social services and working time have led to a large number of agreements related to working time, particularly the introduction of new patterns of flexible working time, including:

- In Luxembourg, an agreement signed by the employers and public service unions in February 1997, paves the way for pay increases and a reduction and reorganisation of working time for 5,000 hospital workers. This collective agreement was signed in a ‘co-operative’ atmosphere by the social partners (EIRO, 1997h).
• In Denmark a number of pilot projects in the health sector (backed by employers, doctors and trade unions) are looking at new initiatives that link better quality services, participation of workers, work organisation and job satisfaction, to create a learning organisation. The pilots, which include an initiative based at Silkeborg Hospital, is based on the involvement of all workers in the project, through a decentralised system of Steering Groups. Flexible working hours and new forms of work organisation are seen as critical to these pilots, and are discussed in the context of improving the quality and efficiency of health care. This initiative has also led to the development of an EU project with thirty-five employer and trade union organisations in five EU countries under the Leonardo programme, whose concerns are to develop new forms of work organisation with changes in work and education/training.

• In the Netherlands employees in health and social services now work a 36-hour week. Employees have the right to work part-time and in some cases they have the right to extend their hours and work the hours that they worked before the agreement was implemented. In most cases reductions in working time have led to the creation of new jobs. Between 75 and 80 per cent of reduced hours are replaced by new jobs and in the welfare sector replacement has been up to 100 per cent of reduced working hours.

• In the Netherlands, Abvakabo developed an agreement that enabled women workers in an old people’s home to working variable hours (between 6 and 36 hours per week). The women were empowered to develop their own schedules to cover day, evening and night shifts. This has worked very well.

• In Germany, flexibilisation of working hours and working time accounts have been introduced widely in the health sector.

• Although an extension of working hours may not suit the existing workforce, new working arrangements can be attractive to women who have been unable to participate in the labour market during ‘social’ hours of work. When a UK hospital trust wanted to extend the opening hours of its radiography services, existing staff were unhappy about the idea of working more flexibly and wanted to continue to work a standard nine to five day. Many of the staff had children and had arranged their family commitments to match their working hours. The hospital consulted fully with the union and came to an arrangement that the union describes as working very well. Three part-time workers were taken on to cover the additional hours, some of whom preferred to work part-time unsocial hours, and the nine to five staff agreed to cover holiday leave for the part-time workers.

• In the health service in Sweden a Timecare policy has been introduced allowing staff to work flexibly, in order to meet the fluctuating demands of their work, whilst also combining their domestic and social responsibilities with work. Timecare is a self-rostering system which operates as a bottom up approach, allowing peaks and troughs in workload to be covered, whilst also giving employees more choice over the hours that they work. Timecare is a software package, developed by two Swedish Orthopaedic Surgeons, and allows nurses in particular to manage their individual needs for flexible working within existing rostering. Nurses take full responsibility for ensuring that staffing levels are maintained, on the minimum and maximum staffing required, on a computerised system that allows individual requests for particular hours to be made. The success of the Timecare system has been used in a number of other countries, including the UK. An evaluation of 19 pilots in UK hospitals found that the system worked well for staff and for patient care (NHS Executive, 1998).

• In 1988 the German DAG union proposed the introduction of a new factoring scheme in the health service. The scheme had the advantage of enabling calculations to be made for arduous working conditions payments, work at special times, on-call and standby working, based on a time accounting basis. In the scheme the employees would

32 See for instance agreements introduced with the Deutsche Klinik für Diagnostik in Wiesbaden and the Employers Federation of Private Hospitals in Hessen.
voluntarily decide whether the entitlement earned should be credited to a time-off account or paid in cash (DG, 1998).

- In the UK, agreements to introduced annualised hours in the health service have helped to reorganise working time in hospitals. Employees are contracted to work a given number of hours over 12 months. At the Aberdeen Royal Infirmary a project was developed with the employers and public service unions, in order to match staffing levels more closely with patient activity. Nurses work 1,955 hours a year, inclusive of annual leave and public holidays. In May 1997 most of the staff who had tried out the annual hours working on a pilot basis converted to permanent contracts and the system is now a permanent policy. It has been highly popular with employees, and has been fully supported by the unions (Nursing Standard, 1998, Health Service Journal, 1998, UNISON, 1998). On a more negative note, the use of temporary working in the NHS, particularly through bank nursing and zero hours contracts in the health service has been a growing concern for UNISON (Cave, 1997).

Table 9 summarises the main working time developments in the sector.

Overall, public service employers have been resistant to working time reductions in health and social services, as a solution to unemployment; the preference has been towards a strategy based on work sharing, through increasing part-time and temporary working arrangements. For example, flexible working hours have been introduced in the social welfare and health sectors in Finland, enabling more individual choice in working time and opportunities to work long shifts, for instance in the health service, in order to create longer periods of uninterrupted time off.

In a comparative study of flexible working practices in the public health sector in Denmark, France and the UK, Branine (1997) confirms that flexible working practices have increased significantly in the health sector. Forty per cent of employees, largely women, were found to work on a flexible basis in the three countries. In the UK, and to a lesser extent in Denmark and France, the growth of part-time work in the health sector had assisted in cost reduction and flexibility of operations.

**Working time experiments in the health sector in Sweden**

In Sweden, concerns about working time in the health services relate to the large numbers of women working part-time. The Swedish Health Care Union (SHSTF) has made it a priority to ensure that part-time workers are able to work full-time if they so choose. In particular, the Swedish priorities in the health and social services sector on working time reflect the need to see working time reductions linked to improved quality of life for workers, in addition to the priorities to create new jobs.

In Sweden, daily working time experiments, similar to those in the municipal sector, have been taking place in the health sector since 1989 with the goal of reducing levels of stress and workloads. The projects within the hospital sector have reduced the working day to six hours with no loss of pay. Some of the projects have been continued on a permanent basis in the municipality of Kiruna and the Södertälje Hospital, whilst others have been phased out, in the Gullberna Hospital in Karlskrona (Olsson, 1997b). Whilst these projects were important in increasing the well being of workers, and assisted in creating more leisure time and time for family life, they had limited job creation effects. Of interest to an evaluation of the Södertälje Hospital project is that shorter working hours did not lead to increased production costs, in contrast they enabled more rationalisation to take place that had positive results for both employers and employees (Olsson, 1997b).
Table 9 - Working Time in the Health and Social Services

<table>
<thead>
<tr>
<th>Country</th>
<th>Weekly working hours</th>
<th>Part-time work (%)</th>
<th>Right to work part-time</th>
<th>Agreements to reduce working hours</th>
<th>Job creation: reduced hours</th>
<th>Parental leave</th>
<th>Leave arrangements</th>
<th>Toil/ overtime in leave</th>
<th>Flexibility agreements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>25.5</td>
<td>30.6</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Belgium</td>
<td>34.8</td>
<td>44.4</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Germany</td>
<td>38.5 hours**</td>
<td>27.9</td>
<td>33.9</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
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<td>42.3</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
</tr>
<tr>
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<td>10.1</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<td>✓</td>
</tr>
<tr>
<td>Finland</td>
<td>11.6</td>
<td>11.4</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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</tr>
<tr>
<td>France</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health care Night work Social Care</td>
<td>39 hours</td>
<td>39 hours</td>
<td>39 hours</td>
<td>27.5</td>
<td>33.6</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
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<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Italy</td>
<td>(35 proposed)(1)</td>
<td>36 hours</td>
<td>36-38 hours</td>
<td>7.1</td>
<td>9.6</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>15.3</td>
<td>19.7</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Netherlands</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hospitals</td>
<td>36 hrs</td>
<td>36 hrs</td>
<td>36 hrs (1.1.99)</td>
<td>66.0</td>
<td>76.6</td>
<td>✓ (1)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Academic Hospitals</td>
<td>36 hrs</td>
<td>36 hrs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Homes for the Elderly Welfare Home Care</td>
<td>36 hrs</td>
<td>36 hrs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Sweden</td>
<td>37 hours*</td>
<td>46.6</td>
<td>50.0</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>UK</td>
<td>43.7</td>
<td>50.2</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

*In Sweden union members over the age of 40 years have an additional six to seven extra days holiday on top of the statutory 25 days.

**For some groups of employees a 56 or 48 hour week continues to apply in the public sector (caretakers, and some of the emergency services)

(1) part-timers can also extend their hours
In the health care sector of Stockholm County Council twenty new five year projects were launched in 1996 aimed at reducing working hours (Olsson, 1997b). The aim of the projects is to create new jobs, improve the welfare and working conditions for employees, improve the quality of the service, and enhance family life, particularly of employees’ children, through a model of ‘negotiation’. The project is currently being monitored and it is interesting to note that gender differences in uses of leisure time, working conditions, the job creation effects and quality of services are being evaluated. The project is based on whole units taking working time reductions (rather than previous projects mentioned above which were subject to individual time reductions). The model of ‘negotiation’ has led to different working time models in different projects, with a big impact on work organisation overall and with differential effects regarding extent to which replacement of staff takes place.

The SHSTF have agreed a principle to move towards a 30-hour week to be achieved in ‘major leaps’33, on the basis of shorter working hours for night staff and rolling weekend shifts for health care workers. Whilst the aim is that reduced weekly working hours will be compensated by hiring more staff, there exists low unemployment in the sector and the strategy is more likely to be to enable women part-time workers to work longer hours. This is in line with the strategy to develop entitlements for all workers to work full-time with a living wage. The reality is that the SHSTF faces similar dilemmas experienced by other public service unions across Europe, that members have prioritised wage increases rather than shorter working hours. The SHSTF consider that a reduction in working hours is an important priority, however, the cost implications of this have not yet been fully considered.

In Sweden, the movement towards working time reductions in the public services has gained momentum and this has, in part, been a response to the loss of jobs in the public sector over the last five years34, at a time of growing demands for increased levels of social care for elderly people and children35. For this reason, creating new jobs in these areas is not far from the minds of the public service unions, although working time reductions are not necessarily seen as the principle route to achieve this. In the not-for profit associations working time reductions were negotiated in 1997, as a means of coping with reduced state funding. The reductions were traded off against a pay rise limited to 1 per cent and more flexible organisation of working hours (EIRO, 1997k). Nevertheless, public service unions have been looking more intensively at working time issues over the last few years. This principle is reflected in the position developed by the SKTF. According to Jeanette Rigné (SKTF)36 the union has developed a clear position on working hours for three reasons. First, shorter working hours are important for equal opportunities, second, they enable women and men to more effectively divide paid and unpaid work and therefore contribute to health and security, and, third, they have important labour market, and social objectives and create solidarity with unemployed people.

In addition, there have been a range of new models of working hours developed to enable more flexibility for employees to choose their preferred working hours. The development of computer programmes and time models have become widespread in assisting public sector workers in elder care and hospitals in this respect, whereby working hours can be booked in advance. The effect has been to enhance flexibility, and in some cases has led to working time reductions, and is an approach that is favoured by employers and employees alike.

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33 Contribution by Helena Johanson (SHSTF) to EPSU Working Time Seminar, Brussels, March 1997 and correspondence with the union.
34 The Swedish Government budget proposal for 1998 estimates that 150,000 jobs have been lost in the public sector since 1991/2.
35 A government appointed research group on the demand and resources in health care estimates that demographic changes will increase health care costs in county hospitals by 5-6% until the year 2010, with a gap between demand and resources of 7-8% by 2000. Likewise, it is estimated that demand for elder care in the municipalities will increase by 19% until 2010. The results of this study did, however, lead to an increase in resources for municipalities. (SOU, 1996:163)
36 Contribution to EPSU Working Time seminar, March 1997
Working time experiments in the health and social services in Norway

Experiments to reduce working time in the public health service in Oslo have been introduced in order to demonstrate that reduced working time leads to lower levels of absence through illness and as a result, maintained or higher levels of productivity. However, the results of the project revealed that absence rather than being reduced, actually increased, largely as a result of a relatively large number of employees taking maternity leave during the project. As a result of the small number of participants in the project it was not possible to draw statistically significant conclusions from the results. A further problem is the inherent difficulty in measuring productivity in health care. A further attempt to introduce a further project was halted after the employers claimed that the project was irreconcilable with the tariff agreement already in place.

A more positive outcome resulted from reduced working hours based on an agreement in Oslo for home care workers; 100 employees negotiated a reduced working day to 6 hours a day for two years, with no loss in wages. This experiment was designed to improve the welfare and work environment arrangements for workers on the basis that each hour of reduced working time was replaced by new employment. As a result a new job was created for approximately every third care worker in the scheme. The Norwegian NKF argued that the municipality did not lose out because of reductions in sick leave.

Case study of the reorganisation of working time for Dutch health care workers37

AbvaKabo is the largest public sector union in the Netherlands. The union recently developed an agreement on the reorganisation of working time for health care workers, including options for extending and shortening working time. Health care in the Netherlands is currently the largest economic sector, with 80 hospitals, 220 special clinics units, 100 psychiatric centres, 150 institutions for mentally handicapped people. There are 350,000 workers in the sector in 650 different professions, with a total wage cost of 15 billion Dutch guilders. Eighty per cent of workers in health care are women, 60 per cent of whom work part-time hours of between 20 and 30 hours per week. The standard working week is 40 hours, whereas the average is 38 hours per individual, based on an agreement on a reduction in working hours to an average 38 hours per week, with an additional 12 days annual leave. However, this has had a limited impact on the creation of new jobs. In this light the issue of the linkages between working time reductions and job creation has been re-evaluated and has resulted in a recently concluded collective agreement on working time.

In 1996 negotiations led to a two year contract for a standard working week of 36 hours (introduced in October 1997), with a corresponding creation of new jobs and options for job relocation if there is a reduction in working time, and the introduction of a new type of grid for calculating working hours. On the one hand, it is clear initially that the demands for a 36-hour week originated from preferences by workers for more leisure time, although employment concerns later came to play an equally strong role. On the other hand, employers wanted more flexibility for an extension of services and opening times, and an elimination of any additional bonuses for shift work, except night work. Two months of negotiation led to an agreement regarding bonuses paid for people working the hours 6-8 pm, whilst those for Saturday working were dropped. In addition, workers were given options to extend working hours in order to extend opening hours to weekends and evenings.

The 36-hour working week is based on three working time models in the hospitals; two models based on a four week period 38 (for those working regular working hours) and one

37 based on presentation by Adrian Wirtz, AbvaKabo, to the EPSU working time seminar, Brussels, March 1997
38 The model has been developed for those people working regular working hours, allowing for a rotation of a 4 day working week with a nine hour working day and a 5 day working week with an eight
based on a thirteen week period (for those working irregular/shift hours). The effect has been to create a shorter working week, providing more free time on consecutive days, and new job creation measures. A number of other agreements have reinforced the importance of creating new jobs and enabling part-time workers to increase their working hours. These agreements ensure that there is replacement by high skilled professionals, with finance made available for hiring new staff, with a replacement of between 70 - 80 per cent of time reductions resulting in new jobs. Moreover, since there are a large number of part-time workers in the sector, the union settled their entitlement to maintain old working arrangements if this was preferred, or alternatively the part-time worker has the option to request an extension of their contract, which can only be rejected by the employer if this would lead to a surplus of labour in that service. Plans for implementation were also built into the agreement, requiring consultation with Works Councils, with agreement on models applied, new recruitment, and replacement workers. Each stage of the agreement has also to be approved by the Works Council before it is introduced. The agreement also led to the development of a new flexible shift system, with a new grid for shift work to be introduced over a four-year period. The new shift system, allowing for no more than three consecutive night shifts and shorter night shifts, has been piloted in twenty institutions and there is evidence to show that it has led to a considerable decrease in work pressure and healthier working conditions.

AbvaKabo anticipate that 10,000 new full-time jobs will be created in the health care sector once the agreement has been fully implemented. Since there are low levels of unemployment in the health care sector, part-timers are given the right to stick to existing contracts or extend it into full-time work, and incentives are given to retraining unemployed people and encouraging new people and school leavers to move into the health care sector. AbvaKabo are using the examples of working time reduction developed in the health care sector as a model for reducing working hours in other parts of the public services.

**Annualised working in health care in Finland**

In Finland, the introduction of workplace-specific collective agreements on flexible working hours has led to the introduction of ‘yearly working hour systems’ in the health care sector. These models of annualised working allow for a one-year levelling period in determining working hours, subject to regulation of the length of the working day and working week. The aim is to optimise the workforce to enable the demand and supply of services to be matched so that production costs can be reduced. According to the Finnish Affiliates of EPSU (1998) this system of “The longer levelling period also enables the consideration for the employee’s needs in working hours placement better than shorter levelling periods”. This has allowed for the use of long work shifts (up to a maximum of 15 hours) to provide for continuous and quality health care and reduction in misinformation caused by regular shift changes. These long shifts allow for longer periods of free time and they have proved very popular with employees.

**Reduced working hours in French hospitals**

In France, weekly working hours were set at 39 hours, under legislation introduced in 1982 covering the health and social care sectors. An agreement signed on 15 November 1991 in the hospital sector reduced working hours to 35 hours for all permanent night workers and this was implemented in 1994. This agreement makes it possible to reduce night working hours, by setting a common reference point dealing with working hours. The government, as

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39 The model stipulates that over the 13 week period a worker must be free four times three consecutive days and there is a choice of four individual free days besides that; the other 16 days must be taken in combination of 2, 3, 4, 5, or a maximum of one block of six days.

40 Ordinance no 82 272 du 26 Mars 1982 relative à la durée hebdomadaire du travail dans les établissements sanitaires et sociaux mentionnés à l’article L792 du code de la Santé Publique, Paris
part of these reduced working hours, agreed to the creation of 4000 new jobs, based on real
recruitment opportunities and the results of work organisation exercises within hospitals. The
government also anticipated that improved work organisation would encourage shorter night
working hours. By 1994 collective agreements introducing the 35-hour week had been
concluded in one-third of health care establishments, one third had plans to introduce the
reductions, whilst a further third had made no plans (Ministère des Affaires Sociales de la
Santé et de la Ville, 1994). In order to assist with the introduction of the 35-hour week,
Regional Support Units have been created as a mechanism to assist health establishments
to under take the necessary reviews of work organisation and the introduction of working
time reductions through collective agreements.

On the basis of Loi Robien a number of agreements were signed by the CFDT between 1996
and 1998, to introduce a 35-hour week. These include:

- Reductions in working time to 35 hours a week for staff at the Leyme hospital was agreed
  in 1997 with the creation of 65 new skilled jobs. The agreement by the CFDT, the CGT
  and Lyme hospital resulted from a planned reconversion of the psychiatric hospital that
  required also a reorganisation of work and skills. A second agreement for professional
domiciliary staff was signed in 1997 covering the annualisation and reduction of working
hours, options for part-time work, and flexibility in working hours within a one month
reference period (CFDT Santé-Sociaux, 1996).

- An agreement signed by the CFDT and the health and social association providing health
  and social care for people with intellectual disabilities, Les Genets D’or, in 1998 goes
  further than other agreements in reducing the working week by 15 per cent with a
  corresponding increase in the average number of workers over a twelve month period by
  15 per cent, to be maintained for seven years (Association ‘Les Genets D’or, 1998). The
  agreement anticipates that 102 new jobs will be created as a result of the working time
  reductions. The agreement also provides for the reduction in employers’ social security
  charges by 50 per cent in the first year and 40 per cent in the following six years. Working
  time, as a result, can be reduced from 39 weekly hours to 33.15 hours, whilst allowing for
  a maximum of 45-48 weekly hours over a reference period of two weeks. This agreement
  was signed in order to create new jobs, reduce working time and allow for fluctuations in
  activity in health and social institutions, thereby introducing the principle of annualisation
  through reduced hours and part-time working. In particular, the agreement establishes
  the principle of equality between part-time and full-time workers, particularly regarding
  conditions of employment, professional development and promotion. Employees opting
  for reduced working hours and partial retirement are able to gain a payment to
  compensate for reductions in pay resulting from the reductions in hours.

- An agreement in the health and social sector has been signed by the CDFT for
  employees in the health clinic La Clinique Pasteur – Saint-Esprit. This agreement, signed
  in January 1998, allows for working time reductions, job creation and corresponding
  reductions in state social security contributions of 50 per cent in the first year of the
  agreement and 40 per cent in the six subsequent years. The aim of the agreement is to
  create working hours of between 33 and 39 hours per week, and to enable those
  employees who reduce their hours to 33 hours to gain a monthly premium for the
  reduced hours and create 32.5 jobs as a result of the reductions (CFDT, Clinique Pasteur

- An agreement by ADAPEI (Association Departmentale Des Amis et Parents D’Enfants
  Inadaptes de la Gironde) for a voluntary reduction in working time in order to introduce
  annualisation and improved service delivery, as well as create new jobs. This agreement
  allows for adjustments to three main working time models: reductions in working time
  from 39 hours to four bands ranging from 19.5 hours to 32.2 hours with partial
  compensation for reduced hours 41; part-time work; and annualised part-time working

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41 This corresponds to a 50 per cent working time (19.5 hours/2.5 days a week), 60 per cent working
time (23.4 hours/3 days a week), 70 per cent working time (27.3 hours/3.5 days a week), and 80 per
hours. Job replacement is guaranteed, particularly for young people and people on precarious contracts (ADAPEI, 1996).

- A similar agreement was signed by the CGT and CFDT in February 1998 in the mental health sector (Institut Camille Miret, 1998).
- Further agreements have been signed in the health and social sectors to introduce flexible hours of between 32 and 44 hours (based on an average of 38 hours) in the Institut Medico Educatif to enable improvements to be made to service delivery. A separate agreement places regulation on continuous hours, ensuring that these do not exceed 10 hours, over six days. A further agreement introduces a time bank system to enable additional hours worked to be banked for longer leave (Institut Medico Educatif, 1996a, 1996b, 1996c).

Force Ouvrière’s concerns about the hospital sector hinge on increasing workloads and working hours. The introduction of annualised hours in the hospital sector in France is seen to be a retrograde step by Force Ouvrière. They argue that this could lead to hospital staff working 12 hour days for up to 15 consecutive days in breach of the 1982 legislation governing daily working time and rest breaks (Force Ouvrière, 1995a).

In addition, in Article 3 of the law affecting public sector hospitals of 17 December 1996 (amending 1982 legislation) the issue of ‘call at home’ and on-call work are raised. Negotiations on how this will operate began in 1997.

The Working Time Directive in the health sector across Europe

The implementation of the Working Time Directive has a number of important implications for employees in the health sector, whereby 270,000 health workers in the EU are currently excluded from the Directive. Isabel Runkle (CC.OO Sanidad) raises a number of important issues about the Directive, most notably that it fails to protect the health of all workers, with inadequate reference periods and derogations. A particular problem is raised by on-call duty, which is currently excluded from the Directive, since attempts to define it have failed. Different definitions of on-call duty exist across Europe. In Denmark, on-call duty is regarded as normal working time and compensated with time-off-in-lieu; whereas in the UK it is not considered to be normal working time. There is a clear need for on-call duty to be included in the Directive as working time, and particularly in the proposals for a new Directive covering groups excluded from the Working Time Directive.

The ETUC and EPSU have also recommended that national and local agreements should include physicians in training alongside the agreements that cover health workers who are not excluded from the Directive. The agreement between UNICE, CEEP and the ETUC for a Directive covering workers excluded from the Working Time Directive (discussed in chapter 3) has introduced a derogation covering doctors in training. This is on the basis that working time was not to be defined in the Directive, but to be decided at the national level. It is clear from EPSU affiliates that first, a new common definition of on-call work should be reached to ensure that it is calculated as normal working time and, second, that excessively long hours should be discouraged on health grounds.

\[ \text{cent working time (32.2 hours/four days a week). These reduced working times are given some financial compensation. An employee working 80 per cent is provided with a 90 per cent salary, an employee working 70 per cent receives an 80 per cent salary, an employee working 60 per cent receives a 70 per cent salary, and an employee working 50 per cent receives a 60 per cent salary.} \]

\[ \text{42 Correspondence from Jean-Marie Bellot, Federal Secretary, Fédération des Personnels des Services Publics et de Santé, FO (14.2.97)} \]

\[ \text{43 Presentation to EPSU Standing Committee on Social and Health Services, Brussels, 12 September 1997.} \]
Using the Working Time Directive to reduce and reorganise hours in the health sector in the UK

In the health service negotiations between the General Whitley Council (the national employers negotiating body) and UNISON have progressed slowly after the employers refused to negotiate on working time until the Directive had been implemented in the UK. In the meantime a number of issues where there is consensus have been agreed, as a forerunner to a national agreement on working time, enabling local negotiations to reflect local needs. In the health care sector the Directive has already been used as a backdrop to negotiations especially where new or current disruptive shift patterns are discussed (UNISON, 1996b).

Successful negotiations have been concluded in the health services on the basis of the Directive. These include the negotiation of a new off duty rota for staff in the Accident and Emergency Department of the Northwick Park and St Mark’s Health Trust. This has resulted in the introduction of an 8 hour night shift and a minimum of 11 hours between shifts, based on a six week formulation. This agreement has assisted in reducing staff stress, an improved skill mix, a greater ability of workers to plan ahead for child care and social life, and improved working conditions. For management a number of advantages are reported including improved manpower planning and the maximisation of human resources (UNISON, 1997, 1996c). Other negotiations in the ambulance service in the West Country45 have also begun, on the basis that the Directive will have a major impact on shift working within the service and can play a major role in reducing staff stress and illness. The transposition of the Working Time Directive into UK legislation in October 1998 will lead to a great deal of activity by public service unions in the UK, many of whom have draft agreements and initiatives on working time waiting to be introduced.

3. Working Time in Local and Regional Government46

Working time reductions in local and regional government have followed a similar trend to those outlined above. Many of these developments are inextricably linked to an important process of modernisation of services at local and regional levels, resulting from rising user expectations, growing competition and the need to restrain budgets. A few examples give a flavour of the activity around working hours in local and regional government:

- In Belgium the Frameries local authority has concluded an agreement with the public service union, Centrale Générale des Services Publics (CGSP), to allow for reduced working hours for 274 municipal employees. The aim is to reduce hours from 38 to 35 hours a week and recruit ten new employees to replace the reduced working hours, with salaries maintained at 97.5 per cent of the previous level (EIRO, 1998n).
- In the Basque Country a number of measures to reduce working time are being introduced in 1997 through agreements between regional government and companies, and to date represents the only working time reductions that have been negotiated.
- In Ireland the 32-hour working week for local authority and education workers has existed for historical and cultural reasons, and results from annual church holidays for these groups being transferred into weekly working time reductions in the 1980s. For some public sector workers, reductions in working hours in the early 1980s to 39 hours, were

44 Working Time Directive: The A&E department Northwick Park and St Mark’s Trust working with UNISON
45 UNISON: Westcountry Ambulance Trust Branch Response
46 Differences exist in the public services across Europe regarding the functions of local and regional government. For instance, in the UK local government is not responsible for health services, whereas this is the case in several of the Nordic countries. In addition, different levels of status are given to local government workers across Europe, in some countries they have civil servant status. For further information see EPSC (undated) Local Government: A European comparison of employment, labour relations, tasks and finances with special attention to recent restructuring.
converted into additional annual leave, to avoid problems of managing shift patterns, particularly for those working in continuous 24-hour services, in the fire service, sewerage and nursing. However, the Irish government has indicated that they want to create a statutory 35-hour working week as norm across all sectors. As a result, IMPACT are of the view that employers will want to increase working hours to 35 hours a week in the future and the pressure will be on the union to maintain the 32-hour working week already enjoyed by some public sector workers.

- Some working time experiments have been introduced in Norway, including an experiment to reduce working hours in the Oslo Kommune for low earning groups of workers. In an agreement in Oslo for home care workers, 100 employees negotiated a reduced working day to 6 hours a day for two years, with no loss in wages. A new job was created for approximately every third care worker in the scheme. The unions argued that the municipality did not lose out because of reductions in sick leave.

- In Sweden new models for the flexible scheduling of working hours have been developed in local government. These models, which set minimum and maximum staffing levels for each shift, allow employees to draw up their own work timetables. These schemes have worked well, allowing for individual preferences in working time.

- A landmark agreement for Danish municipal employees was signed in 1995. Reduced working hours have been negotiated for shift workers in order to extend service provision. As a result of an agreement between Copenhagen City Council and the Union of Public Service Employees (the FOA) signed in July 1995, full-time manual workers work a 37-hour week, reduced to 35 hours in the case of shiftworkers. The working day can vary from between six and nine hours, and between five and nine hours on a Saturday. The distribution of these hours is subject to negotiation at local branch level. The agreement makes it clear that full-time work will be offered in the first instance, and that only under exceptional circumstances can part-time positions be created through negotiation at the local level. Part-time work can be negotiated for part-time retirement, for health reasons, or if the employer is unable to afford full-time staff. Where this is negotiated no part-time positions of less than 15 hours can be created. In addition, a rule is introduced enabling part-time employees to be offered full-time employment or increased hours. Time off in lieu and/or overtime payment is provided where overtime is worked. However, overtime may only be worked where it is deemed absolutely necessary. Supplements are also payable for employees who are working staggered hours, unsocial hours, Sundays and public holidays. The agreement also provides for time off to care for a sick child and for other caring responsibilities, in addition to entitlements to leave for pregnancy, maternity and adoption. Unpaid leave of up to five years is available in ‘exceptional circumstances’ and employees are guaranteed a vacant position on returning from leave.

- Many local authorities are under pressure to extend the hours of their services. For example, in the UK one London borough needed to extend the hours of some of its services and according to the union representative this was achieved ‘without tremendous problems’. Library and leisure facilities are now open for longer hours in the evenings and weekends and work rotas are published one month in advance. Staff with childcare commitments are also able to adapt to the new rotas by agreement with the employers.

Table 10 summarises the main working time developments in the sector.

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47 Based on discussions with Sean Redmond, Head of Manual Workers Section, IMPACT, Dublin
48 Based on discussions with Shay Cody, Assistant General Secretary, IMPACT, Dublin.
49 Agreement 95 on Wages and Working Conditions pertaining to Non-Public Service Employee Categories of Officials, Sub-Foremen and Assistants, as well as Boilermen etc, signed by the Union of Public Service Employees (FOA) and Copenhagen City Council, 12 July 1995.
<table>
<thead>
<tr>
<th>Country</th>
<th>Weekly working hours – agreements</th>
<th>Part-time (%)*</th>
<th>Right to work part-time</th>
<th>Agreements to reduce working hours</th>
<th>Job creation through reduced hours</th>
<th>Parental leave</th>
<th>Leave schemes</th>
<th>Toil/overtime in leave</th>
<th>Flexibility agreements</th>
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<tr>
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<td>38hrs 25 mins</td>
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<td>Replaced</td>
<td>Sufficient</td>
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<td>60% Replacement</td>
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<td>General Teachers, nursery workers etc</td>
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<td>60% of reduced hours replaced</td>
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<td>approx 60% of reduced hours</td>
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* based on estimates of public service unions
(1) includes the right to work same hours as before
(2) includes the right for part-timers to apply for full-time positions
(3) 35 hours proposed in 1998-2001 bargaining round
Working time experiments in local and regional government

a) Finnish working time approaches: experiments in the municipalities

In local government weekly working time averages between 36.25 hours per week for office workers and 38.25 a week for employees carrying out periodic work. It is possible for working time to be distributed over a reference period of six weeks, during which time the daily working hours may not exceed nine hours for employees under general working time and office working time, and ten hours for periodic work. Local agreements can be drawn up that deviate from these working time provisions. For example, local agreements have been concluded on annualised and six monthly hours working time, flexible working time and long shifts (of up to 15 hours). Annualised working time systems have also been introduced in local government. They aim to improve labour availability and demand and reduce labour costs. However, the Finnish Affiliates of EPSU report that studies in local government suggest that the system has in fact led to increased costs for overtime work. As part of the national agreement in 1998 it has become possible to agree for compensation in overwork or overtime as free time, through the introduction of time banking schemes in the public services.

Some of the most interesting working time experiments have taken place in the Finnish municipalities. These experiments, designed to make connections between stress and fatigue at work, equal opportunities, the reorganisation of work and tackling unemployment, have led to new working time initiatives based on patterns of reduced working time (EIRO, 1998g). Between 1995 and 1998 the municipalities developed government-supported working time experiments aimed at dividing and rotating work. The Ministry of Labour identified twenty municipalities, leading to the participation of 1,800 people in the scheme, mainly from social and health sectors, libraries, technical offices, education, and the arts. A condition of these experiments is that the municipalities must recruit unemployed job seekers to work with those employees who have reduced their working times. The scheme is supported by a government subsidy, which covers 50 per cent of the wage costs for a maximum period of two years.

In addition the Ministry of Labour has developed a three-year pilot project Flexibility through six hour shifts, whereby the government pays 20 per cent of the costs to the municipalities to daily hours to be reduced to 6 hours, without loss of pay. Unemployed job seekers were employed on the remaining hours, enabling services to be offered at more flexible times with a corresponding increase in the number of services offering extended opening times. The model also reorganises the standard 8-hour working day into two 6-hour shifts and is considered to be an effective strategy for increasing jobs, particularly at a time when flexibility demands a longer working day and longer production times. The experience of the model is that it tends to create more jobs rather than dividing existing jobs. More than 120 municipalities have agreed to pilot the model in social and health care services, with 20 municipalities introducing the scheme to date, along with five employment offices. In 1996 the City of Helsinki concluded an agreement with trade unions to pilot the scheme and this was followed by agreements in Jyväskylä, Epsoo, Kemi and Naantali (Finnish Ministry of Labour, 1997, Nordic Labour Journal, 1996). The scheme has the potential to extend the provision and quality of public services and enhance the flexible delivery of services, whilst reducing stress amongst workers and increasing participation in family and leisure life.

Finnish municipalities have also developed workplace-specific collective agreements on flexible working hours, in order to introduce ‘yearly working hour systems’.

b) Swedish municipal experiments

A significant number of local agreements have been developed in municipalities to reduce working hours, which have largely traded off working time reductions for salary increases. Many of these have been introduced to improve the quality of work and family life, improve services and enable rationalisations to take place through changes in work organisation. For some employees reductions in working time has led to job creation.
The Swedish Union of Local Government Officers (SKTF) has prioritised working time in its 1998 collective agreement. The objective is to ‘open up’ the national collective agreement to enable working time reductions to be agreed at the municipal level. The current collective agreement renders working time reductions below 40 hours a breach of contract, although a number of examples of working time reductions have already been pursued through collective agreements that have not been contested (see below). If the SKTF is successful in opening up the agreement to local negotiation it is anticipated that one third of the 300 Swedish municipalities will agree working time reductions at the local level. The strategy is to reduce working time to 37.5 weekly hours by the year 2000 and to develop collective agreements covering working time reductions of 1 hour per week. Since 90 per cent of SKTF members work full-time, negotiations at a local level are also focusing on agreements to pursue a policy of a maximum working week of 40 hours.

Although collective agreements do not, in principle, allow for reductions in working time the effect of changing contracts to a maximum of 40 hours has been an important practical step forward in establishing the principle of working time in collective agreements. The SKTF’s priority to negotiate working time at a local level includes negotiation for annual working hours and flexible hours to be agreed with the individual worker. Rather than deregulating working time in general the union wants a framework of working time laid down in law. Employers in the sector have stated that that there will be some rationalisations in the future and some reductions in working hours would be used to hire new staff.

The Swedish Municipal Workers’ Union KOMMUNAL is the largest public service union in Sweden with 650,000 members, 80 per cent of whom are women. Because the union negotiates on behalf many of the lower paid and women workers in the sector, 60 per cent of whom work part-time, working time has become an important principle for redistributing full-time working hours to increase part-time working hours. Since 1989 the union has had a goal of a 30-hour working week and an agreement reached in 1989 with county hospitals achieved an average working week of 37 hours.

KOMMUNAL have developed two pilot projects in the municipalities of Kristianstad and Växjö, in 1995 and 1996 respectively, which have led to some interesting working time models. In 1995 Växjö, was the first municipality to offer employees a choice between wage increase (for 2.5 years, with a compensation of one hour additional pay) and a 5 hour reduction in the working week (to 35 hours). These reductions were introduced to improve the quality of life of employees, promote equality between women and men, and create jobs for unemployed people. The offer was taken up by 125 employees, 50 per cent of whom were teachers, who had developed a separate agreement on working time. However only five staff in the KOMMUNAL (representing 3,000 members) took up the scheme. This lack of take up is viewed to be related to the large numbers of low paid and part-time workers who faced uncertainty in their jobs and the extent of replacement that would take place in practice. Overall, reductions in time led to the creation of 12 new jobs. In Kristianstad, in 1996 one-third of full time workers in the elderly care sector accepted working time reductions of three hours traded off against their 1997 wage increase. Of particular significance was that 100% of the time was redistributed, through the creation of 12 new full-time jobs, and by increasing the hours of part-time workers.

Other municipalities in Helsingborg, Krokom, Linköping, Enköping, Ockelbo, Surhammar, Sundbyberg, Skellefteå and Västerbottens have introduced similar schemes and it is likely that working time projects in municipalities will become an increasingly important feature of working time and pay negotiations in 1998.

50 Correspondence with Bodil Umegård of Kommunal, 20.10.97.
These include the following agreements:

- In Helsingborg 50 full-time and 83 part-time semi- and un-skilled nurses and cleaners have taken a 10 hour (25 per cent) reduction in weekly working hours. Salary levels are maintained with pay increases frozen for two years.

- In Krokom elderly care workers and untrained nurses have gained a five hour a week reduction to 35 hours a week, piloted for one year.

- In Linköping 650 unqualified nurses have agreed to a 35 hour week with no salary increases for two years. However, the municipality is under pressure to increase working time in order to compete with private health care companies.

- In Enköping 42 catering and service duty staff have reduced their working week by 1.25 hours, financed through loss of salary increase.

- Municipalities in Ockelbo and Surhammar have offered a weekly reduction of 1.25 hours to staff in favour of a pay rise. Although the take up has been low personnel managers believe take up will increase in the future.

- In Södertälje, seven hour team shift working patterns have been introduced for female dentists and nurses to increase flexibility and extend service hours between 7 am and 7 pm. The scheme is financed by removing compensation for working unsocial hours.

- In Västerbottens county employees can reduce working time by 25 per cent and reductions in pay are shared by the employee (5 per cent), the employer (5 per cent) and the Labour Market Board (15 per cent), this amounts to a cost of SEK10 million over three years.

Kommunal has developed an innovative new labour market measure to reduce unemployment, and targeted to unemployed members of the union, based on a tripartite agreement between the union, the municipality and the government. The scheme has been piloted in the municipality, Kalmar. The success of the Kalmar model has led the government to run the project across the country to reduce unemployment (EIRO, 1997m). It enables people who are partially or wholly unemployed to take up temporary child and elder care jobs, working 90 per cent full-time, with 90 per cent of normal salary (80 per cent of which is financed through unemployment benefit and 10 per cent financed by the municipality). The remaining 10 per cent of their time can be taken up with education, personal development or job search. The advantages of the scheme are that it provides opportunities for unemployed people, particularly women, enabling them to gain training and enhancement of professional competencies, whilst at the same time providing better municipal services. However, there is a risk that the scheme operates differential pay systems that can be seen as unjust by people on the scheme (Kommunal, undated). An evaluation of the scheme by the University of Växjö suggests that the scheme has been successful.

In April 1997 the Swedish Government presented a bill to Parliament that included a proposal to invest SEK 8 billion in jobs in the municipalities and county councils.

c) Experimenting with local authority reorganisation: Redditch Borough Council, UK

In 1997 Redditch Borough Council set up a flexibility work project to develop a new management framework involving trade union representatives, Members and the management of the Council (LGMB, 1997; CEMR, 1997). The aim is to create a more efficient working environment, to manage change, develop better services with reduced resources and develop flexible working patterns, including flexible working time that allows
for more choice in working time and opportunities to balance family and work life. These changes aim to avoid reductions in services and replacement of staff, whilst also extending service opening times. In particular the project aims to respond to the needs of citizens and develop working practices that fit these. In order to respond to peaks and troughs in demand for services and workloads, annualised hours have been introduced in some areas. The Council has also enabled employees to work more flexibly, with opportunities to job share, and the provision of an in-house crèche. It is envisaged that employees should be able to express their working time preferences, with more flexible contracts and with opportunities to adjust these within the context of service and customer needs. The project, which has been initiated by the Local Government Management Board, has led to eleven pilots within the Council. Trade union involvement has been high and to date the project has had very positive results. These positive aspects of the project have, however, been hindered by implementation of 10 per cent cuts in Council expenditure introduced in 1998 and which have undermined staff morale. Nevertheless, the flexible work project has been highly successful and provides a model for local government across the UK.

d) The Frederiksborg County job rotation experiment

In the public services job rotation projects have become increasingly popular in Danish counties and municipalities and which have important working time implications. An interesting model is the job rotation project which began in 1995 in Frederiksborg county, negotiated with the Danish Confederation of Municipal Employees. The agreement was developed in response to the need to cut DKK 15 million in expenditure in the county, with an objective to also create an ‘ecology of work’ and a ‘learning organisation’, whilst also improving services, and avoiding job losses and the contracting out of services. It led to changes in work organisation and the introduction of 15 weeks training for 900 service staff and assistants, to improve qualifications and develop multi-skilling and adaptability, so that staff could carry out a wider range of tasks. According to the Danish Confederation of Municipal Employees (1997) and Martin (1996) despite problems with the implementation and organisation of the project, it has been successful in providing job enrichment, career enhancement, improved wages, and increased involvement and interest in trade union activity. At the same time the project has provided opportunities for unemployed people to gain temporary employment, with the likelihood of permanent employment in the future.

e) Bochum: a case study of the development of quality services in the context of the time and organisation of the city

The German unions have seen working time in a broader context of improving work quality and choices, and the quality and effectiveness of public services. The city of Bochum presents an interesting case study in the use of different models of working time. These aim, first, to improve the preferences and choices of workers, second, to improve the quality of services, the time of the city and the workplace, and third to develop equal opportunities. The working time models are about reorganising work, rather than creating new jobs, and are a response to employers’ requirements to use resources more efficiently and restructure working hours for the improvement of services. For the workers new working time agreements enable them to have more influence and control over their time and more opportunities to reconcile family and work responsibilities. Of importance to the Bochum model is that a framework exists for the discussion of common interests and for co-determination in the development of working time models that are mutually beneficial to both workers and employers. The success of these models can be seen from principles developed by the ÖTV nationally that provide a framework for local agreements.

Bochum has 410,000 inhabitants and 6,000 employees in the city administration and social care services, old peoples homes etc. In 1995 an agreement was signed in Bochum leading to four different working time models in the public sector. The success of these models is based on a number of criteria and prerequisites, set out by the ÖTV, that have to be satisfied before agreements can proceed. Of importance is that these working time arrangements
enable improvements in productivity to be used to benefit workers. Four models are offered to employees: a model of flexitime, a time account system, adjustments to the start and finish times of the day, and annual working time.

There are interesting lessons to be learnt from these working time models, particularly regarding the specific conditions and principles that have been developed by the ÖTV regarding local agreements. Four principles are written into the 1995 agreement. First, the principle of genuine participation and co-determination based on the involvement of workers in choosing the most appropriate model to their job and workplace, enabling agreement to be based on wide ranging debate and consultation amongst employees. Second, the prerequisite of collective framework agreements, signed by employers and employees, clearly stating the objectives to be achieved on the basis that no loss of jobs will result. Third, is the principle of participation to the level of the smallest unit.

In addition, the ÖTV have created nine criteria that have to be fulfilled for an agreement to be accepted and for flexibility to be pursued. Of particular importance is that these criteria set an equal opportunities framework from the outset and which have the effect of challenging and extending existing structures of co-determination and participation (ÖTV, 1997c). The experience locally of using the different models on working time has led the ÖTV to look more systematically at the specific needs and criteria for women, particularly those who are the lowest paid and the least empowered. Indeed, they are now proposing a new set of working time models to safeguard women workers in the future.

Although the Bochum model does not compensate for reduced working time nor create new jobs, it has had a positive impact on the restructuring of public services. It has had the effect of increasing job satisfaction and productivity and of reconciling family and work life, by ensuring that workers benefit from productivity increases. It is evident in this context that trade unions will only accept new models of working hours with demands for shorter working hours if workers benefit from increased productivity. As a result, the Bochum model requires that job growth will result from the extension of services and improved performance, which the ÖTV believe will require new jobs and shorter working time.

A further experiment in Hagen which led to longer opening hours for the citizens advice bureau has been a positive experiment in working time flexibility. Workers in the centre were given the choice to arrange their hours within teams, and the result has been highly positive in providing not only a better quality service, but also more flexibility for employees to combine work, family and leisure life.

**f) Case study of Main-Kinzig District Council (Hessen) “Business Management Reorientation of Main-Kinzig District Council”**

Main-Kinzig District Council is a small regional municipality on the outskirts of Hanau. It has an annual budget of 1 bill DM and employs 1,400 people, 600 of whom belong to ÖTV. 400,000 people live in the district, 17,000 are officially unemployed and 23,000 live on

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51 They include provisions to ensure that collective framework agreements are made at the local level, based on voluntary choice and preferences of workers, the possibility to revert to regular working hours, the participation of workers at all levels, particularly women who are those most distant from negotiating structures and for whom the assessment of work volume are the most difficult, the continuous monitoring of how the working time models affect equal opportunities in the labour market, clear rules on the calculation of working hours, including flexible working hours and leisure time arrangements, clear definitions and clarification of overtime, and compensation of interests between employers and employees to end abuse and exploitation and improve the effectiveness of services and productivity.

52 This evidence is based on a visit to Main-Kinzig District Council with a group of trade union officers attending the AFETT course on work organisation in the public services and discussions with Helmut Ehemann (Head of Personnel at the Main-Kinzig District Council, and ÖTV representatives). Thanks to Harald Kielman, ÖTV for additional information.
benefit. A project initiated by ÖTV on reorganising work and time has been running since 1994 as a creative response and solution to the crisis imposed by the municipality’s large budget deficit problem. In so doing the project provided a new framework as an alternative to privatisation and created mechanisms for addressing productivity, motivation and efficiency, with a view to reducing staffing overall and improving services to citizens at a time of rising citizens expectations. The reorganisation of working time is fundamental to the project, along with a focus to create an accountable, quality service in the recognition that the citizen is not only the client, but also the owner of services. It is predicated on a belief that the council needed to shift away from the traditional bureaucratic structures to business-based structures.

These problems therefore necessitated a radical change in work organisation, whilst at the same time ensuring that workers also accepted change and restructuring. The resulting structure is based on an organisational development process based on a participatory process of change. The ÖTV has been involved at all levels of discussion, alongside staff and management. The project has been unique to ÖTV and sits outside the general trend of activity of trade unions and ÖTV.

The project is overseen by a co-council made up of ten people (including five ÖTV representatives of whom two are appointed by the staff). In addition, the project has created activity forums (e.g. on administration) and various structures (e.g. women’s group) in order to involve and represent all sectors and employees. The aim of the decision-making structures is discursive, with no group having a right to veto, rather that compromise and consensus can eventually be achieved. Indeed ÖTV had persuaded the employer that the project could not be politically managed without the trade unions and in 1993 won the right to full involvement on the basis that working together, privatisation or subcontracting services out as a means of reducing costs could be avoided. ÖTV accepted that in order to carry out the reforms there would be some job cuts, however, jobs would be kept within the public sector.

An example of how the project has worked in practice can be seen from the example of cleaning services. In 1994 attempts were made to contract out cleaning services and 300 women cleaners started being laid off. ÖTV opposed this policy and managed to win a shift in policy by increasing the competitiveness of the women cleaners so that they could remain in state employment. This led to women cleaner’s pay and social security levels rising to those paid in the private sector and to the creation of 175 permanent jobs. Overall, the project led to some positive highly results not least in restructuring work, introducing new working hours and improving the efficiency of services.

**Working time: the approach in Danish local and regional government**

Although the unions do not consider reduced working hours a major issue in agreements, the scope for increased flexibility in determining working time now takes place at individual company level. For this reason flexible working arrangements have become an important feature of the collective bargaining system. In the public sector the introduction of an important new system of decentralised pay reform has enabled negotiations to integrate pay with employment policies and flexibility. This recent framework agreement negotiated in Denmark’s regional and local government, signed for 625,000 employees in 275 Danish municipalities and 14 counties, plans for co-operation to improve regional and local services and create better conditions of employment. The framework makes it mandatory for local agreements to be drawn up between workers and employers in order to improve conditions of employment and enhance the role of the shop steward (EIRO, 1997c). The LO is pressing for more regulation to be introduced through collective agreements, within an overall legislative framework set by the government.

Minimum provisions in working time in local and regional government and regional to implement the Working Time Directive are laid down in a 1995 national agreement between the unions, the National Federation of Local Boroughs, the Federation of Council Councils,
Copenhagen City Council and Frederiksberg Borough Council. The agreement stipulates that actual working time and the scheduling of working time, including flexible working hours, are subject to local agreement. In practice, working hours are on average 37 hours a week, and in some cases involving shiftwork they are reduced to 35 hours a week.

Rather than prioritise reductions in working hours, local government employees have been able to negotiate a range of working time arrangements. For example, the unions have made a demand that all part-time employees working less than 15 hours are entitled to pension contributions and sick pay. However, this has not been discussed since the 1995 collective bargaining round because the costs of this could not be calculated. The 1995 agreement did lead to the KTO bargaining organisation adopting a policy for older workers (over the age of 52 years) who can reduce working hours without a reduction in their pension contributions. The costs of reductions in working hours for local government employees have been calculated by the KTO bargaining organisation. A one hour reduction from 37 to 36 hours with full job replacement and wage compensation would add 2.8 per cent to the wage bill. Consideration has been given to increasing holiday leave in Denmark, although there are concerns that this would be equally costly if full job replacement and wage compensation were implemented.

Local government employees have access to the Danish leave/job rotation schemes. The trade unions have also signed local agreements on job rotation, which have extended the schemes in a number of ways.

**Working time in local government in the UK: a new era of change?**

In UK local government, wide variations in working hours and flexible working arrangements exist. This is particularly exacerbated by the privatisation and contracting out of some local authority services. The aim is to establish working hours at 37 hours a week, to be achieved within existing costs by more effective organisation of work and improved use of time and skills, largely to be achieved through annualised hours and reductions in overtime. However, there have been moves to reduce part-time hours, with a corresponding loss of pay in the sector and a framework agreement for the harmonisation of working time has led to annualised hours in many areas of the country (Bargaining Report, 1996b).

In 1997 trade unions representing workers in local government signed an important new Single Status Agreement covering approximately 1.5 million workers, in 450 local authorities. Of importance is that the agreement provides for a reduction in working hours from 39 to 37 hours a week by 1 April 1999 for 650,000 workers, the implementation of which will be subject to local agreements. The agreement is a response to severe financial restraints in local government services and the corresponding need for services to be extended and productivity levels increased. This has led to a number of agreements being concluded on annualised hours, increased weekend working and variable working patterns.

A number of agreements have led to improved working time arrangements in local government. For example, local authority workers have benefited from job-sharing schemes, where a job is split into two half-time posts and which provide the same pro-rata pay and benefits as full-time work. The GMB reports that 27 out of 32 London Boroughs now have job sharing policies. Leicester County Council has 200 job shares in all staff grades.

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53 Agreement on Certain Aspects Relating to the Scheduling of Working Hours, 1995
54 See for instance Shiftwork Agreement Covering Craftsmen and Semi-Skilled Workers signed by the Danish Federation of Semi-Skilled Workers, the Central Organisation of Skilled workers employed by Copenhagen City, the Danish Public Service Union and Copenhagen City Council of 9 December 1997 and which came into force on 1 December 1997
55 Correspondence from the Danish public service unions ‘Danish contribution in connection with EPSU’s project on working hours’ prepared by Hanne Johnnesen (StK) and Bengt Rasten (DKK)
56 Correspondence from M. Graham, National Secretary, GMB
Reduced working hours in local and regional government

a) Introducing a 35 hour week in French local and regional government

Public sector workers in French local and regional government have enjoyed the same working conditions and working time as public sector workers in the state sector, since they are not bound by the French Labour Code. The employer in local and regional government is responsible for setting weekly working hours and the number of working days in the week on the basis of ‘public service needs’. In a survey carried out by the Centre National de la Fonction Publique Territoriale (CNFPT, 1997) it was found that 23 per cent of local and regional authorities had a 35-36 hour week, 25 per cent had a 37-38 hour week, and 46 per cent had retained a 39 hour week (CNFPT, 1997). Over one third of authorities in the survey had extended opening hours or introduced variable opening times to improve service delivery.

As a result of variable opening times it has been possible, since 1983, for employees to choose their working times around core hours (of five hours a day when all staff must be at work) and flexible bands (periods during which the employee can choose starting and finishing times of work) based on a reference period of between two and four weeks. Many local and regional authorities encourage this system of temps choisi (chosen time) and see adjustments in working time to be crucial to new forms of service delivery and employees can opt for part-time working, phased retirement and end of career leave. Temps choisi has been introduced as a mechanism to create new jobs. In the CNFPT survey it was found that nearly half of the respondents for local and regional authorities stated that jobs had been created as a result of these working time adjustments (part-time work, phased retirement and end of career leave). Half-time working is an automatic entitlement for women returning to work after the birth of a child (up to a child’s third birthday or in the case of adoption, three years after the adoption began). In addition, non-full time hours (as opposed to part-time work) can also be created in local and regional authorities.

In 1982 the introduction of contrats emploi-solidarité (solidarity contracts) enabled local and regional authorities to reduce the working week and replace reduced hours with new jobs. This scheme is not directly related to the working time adjustment schemes referred to above, but remains directly linked to employment policies. The use of the contracts has to respond to ‘collective needs that are not being met’. The CNFPT survey reveals that little over a third had reduced working hours and 85 per cent of these had created new jobs. Although the emphasis of the contracts is on job creation, they have enabled services to be reorganised and improvements to be made to services to citizens, to integrate workers on temporary contracts, to keep control over the total wage bill, to reduce overtime, and to improve the social dialogue in the local and regional authorities (CNFPT, 1997).

57 Since 1983 (under the Ministerial Circular, 5 May 1983) it has been possible for employees in local and regional authorities to work variable hours.
58 Phased retirement (Cessation Progressive d’Activiti) was introduced in legislation in 1982 and allows permanent staff of at least 55 years of age, with 25 years service to reduce their hours before retirement.
59 End of career leave (congé fin d’activité), was introduced in legislation passed in December 1996. It allows for permanent staff (of 58 years of age and a record of 37.5 years person contributions, of which 25 have been spent as a civil or public servant) and non-permanent staff (of 58 years who have four months contributions to the basic state old-age insurance scheme and who have 15 years service as a civil or public servant) to leave before retirement age. A replacement income of 75 per cent is given up to the age of sixty years.
60 Non-full time hours can be created as long as they are carried out by employees in cadre d’emplois (performing their duties in one or more authorities for hours equal to or more than half the working hours of full-time employees in local and regional authorities), under Article 43 of the Law of 27 December 1994.
61 Based on the Law of 19 December 1989, the solidarity contracts are designed to enable unemployed people (long-term unemployed, over-50s, young people) to enter or re-enter the labour market.
Although the 1998 legislation to introduce a 35-hour working week does not automatically apply to the public sector, the CFDT have begun talks with a number of local authorities on the introduction of a 35 hour week. This includes campaigns in a number of local authorities (e.g. Bon-encontre and the Landes Conseil Général and the drawing up of national proposals for the regulation of working hours).

In Bon-encontre this has resulted in a memorandum of understanding on shorter working hours between the Mayor’s Office and the CFDT (CFDT, 1997a). These draft arrangements cover municipal employees in the town of Bon-encontre. The aims are as follows:

- To improve the quality of service to the public by changing opening and closing hours of Council services and matching working hours to fit seasonal requirements, service needs, school terms, and leisure and holiday demands
- Improving conditions of employment by reducing working hours or setting up a working time/extra holiday time account, as well as adjusting working time
- To reduce working time to 36 hours a week from 1 January 1998, to 35 hours a week from 1 January 1999, and to 34 hours a week from 1 January 2000, reductions to be taken as additional holiday credit or a weekly reduction in working hours under an agreed formula.
- Introduction of special working hours for staff in the Council’s administrative service.
- To preserve existing benefits, with no cuts in wages or reductions in holiday entitlements
- To create new jobs by recruiting four employees onto permanent contracts by 1 January 2000, taking on young people during the summer, creating four jobs for young people by 2000, systematically replacing employees who retire, to increase the working hours (by 5 per cent) of hourly-paid staff, with priority to recruit people to full-time jobs, reducing overtime and replacing overtime hours with new jobs

Increasing opportunities for working part-time and replacing reduced hours with new jobs led to an agreement on part-time work in 1996 for general Council employees in Limoges, signed by the CFDT. The agreement sets out the right of all employees to apply for part-time work, so long as this is compatible with the continuity and quality of public service (CFDT, 1997b). The aim is to replace all reduced working hours with permanent staff (full or part-time), covering 75 per cent of ‘freed up’ time. This arrangement had secured 19 replacement posts (nine of which were filled by permanent replacement workers) in 1997-1998, where part-time work applications rose by 25 per cent.

Although there is still considerable scope for further discussions on the introduction of the 35-hour working week, a number of other agreements have been signed which have an impact on working time. These include an agreement signed by CFDT on 14 May 1996 to absorb precarious forms of employment over four years, covering 75,000 employees in local authorities. The scheme also allows for the creation of 35,000 socially useful jobs for young people (Interco CFDT, 1998). In addition, the 1998-1999 agreement on wages permits an extension of the partial retirement scheme to people 56 years of age (Interco CFDT, 1998).

The planned implementation of a 35-hour working week without loss of pay has been seen as an important opportunity to create and increase the number of permanent jobs and automatic replacement of employees who opt to take retirement. However, the Force Ouvrière has expressed concern that new jobs will soon be lost because of a failure to replace employees who have retired. (Force Ouvrière, undated). Likewise, the Force Ouvrière has opposed attempts in the legislation to introduce annualisation of hours on the basis that this will not lead to further recruitment of new staff and opposed proposals which replace overtime for additional leave on the grounds that these constitute a disguised form of annualisation. The UIAFP Force
Ouvrière\textsuperscript{62} have argued that working time adjustments that create new jobs must be for the creation of permanent posts rather than precarious jobs and ‘hinges irrevocably on a reduction in working hours with no loss of pay’. Moreover, they argue that extending service hours will hasten a deregulation process that is under way (Force Ouvrière, 1995b).

\textbf{b) Reduced working hours and flexible working time in the Netherlands}

Since the beginning of 1997, public sector employees in local government have worked a 36-hour week. In a large number of cases there are set formulas for replacing reduced working hours with new jobs, and where these are not specified they must be sufficient to enable efficient service delivery. It is possible for the 36-hour week to be worked in a number of alternative ways and this is subject to agreement between the employee and the employer: four eight-hour days and one four-hour day, a division of 36 hours over five days, or continuing with an eight hour day but allowing for working time reductions to be taken as accumulated and longer leave.

Reduced working hours have been achieved by introducing flexible weekly hours and flexitime, by adjusting overtime arrangements and adjusting the allowances paid for irregular shifts. In particular flexible working hours are determined within a range to allow for the fluctuation in working hours, thereby enabling the employer to cover for productivity peaks, for instance, by increasing summer time working in open spaces and reduce winter working time accordingly. Savings in overtime have as a result led to job replacement. A survey of Dutch municipalities has found that 50 per cent of municipalities have introduced a range of new working practices.

The percentage of reduced hours that are replaced with new jobs varies from 60 per cent to 100 per cent (AbvaKabo, 1997, Van Verckel, 1997). Although Dutch Municipalities have faced budgetary restraints, the outcome is that the reduced working week has enabled employers to introduce more flexible working practices. In addition, employees have the right to work part-time and in a large number of agreements, part-time workers can extend the hours that they work. Employees working in provincial government have similar working time arrangements, although agreements enable employees to save working time reductions over several years and accumulate longer leave.

\textbf{City Projects}

Some of the most interesting working time experiments, linked to extended service provision and citizen-friendly policies, are the ‘time in the city’ experiments in Italy. Time experiments have been operating in 125 towns and cities in Italy and trade unions have been involved in and have participated in their success. The aim of the experiments has been to create citizen-friendly cities by finding a balance between people’s working hours, their social time and their needs for extended and citizen-friendly services, based on four principles which have framed agreements in Modena, Rome, Naples and Milan and which involve a dialogue with both service providers and service users in order to:

- Develop instruments that maximise the provision of services and reconcile the needs of workers with those of citizens in order that they may balance their working and private lives.
- Introduce flexibility in order to enable services to be tailored to user needs.
- Introduce the right of citizens to have access to information on scheduling.
- Create social parity to ensure that urban and service schedules meet the needs of groups such as the elderly and the marginalised and take into account the requirements of women and people living in the suburbs.

\textsuperscript{62} An umbrella body incorporating the Fédération Générale des Fonctionnaires, the Services Public et de Santé and PTT.
In 1990 local Mayors in Italian cities were given the power to restructure working time and opening hours across all sectors, including public services, schools, transport, business, shops, banks etc, in order to improve the quality of services to citizens. These negotiations have taken place through local collective bargaining forums representing the employers, unions and government - the Concertazione - which have adopted broad economic, political and social agendas. These innovations have had important implications for the organisation and flexibility of working time, for new ways of delivering services, and with active trade union involvement. The projects are organised through three phases of first, establishing time structures, second, establishing needs, and third co-ordinating and implementing these at municipal level (Mückenberger, 1994). This has resulted in:

- Interesting experiments in opening up public services via technology have been tried in a number of towns and cities, including Emilia Romana, Bologne and Modena.
- Financial compensation for reduced working hours in Naples and additional pay increases for employees facing restructuring, in order to increase streamlining and efficiency. The Naples project led to scheduling and extension of public and private services, transport, school and business hours, in order to meet the needs of users of services (Commune Di Napoli, 1997). Specific recognition is given to the employment of women and the time resources both inside and outside the home. The introduction of a time bank has been developed on the principle of services in the spirit of social solidarity. Other proposals concern carpooling to reduce traffic congestion, staggered and flexible starting times for workers and school children, and experimental working hours schedules. Naples City Council has also proposed that a Council of time schedules and hours be created with representatives women’s committees, trade unions, employers, consumer and environmental groups, voluntary groups, and citizens and residents associations (Commune Di Napoli, 1997).
- A draft agreement signed by trade unions CGIL-CISL-UIL, Rome City Council, the Prefecture, and the Chamber of Commerce in 1995 to introduce a new ‘time in the city’ project. Recognition is given to the need to find a consensus between the rhythms of urban life, the needs of the citizen and work-related issues, through consensus between the social partners (Salfi, 1995). In addition, developing a dialogue with service providers and service users is seen as critical to the success of the project. As a result Rome City Council has set up a ‘citizens consultancy’ in order to encourage the direct involvement of citizens. Following the agreement reached in Rome for the city project, subsequent agreements were signed for workers in the waste management sector (covering public and private companies) reducing working hours to 36 hours and an agreement reducing working hours for fire-fighters to 36 hours through a reduction in annual shifts from 144 to 132.

Modena: case study of a successful ‘i tempi della città’ project

Modena is located in the centre of Italy. It is a centrifugal city of 175,000 inhabitants which swells to 500,000 during the day. Employment is largely located in SMEs in ceramics, textiles and clothing, cheese and food and biomedical equipment. The daytime inward mobility into the city has led to problems of congestion and transport. Working time is a critical element of this inward mobility and Modena is the first city in Italy to develop new practices on working time and working hours and to develop a network of services from kindergartens to the care of the elderly within this structure. The initiative for ‘time in the city’ was developed by the woman Mayor, Alfonsina Rinaldi, who first raised the problem of working time and its

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63 Based on Law 142/90 which gives Italian Mayors responsibility for co-ordinating schedules, and for harmonising public services and commercial life.
64 Correspondence from Paola Agnello Modica, CGIL, 15.12.97
65 Based on discussions with Simona Oddo Casano, CISL, and Paolo Agnello Modica from CGIL and representatives from Modena.
relationship to urban living patterns and working hours and in responding to demands from women in the community, in the then Italian Communist Party Women’s Charter.

The aim has been to change the allocation of the hours, not to increase them and the project has worked in three phases. Phase one involved the monitoring of working hours of municipal and central government departments, shops, businesses, public, private and voluntary bodies. It found that working/opening hours failed to meet the needs of the citizen. This resulted in a conceptual shift of focus in adapting to user needs, away from the cultural tradition that worked against the user. A team of external consultants were employed to reformulate working hours to citizens needs. The first experiment took place in the school sector where flexible opening hours of access and use were introduced. This was applied to services for the elderly in day centres with the introduction of flexible hours and temporary admissions into sheltered facilities. Next this was applied to retail, hairdressing and other small businesses, where opening hours could be flexible between 8.00am and 8.00pm and eventually to all public bodies. For example the Single Reservation Centre, that was introduced for rationalising access to services and reducing waiting times adopted continuous opening hours from 7.30am - 7.30pm. In 1990 a City Times and Timetables Centre, made up of 50 bodies including trade unions, was created to discuss and adopt timetable strategies. This was based on building consensus between organisations. However, this has presented some problems for the trade unions in identifying the organisational routes to satisfy citizens needs without denying the rights of workers in meeting those needs.

Phase two of the project followed the June 1990 law (no 142) giving local authorities the power to co-ordinate the working hours of businesses, public services and public opening hours of public administration to meet the needs of the users. In 1993 research into mobility and working hours found that public transport needed to be rationalised and made flexible. This led to a Mobility Pact for integrated transport strategy, signed by state bodies and the trade unions. The trade unions have played an active role in the pact at the operational level. A survey of the opening hours of shops, businesses and public services was also carried out in 1993 to review whether citizens demands were being met. Phase three followed the approval of the 1993 Working Hours Regulation Programme to increase flexibility and opening hours, by extending opening hours to Saturdays and afternoons. The agreement signed on 23 July 1993 led to a new political role for trade unions enabling them to participate in official negotiations with government and manufacturing associations, in order to build economic and social strategies.

The Modena case study has become a model for other towns and cities across Italy. Almost all Italian regions have developed specific laws for the implementation of programmes to regulate working hours. For example, the region of Emilia Romana passed legislation in 1994 on the harmonisation of public opening hours with public and private services, business, cultural and tourist activities.

Indeed, employees have shown that they want extra training and improved quality of work, rather than extra pay. The trade union involvement in the Modena project had been very positive and this led to strategies for greater flexibility and mobility of workers. In particular the increased input of training of public employees led to a sense of ownership of the project and a desire to achieve success and satisfaction in working life. Restructuring of services towards more team work and proper rewards in management led to greater efficiency and more responsive services. The fact that the project was devised from a perspective and spirit of public service, rather than a business culture, meant that it had been highly successful (this is in comparison to the UK where longer opening times for shops and businesses had led to disruption of family and social life). Moreover, trade unions believed that workers were providing a better quality service to citizens and that they were receiving recognition for this, through bonuses, training and feeling valued. The value of public services was enhanced and the quality of services provided was substantially improved.
4. Working time in the public utilities

The restructuring of the utilities across Europe has important implications for working time. There is already considerable evidence that opening up gas, water, electric markets to competition has led to diversification, resulting in privatisation of state owned supply companies, contracting out of services, and mergers and take-overs (PSPRU, 1997). This restructuring is also a direct response to the opening up of the public utilities to free competition in Europe, as a result of the European Directive concerning the liberalisation of gas and electricity, which is likely to have a continued negative effect on employment and conditions in the sector. As a result public utilities are seeking to strengthen their competitive positions in Europe, whilst also improving their services to customers, and increase productivity. EPSU have formulated demands for a European Energy Policy (EPSU, 1995 and 1998) in this light.

The effect on employment has been to not only reduce the numbers of employees working in the utilities66, but also restructure working hours and the organisation of work. Agreements in the electricity and gas industries in Germany, France, Belgium and the UK have been a direct result of these pressures. In the UK, the concern is not with reduced working hours, but to reduce workloads, stress and job insecurity. Women have been particularly affected by this restructured energy market and have experienced higher job losses than men (ECOTEC, 1998). On the one hand, the restructuring of the utilities in the EU could open up new job opportunities for women in jobs that respond to the increasing need for services that are consumer orientated in the sector. On the other hand, restructuring could lead to further job losses, for instance, in the electricity sector a competitive market could further reduce overhead services such as administration and finance, with consequent job losses for women (ECOTEC, 1998).

Table 11 summarises working time in the public utilities.

Public utilities in the UK: the effects of competition and privatisation on working time

Utilities in the UK have been through the most profound of changes in the last decade. The neo-liberal policies of the Thatcher government in the 1980s led to the wholesale privatisation of the gas, water, electricity, transport, telecom, coal and other utilities and industries. The effect was to shift away from public service provision to private sector market led provision, which has been subject to some public service regulation through government appointed regulators. These changes have had equally profound effects on working practices, work organisation and working time. More recent changes in the industry have, in 1998, led to the full deregulation and introduction of competition between these industries.

Employees in the energy sector are covered by collective agreements which set working hours at 37 hours a week. Commercial and consumer pressure has led to extended service provision and the gas and electricity sectors have developed twelve hour operations (from 8.00am to 8.00pm) and which have led to flexibility agreements enabling different working schedules.

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66 It is estimated that employment was reduced by over 200,000 jobs between 1990 and 1996, with an overall drop of employment of 25 per cent in the medium term across Europe (EPSU, 1998). In France the workforce in Electricité de France and Gaz de France has decreased from 151,000 in 1987 to 141,800 in 1996 and is planned to fall further. In the UK the workforce in gas and electricity has halved since privatisation.
<table>
<thead>
<tr>
<th>Country</th>
<th>Average weekly working hours (men)*</th>
<th>Average weekly working hours (women)*</th>
<th>% of part-time workers*</th>
<th>Right to work part-time</th>
<th>Agreements to reduce working hours</th>
<th>Job creation through reduced hours</th>
<th>Parental leave</th>
<th>Leave arrangements</th>
<th>Toil/over-time in leave</th>
<th>Flexibility agreements</th>
</tr>
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<td>39.04 (40)</td>
<td>35.79</td>
<td>2.9</td>
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</tr>
<tr>
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<td>✓</td>
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<tr>
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<td>39.44</td>
<td>0.5</td>
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<td>✓</td>
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<tr>
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</tr>
<tr>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Switzerland</td>
<td>(40)</td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
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</tbody>
</table>

Although these schedules allow different shift patterns to be worked, they remain largely unpopular amongst employees. However, there are many cases where central agreements have set minimum standards in working time and flexible working times, which are not applied throughout the utility companies in the UK. This raises some important issues about the monitoring and implementation of national agreements at company level, as working time arrangements are increasingly decentralised. The introduction of variable contracts in the Transco gas company in the UK, has led to some dissatisfaction that employees will be expected to work additional, rather than variable hours. At company level managers are concerned about cost cutting rather than positive forms of flexibility and UNISON recognises that there is limited union monitoring of this at the local level.

Privatisation of the utilities in the UK has led to new flexible working structures and increased employee flexibility. In a new ‘Working Together’ agreement covering the new multi-utility companies in the UK has led to new flexible production and working methods. The agreement proposes extending services to reflect customer needs and for new, multitask job roles to reflect these changes. In some companies extended opening hours have led to new flexible working patterns, providing cover between 7 am and 11 pm, with working hours determined within a four week reference period (Bargaining Report, 1997).

Flexible working time arrangements have perhaps been more widely welcomed amongst staff working in the new 24-hour call centres, most notably because it has been possible to plan flexible time, as is the case in British Gas Energy Centres. The growth of call centres in the UK is a direct result of the need to offer extended or round the clock services. As a result UNISON (1998) have recently published a negotiators guide to good employment practice in call centres with the aim of stimulating agreements that incorporate choice in flexible working hours, part-time working, equal opportunities and family friendly policies. The guide recognises that flexible working can work against the interests of women and parents, although in many cases agreements can be developed that provide choice in working hours and the balancing of family and work responsibilities.

Making sure that existing staff were accommodated into new flexibility arrangements was also the main aim for union representatives at a water company. The company wanted to introduce a ‘working window’ of 7 am to 6 pm to replace the standard working week. An agreement was reached to ensure that full discussion would take place with employees and managers to identify the best working patterns to meet the circumstances of individual employees, and employees could discuss this with their managers on a confidential basis if they had concerns.

Flexible working time arrangements have been negotiated between UNISON and the employers in order to achieve equal opportunities and family friendly policies. For instance, in Nuclear Electric the introduction of a child care charter and child care vouchers along with improved maternity provisions, agreements on working part-time, flexible hours and job sharing schemes, are recognised as a positive step forward by UNISON.

**Worksharing initiatives: reducing working time to create jobs**

In Norway the Electrician and Power Station Union (NEKF) like other unions in the public utilities sector has been through massive changes and restructuring as a result of privatisation of part of the utilities. As a result a key priority is to develop worksharing initiatives in order to maintain and create jobs. This is leading to a merger with the Tele and Data Union on 1 January 1999, in recognition of the growing numbers of workers represented in the private sector. Wages and working conditions are regulated through collective agreements and legislation. The union’s preferred policy on working time is to develop local agreements within the framework of central collective agreements.
NEKF’s central aim is set out in their book *Sharing Work – A Strategy for Full Employment* (Henning Solhaug, 1996). This makes a powerful case for work sharing on the basis that the imperatives of new technology, rationalisation and efficiency mean that there is the need for fewer jobs in the economy. The union aims to ensure that the burden of restructuring should be shared within the overall objective of full employment. The union believes that this can be achieved via a policy of time-off-in lieu, which compensates for overtime; a ban on the hiring-in of labour, as set out in the Employment Act; a 30 hour week of 6 hours a day; a reduced voluntary pensionable age of 60 years; and voluntary collective agreements to regulate telework and home-working. In addition, the NEKF working group on worksharing argues that working time policy needs to incorporate possibilities for longer vacations, leave schemes, educational leave, parental leave, time account systems, and the introduction of local experiments (NEKF-arbeidsgruppe, 1996).

**Flexible working hours - extending service provision**

Many of the pressures on employees in the public utilities have resulted from employers demands for flexible service provision and extended hours. This is evident as a direct result of the introduction of competition in the utilities across Europe. In the UK this has not only led to extended service provision, but as mentioned above, to the creation of 24-hour call centres in the energy sector.

These pressures have resulted in a large number of new flexibility agreements in the utilities. For example, in Denmark an innovative shiftwork agreement was signed covering craftsmen and semi-skilled workers was agreed in December 1997 between Copenhagen City Council and the three public service unions representing workers in this sector. Public utilities in Denmark are not privatised and are organised by the municipalities in Boards. The agreement requires the scheduling of work to be the subject of local negotiations and agreements. The 1997 agreement resulted from the need to extend service provision and avoids overtime payments, although an additional payment for shiftwork is made. Two shift work systems have been introduced that entitle an employee to two hours working time reduction for every 37 hours worked. This working time reduction can either result in a 35-hour week or the savings can be taken up as whole days off and/or longer holiday leave during agreed holiday periods. The agreement also stipulates the minimum time off between shifts, off-duty periods and rest periods.

**Reducing working hours in the public utilities**

*a) Agreement in electricity, gas and public utilities: France*

The first sectoral agreement in the public services under *Loi Robien* was an agreement signed by the trade unions (CFDT, CFTC and CFE-CGC) and the two French electricity and gas companies (EDF-GDT), on 21 January 1997 (Conventions Collectives et Accords, 1997; Gas de France and Électricité de France, 1997). Although, this controversial agreement has since been deemed null and void in the French courts, it is worth reflecting on what was considered by some unions to be a landmark agreement.

The three year agreement aimed to reduce weekly working time to 32 hours, and recruitment of up to 15,000 new workers by the year 2000, 75 per cent of whom would be young workers, in an attempt to reverse trends in job losses. Both new recruits and existing employees would be paid a wage based on a 35-hour week (Conventions Collectives et Accords, 1997, EIRR, 281, EOIR, 1997d). The agreement specifies that working time reductions are to be achieved by improving the service and extending opening times, through the reorganisation of working time. Workers who work the newly extended opening hours

67 Correspondence from Erik Quist, NEKF, Norway
68 Danish Federation of Semi-Skilled Workers, Central Organisation of Skilled Workers employed by Copenhagen City Council, and the Public Service Union. Also correspondence from Frede Gydesen, FOA, May 1998.
would have been able to reduce working hours without loss of pay. Employees would also have been able to choose to work 32 hours or less for which they will, over a three-year period, gain a monthly lump sum equal to three hours wages on top of their salary. New recruits would have been employed on 32-hour contracts, and a monthly lump sum would bring their wages up to a salary level based on a 35-hour week. In addition working time reduction experiments could have been introduced through agreements within individual establishments, with a monthly lump sum determined to compensate for reduced hours. Further reductions in hours were also planned by reducing overtime and converting savings into jobs. Employees could have lodged any overtime hours in a ‘time bank’ for longer holiday entitlements. Finally, early retirement could have been taken in areas of low demand in order to replace jobs in areas of high demand. The agreement met with the employers’ aims to improve competitiveness and productivity. In summary, the agreement had the following features:

- growth for the two companies with new resources for growth and expanding into new markets and extending service delivery early in the morning, in the evenings and Saturdays, to be achieve through staggered working hours
- shorter working hours and adjustments to working hours through changes in work organisation in order to meet customers’ requirements;
- payment for reduced hours to be the same as for a 38 hour week
- promoting new employment, particularly for young people, by reducing hours and overtime
- introduction of time savings account scheme so that untaken leave or bonuses can be converted into time
- employees can opt to work a 32 hour week and will receive an allowance for reduced for working time equivalent to three hours pay per week for a 32 hour week; 75 per cent of recruitment will be for 32 hours (for a period of three years, with a monthly supplement)
- allowing staff to choose new working times, through an expansion of chosen time (e.g. part-time chosen hours of 32 hours a week or less with financial assistance) and redeployment, through adjustments to working hours, shorter working hours across the board, reductions in overtime, converting overtime into new jobs and time-credit accounts, and partial retirement
- employees benefit from the productivity gains that follow from the agreement

However, the CGT and FO unions did not sign the agreement and contested it on the basis that it violated the existing statute and that the plans to create 15,000 new jobs were artificial and did not take account of the 13,000 workers who are due to retire in the next few years. They were critical that the anticipated replacement of reduced working hours would be by 11,000 part-time jobs, the equivalent to 3,420 jobs. Their particular concerns were that jobs with lower terms and conditions of employment would be created outside of the existing statute, particularly for young people and that this undermined trade union positions in the labour market (Force Ouvrière, 1997).

As a result the agreement was contested in the courts by CGT and FO and on 22 September 1998 was deemed, by the Court of Appeal in Paris, to be null and void. The court stated that “s’analyse non comme un complément du statut en cours mais comme la détermination d’un nouveau statut” since “prévoit que l’embauche de jeunes à temps réduit représentera plus de 75% des recrutements statutaires” as well as imposing “substitution de fait d’une durée légale de travail de 32 heures à celle actuelle de 38 heures pour EDF GDF” (Cour D’Appel De Paris, 1998). As a result it is clear that the Court ruled that the agreement does not conform with existing contracts of employment.
CGT and FO support the full introduction of the 35-hour week, with no loss of pay and full replacement of reduced hours with full-time jobs and plan to begin new negotiations on the basis of this (Force Ouvrière, 1998). It is uncertain how important this judgment will be to other agreements that have been signed in the public services, nor the implications for future agreements on working time for a 35-hour week.

b) Agreement in the water industry: France

One agreement which has similar implications is an agreement to reduce working hours in the water industry. In September 1996 an interim agreement was signed between the CGE (Compagnie Générale des Eaux) the CFDT (Confédération française démocratique du Travail) and the CGC (Confédération Générale des Cadres) and the CFTC (Confédération française des travailleurs chrétiens) to establish a 35 hour week from 1 January 1998 in the water industry and implement it by 1 May 1998. The agreement was not signed by all unions. In summary the agreement has the following features (Générale des Eaux, 1998a and 1998b):

1. To reduce and harmonise the 35 hour week in the Water Division Companies (without loss of pay, although a pay freeze would be put into place for two years, except in the case of lower paid)
2. To organise working time in companies more effectively in order to extend services and improve service quality
3. To guarantee staffing levels for two years and particularly to recruit young people, against a backdrop of an ongoing decline in activity
4. To improve employees’ conditions of employment and reduce the number of precarious jobs, whilst taking into account economic restraints facing the industry
5. To reduce overtime and stand-by hours
6. To introduce systems of chosen time by means of phased retirement and the introduction time-credit accounts which enable employees to take long-term leave (e.g. parental, sabbatical, education or end of career leave)
7. To introduce the 35 hour week via a three month transition period
8. To introduce an experimental 32 hour week for staff in Regional Customer Centres in Centre-East and Brittany regions, with the option to extend it to all Water Division Customer Centres
9. To enable employees to individually reduce their working hours via ‘chosen time’, part-time (28 hours or less) and short-time work (29-34 hours), which will attract a special payment for staff who stay for two years.
10. To replace all voluntary leavers up to 31 December 1999, with net increase of 100 permanent jobs between 1 January–31 December 1998; over two years this is to increase to 600-750 new recruits.

This interim agreement was seen as a defensive agreement by the CFDT who saw reductions in working hours as a means to rule out any risk of redundancies in the industry. The agreement forms the basis for more detailed discussion of a framework agreement which will lay down the number of new staff to be recruited and further procedures regarding

69 Although CGE (Compagnie Générale des Eaux) has 220,000 employees in 2,200 companies, this interim agreement covers employees in the water industry (totalling 13,000).
70 This included non-signatory unions: CFE-CGC, CGT, FO and UNSA who read out a statement at a meeting of the Commission Sociale Nationale on 2 February 1998 stating their opposition to the agreement.
71 15,000 francs for staff moving to half-time working and 6000 francs for staff moving to 4/5 time, other working times: pro rata. It is possible for other approaches to be examined by the National Social Commission.
wages and salaries, as well as opportunities for the introduction of a four-day week, annualisation of hours, to time on a ‘savings account’ basis (Le Parc, 1997). Nevertheless, the CFTC sought further improvements to the agreement in February 1998 on some of the detailed aspects of pay and benefits.

**Equal opportunities and family friendly policies in the public utilities**

The public utilities have been forced to introduce equal opportunities and family friendly policies as a result of demands from the unions; in some countries these policies have been instrumental in retaining women staff.

The concerns about new forms of flexibility have been particularly felt in the electricity industry, where restructuring has particularly affected employment opportunities and choices for women. The Electricity Supply Board Officers Association (ESBOA), in Ireland, is concerned that the restructuring of the electricity industry has led to the jobs and skills, previously held by women, being contracted out or becoming obsolete. As a result many women are leaving the sector. A survey carried out by the Electricity Supply Board of Ireland revealed that women were taking voluntary redundancy because of family responsibilities. It is also evident that many women are working part-time, not out of choice. It is interesting to note that many women would have continued working in the industry if more flexible working methods were introduced. It is not surprising that issues of flexible working have been a high priority in the ESBOA and this has resulted in flexitime, career breaks, job-sharing and paternity leave agreements. Niamh Cunningham, equality officer for the ESBOA argues that: “We have constantly argued that flexible working arrangements have potential advantages to both employers and employees. The departure from the traditional model of full-time carer in the home means that our members can have responsibilities for children, elderly parents or dependant relatives which do not stop when they report for work”

In order to help employees fulfil their career potential a landmark agreement with Scottish Nuclear in December 1994 for a **Career Support Policy** in order to develop equal opportunities in the company. The agreement recognised that career and other promotional opportunities may be limited for employees with domestic responsibilities. As a result the policy aims to help employees combine a career with Scottish Nuclear with the responsibilities of caring for a family. The agreement extends maternity leave entitlements for women, and introduces policies to allow employees to take adoption leave, or reduce their hours through a career break, an extension of part-time working, job sharing, carer’s leave, as well as introducing a returners scheme for employees returning from career or maternity leave. What is important about the agreement is that it recognises that these policies are designed to help employees plan their careers without disrupting family life. Leave is subject to the discretion of management and can only take place if departmental operational requirements are fully met. There are no guarantees that job replacement will take place from reduced hours (Scottish Nuclear, 1994).

A model family friendly agreement was signed between British Gas and the public service trade unions in 1991. It allows for the career development and continuing training of employees with family and domestic responsibilities. Employees with child and other care responsibilities are allowed to reduce their hours or take special leave, for up to five years after the ending of maternity leave in order to cope with domestic responsibilities, care of sick children or care of elderly relatives. In addition, the agreement allows for either parent (if both parents work for British Gas) to take a career break of between three months and two years. Employees who take the career break are informed of company developments and can continue with education or training.

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72 Correspondence from Niamh Cunningham, Equality Officer, ESBOA, Dublin
5. Working time in national and European administration

National and European administrations across Europe are facing many pressures for change, modernisation and restructuring (Hegewisch and Martin, 1998; OECD, 1997). This modernisation process is regarded by many public service trade unions as regressive, as national administrations are opened up to competition and as new management systems are introduced. It has resulted in the privatisation, semi-privatisation, contracting out and out sourcing of tasks to private or quasi-private bodies and to more precarious forms of employment, including a growth in temporary contracts. This has taken place within the European Commission itself, where large numbers of functions are now contracted out to private companies, NGO’s and other bodies, whose employees are employed on a contract basis. Significant activity has, however, been taking place on working time in national administrations. This can be seen from the following examples:

- In Italy a national agreement, signed in March 1997, followed by a law in February 1998\(^{73}\) has led to harmonised rules for employment in the public and private sectors, reforming public administration in Italy. The agreement promotes mobility, training, the regulation of flexible employment and decentralised bargaining. This led to changes in the structure of civil servant contracts in order to ‘harmonise’ rules for the employment relationship between public and private sector workers. It is seen by unions as an attempt to ‘privatise’ the employment relationship for civil servants, with implications for working hours. Nevertheless, the 1997 national agreement extends some contractual rights to civil servants that currently are enjoyed by private sector workers.

- Civil service reform in Germany was introduced under legislation passed in 1997\(^{74}\). Amongst other reform measures is the possibility to introduce temporary career public servants, with measures to extend part-time work (EIRO, 1998d).

- New rules in the Austrian civil service, introduced in June 1997, extend part-time work. All civil servants can apply to work part-time, with hours ranging between 20 and 40 hours a week, for up to ten years, with the option to return to full-time work (EIRO, 1998c). Continued cuts in the civil service led to strike action in 1997, brought about by threats of cuts in pay and reductions of employees by 9,000 per year (EIRO, 1997a).

Table 12 summarises working time in national administration.

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\(^{73}\) The decree-law was approved by the Italian Government on 10 February 1998. It allows for the privatisation of the public sector employment relationship to senior civil servants, and introduces fixed-term contracts and temporary work, as well as mobility for public sector workers.

\(^{74}\) In July 1997 the Act on Civil Service Law Reform came into force, introducing the possibility for the introduction of competition in the public sector employment relationship, more flexible and performance-related pay systems, and to increase the motivation and mobility of public sector employees.
Table 12 - Working Time in National and European Administration

<table>
<thead>
<tr>
<th>Country</th>
<th>Weekly working hours</th>
<th>Part-time (%)</th>
<th>Right to work part-time</th>
<th>Agreement s to reduce working hrs</th>
<th>Parental leave</th>
<th>Leave arrangements</th>
<th>Toil/overtime in leave</th>
<th>Flexibility agreements</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Administration</td>
<td>37.5</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Austria</td>
<td>37</td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Belgium</td>
<td>37</td>
<td>16.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>37</td>
<td>✓ (1)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regular office working hours</td>
<td>36 hrs 15 mins 38 hrs 15 mins 114 hrs 45 mins in 3 week period</td>
<td>7.5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>France</td>
<td>35</td>
<td>14.5</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Germany</td>
<td>7.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greece</td>
<td>6.8</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Ireland</td>
<td>34¾</td>
<td></td>
<td>✓</td>
<td></td>
<td></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Italy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luxembourg</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>36 hrs (since 1.1.97)</td>
<td>22.0</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Portugal</td>
<td>36-40 (2)</td>
<td>3.0</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>37</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-time standard Schedules working hours (over 24 hours)</td>
<td>39 hrs 45 mins 34-40</td>
<td>18.0</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>UK</td>
<td>36</td>
<td>9.0</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

(1) includes the right for part-timers to apply for full-time positions; (2) 35 hours to be introduced in 2000 under 1996 law
Further problems exist in the growing intensification of work within national administrations and in some cases employees are involuntarily working longer hours than those contracted. In the UK an IPMS/FDA/NUCPs survey in the senior grades of the civil servants in 1994 revealed that 75 per cent of respondents worked an excess of 3-10 hours a week that were not compensated for. For this reason, as in other parts of the public services, pay rises rather than reductions in hours are preferences for many members. In particular, the privatisation of some areas of the public services has led to longer working hours. In an IPMS survey of members in the private sector in 1997, 17 per cent of respondents stated that their working hours had worsened since privatisation, 82 per cent stated that they worked more than the contracted 37 hours, and 14 per cent over 48 hours a week. Negotiations began in 1997 in the Department for Education and Employment to reduce the ‘long hours culture’ and there are examples of a large number of agreements in the UK civil service that are reducing working hours, largely through annualised hours and time off in lieu arrangements (Bargaining Report, 1996a).

The Finnish unions are concerned that employees working in central administration are working increasingly long hours of work. A national study on Finnish workplaces shows that these longer hours are not compensated for as overtime despite the fact that entitlements to this exist under collective agreements (Finnish Affiliates of EPSU, 1998). In Finland working hours range from 36 hours 15 minutes for office workers to 38 hours for regular weekly working (whereby hours can be worked flexibly within one week from between 6 hours 15 minutes to 8 hours per day. In addition, employees can work periodic contracts which stipulate 114 hours and 45 minutes in a period of three weeks.

Reduced working hours in national administration

Reduced working hours have been on the agenda of many public service trade unions. A few examples show the extent of discussion currently taking place.

- In France, the unions are pressing for the public sector to be included in the law providing for a 35-hour working week.
- In Germany attempts to reduce working hours as part of an employment solidarity pact failed to materialise when the government insisted that working time reductions had to be mirrored in wage reductions. The result was that the majority of the ÖTV collective bargaining committee voted against the initiative.
- In Austria, civil servants have the right to work part-time with hours between 20 and 40 hours a week. However, for the bulk of trade union negotiating strategies reduced working hours are used as a mechanism to introduce flexible working times.
- In Italy, the reduction of working hours that has been proposed in draft legislation in 1998 has similar consequences for civil servants. This legislation is likely to lead to negotiations and agreements regarding working time reductions and the creation of new jobs in the future.
- Some working time experiments have been discussed in Norway. For example a proposal for a trial project on shorter working hours was agreed by the LO-Stat, but was rejected by employers75.

Although working hours remain relatively high (compared to health and social services) there has been a progressive decline in working hours over the last decade. In the public administration in Portugal working hours are being progressively reduced to 35 hours a week by 2000. In 1991 FESAP (the organisations of trade unions affiliated to UGT-P, co-ordinated by SINTAP) agreed that working time should be reduced to 35 hours for those working 36 hours a week and one hour less per year for those working 40 hours. As this part of the agreement was not realised a separate agreement was made in 1996 with the government.

75 Correspondence from Berit Asker Krogh, NTL
This agreement allowed workers to work one hour less per week in order to achieve a 35-hour week in 2000. This was consolidated by legislation passed in 1996\textsuperscript{76}.

Flexible working time

As with other sectors in the public services, flexible working time has become an increasingly important subject of collective agreements in national administration, in response to the modernisation and reorganisation of national administrations across Europe. This is particularly the case in Finland, Denmark, Italy and the UK, whereas in other countries this has been less the case. For instance, the Austrian civil service has not been able to use flexible forms of work to create and preserve jobs and the unions are critical of the lack of innovation by the government in National Action Plans. The ST in Sweden has also found it problematic to introduce more flexible working time in the National Tax Board, although negotiations have begun to reduce working time and introduce annualised hours as a way of retaining threatened jobs (Hegewisch and Martin, 1998).

Flexibility in working time, rather than working time reductions have been growing in importance in trade union priorities. This can be seen in Ireland where civil servants work a 34\% week, which generally falls below the working times of white collar workers (36-37 hours) and industrial workers (39 hours). Further working time reductions are not seen to be a priority by the public service unions in Ireland and the emphasis has been on improving opportunities for flexible working through job schemes and policies to reconcile family and work life. A pilot scheme has been introduced in the Department of Social Security which allows for term time working providing for 75 per cent of an employees weekly or monthly salary\textsuperscript{77}. Because promotion in the Irish Civil Service is based on seniority, it was found that women who had taken term time working and job sharing were losing out on promotion. As a result of a decision in the European Court of Justice, full credit for seniority is now provided for job sharing or term time working, and this has been reflected in the reorganisation of the Civil Service in Ireland\textsuperscript{78}.

In the Irish civil service a Flexible Working Hours System of attendance was first piloted in 1977 and is now widely used by employees. A recent change has been the extension of the number of hours that can be carried over in one month to 11.5 hours. The civil service union PSEU is currently negotiating to extend this reference period and to introduce flexible starting and finishing times, the introduction of a 3 or 4 day working week and 9 month contracts in response to members preferences for greater flexibility. Job sharing schemes have been introduced in the civil service, 80 per cent of which is taken up by women. In a new drive towards modernisation programmes in the civil service a recent agreement has increased the possibilities for part-time and flexible working, with pro-rata terms and conditions of employment for part-time workers\textsuperscript{79}.

In addition, an agreement was signed in 1998 to introduce a worksharing scheme into the Irish Civil Service. The scheme develops an existing jobsharing scheme by helping staff to combine work and family responsibilities, and enabling staff nearing retirement to reduce their hours in order to ease the transition from full-time work to retirement. Leave averages 50 per cent of the hours worked, and pay is on a pro-rata basis and can be taken in a variety of ways, including one week on/one week off, split weeks, mornings only, afternoons only, four day week, two weeks on/two weeks off, three weeks out of four. Employees can initially participate in the scheme for six months, extended to twelve months (Department of Finance, 1998).

\textsuperscript{76} Correspondence from International Department, SINTAP, 5.11.98
\textsuperscript{77} Pilot Scheme on Term-Time Working, Office Notice 24/98, 27 March 1998. See also Report of Inter-Departmental Committee on Work Sharing in the Public Service, July 1996.
\textsuperscript{78} Correspondence from Blair Horn, General Secretary, CPSU, Ireland
\textsuperscript{79} Correspondence from B. Hannigan, Assistant General Secretary, Public Service Executive Union (ESEU)
In the public sector in Ireland trade union concerns about employer demands for greater flexibility and changes in work organisation, have led to new partnerships at the workplace, based on a shift towards greater flexibility being negotiated with the full participation and consultation of all workers.

In the UK Civil Service, the CPSA and IPMS report that working hours have been agreed through collective agreements that largely comply with the Working Time Directive. The position of the civil service union IPMS sums up the strategy of many public sector unions: “IPMS is committed to reductions in working time and increased flexibility in working time, as long as such flexibility is supported by protection of opportunities and prospects for the employees concerned.” The objective of working time policy in the 1997 pay negotiations was a reduction in working hours without loss of pay, with no involuntary hours above 48 hours a week and increased annual leave. However, negotiations led to no real improvements in working hours, other than a few agreements to review working hours, and some successes in agreeing longer annual leave for long service, and in extending parental leave entitlements.

The Council of Civil Service Unions (the umbrella body for six unions covering 350,000 staff in the civil and public services and allied services) welcomed the introduction of the Working Time Directive into UK legislation and support the "Government's view that flexibility in implementation should not be at the expense of fair minimum standards and the proper protection of workers from risks of excess working time leading to stress, fatigue and risks to health and safety". One of the big areas of contention for British trade unions has been the introduction of a provision allowing for individual voluntary agreements to disapply the weekly working time limit since it "weakens and undermines the effect of the regulations enormously" (CCSU, 1998) as well as weakening collective agreements in practice, and "is inconsistent with the health and safety objectives of the Directive" (Thompsons, 1998). The provisions concerning night work, daily and rest periods, and rest breaks during the working day may be dissapplied to a wider range of workers. This could affect customs and immigration officials, security guards ad prison officers.

UK Flexible working arrangements have been introduced in the civil service to promote equal opportunities, family friendly policies, alongside the requirements of employers for more flexibility, through flexi-schemes, part-time working, job sharing and homeworking. In some circumstances these arrangements have improved the quality of working and home life for women in the service and have introduced choice and flexibility regarding working hours (IPMS, 1996). The growth of temporary work has also become an important aspect of flexible work in the UK.

Flexible working time has become more common in the Finnish national administration and the government has a system which allows for flexibility in the organisation of free time, allowing for a maximum of 78 extra working hours during a reference period of 26 weeks, to be saved as additional leave. Central agreements also make it possible for offices to locally agree working hours, including the maximum number of hours and the weeks during which these extra hours can be compensated as free time. Flexi-time systems are well developed in Finland and allow the employee to decide starting and finishing times within the limits of the agreement.

In central government in Finland three main working time models exist, alongside special provisions for interrupted and uninterrupted three-shift working times. Working time averages between 36 hours 15 minutes per week (7 hours 15 minutes per day per 24 hours) in office work; to 38 hours 15 minutes (6 hours 15 minutes per week to 8 hours per 24 period) in weekly working time; and 114 hours 45 minutes in periodic work in a period of three weeks. A system of compensatory leave exists in this sector enabling employees to be compensated

80 Correspondence from Marion Scovell, IPMS
by equivalent hours where hours exceed the regular working time and has to be agreed by local agreement of with the consent of the employee. An employee can advance up to 78 hours within a period of 28 weeks. However, under the Working Time Act some employees can be compensated for overtime by giving them additional leave.

A recent agreement between the Ministry of Finance and the main negotiating unions enables local agreements to be made that deviate from the central-level agreement on working time, in regular working time, maximum hours, the accrual period in the compensatory leave system, and compensation for overtime work. In addition, the Hours of Work Act allows government departments and national unions to deviate from some legal provisions, whilst maximum weekly hours are 40 hours within a maximum period of 52 weeks. It has also been agreed that department-specific local agreements cannot deviate from average working time, the duration of annual leave, sick and maternity leave benefits. Flexible working time is possible within central government departments, with a limit of 6 hours flexible working time within 24 hours, and not accrued beyond 40 hours. Hours worked in excess of normal working time can be compensated as whole days off by agreement with the employer.

However, there has been a trend in central government collective agreements to give the employer more unilateral rights to make decisions on working time and flexible working arrangements. For instance, the maximum duration of the working day has increased from 9 hours from 7-8 hours within a reference period of six weeks, and overtime can be compensated for additional time off.

**Working time initiatives to preserve jobs and redistribute work**

Concerns about reductions in employment in national administrations across Europe (with the exception of Portugal) have also prompted new working time initiatives which attempt to preserve jobs and where possible increase the number of jobs. For instance, in Belgium, a meeting of the public service unions representing civil servants, with the Minister for Public Service, in June 1998, argued for new working time reductions to create new jobs. The objective is to achieve 32 hours, although the unions argue that they would settle for 35 hours. In the Swedish state sector, limited gains have been made on reduced working hours, compared to local government and health, despite the fact that local negotiations about shorter working hours are allowed for in central agreements. Nevertheless, the Swedish Federation of Civil Servants anticipate that flexible working hours will become more common as the state sector comes in line with and adopts business practices. The union argues that efficiency gains resulting for business practices will lead to shorter working hours. However, the union are clear that the individual must have a genuine say about the scheduling of her/his working hours.

In France, the introduction on 19 May 1998 of a policy for a 35-hour week has implications for working time in state administration. However, the public sector remains outside the framework. A survey of different working time arrangements has been instituted by the Ministry of Public services with a view to reducing working time in state administration. The aim is to report at the end of 1998 and begin negotiations on reduced working time in 1999. For the CFDT, the main trade union battle has been over wages and the extent to which workers will be prepared to lose wages as a result of reductions. Nevertheless, the CFDT is clear that reduced working time is part of a collective willingness to reduce and reorganise time so that there can be more choice for workers and the creation of new jobs (CFDT, 1998).

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81 The Finnish Negotiation Organisation for Academic Professionals in the Public Sector (Akava-JS), Finnish Confederation of Salaried Employees, Department of State Workers (STTK-J), and the Joint Organisation of State Employees (YTV).
In the Netherlands, the introduction of the 36-hour week (described in chapter 5) has to date had some impact on national administrations, although reductions in working hours have frequently been replaced by efficiency savings rather than the creation of new jobs. The 1997 agreement to introduce the 36-hour week in national administration provides for a reduction in working hours from 38 to 36 average weekly hours, with no loss of pay. The agreement allows for much greater flexibility in working hours as a trade-off for reduced working hours. The agreement extends flexibility by allowing for working hours to be annualised (allowing employers to adjust working time to meet peaks and troughs in departmental working schedules throughout the year) for Saturday working to be implemented if required, and for free time to be organised in half-day slots. The result is that savings are anticipated in the staffing budgets from changes in work organisation and by removing the necessity for overtime payments. In addition, by providing more choice in working hours it is anticipated that working in government departments will become more attractive to new recruits (Ministerie van Binnenlandse Zaken, 1996).

Employees are able to work a variety of different working patterns including a four day week of nine hours a day, a four day week of eight hours and half a day of four hours, or a nine day fortnight with a free day every other week. In addition, employees can opt to work a 40-hour week with additional leave over a year, or six months leave after seven years. A working time schedule and leave days are agreed in advance (usually on an annual basis) between the employee and the employer in order to meet the individual preferences of employees with the staffing requirements of employers. The experience of the scheme has to date been largely positive, although provisions are not fully worked out for part-time staff. Replacement staff have been taken on in some areas of national administration, notably in parts of the immigration and taxation services, where government funding has been available for replacement of staff in services which require 24-hour services.

Replacement of reduced working hours by unemployed people has been introduced in Belgium, under legislation passed in 1996. The law allows for employees to voluntarily opt for part-time work (without compensation) or for employees over 55 years to work half time, with the option to revert back to full-time work if this is chosen. By 1997 5.8 per cent of civil servants had opted for pre-retirement half-time working and 10.3 per cent for part-time working. The bulk of the voluntary part-time workers are women. The law allows for the replacement of reduced hours by unemployed job seekers on temporary contracts (Hegewisch and Martin, 1998).

Local agreements and working time

The trend across Europe towards more individualised and local agreements is a particular feature of the Danish system of industrial relations, and has been applied in particular to the Danish national administration. In Denmark, general agreements and collective agreements at the central level cover employees working in central government, with the possibility of local agreements adapted to the individual workplace. The EU Working Time Directive was implemented through agreements in October 1996. The Directive provided a framework for the establishment of a joint committee for the collective bargaining round in 1997 to simplify the rules on working hours of civil servants in particular, and to provide for greater flexibility at the local level.

Collective agreements concerning working hours are based on the full-time work model, of 37 hours per week. The agreements make it possible for part-time workers to apply for full-time work when vacancies emerge. Employees can opt for part-time work on a voluntary basis. In central and local government there are no priorities for reducing the working week, although the Cartel of Danish Government Employees (Statsansattes Kartel of the StK) have recommended an increase in holiday leave from 5 to 6 weeks and which was being discussed at the KTO bargaining organisation in 1998.
Equal opportunities and family friendly policies: a focus of UK civil service unions

A growing area of negotiation in the UK and Irish civil services has been the development of more flexible work organisation, including job sharing, part-time working, flexible working hours, and home working. In the UK, in order to ensure that flexible working promotes genuine equal opportunities, a number of family friendly and flexible working policies have been agreed for employees in a large number of government departments, including:

- A model equal opportunities agreement was reached between IPMS and the BBSRC, providing a model of good practice for other government departments and agencies. The agreement covers childcare and other caring, family friendly policies and flexible work practices, including job share and part-time work opportunities particularly when women return from maternity leave.
- Employees working at the Audit Commission have the right to work flexible hours, including flexible starting and finishing times and shorter working days. However, the agreement states that staff are required to occasionally work longer than conditional hours if the need arises”.
- In the Department for Education and Employment employees an agreement on flexible working allows for part-time working, job sharing, part year working and compressed hours and home working (DFEE, 1997).

An agreement to introduce family friendly policies in the Ordnance Survey resulted from discussions in a Family Friendly Policy Task Group (Ordnance Survey, 1996). The new policy introduced in 1996 extends previous flexible working and leave arrangements, by allowing for:

- Requests to transfer from full-time to part-time work and vice versa
- Part-timers are allowed to work full working hours if mutually agreed
- Meetings are scheduled to take account of part-timers hours
- Part time and shift workers are allowed reasonable time off for medical appointments
- A relaxation of core time in special domestic circumstances
- The introduction of term time working
- Bereavement leave to include miscarriage
- Adoption leave to be applicable for both parents
- Special leave for urgent domestic distress
- A formally managed and monitored Career Break/Keep in Touch Scheme

Although substantial progress has been made in negotiating family friendly policies in the UK civil service, the Council of Civil Service Unions has recommended new measures to enhance equal opportunities (Council of Civil Service Unions, 1997). The change of government in the UK in 1997 has shifted the policy focus in a substantial way. For instance, the publication of the Fairness at Work White Paper in 1998 includes a section on the introduction of family-friendly policies that are likely to be pursued throughout the civil service with vigour in the future. In many senses the UK civil service has been seen as a best practice employer in the UK and the new Labour government is committed to being a family friendly employer in the future.

Leave schemes

Leave schemes have benefited employees in national administration in a number of countries, particularly Denmark, Finland, Sweden and Belgium. However, in Austria the planned introduction of paid sabbatical leave failed to materialise because the unions did not agree to the revisions introduced by the government because the view was that working hours would be covered by existing workers. UK and Irish civil servants have the right to an
unpaid career break of up to five years, allowing for parents to take leave for child and other care responsibilities. Although the bulk of UK government departments allow for these leave arrangements, the DVLA suspended its career break scheme in 1994 because of the difficulty in finding jobs for those returning to work at a time of staff surpluses.

Perhaps the most developed leave schemes exist in Denmark (see discussion in chapter 5). Danish government employees are also able to benefit from the leave/job rotation schemes and a special pool scheme exists for government employees which can be used for job rotation and education leave. In addition, since the 1995 collective agreement government employees have enjoyed additional rights to extended maternity and adoptive leave, over and above those laid out in the statutory scheme. The agreement also gives mothers and fathers the right to take up to 10 days leave for each child a year, and at the same time to convert overtime into care days. In addition, civil servants in a number of countries are able to take unpaid career breaks. In Ireland civil servants enjoy extended sabbatical leave of up to five years in the form of a career break and negotiations are underway to extend this to ten years.

Since 1993 French employees have been entitled to take phased early retirement between the ages of 55 and 65 years. Job creation measures through early retirement were introduced on an experimental basis in France in 1996 (covering both the public and private sectors) for workers aged over 57 years. The scheme enables workers with social security contributions up to 40 years to opt for early retirement on the basis that young unemployed people fill their jobs. It is estimated that 100,000 new jobs will result from the scheme (Dufour, 1996, 1997). In the public sector the scheme covers civil servants in central and local government and hospital workers. Workers over 57.5 years can retire early and their jobs replaced by a young person. It is anticipated that by the end of 1998 this scheme will create 15,000 jobs for young people (10,000 in the state civil service and 5,000 in local civil service and hospitals). In addition civil servants over 58 years are entitled to congé de fin d’activité leave with up to 70 per cent of gross pay (EIRR, 271).

6. Conclusion

A growing number of agreements in all four sectors relate to reduced working time, often as trade-offs for flexible working hours. In addition, a significant trend has been towards the development of more choice in working time and family friendly policies, in recognition of the opportunities that changing working times can have on equality between women and men. However, in all sectors the need to respond in positive and pro-active ways to the massive changes taking place in the public services, has been paramount. Sometimes this has been as a result of a defensive reaction to the restructuring of services (for instance, in the public utilities), whilst for others it has been a direct consequence of trade union initiated activity (for instance, in local government).

Two over-riding factors have framed agreements in each of the sectors: retention and creation of new jobs, and using flexible working hours to improve the quality of services. This has resulted in initiatives to improve shift work patterns in the health and social services sector, and to create new shift and working time models to extend service provision. The result has been more choice in working time and the potential for better quality services. However, it is evident that many of the agreements discussed have been framed in the context of growing flexibilisation of service provision and of work. Experiments in working time in the health sector and in local and regional government have been developed in a number of countries in order to assess the extent to which working time reductions and reduced working hours can contribute to better services, improved employment conditions and equal opportunities. The initial results from these are positive. Furthermore, agreements introducing working time reductions, for instance, in hospitals in France and the Netherlands have been introduced to allow for more flexible working hours, whilst also creating new jobs (although concerns continue to be expressed about the quality of employment for
replacement workers since these are often part-time and temporary positions). Finally, the Working Time Directive has clearly been important in regulating working hours and allowing for more flexibility in all sectors, although important gaps remain regarding the coverage of all workers and in defining some aspects of working time, most notably, on-call duty.

In local and regional government the pressure to extend opening hours and improve service provision has in part been a response to the need to provide better services for consumers as well as to respond to potential or actual competition in services. It has also been an important factor in preventing the privatisation or contracting out of local services. In the public services new and innovative forms of work organisation have led to new projects to extend opening hours in several countries and in the case of Italy to reorganise whole cities, in order to provide improved quality and user/citizen friendly services.

As in other sectors of the public services, there has been a long-term trend towards shorter working hours in the public utilities, although overall working hours tend to be above those of public service workers in health and social services, and local and regional administration. However, the trend to flexible working hours has been widespread in the public utilities.

Trade union concerns about employer demands for greater flexibility and changes in work organisation, have led to new partnerships at the workplace, for instance in the Irish Civil Service, based on a shift towards greater flexibility being negotiated with the full participation and consultation of all workers. It is evident that huge changes in the organisation and management of national administrations have had important implications for working time, particularly as national administrations have attempted to modernise by changing working time schedules and work organisation. In many senses these working time initiatives have been the catalyst for the introduction of more choice, individually negotiated flexibility, job creation and equal opportunities, away from traditional standard patterns of work.

Despite the problems associated with modernisation and reorganisation, an important space has opened up for the development of new forms of work organisation and working time initiatives in health and social services, local and regional government, the public utilities, and national and European administrations. On the one hand, working time has been affected by the changes in the organisation and management of these services, most notably with the introduction of more flexibilisation of work to extend opening times and service provision. On the other hand, past rigid employment structures have led to more enlightened policies within all sectors to develop flexible working patterns that extend choice, equal opportunities and family friendly policies.
CHAPTER 6

CONCLUSION: TOWARDS A EUROPEAN PUBLIC SERVICES POLICY ON WORKING TIME

This report has shown the wide range of new and sometimes innovative approaches being adopted on working time and work organisation in the public services across Europe. Although they vary in the extent to which they lead to new job creation, equal opportunities, and modernisation, many are shared responses to growing labour market flexibility and atypical forms of work, reductions in public expenditure and continued structural unemployment. Indeed, many of these initiatives have led to common patterns and models of good practice and are used as the basis for an EPSU approach to working time, consolidated in the EPSU policy on working time, outlined in Chapter 1.

It is clear that the restructuring, redistribution and reduction of working time have become important issues of concern at both the national and the European level:

- in response to the potential for creating new jobs and reducing unemployment
- in response to new forms of flexibility at work, particularly part-time and temporary work
- to link this to the modernisation and quality of public services
- to improve working conditions, leisure time, education and parental leave possibilities
- to enhance equal opportunities and promote the sharing of family and work life
- within a framework of the modernisation of public services, at a time of growing budget austerity.

Since the mid 1980s public service unions have, on the one hand, been making demands for worksharing and the collective reduction in working hours (Germany, France, Belgium and the Netherlands), and, on the other hand shorter working hours to enhance equal opportunities, family policy and education/training (Nordic countries). However, from the mid 1980s onwards working time policy has shifted towards the new dynamic of flexibility. This shift can be seen from recent legislation, employer and trade union priorities and collective agreements on flexible working hours in all European countries. Flexible working hours have been the subject of offensive strategies in some countries to create new jobs, through job rotation programmes in Denmark, Belgium, and Finland, or flexible retirement schemes in Germany. Of significance is a growing trend to trade off flexible hours for reduced working hours in a number of countries, including France, Sweden, the Netherlands and Germany. In other countries, defensive strategies have been in response to employers overriding demands for flexible working hours, most notably the UK and Spain, in attempts to raise competitiveness, productivity, extend opening hours, and meet rising expectations, within cost-cutting strategies.

Public service trade union strategies on working time have become more offensive in recent years. Trade unions are increasingly of the view that working time reductions can increase leisure time as well as create economic growth. Thus flexibility in working hours has been introduced most frequently as a mechanism to preserve rather than create jobs and to redistribute work more fairly between women and men.

In all European countries and in all sectors of the public services the growth of non-standard forms of employment has been significant, with increased levels of part-time work, temporary work and new shift work patterns. Although many of the responses to flexibility originate from
employer preferences, it is increasingly the case that flexibility is becoming a preference of many employees who seek to reconcile family and work life, take long leave from the labour market, and increase leisure time.

There is no doubt that growing concerns about unemployment across Europe have underpinned many attempts by governments to reform welfare state and pension systems, with many examples of ‘trade-offs’ in agreements linking wage moderation to job creation, for instance, through national and sectoral agreements. The concern about structural unemployment and potential job losses in the public services, combined with concerns about the quality of services, have prompted many public service trade unions to take more proactive roles in this respect. For these reasons working time, flexibility at work and the reorganisation of working time, have become increasingly important subjects for collective agreements in the public services across Europe in recent years.

It is evident, too, that working time reductions are seen within the context of improving conditions of employment, for instance, to reduce work pressure, increase early retirement, leave from the labour market, and holiday time. However, working time reductions are problematic for low paid workers and the public service unions are considering a range of options to enable working time reductions to take place; these include reducing employers levies, and taxes for lower income earners, and phased compensation, on the basis that all workers should be entitled to living wages.

In all sectors of the public services working time reductions have grown in importance in legislation and in collective agreements and this has resulted in a lively and heated debate about how they can be taken forward in the future. Indeed, there is an overwhelming case being made by the public service unions in all sectors for reduced working hours, which are converging around a 35-hour week priority. Many public service unions do foresee that reduced working hours will be problematic to implement in the foreseeable future, but nonetheless these remain firm priorities. However, it is clear that these recent developments arise in a wider context of the reorganisation of working time, and most importantly as a reaction to the increasing incidence of flexible working patterns. Thus reductions in working time are frequently used as trade-offs, on the one hand, for more flexible organisation of working hours, and on the other hand, for job creation measures. This is certainly the case in the public services, where working time reductions have been negotiated at sectoral level in a number of countries, in order to introduce more flexible work organisation, and to extend and improve the quality of services. The municipal projects in Germany and the city projects in Italy are good models for this. In addition, legislation in France for a 35-hour week and agreements in the French local government and health sector for a 35-hour week have been an important subject of European debate. However, the failure of the 35-hour week agreement in the French utilities, resulting from the FO challenge of the agreement in the French courts, shows how volatile trade union negotiations have become, and raises important concerns about the extent and quality of the jobs which replace reduced working hours. In Germany, attempts to reduce working hours have been stalled as a result of difficulties in agreeing adequate compensation for reduced hours.

In all European countries the trend to more decentralised local bargaining in the public services is closely tied up with greater flexibility in the labour market. Local and sectoral agreements have become increasingly important aspects of working time policy and enable adaptations to working time to meet the requirements of public services. This is particularly evident from the growth of annualised working time contracts that have been developed across Europe.

In the Nordic countries there has been a resistance to increasing flexibility in the labour market through the creation of more part-time jobs; rather the trade-off for reduced full-time working hours has been conceived within a framework of increasing part-time hours, rather than the overall creation of new, particularly part-time, jobs. Within this context it is
interesting to note that reductions in working time are often agreed with limited financial compensation in Sweden, whilst in Germany phased compensation has been used to the benefit of low paid workers. Although job creation has not been an automatic outcome of working time policy in the Swedish public sector unions, it is evident that with rising unemployment and the breakdown of Swedish Labour Market Policy, this will be reviewed as a strategy for the future.

The concept of lifetime working hours muted in Sweden, Denmark and Finland and being actively discussed by the ETUC, provides an interesting model for individually negotiated flexibility over the life cycle, including part-time work, education/training leave, partial early retirement and so on. A number of examples of innovations in working time, including leave schemes, and experiments in working time reductions, have created or maintained jobs in the public services in Germany, the Netherlands, Sweden, Denmark, Finland and France. Likewise, legislation and agreements to make part-time work more attractive and to promote it as a source of employment growth have been introduced in Finland, France, Belgium and the Netherlands. In some cases this is accompanied with policies to redistribute working hours between full-time and part-time workers, for instance, in Sweden and the Netherlands. However, redistribution of hours in the Netherlands has not necessarily led to reductions in household incomes, rather a redistribution in incomes between women and men has taken place, as women (part-time workers) increase their hours and men (full-time workers) reduce their hours.

These approaches have led to different forms of legislative or negotiated flexibility concerning the modulation of the working week, work by cycle, part-time work, shift work, retirement and so on. In some circumstances this flexibility has become increasingly individualised. In addition, in a number of countries and public service trade unions the growing incidence of atypical forms of work have led to strategies to regulate and enhance the status of part-time and temporary work, on the one hand, by increasing its incidence, and on the other hand, by regulating it where it has become widespread. Although the Dutch model is not automatically transferable, because of the specific national and historical context in which it is set, there are some useful lessons that can be learnt from the approach taken towards part-time work. For instance, it is clear from the Dutch model that flexibility cannot be confused with deregulation. The difference between regulated flexibility which can increase employment and improve working time regulation can have highly positive outcomes for workers. In the Dutch experience, for example, regulating flexibility and responding to workers preferences has been highly successful in unionised sectors of the labour market, with limited success in non-unionised sectors.

**Issues of implementation of an EPSU approach to working time**

The development of an EPSU working time policy has had to take account of these different approaches to working time, whilst also responding to shared responses to working time developments across Europe. In so doing a number of issues of implementation are thrown up in this process which include:

a) The need to establish a model for a comparative framework of working time models across Europe to enable realistic comparisons to take place requires more adequate comparative European statistical data, that could be provided at European level, for instance, through the Labour Force Survey.

b) The need to develop transferable models of good practice on working time that can be applied across Europe, taking into account the specific national, historical, socio-economic, political and cultural factors that may in fact be unique (or indeed shared) vis-à-vis the approaches taken by different countries and within them different unions and sectors in the public services. In particular, this requires an analysis of different approaches to ‘time’ within different socio-economic and political systems.
c) The possibility of articulating the shared principles and agreed criteria that underpin working time policy within public service unions across Europe and translating these into European minimum acceptable agreements.

d) The need to address practical considerations regarding the implementation of agreements at the national level, with regard to the wider context of diverse practices in industrial relations, and the differing emphases placed on legislation and collective bargaining as routes to working time policy across Europe.

Whilst some of these factors may present constraints to the development of working time policy it is possible, nevertheless, to develop and implement European strategies on working time, if consideration is given to these issues in implementing a European approach. At the very least it calls for much closer monitoring of working time developments, including the sharing of models of good practice. This, likewise, requires that trade union priorities on working time are brought into a single framework at the European level, but which allow flexible implementation at the national, regional or local levels. A European framework, can necessarily allow for national differences in implementation.

Public service trade union priorities on working time

In summarising the priorities of trade unions on working time, table 13 identifies union objectives for working hours reductions, whilst chart 2 sets out the key priorities for collective agreements on working time reductions identified by the public service trade unions.

In summary, the following policies and priorities can be identified:

- Growing levels of support for reduced working hours, in many cases this has been prioritised at 35 hours a week
- An emphasis on job rotation, worksharing and using working time reductions and reorganisation of working hours as a mechanism to retain and increase jobs
- The greater use of flexibility in working hours to increase choice and equal opportunities
- The introduction of innovative working time initiatives over the life cycle, for instance, leave schemes, partial retirement, annualisation of working hours
- Initiatives which allow for more choice in working hours, to reduce working hours, or in the case of part-time workers to increase working hours.
- Regulating flexible and part-time work and in some cases regulating its incidence
- The growing incidence of local and individual agreements on working time
- Evidence across Europe shows that employees who are given choice and who are consulted about the flexible use of work and time are more likely to be motivated and productive. There is a growing trend for workers to have more freedom and choice in determining their working hours if employers want to extend or reorganise production and opening times in response to consumer or commercial demands.
Table 13 - Trade union objectives for working hours reductions to be pursued through collective bargaining: selected unions and confederations

<table>
<thead>
<tr>
<th>Union</th>
<th>Weekly working hours objective</th>
</tr>
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<tbody>
<tr>
<td>ETUC</td>
<td>35</td>
</tr>
<tr>
<td>Austria</td>
<td>ÖGB</td>
</tr>
<tr>
<td>Belgium</td>
<td>ACV-CSC, ABVV-FGTB</td>
</tr>
<tr>
<td>Denmark</td>
<td>SIK, KTO</td>
</tr>
<tr>
<td>Finland</td>
<td>SAK, STTK</td>
</tr>
<tr>
<td>France</td>
<td>CGT/CGT-FO, CFDT/CFTC</td>
</tr>
<tr>
<td>Germany</td>
<td>DGB, DAG, ÖTV</td>
</tr>
<tr>
<td>Greece</td>
<td>GSEE</td>
</tr>
<tr>
<td>Ireland</td>
<td>IMPACT, ICTU</td>
</tr>
<tr>
<td>Italy</td>
<td>CGIL, CISL</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>OGB-L, LCGB</td>
</tr>
<tr>
<td>Netherlands</td>
<td>FNV, CNV</td>
</tr>
<tr>
<td>Norway</td>
<td>LO</td>
</tr>
<tr>
<td>Portugal</td>
<td>CGTP, UGT</td>
</tr>
<tr>
<td>Spain</td>
<td>CC.OO, UGT</td>
</tr>
<tr>
<td>Sweden</td>
<td>Kommunal, SHSTF, SKTF</td>
</tr>
<tr>
<td>UK</td>
<td>TUC, CPSA, IPMS, UNISON</td>
</tr>
</tbody>
</table>
### Chart 2 - Summary of public service trade union priorities on working time

<table>
<thead>
<tr>
<th>Country</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>The Austrian public service unions believe that reductions in working hours can be used to create new jobs. Further plans for a general reduction in working hours are currently being discussed in Austria and the ÖGB are pressing for a national working time policy leading to a 35 hour week without loss of pay in the context of increasing working time flexibility and job-sharing.</td>
</tr>
<tr>
<td>Belgium</td>
<td>The two Belgium trade union confederations are pressing for individual and collective working time reductions in order to create new jobs. This reflects a growing concern about high unemployment and has resulted in trade union strategies being developed to link the redistribution of work and income and phased early retirement in order to reduce youth unemployment. The ACV-CSC is pressing for reorganisation of and reductions in working time in order to create new jobs, with an aspiration to move towards a 38-hour working week, without overtime. The ABVV-FGTB has gone further in pressing for a 32 hour, 4 day week in order to create new jobs, with reductions in social security contributions to be accompanied by shorter working hours.</td>
</tr>
<tr>
<td>Denmark</td>
<td>Reductions in working time have not been a major priority for Danish unions since the collective bargaining round of 1987 and the unions have prioritised other issues that are related to working time. These include ending discrimination against part-time and temporary workers, reconciling family, leisure and work life, improving the conditions for specific groups in the labour market, introducing more positive flexibility and choice in working hours, and improving the quality of work and the quality of services. In addition, the Danish unions recognise that reduced working hours are not always cost effective, since workers have, in the past, only been compensated for an average of 50 per cent of the reductions, although this has been higher in education and in services operating on a 24-hour basis.</td>
</tr>
<tr>
<td>Finland</td>
<td>Two, of the three trade union confederations, the SAK and the Finnish Confederation of Salaried Employees (STTK), have established long term objectives for reducing working time in order to encourage job sharing and reduce unemployment. In the case of the SAK the aim is to establish a 30 hour average weekly working time, within a framework of promoting job sharing and the model of the 6 + 6 hour day shift. The STTK’s objective is to reduce working time by 10 per cent by the year 2000, and through the negotiations for the 1998 incomes policy have proposed reductions in working time to a 35 hour week without loss of pay. The STTK estimates that half of the reduction in working hours would be offset by increases in productivity and the other half by recruitment of new staff. The importance attached to working time reductions to reduce unemployment has become a priority. However, the employers have disputed the effect that the proposals would have on jobs and productivity.</td>
</tr>
</tbody>
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82 Correspondence from the Danish public service unions ‘Danish contribution in connection with EPSU’s project on working hours’ prepared by Hanne Johnnesen (StK) and Bengt Rasten (DKK)
<table>
<thead>
<tr>
<th>Country</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>Differences exist between trade union confederations in their approach to working time legislation, particularly in terms of responses to and support for the 1998 law on working time. For instance, the CFDT and the CFTC confederations supported it, the former wishing to see an extension of the legislation to cover the annualisation of working hours and a 32 hour working week, whilst the latter are pressing for productivity gains to be the main source of compensating for these working time reductions. The CGT and the CGT-FO in contrast have opposed the legislation on the basis that the scheme is financed from scarce social security resources. The CGT-FO also opposes all forms of flexibility at work, and like the CGT is pressing for a 35-hour working week with no loss of pay.</td>
</tr>
<tr>
<td>Germany</td>
<td>Trade unions in Germany have been pressing for generalised reductions in working time. The DGB is pushing for a 35 hour, four-day working week in addition to an overall policy of introducing greater time sovereignty, lifetime working hours and yearly working time reductions. The DGB considers that additional working time reductions will be critical to halving unemployment by the year 2000. The DAG has been pressing for a 30-hour working week, with a progressive reduction in lifelong working hours. At a sectoral level IG Metall, for instance, has proposed that working time be reduced to 30 hours. In 1998, the leader of the ÖTV, Herbert Mai, identified a 30 hour week as a long term objective, the effect of which would be to creating 135,000 new jobs. This goal is supported by the DAG (EIRO, 1998s). ÖTV has increasingly prioritised job creation and job retention as objectives of working time policy. Shorter working hours of 35 hours a week continue to be a target in the collective bargaining programme. In addition, to working time reductions the 1988 pay round included a number of demands regarding working time including: partial retirement, general reduction in working hours with verifiable impact on jobs, extension of the ‘social redistribution of work’ in the East, working hours accounts, and reductions in overtime.</td>
</tr>
<tr>
<td>Greece</td>
<td>The Greek public service unions support the introduction of a 35-hour week, which they estimate could create up to 100,000 new jobs. The GSEE has demanded a 35 hour working week without reductions in pay, an end to compulsory overtime, and limits to the availability of overtime work (EIRO, 1998t).</td>
</tr>
<tr>
<td>Ireland</td>
<td>Although the ICTU and the public sector trade unions are not pursuing working time reductions, they are concerned to develop more flexible and regulated working time arrangements, including flexitime, job share and annual working hours policies (ICTU, 1997). IMPACT policy has increasingly focused on the need for family-friendly policies. As a result family and parental leave policies, and improved childcare are viewed to be critical elements of working time policy and pressure is intensifying to improve maternity and parental leave in line with EU averages (Report of the Second Commission on the Status of Women, 1993). Partnership 2000 sets out a commitment to implement the Parental Leave Directive by June 1998. According to IMPACT, working time initiatives in the public sector are being developed to create more flexible working arrangements, beyond the existing job-sharing arrangements that have already been introduced. This is a response to the popularity of flexible working arrangements expressed by many women members. In particular, IMPACT anticipate that a new collective agreement will result from a government decision in 1997 to formalised job sharing arrangements and develop new flexible working conditions.</td>
</tr>
<tr>
<td>Country</td>
<td>Description</td>
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<tr>
<td>---------</td>
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</tr>
<tr>
<td>Italy</td>
<td>All public service unions are pressing for legislation on the 35-hour week to be extended to the public sector. Italian trade union confederations are actively involved in pressing for working time reductions and reorganised working hours. CGIL is seeking a generalised reduction of hours for a 35-hour working week. CISL is pursuing agreements to reduce overtime by developing new policies on time off in lieu and the introduction of working time banks, alongside restructuring leave and work so that it is more friendly to family life, with more progressive leave for training, and the introduction of tax and social security incentives in order to reduce working time to a 35 hour week. The UIL are also pressing for a range of flexible and decentralised working time innovations. CISL has been pressing for more effective parental leave policies in order to reconcile working time with family responsibilities.</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>The OGB-L and the LCGB have prioritised negotiation for annualised working time arrangements and reduced working hours.</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Working hours have been a key issue of concern to Dutch trade unions, particularly in moving towards the objective of a 36-hour, four day working week. A clear goal is to shorten working hours in order to redistribute work and in recent years shorter working hours has been a key trade off for flexibility. The FNV and AVAKABO view the redistribution of paid and unpaid work as critical for job creation, longer part-time working hours and the promotion of part-time work, early retirement, and education and training leave.</td>
</tr>
<tr>
<td>Norway</td>
<td>Shorter working hours have become the subject of a major debate in the LO and public sector trade unions, and have resulted in being an important aspect of the LO’s 1997 Action Programme. In the Norwegian LO the connection between reduced working hours and job creation has been desegregated into, first a strategy to shorten working hours based with provisions built in on social security and rights to welfare, and second, a strategy that has been in place for 10 years to reduce unemployment through tripartite agreements. Here workers organisations have agreed to moderate wage increases, whilst employers have committed themselves to using savings to create new jobs, and the government to creating new jobs. However, attempts to pilot reductions in working hours by several public sector trade unions were largely unsuccessful in 1996. In 1997 the LO brought the issue of flexible working time to the forefront of discussion, establishing the need for local working time arrangements to be agreed through collective agreements. This culminated in a programme of principles on flexibility established at the LO Congress in May 1997. In particular this policy stresses the need to reduce annual working time to create longer holiday entitlements and reduce overtime. The LO’s Action Programme makes the case for a shorter working week, lower retirement age and longer annual leave. These working time issues are viewed within the life span of working choices and preferences for workers and are a response to the growing demands for flexibility from employers. Of particular interest is the LO’s proposal for the introduction of a time account scheme enabling workers to choose different working time arrangements during different phases of the life span or career (EIRO, 1997i).</td>
</tr>
</tbody>
</table>

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83 Contribution by Gunhild Johansen (NKF) to EPSU working time seminar, Brussels March 1997
**Portugal**
The priority of the public service unions has been to introduce a 35-hour week through collective agreements, based on the 1996 legislation, alongside flexible working hours and more choice for employees in working time. The demand for a 35-hour working week has been a long-standing goal for both the CGTP and the UGT. The CGTP has been opposed to increased flexibility in the labour market and for this reason refused to sign the national agreement on working time in 1996. In contrast the UGT has been more positive about developing regulated flexibility.

**Spain**
The CC.OO and the UGT are pressing for a longer-term goal for a negotiated reduction in the working week of 35 hours, with limits to overtime set and time-off in lieu policies. A high priority is to extend regulation to temporary and part-time work.

**Sweden**
Since the 1980s Swedish trade unions and political parties have pursued demands for shorter working hours. In addition to the growing debate about the employment effects of shorter working hours, Swedish approaches to reduced working hours are based on first, broader strategies to improve welfare and equal opportunities, and second to encourage more full-time work. The Swedish social partners have not considered an across the board reduction in working time to be an appropriate route to reducing unemployment, rather the approach has been to create conditions for greater flexibility in individual working time over the life cycle, within a perspective of extending parental and other leave entitlements and promoting equality between women and men. The LO and the TCO want to see working time reductions and limits to overtime linked to the creation of new jobs. However, although most unions support working time flexibility and reductions in overtime, they are not seeking a generalised reduction in working hours at this stage. The TCO has pressed for legislation covering working time that would set a framework for new working time agreements. In particular, the TCO favours an approach that links working time flexibility and longer opening hours, as a trade off for reductions in working time. In 1997 trade union priorities focused on shorter working hours, real wage increases and labour market reform. Working time has become an important negotiating issue in recent years, and demands for a shorter working week took priority in agreements to be negotiated in 1997. In some LO public service unions this has culminated in demands for annual reductions in working time of 100 hours. Successful working time reductions in industry of 24 minutes a year, first pioneered by the engineering federation, enabling shorter daily hours or additional holiday leave, has been used as a model to extend to other sectors of the economy.

**UK**
UK public service trade unions have been primarily concerned about the introduction of the Working Time Directive and the Part-Time Work Directive, which they view as being important to overcoming the long hours culture in full-time work and the short-hours culture in part-time work. The public service unions have also been proactive in developing flexible working times and introducing family-friendly policies in all sectors of the public services. IPMS set a policy objective in the 1997 pay round to reduce contracted weekly hours without loss of pay. However, to date no significant improvements in working time have been negotiated, and this remains a priority of the union.
In conclusion, this report has shown that innovative approaches to working time and flexible working patterns are developing at a fast pace in the public services. Where these are developed positively and with full consultation with employees, they can result in more choice, equal opportunities and job creation. For instance, working time is having an increasingly important impact on family and social time, particularly as more women have entered the labour market. For this reason the flexible use of working time can have a more significant effect on a wider debate about time as more agreements allow for more leisure, time to take leave from the labour market for educational and other purposes, time for family life, and for equal opportunities. It can result in more choice for employees, better partnerships at work, more highly motivated workers who suffer less work related stress or ill-health, and it can create new jobs and preserve existing jobs. This debate about working time has important consequences for developments taking place in pension, taxation and social security systems. For example, a shift in thinking is currently taking place on retirement and pension systems. It is increasingly likely that workers will have to work longer years and retire later than they currently do in order to secure themselves in retirement. This has implications for working time of full and part-time workers and for discussions about lifetime hours.

For these reasons the concept of time has become an important aspect of the social, economic and political debate surrounding the future of work and it has sparked off a new and interesting debate about negotiating for positive flexibility. In documenting working time developments in the public services, the EPSU Working Time project has stimulated a new debate about working time across Europe and to the development of an EPSU policy on working time, that works within a democratic framework and that allows for the full participation of trade unions at all levels. The evidence from the Italian city projects, the Swedish and German municipal projects, and the Dutch and Swedish health care projects, shows how important and beneficial participation is to staff morale, the quality of services and to good employment practices. It is clear that public service trade unions have been at the centre of this debate to make sure that the worst effects of the new forms of flexibility that are developing can be minimised. At the same time trade unions can also be using working time as a bargaining tool to develop new working practices and new innovations at work.

Working time arrangements that work in a framework of positive flexibility and choice are integrally linked to good working conditions, improved quality of work, and employment security. In addition, an increasing number of working time experiments have been related to equal opportunities, the quality of life and family friendly practices. Examples of family friendly policies in national administration and the public utilities have grown in importance in the recognition that women’s career paths need to be fully integrated into flexible working hours. Sometimes, as in the case of women working in the electricity sector, this is essential to prevent women from leaving their jobs, precisely because they offer limited flexibility and choice, and the opportunity to combine work with family responsibilities. It is clear, moreover, that public service unions are committed to improving the quality of work to their members and the quality of services to consumers. Indeed there is a clear recognition that quality work and quality services are closely related to each other, and in turn are central to new innovations in working time.

As a result, this debate about working time can be seen to be about more than just simply reducing working hours. It is about developing a new vision that makes the link between work and time as a bargaining tool. This report has shown that this vision is a growing element of public service trade union discourse on working time. The organisation of working time can have important effects on the potential for job creation, improved working conditions, equal opportunities and the development of good quality services to consumers, in local areas or even in whole cities. Central to this new debate on working time is the redistribution of work, whether this be to create new jobs, or to enable part-time workers to increase and full-time workers to reduce their working hours. As a result redistributing work and time can create more choice and flexibility for workers. It is clear that negotiating around the flexible use of time is going to be a common feature of trade union agreements in the future.


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