

# Working time developments in the 21st century: Work duration and its regulation in the EU

# **Executive summary**

## Introduction

Working time is a key element of working life and its regulation has, for decades, been at the core of political, economic and social discussions at national and EU level. In the European Union, working time duration and organisation is regulated by different combinations of legislation, including the Working Time Directive, as well as collective bargaining at national, sectoral or company level, and negotiations at individual level. For well over a decade, Eurofound has collected information on several aspects of working time in the EU, including aspects related to collectively agreed working time. While the data have been published regularly in annual reports, until now they have not been analysed from a long-term perspective.

This report examines the evolution of working time at the beginning of the 21st century. It describes the institutional regimes of regulation in EU Member States and Norway, and assesses the evolution of both agreed working hours and usual working hours between 1999 and 2014. The emphasis is on the duration of working time for full-time workers, including collectively agreed normal working hours and how they are fixed. Drawing primarily on information collected by Eurofound across all EU Member States and Norway, the study focuses in particular on five sectors: chemicals, metalworking, banking, retail and public administration.

# Policy context

The Working Time Directive (2003/88/EC) aims to guarantee minimum safety and health requirements for the organisation of working time. It sets 'minimum' standards for working hours, and ensures that workers are not working excessive hours and have adequate rest and holidays. Article 15 of the directive also allows Member States to apply or introduce laws, regulations or administrative provisions – and promote the application of collective agreements – that are more favourable to the

protection of workers' health and safety. With very few exceptions, the directive applies to all sectors (public and private) and to all workers.

Social partners have a major role to play in defining working time standards, particularly through collective agreements covering working time aspects at national, sectoral or company level. Their role – and collective bargaining in general – has been subject to change, particularly since the economic crisis. Some industrial relations trends – such as the decline in trade union density, decentralisation of collective bargaining, and use of opt-out and opening clauses in collective agreements – have become more evident since the beginning of the crisis and this has affected the way working time is defined.

# Key findings

There are significant differences between countries in terms of the institutional settings regulating working time. Based on the relative importance of levels of regulation, four main working time setting regimes can be identified:

- Pure mandated: Legislation covers the majority of workers; collective bargaining and agreements covering working time duration or organisation are rare in this regime.
- Adjusted mandated: Legislation plays a dominant role in regulating working time standards, but these are often adjusted through collective bargaining or negotiations at different levels.
- Negotiated: Standards are set mainly by collective bargaining agreements, usually at sectoral level; such agreements may be complemented by company-level bargaining on working time organisation issues.

 Unilateral: Legislation plays hardly any role in the definition of working time standards and bargaining structures are highly decentralised; working time duration and organisation are usually stated in individual employment contracts, and tend to reflect the conditions determined and offered by employers.

More than two-thirds of Member States have an adjusted mandated or a negotiated working time setting regime, both of which imply the direct participation of social partners in how working time is defined. The eight Member States characterised by purely mandated regimes are all central and eastern European countries which joined the EU in or after 2004 and where collective bargaining structures are weaker.

The working time setting regimes in the EU have remained essentially unchanged for the past 15 years. However, one apparent trend in some countries is that more bargaining power has been passed to lower institutional levels. In many central and eastern European countries, for instance, recent changes in statutory legislation allow work schedules and work organisation to be determined at company or individual level.

Agreed normal working time was also very stable in the EU between 1999 and 2014. With just a few exceptions, there were no dramatic changes in the average agreed working time in most Member States. Stability of agreed working time is also the most evident characteristic across the sectors analysed in this report: chemicals, metalworking, banking, retail and public administration.

The usual working time for full-time workers shows a process of 'convergence' towards the EU average in those Member States that joined in the enlargements since 2004. However, this convergence ceased in 2011 and usual working time is still longer in these Member States than in the EU15. On average, usual working time is shorter in countries with negotiated and adjusted mandated working time regimes, and longer in unilateral and pure mandated regimes.

Men continue to work more hours than women in the EU. The difference, which peaked in 2005, has been slowly reducing mainly because women, on average, are working more hours than before. The gap is much larger for the occupational group of managers who, in general, work much longer hours than average, and in the UK, which has a unilateral working time setting regime.

Working time drift compares agreed and usual working time, and hence indicates the extent of 'overtime' and of 'compliance' with working time regulations. This shows that the unilateral regime is associated with weaker compliance with working time standards and thus longer overtime. The negotiated regime, in contrast, tends to have stronger levels of compliance with working time standards and hence the smallest deviations from agreed provisions.

The role of the social partners in the definition of working time standards remains largely unchanged, but appears to be decisive for the number of usual working hours. These tend to be shorter in countries with negotiated or adjusted mandated regimes, and longer in the pure mandated and unilateral regimes.

### Conclusions

If the definition of working time standards is put in terms of workers' health and safety, then the involvement of the social partners in defining them is essential. This is because collective bargaining seems to be positively related to shorter working hours, less overtime and greater compliance with the regulations, at least in terms of working time duration.

The adoption of the Working Time Directive has impacted on working time standards in those Member States that joined in the enlargements since 2004 in that usual working time in these countries decreased up to 2011. Nevertheless, collective bargaining still plays a very small role in a large share of these countries and usual working hours tend to be longer there than in countries with adjusted mandated or negotiated working time setting regimes.

### **Further information**

The report Working time developments in the 21st century: Work duration and its regulation in the EU is available at http://www.eurofound.europa.eu/publications

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