Opinion on on flexible and part-time working arrangements and the gender dimension of the labour market



Social Europe

Advisory Committee on Equal Opportunities for Women and Men

The opinion of the Advisory Committee does not necessarily reflect the positions of the Member States and does not bind the Member States.

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1) The background and mandate of the working group

1.1 During recent decades, the situation of women in the labour market has improved, and there has been a strong rise in female employment in the European Union, leading to a reduction of gender employment gaps. This has been made possible through support for women's participation in the labour market, measures to promote gender equality, the increased average level of education of women and also important socio-economic transformations. In 2000, the European Strategy for Jobs and Growth set the target of reaching an employment rate for women of 60% by 2010 (aged 15-64 years), and in 2008 achieved a rate of 59.1%¹ (aged 20-64 years).

1.2 However, the quantitative increase of women in the labour market may not have been matched with qualitative development of "better jobs"². This is exemplified by the persistence of the gender pay gap which reflects substantial gender inequalities in the labour market. Across the EU, women earn, on average, 17.8%³ (2008 Eurostat data in June 2010) less than men for each hour worked. In some countries the gender pay gap is widening. Flexible working arrangements and lack of quality part-time jobs are often important factors in determining the gender pay gap.

1.3. The Advisory Committee therefore decided at its meeting on 20 November 2009 to set up a working group to prepare an Opinion on flexible and part-time working arrangements and the gender dimension of the labour market.

1.4. The purpose of this Opinion is to:

- examine the positive and negative aspects of both flexible and part-time working arrangements with regard to gender equality across the life cycle, taking into account the variety of situations at EU level;
- make suggestions on how to alleviate the disadvantages of part-time work for both employees and employers, (particularly part time work comprising very few hours), identifying barriers both inside and outside the workplace;



¹ EEurostat Labour Force Survey 2008

² See European Commission Annual Report Equality between Women and Men (COM (2009)694)

³ See EAC Opinion on the effectiveness of the current legal framework on equal pay for equal work or equal value in tackling the gender pay gap, June 2009.

- promote greater use of flexible working arrangements at all levels, and encourage a better balance of use of flexible working arrangements by women and men throughout their working lives, explain that it is both possible and very important to ensure that flexible working arrangements are available within full time employment
- challenge the stereotype of part-time working as being primarily for women, poorly paid and insecure;
- where it is not already used, promote and encourage the use of part-time as a working option for both women and men, in particular in quality, skilled employment;
- make specific suggestions on how to take the gender dimension into account in the context of the reflection and promotion of flexicurity policies in particular by looking at flexibility in working time arrangements (such as part-time work and irregular working hours) but not external quantative flexibility (such as fixed term contracts, temporary work agencies, on-call work etc).

2) Context

2.1. Successful economies are based on using the talents of all citizens. Enabling increased labour participation for women can contribute to increased prosperity and the productivity across the EU.

2.2. Directive EU 97/81/EC (adopted in 1997⁴ and based on the European Partner's Framework Agreement) sets a framework to remove discrimination against part time workers and to promote quality part time work. The definition of a part time worker is detailed as follows: "The term "part-time worker" refers to an employee whose normal hours of work, calculated on a weekly basis or on average over a period of employment of up to one year, are less than the normal hours of work of a comparable fulltime worker." However, in practice, across the EU Member States there are different understandings of part-time working. Using a distinction between long (30 + hours), medium (20-29 hours) and short (under 19 hours) part-time work, it appears that there are considerable differences in the use of part-time working amongst women and men, including between countries

⁴Council Directive 97/81/E C of 15 December 1997 concerning the framework agreement conducted by UNICE, CEEP and ETUC, OJ L 14/9.

having the same participation rates, eg. 56% of Swedish women in part-time employment worked long hours and 14% short; while in Germany the proportions were reversed: 17% in long part-time work and 45% in short.

2.3 In the development of Advisory Committee Opinions on Equal Pay and the Gender Pay Gap, and on the Future of Gender Equality Policy during 2009, it became apparent that there is a gender gap in the labour market, and that part-time work is a clear factor in this.

2.4 It is a fact that part-time work is not evenly distributed across the working population: more women than men work a flexible working pattern or part-time hours, workers at the beginning and at the end of their careers are more likely to work part-time, and part-time is more widespread in northern than in southern and central⁵ Europe. The Eurofound report of 2007⁶ suggests that part-time working is common in the service sector, health, tourism and education, but rare in agriculture and manufacturing. Where part-time work patterns are available, there is often a correlation with higher female labour market participation and with the Lisbon targets on women's employment being achieved.

2.5 In 2008, the share of women employees working part-time was 31.1% in the EU-27⁷ while the corresponding figure for men was 7.9%. This is key to understanding female labour market participation, in particular because employment rates measured in full-time equivalent have increased at a much slower pace than the traditional headcount-based measure. When measured in full-time equivalent, not only is the gender gap much higher, but it has only slightly reduced over the last five years (from 21.2 p.p. in 2003 to 20.2 p.p. in 2008) and has even widened in nine Member States⁸.

2.6 While the factors behind the gender pay gap are complex and multifaceted (see also Opinion on Equal Pay and Reducing the Gender Pay Gap for more detail⁹), actions to reduce the gender pay gap need to be strongly linked to the promotion of a better gender balance in the labour market. It should be noted that this complexity is clearly

http://epp.eurostat.ec.europa.eu/tgm/graph.do?tab=graph&plugin=1&pcode=tps00159&language=en&toolbo x=data

⁶ http://www.eurofound.europa.eu/pubdocs/2007/108/en/1/ef07108en.pdf

⁷ The share of female part-timers exceeded 35% in Denmark and Luxembourg, 40% in Belgium, Sweden, Austria, the United Kingdom and Germany and even exceeded 75% in the Netherlands. Conversely, the share of part-timers among female workers was very low in Bulgaria, Slovakia, Hungary, Latvia, the Czech Republic and Lithuania.

⁸ Poland, Slovakia, Sweden, Bulgaria, Romania, Lithuania, Finland, the Czech Republic and Hungary.

⁹ http://ec.europa.eu/social/main.jsp?catId=683&langId=en

demonstrated by the fact that some countries with a high level of women's participation in their labour markets eg Sweden and Denmark also have a high gender pay gap and some countries with a low level of women participating in the labour market eg Italy and Spain, have a corresponding low gender pay gap.

2.7 When women (or men) choose or need to combine work and home responsibilities by working part-time, they will often result in being poorly paid because quality, skilled part-time work is often not available. In the UK, the gap in median hourly earnings, excluding overtime, of part-time employees was 36.5% less than the earnings of full-time employees in 2009.¹⁰ This reinforces the gender disparity in earnings since the take-up rate by women of measures such as flexible and part-time working to reconcile work and home life due to family reasons will be higher.

2.8 It should also be noted that part-time is not always the preferred option for all the workers that are employed for less than full time hours: according to Eurostat 25.6¹¹ of EU part-time workers are in this situation involuntarily due to the lack of full-time employment opportunities, the majority due to having caring responsibilities.

2.9 There is also strong evidence that part-time workers work below their potential. The imbalance between women and men in these jobs suggests the EU is not fully utilising the potential of its female labour reserve. The 2009 expert report commissioned by the Swedish Presidency estimated that there could be a considerable gain of almost 30% in the GDP for the EU as a whole if gender gaps were eliminated¹². Similarly the UK women and Work Commission in 2006 estimated that removing barriers to women working in occupations traditionally undertaken by men and increasing women's participation in the UK labour market, could be worth between £15 and 23 billion (€16.9-25.9 billion) or 1.3-2% of GDP ¹³.

2.10 As previously noted, if an adult needs to reduce their participation in the labour market to care for a child or dependent adult, it is likely to be the second wage earner that does this, which is generally the woman. Therefore, in addition to other measures aimed at reducing the gender pay gap, a more equal balance is needed between women's and

http://ec.europa.eu/social/BlobServlet?docId=3988&langId=en.

¹⁰ Source: UK Office for National Statistics Annual Survey of Hours and Earnings, November 2009 11 Eurostat Labour Force Survey, 2009

¹² A. Löfgren, Gender equality, economic growth and employment, 2009. This report was presented at the conference held under the Swedish Presidency 'What does gender equality mean for growth and employment?', Stockholm, 15-16 October 2009, and is available at:

¹³ Women and Work Commission: Shaping a Fairer Future, 2006

men's share of part-time work (and take up of parental leave) to ensure that the cycle is not reinforced.

2.11 Those who work fewer than full time hours have reduced access to training and development which can also impact on their ability to successfully compete for future job opportunities. Furthermore, part-time workers with a non permanent contract are less likely to benefit from training opportunities14.

2.12 The development of information and communication technologies offers opportunities to employers to introduce innovative and productive flexible working practices for both full time and part-time employees. Making such changes benefits both the individual and the organization.

3) What are the main impacts, positive and negative, of parttime and flexible working arrangements across the lifecycle for women and men?

3.1 There are a variety of impacts of the high prevalence of flexible and part-time work, from work-life balance issues to the impact of the tax and benefits system. For example, some state systems involve financial disincentives for the secondary earner to work full-time. The effects of part-time working can impact throughout worker's lives and, since it is mainly women who work part-time, these needs to be examined further in this Opinion.

3.2 It is not clear that women who choose or have to work part-time are fully aware of the possible longer term implications for their earnings, pensions and careers. Individuals will have different family preferences and career aspirations, and will balance many complex factors in their decision making. Policy should therefore help ensure those choices are informed, are not unfairly constrained or weighted in a way that is ultimately damaging to society and economic growth.

3.3 Poor income prospects are likely to lead to a low tendency to enter and re-enter gainful employment. Long employment breaks can lead to more unequal pay and longer term negative effects for the individual. Within Member States, it can lead to an increase in the gender pay gap and potential wider negative consequences for economic growth overall.

¹⁴ http://www.eurofound.europa.eu/pubdocs/2007/108/en/1/ef07108en.pdf

Positive impacts

3.4 In times of economic difficulties and crisis, flexible and part-time working can be a support measure to help to keep businesses viable and avoid or reduce redundancies – particularly in environments where this has not been the traditional approach. Such measures provide the potential of making part-time employment attractive to men as part of any recovery strategy.

3.5 Flexible and part-time working helps employers to retain skilled and qualified people in the workforce who might otherwise have to leave. It can also allow for the structured transfer of skills between workers ensuring that the training investment made by employers in their staff is not lost.

3.6 Where qualifying conditions are met, individuals working part-time may be able to maintain equivalent social support and pension entitlements to those accrued by full-time workers

3.7 Working flexibly and/or working part-time hours allows individuals to accommodate external activities such as reconciling work and family life, studying to improve skills, or to participate actively in community and public life. Recent research undertaken in the UK found that people who worked flexible hours or part time, spend more time with their family, and many believe it improves the quality of their life and their children's lives.¹⁵

3.8 Families can benefit. In the EU, there are 40 million households with dependent children (ie below 12 years).¹⁶ For both parents, time spent with children and with each other is important for child development, enhancing stability in children's lives and thereby contributing to improved overall social cohesion. In the EU, at least 4 million employed men would like to reduce their working hours in order to spend more time on caring responsibilities¹⁷

3.9 Where childcare and full-time working hours are not compatible, flexible and part-time work is a necessary alternative for working parents and helps them to balance parental and professional responsibility.

¹⁵ Work and Care: A Study of Modern Parents (2009), undertaken for the UK Equality & Human Rights Commission

¹⁶ Eurostat Labour Force Survey 2007

¹⁷ Eurostat Labour Force Survey 2005 ad hoc module on reconciliation between work and family life

3.10 Flexible and part-time working enables parents, both employed and self employed, to care for dependent adults within the family. Populations across the EU are ageing and people are living longer. It is both socially and economically attractive to all Member States to enable dependent adults to stay within their local environment and families¹⁸.

3.11 Employment is a key element in addressing child poverty and the high at-risk-ofpoverty rates of lone parents, therefore improving the availability and accessibility of flexible and well paid part-time working to disadvantaged groups is essential to combat poverty.

3.12 Flexible working patterns can also have other advantages for communities and the environment, for instance, reducing travel congestion at peak times.

Negative impacts

3.13 Part-time work can have negative impacts on economic independence, long-term financial security and career prospects.

3.14 In many member states, women are more likely to take reduced hours options such as part-time work or school-term only working as the main form of flexible working arrangements and men are more likely to work from home or work compressed hours. Women's working patterns are therefore more likely to result in longer-term impacts on salaries and careers since part-time work is still predominantly clustered in lower paid sectors and professions. Recent research undertaken in the UK has found that:

- 10 per cent of the overall pay gap can be attributed to occupational sex segregation.
- 21 per cent of the gender pay gap gap is due to differences in years of experience of full-time work
- a further 16 per cent of the gap due to the negative effect on wages of having previously worked part-time or of having taken time out of the labour market to look after family¹⁹.

¹⁸ UK Study "Calculating the value of unpaid care" 2007 CarersUK, ACE National and University of Leeds

¹⁹ The Gender Pay Gap in the UK: 1995 to 2007(2010) undertaken for the UK Government Equalities Office.

3.15 The double burden of paid work and unpaid work within the family, together with a possible lack of support care services where needed, has been identified as one of the main barriers to women's full participation in the labour market and decision making at all levels²⁰.

3.16 Some part-time workers experience poorer job content, receive less training and diminished promotion opportunities. Men cite this as a factor in not seeking to reduce hours²¹. This is mirrored in the absence of women, particularly those working part-time, from senior responsibility and decision-making posts.

3.17 Part-time workers tend to stay in a job for a longer period than full time workers because they are concerned that they would not be able to get the same arrangements elsewhere. This can negatively impact promotion and progression prospects.

3.18 Working part-time can also result in fewer entitlements to social protection such as unemployment benefits if that work ends; thus part-time work can have a negative impact over the life cycle where those workers are unable to access any related benefits which are linked to entitlement to unemployment benefits.

3.19 Part-time workers can be invisible in statistics relating to unemployment. Numerous part-time workers who would like to work full time are not registered as job seekers even if they are looking for a second or full time job²².

3.20 Part-time work may often be poorly paid compared to equivalent full time employment. An Austrian Study shows part-time workers earn around 31% less than fulltime workers in equivalent employment ²³

3.21 Part-time working women tend to reinforce gender inequalities. When an adult needs to reduce their participation in the labour market to care for a child or dependent adult, it

²⁰ UK report: Working towards Equality, A Framework for Action. 2010

²¹ UK Equality and Human Rights Commission. 2009. Working Better – meeting the changing needs of families, workers and employers in the 21st Century

²² See box 3, p12 in the expert analysis note on "Gender equality and recession"

http://ec.europa.eu/social/BlobServlet?docId=2839&langId=en

²³ Quality of part-time work and the improvement of the position of women at the labour market (Qualität von Teilzeitbeschäftigung und die Verbesserung der Position von Frauen am Arbeitsmarkt, Federal Chancellery, Vienna 2010. <u>http://www.frauen.bka.gv.at/DocView.axd?CobId=39062</u>).

is likely to be the second wage earner that does this, which for more than two thirds of families²⁴ accross Europe is the woman. Therefore it is both a cause and a consequence.

4) Promoting quality part-time work and encouraging flexible working arrangements for women and men

4.1 While respecting the right of families to choose the work-life balance that is most appropriate for them, policymakers need to reduce the negative impacts of flexible and part-time working and focus on identifying and addressing those factors which constrain people's choices.

4.2 Addressing the barriers inside and outside the workplace that create these negative impacts would be advantageous not only to workers themselves and their families but to the wider economy by promoting the more equal participation of women as well as men in the labour market.

Addressing gender imbalance in childcare and other caring responsibilities

4.3 Women and men should be encouraged and enabled to take decisions about their family life that are not constrained unfairly by barriers, real or perceived, relating to gender. Maternity, paternity, parental and/or other family related leave are all effective measures to encourage the sharing of family caring responsibilities between women and men. However, women take up family related leave more than men. Several studies show that men can be discouraged from utilising this right due to a number of factors, particularly where this leave is unpaid.

4.4 Persistent gender stereotypes results in more women undertaking caring responsibilities. In addition, women commonly have lower incomes when working so the lesser financial impact to the family income may be a factor. A better balance between women and men in childcare and other caring reponsibilities and in the take up of support measures by both women and men is needed to ensure that the existing stereotypical cycle is not reinforced.

4.5 Policy makers need to focus on facilitating attitudinal change. Family related leave should not be considered as a career-threat by men. Additionally, women should not be seen as an unstable and expensive employee pool on an incorrect assumption that they might need to take more leave than male colleagues. Time off for caring, taken by women

²⁴ European social survey 2004

or men, should not be seen to adversely affect career progression. Measures to combat this should be encouraged.

4.6 In addition, policies that address the care needs of children and dependent adults in terms of quality, accessibility and affordability are also urgently required to ensure that both women and men have equal opportunities within the labour-market and in turn, can actively contribute to successful National and European economic growth.

Encouraging quality part-time work and combating occupational segregation

4.7 Occupational and sectoral segregation refer both to situations in which the workforce of a particular industry or sector mostly comprise a single gender, or where opportunities for progression for a particular gender are limited.

4.8 Part-time work is not equally common across all industries and sectors. Within specific sectors it can be a constraint on access to training and promotion opportunities. In addition, it can reduce access to senior roles, particularly due to the limited availability and visibility of part-time senior opportunities.

4.9 All these issues combine and contribute to women being represented in the higher proportion of atypical jobs, registering lower employment rates than men and experiencing discrimination in vocational training and career progression. However there does not have to be a correlation between roles with reduced working hours and atypical or precarious jobs. In addition, flexibility over hours should not have to mean lower job security.

4.10 The availability of quality part-time work is a key factor in addressing the inequalities faced by those working part-time. A UK report asserts that quality part-time work has four key criteria²⁵:

- jobs providing the same (pro rata) terms, and conditions, career development and progression opportunities as comparable full-time work;
- jobs enabling the job-holder to maintain, or enhance, his or her skills;

²⁵ Working towards Equality: A framework for action. GEO 2010

- jobs enabling the achievement of an acceptable work-life balance, meeting the needs of both employer and employee;
- where a business case can be made, jobs providing the opportunity to increase the number of hours to full time work, if desired, at the same or a higher level

4.11 Additionally, there should be recognition that physical presence in the workplace does not always equate to increased productivity. Communication technologies can facilitate flexible working and support employees to successfully work effectively whilst managing their domestic and work responsibilities.

5) Recommendations

5.1. The following recommendations are aimed at improving part-time working across sectors for both women and men, closing the gender pay gap and addressing the gender imbalance within national labour markets.

5.2 The European Commission should:

- Ensure that the Europe 2020 strategy²⁶ recognises that women's employment and the promotion of gender equality policies are key factors for the growth of employment and competitiveness within the EU.
- Recognise that increasing women's participation in the labour market is an essential contributory element to rising prosperity and increasing productivity of the European economy.
- Encourage the European Institute for Gender Equality to:
 - collate gender disaggregated data to provide a sound evidence base for policy makers and track progress
 - In consultation with social partners, assess whether the Part-Time Directive (97/81/EC) has reduced discrimination against part-time workers and improved the quality of part time work

²⁶ See COM (2008) 868.

- Promote the use of the European Structural Funds to fund national care services and support for families of dependent persons to enable a better sharing of family responsibilities.
- Consider how this Opinion can be communicated to other committees so that the recommendations can be mainstreamed into their work.

5.3 The European Commission should encourage Member States to:

- Develop more egalitarian and social policies.
- Develop, if required, improved labour market policies that facilitate the coresponsibility approach to reconciliation of private, family and working life, including accessible working hours for carers.
- Introduce a right to request flexible working and encourage more equal take up from both women and men.
- Address existing stereotypical cultures within the workplace by promoting to the business community the economic and social benefits of better flexible working arrangements for employees and employers.
- Encourage flexible, affordable and good quality childcare arrangements to help all parents to balance work and family life.
- Strongly pursue and fulfil the targets on childcare established during the European Council in Barcelona²⁷ in accordance with the timeframe.
- Encourage flexible, affordable and good quality care services for dependants other than young children.
- Work with employers, including in traditional male dominated industries, to encourage the availability and design of part-time roles at all levels within organisations and flexible working within full time roles. Encourage employers to demonstrate by example, in particular at senior levels within organisations.
- Promote, with the social partners, fairness and transparency about identifying where discrimination on gender or work pattern basis is taking place.

²⁷ Barcelona's targets concern the creation of care services for at least 33% of children between 0 and 3 years and 90% of children between 3 years and the age of compulsory education.

- Take actions to address the stereotyping of educational and career choices in particular of young people, to help address occupational segregation. These actions to target young people, parents, teachers, career advisors, social partners and training providers.
- Consider positive action to encourage underrepresented groups to gain access to promotion and high potential schemes.
- Work with appropriate organisations to increase the professionalism within femaledominated sectors that at present offer little development opportunity for workers. In addition, where appropriate, work with organisations to improve the working conditions and wage rates in low paid sectors.
- Share and disseminate innovative good practice models, knowledge and other support processes, particularly where these have shown consideration to the impact on Small and Medium size Enterprises, between employers and trade unions and other stakeholders, in order to promote family-friendly measures, flexible working patterns²⁸ available to women and men in the labour market.
- 5.4 The European Commission and Member States should:
- Undertake periodic awareness and, if appropriate, information campaigns, particularly addressed to men/fathers and to social partners to promote and encourage the equal sharing of family responsibilities.
- Continue to share comparative data in order to monitor progress and provide a more robust evidence base.

²⁸ It has been shown in research that flexible working hours or flexible working position are taken mostly by women in order to cope with work and family responsibilities; these policies should therefore also be directed to men in order not to increase other gender gaps (pay, pension etc).