Working Time and Workers’ Preferences in Industrialized Countries: Finding the Balance

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International Labour Office
Overview of the Presentation

• Background: Why consider workers’ needs and preferences?
• Overview of the report
• Some evidence from the report
• Implications for policy: The Five Dimensions of ‘Decent Working Time’
• Conclusion
Background
Why consider workers’ needs and preferences?

• New patterns in consumer demand in an emerging ’24-hour economy’
• Advances in information and communications technologies (ICTs)
• Increasingly diverse workforce, esp. with increased female participation
• Result: Diversification, decentralization, and individualization of working hours
Overview of the Report

• Focus of the report: working time ‘gaps’ as a ‘social phenomenon’

• Objectives of the report:
  – To determine what WT ‘gaps’ exist, and
  – To see what types of policy measures would help reduce gaps and expand the range of feasible options
Overview of the Report

• Study’s approach—Look at workers’ needs and preferences regarding working time
• Compare workers’ needs and preferences with their actual hours of work
• Thus, identify ‘gaps’ between workers’ current hours and their preferred hours
• Also consider other measures of WT ‘gaps’
  – e.g., excessive hours and involuntary part-time
Overview of the Report

• Report considers working time from five different perspectives:
  – Legal and regulatory framework
  – Actual working hours at national level
  – Working time patterns from the perspective of families (households)
  – Gender differentials in working time
  – Working time practices in enterprises

• Each chapter is comparative, focusing on EU-15, Australia, Japan, and the US
Some Evidence from the Report

• Gaps in the number (volume) of hours
  – Based on worker’s preferences
  – Based on other measures of working hour ‘surpluses’ and ‘deficits’

• Gaps in work schedules (timing)

• Household differences

• Gender differences
Annual Working Hours in Industrialized Countries

SOURCE: OECD Labour Market Statistics
‘Gaps’ in Working Hour Preferences
EU Member States (Old EU-15)

% of Workers in Time Band

SOURCE: European Options Survey, 1998
‘Gaps’ in Working Hour Preferences
United States

![Bar chart showing Working Hour Surplus and Deficit for Jacobs & Gerson (2000) and Heldrich Center (1999).]
‘Gaps’ in Working Hour Preferences
Japan

% of Workers

Working Hour Surpluses

Excessive Hours of Work (49+) in Selected Industrialized Countries

% of total employees

- Netherlands
- Sweden
- France
- Spain
- Greece
- Germany
- UK
- US
- Australia
- Japan

1987
2000
Working Hour Deficits

Involuntary Part-time Work in Selected Industrialized Countries

% of total part-time employees

Netherlands, US, UK, Germany, Italy, France, Spain, Greece, Portugal

2000
Preference ‘Gaps’ in Work Schedules

• Work schedules perceived to be least compatible with personal commitments:
  - Regular long days or weekends
  - Some weekends plus long days
  - Evening and night work
  - Rotating shifts
  - Variable starting and finishing times
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Household Differences
Average Weekly Working Time of Couples (employees)
### Gender Differences

**% Distribution of Usual Weekly Hours by Occupation, Males, Old EU-15**

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<thead>
<tr>
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<th>Under 35 Hours</th>
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## Gender Differences

### % Distribution of Usual Weekly Hours by Occupation, Females, Old EU-15

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Gender Differences
Working Time Preferences

• Employed men are more likely to be ‘overemployed’ and want to reduce hours

• Employed women are more likely to be ‘underemployed’ and want to increase hours

• Overall, men are more likely than women to prefer to adjust their working hours
Overall Findings
Working Time ‘Gaps’

General Conclusions of the report regarding working time gaps are:

• Workers’ preferences to adjust their hours are closely related to their current hours of work.

• Overall tendencies are:
  – To prefer to *exit the extremes*—either very long or very short hours.
  – To prefer to *move to the middle ground* of either ‘substantial’ part-time or short full-time hours.
Implications for Policy
The Five Dimensions of ‘Decent Working Time’

• ILO’s Overall goal: *Decent work for all*
  - Promote opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security, and human dignity

• How can the goal of *decent work* be advanced in the area of *working time*?
Implications for Policy
The Five Dimensions of ‘Decent Working Time’

• These five dimensions are:

  ✓ Healthy working time
  ✓ ‘Family-friendly’ working time
  ✓ Gender equality through working time
  ✓ Productive working time
  ✓ Choice and influence regarding working time
Implications for Policy
Healthy working time

• Working time should be structured in ways that promote health and safety
• *Underlying principle:* unhealthy working time should not be used as a tool to improve company profitability
• A traditional concern, but remains essential today
Implications for Policy
Healthy working time

• Policies that are needed include:
  – Legal limitations on excessively long hours of work (49+)—ILO Hours of Work Conventions 1 & 30
  – Legal provisions to ensure a minimum amount of daily/weekly rest—ILO Weekly Rest Conventions
  – Protective provisions for night workers in law and enterprise policies—ILO Night Work Convention
  – Enterprise policies to properly structure shift work
  – Establishment of an adequate minimum wage
  – New approaches for managers/professionals
Implications for Policy
‘Family-friendly’ working time

• Working time should be structured to allow workers to balance work & family
  – ILO Workers with Family Responsibilities Convention 156

• Workers needs differ depending on the size/ composition of the household
  – e.g., the presence and age of children
Implications for Policy
‘Family-friendly’ working time

• Policies that are needed include:
  – Promoting collective reductions in full-time hours OR right to reduce working time for family reasons
  – Legal provisions to ensure proper compensation for overtime
  – National policies to promote working time arrangements that help workers balance work and family (e.g., shorter hours, flexi-time)
  – Enterprise policies to change workplace cultures that discourage use of these arrangements
Implications for Policy
Gender equality through working time

• Broad principle: Equality of opportunity and treatment between men and women in the world of work — elimination of discrimination

• Two important implications for working time policies:
  - Policies structured to advance gender equality
  - Policies designed to advance other objectives shouldn’t have negative impact on gender equality
Implications for Policy
Gender equality through working time

• A ‘portfolio’ of policies is needed, including:
  – Legal limitations on excessively long hours of work
  – National measures to promote equal treatment of part-time and full-time workers—in line with ILO Part-Time Work Convention 175
  – Measures to broaden the availability of part-time work and promote ‘substantial’ part-time hours
  – Policies to promote transitions between full-time and part-time work for both men and women
  – Measures to involve men in care work (e.g., leave)
Implications for Policy
Productive working time

• Enterprise policies that promote ‘work-life balance’ can enhance enterprises’ competitiveness (if properly structured)

• Potential business benefits include:
  – Increased productivity
  – Improvements in employee morale
  – Reduced absenteeism
  – Reduced staff turnover
Implications for Policy
Productive working time

• Enterprise policies that are needed include:
  – Reductions in excessively long hours of work (this can increase hourly productivity)
  – Measures that enable men and women to balance work and family (see above)
  – Policies to introduce flexi-time or ‘time banking’
  – All measures should be introduced:
    • in combination with appropriate changes in work organization and production methods
    • in consultation with workers/representatives
Implications for Policy
Choice and influence regarding working time

• Principle: Working time should be structured in ways that allow workers to realize their working time needs and preferences
  – To realize this principle, workers need to be able to choose or at least influence both the length and arrangement of their working hours

• Worker influence over working time is both collective (framework) and individual
Implications for Policy
Choice and influence regarding working time

• Policies needed are of two types:
  – Policies to increase the range of available working time options
  – Policies that allow workers to directly influence the length and arrangement of working hours

• Specific policy measures could include:
  – A legal ‘right to refuse’ to work on a particular day or even a ‘right to influence’ working hours
  – Enterprise measures such as flexi-time and time banking schemes (see above)
Conclusion

• There are substantial ‘gaps’ between workers’ actual and preferred hours of work

• This report proposes policies to both close these gaps and expand the range of feasible options

• ‘Finding the balance’ between workers’ needs and preferences and enterprises’ requirements = ‘Decent working time’