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## Work-Life Balance and Flexible Working Arrangements in the European Union

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#### Work-Life Balance and Flexible Working Arrangements in the European Union

#### Abstract

[Excerpt] The reconciliation of work and life responsibilities has become an increasingly relevant policy topic in recent decades. It has an implicit societal value linked to gender equality and quality of life. It also has an economic dimension, with poor work–life balance clearly hampering participation in the labour market, the latter having been defined as a key objective of the European growth strategy. The female employment rate (20-64 years) is lower than that of men across the European Union (65.3% versus 76.9% in 2016), the gap between men's and women's employment rates ranging from 27.6 percentage points in Malta and 20.1 percentage points in Italy at one end to Lithuania and Latvia at the other (where the difference lies at only 1.9 and 2.9 percentage points respectively). The overall cost of this gender employment gap is estimated by Eurofound to represent 2.8% of GDP (Eurofound, 2016b).

Work-life balance covers several aspects of social life and the range of relevant policy fields is exceptionally broad. It includes taxation, not least as regards second family members and various social services, particularly those related to childcare and long-term care. The proposals in the *Initiative to support work-life balance for working parents and carers*, set out in the Commission Communication of April 2017, were mainly concerned with the relationship between work and care and outlined legislative and non-legislative measures for parents, fathers and carers (European Commission, 2017). It also had proposals to enhance opportunities for flexible work arrangements and this is the focus of the present note.

While flexible working arrangements do not involve any direct additional cost to public budgets in Member States, it may be that if successfully implemented throughout workplaces in the EU they could be a very effective stimulus to work–life balance. While shorter working time and more flexible working arrangements may, in some cases, entail costs for companies, they can also have positive effects on productivity. There are many actors who can actively contribute to achieving more flexible working arrangements. The potential role of the social partners is obvious. But even employers and employees on the ground in the millions of workplaces throughout Europe should be encouraged to examine practical solutions to enhance work–life balance that would suit the specificities of their particular workplace.

Care is a highly gendered issue in terms of care for both children and dependent relatives. Data from the European Working Conditions Survey 2015 (EWCS) show that in every Member State women still have the main caring responsibility (Eurofound, 2016c). They also reveal that the involvement of men in care varies quite considerably across Member States.

#### **Keywords**

European Union, work-life balance, flexible working arrangements

#### Comments

#### **Suggested Citation**

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# Work-life balance and flexible working arrangements in the European Union

A contribution by Eurofound to the Informal Employment and Social Affairs Council (EPSCO) under the Estonian Presidency of the Council of the EU Tallinn, 19–20 July 2017

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#### Introduction

The reconciliation of work and life responsibilities has become an increasingly relevant policy topic in recent decades. It has an implicit societal value linked to gender equality and quality of life. It also has an economic dimension, with poor work–life balance clearly hampering participation in the labour market, the latter having been defined as a key objective of the European growth strategy. The female employment rate (20-64 years) is lower than that of men across the European Union (65.3% versus 76.9% in 2016), the gap between men's and women's employment rates ranging from 27.6 percentage points in Malta and 20.1 percentage points in Italy at one end to Lithuania and Latvia at the other (where the difference lies at only 1.9 and 2.9 percentage points respectively). The overall cost of this gender employment gap is estimated by Eurofound to represent 2.8% of GDP (Eurofound, 2016b).

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While flexible working arrangements do not involve any direct additional cost to public budgets in Member States, it may be that if successfully implemented throughout workplaces in the EU they could be a very effective stimulus to work—life balance. While shorter working time and more flexible working arrangements may, in some cases, entail costs for companies, they can also have positive effects on productivity. There are many actors who can actively contribute to achieving more flexible working arrangements. The potential role of the social partners is obvious. But even employers and employees on the ground in the millions of workplaces throughout Europe should be encouraged to examine practical solutions to enhance work—life balance that would suit the specificities of their particular workplace.

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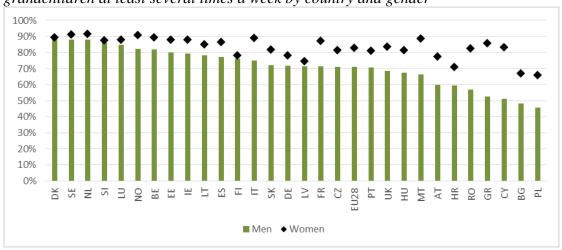


Figure 1: Couples with children: Rate of working parents caring for children or grandchildren at least several times a week by country and gender

**Source:** Eurofound, Sixth European Working Conditions Survey 2015

Data from the 2016 European Quality of Life Survey (EQLS) (forthcoming) cover all people aged 18 and over, and show somewhat higher proportions of men and women caring for their children: 88% of women and 64% of men report providing care every day.

Reconciliation of work and care is an issue that extends over the whole course of working life, involving both the care of children and of people with health or disability problems. Table 1 shows how care responsibilities are associated with age and sex. The gender care gap is wider for childcare at younger ages and for care to people with disabilities at older ages. It is striking that 28% of women (compared to 17% of men) aged 50–64 report providing care at least once a week to a disabled family member or friend – and this proportion is still 27% among women of this age who are in paid work.

Table 1: Proportion of men and women in different age groups providing care (at least once a week)

		Care to children or grandchildren		Care to disabled family or friends	
		Male	Female	Male	Female
Age	18-24	6%	14%	12%	12%
	25-34	30%	52%	13%	15%
	35-48	55%	60%	15%	19%
	50-64	28%	30%	17%	28%
All	18-64	35%	44%	15%	21%

**Source:** Eurofound, European Quality of Life Survey 2016

Perhaps not surprisingly considering this life-course perspective, a higher proportion of working women report more difficulties specifically in reconciling work and care – 39% of women compared with 33% of men – than in response to a more general question about how working hours fit with family and social commitments (21% of women and 22% of men in EQLS 2016 state 'not well'). The proportion of people finding it 'very difficult' to reconcile work and care was highest in Cyprus, Czech Republic, Greece and Romania; the proportions reporting that reconciliation was 'very easy' were highest in Austria, Ireland, Netherlands and the UK.

#### Working time

Between 2005 and 2015, average usual weekly working hours declined by 0.8 hours for men and 0.1 hours for women, according to the European Labour Force Survey. But still in 2015, the weekly usual working hours for male employees (39.1) were almost six hours longer than for their female counterparts. The increase in part-time work is perhaps the most consistent trend in European labour markets in recent decades. Part-time work as a percentage of total employment increased in the EU28 from 17.7% to 20.5% between 2005 and 2015. The corresponding figures for women were from 31% to 33% and for men from 7% to 10% (Eurofound, 2016c).

Just as participation rates for men and women start to diverge after childbirth, differences in working time between the sexes is largely related to care responsibilities for children up to the age of 12 (see Figure 2). Not only does the working time of women decline but the working time of men even increases slightly. Working time profiles of employees differ significantly across the EU. Compared to cohabiting women without children, cohabiting women with pre-school children work 10 hours and five hours less per week, respectively, in the Anglo-Saxon and Continental countries. It should also be observed that except in the case of the Central-Eastern and Northern country clusters, the gender gap in working time widens during this life stage.

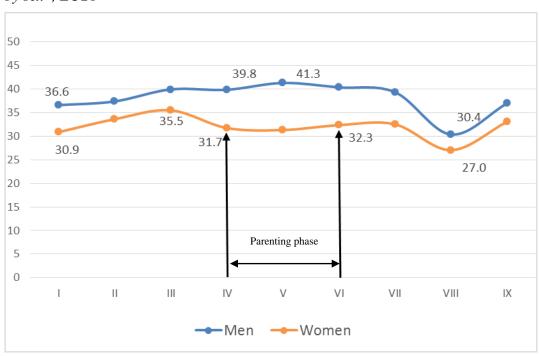


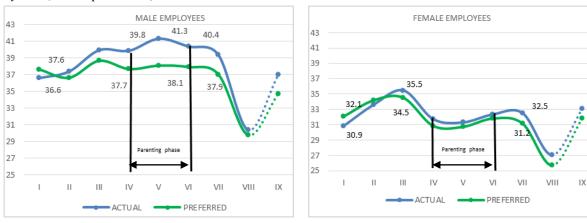
Figure 2: Average weekly working time across the life course among employees by sex\*, EU28

**Source:** Eurofound, European Working Conditions Survey 2015.

**Notes:** \* I Single persons (18-35 years), living with their parents or relatives; II Single persons (under 46 years), without children; III Younger cohabiting couples (woman under 46 years), without children; IV Cohabiting couples with youngest children under 7 year; V Cohabiting couple with young children between 7-12 years; VI Cohabiting couple with teenage children between 13-18 years; VII Midlife 'empty nest' couples without resident children; VIII Older cohabiting couples without resident children; IX Single persons (aged 50 years or older), without resident children.

However, Figure 3 shows that actual working time differs in some cases significantly from the expressed preferences. Indeed, the biggest gap between actual and preferred working time is for men precisely during the period when their working time peaks and where their potential childcare responsibilities are the greatest.

Figure 3: Actual and preferred weekly working time across the life course among employees, by sex (hours per week), EU28



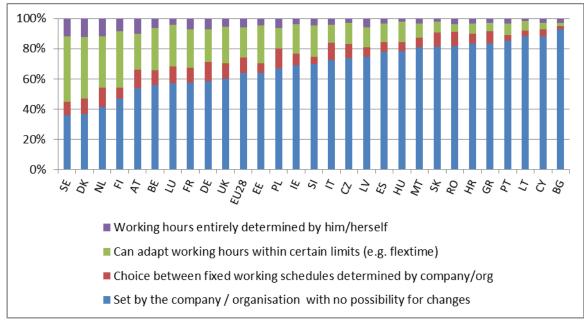
Source: Eurofound, Sixth European Working Conditions Survey 2015.

It is thus very striking that men express a wish for shorter working time at the phase of life when for both men and women work—life balance is most challenging: that is, when they are caring for young children. The much smaller gap between actual and preferred working time for women during the parenting phase (see right graph in Figure 3) is likely to be linked to the fact that women have reduced working time in order to balance work and care requirements. There are many reasons for the divergence of actual and preferred behaviour. It may be due to social pressure at the workplace or the gender wage gap, but certainly there is obvious potential here to facilitate a reduction of working time, not least for men.

#### Working time autonomy

It is not just the length of working time but also its organisation and scheduling which impact upon the worker's work–life balance.

Figure 4: Working time setting for employees, by country 2015



**Source:** Eurofound, European Working Conditions Survey 2015.

Figure 4 shows that most employees, around 60% in the EU28, have rather rigid working schedules. However, 30% have some flexibility in the determination of their working hours and others report that

they have a choice between fixed schedules determined by the organisation they work for. Figure 4 also shows considerable diversity among Member States. Employees in the Nordic countries, the Netherlands and Austria stand out in terms of their options to flexibly organise their working time.

Analysis of the European Working Conditions Survey indicates a strong link between the possibility to take some time off from work at short notice and the perceived fit of working hours with care and other commitments (see Table 2). Nine out of ten employees who state that it is very easy to take time off work say that works fits 'very well' (48%) or 'well' (42%) with other responsibilities. On the other hand, when it is very difficult to take some time off, more than one third of all employees describe the fit between work and family life as 'not good' (25%) or 'not at all good' (10%) (Eurofound, 2016c).

Table 2: Possibility to take time off at short notice by the fit between working hours and family or social commitments outside work

		Taking off time on short notice is			
		Very easy	Fairly easy	Fairly difficult	Very difficult
Fit between	Very well	48%	26%	17%	20%
working hours and family or	Well	42%	62%	56%	45%
social commitments	Not very well	8%	10%	24%	25%
	Not at all well	2%	2%	4%	10%

**Source:** Eurofound, European Working Conditions Survey 2015.

This result holds for both men and women. Only women working part time seem to be less dependent on this type of flexibility.

#### Place of work

While the right to request both shorter and more flexible working arrangements is part of the existing Parental Leave Directive (Council Directive 2010/18/EU of 8 March 2010), the proposed right to flexibility as regards place of work is a new opportunity to promote work—life balance. Research by Eurofound (jointly undertaken with the ILO) examined the impact of telework/ICT-mobile work (T/ICTM) at various locations (home, office or another location) on work—life balance (Eurofound, 2017). The following groups were identified: regular home-based teleworkers; occasional T/ICTM workers, with mid-to-low mobility and frequency of work outside the employer's premises; and high mobile T/ICTM, with high frequency of working in various places, including working from home.

Across the EU28, an average of about 17% of employees is engaged in T/ICTM. In most countries, most workers do T/ICTM occasionally rather than on a regular basis. T/ICTM is more common among professionals and managers, but is also significant among clerical support and sales workers. In general, men are more likely to perform T/ICTM than women. However, women carry out more regular home-based telework than men. This suggests that country-specific gender roles and models of work and family life all play a role in shaping T/ICTM. Figure 5 shows the wide diversity of the locations where work is carried out across the EU28.

25
20
15
10
Source: FWCS 2015

Figure 5: Percentage of employees doing T/ICTM, by category and country, EU28

Figure 6 shows, as expected, that working time autonomy is enhanced appreciably when the employee is not always based at the employer's premises. It also shows that in the three other scenarios – regular home-based telework, high and occasional T/ICTM – the increase in autonomy is greater for men than for women.

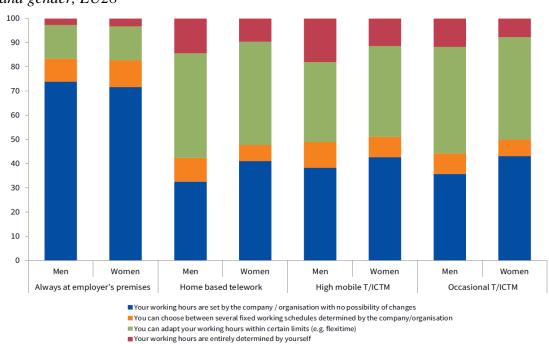
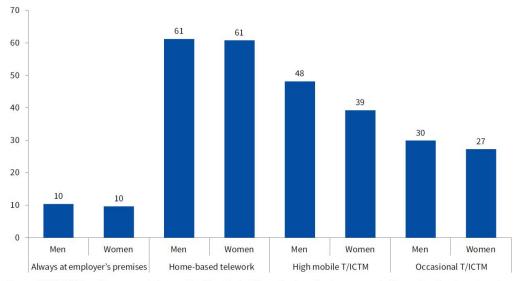


Figure 6: Percentage of employees with working time autonomy by type of T/ICTM and gender, EU28

Source: EWCS 2015.

Although the results reported above may indicate that T/ICTM can help facilitate a better work—life balance for workers, it seems that a significant part of this work arrangement also results in an undesirable side effect – that is, it leads to working beyond normal/contractual working hours, often unpaid (see Figure 7).

Figure 7: Employees reporting working in their free time to meet work demands daily and several times a week by type of T/ICTM and gender, EU28 (%)



Source: EWCS 2015, based on answers to the question: 'Over the last 12 months, how often have you worked in your free time to meet work demands (at least several times a month)?'

Thus the positive results of autonomy reported in Figure 6 need to be tempered by the tendency to work longer when outside the employer's premises. The impact on work–life balance, while positive, is perhaps less so than might initially have been expected.

Figure 8 shows how various forms of flexibility as regards location impact on the fit with family or social commitments. It seems that the higher working-time autonomy of employees doing T/ICTM can only contribute to improved work—life balance for regular home-based teleworkers and those working only occasionally outside the employer's premises; it does not seem to have any effect for those doing high-mobile T/ICTM or T/ICTM with high intensity. There are also important differences in these effects according to gender: Women tend to work shorter hours in T/ICTM — and seem to get slightly better work—life balance outcomes than men. In fact, women are more likely to use regular home-based telework (rather than working in other places outside the office), and in most contexts appear to do so mainly to balance work and family-related tasks. In this context, it is worth noting that managers generally have different motives for T/ICTM and are more likely to encounter difficulties regarding work—life balance.

ICT-based mobile work was one of several new forms of employment identified in Eurofound (2015). Several of these new forms may provide some improvement of work-life balance, for example, both job and employee sharing. However, of most emerging interest in this context is work via digital platforms. There is some evidence that they do allow carers to make some income on the labour market.

Women Always at employer's premises Regular home-based telework High mobile T/ICTM Occasional T/ICTM ■ Verv well ■ Well

Figure 8: Percentage of employees reporting that their working hours fit 'well' or 'very well' with family or social commitments by type of T/ICTM and sex, EU28

Source: EWCS 2015, based on answers to the question: 'How do your working hours fit in with your family or social commitments outside work?'

#### Work-life balance clauses in collective agreements

As stated at the outset, a wide range of actors can contribute to more flexible working arrangements. Above and beyond legislative measures, collective bargaining also plays an important role as a regulatory instrument, including at the company level. Clauses on work–life balance issues in collective agreements are more prevalent in countries where collective bargaining coverage is relatively high (80% and higher) and – generally speaking – less prevalent or non-existent in countries with lower collective bargaining coverage. Also, regulation at EU and national level, can promote self-regulation by social partners, for example through the establishment of default frameworks that can then be adjusted by collective agreement.

*Table 3: Prevalence of work–life balance topics in collective agreements* 

Degree of prevalence	Countries*		
(Relatively) widespread	BE, DK, FI, FR, IT, NL, NO, SE, SI		
Existing in several (sectoral) agreements	AT, DE, MT (only public sector)		
Existing, but prevalence limited	<i>CZ, EL</i> , <b>ES</b> , <u>HU</u> , <u>LV</u> , <i>PT</i> , <u>RO</u> , <u>SK</u> , <u>UK</u>		
Existing, but prevalence unknown	BG, EE		
No clauses	$CY, HR, \underline{LT}, LU, \underline{PL}$		
No information	<u>IE</u>		

**Source:** Based on input provided by Eurofound's Network of European Correspondents.

**Notes:** \* Countries in **bold**: high collective bargaining coverage (80% and higher); countries in italics: medium collective bargaining coverage (40-70%); countries <u>underlined</u>: low collective bargaining coverage (10-35%).

The interplay between collective agreements and legislation must be considered. In some countries, such as Luxemburg or Portugal, legislation plays a much more important role or is more wide-ranging,

so there is less need or room to fill gaps. In other countries, like Denmark, Italy, France or Sweden, collective agreements traditionally complement legislation in the area.

The most commonly reported types of clauses provided for in collective agreements are those regarding the entitlement for different types of leaves and additional paid days off for family or other reasons. In some countries, this includes provision for eldercare. Also common are clauses regarding flexibility of working time and the place of work. In some countries, this includes clauses that protect workers with care responsibilities from working unsocial hours and from being posted. Other measures that are regulated through collective agreements in some of the Member States include wage top-ups during leaves, arrangements for job re-entry after periods of absence, and the recognition of leave periods for career progression.

#### **Concluding remarks**

- Better work—life balance has an implicit societal value that is linked to gender equality and quality of life. It also has an economic dimension, with poor work—life balance hampering participation in the labour market. It has been proven that more attractive working arrangements have the potential to boost labour supply for those who find it difficult to reconcile rigid working arrangements with their family commitments.
- The findings show that the countries with high female employment rates also tend to be those where reconciliation is generally reported to be 'very easy' by workers.
- Working arrangements in terms of duration, scheduling and location play a significant role in
  achieving work—life balance. While they do not involve a direct fiscal burden for the Member
  State, they do require efforts from a broad range of actors to be effectively implemented.
  Nevertheless, it may well be the case that concerted efforts in this field can be at least as effective
  as social insurance proposals and could be complementary to them. While in some cases flexible
  working arrangements may imply costs for companies, they may also enhance productivity.
- Women still take on the main caring responsibilities over the life course and more frequently work part time than men. The findings show, however, that many men would prefer to have more time to care for dependent relatives and that fathers with young children want to reduce their working hours. While traditionally much of the focus on both gender equality and work—life balance has been on women, a bigger focus on men has the potential to address their preferences and contribute to rebalancing the situation.
- Social dialogue can play a relevant role. Clauses on work—life balance in collective agreements are more prevalent in countries with high collective bargaining coverage. There are, at this level, significant opportunities to promote flexible working arrangements (duration, scheduling, location, leave). Regulation, at EU and/or national level, can encourage self-regulation by social partners, for example through default frameworks that could be adjusted by collective agreement.

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EF/17/41