Reducing precarious work for part-timers and variable hours workers through social dialogue

Jill Rubery, Gerhard Bosch, Philippe Méhaut

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Precarious work and part-time/variable hours working

• What are the protective gaps for this type of work?
• What practices have been introduced to reduce or intensify the gaps?
• Who works part-time? Is it voluntary/short or long term/women or youth?
• What are the country specific challenges?
• How has social dialogue responded- specific country or sector examples
• Policy conclusions
<table>
<thead>
<tr>
<th>Employment rights gaps</th>
<th>Risks</th>
<th>Mitigation of risks and country examples</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Legal minimum wages, collective bargained wages</strong></td>
<td>Exclusion from coverage</td>
<td>Extend coverage</td>
</tr>
<tr>
<td><strong>Overtime pay</strong></td>
<td>No premium until &gt; FT hours</td>
<td>Premium below FT threshold</td>
</tr>
<tr>
<td><strong>Holiday pay, sick pay etc.</strong></td>
<td>Contractual not actual hours determine pay</td>
<td>Establish high minimum hours</td>
</tr>
<tr>
<td><strong>Employment protection and security</strong></td>
<td>Exclusion from protection/concentration on insecure contracts</td>
<td>Right to work reduced hours within full-time permanent jobs</td>
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<tr>
<td></td>
<td>Rights to minimum guaranteed hours</td>
<td>Rights to minimum guaranteed hours</td>
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<tr>
<td><strong>Minimum hours and shift periods</strong></td>
<td>No minimum contractual hours/ no maximum unpaid breaks/ No minimum shift periods</td>
<td>Minimum hours or shift periods set legally, or through CAs</td>
</tr>
<tr>
<td><strong>Volume of hours</strong></td>
<td>Insufficient hours</td>
<td>Mechanisms to increase contractual hours/ reduce pressure to accept employer determined hours</td>
</tr>
<tr>
<td></td>
<td>Too many hours</td>
<td></td>
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<tr>
<td><strong>Scheduling of hours</strong></td>
<td>Irregular/ inconvenient hours/requirement to be available /No notice of scheduling</td>
<td>Legal or CA restrictions on change to schedules/ Restrictions on availability clauses</td>
</tr>
<tr>
<td><strong>Rights to reduce hours/return to full-time</strong></td>
<td>No or restricted rights to reduce hours/No right to transfer rights to another employer or return to FT</td>
<td>Rights to reduce hour/ Rights to return to FT/Protection of right to request/ Preferential treatment of PT</td>
</tr>
<tr>
<td><strong>Integration with full-time staff</strong></td>
<td>No or limited access to training/ job security/progression</td>
<td>Training for PT/Reduced hours working/ rights to return to full-time</td>
</tr>
<tr>
<td>Social protection gaps</td>
<td>Risks</td>
<td>Mitigation of risks and country examples</td>
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<tr>
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<td>----------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Unemployment benefit</td>
<td>Failure to meet hours or earnings thresholds for inclusion</td>
<td>Minimum benefits for PT = to minimum for FT</td>
</tr>
<tr>
<td></td>
<td>No minimum benefit-</td>
<td>Option to be voluntary insured</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Option to be insured as FT</td>
</tr>
<tr>
<td>Maternity benefit</td>
<td>Failure to meet eligibility criteria</td>
<td>No or low earnings threshold</td>
</tr>
<tr>
<td>Pensions</td>
<td>Failure to meet hours or earnings thresholds for inclusion</td>
<td>Citizens’ pension</td>
</tr>
<tr>
<td></td>
<td>No minimum benefit-</td>
<td>Minimum full pension/High replacement rate for low paid</td>
</tr>
<tr>
<td></td>
<td>Risk of non coverage by 2nd tier</td>
<td>Insurance as FT</td>
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<tr>
<td></td>
<td></td>
<td>High or medium care credits</td>
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<tr>
<td></td>
<td></td>
<td>Compulsory 2nd tier</td>
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**Representation gaps**

<table>
<thead>
<tr>
<th>Representation and participation</th>
<th>Risks</th>
<th>Mitigation of risks and country examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less likely to be in trade unions or covered by CAs/excluded from active participation</td>
<td>Extend coverage</td>
<td>Public sector coverage</td>
</tr>
<tr>
<td>TUs/CAs may restrict PT contracts/ not seek to organise or represent some types of PTs</td>
<td></td>
<td>Include in works councils</td>
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**Enforcement gaps**

<table>
<thead>
<tr>
<th>Enforcement and awareness gaps</th>
<th>Risks</th>
<th>Mitigation of risks and country examples</th>
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</thead>
<tbody>
<tr>
<td>Lack of awareness of rights especially for short hours or on demand workers. Low paid less able to access legal rights</td>
<td>Enforcement through CAs</td>
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</tbody>
</table>
Inclusive practices

- **France** - the setting of minimum working hours and the requirement on social partners to bargain over working-time arrangements and overtime premiums

- **Denmark** - enabling those working less than full-time hours to insure themselves as full-timers

- **Slovenia** - protecting the rights of reduced hours workers as full-timers

- **Germany** - minimum hours requirements in some collective agreements and setting minimum hours for on-call workers

- **Spain** - setting a maximum of 10 additional hours per week in part-time contracts

- **UK (and France, Spain)** - providing same minimum pensions & unemployment benefits to part-time as full-time workers provided they earn above minimum threshold

Exclusive practices

- **Denmark, Slovenia, Spain, UK** - no minimum hours requirements or minimum shift periods

- **Spain** - concentration of part-time work as temporary contracts

- **Germany, UK** - high share of part-timers in low-wage jobs, reinforced by mini job status (Germany) & social security exemptions (UK)

- **Germany** - mini-jobbers and part-timers only included in works councils mandates on a pro rata basis

- **Denmark, UK** - right only to request to work part-time; no right to request to return to full-time work

- **France, Germany, UK** - rights to work part-time or request part-time require prior full-time work for current employer; creates a new trap
Who works part-time?

- Figure 10.3. Part-time as share of total employment by age, males
- Figure 10.4. Part-time as share of total employment by age, females
- Figure 10.5. Concentration of part-time by age group males (2015)
- Figure 10.6. Concentration of part-time by age group females (2015)
Employment rates for women aged 25-49 with no children, 2 children and at least one child under 6 and share working part time (2015)

<table>
<thead>
<tr>
<th></th>
<th>Total Employment Rate (%)</th>
<th>% Working Part-Time</th>
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<tbody>
<tr>
<td></td>
<td>No Children</td>
<td>2 Children</td>
</tr>
<tr>
<td>EU28</td>
<td>77.6</td>
<td>71.0</td>
</tr>
<tr>
<td>Denmark</td>
<td>77.5</td>
<td>86.2</td>
</tr>
<tr>
<td>Germany</td>
<td>85.9</td>
<td>74.0</td>
</tr>
<tr>
<td>Spain</td>
<td>69.2</td>
<td>62.8</td>
</tr>
<tr>
<td>France</td>
<td>79.4</td>
<td>77.8</td>
</tr>
<tr>
<td>Slovenia</td>
<td>74.9</td>
<td>84.3</td>
</tr>
<tr>
<td>UK</td>
<td>85.1</td>
<td>73.8</td>
</tr>
</tbody>
</table>
Figure 10.10. Reasons for working part-time as a share of all reasons. Females, 2015

![Graph showing reasons for working part-time as a share of all reasons for females in different countries, 2015.]

Figure 10.11. Reasons for working part-time as a share of all reasons. Males, 2015

![Graph showing reasons for working part-time as a share of all reasons for males in different countries, 2015.]

Figure 10.12 Involuntary part-time as % of all part-time, male trends

Figure 10.13 Involuntary part-time as % of all part-time, female trends

Female part time/full time earnings as a percentage of male full time earnings (2010)
Variations in the precarious work challenges of part-time and variable hours contracts in six European countries

• In Germany and the UK part-time work is mainly voluntary, linked to the gender regime, but low paid, with poor progression and with risks of exclusion from benefits and employment rights.

• In Denmark and Slovenia part-time work is mainly voluntary for young people - women may work part-time (only for short period in Slovenia - more variation in Denmark) but women normally retain full-time insurance (mandatory in Slovenia/ easy choice in Denmark). Part-time for adults more integrated than in UK and Germany.

• In Spain and France very high shares of involuntary part-time workers despite strong efforts to normalise part-time in France (minimum hours, rights over scheduling and shift length etc). In Spain most part-time work is temporary, low paid and mainly private rather than public sector.
Case study Mini-jobs in Germany (I)

Strong growth of Mini-jobs after 2003 (+1.7 Mil to 7.3 Mil)
Mini-jobs particular form of marginal part-time (first+second job)
  – Maximum monthly salary 450 €
  – Exemption from social security contributions and income tax
  – Flat rate charge for employers of 30% on top of 450 €
  – Equal treatment
Mini-jobs more expensive than socially insured part-time with employers’ contributions of around 20%
....... but only if equal treatment is enforced
In practice: often lower hourly wages and non compliance with labour laws and collective agreements
Reasons why mini-jobbers do not receive sick pay,

<table>
<thead>
<tr>
<th>Reason</th>
<th>Share of ‘Applies’ in % (95%-CI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company cannot afford it financially</td>
<td>17.2 (9.5-29.1)</td>
</tr>
<tr>
<td>Marginal part-timers are only employed temporarily in the company</td>
<td>73.7 (60.5-83.7)</td>
</tr>
<tr>
<td>Marginal part-timers are employed in the company for less than 4 weeks</td>
<td>16.8 (9.0-29.3)</td>
</tr>
<tr>
<td>They work only a small number of hours per week</td>
<td>76.3 (63.3-85.7)</td>
</tr>
<tr>
<td>Marginal part-timers basically do not have any entitlement to sick pay</td>
<td>41.3 (28.9-55.0)</td>
</tr>
<tr>
<td>Other reason</td>
<td>11.0 (5.8-19.8)</td>
</tr>
</tbody>
</table>

Source: IAB
Case study Mini-jobs in Germany (II)

- Low wage earners: Mini-jobs 79% - insured PT’s 25% (2012)
- Mostly no paid holidays, paid sick leave, employment protection
- Justified with special status – no awareness of equal treatment obligation or pretended unawareness

Social Dialogue

- Most mini-jobs in industries with low union density – successful organisation campaign only in cleaning
- Local projects to convert mini-jobs in insured pt-jobs – partly successful
- Reduction of mini-jobs (- 100 000) after introduction of MW - reasons: high wage increases/ more controls / less wt- flexibility
- But only temporary success (2017 increase to 7,4 Million again)
- No consensus between social partners for abolition of mini-jobs which restrict especially the female labour supply
Cases studies Retail, FR and SI

• Retail sector, namely here big retail companies: high share of part time, female part time, unsocial hours

• Different trends : in France, flexibility through part time since a long time ; in Slovenia, in past full time model with long hours, intensification of work and a new model of part time flexibility introduced by international firms
Main Gaps

Slovenia
- Low wages
- Intensification and bad working conditions/ health and safety, stress
- High level of non compliance with CAs and law
- De-professionalisation
- Risks on social security and pensions

France
- Low monthly wages
- Unsocial hours and breaks in the working day
- Problems in work life balance (single parents)
- Risks on unemployment benefits and pension levels
Social dialogue

Slovenia : new forms of dialogue ?
• Unions national conference on working time
• Joint actions with employers on training, health and safety
• Unions supporting members (loans guarantees)
• Attempts to organize specific groups (with Youth T.U)
• However highly political and employers’ fight for flexibility and always low level of compliance with law and CAs

France : classical dialogue
• Difficulties for Unions to bargain on wages when SMIC is minimum and maximum
• Led to the decision to focus on setting minimum hours threshold of 24 hrs (law) /26 (CA in retail) in firm, sector and national level, and requiring no or shorter breaks in the day. Positive effects on monthly/yearly wages and on social benefits entitlements.
• However individual opt out clauses, and franchised firms outside of the CA.
• Tensions between longer hours and hard working conditions, and over internal flexibility/ flexible deployment by task
• Problem of compliance in small firms
Cases studies: care services UK and FR

- Low paid sector, women employees working part time
- Public procurement, outsourcing (private for profit, UK, partly not for profit, FR), various forms of contract (namely UK spot contracting)
- Tensions between costs and quality
- Low trade union membership and collective bargaining coverage in (UK), also low trade union membership in FR but as usual, 100% CA coverage (State compulsory extension)
Main gaps

UK
• Low hourly wages, under living wage
• Unpaid travel time
• Hard working conditions
• Low access to training, poor career perspective
• Often zero hours contracts
• Evasion of Tupe law

FR
• Low and unstable monthly income
• Unpaid travel time
• Like UK hard working conditions, stress and burnout
Social dialogue

UK
• Union (UNISON) national campaign, a charter for decent work (travel time, no zero hours, living wage)
• In a local authority, same unions lobbying with politician => redesign of the contracts (multipartite commission), higher fees allowing higher wages (including travel time), no zero hours, quality criteria
• However, difficulties and inequalities within the providers. Higher fees does not always imply better wages
• Weak and still in process monitoring

FR
• A bipartite regional commission (unions and employers), then a wider dialogue with the regional authority (which is not the commissioner !) and other institutions
• Training to secure career paths (moving from home care to residential and nursing homes), increase of the working time, risk prevention workshops, training for job-seekers
• Problems of compliance and difficulties to monitor and evaluate
• Job too hard for full time => individuals opt out to come back part-time
• Highly dependant on the political context (regional political change => end of the project)
Conclusions

• Part-time penalties lowest in countries with high trade union density and where part-time is integrated with full-time work (reduced hours of work not a separate type of work)
• Need inclusive agreements by social partners – but limited scope because of low trade union density of part-timers and in industries with high shares of part-timers
• Need a better control of opt-out clauses (individuals and/or employers) and of problems of enforcement in some industries (namely services)
• Therefore need support through inclusive legislation and stronger enforcement.
  – Minimum working hours
  – Minimum period of notice for changing the schedule
  – Right to work part-time and return to full-time
  – Right to work part-time at point of hiring
  – Make part-time to a normal phase in work life for example through flexible parental leaves
  – Minimum social protection benefits