

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

Jill Rubery, Gerhard Bosch, Philippe  
Méhaut

**ILO 5th RDW Conference**

**Geneva July 3-5, 2017**

# 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

<b>Employment rights gaps</b>	<b>Risks</b>	<b>Mitigation of risks and country examples</b>
<b>Legal minimum wages, collective bargained wages</b>	Exclusion from coverage	<i>Extend coverage</i>
<b>Overtime pay</b>	No premium until > FT hours	<i>Premium below FT threshold</i>
<b>Holiday pay, sick pay etc.</b>	Contractual not actual hours determine pay	<i>Establish high minimum hours</i>
<b>Employment protection and security</b>	Exclusion from protection/concentration on insecure contracts	<i>Right to work reduced hours within full-time permanent jobs</i> <i>Rights to minimum guaranteed hours</i>
<b>Minimum hours and shift periods</b>	No minimum contractual hours/ no maximum unpaid breaks/ No minimum shift periods	<i>Minimum hours or shift periods set legally or through CAs</i>
<b>Volume of hours</b>	Insufficient hours Too many hours	<i>Mechanisms to increase contractual hours/ reduce pressure to accept employer determined hours</i>
<b>Scheduling of hours</b>	Irregular/ inconvenient hours/requirement to be available /No notice of scheduling	<i>Legal or CA restrictions on change to schedules</i> <i>Restrictions on availability clauses</i>
<b>Rights to reduce hours/ return to full-time</b>	No or restricted rights to reduce hours/No right to transfer rights to another employer or return to FT	<i>Rights to reduce hour/ Rights to return to FT/Protection of right to request</i> <i>Preferential treatment of PT</i>
<b>Integration with full-time staff</b>	No or limited access to training/ job security/progression	<i>Training for PT/Reduced hours working/ rights to return to full-time</i>

Social protection gaps	Risks	Mitigation of risks and country examples
<b>Unemployment benefit</b>	Failure to meet hours or earnings thresholds for inclusion No minimum benefit-	<i>Minimum benefits for PT = to minimum for FT</i> <i>Option to be voluntary insured</i> <i>Option to be insured as FT</i>
<b>Maternity benefit</b>	Failure to meet eligibility criteria	<i>No or low earnings threshold</i>
<b>Pensions</b>	Failure to meet hours or earnings thresholds for inclusion No minimum benefit- Risk of non coverage by 2 <sup>nd</sup> tier	<i>Citizens' pension</i> <i>Minimum full pension/High replacement rate for low paid</i> <i>Insurance as FT</i> <i>High or medium care credits</i> <i>Compulsory 2<sup>nd</sup> tier</i>
<b>Representation gaps</b>		
<b>Representation and participation</b>	Less likely to be in trade unions or covered by CAs/excluded from active participation TUs/CAs may restrict PT contracts/ not seek to organise or represent some types of PTs	<i>Extend coverage</i> <i>Public sector coverage</i> <i>Include in works councils</i>
<b>Enforcement gaps</b>		
<b>Enforcement and awareness gaps</b>	Lack of awareness of rights especially for short hours or on demand workers. Low paid less able to access legal rights	<i>Enforcement through CAs</i>

## 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 (& 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

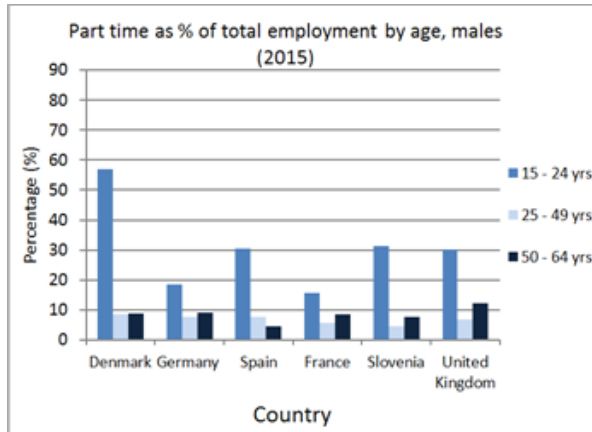


Figure 10.4. Part-time as share of total employment by age, females

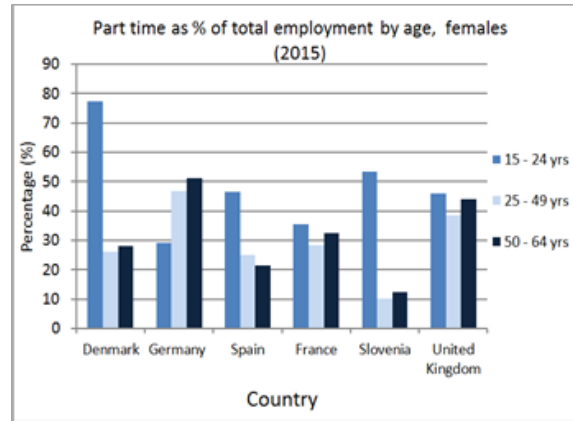


Figure 10.5 Concentration of part-time by age group males (2015)

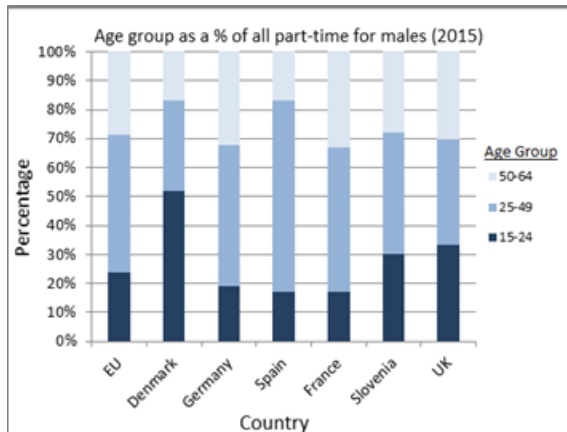
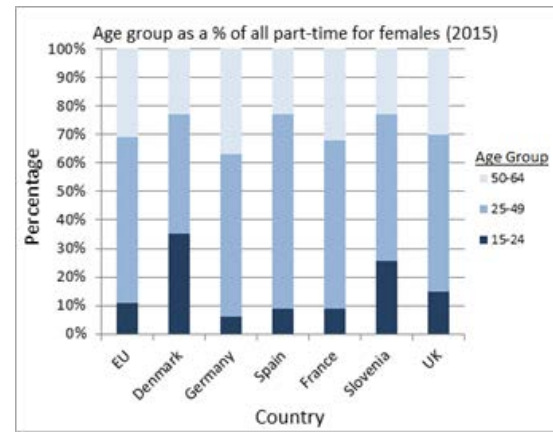


Figure 10.6. Concentration of part-time by age group females (2015)



*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)*

	Total Employment Rate (%)			% Working Part-Time		
	No Children	2 Children	At Least 1 Child Under 6	No Children	2 Children	At Least 1 Child Under 6
EU28	77.6	71.0	63.6	19.9	38.8	38.8
Denmark	77.5	86.2	79.9	26.9	23.8	24.8
Germany	85.9	74.0	63.9	25.6	73.9	66.8
Spain	69.2	62.8	61.6	20.9	28.8	28.7
France	79.4	77.8	65.5	18.5	34.1	35.8
Slovenia	74.9	84.3	79.4	10.7	10.2	14.7
UK	85.1	73.8	64.8	16.0	58.0	55.3

Figure 10.10. Reasons for working part-time as a share of all reasons. Females, 2015

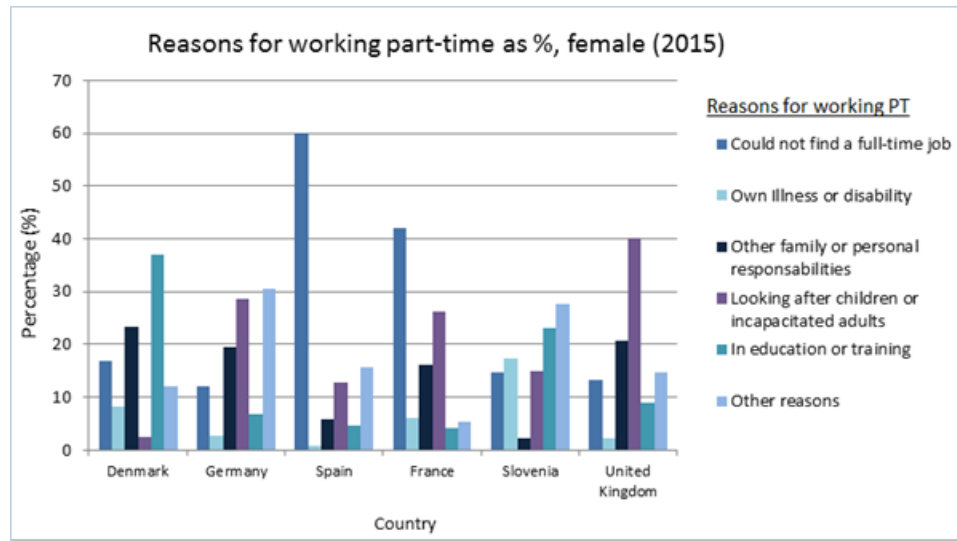


Figure 10.11. Reasons for working part-time as a share of all reasons. Males, 2015

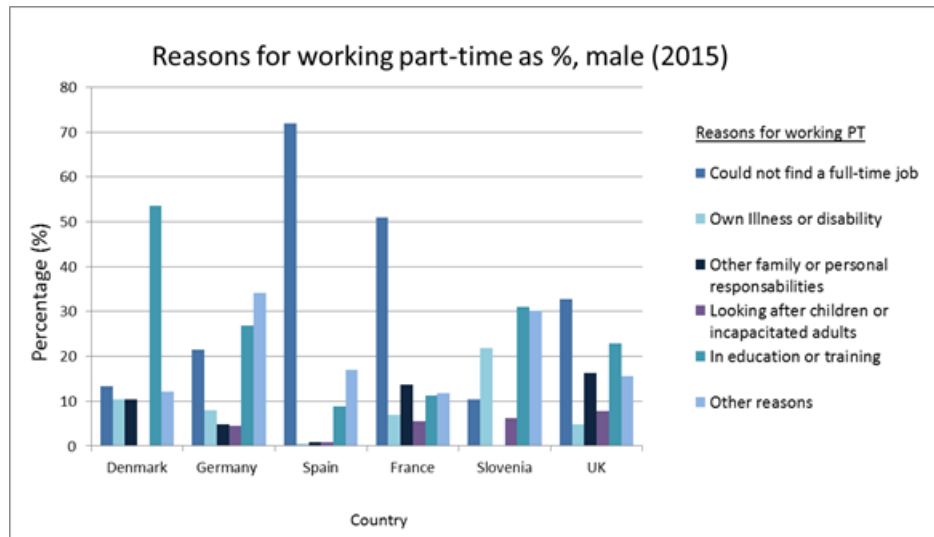




Figure 10.12 Involuntary part-time as % of all part-time, male trends

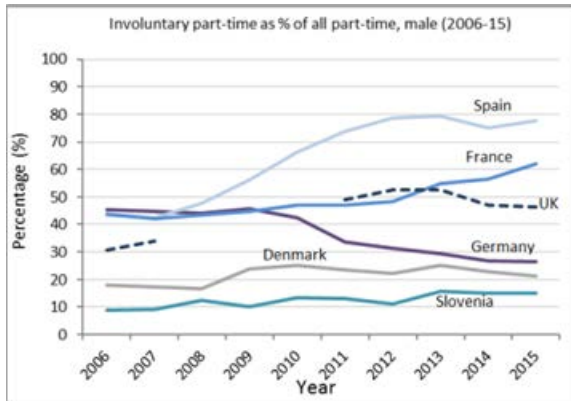
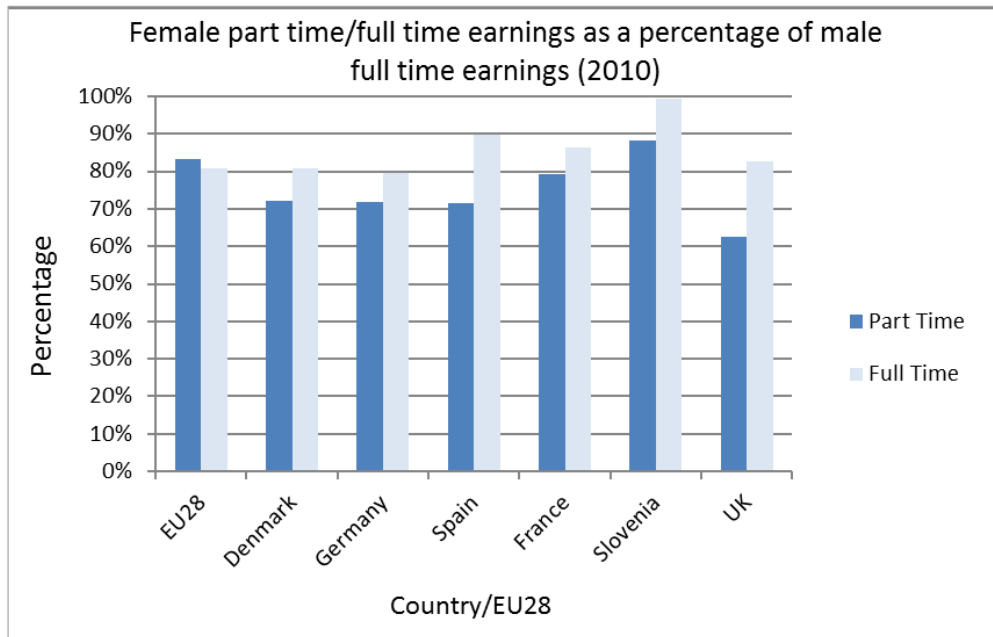
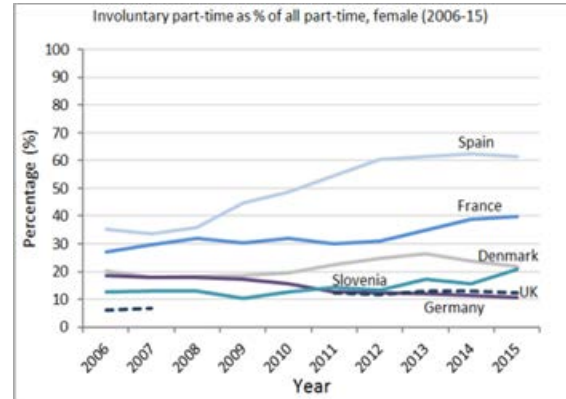


Figure 10.13. Involuntary part-time as % of all part-time, female trends



# 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,

Reasons why mini-jobbers do not receive sick pay	Share of 'Applies' in % (95%-CI)
Company cannot afford it financially	17.2 (9.5-29.1)
Marginal part-timers are only employed temporarily in the company	73.7 (60.5-83.7)
Marginal part-timers are employed in the company for less than 4 weeks	16.8 (9.0-29.3)
They work only a small number of hours per week	76.3 (63.3-85.7)
Marginal part-timers basically do not have any entitlement to sick pay	41.3 (28.9-55.0)
Other reason	11.0 (5.8-19.8)

## 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