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Working time patterns and work-sharing in Europe

Greens/EFA group in the European Parliament

Brussels, August 31 2010
Structure of presentation

1. Working time, wages and productivity 1870 - 1992
2. Duration of working hours in EU
3. Country profiles of working hours
4. Working reduction in France
5. Working time reduction and employment effects
6. Work-sharing in the crisis
7. Working-time preferences in Europe
1 Development of working hours, productivity and gross national product

Entwicklung von Arbeitszeit, Produktivität und Bruttosozialprodukt
Evolution du temps de travail, de la productivité et du produit national brut

in % (1870 - 1992)

<table>
<thead>
<tr>
<th>Country</th>
<th>Working hours</th>
<th>Productivity</th>
<th>GNP per person</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>-46,3%</td>
<td>+1287,6%</td>
<td>+918,6%</td>
</tr>
<tr>
<td>D</td>
<td>-46,9%</td>
<td>+1734,7%</td>
<td>+998,3%</td>
</tr>
<tr>
<td>J</td>
<td>-36,3%</td>
<td>+4352,2%</td>
<td>+2632,0%</td>
</tr>
<tr>
<td>F</td>
<td>-47,6%</td>
<td>+2127,9%</td>
<td>+967,1%</td>
</tr>
<tr>
<td>GB</td>
<td>-50,0%</td>
<td>+918,8%</td>
<td>+501,7%</td>
</tr>
</tbody>
</table>

2.1 Duration of working hours in EU of full-time employees

High differentiation of working hours

- Yearly working hours of full-timers from 1660 hrs in SE to 1849 hrs in UK
- Agreed weekly working hrs from 35.6 in FR to 40 in PL
- Actual weekly working hrs. from 42.4 in UK to 38.9 in NL
- Holidays entitlements from 33 days in SE to 20 days in HU, PL, SI, LV, IE
- Public holidays from 7 in NL and LV to 12 in PT/ES
Actual weekly working hours of full-time employees per year in EU countries
Average weekly working hrs of full-time employees of EU member states in Middle and East-Europe in hrs 2000/2008
Average usual weekly working hrs of full-time employees of EU member states in Middle and West-Europe in hrs 1995/2008
2.2 Increasing differentiation of working hrs women

High differentiation of female employment rates

- 53% in ES to 71% in SE in employment rates (head count) and 43% in NL to 61% in SE in FTE (hours count)

Very high differences on part-time share

- NL first part-time society in the world
- Different dynamics: Increase of part-time in NL, DE and AT, decrease in DK and SE
Employment rates of women (15-64 years) in % and in full-time equivalents

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>FTE 2006</th>
<th>Δ FTE 95-06</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ES</strong></td>
<td>53,2</td>
<td>46,8</td>
<td>+ 17,9</td>
</tr>
<tr>
<td><strong>FR</strong></td>
<td>57,7</td>
<td>50,7</td>
<td>+ 4,5</td>
</tr>
<tr>
<td>EU 15</td>
<td>58,4</td>
<td>48,2</td>
<td>+ 5,9</td>
</tr>
<tr>
<td><strong>DE</strong></td>
<td>61,5</td>
<td>46,5</td>
<td>+ 0,4</td>
</tr>
<tr>
<td><strong>UK</strong></td>
<td>65,8</td>
<td>51,7</td>
<td>+ 4,7</td>
</tr>
<tr>
<td><strong>FI</strong></td>
<td>67,3</td>
<td>62,9</td>
<td>+ 9,1</td>
</tr>
<tr>
<td><strong>NL</strong></td>
<td>67,7</td>
<td>42,9</td>
<td>+ 9,1</td>
</tr>
<tr>
<td><strong>SE</strong></td>
<td>70,7</td>
<td>61,0</td>
<td>+ 2,5</td>
</tr>
</tbody>
</table>

Source: Employment in Europe 2007
Share of part-timers by sex 2008 (in % of all employees)
Long working hours (more than 48hrs per week) by sex (share of all employees), 2008
Employment rates and working hours by skill
2002, people aged between 25 – 44 years

Source: European Labour Force Survey, IAQ Calculations
3 Country profiles

- All countries have agreed standard working hrs. for full-timers (between 35-40hrs)
- Only some countries have actual standards in working hours
- Often standard (effective) hours of men and women differ
- Different dynamics: Increase vs decrease of hrs.

Sometimes different dynamics for men/women
Distribution of usual working hours per week (employees age 15 – 64), 1995/2008 Germany
Distribution of usual working hours per week by sex, (employees age 15 – 64), 2000/2008 Germany
Distribution of usual working hours per week (employees age 15 – 64), 1995/2008 Denmark
Distribution of usual working hours per week (employees age 15 – 64), 2000/2008 Hungary
Distribution of usual working hours per week (employees age 15 – 64), 1995/2008 UK
4.1 Distribution of usual working hours per week in France 2000/2008
4.2 Collectively agreed weekly working hrs of full-time employees in enterprises with 10 and more employees (France 1996 – 2009)
4.3 Employment growth in enterprises with and without work-time reduction in France before and after the first Aubry-law (Sep. 1996=100)
4.4 Observed employment growth (with working time reduction) and estimated (without working-time reduction) France 1985 – 2001 (Husson 2002)
5.1 **Conditions for a successful policy of working sharing**

1. Reduction of effective hours (not of paid breaks or increase in overtime)

2. Standardization of working hours

3. Negotiation of wage compensation in medium term packages to avoid increases in unit costs

4. Flexible work organization to allow for the same or longer operating hours with more employees
5.2 Conditions for a successful policy of working sharing

5. No skill shortages ("We do not have skill shortages, we call it overtime" British trade unionist)

6. Avoid fixed cost trap (social security paid in proportion to wages)

7. Equal hourly labour costs of full- and part-timers

8. Low income differentiation (low wage earners want to increase working hours)
Skill shortages in Germany: 1970 - 1994

Interference with production through skill shortages*
in manufacturing

* % of interviewed enterprises

Source: Stille, F. / Zwiener, R., 1997: 29

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Source: Reuters-EcoWin: OECD; GDP Data national Statistical Offices; Calculation of IMK Düsseldorf
6.1 Harmonized unemployment 2008 – 2009 (2008 March = 100)

Source: Reuters-EcoWin: OECD; GDP Data national Statistical Offices; Calculations of IMK Düsseldorf
Figure 1: Percentage of fall in total labour input due to fall in working hours per employee (2008-9)

7.1 Distribution of actual and preferred weekly working hours in the EU 15 + NOR
Dependent employees (Women)
7-2 Distribution of actual and preferred weekly working hours in the EU 15 + NOR
Dependent employees (Men)
Bosch, Gerhard, 2004: Towards a new standard employment relationship in Western Europe. In: British journal of industrial relations 42, p. 617-636