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VOLUNTARY PART-TIME WORK

(Communication from the Commission)

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# VOLUNTARY PART-TIME WORK

# I. INTRODUCTION

This Communication to the Standing Committee on Employment is part of the general approach which the Community is making to the problem of adapting working time, and which is set out in the Council's Resolution of December 1979 (OJ N° C2 of 4 January 1980).

In that Resolution the Council notes that "part-time work is now a reality on the labour market, but ... that the conditions applying to it should be clarified."

The Commission broadly shares the attitude of caution which is apparent in the Council's statement. It is true that the demand for part-time work has increased sharply in recent years — and was already doing so before 1973 — mainly owing to the desire for greater flexibility in working life and to the rising activity rate of women. At present, about 90 % of part-time jobs are occupied by women; the importance of this type of employment varies considerably, however, from one Member State to another.

However, the systematic expansion of part-time work would not appear the only solution either to employment problems - whose remedy lies in restoring higher growth and gradually reducing working time - or to the social problems of reconciling occupational with family responsibilities. The main problems result from the fact that women carry the burden of family responsibilities. The reasons for wanting to work part-time are, indeed, very often to be found in the difficulties of reconciling occupational with family responsibilities. In these circumstances, the majority of part-time workers will always be liable to form of class apart, in a weaker position in working life and less well-informed of their rights. The ideal solution would therefore be, without restricting each worker's freedom of choice, to seek a gradual reduction and redistribution of working hours and at the same time to encourage greater sharing of non-paid family and occupational responsibilities between marriage partners.

Continuing to take a long-term view, opportunities of entering the labour market need to be improved for those who wish to work part time and the special treatment of part-time employment must be abolished. The moves in this direction, which are worthwhile both from the employment point of view and that of improving working conditions, must also attempt to strike a balance between the frequently conflicting claims of employment and social protection.

This purpose of this paper is twofold:

- to present an analysis of the present situation with respect to part-time work; (1)
- to establish the main lines and areas of action and put forward specific proposals for action at Community level.

To do so, the Commission has based its thinking partly on consultations it had in the spring of 1980 with the two sides of industry and at a joint meeting with the Directors - General of employment and social security. (2)

# II. ECONOMIC AND SOCIAL ASPECTS OF PART-TIME WORK

## 1. Definition

The statistical and legal definition of part-time work differs from one Member State to another. Part-time work differs from casual work in that it is continuous, and from temporary work in that it is performed for a period that is not necessarily limited. Unlike short-time working, which is imposed by the employer, part-time work is agreed between the employer and the worker, who chooses to work shorter hours at the outset. No other meaning is here ascribed to the word "voluntary". The economic or social situation and, in particular, the absence of other attractive job options could, of course, considerably limit the worker's choice.

<sup>(1)</sup> See attached document

<sup>(2)</sup> See also the Economic and Social Committee's Opinion of lst June 1978 on "Part-time employment: its effects in the current state of the labour market" (Doc. CES 684/78).

Part-time work as defined by labour and social security law differs from one Member State to another. Often a minimum and maximum number of hours are fixed. Moreover, even within the same national social security scheme, the minimum number of hours to be worked may not necessarily be the same to qualify for all benefits.

According to the Opinion of the Economic and Social Committee, part-time work implies a regular and voluntary job with fewer working hours than normal and a correspondingly lower remuneration. This definition corresponds to that used by the I.L.O. There is the question whether in order to give a better defintion of the term of part-time work - it would be appropriate to introduce minimum periods of work, as stipulated by certain social security systems.

# 2. Expansion of part-time work

Allowing for semantic and statistical inconsistencies, the following general facts can be established about the extent of part—time employment in the Community:

In recent decades part-time work has expanded in all the Member States except Italy, both in absolute terms and as a percentage of total employment. This trend has, broadly speaking, been maintained during the recession. Over 9 million people in the Community at present have a part-time job as their main occupation and a further 2 million work part-time on a casual basis.

For some time the volume of part-time work in the Community has been the highest in Denmark and the United Kingdom (18 % and 16.9 % respectively in 1977 compared with the Community average of 9.4 %). In countries where the employment rate for women is lower, part-time work is less widespread, the lowest figures being those for Italy (2,5 %) and Ireland (3,7 %).

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	EEC	FRG	FR	IT	NL	В	LUX	UK	IR	DK
1977	9•4	9.6	7•3	2•5	5•9	5 <b>.</b> 8	4.1	16.9	3•7	18.4
1979 (preliminary figures)	, ,	9.6	7•4	2.6	7.5	5•8	5•6	15.4		

Tables 1 to 4 annexed show that in practice part-time work has, up to now, been mainly performed by women, particularly married women.

About 90 % of all part-time workers in the Community (70 % in Italy and 95 % in Germany) are women. Of the men, most are elderly or partially disabled, but they also include some young people (students, for example).

The present part-time work-force clearly represents only a fraction of the actual demand for this type of employment. The ratio between vacancies and job-seekers in this section of the labour market is particularly unfavourable. In the Federal Republic of Germany, for example, there is only one vacancy for every ten people seeking part-time work, whilst in France the ratio is 5:1.

Moreover, recent surveys show that there is a fairly wide-spread latent demand for part-time work. In surveys conducted in Germany and Belgium, about 25 % of full-time workers said they would like to work part-time. In general, such people now working full time would prefer a working week of around 30 hours rather than one on the conventional half-time pattern. The strong interest in such possibilities shown also by men scarcely varies with skill category.

#### 3. Present macro-economic context

In the past two decades, part-time workers have chiefly formed a "buffer stock" of labour. Certain manufacturing industries - and more especially service industries - have come to rely extensively on such labour. (See tables 5 and 6).

Since the service industries are constantly expanding it is likely that demand for part-time employment will grow in this sector in the years to come.

In manufacturing industries, there is a high concentration of part-time workers in declining sectors, where wages and working conditions are below average. Some of these are industries having to cope with substantial productivity increases. The extremely rapid growth of part-time work in the services and certain manufacturing industries has in many cases led to certain socially undesirable disparities by comparison with full-time employment.

So far no standard model for determining the macro-economic repercussions of a policy to expand part-time work has been worked out. In this respect a distinction should be made between countries where it is still a wide scope for developing part-time work and other countries where the saturation point for this type of employment will soon be reached. It is however, important to consider the secondary effects of such a measure on employment. Additional part-time jobs will not only be taken up by the unemployed; They will, at least, in the short term, attract newcomers to the labour market. Therefore this new demand for jobs could equally well have the effect of swelling the total number of job-seekers particularly in Member States where registration procedures tend to conceal underemployment (for example, where a married woman is automatically crossed off the register after a certain period of unemployment).

# 4. Situation from the employer's point of view

Part-time work can boost the hourly productivity of employees, as has been shown by studies carried out in the Netherlands, the Federal Republic of Germany and Belgium. It is usually also found to reduce labour turnover, absenteeism and accidents at work. This is particularly true of monotonous jobs in the tertiary sector and industry. The flexibility of part-time work also makes it easier for the employer to distribute the working time of his staff according to the firm's peak operating periods. On the other hand, certain expenditure such as additional staff costs, the cost of adapting jobs and administrative expenses are claimed as drawbacks to part-time work. Capital costs may also be higher where shift working is not practised.

It should be added that other drawbacks attaching to part-time work for firms arise in connection with social security and labour law: current social security costs can be comparatively higher, and firms obligations under social legislation, linked to certain staff thresholds (e.g. percentage of handicapped persons, trainees, number of staff representatives) can be increased.

It is particularly difficult to quantify the positive and negative repercussions on unit wage costs. Most studies merely conclude that from management's point of view part-time work involves neither obvious advantages nor obvious disadvantages, and that these can to be determined only on a case-by-case basis.

The supply of jobs could only be increased by firms creating new part-time jobs. This should not be done by arbitrarily changing full-time jobs into part-time ones, but through innovation which made full use of other possibilities such as cutting down on systematic overtime to make way for part-time work or introducing part-time shifts. The simple splitting of existing full-time jobs - which some studies have shown to be theoretically possible for a great many jobs - would not generate any real employment capacity.

# III. THE PRINCIPLES LAID DOWN BY THE COUNCIL

In its Resolution, the Council notes that "the conditions applying to part-time work should be clarified (1). When it included part-time work in its strategy for the reorganization of working time, the Council laid down four main principles. These are stated and discussed below.

## 1. First principle

- " Part-time work must be voluntary and open to both men and
- " women. It must not be imposed on persons who wish to work
- " full time. Furthermore, particular care must be taken to
- " ensure that part-time work is not limited to women or to
- " relatively unskilled work."

This principle contains three main elements:

- the voluntary nature of part-time employment
- equal treatment of men and women
- the upgrading of part-time work.

<sup>(1)</sup> Council Resolution of 18 December 1979 on the adaptation of working time.

Disregard of the principle that part-time work should be voluntary - as has happened in a number of notorious cases where part-time work was virtually forced on full-time workers or people seeking work - would largely justify the criticisms levelled at this form of employment and its promotion. Similarly, part-time work should under no circumstances be regarded as an alternative to the general reduction in hours of work demanded by the trade unions.

With regard to access to part-time work, it must be remembered that at present most part-time workers are women. Part-time employment in its typical current form has little attraction for other groups on the labour market; this is due to the fact that part-time jobs tend to be relatively low-skilled and to the many disadvantages relating to conditions of employment. For this reason most women's organizations have adopted a critical stance towards part-time work.

The number of women participating in working life in the Community is steadily increasing. Even in Member States where overall activity rates are low, the figures for younger age groups have gone up dramatically, which indicates a fundamental change in attitudes towards women's employment. Only an active policy for a fairer distribution of existing work between men and women can ensure that this new demand for employment by women will not, as in the past, be channelled towards less skilled jobs, in particular unskilled part—time work.

A paradoxical situation has been noted as regards part-time work and its attraction for women: seemingly, women from households in upper income brackets are the most inclined to prefer part-time work, whereas this form of employment is mainly taken up by those with modest or average incomes (1).

Even if the supply of part-time jobs were to increase, male full-time workers would be relectant to take them as long as this form of employment remained marginal and discrimination connected with the special status of part-time workers persisted.

<sup>(1)</sup> M. LUCAS: "Le travail à temps partiel" (part-time work), report made to R. BOULIN, Minister of Labour and industrial democracy, and to M. PASQUIER, State Secretary (women's employment), May 1979.

Specific programmes to promote part—time working in the more highly skilled and responsible jobs are needed to develop new attitudes towards part—time work.

### 2. Second principle

- " Consideration should be given to the extent to which
- " part-time work could be made more readily available to
- " certain groups of workers, particularly parents of
- " young children, and older workers."

Implementation of this principle and the fourth are closely linked, especially as regards the introduction of new working patterns adapted to the needs of different groups of workers.

As emerged from the Commission's consultations with the governments and two sides of industry, this principle comes in for two objections: first, would it not be better if part-time work nevertheless remained the exception? And secondly, would not a policy of actively promoting part-time employment for certain groups of workers run counter to the principle of equal treatment which is implicit in the point made in section III.1?

Major problems are raised by the question of access to parttime work for parents of young children. The problems assume different proportions for one-and two-parent families, with single parents experiencing additional difficulties owing to the lack of social facilities.

In present circumstances, it is most likely to be the woman as the mother who has to work part-time because of the presence of a young family. On the one hand, it is clear that as a rule she will earn considerably less than the husband; on the other, the question of the size of the household's total income comes into play. Since, at the present time, most part-time work is offered in the lower skill categories, it can be assumed that the main reason for accepting this type of work is to supplement the breadwinner's earnings which are regarded as insufficient. Even if the father of the family genuinely wishes to share household tasks and work outside the home equally with his wife by working part-time, there remains the limiting factor of an inadequate overall household income.

In the case of older workers, part-time work can take two forms:

- first, through a phased retirement system, involving the usual draw-backs of part-time work (partial increase in costs, reorganization, loss of skills, gradual occupational downgrading, etc). Finally, in some cases older workers cannot take up part-time jobs because their pension is calculated on the most recent earnings and this would lead to a disproportionate drop in benefit;
- second, retired people may seek part-time jobs. Some insurance schemes allow pensioners only a small amount of additional earnings on top of their pension.

# 3. Third principle

- " Part-time workers should as a rule have the same social rights
- " and obligations as full-time workers, bearing in mind, however,
- "the specific character of the work performed".

To implement this principle a whole gamut of discriminatory practices in part-time work would have to be eliminated. As the Economic and Social Committee pointed out in the above-mentioned Opinion, discrimination resulting from part-time work takes many forms and is difficult to identify. Most of the time the special arrangements are not openly stated; they arise rather from the fact that part-time workers are not covered by legislation or collective agreements. It would also be contrary to this third principle if, simply because of working shorter hours, part-time workers were obliged to work at a harder pace than full-timers in comparable jobs.

Several types of discrimination are mentioned in the appended document: the weak legal position of part-time workers, lack of job security, disadvantages connected with tax treatment, and inadequate representation. Two major problems deserve particular attention, however.

#### Pay

Given the lack of data, it is very difficult to make statistical comparisons between full-time and part-time workers. There is no doubt, however, that as stated above, part-time workers are concentrated in low-pay sectors and low-paid occupations. Further, even

where hours worked is applied, part-time workers do not benefit from certain rights and allowances enjoyed by full-time workers. A case is now before the Court of Justice of the European Communities (Mrs J.P. JENKINS v. KINGSGATE Ltd, Case 96/80) involving the question of inequality in the pay of full-and part-time workers and the possible violation of the principle of equal treatment this involves.

# Social Security schemes (sickness, pensions insurance)

Social security systems at present in force in the Member States are not entirely neutral as regards part-time work. Problems arise in connection with both statutory and occupational schemes. The most serious problems concern rules on the payment of contributions, the relationship between contributions and benefits and the fixing of a minimum number of hours or level of earnings to qualify for membership of the schemes. Such hours or earnings thresholds (e.g. 15 hours a week in the Federal Republic of Germany and £23 in the United Kingdom) may have advantages and disadantages. If the thresholds are low, certain groups working only a notional number of hours will be covered by social security, putting them in a privileged position. If, on the other hand, the thresholds are too high, people in need of social protection will be denied access to the schemes and to the subsequent benefits.

According to the 1977 Labour Force Sample Survey, 11 % of part-time workers in industry and 26 % in the service sector worked less than 15 hours a week.

Part-time workers should be treated in the same way as other workers, and not as a special group, in relation to their rights and obligations. These latter should be based on the principle of proportionality to the rights and obligations of full-time workers.

However, equal treatment for part-time and full-time workers encounters severe obstacles in practice:

- the difficulties of applying the proportionality principle in certain areas where rights and obligations are of a qualitative, and not a quantifiable, nature;
- the inherent difficulties of the individual and collective bargaining position of part-time workers: limited access to information, training and means of participation at the workplace;
- the constraints of work organization in the firm.

A balance must be found which, whilst satisfying the latent demand for part-time work, preserves worker's freedom of choice and avoids isolating part-time workers in a ghetto, either through negative discrimination or by giving them excessive advantages which could discourage their recruitment.

# 4. Fourth principle:

- " Part-time work should not be limited to half-time work; it
- " could be on a daily, weekly or monthly basis according to the
- " needs of different groups of workers and those of undertakings".

The application of this principle implies a generally positive attitude to part-time work. During the consultations, reservations were expressed on several occasions about proposals for introducing new forms of working time arrangement. At all events, priority must be given to removing existing disparities and discriminatory practices applied to part-time workers.

The introduction of work schedules other than half-time work could be of interest to certain categories of people such as parents with young children, elderly workers, men who wish to work shorter hours, young people, the long-term unemployed, disabled persons, convalescents and workers with particularly taxing jobs.

Part-time work must at any rate no longer be restricted to the traditional pattern of half-days, usually mornings. There are a whole range of alternatives. Part-time jobs can vary according to duration, time of day and how they are organized. Reduced schedules can be applied on a daily, weekly, monthly, or even yearly basis; combinations are also possible. These possibilities, aimed at making working time more flexible, could be even greater following the introduction of the new "telematic" technology; however, there is a danger that this flexibility could lead to even greater segregation of women on the labour market.

Only by introducing new and more flexible forms of part-timme work will it be possible to provide for the needs of all social groups and make this type of work attractive to categories other than married women.

Trials and actual applications of new working time arrangements in firms are still rare in the Community. The question of the extent to which a successful experiment can be adopted in another firm requires further study.

# IV. MAIN AREAS FOR ACTION

The sum of the observations made in this paper about the present situation regarding voluntary part—time work and the desire to apply the principles stated above prompt us to make a number of sugges—tions to governments, employment services and the two sides of industry. They have three basic and priority aims:

- to remove discrimination against part-time work so that it is no longer subject to any form of special treatment;
- to create part-time job opportunities for workers who desire them;
- to promote new forms of part-time work under certain conditions.

The list of areas for action given below contains only the objectives, not the precise means of achieving them, which would have to follow the usual procedures applied in the Member States. Whilst in one Member State the public authorities could take the initiative, in another it might be up to the two sides of industry to assume this role.

Community measures are proposed only in the form described in Chapter V; nevertheless, coordination of the national measures on the lines set out here would be desirable.

# 1. Legal provisions and/or collective agreements

- Compilation of lists of legal provisions and/or collective agreements concerning the social and financial aspects of part-time work :
- Revision of legal provisions and/or collective agreements which run counter to the principle of equal treatment for full-time workers and part-time workers, bearing in mind the shorter hours but without conferring any special status;
- Examination of the extent to which social security schemes (sickness, pensions insurance), including occupational pensions and unemployment benefit schemes, are neutral with regard to part-time employment;
- Revision of tax-law where it discriminates against part-time workers;
- Establishment of safeguards to prevent part-time work being imposed on full-time workers;
- Revision of the rules in force in the civil and public service with a view to offering a wider range of skilled jobs to people who wish to work part-time.

# 2. Conditions of employment

- Right to conclude an individual contract of employment giving particulars of the number and distribution of hours of work;
- Drawing up precise provisions (in legislation or collective agreements, depending on the system of the country concerned) governing overtime, rest periods and paid extra duties;
- Application of the principle of proportionality of hours worked to all provisions concerning pay;
- Granting of priority to existing part-time employees when full-time vacancies occur in a firm;

- Recognition of part-time workers as full staff members enjoying the same rights of active and passive participation in the firm, including participation in collective bargaining (without introducing a quota).

# 3. Labour market policy

- Strengthening the role and resources of the employment services in helping part-time workers to obtain equal treatment with full-time workers, upgrading part-time work and improving the career prospects of such workers, as well as in seeking out part-time job openings in firms;
- Systematic registration of persons wishing to work part-time, irrespective of the schedule requested, to enable applications for work specifying "unconventional" working hours to be identified;
- Collection and compilation of detailed statistics and information on the part-time labour market.

# 4. Vocational training

- Extension of public support for vocational training to part-time job seekers;
- Giving part-time workers access to training opportunities made possible by firms.

#### 5. Promotion of new forms of part-time work

Where the above-mentioned conditions are met (no converting of full-time jobs into part-time ones, removal of existing discrimination, allowance for national particularities and the needs of industry), it will be possible to create new part-time jobs by, in particular:

- extending the range of occupations offered and introducing forms of part-time employment in jobs involving higher qualifications and greater responsibility;
- creating a whole series of shorter work schedules, on a daily, weekly or monthly basis, to suit the needs of various groups of workers;
- encouraging phased retirement schemes whereby there is a planned transition from work to full retirement involving part-time work; (1)
- if necessary, implementation of new forms of work organization, such as the introduction of part-time shift work and "job-sharing";
- the encouragement, by governments, employment services and management and labour, of a progressive personnel policy in industry with regard to the planning, introduction and management of more flexible working time arrangements (2).

However, care must be taken to ensure that the creation of part-time jobs does not supplant that of new full-time jobs.

#### V. PROPOSALS FOR ACTION AT COMMUNITY LEVEL

It is desirable that certain steps also be taken at Community level to back up the guidelines for action just suggested. For reasons already stated, this does not specifically mean direct action to promote part-time work. The steps required would be aimed at removing existing discrimination between full-and part-time workers, and at reducing the differences in standards under Member States labour and social security laws. These measures could also promote the harmonization of working conditions and terms of employment in the Community.

<sup>(1)</sup> See paper entitled "Community guidelines on flexible retirement", July 1980.

<sup>(2)</sup> See paper entitled "Guidelines for a Community labour market policy", Standing Committee on Employment, 29 May 1980.

Two main areas for this action should be established:

- (a) the adoption of minimum Community standards, leaving scope for more far-reaching provisions to be laid down in collective agreements or legislation;
- (b) stepping up cooperation to improve the exchange of information and experience between Member States.

The objectives sought by action in these two areas are part and parcel of the Community's efforts to reduce the qualitative mismatch between the supply of and demand for labour (1) and to apply the Council Directive of 9 February 1976 on application of the principle of equal treatment of men and women in access to employment, training, promotion and working conditions (2); they also accord with the Community strategy to raise the level of employment.

### 1. Minimum Community standards

The measure which it is recommended should be taken at Community level would involve establishing minimum standards applicable to part-time workers throughout the Community. However, the precise nature of such a measure would need to be decided having regard to freedom of collective bargaining.

Observance of these standards would enable equal treatment based on the rule of proportionality to be established more rapidly both in law and in practice. It is proposed that the standards should represent the minimum standards to be met in provisions laid down by law, regulation and administrative action and collective agreements, with the details of such provisions being decided at national or industry level or in individual contracts of employment.

Provisions which, if only from a purely legal point of view, make part-time work more attractive for women than for men should be avoided or, where they exist, eliminated.

<sup>(1) &</sup>quot;Reducing the qualitative mismatch between the supply of and demand for labour: guidelines for a labour market policy and a policy on working conditions" (Doc. SEC. (79) 634 final, 11 April 1979).

<sup>(2)</sup> OJ N° L 39 of 14 February 1976, p. 40.

Community action should have the aim of:

- establishing the principle of minimal thresholds for membership of social security schemes, e.g. a minimum number of hours or level of earnings on the basis of which social security contributions would be calculated and which would entitle the member to social security benefits.
   Contributions and benefits should, however, be set in such a way that full-time workers were not placed at a disadvantage;
- 2) putting forward the principle of equal treatment under labour law between full-and part-time workers having regard to the shorter hours worked at least in the following respects:
  - conclusion of an individual contract of employment (giving particulars of the hours to be worked and paid, and their distribution);
  - the right to the minimum wage, according to the arrangements analogous to those applicable to full-time work in each Member State;
  - equal treatment in promotion ;
  - protection against dismissal;
  - right to employee benefits granted by the firm ;
- 3) recognition of the right of part-time workers to be given precedence for full-time vacancies matching their qualifications which occur in the firm;
- 4) recognition of the right of part-time workers to participate actively and passively in the representation machinery of the firm; these rights should be taken into consideration in determining the number of staff.
- 2. Cooperation with senior employment officials and directors of the employment services

The Commission intends to develop more precise arrangements for improving information on the part-time market and the management of that market.

Following this line of thought, the following steps are suggested:

- statistics should be improved :
- exchanges of information and experience on experimental schemes and pilot projects should be promoted;
- research on the development of the labour market under the Commission's Research and Action Programme should be stepped up. These studies could, for example, analyse more precisely the actual demand for part-time work and the relationship between part-time work, hidden unemployment and multiple job-holding.

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ANNEX TO DOCUMENT V/179-4/80-EN

VOLUNTARY PART-TIME WORK

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### VOLUNTARY PART-TIME WORK

# 1. INTRODUCTION

Three recent developments have led the Commission services to examine more closely the problems of part-time work:

- the opinion of the Economic and Social Committee of 1 June 1978 " on part-time employment: its effects on the current state of the labour market" (CES 684/78);
- the invitation of the Commission, contained in the conclusions of the President at the Tripartite Conference of 9 November 1978, to study the prospects and possibilities for the extension of part-time work;
- the mandate given to the Commission by the Council of Employment and Social Affairs Ministers of 15 May 1979 under whose terms the Commission is invited to continue its studies and analyses in the field of adaptation of working time, with special reference to voluntary part-time work, and to make proposals at an appropriate stage. As a consequence the Council adopted a Resolution on the adaptation of working time at its meeting of 18 December 1979, which laid down four main principles for the development of part-time work. (1)

The Commission has on several occasions taken a position on part-time work (2). This document is part of the work programme on adaptation of working time proposed by the Commission in comformity with the Council's Resolution. This document serves as a technical annex to a complete Communication of the Commission \[ \frac{1}{2} \text{doc.} \frac{V}{179}/80 \] which will be presented to a coming meeting of the Standing Employment Committee.

The present document is in five parts:

- general aspects of the problem ;
- forecastable developments and their economic consequences;
- social, legal and fiscal barriers which would have to be overcome to extend part-time work.

<sup>(1)</sup> Official Journal C 2 of 4.1.1980

<sup>(2)</sup> In the written replies to Parlamentary Questions 609/77,668/77 and 1125/77 as well as within its communications on worksharing: COM(79) final, SEC 740/2/3/4.

- the advantages and disadvantages of specific measures, predominantly geared to employment policy, to promote part-time work;
- the statistical annexes.

#### 2. THE PROBLEMS

# 2.1. <u>Definition</u>

From a statistical and legal point of view part-time work (or employment) is not defined in any uniform way in the Member States; in fact the concepts diverge considerably. These definitions have become even vaguer in the light of efforts to introduce shorter and more flexible working hours.

In its Opinion on part-time working the Economic and Social Committee did not use a definition that can be generalized. It quoted several characteristics of part-time work that serve to distinguish it from other forms of work. In the Committee's opinion, part-time work implies a regular and voluntary job with fewer working hours than normal and a correspondingly lower remuneration. This definition corresponds to that used by the International Labour Organisation. The Economic and Social Committee explicitly excluded the self-employed from its definition.

Unlike casual work, part-time employment is geared to conuity and unlike temporary work it does not necessarily involve a fixed term. Whereas short-time working is imposed for economic reasons, part-time work is taken on a voluntary basis. The contract of employment is negotiated freely between employer and employee. The latter opts in advance for shorter working hours. The word "voluntary" is used in this document in this sense only. Social or economic conditions, and in particular the lack of attractive employment alternatives, can of course, significantly restrict the individual worker's freedom of choice.

In labour and social law the concept of part-time work varies from one Member State to the next. Maximum and minimum hours are frequently laid down. In France, for example, part-time work entails 20-30 hours; in Ireland at least 20 or 21 hours, in the Netherlands generally less than 25 hours. In addition, the minimum number of hours of work constituting part-time employment can even vary within the same social security system depending on the benefit involved.

The existence of variety of definitions is reflected in national statistics. It is difficult to draw comparisons between them, and like most statistics relating to working time they have not as yet been sufficiently developed. In the "EEC labour force sample survey", which is frequently quoted, employees are categorized as full-time or part-time according to the subjective assessment of the persons interviewed (sometimes according to the contract of employment) without any specification as to the number of hours.

The definitions used in the United States for statistical surveys (e.g. current population survey) differ significantly from those used in the Community. Part-time employees in the United States are "all those who worked from 1-24 hours a week during the survey week". This definition includes employees working a reduced number of hours in the period covered by the survey, e.g. on account of short-time working, breakdown of machinery, illness, leave, strikes, change of shift or change of job. (1)

# 2.2. The current situation

In the light of these statistical and conceptual difficulties the following general conclusions can be drawn with regard to the extension of part-time work in the Community:

a) In recent decades the number of people working part-time has increased both in absolute and relative terms as a proportion of total employment in all Member States. This overall upward trend is likely to continue, in particular in countries where the level of part-time work is currently high (Denmark, the Federal Republic of Germany).\*In these countries part-time work experienced a rapid increase in the sixties when excess demand for labour created new reserves of manpower. In the United Kingdom, it seems that the peak has already been passed, or at least that the upward trend has weakened.

<sup>(1)</sup> Using European criteria the US statistics appear exaggerated; instead of 22 %, the most recent figure, only about 15 % of the working population in the United States would be working on a part-time basis.

In Germany, for example, only 7% of all employed women were working part-time in 1960; within 10 years this proportion had shot up to 20%.

However, this trend has not been uniform. In some countries part-time employment has trebled since the 1960s, whereas in others the trend has been more hesitant. In the Community as a whole over nine million people currently have a part-time main occupation and a further two million occasionally work part-time. (See Table 1).

- b) The number of part-time employees as a proportion of the total working population also rose during the recent period of recession in most Member States. Italy is the most important exception. The increase is accounted for principally by women. As a largely marginal labour force, it would be expected that people in part-time employment would be the first to be made redundant in an economic downturn and perhaps the first to be re-emplyed in the upswing. There is in fact much evidence to show that this is the case in the manufacturing industry. However, as the bulk of part-time employment is to be found in the service industries, and services are much less affected by swings in the business cycles, there is a higher degree of stability in part-time employment through successive cyclical downturns than for employment as a whole. (1)
- c)Denmark and the United Kingdom have had the highest proportion of parttime workers in the Community for some time (1977: 18.4 % and 16.9 %
  respectively as against an EEC average of 9.4 %. The incidence
  of part-time work is much lower in countries with a low participation
  rate for women, essentially agricultural and conservative structures
  or traditionally high proportion of Catholics. (2) Italy (2.5%) and Ireland
  (3.7 %) have the lowest percentages of part-time employees in the Community.
  (See Table 2).

<sup>(1)</sup> OECD - the impact of the 1974-1975 recession on the employment of women, Paris, 1976

<sup>(2)</sup> Chapter 3 and 4 deal in more detail with the "regulating" obstacles in the social security system and in labour law.

- d) In most Member States part-time work has been the most important vehicle for integrating women into working life. The availability of part-time employment effectively made this important social development possible. Howevern it has never quite shaken off this role: about 90% of all part-time employees in the Community are women (only 70% in Italy, but 95% in Germany). Moreover, many married women work on a part-time basis. More detailed analyses show that at present women of all ages and a high proportion of older men enter part-time employment. (See Tables 3 and 4).
- e) Mainly an increasing number of wage earners are working on a part-time basis. In agriculture the number of self-employed persons and family helpers working part-time is relatively high. In industry only a small proportion of the labour force works part-time. The manufacturing industries in which there is an high concentration of part-time employment generally belong to the declining sectors of the economy textiles, leather goods, clothing and footwear. Other concentrations of part-time employment occur in the food, drink and tobacco and the electrical engineering industries. There is a considerable amount of work for unqualified staff assembly lines, preparation of foodstuffs which is relatively low paid. (See Table 5).

The highest proportion of part-time employment is to be found in the tertiary sector (see T. 6), especially in trade, education, the health services and entertainment, and it is in these areas that growth has been most rapid. There are indications that part-time work is much more widespread in the private sector than in the public sector. Part-time work in large firms would appear to be less common than in small and medium-sized firms.

f)Part-time employees are particularly severely affected by unemployment in some Member States and the ratio of vacancies to job-seekers is particularly unfavourable in their case. On the basis of labour force sample surveys conducted in 1975 and 1977 it has been estimated that between 420.000 and 450.000 unemployed persons in the Community were looking only for part-time jobs (this figure includes about 400.000 women).

g) It is difficult to calculate the average number of hours worked by parttime employees. According to the 1977 EEC labour force sample survey
part-time employees worked an average of 22.6 hours ranging from 18.7
in the United Kingdom to 24.9 in Italy. Average working time changed
little during the period of recession. There was little difference
between sectors, although the average number of hours worked by parttime employees in the tertiary sector was a little lower than in the
industrial sector. In 1977, 11 % of all part-time workers in industry
and 26 % of all part-time employees in the services sector worked fewer
than 14 hours; 48 % of part-time workers in industry and the services
sector worked between 15 and 24 hours. The remaining percentages worked
25 hours or more per week. (See Table 7).

These trends are due to a number of social and economic factors. They can only be enumerated briefly here and it is not possible to assess their relative importance. In the past the following factors contributed to the increase in part-time work:

- bottlenecks on the labour market and efforts to recruit additional manpower;
- a change in the role of women and their desire to enter gainful employment (family commitments and a career were no longer mutually exclusive);
- the desire to change working conditions and the search for more flexible work and organizational patterns for firms and employees;
- the expansion of the tertiary sector and the increased demand for services in all areas of the economy;
- the development of new forms of production and services which made it possible to break this link between production hours in the firm and individual working time;
- the partial shift of priorities from income to leisure activities and the desire for "a la carte" working hours.

# 2.3. Points of view

In its Opinion of 1 June 1978, the Economic and Social Committee expressed itself very cautiously. To the extent that it is possible to summarize this balanced attitude the Committee accepts part-time working as a fact of life and an important feature of the labour market. For this reason protection of part-time workers should be recognized as a fundamental principle. However, the Committee stressed that "that a policy of encouraging part-time employment must not be seen as a substitute for a policy of expanding employment. Its primary function is to satisfy a demand for part-time employment. As such it may serve to supplement the general employment policy" (1).

The growing importance of part-time work has prompted varying reactions from employers and trade unions with significant differences of emphasis between Members States. When part-time work first began to expand employers took a relatively cautious attitude to this form of work, whereas nowadays employers' organizations are increasingly recommending wider provision of part-time employment. The main disadvantages from the firms' point of view are the following:

- Not all jobs are suitable for part-time work as certain requirements with regard to responsibility, communication and continuity militate against it;
- the fixed costs per employee and current payments to the social security systems are comparatively higher (2);
- Employers'social obligations, which are based on fixed thresholds concerning numbers employed are liable to rise;
- Demands as regards equipping the work place are greater, the way in which work is organized sometimes has to be changed and there may be some under-utilization of the capital invested.

Workers and their representatives have raised objections in particular against discrimination in the treatment of part-time workers. Several trade unions in the Member States take a sceptical attitude to the idea of extending voluntary part-time work. Their main objections are as follows:

<sup>(1)</sup> Opinion of the Economic and Social Committee ... of 1 June 1978, p. 9.

<sup>(2)</sup> According to calculations made by the Commisssion, the wage costs of a C-grade official working half-time are on average about 60 % of the wage costs of an official working full-time. On the other hand, the authors of a Dutch stdy (De jons, Intven, Vesser, "Beter ten halve gewerkt", Leyden 1974) conclude that in the various sectors of industry the overall cost per hour of a part-time employee (including where appropriate costs due to absenteism) differ only marginally from the cost of a full-time employee doing similar work.

- part-time work alone does not in most cases guarantee the economic independence of workers;
- the protection provided for part-time worker under labour and social law is comparatively inadequate;
- part-time workers are rarely considered to be part of the permanent staff; they are frequently exploited as a means of over-coming labour market bottlenecks;
- part-time employment is a vocational dead-end into which women, playing the double role of housewife and wage earner, are channelled; they vegetate in auxiliary posts and their career prospects are limited;
- the promotion of part-time work leads to higher efficiency instead of more jobs; as a result of adaptation of jobs full-time posts are pared down to become part-time posts; part-time employment is authorized underemployment;
- part-time employees are less strictly organized; this can lead to divisions within the work force and to the toleration of inadequate working conditions;
- increased part-time work blocks efforts to reduce working time going on as part of collective bargaining.

Women's organizations are for the most part critical or even hostile to part-time work. They tolerate part-time employment as a social reality, but demand far-reaching changes aimed at protecting part-time workers' legal rights. The opinion of the French "Comité du Travail Féminin" (26 septembre 1979) is typical of their attitude:

"The Committee feels that the growth of part-time work cannot help to alleviate the effects of unemployment, act as an alternative to a policy for integrating women into life nor compensate for the inadequacy of social services and facilities ... The Committee feels that the development of this form of work is not a priority and that in any event it should not be treated separately from the debate on working time ".

At the same time broad sections of the population are now expressing their preference for a new approach to working hours. They would like to see less rigid working hours and believe that voluntary part—time work is one means of achieving this goal. Surveys conducted in various Member States (1) testify to the individual's desire for greater freedom as regards working hours. This clearly suggests that part—time employment is not a problem in itself but only becomes one in certain circumstances. The objections listed above, and in particular their causes, must be overcome if this latent desire for more part—time work is to be satisfied.

Part-time employment has already been used as an effective instrument of employment policy in periods of rapid growth. People who were not previously in employment were encouraged to take jobs as a result of flexible or reduced working hours. These part-time employees met, at least part of the excess demand for labour. Most of the research and the proposals date from this period.

The current state of affairs is quite different. We are now experienced continuing high underemployment as a result of insufficient growth rates and unusually powerful demographic pressures in the medium-term. For several years unemployment in the Community has remained stable at between 5 and 6 million. This situation is also characterized by a not inconsiderable number of concealed or unregistered unemployment. We have to ask ourselves whether the promotion of voluntary part-time work in these circumstances constitutes a sensible instrument of employment policy. The opponents of such a policy do not dispute the social justification for part-time work. The controvers centres on the extent to which increased part-time work can alleviate the unemployment crisis in the near future. Even at best its role can be no more than modest. The crucial boost needed to improve the employment situation will not come from an increase in part-time work. The economy as a whole must receive the necessary stimulation. Part-time work is merely an ancillary measure.

<sup>(1)</sup> See also D. Mertens: Neue Arbeitszeitpolitik und Arbeitsmarkt Mitteilungen aus der Arbeitsmarkt- und Berufsforschung, n° 3, 1979.

A policy of encouraging voluntary part—time work cannot be judged solely on employment policy criteria. It must reconcile several aims and several partly conflicting approaches:

- 1. Part-time work can serve as an instrument of manpower policy to reduce registered and hidden unemployment.
- Part-time work can contribute to greater flexibility in working life.
- 3. The position of part-time workers can be strengthened by improving their working conditions and extending their social rights.
- 4. Part-time work can open up improved employment prospects for certain groups and facilitate a redistribution of roles between the sexes.

Past experience and solutions have become worthless in the wake of the change in the general economic climate. Any analysis must start from scratch and focus on five key questions:

- 1) What is the likely pattern of future demand for and growth of parttime working, including the likely effect on employment, unemployment and productivity?
- 2) What are the likely effects on other patterns of working time and what are the undesirable side-effects?
- 3) What can and should be done to ensure that part-time workers have the same basic social rights and obligations as full-time workers?
- 4) What should be done to ensure that taxation and social systems do not falsely encourage or discourage part-time work?
- 5) Should specific employment measures be taken in order to help meet employers and workers demand for part-time work?

#### 3. POSSIBLE TRENDS

# 3.1. Potential demand and possible supply

The future trend of part-time work can be predicted to a certain extent. It is generally accepted that the current favourable trend will continue. Various Member States are likely to introduce measures in an attempt to foster this secular trend. The favourable trend will continue for the most part in the same sectors as before. It is likely that the number of part-time jobs will continue to increase more rapidly in the private sector than in the public sector where new part-time jobs are likely to be created in the scientific field in particular.

It is difficult to predict what this will mean in terms of availability of jobs. The current situation only partly reflects actual demand. Available studies from the Member States suggest that there is considerable untapped potential. Estimates should be based on the following factors:

a) the likely participation rate: in most member countries, surveys suggest that female participation rates have been rising fairly rapidly even during the recession. Although survey results tend to exaggerate these rates, the evidence suggests that there is a continuing trend towards higher female participation. Even in those Member States where rates are low overall, the rate for the younger age groups have been growing rapidly, indicating perhaps a fundamental change in attitudes towards the employment of women. A considerable part of this new demand for work will almost certainly be for part—time employment.

- b) The number of registered unemployed seeking only part-time jobs. There are no separate figures for unemployed persons in this category in most Member States. According to available statistics the ratio of vacancies to job-seekers whishing to work part-time is particularly unfavourable. In Germany, for example, where over a third of all unemployed women apply exclusively for part-time work, the ratio of vacancies to the number of registered unemployed is 1:10, whereas the corresponding ratio for full-time workers is 1:3.
- c) The results of surveys. The wording of the question, the nature of the sample and the purpose of the survey obviously have a bearing on the quality of the results. A survey conducted by the Commission in 1978 revealed that about three- quarters of all unemployed persons or job-seekers were prepared to accept part-time employment (2). Several studies show that women, young people (students), older people and the handicapped in particular are interested in part-time employment (3). People take on part-time employment for a variety of reasons that reflect individual preferences as to level of earnings and hours of work. These two considerations are likely to play a crucial role in the future:
  - people already in employment wish to reduce their commitments outside the home so that they have more time for activities not connected with their jobs;
  - on the other hand, people who have not been in gainful employment before wish to improve their financial situation or achieve a degree of personal fulfilment by taking a job.

<sup>(3)</sup> See ILO Study: D. Maric: "L'aménagement du temps de travail", Geneva 1977, p. 48.

Although a latent demand for part-time jobs exists, it will not become apparent as long as the individual has no real prospect of realizing his desire to work on a part-time basis. In other words, there are not enough part-time jobs available.

# d) The willingness of firms to provide part-time jobs

In Germany, in particular, theoretical calculations have been made with a view to determining the potential number of full-time jobs that could be shared. A (non-representative) study conducted by the Ministry of Social Affairs, Health and Sport in the Rhineland-Palatinate(1) showed that nearly two-thirds of all full-time jobs could easily be shared and that nearly 90 % could be shared after certain adjustment problems had been overcome. However, a representative study among firms conducted by the IFO and IAB institutes produced substantially lower figures. According to these studies there were as many as about 380.000 full-time jobs in the manufacturing industry and a further 20 000 in the construction industry (1) that could be shared. Two questions remain unanswered: to what extent can the functional and temporal aspects of job sharing be reconciled? and to what extent can the implications of these forecasts be put into practice and financed?

However, additional part-time jobs would only constitute a true reserve of jobs if they were not created to the detriment of existing full-time jobs. It would be more appropriate to make maximum use of available time margins rather than carry out a policy of substitution that was undesirable in terms of employment policy. One possibility would be to reduce overtime in favour of part-time work. Another would be to create shifts of part-time workers with a view to a better utilization of capital investments or increasing the number of hours the firm remains open. At present only marginal experiences are known. Two recent political moves should be interpreted from this point of view: the letters from the German Labour Minister to management and works councils of 100.000 firms urging them "...to create new; i.E. additional jobs", and the French Government's initiative (programme de Blois) setting a target for the creation of part-time jobs in the public and private sectors.

The actual increase in the number of part-time jobs available depends on specific conditions which must be fulfilled both for the employee and the employers. The most important criteria from the employee's point of of view are:

(1) Ministerium für Soziales, Gesundheit und Sport (Rheinland-Pfalz):
Möglichkeiten der Teilzeitbeschäftigung in der Wirtschaft, Mainz 1978.

(2) W. Friedrich ...: "zu den Beschäftigungserwartungen, den Arbeitsplatzreserven und zum Potential an zusätzlichen Teilzeitarbeitsplätzen in der Verarbeitenden Industrie und im Bauhauptgewerbe.
In: Mitt. AB 2/1978, page 246/247.

- the structure of the local labour market;
- the pattern of daily working hours and the relationship between hours worked and time taken to get to the place of work;
- the social infrastructure, and above all guaranteed care facilities for children.

Experience shows that the economic advantages and disadvantages of part-time work from the employer's point of view can only be determined in each individual case. The main factors to be taken into consideration are:

- the extent to which jobs can be split into seperate operations; this determines the maximum degree of flexibility obtainable in the allocation of tasks;
- the organization of the firm's operations, for example, the pattern of shift arrangements, with a view to aligning the level of employment on the firm's requirements (production peaks, utilization of capacity, production hours, etc.)
- weighting possible increase in production (resulting from reduced absenteeism and increased motivation and effort) against the possibility of higher personnel, job familiarization and incidental costs;
- frictional losses, i.e. time lost when shifts are being changed or started, and possible internal tensions between full-time and part-time staff.

#### 3.2. Economic implications

It is difficult to assess the repercussions of part-time work on business management since, generally speaking, the costs have not been calculated. The cost and productivity factors mentioned above are for the most part rough indications and have not been compared systematically. The introduction of part-time work, like various other ways of reorganizing working hours, is only rarely based on a deliberate business decision.

Any decision for or against part-time work is mere likely to depend on the way the firm is operated internally and/or the relative power within the firm of management and unions. "Most decisions tend to be no more than reactions: measures are taken in response to external conditions (relating to the market, unions, the situation on the regional labour market, etc) rather than to exploit or even maximize staff policy in any systematic long-term way " (1).

<sup>(1)</sup> Friedrich/Schönberg - study carried out on behalf of the Commission on the repercussions of practical experience in the reorganization of working time on the employment situation (Conclusions, page 4).

In addition it is particularly difficult to quantify the positive and negative repercussions on unit wage costs. Most studies plump for the comfortable answer that there are no clear cost advantages or disadvantages in part-time employment

The following conclusion can be drawn from the IAB-IFO study referred to above:

- part-time work is seen in a predominantly (although not completely) negative light from the point of view of actual costs, such as additional personnel costs, the cost of equipping the work place and administrative cost.
- it is seen in a predominantly positive light from the point of view of the return (output per hour worked), flexibility in assigning staff to particular jobs, number of industrial accidents and absences, labour turnover rate.

On the whole, the results of the survey indicate that German firms are favourably disposed towards part-time employment. Similar results were produced by micro-economic studies in several European countries that were undertaken within the European Commission's Programme of research and actions on the development of the labour market. (1)

<sup>(1)</sup> I.E.C.I.: Les effets de certaines formes de la repartition du travail au niveau de l'entreprise (en France) Study No. 79/27, December 1979, p. 123 ff.

Institute of Manpower Studies: Work-sharing potential, an examination of selected firms, Study No. 78/37, December 1979, p. R.S.O.: Mutamenti nell'organizzazione dell'orario di Lavoro produttività ed occupazione, Study No. 79/29, May 1980, II/4.

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If, however, we think in terms of maximizing turnover rather than minimizing costs, it is clear that the flexibility of part-time employment is of very considerable value to firms, especially in the manufacturing industry and in the distributive trades. With no part-time employment firms would not be able to respond to peaks of demand or to demands beyond the scope of the normal working day.

There are no models available at present for calculating the macro-economic repercussions of an accelerated expansion of part-time work. Such a policy is likely to stimulate growth in as much as it increases the number of employment opportunities. However, simply sharing available full-time jobs would, all things being equal, lead to financial losses for the social security systems and public budgets. But particular account must be taken of the side-effects of such action on employment policy.

Additional part-time jobs are not only filled by people already registered as unemployed. They also attract new labour to the labour market. In certain circumstances the presence of these new job-seekers can make it even more difficult to job seekers for whom employment cannot easily be found. However, in the final analysis, the result is a reduction in the level of underemployment which, even if not at present registered is at an undesirable high level.

#### 3.3. Repercussions on labour market and working time strategies

As we have already pointed out, the social consequences and repercussions of an increase in part-time work on employment policy are not uniform. From the social point of view, part-time work makes it possible to introduce more flexible working hours. The standard 5-days or 40-hour week limited the job opportunities of certain categories of the population and lead to undesirable physical strain. Certain categories were even denied access to employment. Various forms of part-time work can serve to reconcile individual preferences with requirements of the job.

However, such increased flexibility entails the loss of certain protective factors. Individualized working hours nullify the guarantees contained in collective agreements. Progress made in the social sphere may be undermined, working conditions may suffer and statutory or collectively agreed obligations may not be observed.

The undesirable side-effects of increased part-time work should be stressed, particularly in view of the current difficulties on the employment front. However, very little research has been done into these side-effects, except in the United States where such studies were pioneered. It has been established that the expansion of part-time work has gone in hand with legal and illegal forms of double job-holding or "moonlighting". Workers who do not find employment on the full-time job market seek to improve their standard of living by accumulating employment relationships. By taking on several jobs, individuals meet the short-term and partial requirements of several firms at once. It has also been noted that more and more full-time employees are rebelling against unsocial and inconvenient working hours. Jobs involving night-time, early morning or weekend work are frequently offered to part-time workers, who accept such jobs either because there are no alternatives or because their financial situation obliges them to do so.

The quantitative importance of such marginal labour markets is difficult to ascertain because the boundaries between this form of work and illicit work, casual work, work done at home, and activities that do not entail insurance payments are very fluid. Several American and British studies reveal that at least 5 % of all people in gainful employment are multiple job-holders, a figure which has been relatively unaffected by changes in the economic climate (1). The phenomenon is relatively common among high income groups. People belonging to this category sometimes take on a part-time job in addition to their main occupation. This also explains why certain part-time employees are among the top wage-earners.

The diversity of working conditions gives rise to additional problems. In the case of reduced working hours the tolerance threshold may be higher, i.e. part-time workers might stand in the way of efforts to achieve improved working conditions. Where part-time and full-time employees are working in the same firm undesirable friction may arise and this may be detrimental to the smooth running of the firm. There is also a risk that full-time posts may be systematically devalued and eventually become part-time posts. Employers might therefore meet demands for a general reduction in working time by employing only part-time workers. Firms could, for example, take advantage of demand for a reduction in working hours to reduce shifts from 8 to 6 hours while at the same time convert jobs by giving workers notice. There have recently been examples of such artificial conversion of jobs carried out to the detriment of working women in particular.

<sup>(1)</sup> See Jeremy Alden, "The extent and nature of double job-holding in Great Britain", Industrial relations, autumn 1977.

There are likely to be other interferences with policy on working time. Measures taken with a view to further limiting overtime could accelerate the growth of part-time work. Case studies (1) show that forced reductions in overtime lead to increased recruitment of temporary and part-time staff.

On the other hand, by the creation of additional part-time shifts some entreprises could cope better with demand peaks. In these entreprises overtime is seldom worked. Shifts of part-time workers are less costly substitute for overtime.

These side-effects should be borne in mind in any attempt to adapt working time. The problem of part-time work will have to be considered afresh in the context of any future reduction in the working week since the number of hours worked by part-time and full-time employees is tending to converge. As a result, social and legal distinction have to a certain extent become arbitrary.

#### 4. SOCIAL RIGHTS AND OBLIGATIONS OF PART-TIME WORKERS

Not unnaturally in view of the historical and economic background, part-time workers are frequently treated differently from full-time workers. This applies as regards both social rights and obligations. As already pointed out by the Economic and Social Committee in its abovementioned Opinion, discrimination against part-time workers takes many forms and is not always easy to identify. The discriminatory arrangements are for the most part not laid down explicitely. They tend rather to be the consequence of failure to make allowance for part-time workers in statutory provisions or collective agreements.

In its Opinion (Pages 10 and 11), the Economic and Social Committee stressed that "people working in this capacity (e.i. part-time), for whatever reasons, must no longer be an underprivileged class forced to put up with substandard conditions of employment. This means that part-timers must be treated equally and in principle have proportionately the same rights as full-time workers in regards to such things as social security, working conditions, recruitment, pay, holidays, etc.". Commission staff are currently working on a comprehensive review of the social rights, conditions of employment and obligations of part-time workers in the Member States (2). As this review is not yet complet, however, we shall confine ourselves here to highlighting a few problem areas.

<sup>(1)</sup> See Friedberg/Schönberg, study carried out on behalf of the Commission on the effects on employment of measures to redistribute jobs, August 1979.

<sup>(2)</sup> Recent national studies are already available for Belgium, the Federal Republic of Germany and France.

#### 4.1. Status

One universal problem is the more or less conscious stigmatization of part-time work. It is looked down on as a marginal form of employment, fit only for people who either have little commitment to work or suffer from personal handicaps. The part-timer is categorized as a mere stop-gap, thus prejudicing from the outset his standing on the labour market. Consequently when reorganization takes place within firms, part-timers are frequently shifted to inferior jobs. On top of this, their working conditions/career prospects are frequently poor by comparison with full-time workers. Lower levels of investment in initial and advanced training further accentuate the inferior position of part-timers, which by no means always reflects their own wishes. With certain honourable exceptions, the occupational status of part-time workers is in general need of improvement. Failing this, the majority will remain trapped in an unenviable position: poorly trained/educated, passed over for promotion and trapped in dead end jobs.

# 4.2. Contracts of Employment

With the exception of a few regulations in France which are of limited importance, there are no clear statutory provisions dealing with contracts of employment for part-time workers. Elsewhere, the picture is one of a bewildering tangle of contractual arrangements. In the nature of things, provisions regarding standard working times do not apply to part-timers; this in turn means that they are unable to benefit from the linked statutory or collectively agreed guarantees. A part-timer is consequently liable to encounter problems if his working hours are not specified clearly in the contract of employment: this leaves the arrangements regarding overtime, rest periods and bonuses in an ill-defined grey area. Taking overtime bonuses as an example, except under a smaller nubmer of agreements, these are only granted for time worked in excess of eight hours a day or forty hours a week. In the absence of specific provisions in the contract of employment, this places the part-timer at a disadvantage vis-à-vis his full-time colleagues.

A more serious problem, however, is the "one-way-ticket" aspect of part-time work. The decision to work part-time is generally voluntary, but it is then in most cases difficult if not impossible to return to full-time work. Barriers may exist from the outset in the provisions of the initial contract of employment and obstacles can also arise as a result of changes in occupational status (down grading) and administrative constraints. Additionally, several part-time workers employed on fixed-term contracts find their jobs slowly but severely phased out.

Consideration therefore needs to be given to ways of ensuring that part-timers can return to full-time work. Action along these lines is both demanded by the ETUC and recognized as desirable by employers. The Belgian employers' federation, for instance, has suggested that: "... Qualifications being equal, part-time workers who wish to work full-time should be accorded priority for vacancies in the same establishment. Such a system is currently in operation in the major firms in the distributive trades" (1).

#### 4.3. Remuneration

Statistical comparisons between full-time and part-time workers are hindered by the shortage of information. There is admittedly no doubt that part-timers are concentrated in sectors with relatively low wage levels and in low-paid occupations. This structural feature is reflected in the level and distribution of income among part-time workers. It gives no indication as to anomalies in the legal situation, however.

Surveys and studies carried out by the Community and the ILO point to the existence of peculiarities which cannot be accounted for by imbalances in the distribution of part-time workers. Statutory and collectively agreed provisions on remuneration (minimum wages, equal pay, etc.) generally assume that part-time workers will be paid pro-rata according to the number of hours worked. Sometimes, however, entitlements are conditional on the employee having worked a specified minimum number of hours or certain bonus elements are not taken into account for the purposes of calculating part-timers' wages. The real income of part-time workers will be reduced in comparative terms if overtime, service and profit-sharing bonuses are not paid. This is discriminatory in the sense that part-time workers will be putting in the same effort as their full-time conterparts (though for a shorter time) but for less reward pro-rata. The situation is worse in this respect for women than for men. According to investigations in the United Kingdom, women working full-time earned 11.0 % more pro rata than those working part-time in 1972 and the gap was still 10.4 % in 1978 (2). Aside from this, part-timers may labour under a number of disadvantages e.i. proportional reimbursement only of travel costs though the expenses incurred are equal to those of a full-timer; no payment for public holidays; no continued payment of wages in the event of illness; no compensation for short-time working.

#### 4.4. Retirement

Problems arise as regards both statutory and company schemes retirement. In the case of company schemes, the part-timer may not be covered at all or the relationship between present contributions and future benefits may differ between full-time and part-time workers (3).

<sup>(1)</sup> Cf. Bull. F.E.B. Nº 2 of 10 January 1978, p. 40

<sup>(2)</sup> Cf. Part-time working in Great Britain, Department of Employment Gazette, July 1979

<sup>(3)</sup> The reverse problem can occur in the case of company sickness funds, where part-timers sometimes pay reduced contributions but receive benefits at the full rate.

The whole question of part-time work in relation to statutory retirement schemes is highly complex and will therefore be considered again in greater detail in Section 5. Some schemes permit pensioners to earn a limited amount without affecting the size of their pension. This tends to increase the number of people interested in jobs which are either poorly paid or only offer a few hours a week. On the other hand, wages are frequently not liable to deduction of pension contributions below a certain threshold (minimum earnings or number of hours worked), with the result that part-timers may not be entitled to a retirement pension even though they have worked for many years.

Finally, older workers may be unable to accept part—time employment because their pension will be calculated on the basis of final earnings (as in the case of some company schemes in the UK) and the effect of working part—time during the years immediately preceding retirement would consequently be to reduce the pension disproportionately. This is an obstacle to the introduction of systems such as gradual retirement.

# 4.5. Unemployment

Decisions regarding redundancies are taken in the light not only of seniority but also of social considerations. Aside from other factors, the frequently lower status of part-timers is in itself enough to place them at particular risk.

It is impossible to establish exactly how many unemployed people there are seeking part—time work. Workers holding several part—time jobs concurrently who then lose one of these jobs represent a particular problem in this respect. In several Member States, the only people to be officially registered as unemployed (and hence to appear in the unemployment statistics) are those who previously worked a specified minimum of hours per week (Germany 20 hours, Netherlands 30 hours, etc.). Occasional work and work for short periods thus does not count as "employment" and unemployed workers are supposed in theory only to be seeking full—time jobs. This has two direct consequences:

- the wage costs for part-timers working less than the threshold number of hours are relatively low, but these workers are not entitled to unemployment benefit if they lose their jobs;
- unemployed workers who take jobs below the threshold number of hours do not lose their entitlement to unemployment benefit. They thus receive two incomes, generally only offset in part against each other.

In some Member States (most notably Germany, but also France) unemployment benefit is calculated on the basis of final earnings. This acts as a disincentive to accepting part-time work where there is a danger of unemployment because this would reduce the potential level of benefit.

# 4.6. Participation in decision-making

The first point to be stressed here is the way part-timers are excluded in practice from the decision-making process. Worker representatives are hardly ever either part-time workers themselves or specially concerned to defend the interests of this group. Part-timers are almost always represented in negotiations by full-time workers, a pattern which extends to the negotiation of collective agreements (1). The right to vote/stand for election and other rights in connection with representation in the firm are often tied (e.g. in the laws on worker participation in the Federal Republic) to "thresholds" in terms of size of workforce. These can act as a brake on the growth of part-time employment.

#### 4.7. Possible ways of improving the situation

The above represent no more than a sample of the differences in treatment between full and part—time workers. They should, however, suffice to show that these differences are the real cause for misgivings about part—time work. Such misgivings can thus be overcome by ensuring that part—timers in principle enjoy the same rights and are subject to the same obligations as full—time workers—in proportion, of course, to the time worked. It is particularly important that the principle of proportional entitlement should apply to all elements of remuneration. This principle should not, on the other hand, be applied either to protective provisions (regarding termination of employment, safety, etc.) or to certain aspects of terms/conditions of employment (holidays entitlements and the like).

Irrespective both of its particular aims and of the current employment situation, any policy aimed at promoting voluntary part-time work is bound to come up against these differences in treatment. Should it fail to overcome the problems they raise, the effect of such a policy would simply be to accentuate the fragmentation of the labour market and further distort conditions of employment at the expense of certain groups. In concrete terms, this means that steps would need to be taken to abolish provisions likely to act as an obstacle to equal treatment; fill the existing gaps in legislation and, more particularly, collective agreements; make greater allowance for part-time work in the law on collective agreements.

There are several possible ways of tackling this task:

- by introducing standard terms and conditions of employment for part-time workers. The latter would thus become a specially protected group - like trainees and severely handicapped workers. The introduction of such standard terms and conditions, which would act in effect as a protective umbrella, does not, however, commend itself as a solution.

<sup>(1)</sup> Cf. Lucas Report on part-time work presented to the French Minister of Labour in May 1979 (Pages 56-57), which states that only one part-time worker was found to be occupying such a position.

The effect of this would simply be to substitute deliberate preferential treatment for the previous relatively under-privileged situation of part-timers. This in turn would almost probably accentuate labour market problems and tensions within firms, thereby ensuring that part-time work would merely retain its marginal character under another guise.

- by introducing minimum acceptable terms and conditions for part-time workers to be applied throughout the Community. This would help to speed progress, both "de jure" and "de facto", towards equal treatment for full-time and part-time workers in proportion to time worked. Efforts could be confined to laying down certain principles, leaving detailed arrangements for their implementation to be worked out at national, sectoral or company level. The following would be the main points on which statutory rules would need to be modified:
  - the minimum threshold (in terms of hours worked or minimum earnings) above which social security contributions are payable;
  - equal treatment (pro rata, as appropriate), in particular entitlement to minimum wages, equal opportunities for promotion, protection from dismissal, fringe benefits);
  - . the stipulation of working hours in the individual contract;
  - the right to transfer to full-time work if work organization allows ;
  - the right for part-timers to participate in decision-making through the works council.

Any provision which might tend to make part-time work more attractive, from the strictly legal viewpoint, for women than for men, should be either avoided or abolished. Instead, the aim should be to adapt provisions more closely to the needs of particular groups (e.g. young people or older workers) seeking part-time work, irrespective of sex.

Two points should, however, be borne in mind:

Success in achieving this goal of equal treatment in legal terms would not in practice be sufficient to eliminate all forms of discrimination. No amount of legislative changes will prevent part—timers from losing out as regards promotion and job content when they are in competition with full—time workers. Moreover, such changes would not directly stimulate the creation of jobs. Their impact in this respect would be of more long—term character. The immediate effect might indeed be almost the reverse — to destabilize the employment situation to an extent by stimulating the substitution of jobs on fixed—term contracts for permanent part—time jobs. The legal requirement to treat part—timers and full—timers equally in proportion to time worked might also encourage firms to carry out radical restructuring and become increasingly capital intensive. Admittedly, the need to remain competitive should be sufficient incentive for them to be moving in these directions anyway.

# 5. CHANGES IN SOCIAL SECURITY AND TAX LEGISLATION

The changes in social security and tax legislation to be looked at here tie in closely with the points discussed above. A separate section is, however, necessary in order to present them in their proper context. Furthermore, the emphasis in the previous section was on the disadvantages of part-time work for the employee, whereas this section will be primarily concerned with the implications of part-time work (and its extension) for the employer.

As indicated earlier, the social security schemes currently in force in the Member States are not altogether "neutral" vis-à-vis part-time work. Some of the associated obstacles to the extension of part-time work have already been mentioned. The Economic and Social Committe did not tackle this complex question, stating instead that it would have to be looked at later by the Commission. There are three main problem areas:

- social security contributions: the procedure for levying contributions is generally the same or very similar in the Member States for all the major sectors of social security (pensions, sickness, unemployment);
- the relationship between contributions and benefits;
- the minimum working time or minimum wage required for membership of social security schemes (1).

All three of these points are of substantial importance when the individual worker is deciding whether or not to take up part—time employment. From the employer's point of view, the contribution system and the minimum working time required for membership are the main factors likely to condition the number of part—time jobs he can offer.

Which of the problems inherent in existing social security arrangements should be tackled in the course of efforts to promote part—time employment will thus depend on the precise aims of the policy adopted. If the priority is to eliminate discrimination against part—timers, then efforts should be focused on the second and third of the problem areas mentioned above.

<sup>(1)</sup> The second and third of these areas are dealt with in depth in the above mentioned review of the current situation.

If, on the other hand, the creation of additional part-time jobs is the priority, then attention should be centred on modifying the contribution system.

# 5.1. Changes benefitting part-time workers

In some cases, membership of social security schemes is conditional on working a specified minimum number of hours (E.g. 2 hours per day for the majority of workers in Belgium). Even where there is no such condition or the condition is met, part-time workers will not necessarily receive equivalent (preportional) benefits, even though they pay the same contributions as full-time workers. Some workers who would like to take part-time jobs may therefore hesitate to do so if they find that the burdens imposed on them would not give rise to corresponding rights. It is likely, for instance, that a worker will refuse to take a part-time job on a long-term basis if it is not going to provide him with an adequate pension.

The situation is not the same either in all countries or in all sectors. In certain instances, either all or some benefits (e.g. health care, pensions and family allowances) are not restricted to people who have been gainfully employed. Where this is the case, the problem described above does not apply. Even in this type of system, however, there may be supplementary benefits for persons who have been gainfully employed over and above those available to all citizens or all residents. This raises once again the problem of equivalence between benefits and contributions.

If the intention is to eliminate this type of problem, then existing legislation should be amended so as to ensure that part-time workers are entitled to social security benefits. The conditions governing eligibility for benefits will, for example, have to be revised in such a way as to allow for the various possible patterns of part-time work (so many hours per day, days per week, etc.).

# 5.2. Changes in the contribution system

There are two basic types of systems:

- a) earnings-related contributions;
- b) flat-rate contributions.

#### As regards :

- a) In the majority of Member States, social security contributions are calculated as a percentage of the employee's gross remuneration. The cost is generally borne jointly, in varying proportions, by employer and employee. As a rule, however, the remuneration as a basis for the calculation of contributions is subject to upper and lower limits:
  - below a specified minimum earning level there is no liability to contribute;
  - earnings beyond a certain amount are disregarded for the purposes of calculating contributions (contribution assessment ceiling).

These rules apply equally to all employed persons, both full—and part—time. Their effects can, however, be discriminatory: the existence of a minimum threshold can encourage the employment of part—time workers at wages below this level. Both employer and employee can thus save a substantial amount in contributions. These short—term savings are, however, only achieved at the cost of serious disadvantages in social policy terms, since the workers concerned acquire no entitle—ment—to social security benefits and are forced to rely either on rights acquired by other members of their family or—on other forms of state support. It is for this reason that the Federal Republic and the United Kingdom have just recently placed further restrictions on these "minor" forms of gainful employment which fall outside the scope of social security.

It is difficult to establish how many workers fall into this category. According to recent estimates, there are between 500 000 and 800 000 female part—time workers not liable for payment of social security contributions in the Federal Republic. This represents between 5 and 10 % of all women in paid employment in the Federal Republic (1).

<sup>(1)</sup> Cf. Forschungsgruppe Arbeit und Gesundheit: Barriers to flexibility in working time, study carried out on behalf of the EEC Commission \_\[ \int \frac{N}\circ \quad 77/39 \], page 36.

The existence of a contribution assessment ceiling acts as a deterrent to the conversion of full-time jobs into part-time jobs. The higher the ceiling, however, the less impact it has in this respect. In the United Kingdom, for example, it is of hardly any importance.

The ceiling is the same for all workers. Thus, the contributions to be paid by the employer will in some cases be more when a job is shared between two part-timers than would have been due for a single full-time worker. This will happen when the ceiling is lower than the remuneration of a full-time worker.

In France and Belgium, this obstacle has been overcome by making it standard practice to allow employers to combine for contribution purposes the wages of part-time workers sharing a single full-time job. Over-payments resulting from the employment of two part-timers can be claimed back. In Belgium, however, this arrangement only applies in the case of workers earning less than (half) the average wage.

#### As regards:

b) Where contributions are flat-rate (as in Ireland prior to April 1979), the employer will have to pay the same amount for a part-time worker as for a full-timer: the former will therefore be relatively more expensive and, should a single full-timer be replaced by two part-timers, the amount due will be doubled. It is therefore not in the employer's interest to recruit workers on a part-time basis.

There are various possible ways of overcoming these problems:

- by substituting earnings-related contributions for flat-rate contributions;
- by abolishing contribution assessment ceilings or raising them to a level where they will no longer constitute a problem;
- alternatively, a special ceiling could be set for part-time employment or arrangements could be made to refund the additional contributions paid by employers as a result of substituting part-time workers for full-timers.

A special study needs to be made of the problems involved in integrating workers who combine several part—time jobs into social security schemes. Workers performing jobs which, individually, do not reach the minimum threshold for liability to pay contributions generally remain exempt (and hence not eligible for social security benefits) even where they combine several jobs. The reverse problem — overlapping — can occur where it is possible for a worker to draw social security benefits at the same time as he is earning (several) income (s) from part—time employment. In this situation, there is a clear danger of social security provisions being abused.

#### 5.3. Changes in tax law

As in the case of social security, the tax position for part-time workers varies from country to country and it is consequently difficult to generalize. In addition, the picture differs according to Whether the viewpoint adopted is that of the worker, the employer or the public authorities. The main factors of relevance are:

- the exemption of "minor" employment from income tax;
- the tax-free basic allowance;
- the pattern of the tax rate progression.

Whilst a policy of converting full-time jobs into part-time jobs will generally speaking reduce the amount of tax paid, tax revenue can be increased by the creation of additional part-time jobs. Deeper studies are necessary in relation to the problem of double taxation of married couples who are in part-time employment, especially if new forms of part-time work are to be developed.

# 6. ADVANTAGES AND DISADVANTAGES OF SELECTIVE MEASURES TO ENCOURAGE PART-TIME EMPLOYMENT

# 6.1. Guiding principles

A policy of stimulating part—time employment first has to decide whether social, legal and financial changes are enough to create a beneficial climate for part—time work or whether the expansion of part—time job opportunities needs to be helped along by selective measures. If so, such specific measures can clearly play only a secondary role and must not interfere with other, broadly—acting economic and manpower policies. Any strategy to expand part—time work should increase overall employment and should not be promoted at the expense of full—time employment opportunities.

Past experience and research carried out to date allow us to deduce certain principles on which to base such selective measures.

The most important guiding principles are as follows: (1)

- New part-time jobs should be developed on non-discriminatory terms and across a broad occupational spectrum. In the past, women have only succeeded in establishing themselves in a relatively small number of occupations. The current common forms of part-time work restrict this choice even further. New types of occupation should therefore be opened up. At the same time care should be taken to ensure that women's employment is not restricted to the part-time pattern or converted into this. New forms of part-time work must therefore as far as possible also take in the more highly-qualified and responsible positions.
- Part-time work must break out of the conventional pattern of half-day working, mostly in the morning (2). There is an abundance of possible variants as regards both the functional aspects and the time schedules involved in part-time work, and variations in the length of the work periods, their position in relation to the full working day and the manner of organization. Relatively shorter working time per day, week, month or year or combinations of these can be envisaged.

By developing new work schedules it is possible to cater for certain workers' outside commitments. Part—time work can thereby be opened up to new sections of the population and cease to be attractive only to married women. The criterion for engaging workers part—time should be that for personal reasons the worker is unable or unwilling to work full time. All the evidence points to the fact that part—time work, under the most diverse arrangements, is attractive to parents with young children, and couples generally where both husband and wife are working and also to young people undergoing training, older people, the disabled or handicapped, convalescents, and people doing work that is particularly heavy or involves great strain.

#### 6.2. Initiatives in the public service sector

The public service could help to pioneer this development. At the present time, although part-time work is mainly offered in the service sector, the public service still has a lot of ground to make up. For example, in 1976 12% of public service employees in Britain (excluding the Armed Forces) were working part-time, whereas in the economy as a whole the proportion was over 19%. The main reason for this below-average rate is the restricted access to part-time work for public service employees in most Member States.

<sup>(1)</sup> Cf. Resolution of the Council 18 December 1979.

<sup>(2)</sup> A French survey found that only 55 % of non-working women, 42 % of working women and 41 % of elderly workers interested in part-time jobs wanted to work half days (Liaison Sociale N° 70/78, 19 July 1978).

These restrictions in the public service consist in the fact that a public servant can be permitted to work on a part—time basis only for social or family reasons and provided it is compatible with the efficient operation of the department. Moreover, a public servant receiving such authorization is obliged to work half the hours normally required.

On top of the three restrictions already mentioned — a valid social reason, in the interest of the service, and half-time basis — permission is often granted only for a limited period and for the less skilled jobs. This virtual discouragement of part-time employment is compounded by the fact that part-timers may block full-time posts (1).

In several Member States there have therefore been moves to extend part—time employment in the public sector, some of them taking the form of working parties (France, the Netherlands), others that of legislative proposals (Germanay, Italy). Particular mention should be made of the German Government proposals dating from 1978 under which part—time employment for Federal civil servants would be extended, but with a prohibition on holding a second job as well. Additional opportunities would be provided, particularly in the educational, judicial and public administration sectors. However, there is a legal controversy as to whether a civil servant is obliged to place all his working capacity at the service of the State.

Public services which introduce new part-time jobs will prove the feasibility of the concept over a wide range of occupations and demonstrate the **possible** scope to private entreprises thus encouraging them to follow. Experience of part-time working in the more highly-skilled jobs and its introduction in further occupations and for further social groups can be tested in this way.

The long-term financial implications of any expansion of employment in the public service limit the scope for public sector pilot schemes. Simultaneous experiments in the private sector are therefore essential. They can be negotiated by the two sides of industry as part of general conditions of employment and where conducted as pilot schemes could possibly be State supported (2).

<sup>(1)</sup> These restrictions incidentally also apply to the EEC Commission staff.

<sup>(2)</sup> For example, the European Social Fund is currently supporting a pilot study of the extension of part-time employment in the Federal Republic of Germany.

We will now outline and assess some of the possible schemes.

# 6.3. Gradual retirement

Gradual retirement means a phased, planned transition from working life to complete retirement involving part-time working. At a certain age the worker ceases to work on a full-time basis and opts instead for a part-time job, in which working time is reduced further as he or she gets older. Working hours can be reduced on a daily, weekly, monthly or even annual basis. A similar gradual transition to retirement can be achieved by large, phased increases in holiday entitlement.

A country-wide system of this type already exists in Sweden, where workers aged between 60 and 65 who satisfy certain conditions are eligible for a so-called partial pension. To qualify, they must

- accept an average reduction in their working week of at least five hours :
- after the reduction in hours normally be employed part-time for between 17 and 35 hours.

The partial pension amounts as a rule to 65 % of the reduction in earnings occasioned by the changeover to part—time work. It is financied by a social security levy on employers. Roughly 1% of employees are in receipt of such pensions. Similar schemes have also been introduced in some member countries of the EEC (e.g. Germany and Denmark) under collective agreements or individual company arrangements.

The advantages and disadvantages of such a system naturally depend on the precise arrangements concluded. The following general statements can be made:

Advantages: Gerontological research has criticized abrupt retirement as involving certain dangers (shock-like reactions). Gradual retirement allows for the possible decline in working capacity and enables the worker to grow accustomed to extra leisure. The effects on health and hence on time absent from work are positive. The loss of earnings does not involve hardship; social relations largely remain intact. There is no drop in social status as occurs for example with early retirement.

<u>Disadvantages</u>: gradual retirement brings with it the disadvantages attaching to part-time employment generally (some increase in costs, reorganization, drop in income, loss of skills, compulsion instead of free choice). In addition, there may be a deterioration in working conditions consequent upon a switch to a different job within the firm, leading to a progressive decline in status. An increase in the work rate during the remaining time at work is also possible. Moreover, the economy as a whole loses some of its reserve of skills and expertise.

As with any form of reduction in hours, the reactions of employers, are decisive as regards the <u>effect on employment</u>. Judging by experience so far, the number of younger workers taken on full-time jobs vacated by part-time elderly employees is quite high.

In Sweden, for example, about half the firms made up part or all the reduction in working time by hiring new staff. In German cigarette firms, approximatively 60-70 % of the jobs vacated were refilled - although these largely related to averted redundancies which would otherwise have been necessary because of introduction of a new generation of machinery.

#### 6.4. Part-time employment for young people

The abruptness of the changeover can also be mitigated at the other end of working life. Young people's entry into jobs can be eased by forms of part-time work. In the USA the proportion of young people among total part-time employees is relatively high. More than half of the employed teenagers, both male and female, are on voluntary part-time schedules. They account for almost half of male and one-fifth of female voluntary part-time workers. Even among older (20-24 years) a relatively high proportion are on part-time schedules - about 14 % (2).

In the European Community part-time employment among young people is much less widespread. According to the labour force sample survey for 1975 only 6 % of all those working part-time are aged under 25, representing 11% of male and 5 % of female part-timers. The proportion of young part-time workers is markedly above the Community average in the Netherlands, at 16 %.

Meanwhile, in most Member States the youth unemployment problem has worsened in recent years. At the present time around 2.2 million young people are registered as unemployed, with the employment outlook for the next few years remaining gloomy in several countries. The priority in employment policy should of course be to secure full-time work for young people, also, but the growing scale of youth unemployment makes it urgent to seek alternatives for a young generation without experience of work.

<sup>(1)</sup> Cf. Friedberg-Schönberg, op. Cit., Annex 1, page 15.

<sup>(2)</sup> Cf. Deutermann/Brown, Voluntary part-time workers: a growing part of the labour force, Monthly Labour Review, June 1978.

Certain Member States have introduced job-creation schemes especially for young people. Whereas in North America several programmes to create temporary part-time jobs - for students - are in operation, in Europe such schemes aiming at part-time posts are almost unknown. There have been a few isolated experiments, for example, in the Netherlands, with half day jobs in conjunction with a correspondingly reduced rate of unemployment benefit. Such practical experiments need to be stepped up. Pilot studies should be carried out to ascertain what extra costs arise and whether they can be covered by the Member States or a proportion of them assumed by the Community. An example is provided by the Community's support for training schemes combining practical work with further education ("I'alternance" schemes). Linked training in school and on the job is a special form of part-time work, although primarily on to be judged according to pedagogical criteria. The Commission has presented special proposals on the subject to the Council. (1)

A survey might be conducted into how part-time work could be made more attractive to young people. The attitudes and demands of young people vis-à-vis part-time work, especially in relation to further education and leisure, could be covered. The survey could be based on existing research or on a new study financed under the Commission's research programme on labour market development.

#### 6.5. Encouragement of part-time shifts

Higher capital investment, new technologies and more flexible working hours have led in recent years to an increase in shift working, especially in the service sector. The question of whether to encourage this process further poses a political dilemma. On the one hand, extra shifts would increase employment; on the other, shift work is not, in all its aspects, compatible with an improvement in working conditions. The Commission has therefore taken the view that "it is only by reducing the hours worked per shift, thereby increasing the number of shifts, that it is possible to reconcile employment requirements and the improvement of living and working conditions". (2)

<sup>(1)</sup> See Council Resolution of 18 December 1979 on linked work and training for young persons.

<sup>(2)</sup> COM(79) 188 final, Annex I, page 4.

Introduction of part-time shifts would challenge the traditional principle of shifts of equal length. In theory it is possible to introduce them both in continuous and non-continuous working. The approach would not mean replacing full-time teams by part-time teams operating a shift system. Instead, part-time shifts could replace systematic overtime: instead of 12 hour standby shifts, as are common in the chemical industry, a system of part and full-time shifts could be introduced. In continuously-work plants part of 24-hour operation could be covered by fixed part-time shifts.

As with shift systems, inumerable variants of this new working practice are conceivable. The effects which extra part-time shifts could have on employment are correspondingly diverse. They depend on the type of organization (e.g. assembly line operation with multi-role operatives), the length of shifts, number of free shifts, etc. A continuous shift system with a part-time shift could look something like this:

A part-time shift of four or five hours in length would be introduced on five days of the week. This would immediately create additional jobs. A part-time shift would work between 20 and 25 of the total 168 hours for which the plant is working each week. Assuming four other teams working shifts in rotation, the latter would have to work the remaining 148 or 143 hours per week, representing an average working week per full-time worker of 37 or 35 3/4 hours.

As even these few examples show, part-time shifts within a continuous shift system would have a twofold effect: they would immediately create extra jobs, and at the same time open up considerable scope for reductions in working hours. Under most existing shift systems shifts of under eight hours for full-time employees would become feasible. The medically recommended shortening of particularly the evening and night shifts to six or seven hours could be speeded up.

Howevern these theoretical advantages imply acceptance of considerable disadvantages in practice, if the system can be applied at all.

- There would be substantial differences between full and part-time employees not only as regards the length but, more important, the position of working periods: the former would work rotating shifts with varying changeover times, the principle of five-day week could not be maintained, etc. Tensions could develop within the firm.

- Incorporating part-time jobs in continuous shift-working would only rarely be feasible, e.g. in highly standardized production processes, among employees with special qualifications, etc. Part-time workers are either not interested in most jobs where continuous shift working is practised or they lack the necessary training.

In introducing extra part-time shifts and incorporating them into actual shift schedules, account must be taken of particular operating requirements. This is therefore a matter for the two sides of industry. They are in the best position to judge specific requirements. Further studies and experiments are necessary to assess the social and employment effects of such systems.

# 6.6. The creation of "Tandem jobs"

"Tandem" jobs have gained currency, especially in the USA, under the term "Job-sharing". In most cases they have been introduced at the initiative of employees. Such arrangements involve usually two employees "tandem") opting to share, on their own responsibility, the work of a full-time job and the proceeds in terms of pay and fringe benefits. The allocation of the rights and obligations arising from their common contract with employer must be decided between them. This pattern of working differs from traditional part-time work in two ways : its purpose is to restructure career-oriented, professional positions which cannot be reduced in terms of hours or split between two part-time employees; and it often requires a significant degree of cooperation and communication between the sharers. (1) 'Tandem' jobs are often of a highly-skilled nature. The occupations in which this system is most common in the USA are: facilities engineer, personnel administrator, mental health counsellor, teacher, laboratory technician, programme director and controller. A number of pilot projects are now under way in the public services in some American states.

In view of the individualized approach there are no standard procedures for creating "tandem" jobs. It is important that hours of work, duties and pay should be settled. On the limited experience so far available, this new form of part—time work is encountering a certain amount of reluctance on the part of employers. Their objections are mainly levelled at:

- the inflation of the work force involved;
- the lack of clear allocation of responsibility and difficulty as regards control;

<sup>(1)</sup> Cf. B. Olmsted, Job- sharing: An emerging work style, International Labour Review, May-June 1979, and B. Teriet, Job-sharing - eine neue der Arbeitsvertragsgestaltung, Personal, Nº 6/1977.

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- the increase in fixed costs;
- the unclarified issues of social security and labour law.

Positive factors for employers include:

- greater flexibility in assigning work;
- less absenteeism :
- more continuity in the execution of work;
- -greater incentives for qualified staff to remain with the firm in spite of competing career and private commitments.

"Tandem" working is still in its infancy. In Europe it has only caught on in the independent professions (group practices of lawyers or doctors). The experience gained so far does not permit a final judgment. Detailed cost-benefit analyses and investigations of any undesirable side-effects still have to be made. So far, service sector jobs appear to lend themselves more to "tandem" working. Future trials of this system should of course not stop at the public sector but take in private sectors as well (banks, commercial services).

# 6.7. Part-time employment for problem groups on the labour market

Schemes to promote part-time work can also be envisaged for special problem groups on the labour market. They could be principally aimed at the long-term unemployed, whose chances of re-employment fall the longer they are out of work, quite apart from the psychological and financial strain involved. Long-term unemployment is relatively less frequent among young people than among older workers and especially the disabled or handicapped. For some years this hard core of unemployed has been growing in most Member States. In France, for example, the average time unemployed persons had been out of work increased from 199 days in September 1977 to 213 and 236 days in the corresponding month of 1978 and 1979 respectively.

Several Member States have launched special assistance programmes for the long-term unemployed. The possibility of providing more part-time jobs for this group should be investigated. The national employment services could adapt their guidance and placement facilities accordingly and possibly give financial support. Long-term unemployed persons would then at least remain in partial contact with working life and not be driven off the labour market completely. However, under the present rules acceptance of part-time job can often involve a loss of income :entitlement to benefit is usually reduced in the case of repeated unemployment when the worker has meantime been in part-time employment. Thus unemployment benefits need to be adapted.

PERSONNES AYANT UN EMPLOI A TEMPS PARTIEL (1000)
PERSONS WITH A PART—TIME OCCUPATION (\*000)
ANZAHL DER TEILZEITBESCHÄFTIGTEN (in Tsd.)

TAB. 1

E A			0 AT		-		<u> </u>	(vorlaufig)
Main occupatio Hauptberu Pays/Country/Land Tätigkeit	Emploi principal Main occupation Hauptberufl.	Emploi occasionnel Occasional occupation Gelegentl.	Emploi Emploi principal occasio Main Occasio occupation occupat Hauptberuf Gelentl Tätigkeit Tätigke	Emploi occasionnel Occasional occupation Gelentl.	Emploi principal Main occupation Hauptberufl• Tätigkeit	Emploi occasionnel Occasional occupation Gelegentle	Emploi principal Main occupation Hauptberuf, Tätigkeit	Emploi occasionnel Occasional occupation Gegentl. Tätigkeit
B.R. Deutschland	1980	629	2232	598	2366	614	2,426	512
France	1026	473	1372	347	1528	379	1.574	196
Italia	663	509	%£6	297	461	724	487	580
Nederland	188	216	250	190	270	190	351	193
Belgique	66	37	145	59	205		208	_
Luxembourg	9	8	_	4	9	2	œ	$\qquad \qquad (1)$
United Kingdom	3602	244	4031	59	4094	120	3.732	339
Ireland (1)			404	30	37	40		
Donmark			362	115	410	103		
eur 9	•		9258	1666	9377	2182		

Source/Quelle : Enquêtes par sondage sur les forces de travail/Labour Force Sample Survey/Arbeitskräftestichproben in der Gemeinschaft.

(1) L'Irlande et le Danemark n'ont pas participé à l'enquête en 1973 The survey was not carried out in Denmark and Ireland in 1973

1973 fand die Erhebung nicht in Dänemark und Irland statt

TAUX DES TRAVAILLEURS A TEMPS PARTIEL (≢)
RATE OF PART TIMERS (₹)

TEILZEIT QUOTE (∗)

		1973			1975			1977			(1) (1) (1)	(provisoire) (provisional) (vorläufig)
Pays/Comtry/Land	E	M	<b>A</b>	E ·	W	Ŧ	L	¥	Œ	H	М	<b>5</b> -4
B.R. Deutschländ	7.7	0,1	20,0	0,6		22,8	9.6	r A	24,4	9,6		
France	5,1	1,4	11,2	9,9	2,1	14,0	7,3	2,3	15,2	7,4		
Ttalia alia	3,9	2,3	8,5	4,6	2,7	6,6	2,5	1,2 *	5,9	2,6		
Wederland	4,4	1,1	15,5	5,6	1,5	18,6	5,9	1,5	19,0	7,5		
Belgique	2,8	0,4	8,2	4,1	<b>0,4</b>	11,6	. 5,8	1,0	16,1	5,8		
Luxembourg	4,5	(6,0)	13,9	5,0	(6,0)	15,4	4,1	(8,0)	12,3	5,6		
United Kingdom	15,3	1,8	38,3	16,9	2,2	40,9	16,9	2,1	40,4	15,4		
Ireland (1)	•		•	4,0	ا 1,8	6,6	3,7	1,6	9,6			
Denmark (1)				17,0	1,9	40,3	18,4	2,7	42,4			
EUR. 9			•	9,4	1,9	23,6	9,4	1,6	23,7			

\* Seulement personnes avec un emploi principal/Only persons with a main occupation/Nur Personen mit hauptberuflicher Tätigkeit

Source/Quelle : Enquêtes par sondage sur les forces de travail/Labour Force Sample Survey/ Arbeitskräftestichproben in der Gemeinschaft.

(1) L'Irlande et le Danemark n'ont pas participé à l'enquête en 1973 The Survey was not carried out in Denmark and Ireland in 1973 1973 fand die Erhebung nicht in Dänemark und Irland statt

TAB. 2

TAB. 3

	1973			1975		1977	1979	6
Pays/Country/Land								
B.R. Deutschland	<b>©</b>	92	8	25	2	93		
France	17	83	<b>%</b>	8	19	81		
Italia	44	56	4	58	33	29		
Nederland	19	81	20	8	19	8.		
Belgique		68	O	8	2	88		
Luxembourg								
United Kingdom	<b>\Omega</b>	92	8	92		93		
Ireland $(1)$			35	65	8	89		
Danmark (1)				93	6	91		
EJR 9			13	87	•	89		

Source/Quelle : Enquêtes par sondage sur les forces de travail/Labour Force Sample Survey/Arbeitskräftestichprobe in der Gemeinschaft.

(1) L'Irlande et le Danemark n'ont pas participé à l'enquête en 1973 The Survey was not carried out in Denmark and Ireland in 1973 1973 fand die Erhebung nicht in Dänemark und Irland statt PERSONNES AXANT UN EMPLOI PRINCIPAL A TEMPS PARTIEL PAR GROUPE D'AGE (%) PERSONS WITH A PART-TIME MAIN OCCUPATION BY AGE-GROUP (%) HAUPTBERUFLICH TEILZEITBESCHAEFTIGTE NACH ALITERSCRUPPEN (%) TAB. 4

V/1048/79-FR/DE/EN

×												
	- 24	- 24 Ans/Years/Jahre	s/Jahre	25 – 44	- 44 Ans/Years/Jahre	s/Jahre	45 - 54	45 - 54 Ans/Years/Jahre	s/Jahre	55 et	et plus /and m	/and more/undmehr
Pays/Country/Land	E	1	<b>E</b> .	<b>L</b>	<b>1</b> 2	<b>F</b>	E	ä	Æ	E	<b>\\$</b>	E
B.R. Deutschland	4,6	7,3	4,4	54,8	21,1	57,3	22,9	9,6	23,9	17,8	62,1	14,4
France	6,6	16,2	8,3	41,6	21,6	46,4	23,9	15,3	25,9	24,7	46,9	19,3
Italia	10,8	10,7	10,9	38,8	24,0	45,9	23,0	18,3	25,2	27,5	47,0	18,1
Nederland	14,3	14,6	14,2	53,4	42,3	56,1	17,5	8,8	19,6	14,7	34,3	10,1
Belgique	8,2	23,7	6,7	55,1	27,2	57,8	19,7	8,6	20,7	0,71	39,0	14,8
Luxembourg	11,2	13,6	10,8	48,7	13,5	54,2	21,2	10,6	22,9	18,9	9,09	12,1
United Kingdom	4,5	12,1	3,8	44,1	8,9	47,1	24,3	2,0	26,1	27,1	79,2	22,9
Ireland	8,6	15,5	6,7	37,1	25,9	42,1	20,9	13,8	24,4	32,2	45,7	26,4
Danmark	8,2	23,7	L'9	55,1	2,72	57,8	19,7	8,6	20,7	17,0	39,0	14,8
EUR - 9	6,3	12,8	5,4	47,1	19,1	50,6	23,3	10,3	25,0	23,3	57,7	19,0
							y X					

TOTAL DES PERSONNES AYANT UN EMPLOI PRINCIPAL PAR GROUPE D'AGE (%) TOTAL OF PERSONS WITH A MAIN OCCUPATION BY AGE-GROUP (%)

GESANTHEIT DER HAUPTBERUFLICH BESCHAEFTICTEN NACH ALTERSCRUPPEN (%)

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par sondage sur les forces de travail/Labour Force Sample Survey/Arbeitskräftestichproben in der Gemeinschaft. Source/Quelle : Enquête

TAUX DE SALARIES AYANT UN EMPLOI PRINCIPAL A TEMPS PARTIEL PAR ACTIVITE ECONOMIQUE RATE OF WORKERS WITH A PART - TIME MAIN OCCUPATION BY ECONOMIC ACTIVITY TEILZEITQUOTE DER HAUPTBERUFLICH TÅTIGEN ARBEITNEHMER NACH WIRTSCHAFTSZMEIGEN

5

TAB.

7261 %

icule dwire Total Total Total Total Insg. Insg.		Industrie - Industry  Energie Chimie M  Energy Chemicals m  Energie Chemie M  M  M  M	ry Métaux mécan. Metal manuf. Metall-	Autres indust. manuf. Other manu.	Bâtiment Building Bauind.	Services  Total Commer  Total Trades  Insg. Handel	8	[ 및 <del>  </del>	eistunge Crédit A Finan- cing F Banken	minist. nérale blic minist.	Autres Other Services Sonstige Dienste	TOTAL
1,8		4,4	verarb.	indust. Andere verarb. Indust.			0	richten 5,9		Dienste 7,6	18,8	9,5
7,011		4040 4040	0,10,0	witwa oror	0,010,0	0,487, 0,47,	8 0 1 0 10 0 10	1,001	0 40 0 0	6,1,6 6,0 7,9	14,3 13,9 12,9 12,9	0 1,000 0,000
3,3 6,5 7,7 9,6	<b>ં</b> જે	و ري	4, °4	14,8 1,1,8	พ.н.พ ขั4ที่			10,4	11,1 14,3 20,6	7,7 1,9 7,6	12,5 38,7 7,0 38,4	4,8 18,6 19,7 7,6
6,6 4,4 2,2 3,6	m'	9	3,5	7,3	2,4	14,4	17,2	4,3	10,2	5,8	21,5	9,8

Source/Quelle : Enquête par Sondage sur les forces de travail/Labour Force Sample Survey Arbeitskräftestichproben in der Gemeinschaft.

REPARTITION DES SALARIES AYANT UN EMPLOI PRINCIPAL A TEMPS PARTIEL PAR SECTEUR D'ACTIVITE DISTRIBUTION OF WORKERS WITH A PART-TIME MAIN OCCUPATION BY SECTOR OF ACTIVITY AUFTEILUNG DER HAUPTBERUFLICH TÄTIGEN TEILZEIT-ARBEITNERMER NACH WIRTSCHAFTSBEREICHEN Q TAB.

7161 %

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TOTAL	M	100 100 100 100 100 100 100	100
	æ	72 83 66 83 86 80 80 80 77 77	8 <i>L</i>
SERVICES OLENSTLEISTUNGEN	A	72 85 70 86 88 75 88 87	62
SERVICES DIENSTLEIST	W	64 77 71 73 73 69 69	19
	Ī	27 157 15 115 20 20 19 13	20
INDUSTRIE INDUSTRY	<b>[-</b> 1	23 13 13 13 13 13	20
INDUS	W	34 23 30 30 24 20 20 24	27
	<b>a</b>	127.1.	7
AGRICULTURE LANDWIRTSCHAFT	E	1. 1. 11. 51.11	-
AGRIC	M	29 11 20 7	R
	Pays/Country/Land	B.R. DEUTSCHLAND FRANCE ITALIA NEDERLAND BELGIQUE LUXEMBOURG UNITED KINGDOM IRELAND DANMARK	eur - 9

Source/Quelle : Enquête par sondage sur les forces de travail/Labour Force Sample Survey/Arbeitskräftestichproben in der

Gemeinschaft.

NOMBRE MOYEN D'HEURES EFFECTUEES PAR LES SALARIES AYANT UN EMPLOI PRINCIPAL A TEMPS PARTIEL AVERAGE NUMBER OF HOURS WORKED BY PART-FIME EMPLOYEES WITH A MAIN OCCUPATION DURCHSCHNITTLICH GELEISTETE STUNDEN DER HAUPTBERUFLICH TÄTIGEN TEILZEITBESCHÄFTIGTEN

1977

Dienstleistungen	Eq	22,2 21,1 31,7 20,3 20,2 20,2 19,2 20,1	21,0
Ö	W	21,1 23,5 25,7 26,0 22,0	21,2
Services	<b>L</b>	21,9 20,0 23,5 20,1 20,8 20,3 17,9 19,9	19,2
Industry	Ē	22,2 23,4 25,9 23,4 20,0 21,7 (20,8) 23,4	22,1
Ino	×	24,6 32,8 32,8 27,2 23,9 21,0	24,9
Industrie	<b>₽</b>	23,0 24,5 27,3 24,5 22,1 (20,2) 21,8 (24,3) 23,0	22,5
		B.R. DEUTSCHLAND FRANCE ITALLA NEDERLAND BELGIQUE LUXEMBOURG UNITED KINGDOM IRELAND DANMARK	вик — 9

Source/Quelle : Enquête par sondage sur les forces de travail/Labour Force Sample Survey/ Arbeitskräftestichproben in der Gemeinschaft.