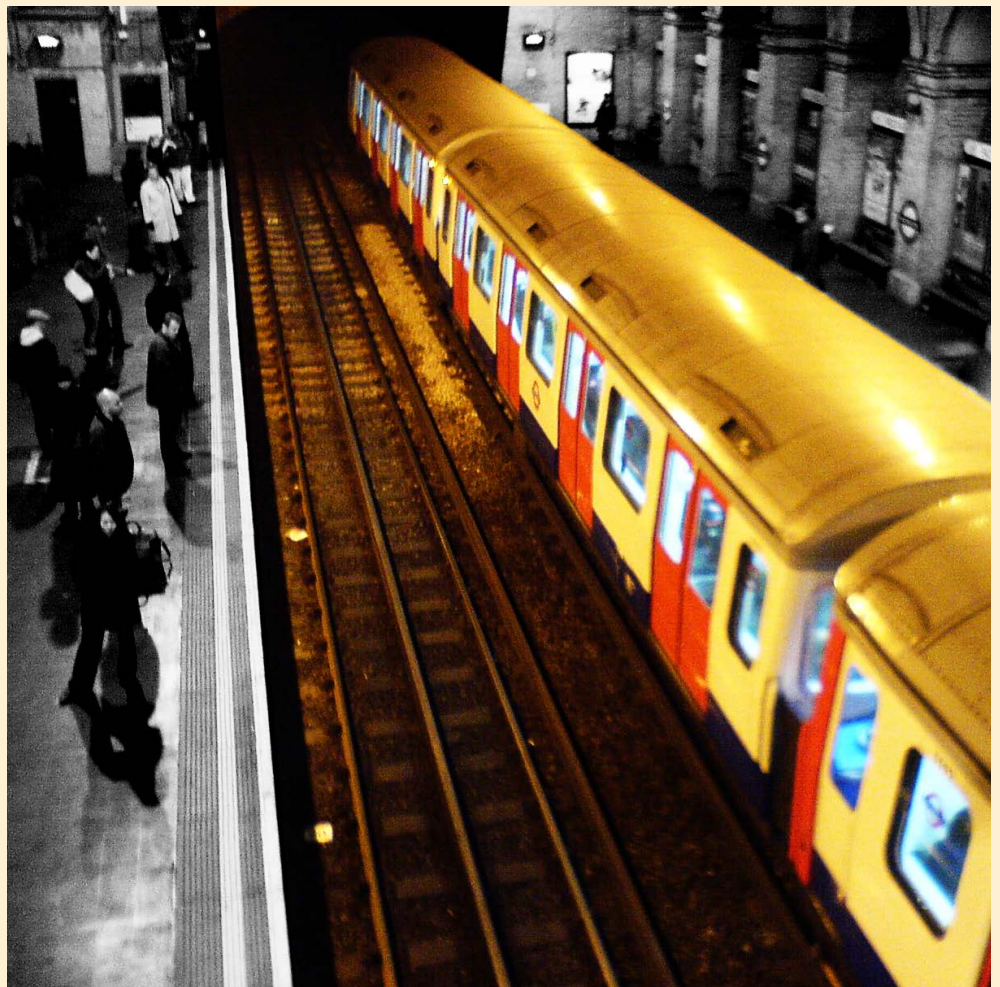


Working time developments in the 21st century: Work duration and its regulation in the EU



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Country codes used in the report

Country groups

EU15 Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom

EU13 Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Malta, Poland, Romania, Slovakia and Slovenia

EU Member States

AT	Austria
BE	Belgium
BG	Bulgaria
CY	Cyprus
CZ	Czech Republic
DE	Germany
DK	Denmark
EE	Estonia
EL	Greece
ES	Spain
FI	Finland
FR	France
HR	Croatia
HU	Hungary

IE	Ireland
IT	Italy
LT	Lithuania
LU	Luxembourg
LV	Latvia
MT	Malta
NL	Netherlands
PL	Poland
PT	Portugal
RO	Romania
SE	Sweden
SI	Slovenia
SK	Slovakia
UK	United Kingdom

Other countries

NO	Norway
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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 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.

Introduction

Working time is one of the most important elements underpinning the way societies are organised and its regulation has been at the core of political, economic and social discussions, both at national and European Union level, for decades. Working time in the EU, in terms of both duration and organisation, is regulated by different combinations of legislation (including the EU Working Time Directive) and collective bargaining and negotiations that might take place at national, sectoral, company or even individual level.

For more than a decade, Eurofound has been collecting information on several aspects of working time in the EU, including aspects related to collectively agreed working time for full-time employment. These data, mostly based on available national sources, were published regularly as annual reports (see Eurofound, 2000-2015) ⁽¹⁾. The reports focus on the most important developments each year and therefore do not take stock of, or analyse, the time series created.

Recognising the importance of the wealth of information accumulated since the beginning of the 2000s on the evolution of collectively agreed working time in the EU, Eurofound dedicated a specific research project to analysing this information. This analysis should be seen as an additional resource for the social dialogue and policy debate, especially in the current context, whereby changes to working time regulations have been viewed as a way of tackling the economic recession while working time is recognised as one of the most important contributing factors for the sustainability of work (Eurofound, 2015b).

The main questions examined in the research were:

- What are the main trends and milestones characterising the evolution of the most important collectively agreed working time features in the EU during the first decade of the 21st century?
- To what extent do these trends and milestones reflect macroeconomic and social developments and what is their relationship with the development of actual working time?

Research methodology

All the data gathered for Eurofound's annual reports on working time from 1999 until 2014 were compiled in one dataset. This dataset was circulated among Eurofound's Network of European Correspondents (covering the EU28 Member States and Norway) to be checked and updated before being used for this report. In addition, a questionnaire was devised and sent to the correspondents to obtain more information about working time settings in the different Member States. This information was used to help Eurofound interpret the evolution of agreed working time during the first decade of the 21st century, including the identification of key milestones and the main concerns and challenges facing the social partners in relation to working time issues in the near future.

While drawing mainly on information collected for the former European Industrial Relations Observatory (EIRO), the study also makes use of other sources of data, such as Eurofound's European Company Survey (ECS), Eurostat's Labour Force Survey (LFS) and the Database on Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts in 34 countries between 1960 and 2012 (ICTWSS).

⁽¹⁾ Between 1999 and 2010, the reports were entitled 'Working time developments', followed by the reference to the year covered. Given the uniqueness of the data on collectively agreed working time features and the centrality of the subject in these reports, since 2012 they have been entitled 'Developments in collectively agreed working time [year]'. See bibliography, Eurofound 2000-2015.

The data collected for the report cover all EU Member States and Norway. They include more specific data for the five sectors (chemicals, metalworking, banking, retail and public administration) covered by Eurofound's annual reports on working time since 1999.

Although it is predominantly a descriptive exercise, the analysis carried out here has some significant limitations. The first is the country comparisons. As is evident from the data, and in common with many other employment aspects, all Member States have distinctive characteristics that render a strict comparison of their main working time setting systems extremely difficult. The complexity increases significantly when the variability and differing quality of the data available in the different countries are taken into account.

Another important limitation is the focus on full-time work. Features such as part-time or shift work, for example, are very important for a large section of workers in many Member States and the patterns of working time cannot be fully understood by looking exclusively at full-time employment. However, the fact that the main working time standards analysed in this report are for full-time workers and the notions of part-time and overtime derive from those standards, or take them as a point of reference, somehow eases the impact of this limitation.

Since the publication of the first Eurofound report on working time developments in 2000, a number of important limitations have been identified and reported in relation to the data about agreed working time.

- There are issues in relation to the comparability of the data, especially in terms of collectively agreed working time. Not all Member States have publicly available data on collectively agreed working time and, even if data are available, they are not necessarily comparable with the data from other Member States.
- There are different ways of calculating working time. Standard working hours are defined differently in different countries: they may be defined in daily, weekly, monthly or annual periods.
- There is increasing use of working time schemes whereby working hours can vary considerably around an average over a reference period.
- The treatment of part-time workers can differ.
- There are differing institutional configurations and differing impacts of bargaining and legislation over the actual hours.
- It is becoming increasingly difficult to measure working time versus non-working time in a context of blurring boundaries of work and other areas of people's lives (for example, through the introduction of organisational and technological innovations).

The above caveats mean that:

- all the figures referred to and provided in this report should be treated with caution;
- the various notes and explanations should be read carefully.

Definitions used in the report

There is a myriad of terms and concepts generally associated with working time which are sometimes – incorrectly – used interchangeably. For the purpose of clarity and consistency throughout this report, it is important to define some concepts that are used repeatedly.

According to Article 2(1) of the Working Time Directive (Council of the European Union, 2003), **working time** is ‘any period during which the worker is working, at the employer’s disposal and carrying out his activities or duties, in accordance with national laws and/or practice’. **Rest period** is ‘any period which is not working time’.

In simple terms, working time encompasses two main aspects: duration and organisation. **Duration of working time** includes issues such as the number of hours worked, part-time versus full-time work, overtime or ‘extra-time’ and very long/short hours. **Organisation of working time** includes issues such as scheduling (night work, weekends, shift work and so on), workers’ discretion to change their working time, regularity, variability, predictability, rest and recovery, and leave.

It is also important to distinguish between how many hours workers are supposed to work and how many they in fact work. According to the International Labour Organisation (ILO), **normal hours of work** are ‘the hours that workers are expected to spend on work activities during a short reference period such as one day or one week, as stipulated in laws or regulations, collective agreements or arbitral awards, or establishments’ rules or customs’ (ILO, undated).

Therefore, **agreed normal working hours** can be defined as the hours that workers are expected to spend on work according to agreement(s) reached via collective bargaining (industry or branch-level agreements), company-level negotiations (company, establishment or works agreements) or individual negotiation between employer and employee. **Collectively agreed normal working hours** refer to the normal working hours agreed via collective bargaining at any level and exclude standards set between individual employees and employers.

Although normal hours of work are defined in legislation or collective agreements, the number of hours actually worked tend to differ from those established or agreed upon. The ‘**hours actually worked**’ are ‘the hours that workers spent on work activities during a specified reference period’. This definition comes from a resolution adopted by the 10th International Conference of Labour Statisticians in 1962. That resolution established that measurement of hours actually worked should cover the different elements of a day of work (or ‘work components’), including:

- productive time (hours actually worked during normal periods of work and time worked in addition to hours worked during normal periods of work, and generally paid at higher rates than normal rates – overtime);
- time spent on ancillary activities (time spent at the place of work on work such as the preparation of the workplace, repairs and maintenance, preparation and cleaning of tools and the preparation of receipts, time sheets and reports);
- unproductive time spent in the course of the production process (time spent at the place of work waiting or standing by for such reasons as lack of supply of work, breakdown of machinery, or accidents, or time spent at the place of work during which no work is done but for which payment is made under a guaranteed employment contract); and
- resting time (time corresponding to short rest periods at the workplace, including tea and coffee breaks).

This definition ‘excludes time not worked, even if paid, such as paid annual leave, paid public holidays, paid sick leave, meal breaks, and time spent on travel from home to work and vice versa’.

Eurostat (2014) collects two main variables regarding ‘actual’ working time: actual working hours and usual working hours. **Actual working hours** refers to the number of hours actually worked during the reference week in the main job. It provides a direct measurement of the labour input and, together with the number of hours actually worked during the reference week in a second job, is a basis for measuring total hours worked. It is used to monitor several employment guidelines and can be used to study hours worked in relation to national accounts. **Usual working hours** refers to the number of hours per week usually worked in the main job.

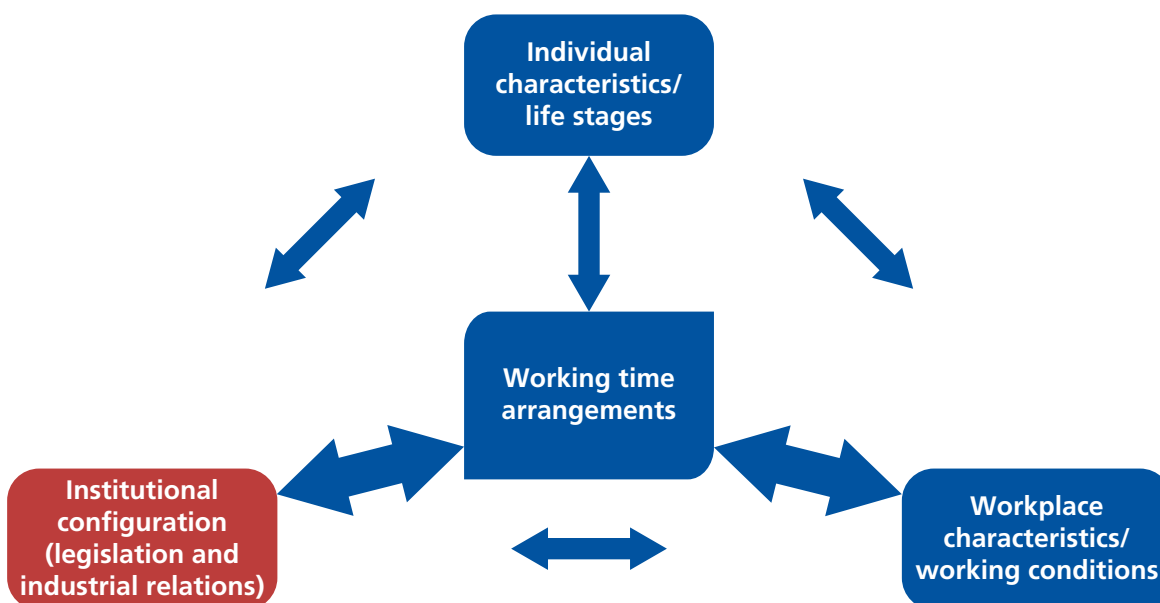
The difference between actual and usual is subtle but very important. Whereas the actual working hours are the hours the person spends in work activities during the reference week, the usual working hours are the modal value of the actual hours worked per week over a long reference period, excluding weeks when an absence from work occurs (for example, holidays, leave and strikes). This reference period consists of at least the last 4 weeks and at most the last 3 months (before the reference week) without counting any absence from work (Eurostat, 2013, 2014).

For the purpose of this report, usual working hours are more relevant because they represent how many hours people usually work in a relatively longer period of time and therefore do not include potential cases of abnormally very high or very low hours of work in the reference week (when they were inquired). According to Eurostat (2013), this variable provides a benchmark against which the actual situation can be measured and is used to monitor the implementation of the Working Time Directive, as well as most of the employment guidelines.

Conceptual framework

It is reasonable to assume that working time arrangements or, in other words, the duration and organisation of working time, are the result of a triangular interaction between three elements as presented in Figure 1.

Figure 1: The main elements defining working time arrangements



Source: Adapted from Anxo et al. (2013).

Working time arrangements result from the interaction between the regulatory elements (including the legislation provisions, the industrial relations systems in place and the resulting agreements between employers and workers, or their representatives), the workplace characteristics (or working conditions) and the individual characteristics and events, in a lifelong perspective. In terms of actors, the assumption is that the individual working time arrangements are ‘embedded within, and subject to, a complex network of interactions, that are both set and negotiated between the relevant actors’ or ‘a tripartite interaction between households, employers and the state/social partners’ (Anxo et al., 2013) – see Figure 1. This assumption recognises the importance of the arrangements established by the state and/or the social partners as one of the vertices of the triangle defining working time arrangements: the institutional configuration.

In order to analyse and provide an overview of the developments of collectively agreed working time in the Member States, it is first necessary to characterise the national institutional configurations influencing working time across the EU Member States. This study draws on two existing approaches to build a comparative framework. One is based on the idea of working time configurations, which are defined by the extent to which employers and employees can establish working time practices aligned with their own interests. The other is based on the concept of working time regimes, which are characterised by the national institutional frameworks.

Berg et al. (2014) argue that understanding and accounting for the interests of key actors in the employment relationship is essential for analysing working time. In their view, working time standards (the point of reference for subsequent diversification of working time practices) can be defined by the ability of employers and/or employees (or their representatives) to align working time practices with their own interests. According to this approach, working time configurations depend on the extent to which they are:

- unilaterally set by employers;
- negotiated between employers and workers representatives;
- mandated by the state.

The **unilateral configuration** is characterised by employers’ control over working time practices, including control over the duration of the working week, scheduling of hours and length of leave. In this model, trade union membership and coverage density tend to be low, bargaining structures are decentralised and other forms of employee voice, such as works councils, do not exist. According to this approach, working time outcomes depend primarily on the strategies of individual employers. This means that it encompasses a wide diversity of working time practices, and that it is relatively unstable as it changes often as a result of shifts in the labour market.

The **negotiated configuration** is essentially characterised by negotiations between employers and employees or their representative organisations. In this model, working time practices reflect the compromise between employees’ and employers’ interests achieved through negotiation. Multi-employer collective bargaining and strong coordination of collective bargaining between sectors play an important role in shaping working time. In this configuration, unions and employers may agree on framework agreements, but the actual scheduling has to take place at company level according to the specific needs of employers and employees. In some instances, the social partners can agree to deviate from working time legislation. There is differentiation between sectors of activity depending on the level of coordination, the bargaining power of the actors and their strategies.

The **mandated configuration** is essentially characterised by the strong role of the state in shaping the working time practices and options available to employers and employees. In this model, working time practices are basically standardised across the economy with collective bargaining weakly developed at company level. This model provides less stability than the negotiated configuration because the standards tend to vary according to variations in government priorities in dealing with changes in employment levels and annual volume of working hours.

Berg et al. (2014) consider the Working Time Directive to be a mandated configuration at supranational level. In their view, in most cases the three configurations coexist in different combinations and rarely exist in a pure form. Nevertheless, they refer to the USA, Sweden and France as representations of the three ideal type configurations (unilateral, negotiated and mandated), respectively.

However, this approach is perhaps not sufficient to study, characterise and compare working time configurations within the EU. First and foremost, because the Working Time Directive means that a predominantly unilateral model is unlikely to exist, not even in specific sectors or branches of any national economy in the EU. Secondly, because it does not appear to capture the variety of systemic relationships between the different institutional actors and mechanisms regulating working time standards which, in turn, determine working time outcomes (the actual and usual working times which are shown in statistics).

Other authors (for example, Anxo and O'Reilly, 2000; Lee, 2004; McCann, 2004; Lee and McCann, 2011) have underlined that working time outcomes depend significantly on 'how the range of different "non-market" arrangements (or more precisely, institutional arrangements) are deployed and combined within a country' (Lee and McCann, 2011, p. 50). Here 'how' refers to a 'systemic' approach. This allows for the characterisation and understanding of the different institutional arrangements, particularly important for comparisons between countries given the considerable variation involved. This approach argues that working time outcomes depend on the way in which different levels of 'regulation' are articulated.

The present study uses a combination of the previous two approaches by looking at the actors involved, as proposed by Berg et al. (2014) and the institutional arrangements mentioned by Lee and McCann (2011). More specifically, this report takes into account the following institutional levels:

- Statutory legislation of universal application (for example, labour law), with a greater or lesser degree of social partner involvement in its definition;
- Collective bargaining – sectoral (industry or branch-level agreements);
- Company-level negotiations (company, establishment, or works agreements);
- Individual arrangements between employer and employee (?).

All levels of regulation are more or less present in most EU Member States in different combinations and relative strengths. However, in any given configuration, one of those levels tends to play a more prominent role in relation to the other levels, giving rise to different working time regimes.

(?) The cross-sectoral level was initially considered during the consultation with the Network of European Correspondents. However, the results revealed that cross-sectoral agreements do not play an important role in the determination of working time in any Member State.

The relative importance of the existing levels, and how they interact with each other in the determination of working time standards in each country, facilitates the characterisation and comparison of the working time regimes across the EU.

Structure of this report

This report provides an overview of the development of collectively agreed working time in EU Member States during the first decade of the 2000s based on available data on normal and actual working time and other relevant indicators.

Chapter 1 describes the different institutional regimes in EU Member States including the role of legislation and/or the social partners in regulating working time. It also analyses the arrangements in five selected sectors (chemicals, metalworking, banking, retail and public administration) to illustrate the sectoral specificities within the working time regimes.

Chapter 2 examines the main developments in collectively agreed working time between 1999 and 2014. It builds on the data collected by Eurofound during that period and explains the most important changes in the period of analysis by taking into consideration changes in the regulation of working time duration, both generally and within the sectoral settings.

Chapter 3 deals specifically with the evolution of usual working time between 1999 and 2014. It also investigates the difference between agreed and usual working time and its potential interpretations.

Chapter 4 looks at the challenges in the near future with regard to the regulation of working time as perceived by public authorities, trade unions and employers' associations.

Chapter 5 presents the conclusions drawn from the analysis.

Working time regulation across the EU

Working time can be regulated at different institutional levels, with complex relationships and references to each other. Statutory legislation might set general standards for work duration, schedules and organisation, while collective bargaining agreements at sectoral or company level further specify them. Lower levels of regulation might overrule working time standards of higher levels, while individual negotiation or arrangement might lead to additional finer adjustments.

To fully understand the regulation of working time in EU Member States, it is therefore important to distinguish the different institutional levels involved in defining working time standards in each country. Beginning with a brief overview of the EU regulatory framework, this chapter describes the general institutional configuration of working time regulation in Member States, as well as the institutional configurations in selected sectors.

EU regulatory framework

Working time is one of the most important aspects of work and employment over which the EU institutions have intervened to improve employment and working conditions and the health and safety of workers.

Two fundamental legal documents determine working time standards in the EU: the Charter of Fundamental Rights and the Working Time Directive.

The Charter of Fundamental Rights of the European Union, which was proclaimed in 2000, became legally binding with the coming into force of the Lisbon Treaty on 1 December 2009. Paragraphs 1 and 2 of Article 31 (Council of the European Union, 2012) establish that:

- ‘every worker has the right to working conditions which respect his or her health, safety and dignity’;
- ‘every worker has the right to limitation of maximum working hours, to daily and weekly rest periods and to an annual period of paid leave’.

To protect workers’ health and safety, the Working Time Directive 2003/88/EC (Council of the European Union, 2003) establishes ‘minimum’ standards for working hours applicable throughout the EU. The directive guarantees that workers do not have to work excessive hours and are entitled to adequate rest and holidays. With very few exceptions, the directive applies to all sectors of activity (public and private sector) and to all workers (not just employees). Despite attempts to revise the Working Time Directive in 2011 and 2012, an agreement was not reached (Eurofound, 2013b) and the talks were suspended after more than a year of negotiations.

In its Article 15, the directive establishes that the Member States have the right to apply or introduce laws, regulations or administrative provisions more favourable to the protection of the health and safety of workers. The same article goes on to say that the Member States have the right to facilitate or permit the application of collective agreements which are more favourable to the protection of the health and safety workers. Article 18, which is reproduced in Box 1, states specifically which aspects of the directive can be derogated from via collective agreements. Maximum weekly working time is, however, excluded. This aspect of the directive somehow shapes how working time standards are set in EU Member States which, as shown throughout this report, still depends greatly on collective bargaining in most countries.

Box 1: Working Time Directive – Article 18 derogations by collective agreements

Derogations may be made from Articles 3 [daily rest], 4 [breaks], 5 [weekly rest period], 8 [length of night work] and 16 [reference periods for calculation of weekly rest periods, weekly working hours, etc.] by means of collective agreements or agreements concluded between the two sides of industry at national or regional level or, in conformity with the rules laid down by them, by means of collective agreements or agreements concluded between the two sides of industry at a lower level.

Member States in which there is no statutory system ensuring the conclusion of collective agreements or agreements concluded between the two sides of industry at national or regional level, on the matters covered by this Directive, or those Member States in which there is a specific legislative framework for this purpose and within the limits thereof, may, in accordance with national legislation and/or practice, allow derogations from Articles 3, 4, 5, 8 and 16 by way of collective agreements or agreements concluded between the two sides of industry at the appropriate collective level.

The derogations provided for in the first and second subparagraphs shall be allowed on condition that equivalent compensating rest periods are granted to the workers concerned or, in exceptional cases where it is not possible for objective reasons to grant such periods, the workers concerned are afforded appropriate protection.

Member States may lay down rules:

- (a) for the application of this Article by the two sides of industry; and
- (b) for the extension of the provisions of collective agreements or agreements concluded in conformity with this Article to other workers in accordance with national legislation and/or practice.

National working time setting regimes

Institutional levels

To characterise the institutional configurations across EU Member States, it is important to take account of four different institutional levels:

- State and statutory legislation;
- Collective bargaining agreements at sectoral level;
- Negotiations at company level;
- Individual negotiations, agreements or arrangements between employer and employee.

The individual level includes situations in which working time terms are defined and proposed unilaterally by the employer in the employment contract and tacitly agreed to by the employee when signing the contract.

Member States can be classified and grouped according to the relative importance of the different institutional levels in the determination of working time standards. The importance of each level

is understood as the relative importance of each level with regard to the whole result, that is, the determination of the ‘normal hours of work’ and ‘actual’ or ‘usual’ working time.

In Figure 2 (p. 14) and similar figures in the report, the ‘most important institutional level’ refers to the level at which the regulations are mainly defined. These not only cover and affect most employees, but are also decisive in defining the actual standards of working time. They therefore function as a trendsetter for working time standards. As used here, the term ‘employee’ (rather than ‘worker’) refers to those workers who are not able to determine their own working time such as ‘managing executives or other persons with autonomous decision-taking powers’, ‘family workers’ or ‘workers officiating at religious ceremonies’ (see Article 17 of the Working Time Directive).

‘Other relevant institutional levels’, as used in Figure 2 and similar figures, complement the dominant level with regard to specific aspects that are not covered by the dominant level or might deviate from the dominant level, both in terms of work duration and the organisation of working time. A considerable share of employees is covered by agreements reached at such levels. However, this classification presents a simplified picture of institutional configurations in Member States and risks not addressing all the nuances of the differences countries. Indeed ‘other relevant institutional levels’ are not equally relevant across countries. For instance, company-level agreements might not cover as many employees in Portugal and Sweden as in Denmark or Germany.

However, this analysis is useful for understanding the variety of systemic relationships between different institutional actors and mechanisms regarding working time configurations. Even more, it captures nuances and slight differences between groups of countries, which should complement other existing framework approaches.

Working time setting regimes

The countries have been grouped into four different working time setting regimes which describe and synthesise the relationships between different institutional actors and mechanisms regarding working time configurations. The four regimes are described in Box 2 and discussed in detail below.

Box 2: Working time setting regimes

- **Pure mandated working time setting regime.** Autonomous collective bargaining over working time issues is not frequent and collective agreements covering working time duration or organisation are rare. The state plays a dominant role in regulating working time standards, as statutory legislation covers the majority of employees.
- **Adjusted mandated working time setting regime.** The state again plays a dominant role in regulating working time standards. However, these standards are often adjusted by collective bargaining at several levels. These adjustments complement the regulatory framework provided by legislation (for example, regarding work organisation) and/or provide provisions which tend to be more favourable to employees than the statutory standards. The adjustments can take place at sectoral, company or individual level.
- **Negotiated working time setting regime.** Standards are mainly set by collective bargaining agreements, usually at sectoral level. Such agreements can be further complemented by company-level bargaining on working time organisation. Statutory legislation defines the legal framework for working time regulation at lower levels.

In other words, in this regime, the standards of working time, including duration and organisation, tend to be the result of bargaining procedures between employers' and workers' representatives.

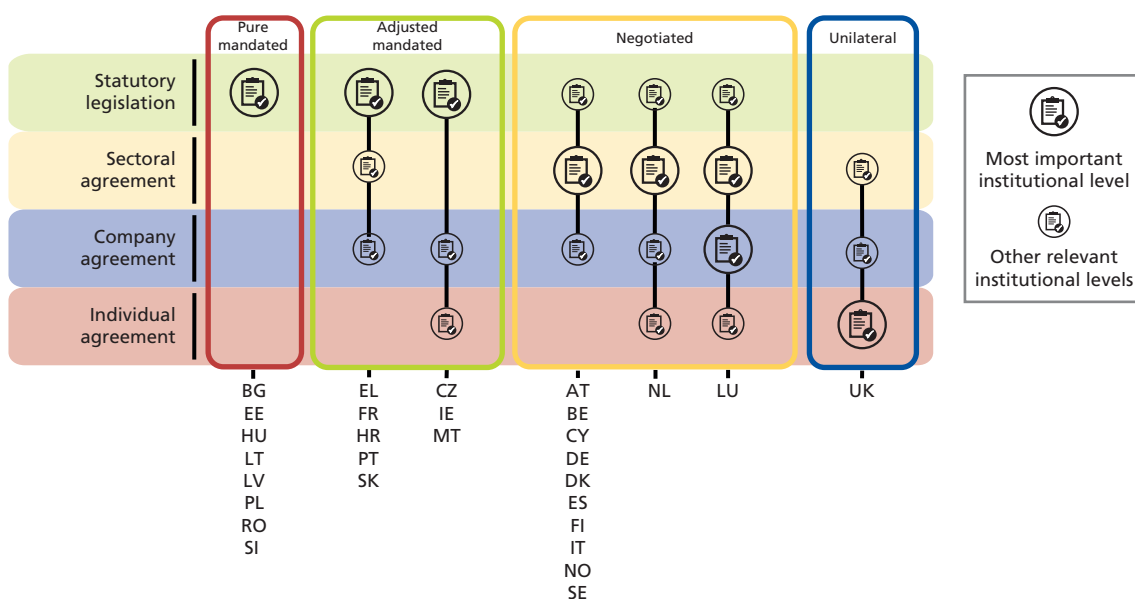
- **Unilateral working time setting regime.** Statutory legislation plays hardly any role in the definition of working time standards and the existing bargaining structures are highly decentralised. The terms of working time duration and organisation are usually stated in individual employment contracts and tend to reflect the conditions determined and offered by the employers.

Figure 2 shows the main institutional levels where working time, and in particular working time duration, is defined and the corresponding working time setting regimes. A striking finding is that the countries are almost all different from each other, showing a very diverse panorama across the EU. However, the aggregation of countries according to working time setting regime appears to be significant.

Pure mandated working time setting regime

In eight EU Member States (Bulgaria, Estonia, Latvia, Lithuania, Hungary, Poland, Romania and Slovenia), all of which are part of the EU13⁽³⁾, working time standards are almost exclusively defined by statutory legislation. Labour law not only regulates standard working time duration (usually 8 hours a day and/or 40 hours a week) and work organisation, but also includes specific rules for specific jobs or categories of workers on the basis of the work characteristics. In Hungary, for instance, working time is set by law at 6 hours per day for employees working in hazardous conditions (high exposure to noise, high temperatures, vibrations and so on).

Figure 2: Main institutional levels of working time regulation and working time setting regimes



Source: Authors' own design based on information from Eurofound's Network of European Correspondents.

(3) Member States that joined the European Union post 2004: Bulgaria, Czech Republic, Estonia, Croatia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Romania, Slovenia and Slovakia.

Collective bargaining regarding working time rarely exists and, when it does, is limited to specific working time aspects. Collective bargaining on working time flexibility and work scheduling is generally possible at sectoral or company level, and can also be adjusted at individual level. Yet, despite these possibilities, collective agreements covering working time duration are rare and only a small percentage of employees are covered by such agreements. One indicator for this claim is given by the Third European Company Survey (ECS) (Eurofound, 2013c), on collective wage bargaining coverage⁽⁴⁾. According to this source, countries such as Latvia (7%), Estonia (10%), Lithuania (19%), Hungary (21%) and Bulgaria (23%) have the lowest bargaining coverage in the EU.

The low take-up and limited power of collective bargaining reflects the general characteristics of industrial relations in the EU13. Due to the vast changes in industrial relations in post-communist societies after 1989, trade unions have remained weak and small, and collective bargaining structures are fragile (Guardiancich, 2012). For these reasons, it is statutory legislation which regulates the working time for the great majority of workers in these countries.

Given the strong role of the state as well as the almost cross-sectoral standardisation of working time, this group of countries reflects best what Berg et al. (2014) called a mandated configuration model of working time. Accordingly, this group of countries has what is referred to in the report as a ‘pure mandated working time regime’.

Adjusted mandated working time regime

In Croatia, France, Greece, Portugal and Slovakia, statutory legislation is also the most important institutional level in determining working time standards, although adjustments may take place through collective agreement at different levels. These adjustments either complement the regulatory framework of legislation or derogate from existing legislation providing more favourable conditions for the employees (derogation *in melius* or derogation in favour of). This type of regime is referred to as ‘adjusted mandated’. The adjustments may be defined at different bargaining levels, but usually take place through collective bargaining held at sectoral and/or company level.

In Croatia, general rules on working time are set in the Labour Act (OG 93/14). This also contains provisions (Article 9) stating that employers and workers’ representatives may negotiate more favourable conditions for the workers. Hence, collective agreements usually contain provisions that are different from the ones set out by the Labour Act. Collective bargaining in Croatia is mostly done at national level/multi-sectoral or company level, especially for larger companies. Multi-employer collective bargaining at sectoral level is not as common while individual bargaining/negotiation is more the exception than the rule.

In Greece, France, Portugal and Slovakia, working time standards (in particular maximum working time duration) are set by law. Sectoral and company levels are where working time arrangements are negotiated and more favourable conditions for employees are agreed. For example, in Greece, the National General Collective Agreement of 1984 (EGSSE), which was ratified by law, established a maximum legal weekly working time of 40 hours without a reduction in workers’ wages. The same law also allowed shorter working hours to be agreed through collective agreements at the sectoral or company level. In Portugal, the hierarchical link is clearer: sectoral collective agreements define more favourable rules than those set by law, including working time adaptability and the possibility for concentrated schedules, which can then be further specified at company level.

⁽⁴⁾ Bearing in mind that not all wage agreements refer to working time, it still gives an indication of collective bargaining coverage in general.

In the Czech Republic, Ireland and Malta, statutory legislation is also the most important institutional level in determining working time standards but, in contrast to the Member States mentioned above, here the adjustments take place through collective agreements at company level or by negotiations at individual level.

In the Czech Republic, working time standards are primarily defined in the Labour Code, which states that normal weekly working hours may not exceed 40 hours. In the private sector, working time can be (and often is) an issue for collective bargaining, which takes place mainly at company level. Collective bargaining in this area focuses on reducing weekly working time without wage cuts, increasing holiday entitlement above the statutory minimum annual paid leave (mostly by 1 week) and a compensatory period for overtime. The Czech–Moravian Confederation of Trade Unions (ČMKOS) makes efforts to coordinate this bargaining via annual ‘goals for collective bargaining for the respective year’ that can, for example, indicate the desirable number of weekly working hours or an extension of annual paid leave (Fassmann and Čornejová, 2005). Provisions relating to working time, breaks and rest periods are included in several higher-level collective agreements (for example, in the construction, chemicals, transport, accommodation and food service sectors), which are all within the parameters established by the regulations. Individual negotiation is also important for the arrangement of overtime, in particular in the case of managerial workers who can agree with the employer on how overtime is accounted for and whether it is paid or not.

Statutory legislation is the main institutional level for regulating working time in Ireland under the Organisation of Working Time Act 1997. Working time has not been addressed for some time in national-level bargaining in the private sector. The current collectively bargained weekly working time of 39 hours was agreed in the previous national bargaining round in the Programme for National Recovery of 1987 and has remained unchanged since then in the private sector. However, tripartite social partnership/national level bargaining broke down in late 2009 and so national-level negotiations over issues such as working time have not occurred since in the private sector. In the public service, bipartite (government and public service unions) national and sector-level collective bargaining has been important in recent years as part of the austerity policies introduced in response to Ireland’s financial and economic crisis. Working time sometimes emerges as an issue in company-level bargaining, most recently in relation to short-time working measures in response to the crisis. In the Irish hotel and retail sectors, for example, there was evidence of collectively bargained agreements on short-time working during the recession.

In Malta, the Organisation of Working Time Regulations 2004, as part of the Employment and Industrial Relations Act 2002, provide the general framework regulating working time. These are complemented by a number of wage regulation orders that include clauses about working time. Within this framework, collective bargaining at company level is normally used to set more specific working time conditions within enterprises. Individual bargaining, which appears to be on the increase, takes place in companies where there is no collective bargaining.

Negotiated working time setting regime

In another third of EU Member States, statutory legislation is still relevant for the definition of working time standards, but plays the role of setting the general framework for further working time regulation through collective agreements at sectoral or company levels. Within these cases, the most dominant institutional level is the sectoral level, in which the social partners negotiate and agree on the definition of the working time standards within the boundaries of statutory legislation. These sectoral agreements may be complemented by company-level agreements covering working time

organisation. This is true for the Nordic countries (Denmark, Finland, Norway and Sweden) where ‘self-regulation’ through collective bargaining has been a long-cherished and well-guarded tradition (Kristiansen, 2015). This is also true for Austria, Belgium, Germany, Italy, Cyprus, the Netherlands and Spain, where the regulation of working time tends to be defined sectorally. In most cases, sectoral bargaining is upheld at a national scale. In Belgium and Spain, however, some agreements are set at regional or subsectoral level.

In all these countries, there is a high standing of collective bargaining in the definition of working time standards, a characteristic that corresponds well to the ‘negotiated configuration’ model of working time: standards of working time are mostly the result of bargaining procedures between employers’ and employees’ representatives, especially at sectoral level. The actual organisation of working time tends to take place at company level according to the specific needs of employers and employees. Hence, differences in working time standards might appear between sectors (for example, regarding normal working hours) as well as among companies (regarding working time organisation).

In Austria, collective bargaining coverage is among the highest in the EU according to figures from the ECS 2013, with 96% of employees covered by collective agreements, mostly at sectoral level. So, although statutory legislation offers a comprehensive set of working time standards with the Austrian Working Times Act (*Arbeitszeitgesetz, AZG*) and the Austrian Act on Rest Periods (*Arbeitsruhegesetz, ARG*), sectoral collective agreements are the main trendsetter: they deviate from legislative standards mostly for the better for employees. Sectoral agreements generally allow for fluctuating standard working times. The underlying idea is that companies should have more flexibility to deal with fluctuations in production. Collective agreements define the overall framework and leeway for so-called ‘bandwidth models’ (*Bandbreitenmodelle*). At company level, a works agreement is required to establish this flexitime model, which allows companies to extend working time in times of high work demand and reduce it at other times, as long as on average standard working time is maintained over the reference period (a maximum of 1 year).

In Denmark, all major trade unions and employers’ organisations agree on work duration in the pace-setting Industry Agreement. The standards established there are adopted and eventually improved on in the agreements covering the other sectors. Work scheduling and organisation are usually defined by company-level agreements. Here, the principle of favourability applies: lower-level adjustments from statutory legislation are allowed as long as they are more beneficial for the employees.

In Finland, the Working Time Act (*Työaikalaki 1996/605*) is the binding legislation stipulating basic rules on normal working hours, maximum weekly and daily hours, breaks, extra hours, overtime and work on Sundays. The Working Time Act opens up the way to agree locally on working hours in workplaces covered by a nationwide collective agreement, while limiting the agreed average weekly working time to a maximum of 40 hours per week over a period of 52 weeks. Within this limit, collective agreements at sectoral level stipulate standard working hours, but allow derogations to be agreed at local level. This means that the importance of each institutional level varies from case to case but, in practice, sectoral-level collective agreements are still the most important instrument in setting standard working hours in Finland.

In Norway, the Working Environment Act sets the framework for working time and, in many cases, its provisions may be derogated from. Peak organisations have the most extensive derogation rights, while representatives at company level have more restricted rights. In 1987, the peak organisations

agreed in cross-sectoral negotiations to reduce the weekly working time to 37.5 hours. The agreement was attached to all collective agreements within the private sector and also implemented in the public sector. It became a standard for the labour market and is also mostly followed, through individual agreements, by companies that are not bound by collective agreements. Regulations in collective agreements can be industry-specific or be equal for most agreements in the private sector. In 2000, a provision allowing all companies to make average calculations of working time was included in almost all agreements in the private sector.

The Working Hours Act (1982:673), which establishes the main working time standards in Sweden, is 'dispositive', meaning that it can be deviated from in collective agreements except in relation to overtime and resting periods, which are coercive provisions. Exceptions from the laws on standard working hours are commonly applied in collective agreements. The dispositive nature of the laws gives social partners a major role when shaping working time standards. Working time in Sweden is almost exclusively set in collective agreements on the national sectoral level. However, many collective agreements are open to local adjustments. Certain terms have been introduced in such agreements, requiring working groups to be formed with the task of managing working time-related issues. These groups have to balance employers' wishes for flexibility with employees' need for work-life balance (Swedish National Mediation Office, 2014).

In Belgium, the Labour Act of 16 March 1971 and its amendments make up the legal framework for defining working time standards. Cross-sectoral agreements and labour regulations sometimes overlap and/or reinforce each other. However, the most important institutional level remains the sectoral level where agreements on working time (based on cross-sectoral agreements and labour regulations) are negotiated. Working time standards have been sometimes discussed in the National Labour Council, though no agreement was ever concluded in such an institutional body. Individual negotiations on working time issues are rare in Belgium.

Prior to the accession of Cyprus to the EU in 2004, working time was mainly regulated by collective agreements, or by agreements reached directly between employers and employees. With the transposition of EU legislation, specifically the enactment of Law 63(I)/2002 on the Organisation of Working Time, the main aspects of working time, such as maximum working week and rest periods, are currently provided for by the relevant legislation. This legislation has been fully aligned to the provisions of collective agreements, which remain the most important level for the establishment of working time standards in Cyprus.

In Germany, daily working hours are set by the Working Time Act (*Arbeitszeitgesetz*, ArbZG), which is based on the Working Time Directive and was last amended in April 2013. The act allows certain sectors to deviate from the regulations on working time (for example, in the manufacturing industries) and on rest periods (for example, in hospitals, healthcare, hotels and restaurants) and also allows deviations via collective agreements. Typically, sectoral collective framework agreements define monthly or weekly working time, the number of days of holiday and hours of shift work/night work. Opening clauses in collective agreements may allow for deviations at company level. At establishment level, co-determination rights by the works council and works agreements concluded by worker representatives and management have a dominant role in scheduling working hours, setting overtime regulations, flexible working time arrangements or mobile working.

Broadly speaking, Spanish labour law establishes the basic conditions which compulsorily affect all the working population, but in general these fundamental terms are relatively flexible. Thus, working time standards in Spain are mainly decided via collective bargaining, particularly at sectoral level. Meanwhile, negotiations at company level are more likely to happen in larger companies. Overall,

collective agreements of a higher scope are used as a reference for general guidelines (or minimum standards), whereas agreements at a lower level develop more specific or particular issues, normally offering better conditions for workers.

In Italy, working time is regulated by Legislative Decree No 66/03, as amended by Legislative Decree No 213/04, which implemented earlier versions of the European Working Time Directive. For the first time, Legislative Decree No 66/03 set working time uniformly at national level, both in the public and private sectors, while respecting the role of collective bargaining autonomy in Italy. National collective bargaining agreements can, and usually do, provide provisions more favourable to workers. Legislation does not deal with most working time organisation issues, which are left to collective bargaining or negotiation.

The standards of working time in the Netherlands, including maximum working hours, rest periods and breaks, are set out in the working hours act (in force since April 2007). Some of the rules in the working hours act, and many of the general and sector-specific rules in the working hours decree, can only be applied collectively. They may take the form of collective labour agreements (that is, arrangements relating to the legal position of employees employed by the government, or a written agreement between an employer and employee consultative bodies, such as the works council or other employee representative body). They may also take the form of individual agreements, negotiated directly between employees and employer.

Luxembourg is a special case insofar as the importance of the institutional levels depends on the sector of activity. Some sectors (for example, banking) have only one sectoral agreement whereas other sectors have only company-level agreements (for example, the chemicals sector). In other smaller sectors or branches (such as the research sector), there is no collective agreement and statutory legislation plays the most important role. In general, only one of these levels applies in each sector, yet both might be further adjusted at an individual level. Luxembourg could perhaps be classified as having an adjusted mandated regime, but given that, according to ILO data, almost 60% of the employees are covered by collective agreements (Visser et al., 2015), it seems reasonable to classify it as having, predominantly, a negotiated regime.

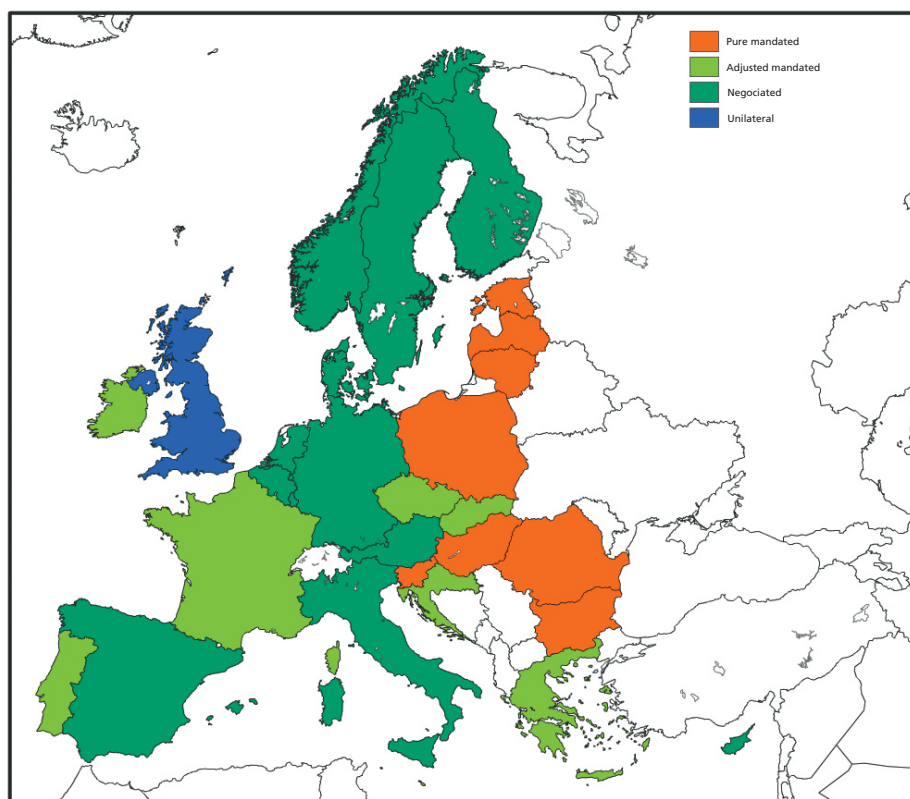
Unilateral working time regime

The UK is unique in that its most important institutional level regarding working time regulation is the individual level. According to data from the Workplace Employment Relations Study 2004 (Kersley et al., 2005), work duration as well as work schedules and organisation were set solely by management in 71% of workplaces (the findings so far published from WERS 2011 do not address this issue). Statutory legislation plays hardly any role, since the 48-hour statutory limit on weekly working hours is far in excess of average usual weekly hours. Sectoral-level and company-level negotiations on work duration play a role in only a few sectors, such as manufacturing or construction. Such highly decentralised bargaining structures reflect the unilateral configuration model of working time. Employment contracts generally contain the standard terms and conditions offered by the employer and the actual bargaining that occurs is likely to be limited. The crackdown on trade unions during the time when Margaret Thatcher was prime minister might be one main explanation for this outcome (Marginson et al., 2003).

General observations regarding countries

Figure 3 provides a geographic representation of the working time setting regimes in the EU. All the Nordic countries have a negotiated working time regime, which reflects the traditionally strong standing of social dialogue and collective bargaining in these countries. In contrast, central and

Figure 3: Working time setting regimes in the EU



Source: Information from Eurofound's Network of European Correspondents.

eastern European countries are mostly characterised by a purely mandated regime. Continental Europe is less homogeneous with regard to working time setting regimes, having a mix of adjusted mandated and negotiated regimes. The UK is the only country where working time is mainly set in the individual contracts between employees and employers.

Despite the diverse European panorama of working time setting regimes, some general remarks can be made.

Top-down relationships

In general, the combination of different regulation levels follows a hierarchical top-down order: higher-level agreements usually set the boundaries of lower-level agreements. In other words, lower-level negotiations have to consider the regulations and agreements applicable on upper levels and adhere to their standards. Ultimately, and in very general terms, individual employment contracts must follow the regulations set in collective agreements (at company, sector or national levels), which in turn must consider the regulations provided by national legislation. Additionally, the national legislation must follow the supranational regulation provided by the Working Time Directive.

Derogations *in melius*

Despite the hierarchical relationship of institutional levels, almost all countries allow derogations from upper-level arrangements as long as these are favourable (*in melius*) for employees, in line with Article 15 of the Working Time Directive. In other words, while the law provides the framework, the social partners can negotiate terms which depart from the law in favour of the employees. This is true for both work duration and the organisation of working time.

Derogations *in pejus*

Less common are high level regulations which might be overruled by lower-level agreements '*in pejus*' (that is, to the disfavour of the employees). In particular, this is true in terms of work duration. In Germany, for example, labour law allows sectoral agreements to include company-level negotiations on temporarily exceeding the collectively agreed working time standards (*Arbeitszeitkorridor*) when a substantial amount of on-call or emergency service time exists on a regular basis. Similar regulations apply to the French and Italian private sectors, where sectoral agreements might deviate from the standard work duration of statutory legislation. Another example is the Slovenian retail industry, in which company-level agreements allow for an extension of work duration in predefined exceptional situations (such as the unexpected absence of workers). However, derogations *in pejus* are more difficult to determine regarding the organisation of working time, since these arrangements are increasingly decided at company and individual level and, consequently, tend to be less regulated.

Robustness of working time setting regimes

In the period of time analysed (1999-2014), the general working time setting regimes did not undergo sufficient change to imply a transition to a different regime. This suggests that most EU Member States have robust working time setting regimes, particularly when referring to how standards of working time duration are defined within the framework of the Working Time Directive. There were changes of regime in some sectors in some countries, but this did not entail a change in the overall regime of the country. For example, the working time regime of the Slovenian chemicals sector moved from negotiated to pure mandated when the employers' organisations did not subscribe to the existing sectoral agreement. This only reinforced the general pure mandated working time setting regime in Slovenia.

Trend towards lower-level agreements

The decentralisation of collective bargaining has become more and more apparent in recent decades (Traxler, 1995, Eurofound, 2013d). Across many EU Member States, ever more bargaining power has been delegated to lower institutional levels.

In many central and eastern European countries, recent changes in statutory legislation allow for work schedules and work organisation to be determined at company or individual level. In Hungary, for instance, the opportunity to derogate from working time legislation by company-level agreements was introduced in 2012. These derogations might be *in melius* (working time flexibility in the interest of the workers) and *in pejus* (overtime up to 250 hours' maximum per year).

While the number of company-level agreements in most of these countries remains low, it has increased in some. For example, Cyprus and Malta reported a recent increase in company- and individual-level agreements, respectively. And even in countries with traditionally strong sectoral bargaining, some working time aspects became the subject of negotiations at company level: in Denmark, for instance, this opportunity was introduced in the Industry Agreement in 2004. The reasons for this trend are numerous and complex. In most countries, it is due to a mix of internal factors (for example, the bargaining power of workplace representatives) and external factors (for example, employees' and employers' request for working time flexibility). A good overview of this development is given in Marginson et al. (2003).

Involvement of social partners in legislative procedures

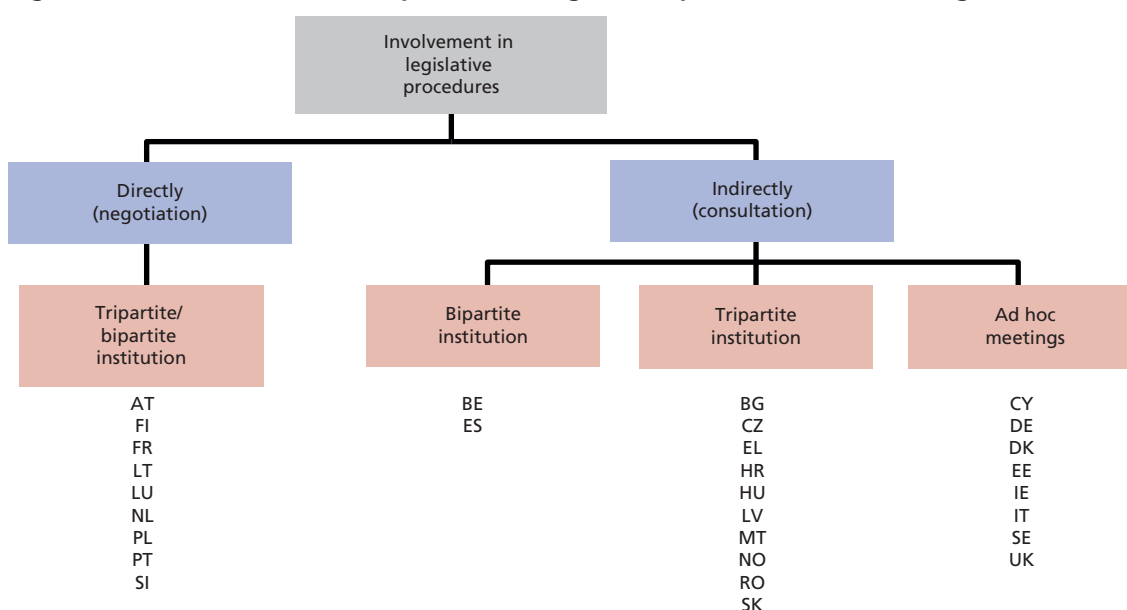
The role of social partners is, nevertheless, not limited to collective bargaining lower than the level of statutory legislation, as the framework above might suggest. In fact, social partners in all EU Member States are also involved in the formulation of statutory legislation itself, albeit in different settings and different depths.

There are four major groups of countries that have been classified on the basis of the influence and institutional setting of social dialogue in terms of social partners' involvement in legislative procedures on working time (Figure 4).

In most countries, the peak social partner organisations take a consultative role in legislative procedures on working time. They evaluate legislative proposals, make recommendations and express their opinions to governments and parliaments. The governments of Greece, Latvia, Malta and Spain, for example, are obliged to consult the social partners prior to labour law reforms but do not necessarily have to adhere to their recommendations. However, the institutional setting of this social dialogue differs considerably across countries. In eight EU Member States, the social partners are consulted on an ad hoc basis, usually during the drafting process. The peak social partners are then invited to comment on respective proposals and to give feedback. This is then usually discussed in bilateral or trilateral meetings between employers, workers and the government, as happened, for instance, in Denmark during the drafting of the Working Environment Act, last amended in 2010.

In almost half of the countries, social dialogue on working time legislation is institutionalised, either on a bipartite or a tripartite basis. In Belgium and Spain, bipartite councils consisting of workers' and employers' representatives evaluate, discuss and comment on legislative proposals. In Bulgaria, Czech Republic and eight other countries, these bodies are joined by governmental representatives, making them tripartite fora for social dialogue. Most of these councils meet regularly, usually once a month. Nevertheless, governments do not necessarily have to adhere to the suggestions and recommendations of these bipartite or tripartite structures.

Figure 4: Involvement of social partners in legislative procedures on working time



Source: Authors' own design based on information from Eurofound's Network of National Correspondents.

In contrast, social partners in countries such as France, Lithuania and Portugal may participate actively in the lawmaking procedures. Representatives of both employers and employees negotiate directly between themselves or with the government, and draft texts for legislation by means of tripartite institutions. In Portugal, for instance, a tripartite agreement on a compromise for growth, competitiveness and employment (including new measures on working time flexibility) was signed on June 2012 (but not by CGTP-IN, the largest trade unions confederation) in the context of the Economic and Social Council, which served as the basis for the new Labour Code 2012 (Law No 23/2012). In the Netherlands, the last major revision of the Working Time Act 2007 was the result of negotiations between the parties of the tripartite council (Sociaal Economische Raad).

Since the beginning of the 21st century, the standing and setting of social dialogue as depicted in Figure 4 has changed only in a few countries. In Poland, it was only in 2009 that the social partners became decisive actors in legislative procedures: the 2009 ‘anti-crisis’ legislative package, which included solutions such as temporary flexible working time arrangements, was elaborated jointly by the social partners. Yet in other countries, social partners have become less influential and less relevant in law-making procedures. In France, the Aubry laws were not negotiated with the social partners: instead, a tripartite consultation took place, during which the main employers’ organisation, Movement of the Enterprises of France (MEDEF), left. Since 2004, the French government has asked the social partners to negotiate and reach an agreement on certain issues; if they succeed, the agreement is ‘confirmed’ by law.

In Estonia, Greece and Norway, the respective governments have recently failed to request the consultation of the social partners and have increasingly made unilateral decisions regarding labour law including the regulation of certain aspects of working time. Meanwhile, in Ireland and Romania, social dialogue has been altered in such a way in recent years that social partners no longer have the same influence regarding negotiation and consultation over legislative issues dealing with working time as in the past. In Ireland, the national social partnership model collapsed in 2009 (Eurofound, 2013e). In Romania, social dialogue changed significantly following the 2011 Law on Social Dialogue (Eurofound, 2012b).

Working time setting regimes in selected sectors

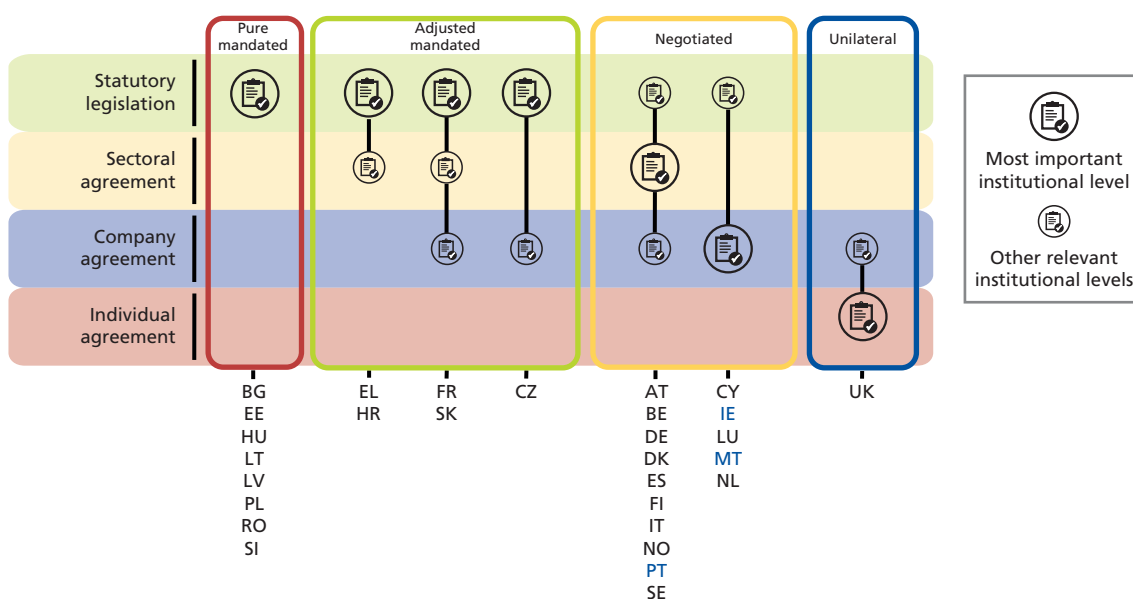
In the previous section, the EU Member States are classified and characterised in relation to their overall working time setting regimes. When looking at how working time is regulated in specific sectors of economic activity, however, it is possible to find some nuances that, even if on a small scale, illustrate how complex and intricate the regulation of working time standards can be.

This section looks at the five selected sectors traditionally analysed in Eurofound’s annual reports on working time developments: chemicals, metalworking, banking, retail and public administration. The prevalent working time setting regimes in these five sectors in each Member State are defined and some of the national specificities highlighted. The section concludes by identifying the main similarities and differences between the sectors analysed.

Chemicals

For this report, the chemicals sector is broadly defined as including the manufacture of chemicals, chemical products, basic pharmaceutical products, pharmaceutical preparations, rubber and plastic products. This definition corresponds roughly to divisions 20, 21 and 22 of NACE Revision 2.0 (Eurostat, 2008).

Figure 5: Working time setting regimes in the chemicals industry



Note: Blue indicates deviations from the general working time setting regime.

Source: Authors' own design based on information from Eurofound's Network of European Correspondents.

In the chemicals sector, the working time setting regimes, as shown in Figure 5, are slightly different and more diverse than the general regimes described above. Collective bargaining seems to play a relatively greater role in this industry, especially at sectoral level: for almost half of the EU Member States, sectoral agreements – defined and concluded within the boundaries of statutory legislation – establish the main regulatory provisions for working time. In most of these countries, the sectoral agreements are further adjusted by company level bargaining. In Spain, for example, work duration is determined in the sectoral agreements, while the work schedules are agreed at company level.

In central and eastern European countries such as Bulgaria, Estonia and Latvia, statutory legislation is, as depicted in the general framework shown in Figure 2, the main if not only regulatory institution. Slovenia used to have a sectoral agreement, but this was rejected by the employers' organisations in 2008; since then, working time has been regulated by statutory legislation.

In the Czech Republic, Greece, France, Croatia and Slovakia, the chemicals sector is characterised by an adjusted mandated regime, where statutory legislation sets the main standards yet can be improved by agreements at lower levels. In Greece and Croatia, sectoral agreements exist, but these mainly reproduce the working time standards of statutory legislation. In France, the duration of working time is set by legislation whereas working time organisation is set by either sectoral or company-level agreements.

The sectoral level is the most important one for the definition of working time in the chemicals sector in about one third of the EU Member States and Norway.

In Belgium, company agreements are also important in the sector, especially in relation to working time organisation and including the annualisation of working hours and the link with shift work and night work. Belgium's large chemical companies generally have shorter working time arrangements.

In Denmark, the Industry Agreement is the starting point for the definition of working time duration and organisation in the chemicals sector, as it establishes the conditions under which management and employees can agree on different conditions. Eight out of 10 companies under the Industry Agreement have concluded local agreements about working time. These can be about flexitime,

varied weekly working time, time in lieu, piecework, work shifts, staggered hours, additional or shorter hours, and work-sharing.

In Finland, sectoral-level collective agreements are still the most important instrument in setting standard working hours. Company level bargaining is where flexibility of working hours is applied.

In Germany, standard working time in chemicals (specified as weekly working hours without breaks) is regulated by the framework collective agreement in the industry. The distribution of working time and breaks is decided at establishment level.

In Spain, the national-level 17th General Collective Agreement of the Chemical Industry of March 2013 regulates several aspects of working conditions for the sector in the whole country, such as the maximum number of annual working hours. These are just 'basic' or 'minimum' contents, and collective agreements at a lower level (provincial or company) are supposed to further develop these aspects. Rest breaks being counted as working time or irregular distribution of working hours are decisions to be taken in agreements by the social partners at a lower level (mostly at company level).

In Italy, the national collective bargaining agreements cite the national law that establishes a maximum of 40 weekly working hours generally spread over 5 working days and determines a reduction in the maximum working hours for some type of workers (that is, shift workers) or involving some subsectors (that is, companies producing abrasive products). In the case of organisational needs, a different apportioning can be negotiated with work councils at company level.

In Portugal, the sectoral collective agreement between the Federation of Service Workers' and Technicians' Unions (Fetese) and the Portuguese Association of Chemical Companies (APEQ) is the most important regulatory instrument. Fetese and APEQ cover around 600 companies and 22 500 workers, which amounts to around 48% of total employment in the sector (Eurofound, 2014b). This sectoral agreement defines the maximum duration of working time and the regime of adaptability for a reference period of 6 months at company level. However, there are no rules of articulation between sector and company agreements.

In Sweden, working time is almost exclusively set in collective agreements at national sectoral level which are open to local adjustments. In Ireland, Cyprus, Luxembourg, Malta and the Netherlands, company-level negotiations define the main standards of work duration, schedule and organisation, albeit within the boundaries of statutory legislation.

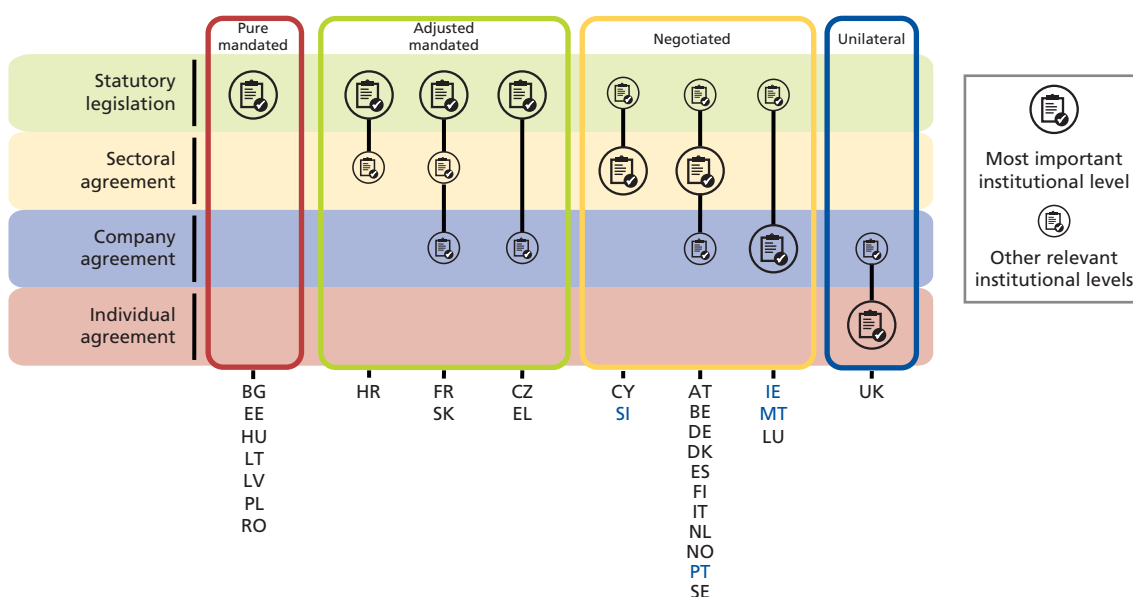
The UK remains an exception in so far as the dominant regulatory level for working time is the individual level.

One peculiarity about working time setting in the chemicals sector is the existence, in some Member States, of provisions covering specific occupations which have been established for health reasons. In Slovakia, for instance, the sectoral agreement defines different working regimes for specific occupational roles, such as workers exposed to chemical carcinogenic risk: their work duration is a maximum of 33.5 hours per week. Similarly, in Italy, agreements in some subsectors such as the production of abrasive products contain a reduction in the maximum working hours.

Metalworking

For this report, metalworking is broadly defined as including the activities of smelting and/or refining ferrous and non-ferrous metals and the manufacture of 'pure' metal products (such as parts, containers and structures). This definition corresponds roughly to divisions 24 and 25 of NACE Rev. 2.0 (Eurostat, 2008).

Figure 6: Working time setting regimes in the metalworking industry



Note: Blue indicates deviations from the general working time setting regime.

Source: Authors' own design based on information from Eurofound's Network of European Correspondents.

Working time regulation in this sector is very similar to that in the chemicals sector in that collective bargaining is relatively well institutionalised (Figure 6). But although statutory legislation plays a role in almost all EU Member States, it is the main source of working time regulation in only 12 countries.

In Bulgaria, Estonia, Latvia, Lithuania, Hungary, Poland and Romania, standards for all working time aspects are mainly set and regulated by statutory legislation.

In Croatia, statutory legislation is the most important regulatory level. There is a sectoral agreement for the metalworking industry which, however, mainly reproduces the standards set out by statutory legislation.

In France and Slovakia, working time duration is set by legislation and working time organisation is set by either sectoral or company-level agreements. In the Czech Republic and Greece, statutory legislation is complemented by company-level agreements, which specify work schedules and work organisation or sometimes derogate from legal standards *in melius*.

For the majority of countries, statutory legislation simply defines the statutory minimum entitlement for employees regarding work duration and work organisation. Otherwise, working time is specified by collective bargaining agreements either at sectoral level or company level (Ireland, Luxembourg and Malta). Sectoral agreements are the most important regulatory levels in more than half of EU Member States. In Slovenia, where in general working time is governed by statutory legislation, and in Cyprus, working time standards are mainly determined by sectoral agreements covering most of the employees.

In a majority of countries, including the Nordic countries and Belgium, Germany, Italy, the Netherlands, Portugal and Slovakia, the working time standards set by bargaining at sectoral level may be further adjusted at company level. In Germany, for example, working time duration is defined at sectoral level, whereas the distribution of working time and breaks is set at company level.

The dominance of sectoral agreements in the metalworking industry is a reflection of the well organised collective bargaining structures in the sector. This can be seen in the relatively high

unionisation rates, strong presence of employer associations and high level of collective bargaining coverage in most countries (Eurofound, 2010b).

There are a few exceptions to the combinations of regulatory levels described above. In the metalworking sector in Ireland, Luxembourg and Malta, working time is mainly regulated by company agreements. In the case of Luxembourg and Malta, this is mainly due to the small scale of the metalworking industry. In the UK, working time tends to be set in the individual contracts between employee and employer, with only a minority of employees being covered by collective bargaining at company level.

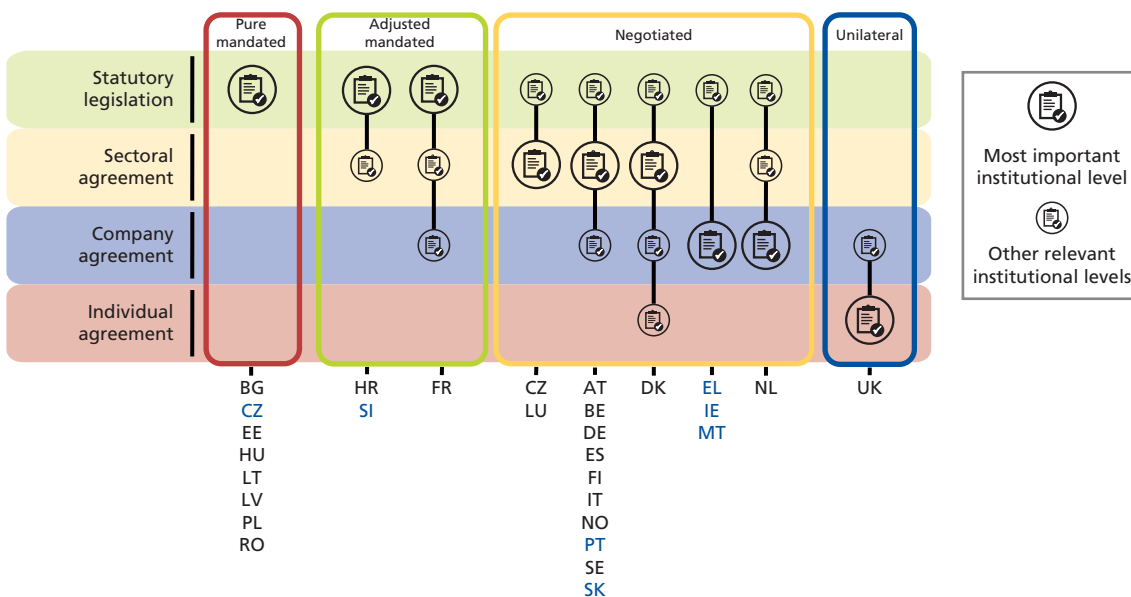
Banking

For this report, banking is broadly defined as the sector which includes ‘financial service activities, except insurance and pension funding’, corresponding to activities of obtaining and redistributing funds other than for the purpose of insurance or pension funding or compulsory social security. This definition corresponds roughly to division 64 of NACE Rev. 2.0 (Eurostat, 2008).

Collective bargaining in the banking sector is similarly well institutionalised (especially at sectoral level) (Figure 7). In nearly half of the EU Member States, working time is defined and regulated through agreements at sectoral level within the (more or less flexible) boundaries of statutory legislation. The considerable number of sectoral and company-level agreements reflects the traditionally strong standing of collective bargaining in this sector. The presence of employers’ organisations and trade unions in this sector remains strong and collective bargaining coverage is high in most countries (Eurofound, 2011b).

In Cyprus and Luxembourg, the main working time standards in banking are defined in sectoral collective agreements within the framework established by legislation. In a larger group of countries, sectoral agreements are the most important level for the establishment of working time standards in the sector, but they can be further adjusted by agreements at company level.

Figure 7: Working time setting regimes in the banking sector



Note: Blue indicates deviations from the general working time setting regime.

Source: Authors’ own design based on information from Eurofound’s Network of European Correspondents.

An apparent trend in the banking sector in recent years is that the establishment of certain working time aspects (mostly working time organisation) is moving downwards from sectoral-level negotiations to collective bargaining procedures or negotiations at company level. In Denmark, for example, the sectoral agreement allows for a flexible working time scheme and leaves it open to both the company and the individual level to decide on the working time organisation and scheduling.

In Greece, company-level agreements replaced the previous sectoral agreement completely in 2013. In Ireland and Malta, working time in banking tends to be governed by single employer agreements, within the parameters of national legislation. In the Netherlands, collective bargaining at company level has become the decisive regulatory mechanism. Although there is a sector agreement for a few smaller banks, it is losing importance compared with company-level agreements.

In contrast, Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland and Romania are characterised by a pure mandated regime: as in the previous sectors, statutory legislation defines and regulates all working time standards in the banking sector. In the Czech Republic, which is generally characterised by an adjusted mandated regime, the setting of working time in banking does not deviate from standard regulation: that is, it is subject primarily to the Labour Code and only exceptionally adjusted by company-level collective agreements. Due to the low trade union density in the sector and frequent application of flexible working regimes, the working time of employees in the sector does not usually deviate from the statutory normal working week as stipulated by the Labour Code. In Croatia and Slovenia, adjustments regarding work organisation are also made at sectoral level, though the agreements there tend to mostly replicate the main standards in statutory legislation.

Retail

For this report, retail is broadly defined as including the resale (sale without transformation) of new and used goods mainly to the general public for personal or household consumption or utilisation, by shops, department stores, stalls, mail order houses, door-to-door sales persons, hawkers, consumer cooperatives and so on. This definition corresponds roughly to division 47 of NACE Rev. 2.0 (Eurostat, 2008).

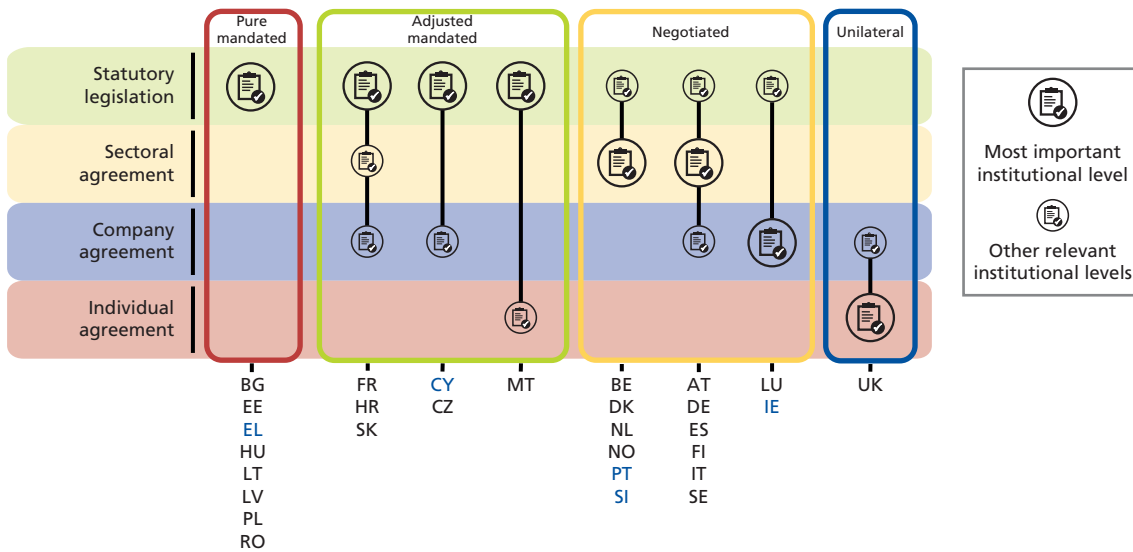
In the retail sector, collective bargaining is not as important as in the sectors discussed above. In some Member States, trade unions in retail industry are either non-existent (for example, in Malta) or possess little negotiating power (for example, the Czech Republic). The predominance of small businesses, the high proportion of female and young workers, and extensive part-time work help to explain the traditional low trade union density and the weakness of collective bargaining in this sector (Eurofound, 2004b). Statutory legislation therefore plays a relatively bigger role in regulating working time in many Member States (Figure 8) and working time standards tend to be mainly regulated by labour legislation in half of EU Member States.

In Greece, which has a predominantly adjusted mandated regime, working time in retail is mainly regulated by legislation. There are no other specific agreements on working time, either at regional or at company level.

In Cyprus, which is generally characterised by a mandated regime, normal weekly working hours in retail are fixed (at 38 hours per week) by Law 155(I)/2006 on the operation of retail shops and the terms of employment of retail workers. Working time organisation is further defined in the few collective agreements currently in place at company level.

However, collective bargaining at sectoral level still plays a major role in a considerable number of countries. As Figure 8 indicates, in 11 EU Member States (plus Norway) working time in the

Figure 8: Working time setting regimes in the retail sector



Note: Blue indicates deviations from the general working time setting regime.

Source: Authors' own design based on information from Eurofound's Network of European Correspondents.

retail sector is mainly configured by sectoral agreements, within the boundaries of the 'minimum standards' set by statutory legislation. In the case of Italy and Slovenia, the industry agreements even allow deviation from the standard working time of statutory legislation in both directions (for specific occupations in Italy and special situations in Slovenia).

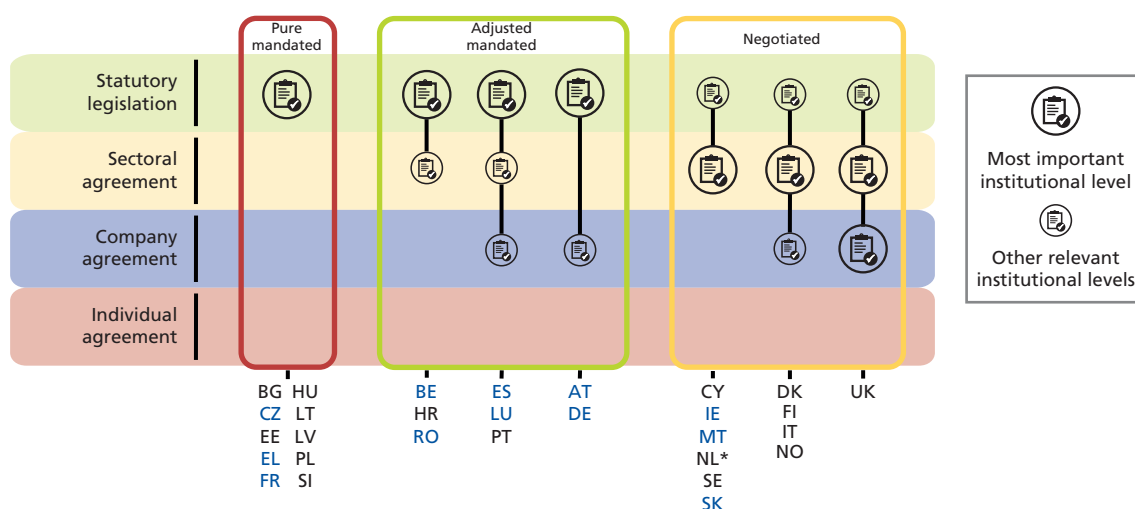
In some instances, sectoral bargaining might not necessarily be negotiated on a national scale. In Portugal, several regional agreements in the retail trade sector either complement or deviate slightly from the sectoral agreement at national level. In contrast, there is no nationwide sectoral agreement in Belgium and Spain. Here, working time in the sector is mainly regulated by different regional, subsectoral and even occupational agreements.

Company-level agreements in the retail sector are relevant in far fewer countries compared with other sectors. While the possibility of deviations at company level exists, company-level agreements are not common (for example, Norway) or do not exist at all (for example, Portugal). This finding again reflects the relatively weak bargaining structures in the sector, which is dominated by small businesses and characterised by structural differences compared with other sectors: for instance, workers tend to be younger and part-time work is more prevalent in the retail sector than on average in the EU28 (Eurofound, 2014c).

Public administration

Traditionally, Eurofound's annual reports on working time developments have examined the civil service and local government as representing the 'public sector'. However, the distinction between those two subsectors is not very relevant in the majority of Member States and so the latest annual report instead refers to public administration as a whole. In terms of definition, public administration corresponds to the activities of general administration (for example, executive, legislative and financial administration at all levels of government) and supervision in the field of social and economic life. This definition corresponds roughly to division 84 of NACE Rev. 2.0 (Eurostat, 2008).

Figure 9: Working time setting regimes in the public administration sector



Note: *There are no statutory standards in Dutch public administration, but the government sets bargaining limits by defining the budget. Blue indicates deviations from the general working time setting regime
 Source: Authors' own design based on information from Eurofound's Network of European Correspondents.

Public administration is distinct from the sectors discussed above in so far as the government itself is the main employer. As a consequence, working time in the majority of EU Member States is unilaterally defined by the state and hence regulated by statutory legislation (Figure 9).

In 10 countries, collective bargaining is non-existent in relation to working time standards, which are defined by labour law. In eight countries, legislation allows for adjustments (mostly regarding work scheduling) at sectoral level (Croatia and Romania), at regional or subsectoral level (Belgium) or at local level (Austria and Germany). Austria, for example, introduced a flexitime model in the public sector which allows for different work schedule arrangements to be dealt with on a local level. In Portugal, a 2009 ruling allows local authorities to defer from statutory working time standards or adapt the latter in favour of the worker⁽⁵⁾. In contrast, sectoral agreements in Romania mainly follow the working time standards of the statutory legislation (Eurofound, 2008b).

In about a third of Member States, sectoral collective bargaining is the most important mechanism for the configuration of working time in public administration. In Cyprus and Malta, for instance, trade unions and government representatives have signed a collective agreement for all employees and civil servants in the public sector. Since no statutory standards are defined in the Netherlands, sectoral bargaining is possible in theory but limited in practice due to the budget targets defined by the government. In some countries, sectoral agreements allow for further adjustments on lower levels: in Denmark, for example, local-level agreements on work duration might derogate from sectoral standards.

In Ireland, the original public service austerity deal, known as the Croke Park Agreement, was succeeded by the new Public Service Stability Agreement 2013-2016. The new deal, known as the Haddington Road Agreement, is made up a series of bilateral sector-by-sector agreements between the government and individual public service unions. This differs from the Croke Park Agreement, which was a single collective agreement negotiated with the Public Services Committee (PSC) of the

(5) However, this was challenged recently by the government. On September 2013, a new law increased the weekly working time in the public sector from 35 to 40 hours, without an equivalent increase in pay. In response, trade unions signed around 400 collective agreements with local authorities to agree on a 35-hour week. Subsequently, the government suspended them, arguing that it is entitled to negotiate on behalf of local government. A decision by the Consultative Council of the Attorney General's Office is awaited to resolve doubts about the legality of government intervention in collective agreements.

Irish Congress of Trade Unions (ICTU). In relation to working time, the Haddington Road Agreement states that public servants previously working 35 hours or less a week (including rest breaks) must now work a minimum of 37 hours. Those already contracted to work more than 35 hours and less than 39 hours (including rest breaks) must work a minimum of 39 hours.

In most countries, these agreements address different parts of public administration including the civil service and local government, whereby working time regulations do not differ significantly between the two groups. In some countries, there are separate bargaining procedures and collective agreements, albeit at the same bargaining level and with similar content. In Spain, Romania and Slovakia, for instance, separate agreements for civil servants and local staff are concluded but these have the same content. An exception is the UK where the standard working time for civil servants is usually set within the framework of central government guidance (in the form of a management code), at the level of individual government departments, agencies and non-departmental bodies, and generally through bargaining. In contrast, working time for local administration staff is regulated by agreements at national level ⁽⁶⁾. However, the standard working week set by these different agreements does not vary greatly from the norm of 37 hours.

Comparison of working time setting regimes in different sectors

Putting the different sectoral settings of working time regulation in perspective, several differences between the selected sectors become apparent. The ‘total’ rows of Figure 10 (below) provide an overview of the most relevant working time regime for each sector, which in turn indicates the most important sectoral differences in the EU as a whole.

Collective bargaining has a strong role in the determination of working time standards in the sectors of chemicals, metalworking, banking and retail. In these sectors, the negotiated working time setting regime is present in a majority of EU Member States. The predominance of collective bargaining agreements reflects the relatively strong presence of employers’ organisations and trade unions, as well as high collective bargaining coverage in the chemicals sector (Eurofound, 2014b), the metalworking sector (Eurofound, 2010b) and the banking sector (Eurofound, 2011b).

Collective bargaining has a relatively weaker role in the determination of working time standards in the retail sector, as relatively more countries have adjusted mandated regimes of working time. Overall, statutory legislation plays an important role in the retail sector in 14 countries, either in a pure mandated regime setting (eight countries) or in an adjusted mandated regime (six countries). Again, the predominance of small businesses and the relatively weak workers’ representative structures in this sector seem to be the main explanatory factors for the weakness of collective bargaining in general and in the determination of working time standards for the sector (Eurofound, 2004b).

The public administration sector differs significantly from the private sectors insofar as pure mandated is the predominant working time setting regime. Not all the countries with general negotiated regimes have the same regime in public administration: for example, in Belgium, Germany, Luxembourg, the Netherlands and Portugal, public administration features adjusted mandated regimes. Again, this

⁽⁶⁾ These comprise national agreements on pay and conditions, agreed by the National Joint Council for Local Government Services for England and Wales, and by the Scottish Joint Council for Local Government Employees. These agreements cover the majority of local government services employees, while there are also separate national agreements (in England, Wales and Scotland) for some specific groups, notably craft workers. All the main agreements provide for a 37-hour standard working week. As an exception, the national agreements provide for a 36-hour standard week in London. Around 50 local authorities (out of some 370) have ‘opted out’ of the sectoral agreements and generally conduct their own collective bargaining but the standard working week in these authorities does not vary greatly from the 37 hours norm set by the national agreements (36 hours in London).

might be explained by the fact that the government itself is the main employer in this sector and hence tends to define and regulate working time standards autonomously.

The working time setting regimes in a number of countries are not homogeneous across all sectors, reflecting the diversified picture when taking the sectors of activity as point of reference. In Slovenia, for example, where the general regime is pure mandated, the metalworking and retail sectors are negotiated regimes, while the banking sector is adjusted mandated.

Figure 10: Working time setting regimes across sectors

	Chemicals	Metalworking	Banking	Retail	Public administration	General
BG						
EE						
HU						
LT						
LV						
PL						
RO						
SI						
CZ						
EL						
FR						
HR						
SK						
MT						
PT						
IE						
AT						
CY						
BE						
DE						
ES						
LU						
DK						
FI						
IT						
NL						
NO						
SE						
UK						
Total						
	8	7	8	8	10	8
	5	5	3	6	8	8
	15	16	17	14	11	12
	1	1	1	1	0	1

■ Pure mandated
 ■ Adjusted mandated
 ■ Negotiated
 ■ Unilateral

Source: Author's own design based on information from Eurofound's Network of National Correspondents.

Main developments in collectively agreed working time

This chapter describes the main working time developments in the first decade of the 2000s on the basis of data collected by Eurofound since 1999 on collectively agreed working hours and Eurostat's Labour Force Survey (LFS) on usual working hours. It looks first at the evolution of collectively agreed weekly working time between 1999 and 2014 in each Member State, covering the countries' whole economies and the five selected sectors of economic activity covered in Chapter 1. It then looks at how the working hours usually performed by full-time employees evolved in the past decade, including the evolution of the gap between men and women as well as a comparison of usual working hours according to the working time setting regimes. The chapter concludes by examining the difference between agreed working hours and workers' usual working hours, and the potential interpretations of this difference.

Delimitation of working hours

One of the main provisions of the Working Time Directive concerned the maximum weekly working time. Article 6 (Council of the European Union, 2003) states that:

Member States shall take the measures necessary to ensure that, in keeping with the need to protect the safety and health of workers: (a) the period of weekly working time is limited by means of laws, regulations or administrative provisions or by collective agreements or agreements between the two sides of industry; (b) the average working time for each seven-day period, including overtime, does not exceed 48 hours.

However, as shown in Table 1, standard maximum working hours are defined differently across the EU. In the vast majority (26) of Member States, the standard maximum working hours are defined in legislation and/or collective agreements on a weekly basis. In 18 Member States, the maximum working time is defined both on a daily and weekly basis. Often, legislation refers to daily and weekly limits whereas most collective agreements use a weekly basis for defining the maximum working hours. In France and the Netherlands, sectoral and company agreements may refer to maximum annual working hours whereas, in Spain, this is the common approach in most collective agreements.

Table 1: Periods used to define standard maximum working hours in EU Member States

	Daily	Weekly	Annually	Observations
AT	✓	✓		Standard maximum working time is limited to 10 hours per day and 50 hours per week by law (<i>Höchstarbeitszeit</i> , AZG §9).
BE	✓	✓		The daily 8-hour working time limit can go up to a maximum of 12 hours per day and 50 hours per week with overtime included.
BG	✓	✓		In the Labour Code, normal working time is up to 8 hours and the working week is defined as 5 days, implying a normal weekly working time of 40 hours. Some company-level agreements in the chemicals sector refer to monthly limits on working time.
CY		✓		
CZ	✓	✓		Legislation and collective agreements use primarily weekly hours to define standard maximum working time, although they might also refer to daily hours.
DE	✓	✓		Daily in legislation (8 hours per day/48 hours in a 6-day week) and weekly in most collective agreements.
DK	✓	✓		Legislation refers to daily and weekly hours, whereas most collective agreements refer to weekly hours.
EE	✓	✓		
EL	✓			
ES			✓	Legally maximum working hours can be established on a daily, weekly, monthly or annual basis. In practice, they tend to be established in annual hours in collective agreements.
FI	✓	✓		Standard maximum working hours set in collective agreements is most commonly defined on a weekly as well as daily basis. The reference period varies.
FR		✓	✓	Sectoral or company agreements may institute the number of annual hours worked as the norm.
HR		✓		
HU	✓			Defined as maximum of eight daily hours implying that, in a week of five working days, the maximum is 40 hours.
IE		✓		
IT		✓		Legislation sets the standard maximum working hours as weekly hours. National collective bargaining agreements follow the same pattern.
LT	✓	✓		
LU	✓	✓		
LV	✓	✓		
MT		✓		
NL		✓	✓	Some collective agreements may contain annual hours. Reference to daily hours is rare.
PL	✓	✓		
PT	✓	✓		Standard maximum working hours are defined in relation to daily hours (8 hours) and weekly hours (40 hours) in the Labour Code. Collective agreements also define standard daily and weekly maxima.
RO	✓	✓		
SE		✓		
SI		✓		Overtime cannot exceed daily, weekly and monthly limits.
SK		✓		Collective agreements may also refer to daily working hours and annual overtime.
UK	✓	✓		Collective agreements generally provide for standard working hours per week and sometimes also per day. Agreements providing for annualised hours arrangements are rare.

Source: Eurofound's Network of European Correspondents.

Statutory maximum working time

As seen in Chapter 1, legislation plays a more or less important role in the definition of the length of working time in all EU Member States. In countries where collective bargaining plays the most important role in the determination of working standards (particularly in the duration of working hours), this takes place within the framework of statutory rules on maximum working hours. These rules must, as a minimum, respect the provisions of the Working Time Directive, including:

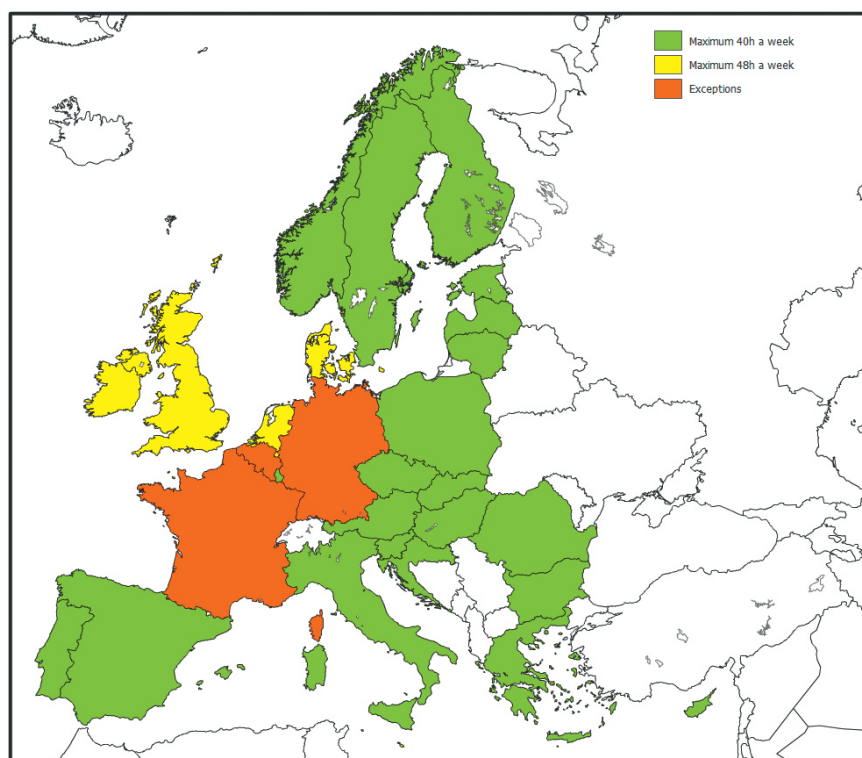
- provision for an average maximum 48-hour working week (over a reference period not exceeding 4 months);
- a minimum daily rest period of 11 hours;
- a daily limit of 8 hours for night workers.

Figure 11 shows the duration of the statutory maximum working week in EU Member States according to the legislation in place in 2014. With the exception of Belgium, France and Germany (shown in orange in Figure 11), most countries fall into one of two main groups:

- those that set their maximum weekly hours at the 48 hours specified by the Working Time Directive (shown in yellow in Figure 11);
- those that operate a lower limit of 40 hours, which may be extended up to 48 hours or more under certain conditions (shown in green in Figure 11).

The length of the statutory maximum working week across the EU and Norway was stable between 2000 and 2014 and did not change significantly.

Figure 11: Statutory maximum working week, 2014



Source: Eurofound's Network of European Correspondents.

In Denmark, Ireland, the Netherlands, Malta and the UK, the statutory 48-hour maximum working week is clearly more than the average collectively agreed weekly working hours (Figure 12). The latter in turn is more than the average actual weekly hours (see Figure 27a) and appears to operate essentially as a safety net. In these cases, the statutory 48-hour maximum includes overtime. In several countries, individual workers (generally or only in specified sectors) can, as permitted by the Working Time Directive, opt out of the 48-hour weekly maximum; this is the case, for instance, in Malta and the UK (Eurofound, 2015c).

In the largest group of countries, the statutory maximum for a normal week of work is 40 hours. Often this 'maximum' functions in practice as the statutory normal working week. In most countries, such statutory working weeks exist together with a 48-hour maximum, which includes overtime. In Latvia, there is no absolute maximum for weekly working but there is a minimum of 42 consecutive hours of weekly rest period to be observed within a 7-day period. In Hungary, Austria and Sweden, the established absolute maxima are 50, 52 and 60 hours per week, respectively.

In addition, the limits referred to may be exceeded in countries where working time flexibility schemes allow weekly hours to be varied around an average over a reference period, as permitted by the Working Time Directive. Weekly maximum working time under such hour-averaging schemes may itself be subject to a ceiling.

In the Netherlands, for example, weekly working time – including overtime – may not exceed 48 hours on average over a 16-week reference period, or 55 hours per week on average over a 4-week reference period, unless otherwise agreed by the employer and trade union or works council, subject to an absolute weekly limit of 60 hours. Likewise in Portugal, the weekly limit of 40 hours may be periodically extended to 60 hours, although it must not exceed a bi-monthly average of 50 hours a week and an overall annual average of 40 hours per week. In Croatia, overtime work may amount to 8 hours per week, 32 hours per month and 180 hours per year, but these limits can be exceeded in cases of extraordinary events, unexpected increases of work and other emergencies.

The exceptions of Belgium, France and Germany illustrate the complexity of the European picture regarding working time, overtime and flexible working time arrangements. In Belgium, the rule is 38 hours as the lower limit – under the condition that more than 40 hours work is considered overtime and an upper limit of 50 hours per week. In France, the working week can extend from 35 hours up to a maximum of 48 hours, including overtime. In Germany, the statutory maximum is a working day of 8 hours (excluding overtime) instead of a weekly maximum.

Evolution of collectively agreed weekly working hours

As shown in Chapter 1, collective bargaining plays an important role in the determination of working time standards that are applicable to an important share of workers in most of the EU Member States. Bulgaria, Estonia, Latvia, Lithuania, Hungary, Poland, Romania and Slovenia are distinct in so far as collective bargaining does not play as an important role in the setting of working time. These countries have therefore been omitted from this section, except where relevant collective agreements exist.

Because the definition of weekly working hours is the common point of reference in the vast majority of Member States, this section focuses on collectively agreed weekly normal working hours, which are the hours that workers are expected to spend on work per week, according to agreement(s) achieved via collective bargaining (industry or branch-level agreements) and/or company-level negotiations (company, establishment or works agreements).

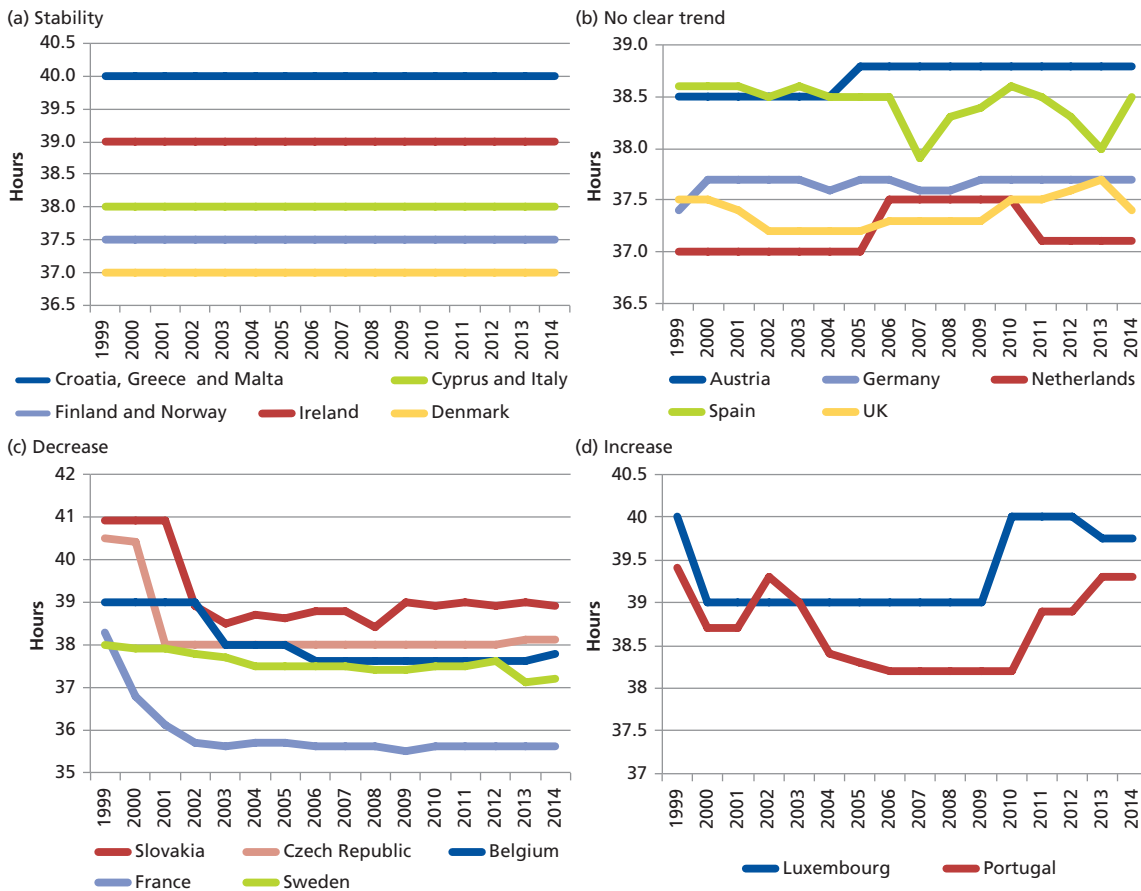
The figures presented here must be interpreted with great care as they derive from different national sources and are based on different assumptions. They are therefore not strictly comparable with each other. Often they are estimates based on the provisions of the most important collective agreements or based on (representative) samples of collective agreements; Annex 1 lists the main national sources for the average collectively agreed normal weekly working time in 2014. Despite these limitations, they are probably the best data currently available for collective agreed normal working hours in EU Member States.

For one group of countries, available estimates of collectively agreed weekly normal working hours were stable between 1999 and 2014 (Figure 12(a)). The agreed working week remained at 40 hours per week in Greece, Croatia and Malta, at 39 hours in Ireland, at 38 hours in Cyprus and Italy, at 37.5 hours in Finland and Norway, and at 37 hours in Denmark.

In Germany, Spain, the Netherlands, Austria and the UK, the average collectively agreed working time displayed little change during the period under analysis, remaining more or less stable over time (Figure 12(b)). The variations shown are relatively small and can be partly attributed to the nature of the statistics and their sources. If a trend can be identified, it would be of an overall slow and small-scale increase between 1999 and 2014.

Belgium, the Czech Republic, France, Slovakia and Sweden are the Member States that stand out most in terms of the evolution of the collectively agreed weekly working time: they all registered a decrease, which in most cases was significant (Figure 12(c)).

Figure 12: Average collectively agreed working time between 1999 and 2014 (hours)



Source: Eurofound's Network of European Correspondents (see Annex I for list of specific national sources).

In Belgium and Sweden, collectively agreed working time decreased at a slow pace over the analysis period. In Belgium, this was due to subtle changes over the years. In 1998, an inter-sectoral collective agreement established a normal working week of 40 hours. This was reduced to 39 hours in 1999 (Eurofound, 1999) and then to 38 hours in 2003 (Eurofound, 2002). Estimates from the Federal Public Service for Employment, Labour and Social Dialogue for the Belgian private sector show that the agreed weekly working time has remained around 37.6 hours per week since 2006. In Sweden, the agreed working time decreased from 38 hours to little over 37.1 hours a week, on average, in 2014.

The significant decreases in the agreed weekly working time registered in the Czech Republic and Slovakia at the beginning of the 2000s have since evened out. These two countries registered decreases from almost 41 and 40.5 hours per week to 39 and 38 hours, respectively, in 2002 and 2001, in the period prior to the countries joining the European Union in 2004. In the Czech Republic, the most important changes in this period of time stemmed from the 'euroamendment' of the Labour Code in 2000, which came into force on 1 January 2001. The statutory weekly working time was shortened from 43 to 40 hours, but since the previously longer working week included rest breaks of 30 minutes per day, the change was deemed only formal (see Fassmann and Čornejová, 2005). In Slovakia, the new Labour Code adopted in 2001 (Act No 311/2001) established a maximum weekly working time of 40 hours (for more details, please consult Annex 2).

France registered a reduction in collectively agreed working time from more than 38 hours in 1999 to around 35.6 hours per week since 2002. The Aubry I (June 1998) and Aubry II (January 2000) laws sought to reduce the statutory weekly working time to 35 hours to boost employment. Shorter working weeks, coupled with expected productivity gains and tax reductions for wage categories just above the national minimum wage, were designed to keep labour costs relatively stable and, in turn, to boost employment. From 2002 onwards, the new government blamed the 35-hour legislation (Eurofound, 2004c) for the sluggish economic growth at the turn of the century. As a consequence, the so-called Fillon laws of 2003 and 2004 increased overtime hours first to 180 hours and then to 220 hours, and abolished all the tax incentives of the Aubry laws.

The evolution shown in Luxembourg (Figure 12(d)) could be related to the implementation of the provisions of the 12 February 1999 Law on the National Action Plan 1998 in the beginning of the decade: these included flexible working arrangements and annualised working time. The national law went a step further by committing the social partners to negotiate the organisation of working time (Article L. 162-15 (4) of the Labour Code), which according to Mass et al. (2012), somewhat changed the collective bargaining scheme in Luxembourg. Nevertheless, many collective agreements merely state that the legal working time should be applied in the companies. Although the data provided up to 2009 are only rough estimates made on the basis of imprecise sources, it is more likely that the average collectively agreed weekly normal working time in Luxembourg has been around 40 hours for the whole period as shown by the more recent estimates from the database on collective agreements compiled by the Centre for Population, Poverty and Socio-Economic Policy Studies (CEPS/Instead) and the Central Service for Statistics and Economic (Statec).

The trend of increase in the agreed weekly working time in Portugal since 2010 (Figure 12(d)) seems to run parallel to the decline in collective bargaining since 2008 (Eurofound, 2014d) and the changes introduced in the labour legislation during that period. The Labour Code that entered into force in 2009 (with Law No 7/2009) established several flexible forms of working time arrangements which could be implemented via agreement between employee and employer, or through collective agreements such as increased normal working hours per day, provided the working week did not

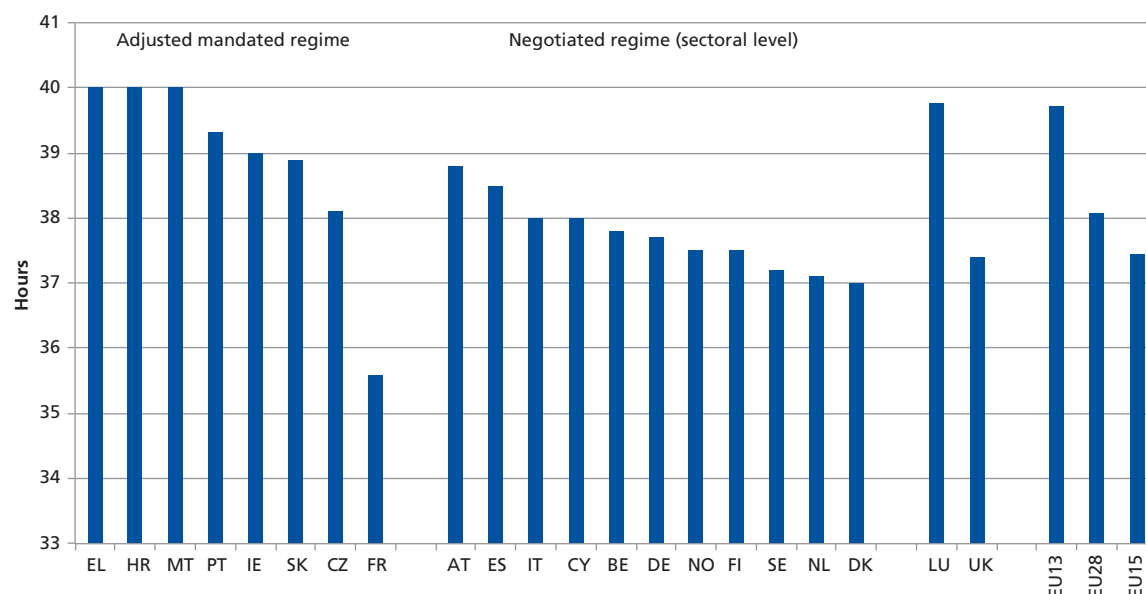
exceed the maximum set by law and concentrated the work schedule into a maximum of 4 days. The Labour Code was revised in 2012 to include the regime of the individual time bank (Law No 23/2012). The amendments also introduced other measures with impact in working time in Portugal such as cutting of four public holidays (Article 234) without equivalent payment and the halving of payment for overtime (Article 268).

Annex 2 provides further details regarding the main national milestones and developments regarding working time standards.

Figure 13 depicts the agreed weekly normal working time in 2014 across EU Member States, grouped according to the working time regime of each Member State. Agreed working time tends to be shorter in those Member States characterised by negotiated regimes where sectoral agreements have a stronger role: most countries in this group are below the EU28 average and collectively agreed weekly normal working hours vary from 37 to 38.8 hours. Agreed weekly hours in the countries with an adjusted mandated working time setting regime tend to be slightly higher and are, with the exception of France, longer than the EU28 average.

In Luxembourg, where working time standards are established by sectoral or company agreements, depending on the sector, the data available indicate agreed weekly working hours close to 40 in 2014. In the UK, where individual agreements play the most important role, available data indicate that the average agreed working time is among the shortest in the EU.

Figure 13: Average collectively agreed weekly normal working hours, by working time regime, 2014



Source: Eurofound’s Network of European Correspondents (see Annex I for list of specific national sources).

Collectively agreed working time in selected sectors

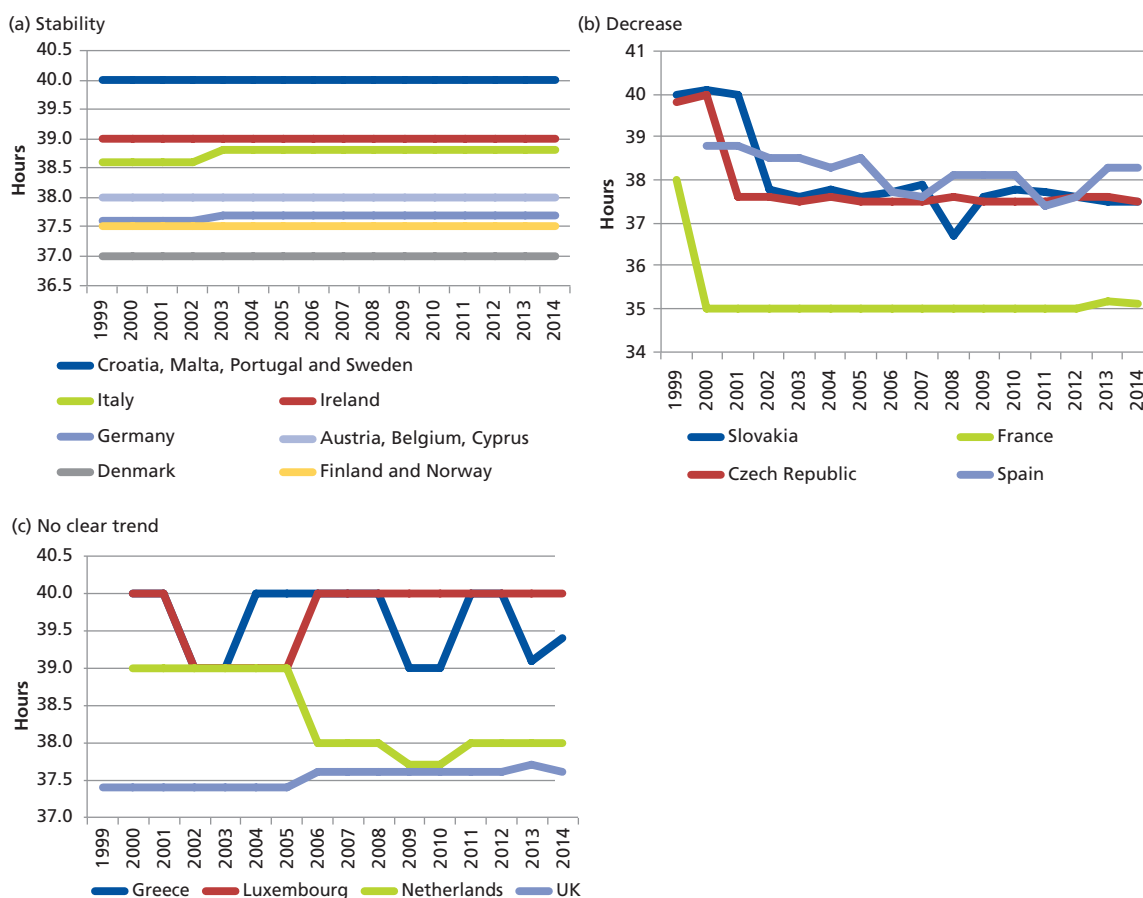
This section looks at the evolution of agreed working time in the sectors traditionally analysed in Eurofound’s annual reports on working time. The figures presented here also have to be treated with caution. They stem from different national sources of information and are therefore not strictly comparable across countries.

Agreed working time in the chemicals sector

The majority of countries with data available show very stable figures for agreed weekly working time in the chemicals sector between 1999 and 2014 (Figure 14(a)). Despite this stability, the weekly hours in chemicals in these countries range from 37 hours in Denmark up to 40 hours in Croatia, Malta, Portugal and Sweden. In the remaining countries, the agreed weekly working time varies between 37.5 and 39 hours.

The data from the countries represented in Figure 14(b) reveal that, between 1999 and 2014, there was a decrease in agreed weekly working time in the chemicals sector. The Czech Republic, France and Slovakia registered sudden and significant decreases at the beginning of the decade (see previous section). Spain registered a ‘slow’ decrease during the decade from 38.8 to 38.3 hours.

Figure 14: Average collectively agreed weekly normal working hours in the chemicals sector, 1999-2014



Source: Eurofound’s Network of European Correspondents (see Annex 1: Chemicals for list of specific national sources).

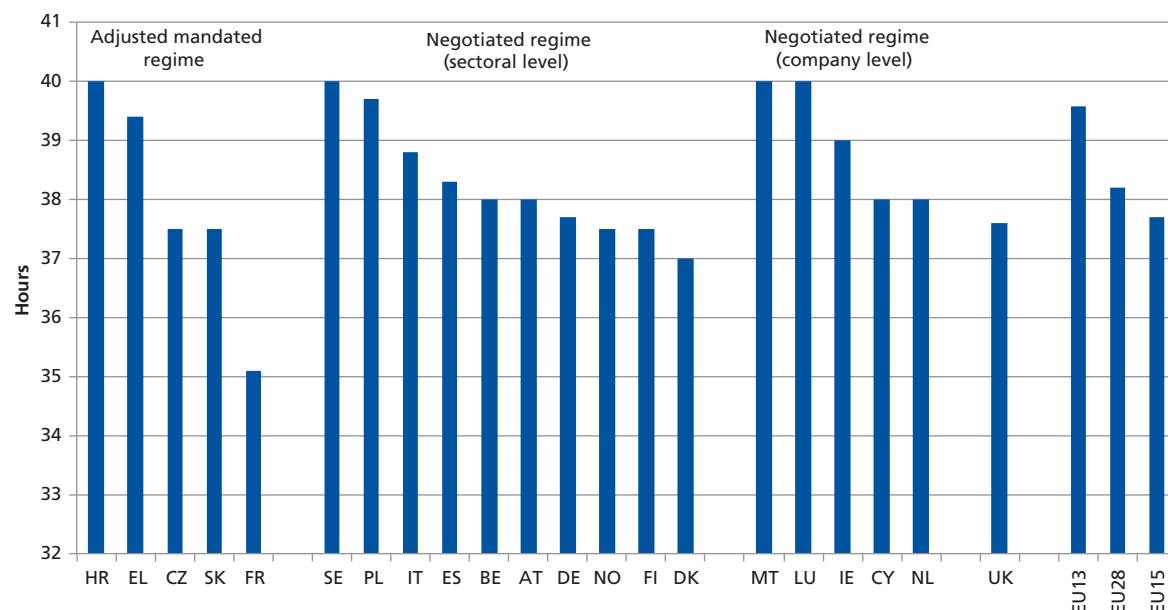
There is a group of countries for which the data do not show a clear trend (Figure 14(c)). There are many sudden changes, most of which are probably related to changes in the data sources which make the interpretation of the data more difficult. In the UK, the changes over this period of time were very smooth with an overall trend of increase. In the Netherlands, the estimates based on company agreements in the sector suggest that, in more recent years, collectively agreed weekly working time has stabilised around 38 hours.

Bulgaria, Estonia, Latvia, Lithuania, Hungary, Poland, Romania and Slovenia are not referred to here because, as shown in Chapter 1, statutory legislation is the main, if not the only, regulatory framework of working time in the chemicals sector.

Figure 15 depicts the agreed weekly normal working time in the chemicals sector by working time regime in 2014. Again, the agreed normal weekly hours tend to be shorter in those Member States where sectoral agreements have a stronger role (weighted average of 38.2 hours). Those with adjusted mandated regimes, or where the company level is the most important one for the definition of working time standards, tend to have slightly longer collectively agreed weekly normal working hours of 38.3 – if France is excluded from the calculation for being an ‘outlier’ in the group and reducing the average significantly.⁽⁷⁾

In seven Member States (Czech Republic, Spain, Greece, France, Austria, Slovakia and Finland), the agreed normal working hours in the chemicals sector is lower than the average agreed working hours for the whole economy. The difference is particularly significant in Slovakia (– 1.4 hours), Austria (– 0.8 hours) and Finland (– 0.7 hours). In contrast, in another seven Member States (Belgium, Italy, Luxembourg, the Netherlands, Portugal, Sweden and the UK), the agreed hours in the chemicals sector are longer than the national agreed averages. These differences are particularly stark in Sweden (2.8 hours), the Netherlands (+ 0.9 hours) and Italy (+ 0.8 hours).

Figure 15: Average collectively agreed weekly normal working hours in the chemicals sector, by working time regime, 2014



Source: Eurofound's Network of European Correspondents (see Annex 1 for list of specific national sources).

⁽⁷⁾ These are weighted averages calculated on the basis of the countries' relative size in terms of full-time employees in 2014.

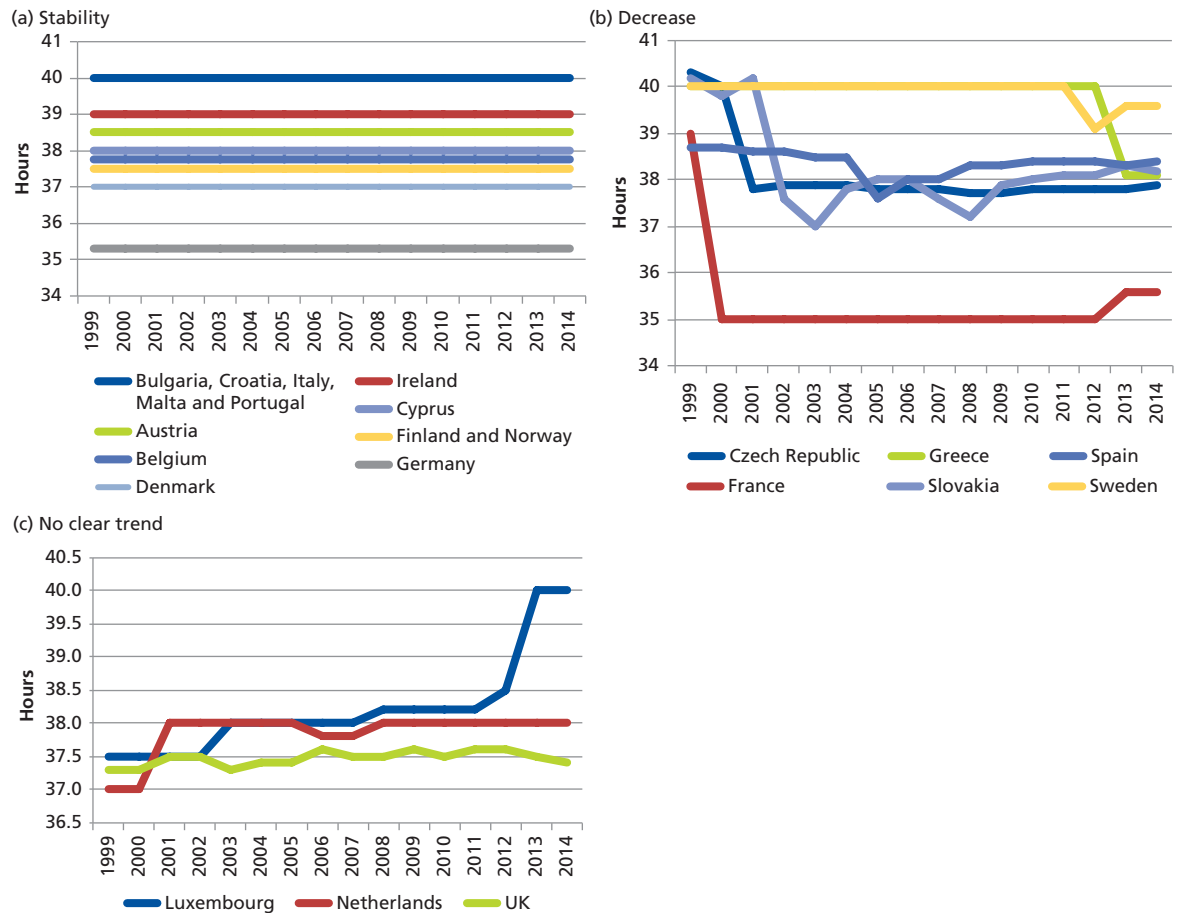
Agreed working time in the metalworking sector

Most Member States with data available show very stable figures for agreed weekly working time in the metalworking sector during the period considered (Figure 16(a)). But despite this stability, the weekly working hours in these countries range from an average of 35.3 hours in Germany up to 40 hours in Italy, Croatia, Malta and Portugal.

In a number of Member States (Figure 16(b)), the agreed normal working time for the metalworking sector registered a decrease during the period under analysis. The Czech Republic, France, Slovakia and Finland underwent significant reductions during the first years of the decade, whereas in Greece and Sweden, agreed working time in the sector decreased towards the end of the decade. In Spain, the evolution was more gradual but nevertheless overall registering a reduction in relation to the beginning of the decade (similar to what happened in the chemicals sector).

There were three countries where the trends are not clear: Luxembourg, the Netherlands and the UK (Figure 16(c)). Although it appears that agreed working hours in the metalworking sector in Luxembourg increased significantly in recent years, this is due to use of different data sources. Figures reported until 2011 were based on estimates provided by the Luxembourg Confederation

Figure 16: Average collectively agreed weekly normal working hours in the metalworking sector, 1999-2014



Source: Eurofound's Network of European Correspondents (see Annex 1: Metalworking for list of specific national sources).

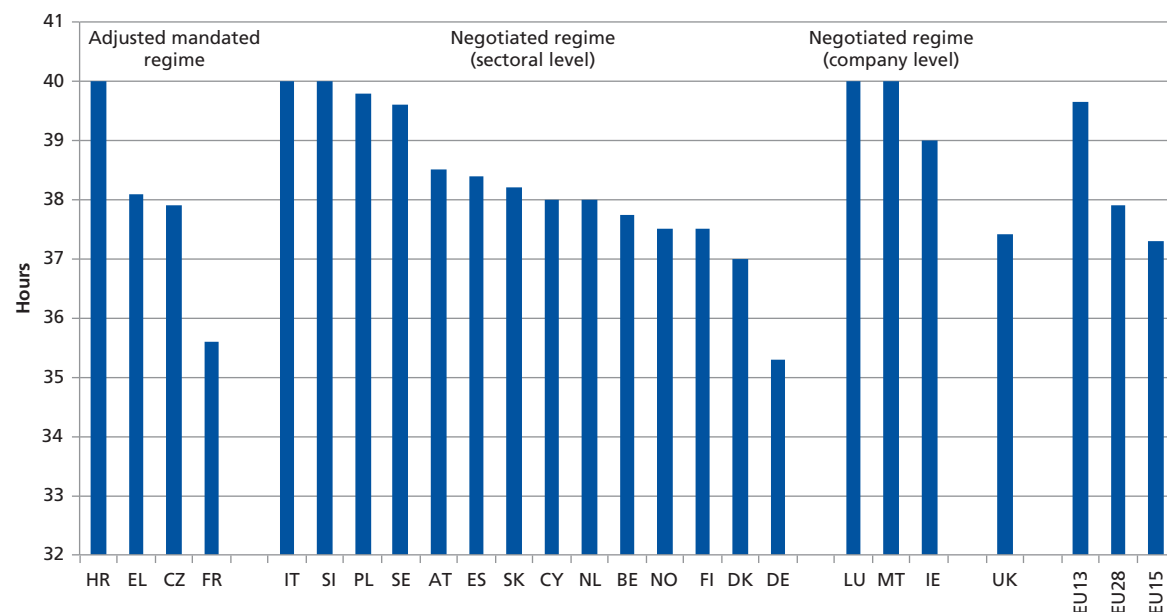
of Independent Trade Unions (OGB-L): the 2012 figure represents the collective agreement of ArcelorMittal, whereas the figures for 2013 and 2014 are based on data from CEPS/Instead and Statec on collective agreements.

Bulgaria, Estonia, Hungary, Lithuania, Latvia, Poland and Romania are not mentioned here because, as shown in Chapter 1, statutory legislation is the main, if not the only, regulatory framework of working time in the metalworking sector. Romania used to have a sectoral collective agreement for metalworking (314/2010) and while it is no longer valid its provisions are still tacitly observed.

Figure 17 depicts the agreed weekly normal working time in the metalworking sector by working time regime in 2014. The agreed normal weekly hours in metalworking are, on average, shorter in those Member States where sectoral agreements have a stronger role (37.7 hours) and those where statutory regulations are relatively more important and only complemented by agreements at ‘lower’ levels (an average of 36.6 hours or 38.3 hours if France is excluded) ⁽⁸⁾. Weekly normal working time in countries where the company level is the most important for the definition of working time standards varies from around 39 hours in Ireland to 40 hours in Luxembourg and Malta (weighted average of 39.2 hours).

In seven Member States (Czech Republic, Germany, Greece, Spain, Austria, Slovakia and Finland), the agreed weekly working hours in the metalworking sector are shorter than the average for the whole economy. The maximum weekly working hours resulting from agreements in the sector are shorter by 2.4 hours than the national average in Germany, by 1.9 hours in Greece, and by 1 hour in Finland. In five Member States (Italy, Luxembourg, Netherlands, Portugal and Sweden), the maximum weekly working hours in the metalworking sector according to the most important collective agreements are

Figure 17: Average collectively agreed weekly normal working hours in the metalworking sector, by working time regime, 2014



Source: Eurofound’s Network of European Correspondents (see Annex 1: Metalworking for list of specific national sources).

⁽⁸⁾ These are weighted averages calculated on the basis of the countries’ relative size in terms of full-time employees in 2014.

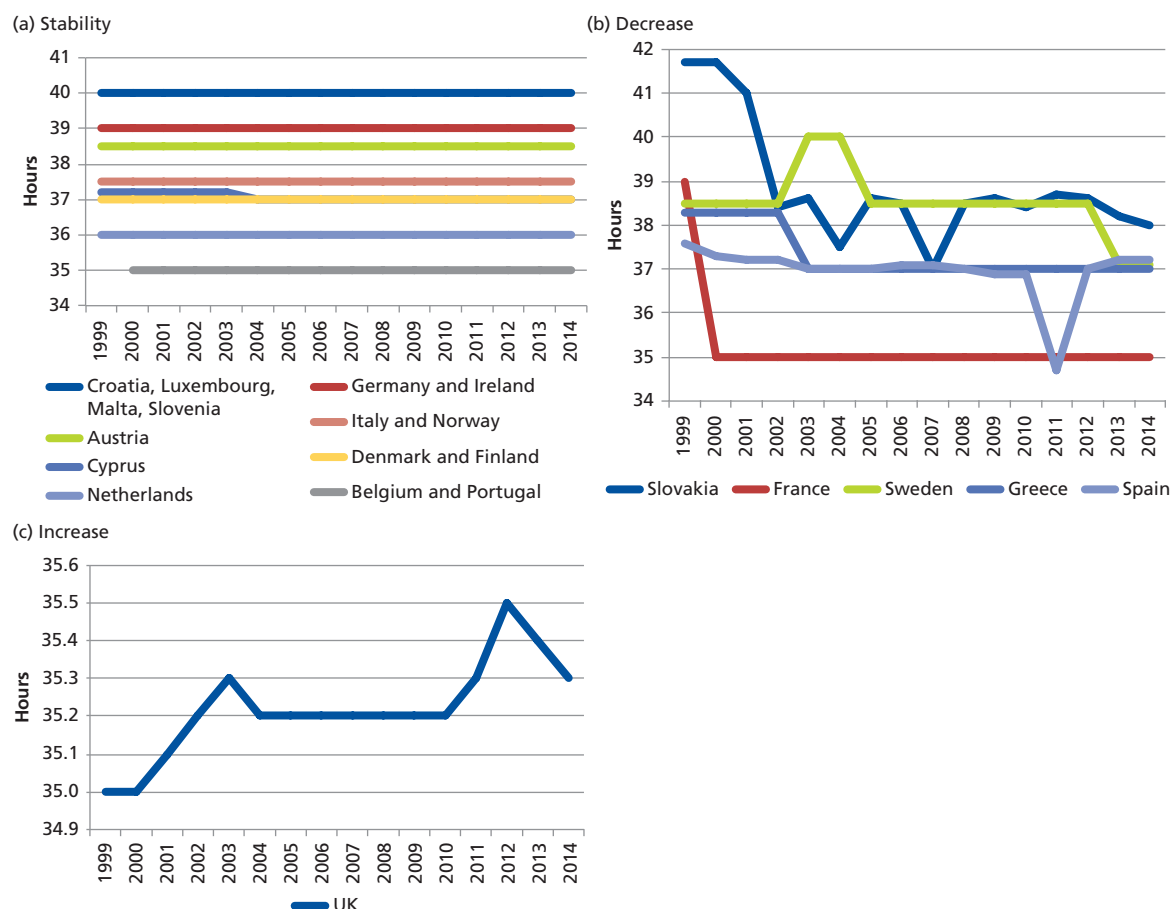
longer than the national average. Agreed hours in metalworking are 2.4 hours longer in Sweden, 2 hours in Italy and 0.9 hours in the Netherlands.

Agreed working time in the banking sector

Similar to the manufacturing sectors, the available data show very stable figures for agreed weekly working time in the banking sector for most of the Member States during the period being considered (Figure 18(a)). However, the range of agreed weekly working time in banking in these countries is wider than for other sectors, going from an average of 35 hours in Belgium, Portugal and the UK to 40 hours in Croatia, Luxembourg, Malta and Slovenia. In the remaining countries, the agreed weekly working time in banking stands between 37 and 39 hours.

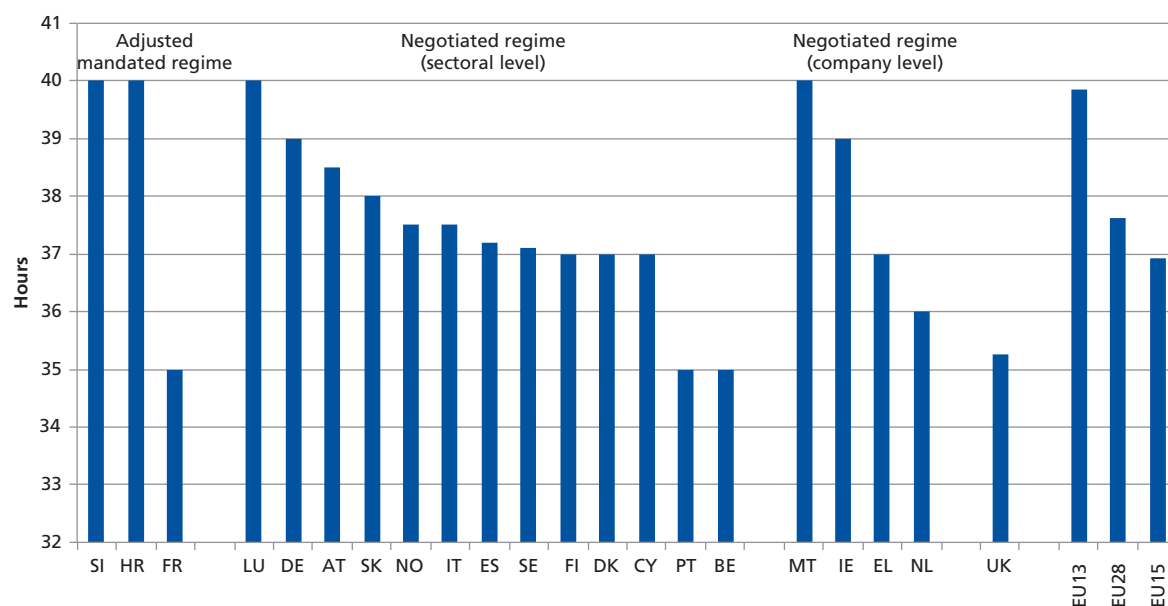
The five Member States (Greece, Spain, France, Slovakia and Sweden) depicted in Figure 18(b) show an evolution that overall represents a decrease of the agreed weekly working hours in the banking sector during the period of time considered. In France, Greece and Slovakia, the agreed weekly working time in the sector fell steeply in the beginning of the decade. The data from Sweden and Spain show considerable variation over the years but with a general tendency to decrease. The data for the banking sector in Spain are based on Ministry of Employment statistics on collective bargaining. The data up to 2007 also include ‘insurances’. The decrease registered in 2011 is real though there is no apparent reason for it.

Figure 18: Average collectively agreed weekly normal working hours in the banking sector, 1999-2014



Source: Eurofound’s Network of European Correspondents (see Annex 1: Banking for list of specific national sources).

Figure 19: Average collectively agreed weekly normal working hours in the banking sector, by working time regime, 2014



Source: Eurofound's Network of European Correspondents (see Annex 1: Banking for list of specific national sources).

The UK is the only Member State showing an increase in the agreed normal weekly working hours in banking in the period under analysis (Figure 18(c)).

Bulgaria, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland and Romania are not mentioned because, as shown in Chapter 1, statutory legislation is the main, if not the only, regulatory framework of working time in the banking sector.

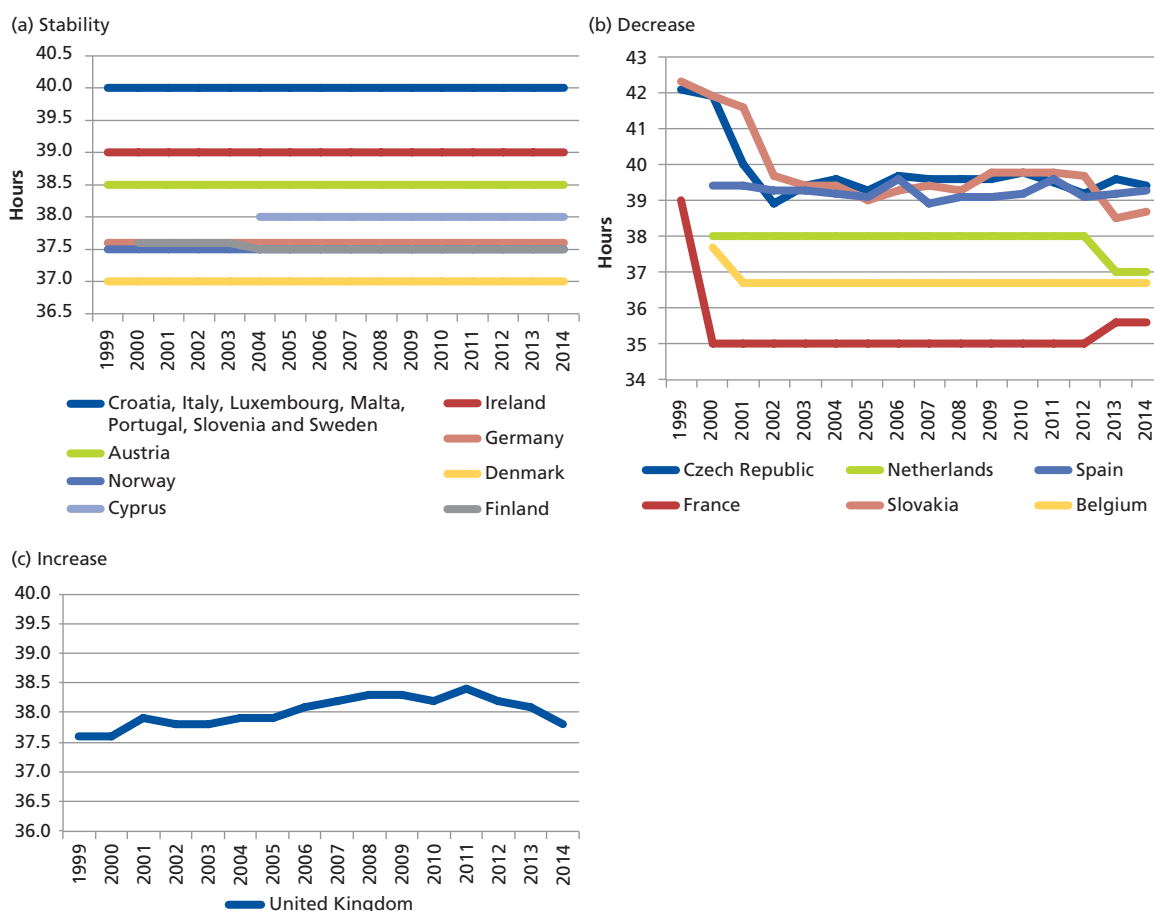
Figure 19 depicts the agreed weekly normal working time in the banking sector according to the predominant working time regime in 2014. Here, the agreed normal weekly hours are, on average, shorter in the Member States where company agreements have a stronger role (36.9 hours) than in those countries where sectoral agreements are more important (weighted average of 37.8 hours). The shortest agreed weekly hours in the banking sector are in Belgium and Portugal which have a negotiated working time regime and, in France, which is characterised by an adjusted mandated working time.

In 12 of the 21 Member States (Belgium, Greece, France, Italy, Cyprus, Netherlands, Austria, Portugal, Spain, Finland, Sweden and UK) where working time standards are in one way or another negotiated, the agreed weekly working hours in the banking sector are shorter than the corresponding national averages. In the case of Belgium, Greece and Portugal, the differences are significant, with the agreed weekly working hours in banking being shorter than the national averages by 4.3, 3 and 2.8 hours, respectively. In all the other Member States, apart from Austria and Sweden, the difference is at least half an hour.

Agreed working time in the retail sector

The agreed weekly working hours in the retail sector were also very stable in most Member States during the period under analysis (Figure 20(a)). Again, the number of hours that workers were expected to work according to collective agreements in the different Member States varied considerably across the EU. In Croatia, Italy, Luxembourg, Malta, Portugal, Slovenia and Sweden, the agreed working

Figure 20: Average collectively agreed weekly normal working hours in the retail sector, 1999-2014



Source: Eurofound's Network of European Correspondents (see Annex 1: Retail for list of specific national sources).

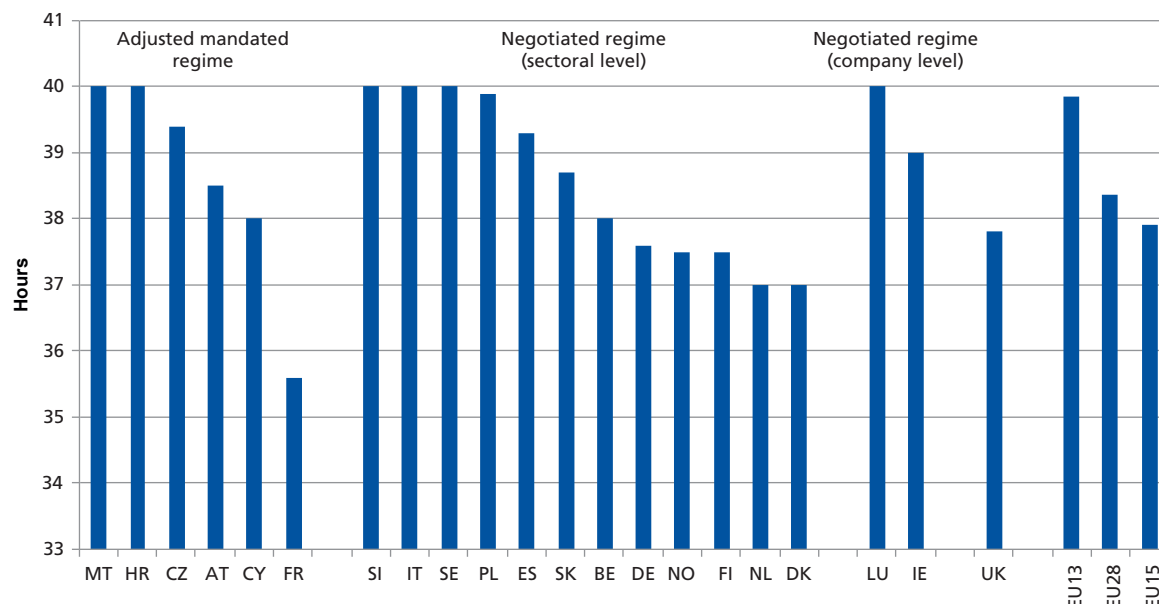
time in the sector is 40 hours. The remaining countries are positioned between the shorter working week of 37 hours in Denmark and 39 hours in Ireland.

The agreed weekly working hours in the retail sector in the Czech Republic, France, the Netherlands and Slovakia were reduced during the period under analysis (Figure 20(b)). In the Czech Republic and Slovakia, agreed weekly working time in the retail sector fell from over 42 hours to around 39 hours before the countries joined the EU in 2004. Work duration in France fell at the beginning of the period from 39 hours in 1999 to 35 hours since 2000 (slightly over 35.5 hours according to an estimate based on collective agreements of some branches of the French retail sector). In the Netherlands, weekly working hours decreased from 38 hours to 37 hours in 2013. Spain shows some variations over the period considered, but overall there is a tendency for reduction.

In the UK, the available data indicate an increase in agreed weekly working hours in retail up to 2011 (the only country to show this trend) but then a decrease to the same level as 2002-2003 in 2014.

Bulgaria, Greece, Estonia, Hungary, Latvia, Lithuania, Poland and Romania are not mentioned because, as shown in Chapter 1, the statutory legislation is the main, if not the only, regulatory framework of working time in the retail sector.

Figure 21: Average collectively agreed weekly normal working hours in the retail sector, by working time regime, 2014



Source: Eurofound's Network of European Correspondents (see Annex 1: Retail for list of specific national sources).

Figure 21 depicts the agreed weekly normal working time in the retail sector according to the predominant working time regime in 2014. The agreed normal weekly hours are, on average, shorter in those Member States where sectoral agreements are the most important for the definition of working time standards (weighted average of 38.6 hours) than in Luxembourg and Ireland, where the company level is the most important one, and in the countries with an adjusted mandated regime where statutory regulations are complemented by agreements at 'lower' levels (weighted average of 39.2 hours if France is excluded). France has the shortest agreed weekly hours in the retail sector.

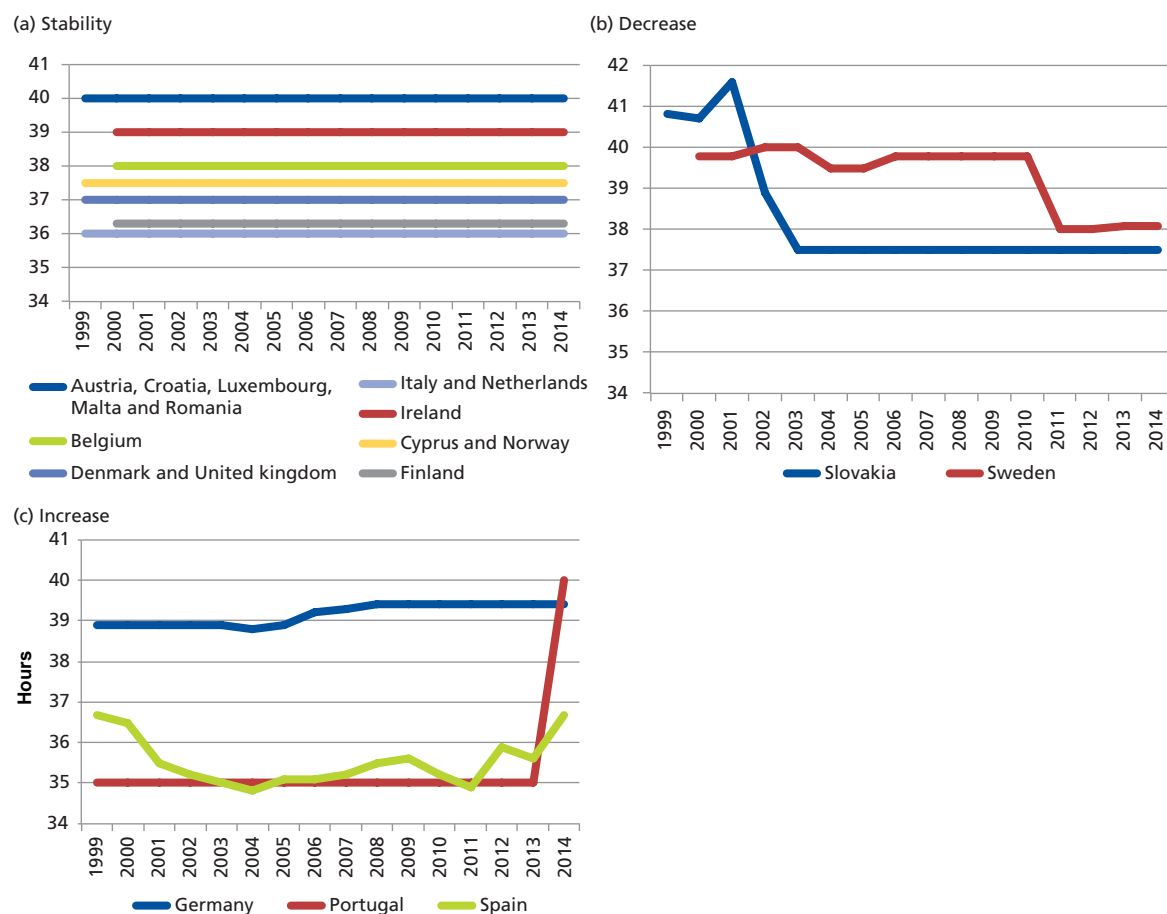
In two of the 21 Member States (Germany and Austria), where working time standards in retail are negotiated, agreed working hours are shorter than the corresponding national averages. The difference is of 0.3 fewer hours in Austria and just 0.1 hours in Germany. In six countries (Belgium, Spain, Italy, Portugal, Slovakia and UK), the agreed weekly working hours are longer in retail than for the whole economy. The largest differences are found in Italy, where the difference is 2 hours, and in Slovakia, where according to the agreed weekly working time, workers in retail should work 1.1 hours more than the average agreed for the whole economy.

Agreed working time in public administration

Agreed weekly working time in public administration has been very stable since 1999 in most EU Member States (Figure 22(a)). Within this group, the shortest weekly working time (36 hours) is found in Italy and the Netherlands. In six countries (Bulgaria, Croatia, Luxembourg, Malta, Austria and Slovenia) the agreed weekly working hours for public administration is 40 hours. Working hours in public administration in the remaining countries vary from 37 to 39 hours per week.

Agreed working time for public administration in France, Slovakia and Sweden registered important reductions during the period under analysis. Weekly working hours reduced in France to 35 hours in 2002, to 37.5 hours in Slovakia in 2003, and in Sweden from almost 40 hours to 38 hours in 2011 (Figure 22(b)).

Figure 22: Collectively agreed weekly normal working hours in public administration, 1999-2014



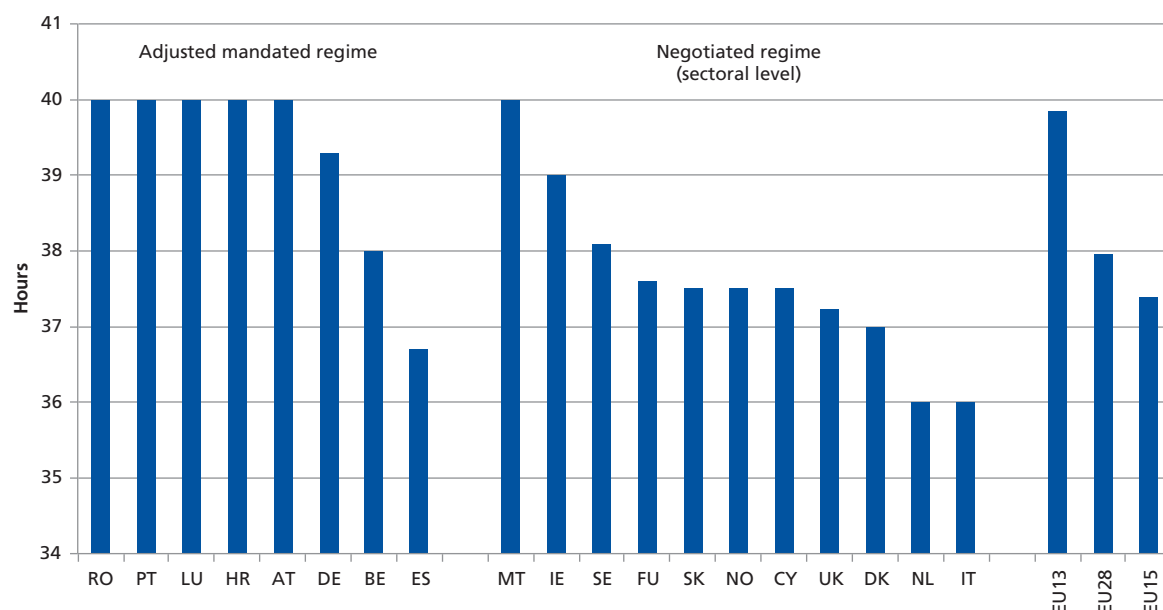
Source: Eurofound’s Network of European Correspondents (see Annex 1: Public administration for list of specific national sources).

In Portugal, as part of the government’s measures to cut costs in the sector, the normal working week in the public sector was increased from 35 to 40 hours in September 2013 (Figure 22(c)) through Law No 68/2013. While the trade unions have been unsuccessful in their attempts to reverse this at national level, local negotiations have led to almost 150 agreements which restored the 35-hour week in local authorities (Eurofound, 2014e).

Figure 23 shows the agreed weekly normal working time in public administration according to the predominant working time regimes in the different Member States in 2014. Like the other sectors, the agreed normal weekly hours are, on average, shorter in those Member States with negotiated working time setting regimes (weighted average of 37.3 hours) than in those where lower-level agreements only complement statutory regulations (38.2 hours). The shortest agreed weekly working hours in public administration (36 hours) is found in Italy and the Netherlands.

In four Member States (Cyprus, Italy, Slovakia and UK), the agreed weekly working time in public administration is shorter than the agreed weekly working time for the whole economy. The difference is largest in Italy (2 hours) and Slovakia (1.4 hours). In Belgium, Germany, Luxembourg, Austria, Portugal, Finland and Sweden, the agreed weekly working time in public administration is longer

Figure 23: Average collectively agreed weekly normal working hours in public administration, by working time regime, 2014



Source: Eurofound's Network of European Correspondents (see Annex 1: Public administration for list of specific national sources).

than the corresponding national figures. The largest differences are found in Austria (1.2 hours more per week) and in Germany (1.6 hours more per week).

Annual agreed working time

The duration of working time is not only characterised by normal weekly hours of work. Moving the scale of reference from weekly to annual working time means that other important elements such as leave and public holidays need to be considered. The agreed annual normal working time is thus determined by the agreed weekly normal working hours throughout the year, from which public holidays and annual leave days are deducted.

Workers in the EU are generally entitled to paid annual leave, which is also an important factor in the overall length of working time every year. Article 7 of the Working Time Directive establishes that 'Member States shall take the measures necessary to ensure that every worker is entitled to paid annual leave of at least 4 weeks' which 'may not be replaced by an allowance in lieu'.

All the EU Member States and Norway have a statutory minimum period of paid annual leave which varies between 20 and 25 days. The majority of countries (19 out of 28 Member States) have a 20-day minimum entitlement as laid down in the Working Time Directive. This group includes Belgium, Germany, Ireland, Greece, the Netherlands, Finland and the UK, as well as all the EU13 countries except Malta where it is 24 days. Six countries – Denmark, France, Italy, Luxembourg, Austria and Sweden – have a 25-day minimum, while the entitlement is 22 days in Spain and Portugal, and 21 in Norway.

Statutory annual paid leave is often just the basis for defining a worker's leave entitlement. The total number of annual leave days depends on the type of occupation performed, years of service or the sector of economic activity, and is often part of collective agreements. However, data on collectively

agreed annual leave are difficult to collect, if they exist at all. In some countries, no statistics are available whereas in others collectively agreed rules on leave entitlements are too complex to enable even a rough estimate to be produced.

In Belgium, sectoral agreements can provide for a general addition of up to 5 days to the statutory minimum annual paid leave of 20 days. In Germany, according to the WSI Collective Bargaining Archive, the average agreed annual paid leave is 30 days, considerably more than the statutory 20 days for a 5-day week of work (or the 24 days of leave corresponding to a 6-day week). In Slovakia, data from the Information System on Working Conditions (ISPP) indicate that, on average, five working days over the statutory minimum of 20 days had been agreed in companies surveyed in 2014. In other countries for which it is possible to obtain estimates of agreed annual paid leave (Czech Republic, Denmark, the Netherlands and Finland), these estimates amounted to an extra 5 days on top of the national statutory minimum. In the UK the average agreed annual leave is an extra 5.1 days over the statutory minimum⁽⁹⁾ while, in Ireland and Norway, it is 4 days more. In Romania, the difference is a minimum 1 day extra over the statutory minimum, and increases with the seniority of workers.

Public holidays are usually considered as rest days and therefore should also be subtracted in the calculation of annual working time. The number of public holidays varies significantly across EU Member States. In 2014, for example, the number of public holidays (excluding those falling on Sundays which is already considered as a rest day) varied from a minimum of eight in Portugal and the UK up to a maximum of 15 in Slovakia (Eurofound, 2015a). Additional holidays may be observed locally, or on the basis of collective agreements or custom, while the number of public holidays may vary from year to year, especially in countries that do not award a substitute holiday when a public holiday falls at the weekend. These variations are the main source of year-on-year changes in annual hours in many countries.

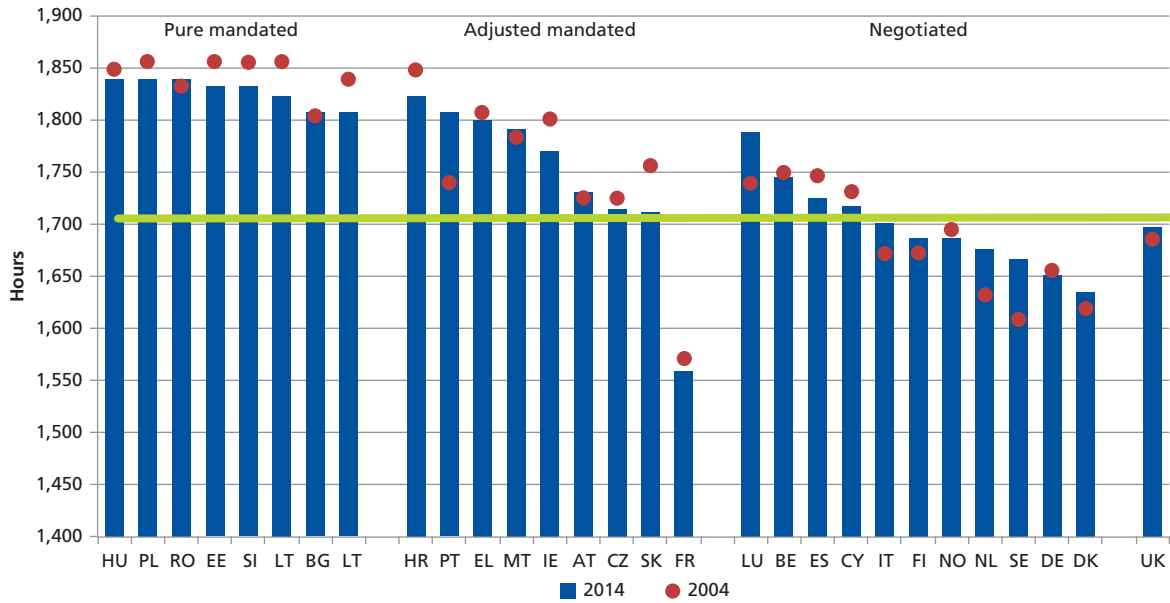
To provide an estimate of the collectively agreed annual normal working time, average collectively agreed normal weekly hours are multiplied by 52. From this total annual figure, the average collectively agreed annual paid leave is subtracted or, where no data are available on this aspect, the minimum statutory annual leave is subtracted.

Figure 24 shows the average annual normal working hours for the EU Member States in 2004 (red dots) and 2014 (blue bars). Annual normal working hours tend to be shorter in those countries with a unilateral or negotiated regime than in those with an adjusted mandated regime and considerably shorter in countries with pure mandated regimes. This is the result of the accumulation of shorter normal weekly hours with generally more generous agreed annual leave days in countries with negotiated working time setting regimes. There were no significant changes between 2004 and 2014 in most countries.

Figure 25 shows the evolution of average annual normal working hours of each working time setting regime over the period between 2004 and 2014. In general terms, it reflects the same stability observed in relation to the collectively agreed weekly working time. While the average for pure mandated and negotiated regimes seems relatively stable over the decade, it appears to be slightly increasing in the UK with its unilateral regime. The average agreed annual normal working hours increased slightly in

(9) Mean average of basic annual leave entitlement after 1 year's service, based on a database of information from 309 organisations. The source of this information is 'Review of holiday entitlement in 2014' (November 2014) from 'HR in Practice', a subscription-based online service from Incomes Data Services (IDS).

Figure 24: Average annual normal working hours, by working time setting regime, 2004 and 2014

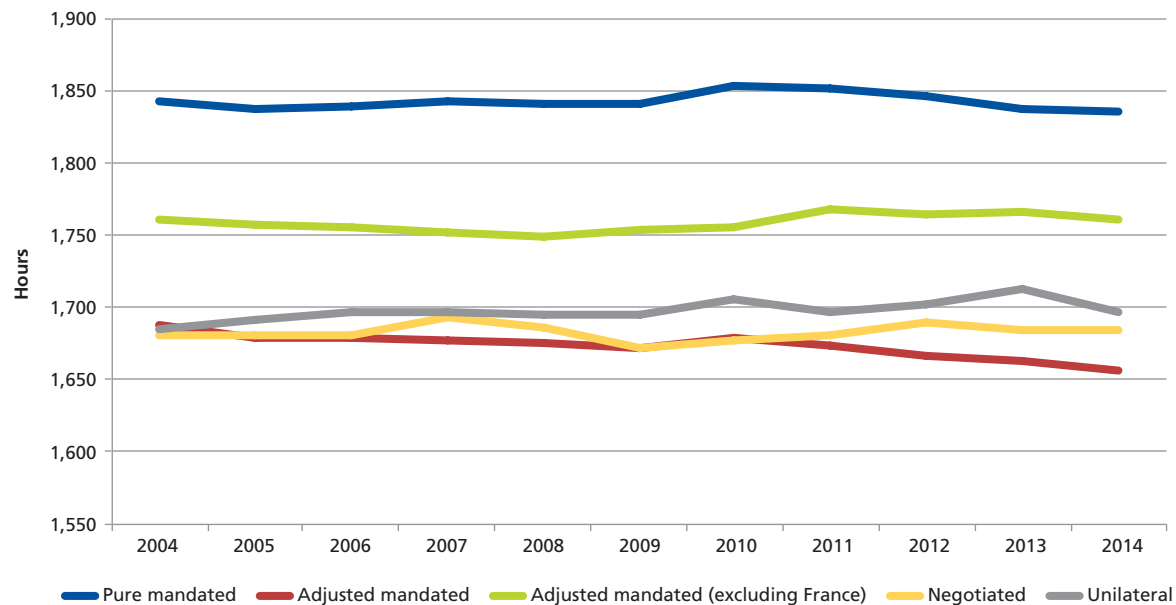


Note: Green line shows average for the EU28 of 1,707 hours in 2014.

Source: Authors' own calculation, based on information from Eurofound's Network of European Correspondents.

the countries with a negotiated regime between 2007 and 2010, but then stabilised. Those countries with adjusted mandate regimes also registered an increase in the agreed annual working hours between 2009 and 2011, but then started decreasing slowly again. This downward trend, however, is attenuated when France is excluded from the calculation for these countries for being an 'outlier' in the group and reducing significantly the average. Without France, the average agreed annual working hours remains stable at well above 1 750 hours since 2011.

Figure 25: Average annual normal working hours, by working time setting regime, 2004-2014



Source: Authors' own calculation, based on information from Eurofound's Network of European Correspondents.

Evolution of usual working time

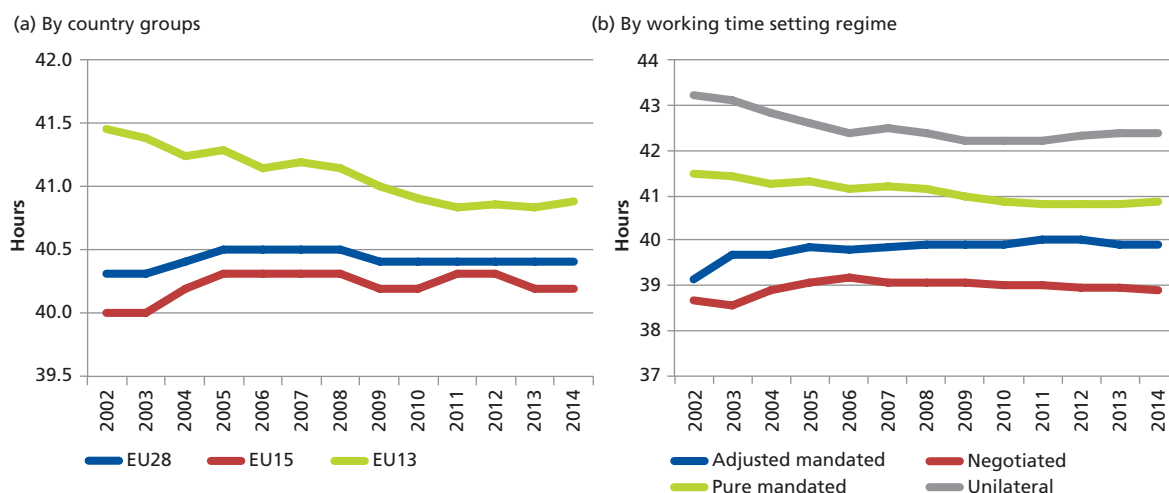
'Normal weekly working hours' correspond to the hours that workers are expected to spend on work according to legislation and/or agreement(s) reached via collective bargaining (industry or branch-level agreements), company-level negotiations (company, establishment, or works agreements) or individual negotiation between employer and employee. 'Usual working hours' refers to the number of hours usually worked per week in the main job. This chapter looks first at the evolution of usual working hours in the EU, including the differences between different groups of countries, men and women, and also those occupations working longer and shorter hours. It goes on to examine the difference between the average collectively agreed working time and the average usual working hours, its evolution and potential interpretations.

Normal working hours usually refer to the maximum working hours to be performed by full-time workers. For that reason, it is important to look at the usual working hours of full-time employees, that is, individuals who work for a public or private employer and who receive remuneration in exchange for their work and working full-time (Eurostat, 2013).

Figure 26 shows the evolution of average usual weekly working hours for full-time employees in the EU between 2002 and 2014. Average usual weekly working hours were relatively stable at between 40.3 and 40.5 hours during these 12 years. However, whereas average weekly usual hours in the EU15 increased slightly from 40 hours in 2002 and 2003 to 40.2-40.3 hours, they decreased in the EU13 from 41.5 hours in 2002 to below 41 hours after 2010 (Figure 26(a)). This shows a process of 'convergence' of average usual working hours in the EU13 towards the EU average, which seems to have stopped in 2011.

Figure 26(b) shows the evolution of average usual working time per working time setting regime. Average usual hours are much longer in the unilateral and pure mandated regimes than in the adjusted mandated or negotiated regimes. In the unilateral regime, average usual weekly hours decreased from over 43.2 hours in 2002 to 42.2 hours in 2009, increasing again since 2012 up to 42.4 hours in 2014. Average usual weekly hours also decreased in pure mandated regimes (all EU13 countries) from

Figure 26: Average number of usual weekly working hours in the EU, 2002-2014



Note: Figures are for full-time employees.

Source: Eurostat LFS; EU13 and working time setting regime figures are authors' own calculation.

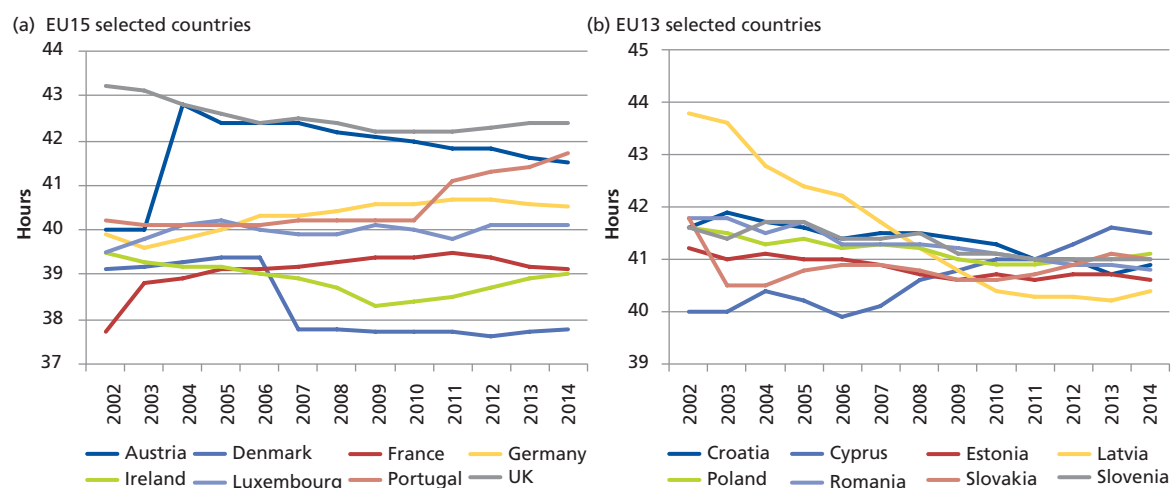
41.5 hours in 2002 to 40.9 hours in 2014. However, average usual weekly hours increased in adjusted mandated regimes from 39.1 hours in 2002 to around 40 hours since 2007. Negotiated working time setting regimes show an increase from 38.6 hours in 2003 to 39.2 in 2006 and to 39.1-38.9 hours since 2007.

Figure 27 depicts the evolution of usual working hours in the Member States which registered changes between 2002 and 2014 of 30 minutes or more in the average weekly usual working hours for full-time employees. Among the EU15, France and Portugal registered increases of 1.4 and 1.5 hours respectively, from 37.7 to 39.1 hours in France, and from 40.2 to 41.7 hours in Portugal. Average weekly usual working time in Ireland also shows an increase since 2010, from the minimum in the period considered of 38.3 hours in 2009 up to 39 hours in 2014. Austria and the UK, however, registered important steady decreases: Austria from almost 43 hours in 2004 down to 41.5 hours in 2014, and the UK from 43.2 hours in 2002 to 42.4 hours in 2014.

However, most of the EU13 countries depicted show a declining trend between 2002 and 2012. The most noteworthy case is Latvia, where the average usual weekly working hours decreased from almost 44 hours in 2002 to nearly 40 hours in 2014. This development seems to be closely related to the adoption of the EU Working Time Directive. In many EU13 Member States, the average usual weekly working hours dropped from well above 41.5 hours per week to 41 hours or below. Cyprus and Slovakia are the two only exceptions: in Cyprus, average usual weekly working hours increased from 40 hours in 2002 to 41.5 hours in 2014, and in Slovakia from 40.5 hours in 2003 to 41.0 hours in 2014.

The overall figures also mask important differences in the working hours of men and women. On average, men usually work more hours than women in the EU (Figure 28). The difference, with its highest peak of 2.1 hours in 2005, slowly reduced to 1.7 hours in 2014 mainly because women, on average, were working more hours than before. The gap is much larger in the UK – with its unilateral

Figure 27: Evolution of average usual weekly hours of work in selected countries, 2002-2014



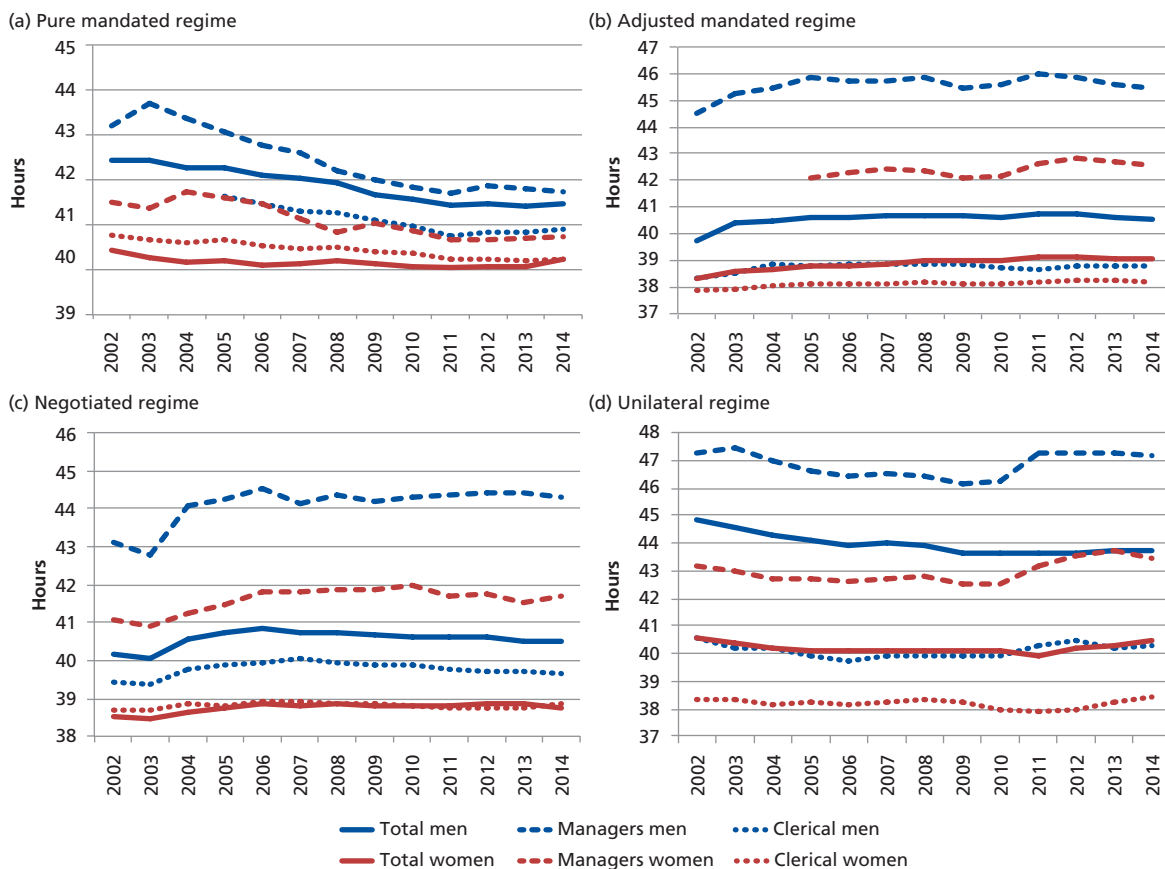
Notes: Figures are for full-time employees. There were breaks in the time series in Austria in 2004 and 2005. Source: Eurostat, LFS.

working time setting regime – than in the other regimes: usual weekly working hours for men were 3.2 hours longer than for women in 2014. The negotiated working time setting regime presents the smallest gap: on average, men in EU13 Member States with a negotiated regime work 0.9 hours more per week than women.

Figure 28 also depicts the usual weekly working hours of male and female managers and clerical employees, occupations which show the longest and the shortest average usual working hours, respectively, overall in the EU28. The pure mandated regime displays more compression between average usual weekly working hours reported by male and female managers and clerical employees (Figure 28(a)). But despite showing the smallest gap between total men and total women, male and female managers in the negotiated regime display long usual weekly working hours which, despite not being as high as in the adjusted mandated or unilateral regimes, are much higher than total men's and women's averages.

Figure 29 depicts usual weekly working hours in each Member States by sector according to working time regime. The most striking finding is that, for both the whole economy and for the different sectors included here, the usual weekly working time is, on average, shorter in countries with a working time regime where collective agreements, especially sectoral ones, play an important role. In the banking

Figure 28: Average usual weekly working hours by working time regime, according to sex and occupation, 2002-2014

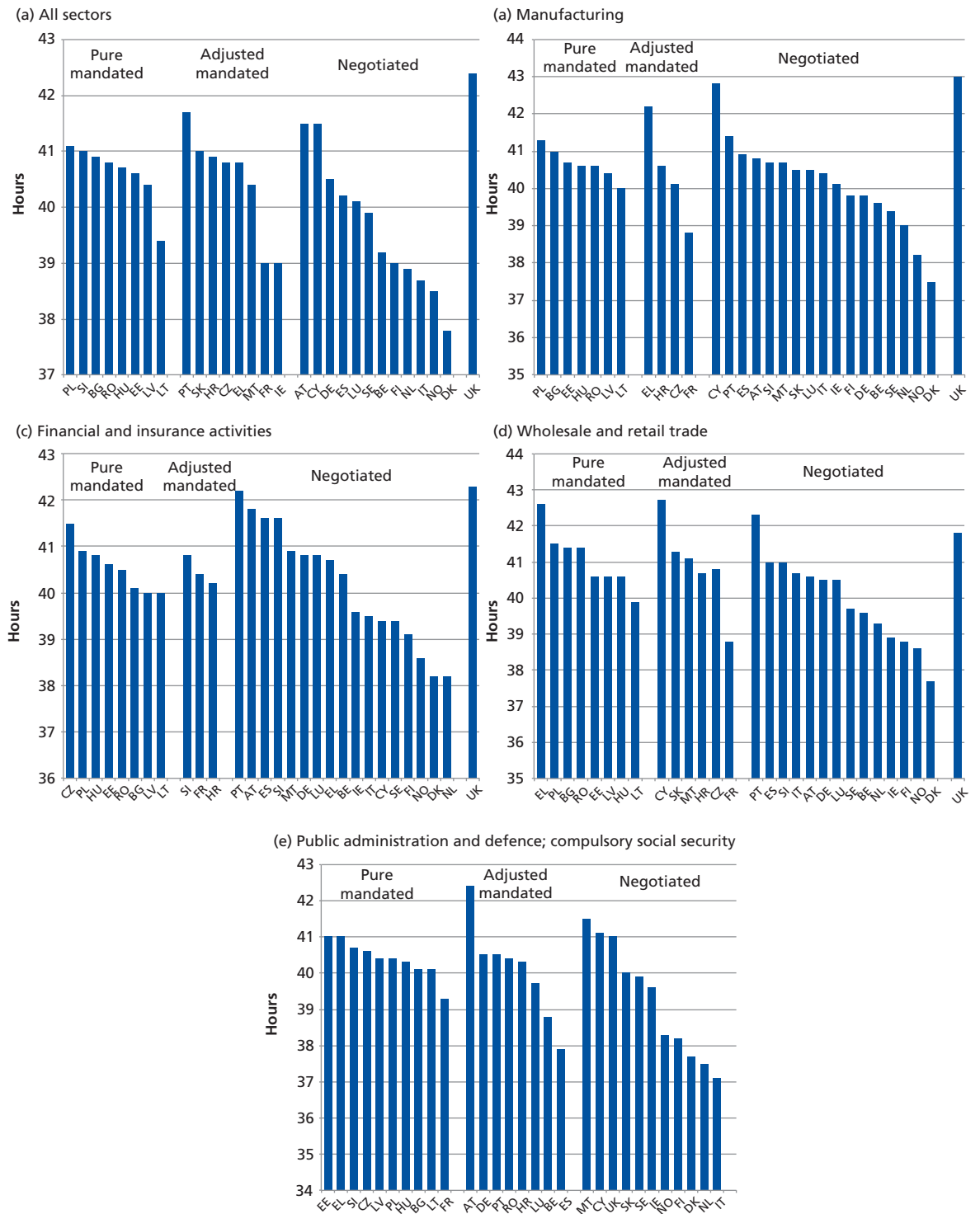


Notes: Figures are for full-time employees.

Data are missing for some countries in 2003 and 2004 and so some series start in 2005.

Source: Eurostat, LFS; figures are authors' own calculation.

Figure 29: Average usual working hours according to working time regime, by sector, 2014



Notes: According to the 'Nomenclature Generale des Activites Economiques' (NACE). Manufacturing was used as reference for the chemical and metalworking sectors and Financial and insurance activities as reference for Banking.
Source: Eurostat, LFS.

and retail sectors, the usual weekly working hours are, on average, even lower in those countries where company-level agreements play the most important role. The UK, where working time tends to be determined individually, is always among the countries with the longest average usual working weeks.

Figure 29 also seems to indicate that average usual weekly working hours tend to be shorter in countries (or sectors) with negotiated regimes. In other words, usual weekly working hours tend to be shorter where working time standards are predominantly defined through collective agreements. This means that collective bargaining over working time standards, in particular in relation to working time duration, might have a sort of ‘cushion’ effect over the working hours actually performed by workers by bringing the average usual hours down. If this is true, then the difference between the normal working hours as collectively agreed at sectoral or company level and the usual working hours reported by the workers should be smaller in countries and/or sectors with a negotiated working time setting regime than in other countries.

Working time drift

As has been shown, in most cases the average usual weekly working hours (as captured by the statistics) are different from the collectively agreed hours. Taking the concept of wage drift – the tendency for the average level of wages actually paid to increase above the wage rates negotiated by the social partners at national or sectoral level – as a reference, the difference between usual working hours and the agreed working hours could be designated as working time drift.

Mathematically, the working time drift of worker x in week i could be represented by:

$$\text{Working time drift}_{xi} = \text{actual weekly working hours}_{xi} - \text{agreed normal weekly working hours}_x$$

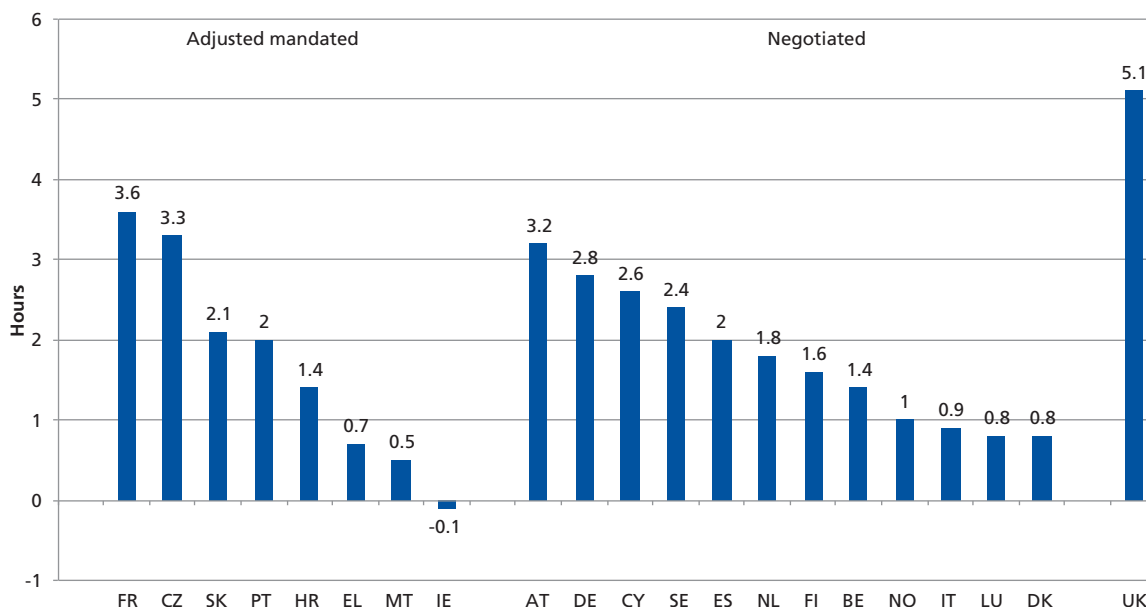
The working time drift of worker x in week i is the difference between actual weekly working hours in week i and the hours worker x is expected to spend on work according to the agreement(s) achieved via collective bargaining, applicable to the industry, branch, company or establishment, or individual negotiation with their employer. However, the calculation of working time drift would require the individual data on actual working time and the agreed normal weekly hours applicable to that individual. In practice, this would be extremely difficult as there are no individual data available on agreed normal weekly working hours.

Because Eurofound has been collecting data on average agreed normal working hours since 1999, it is possible to calculate the difference between actual working hours and agreed normal hours for each Member State. In this case, the week for which the working time drift is calculated is not important and therefore it is better to use the variable of usual working hours. Then, working time drift for country y in year t becomes represented by:

$$\text{Working time drift}_{yt} = \text{average usual weekly working hours}_{yt} - \text{average agreed normal weekly working hours}_{yt}$$

But what does this difference represent and how can it be interpreted? The working time drift indicates the extent to which there is a deviation between the hours workers usually work and the hours they are expected to spend on work according to agreement(s) achieved via collective bargaining (industry or branch-level agreements), company-level negotiations (company, establishment, or works agreements) or individual bargaining between employer and employee. This deviation can be partly interpreted as ‘overtime’ or ‘extra time’ in the sense that the larger the working time drift the more overtime or extra time has been carried out. However, other aspects such as breaks and commuting time can also play a role in that difference, as they might be counted, or not, as working time.

Figure 30: Working time drift, median over the period 2002-2014 (hours)



Source: Authors' own calculation based on average agreed weekly working hours and usual weekly working hours as per Eurostat, LFS.

Looking at the figures at aggregate level (for example, national or sectoral), the working time drift can be also interpreted, to some extent, as the degree of deviation from the working time standards, especially in terms of working time duration. Furthermore, a relatively larger working time drift in countries with adjusted mandated or negotiated regimes, for instance, represents relatively weaker compliance with what has been agreed as normal working hours in the collective agreements.

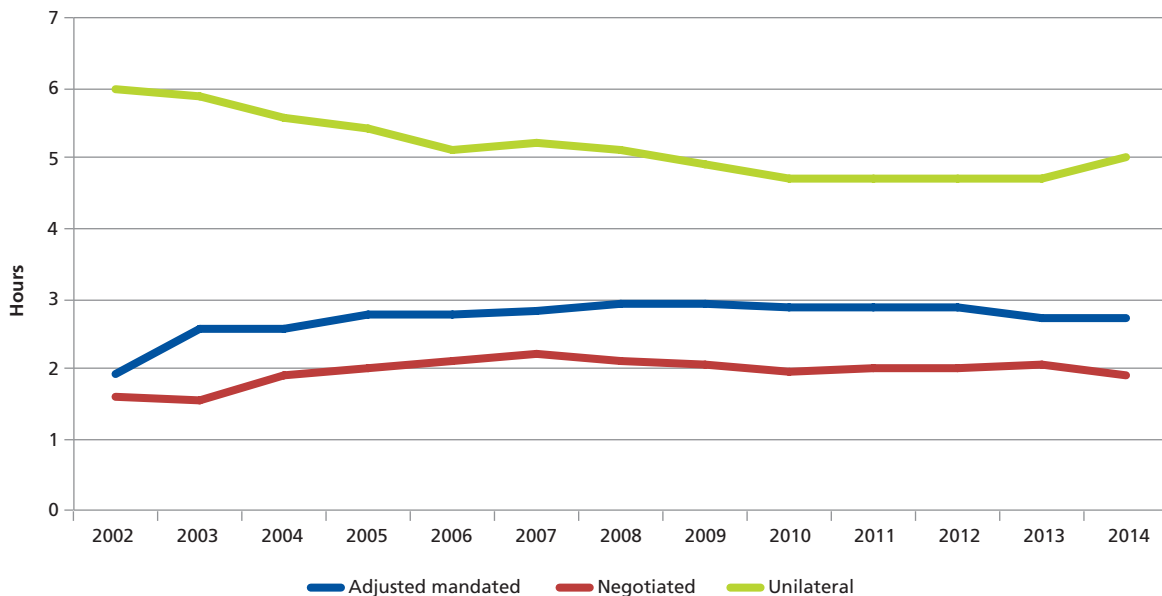
Figure 30 presents the median of the working time drift for the period between 2002 and 2014, for those Member States where bargaining plays a role in the determination of working time standards. The UK shows the largest drift (5.1 hours) by far, that is, the usual weekly working time tends to be much longer than that agreed between employers and employees. This might indicate that when working time is negotiated or agreed between employees and employers at an individual level:

- overtime tends to be considerably greater;
- the level of compliance with agreed normal hours tends to be lower than in countries where bargaining at sectoral or company level plays a much more important role.

Working time drift varies considerably from country to country and does not seem to be correlated with the working time setting regimes. At the same time, the working time drift in Member States with a negotiated regime tends to be more compressed than in those with adjusted mandated regimes (Figure 30), where bargaining plays only a complementary role over the provisions in the statutory regulations. In the former, the drift varies from 0.8 hours (Denmark and Luxembourg) up to 2.8 hours in Germany. In the latter, it varies from – 0.1 hours in Ireland (that is, on average, workers work fewer hours than has been established as the normal week of work – 39 hours) up to 3.2 hours in Austria, 3.3 hours in the Czech Republic and 3.6 hours in France. This seems to confirm the idea that usual working hours tend to be shorter in negotiated working time regimes. This also implies:

- relatively shorter overtime than in other regimes;
- the negotiated regime enjoys a relatively higher degree of compliance with the standard normal working hours, at least in terms of working time duration.

Figure 31: Working time drift by working time setting regime, 2002-2014 (hours)



Note: Average working time drift for each regime is weighted average on the basis of full-time employees in each Member State.
Source: Authors' own calculation based on average agreed weekly working hours and usual weekly working hours as per Eurostat, LFS.

Figure 31 depicts the evolution of the working time drift between 2002 and 2014 by working time setting regimes. The drift decreased in the unilateral regime, although this remained the largest in 2014. The working time drift in the negotiated regime, which is the shortest, increased slightly between 2002 and 2007 and stabilised at around 2 hours thereafter. In the adjusted mandated regime, there has been an increase over the period up to 2011, followed by a slow decrease since 2013. This is primarily because working time drift was decreasing in most countries with this regime except for Greece, Portugal and Slovakia.

Future challenges as perceived by the social partners

Despite their relative stability, working time setting regimes are fairly dynamic mechanisms in the sense that there are several factors influencing and changing the working time standards. The relationship between multiple actors at different institutional levels is as decisive as politico-economic changes and sociostructural developments. Consequently, working time standards are not static but instead are subject to change in order to deal with the various politico-economic and social challenges of the future, both in the short and the long term.

This section portrays some of the main topics that are perceived by governments, trade unions and employers as challenges for shaping working time standards in the near future. These perceived challenges refer to current public discussions in EU Member States as well as to strategies and opinions expressed by the social partners and governments about the most pressing working time challenges in the near future.

On the basis of information from Eurofound's Network of European Correspondents, the chapter is structured along four main areas and their relative relevance. The increase in unregulated overtime and the aftermath of the financial crisis are challenges of interest in the short term. Growing demand for better work–life balance and for a more flexible workforce are broader sociodemographic and economic challenges of a long-term nature.

Growing concern about unregulated overtime

A growing issue of concern, especially among trade unions in some countries, is the alleged recent increase of unregulated, and frequently unpaid, overtime in Bulgaria, Finland, the Netherlands, Poland, Romania and the UK. Trade unions in Finland have expressed concern about the fact that overtime is increasingly being used to lengthen work duration and at the same time is increasingly unregulated. Trade unions fear that with growing demands for ever greater flexibility of the workforce, this trend might accelerate in the future. The Trades Union Congress (TUC) in the UK has highlighted high levels of unpaid overtime, which it believes may hold back job creation and reflects a culture of 'pointless presenteeism'. This trend becomes an increasing concern for trade unions such as the Romanian union confederation, Blocul National Sindical, which has been increasingly calling for more effective overtime regulation and respective enforcement.

Interestingly, the social partners in these countries agree on the difficulty of regulating overtime. According to the social partners in Poland, for instance, it is difficult for the Labour Inspectorate to control whether the existing regulations are observed. For Bulgarian trade unions, some of the main reasons are weak law enforcement as well as a lack of 'clocking in' and clocking out' to correctly track the number of hours worked. In Estonia, problems have been identified in the health sector where it is often challenging, in the face of labour shortages and budget constraints, to keep actual working time within the limits of agreed working time. Hence the future challenge for trade unions and employers, as well as governments, will be to find and define adequate responses to unregulated and unpaid working time.

Measures introduced in the aftermath of the crisis

Another challenge mainly perceived by trade unions is the persistence of opt-out clauses and other measures that were introduced in several countries during or in the aftermath of the financial crisis and which may have a detrimental impact on working conditions and even workers' health and well-being. For example, trade unions in Poland have expressed concerns that the current financial

crisis serves as an excuse to introduce flexible working time arrangements that are unfavourable to employees. They fear that such changes were introduced as being 'temporary', but persist and manifest themselves as 'permanent' standards. The unions mainly refer to the 2013 Labour Law changes, which allow employers to calculate working time over a 1-year reference period if this can be justified on objective, technical or organisational grounds. Before the change, workers were required to work no more than 48 hours a week averaged out over a 4-month reference period (Eurofound, 2013f).

Similar measures have been implemented in Portugal, where legislation introduced profound changes in working time to the Labour Code from 2009 and the Labour Code from 2012. The employers' confederations welcomed these changes as they provided considerable room for working time flexibility and reduction of overtime. In contrast, the main trade union confederation, the General Confederation of Portuguese Workers (CGTP) is opposed to the changes, claiming that they undermine the balance of working and family life, and allow for extremely extended working days and weeks. CGTP also opposed the possibility of individual negotiation between employer and employee of concentrated schedules and individual time banks, arguing that this undermines collective bargaining.

In Cyprus, a growing number of so-called opening clauses have been concluded since 2012, which take the form of a hardship clause and provide for derogations from the main agreements. In the opinion of the trade unions, these opening clauses are the result of a shift in the balance of power between the two sides of industry in favour of the employers' side. The perceived challenge of trade unions is to scale back such measures and to reverse the perceived imbalance of power in the tripartite constellation.

Closely related to this is the more fundamental discussion on effective measures against (rising) unemployment, especially in the face of the financial crisis. Working time is perceived as one of those measures, albeit interpreted differently by the social partners. Trade unions increasingly argue for shorter work duration as a means to reduce unemployment. Similarly, trade union confederations in Greece and Germany argue that increasing working time contributes to growing unemployment since it prevents the hiring of new workers and creates health and security risks for workers. The trade union confederation in Slovakia has proposed reducing the weekly working time from 40 to 35 hours to alleviate the impact of the financial crisis and to combat high unemployment.

In contrast, employers' organisations in France, Italy and Lithuania argue that increased working time flexibility (including longer work duration) is the only means to secure employment. Employers in France claim that the effect on employment growth of reducing working time to 35 hours was, at best, very limited. Hence their strong opposition to trade union demands for shorter working hours.

Growing demand for better work–life balance

The tensions between work and home and family duties have assumed increased relevance for the social partners in recent years, due in large part to demographic and social changes such as the increase in women's participation in the labour force, an ageing population and more sophisticated communications technology enabling nearly constant contact with the workplace (Beauregard and Henry, 2009). This is why work–life balance and employee-friendly working time flexibility has become an increasingly important issue, especially for trade unions. They demand wider access to time sovereignty and discretionary time, or in other words more employee-friendly, flexible working time arrangements, that would allow for the combination of work and other facets of life, including

different events and phases of life (for example, caring responsibilities). In Spain and the UK, for instance, trade unions argue in favour of an overall reduction in work duration to enable families to better reconcile work, private and family life. The trade union confederations in Finland have also called for greater positive flexibility from the employees' perspective, whereas trade unions in Cyprus and Austria have proposed increasing the number of annual leave days on the basis of similar arguments.

Swedish trade unions are also concerned that future labour markets will be characterised by 'limitless work', where there is no obvious start and end to a working day or week. Modern information and mobile technologies have already blurred the limits between work and private life, and many employees are therefore available around-the-clock. Consequently, trade unions increasingly demand clear, specific rules for the sake of better work–life balance.

In contrast, employers' organisations, such as the Austrian Federal Economic Chamber (WKÖ), oppose these claims. They argue that reducing working time is detrimental to companies' competitiveness. They claim that such changes would not only hamper the employers' opportunity to respond to the rapidly changing demand-driven economic environment, but also entail costs that can hardly be compensated for by higher productivity and even reduced labour costs.

Governments, however, face the challenge of reconciling the demands of the social partners and of adequately responding to the sociodemographic changes.

In recognition of the importance of the subject and following on the withdrawal of the Commission's 2008 proposal to amend the Maternity Leave Directive, in November 2015 the European Commission launched a first-stage consultation with EU social partner organisations on how to improve work–life balance and reduce obstacles to women's participation in the labour market (European Commission, 2015).

Growing demands for a flexible workforce

The growing demands for more employee-friendly working time flexibility are in conflict with the growing demands for a flexible workforce. Employers' organisations across the EU are increasingly concerned about the effects of the changing economic environment. The world economy is becoming integrated at an unprecedented pace: trade, as well as the continued rapid fall in the cost of communication and transportation, has not only powered the integration of goods and service markets but has also facilitated the fast-paced dissemination of information and products (OECD, 2012). The demand for services and products is consequently more susceptible to rapid change than ever before, which is why employers' organisations in Belgium, France, Italy and Finland (among other countries) are calling for a more flexible workforce. Such employer-friendly working time flexibility would ideally allow the time scheduling of employees to be directly connected to variations in demand, resulting in increased working hours in some cases, but atypical working hours in most cases (for example, work in the evening and at night, and weekend working).

According to the Belgian employers' associations, flexibility at company level is necessary to secure employment and to be able to meet the needs of a modern world economy. Under current regulations of standard working time, companies are not able to react to changes and peaks in production adequately. In France, for example, employers perceive the statutory legislation of working time as a heavy burden for companies' competitiveness. However, WKÖ in Austria demands more rights to regulate working time at company and individual level so as to allow a standard working time of

10 hours and a maximum of 12 hours per day, greater flexibility regarding weekend rest breaks and a reduction in bureaucracy concerning work records. Employers in Latvia and Lithuania suggest the introduction of an average weekly working time standard per accounting period and concurrently the abolition of limitations on daily working time. In the retail sector, this call manifests itself in the flexibilisation of opening hours: retailers in Malta, for instance, have called for a more flexible work organisation and opening hours on Sunday and in the evening.

Trade unions oppose these claims, expressing concern about the consequences of such increased flexibility. Austrian and Italian trade unions, for instance, argue that changes to working hours might result in the reduction or abolition of overtime pay and that employees could end up with a longer work duration. In Sweden, employees' representatives have raised concerns about the possible abuse of overtime that can create problems for safety at work and argue that increased flexibility will conflict with work–life balance. In Denmark, where a new Shops Act (allowing longer opening hours and Sunday work) was introduced in 2009, trade unions argue that longer opening hours result in significantly more part-time work during odd hours to cover evenings and weekends, at the expense of full-time employment. Meanwhile, the TUC in the UK argues that long working hours are making employees more stressed and less productive, and more prone to accidents and other health and safety problems. Furthermore, in their view, long hours contribute to low pay and low productivity, and often reflect the fact that employees need to work large amounts of overtime to make a decent living.

The discussion on the flexibilisation of workforce has already heated up in several countries, such as Luxembourg, where employers' organisations in the construction sector demanded more flexible work organisation through banking working time: an employee could work up to 52 hours in exchange for taking the equivalent time off when weather conditions (snow, ice, heavy rain) do not allow them to work. However, the flexible system was not included in the new agreement after demonstrations against these demands organised by the two national representative unions, OGB-L and the Luxembourg Confederation of Christian Trade Unions (LCGB), and a conciliation process – though the issue is expected to be raised during future negotiations.

The challenge for governments is to balance the flexibility claims of employers with the health and safety demands of trade unions. Until now, the responses of governments have been mixed. For example, the Austrian government has opposed the reduction of holidays due to the unpopularity of this, while the Maltese government has proposed removing restrictions on the opening hours of businesses.

In general, collective bargaining over working hours may mediate the effects of globalisation, particularly trade. Establishments without collective bargaining agreements tend to increase standard hours in response to trade, while those with such agreements are less likely to respond in this way (Burgoon and Raess, 2011).

Working time is perhaps one of the aspects of working conditions that has been most discussed in the context of negotiations between workers and employers and/or their representative organisations and in the context of labour-related legislation developments. This report has examined the main trends and milestones characterising the evolution of the most important collectively agreed working time features in the EU during the first decade of the 21st century.

The ways in which working time standards are set vary significantly across the EU. The first and most interesting distinctive characteristic is the difference between ‘old’ and ‘new’ Member States. In most of the Member States which joined the EU up to 1995, collective bargaining plays a more or less important role in the definition of the main working time standards such as the normal weekly working hours. But in most of the Member States which have joined the EU since 2004 (with the exception of Cyprus), collective bargaining does not have an important role in the determination of working time for most workers.

The institutional configurations of regulating working time vary widely across the EU. Two thirds of Member States have either a negotiated or an adjusted mandated working time setting regime. Both regimes imply direct participation of the social partners in how working time standards are defined or how statutory provisions are ‘adjusted’ in collective agreements at sectoral or company level. When looking specifically at the selected sectors for this study, some important characteristics emerge:

- A relatively stronger role for collective bargaining in the chemical, metalworking and banking sectors;
- A less important role for collective bargaining in the retail sector;
- The least relevant role in public administration, where statutory legislation is by far the most important institutional level and working time standards tend to be set by the governments themselves.

In all Member States, the social partners are involved in the formulation of statutory legislation itself, though in different settings and to varying degrees. In some countries, the social partners are able to negotiate between them and directly with the government on new legislation reforms. Yet, in most Member States, they take only a consultative role in bilateral or trilateral institutions or through ad hoc proceedings.

Countries with negotiated working time setting regimes – where collective agreements at sectoral level play the most important role in the definition of working time regulations – tend to have shorter average normal weekly working hours than other regimes. This is confirmed when the sectors are analysed in detail.

Overall, agreed working time was very stable between 1999 and 2014 in the EU. Except in very few situations, there were no dramatic changes in the average agreed working time in most of the Member States. Luxembourg and Portugal show some upward trend, especially since 2009 and 2010. Conversely, data from the Czech Republic, France and Slovakia show important decreases at the beginning of the 2000s, which then stabilised. Data from Belgium and Sweden indicate slow-paced decreases in the average agreed working hours over the period.

Stability of agreed working time is also the most evident characteristic across all the sectors analysed for most Member States. In each of the sectors analysed, only a handful of Member States registered important changes since 1999. The majority of those changes involved decreases. The exception was

in public administration where important changes were introduced – mostly without negotiations – to increase working hours. Greece, Portugal and Spain registered important increases in working time in the public sector as a consequence of the measures adopted to tackle the impacts of the economic crisis. Germany also registered a slow increase since 2005 as a consequence of the reforms implemented at the different institutional levels of its public sector.

The data on usual working time show a process of convergence of the EU13 towards the EU average. Most EU13 Member States registered decreases since 2002, probably as a consequence of the adoption of the EU Working Time Directive. The convergence process, however, stopped in 2011 and average usual working time continues to be longer in the EU13 than in the EU15. Men continue to work more hours than women in the EU, but the gap is much larger in the EU15 than in the EU13. In the latter, the gap of usual weekly hours between men and women closed during the period considered, mostly due to a reduction of usual hours for men. Also important is the fact that usual working time is, on average, shorter in countries with a negotiated working time regime, particularly where sectoral agreements are important for the determination of normal working hours.

Comparing the usual working hours with agreed working hours through the notion of working time drift gives an indication of the extent of overtime and the degree of compliance with the working time regulations. The unilateral regime, represented by the UK, is mainly characterised by a weaker compliance with regulation and hence longer overtime. The negotiated regime, in contrast, tends to have stronger compliance levels with the working time standards and hence shorter deviations from the agreed provisions (that is, shortest overtime) than other regimes.

Sociodemographic challenges such as increased female participation in the labour force, an ageing population and the large-scale adoption of new communication technologies are already triggering discussions about working time flexibility. Some parties are, for example, arguing that fewer working hours are needed to improve work–life balance and to prevent health problems for workers. However, is that compatible with an increasingly fast-changing economic environment, which requires working time flexibility to meet the demands of a modern world economy? And, more importantly perhaps, is that type of flexibility compatible with workers' health and well-being?

Glossary of terms

Agreed normal working time is the hours which workers are expected to spend on work according to agreement(s) reached via collective bargaining (industry or branch-level agreements), company-level negotiations (company, establishment, or works agreements) or individual bargaining between employer and employee.

Collectively agreed normal working hours refers to the normal working time agreed via collective bargaining at any level and excludes the situation of individual bargaining between employee and employer, which would be designated only as agreed normal working hours.

Derogations or **opt-out clauses** are characterised by the possibility to deviate, even if just partially, from a law, contract, treaty or legal right. This principle applies not only to legal systems, codes and laws, but also to collective agreements. Derogation clauses on working time are specifically related to the possibility of extending or reducing regular working time and/or implementation of flexible working time arrangements.

Duration of working time includes issues such as the number of hours worked, part-time versus full-time work, overtime or 'extra-time', very long/short hours and, of course, the issue of how to measure working time. For example, standard maximum working hours in EU Member States are defined on the basis of different periods of time. In a third of Member States it is defined on a weekly basis. In many other Member States, there is reference to both daily and weekly limits. There are also cases of countries where monthly and annual limits are used to obtain more flexibility in the organisation of working time.

'**Normal hours of work**' are, according to the ILO, the hours that workers are expected to spend on work activities during a short reference period such as 1 day or 1 week, as stipulated in laws or regulations, collective agreements or arbitral awards, or establishments' rules or customs.

Organisation of working time includes issues such as scheduling (for example, night work, weekends and shift work), workers' discretion to change, regularity, variability, predictability, rest and recovery and leave.

Peak-level social partners' organisations are confederations, federations or other associative bodies to which lower-level organisations (such as sectoral, occupational, regional or workplace organisations) are affiliated, but which themselves are not affiliated to any other higher-level organisation at national level.

Reference period is a period of time, set by legislation or by agreement, over which weekly working time can be averaged.

Rest breaks are the breaks from work workers are entitled to during any working day. Usually, part of these breaks has to be taken without interruption and cannot be taken at the beginning or at the end of a working day. The breaks might be paid or not depending on the employment contract or the applicable agreement.

Rest periods are defined by the Working Time Directive as 'any period which is not working time'. 'Adequate rest' means that workers have regular rest periods, the duration of which is expressed in units of time and which are sufficiently long and continuous to ensure that, as a result of fatigue or other irregular working patterns, they do not cause injury to themselves, to fellow workers or to others and that they do not damage their health, either in the short term or in the longer term.

Usual working hours refer to the number of hours per week usually worked in the main job. According to Eurostat, usual working hours are the modal value of the actual hours worked per week over a long reference period, excluding weeks when an absence from work occurs (for example, holidays, leave and strikes). This reference period is at least the last four weeks and at most the last three months before the reference week, without counting any absence from work.

Working time is defined by the Working Time Directive as ‘any period during which the worker is working, at the employer’s disposal and carrying out his activities or duties, in accordance with national laws and/or practice’ (Article 2(1) of Directive 2003/88/EC of 4 November 2003).

Working time drift is the difference between usual working hours and agreed normal working hours.

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Annex 1: National sources of average collectively agreed normal weekly working hours, 2014

Austria – Figures are estimates on the basis of the most important collective agreements. In general they provide for 38.5-39 hours per week. As Austria has high collective agreement coverage, the data can be considered as representative and reliable.

Belgium – Figures are estimates calculated by the Federal Public Service for Employment, Labour and Social Dialogue (SPF). The calculation takes into account only the provisions of sectoral collective agreements in the private sector. These agreements cover a very high proportion of the private sector, but not all employees. For example, the company agreements of state enterprises, such as railways or postal services, are not included. These sector agreements can furthermore be amended by company agreements (such as working time reduction or alternative working time regimes). It is also important to note that managerial staff are generally not bound by Belgian working time rules and legislation. SPF usually publishes separate figures for blue-collar and white-collar workers. For both categories of workers, this index has remained unchanged since the beginning of 2003.

Croatia – Figures are estimates based on the assumption that provisions on working time in collective agreements are the same as provisions of the Labour Act on working time.

Cyprus – Figures on agreed working time are provided by consultation with the social partners:

- Ministry of Labour, Welfare and Social Insurance (MLSI);
- Employers' organisations – Cyprus Chamber of Commerce and Industry (CCCI) and Cyprus Employers' and Industrialists' Federation (OEB);
- Trade union confederations – Democratic Labour Federation of Cyprus (DEOK), Pancyprian Federation of Labour (PEO) and Cyprus Workers' Confederation (SEK);
- Sectoral trade unions – Cyprus Union of Bank Employees (ETYK) and Pancyprian Public Employees Trade Union (PASYDY).

Czech Republic – Figures are estimates based on the Working Conditions Information System, a regular annual survey of wages and working conditions negotiated in collective agreements for the relevant year – based on the provisions of company-level collective agreements.

Denmark – Figures are estimates based on weekly working hours provided by main collective agreements. Data are considered as very reliable. The pace-setting agreement is the Industry Agreement, which is followed by other agreements regarding weekly working time. Since 1990 agreed weekly working time in all sectors in Denmark has been 37 hours.

Finland – Figures are estimates, based on typical provisions of sectoral agreements.

France – Figures are from the Ministry of Labour's Directorate for Research, Studies and Statistics (DARES). The generally high quality of the data provided is due to two important features of the French collective bargaining system. First, virtually all agreements are extended and thus cover the entire economy. Second, most agreements have to be filed with the Ministry of Labour. Hence, it is possible to draw on a broad range of collective agreements for the data analysis.

Germany – Figures are from the Collective Bargaining Archive of the Economic and Social Research Institute (WSI). The WSI Collective Bargaining Archive is considered to provide reliable and

comparable data for Germany. Data on working time for eastern and western Germany have been available since 1991 in an unbroken series.

Greece – Under the National General Collective Employment Agreement (EGSSE) of the Greek General Confederation of Labour (GSEE) of 14 February 1984, the 40-hour week became applicable as of 1 January 1984 for all workers employed by any employer throughout Greece under a private law employment agreement.

Ireland – Figures are estimates based on the Programme for National Recovery, from 1987, which set a framework agreement on the shortening of the working week by 1 hour in cases where the normal working week was 40 hours or more; the implementation was to be negotiated locally, on an organisation-by-organisation basis.

Italy – Figures are estimates based on 36-40 hours per week provided in national collective bargaining agreements. The main source of information is the National Archive of Collective Bargaining Agreements and the figures are simple averages.

Luxembourg – Estimates from the database from the CEPS/Instead and Statec on collective agreements.

Malta – Figures are estimates based on the fact that, while no statistical data exist, most collective agreements tend to specify a normal weekly working time of 40 hours.

Netherlands – Figures are based on data published by the Ministry of Social Affairs and Employment (Ministry of Social Affairs and Employment, 2014).

Norway – The figures represent ‘normal working hours’ for employees covered by collective agreements; employees working shifts, or at night, work fewer weekly hours.

Portugal – Figures are based on data published by the Ministry of Economy and Employment, in the series ‘Quadros de Pessoal’.

Slovakia – Average figures are based on a sample survey conducted in companies employing about 43% of employees in the economy. The source is given by the Information System on Working Conditions (ISPP), 2014, by the Ministry of Labour, Social Affairs and Family of the Slovak Republic (MPSVR SR) and the statistical research company Trexima, s.r.o. Bratislava.

Spain – Statistics on collectively agreed working time are published by the Ministry of Employment and Social Security. Definitive data are only published 2 years after the provisional data are made available, for example, definitive data for the year 2014 will be published in May 2016.

Sweden – Figures are based on data by Statistics Sweden (SCB). The data for the economy as a whole for 1999 and 2013 have been adjusted to make the time series coherent and comparable. They are based on two sources:

- SCB, 2005-2013, collectively agreed working time for ages 16-64;
- SCB, 1987-2009, collectively agreed working time for ages 16-64.

UK – There is no official recording of collective agreements or their provisions in the UK. The only sources of information in this area are various private analysts. With regard to working time and annual leave, Incomes Data Services (IDS), a private subscription-based research company, publishes

an annual review of basic working hours and holiday entitlement, based on a survey of collective agreements at organisation and industry level, and of practice in organisations. The organisations/agreements covered by the survey appear to be all those that are willing to provide information, or about which information is available, rather than being a representative sample. The number of organisations/agreements covered by the survey varies from year to year, and has been falling consistently in recent years (from 484 in 2004 to 270 in 2013). However, IDS is the most useful and relatively consistent source of information on these matters over the period 1999 to 2013. With regard to the sectoral data on average normal weekly working time, the sectors used in the IDS analysis do not always exactly match the definitions used in the current questionnaire, generally being somewhat wider. Further, the definition of the sectors used by IDS changed several times between 1999 and 2013. Also with regard to the average figures for individual sectors, the IDS review does not indicate how many organisations/agreements these are based on. The IDS figures for average collectively agreed weekly working time refer to the mean basic weekly hours that employees are contracted to work, excluding overtime (paid or unpaid). The IDS figures for average collectively agreed minimum paid annual leave refer to basic annual leave entitlement after 1 year's service (after employees have completed any probationary period), excluding public and customary holidays and any further service-related leave.

Chemicals sector, 2014

Country	Source
Austria	Figures are estimates, based on provisions of the sectoral agreement
Belgium	Figures are based on estimates from the FPS division of the Federal Public Service for Employment, Labour and Social Dialogue (FOD/SPF).
Croatia	Figures are estimates based on the assumption that provisions on working time in collective agreements are the same as provisions of the Labour Act on working time.
Cyprus	Figures are based on estimates by the Cyprus Labour Institute (INEK).
Czech Republic	Figures are based on estimates from the Working Conditions Information System (ISPP), 2014
Denmark	Figures are estimates, based on provisions of the sectoral agreement.
Finland	Figure refers to regular working time based on provisions of the main sectoral collective agreement.
France	Figures are estimates, based on provisions of the sectoral agreement enforced in 1999.
Germany	Figures are based on estimates from the collective bargaining archive of the WSI; the collectively agreed working time is 37.5 hours in west Germany and 40 hours in east Germany.
Greece	Figures are based on estimates from the Federation of Chemical Industry Workers of Greece (OEXBE).
Ireland	Figures are estimates based on the Programme for National Recovery from 1987.
Italy	Figures are estimates based on the National Archive of Collective Agreements of the National Council for Economic Affairs and Labour (CNEL).
Luxembourg	Figures are estimates based on data from CEPS/Instead and Statec on collective agreements.
Malta	Figures are estimates based on information provided by the Chemicals and Energy section of the General Workers' Union (GWU).
Netherlands	Figures are estimates calculated from a sample of company agreements in the sector, provided by the Labour Inspectorate.
Norway	Figures are based on the provisions of the collective agreement for the chemical technical industry.
Portugal	Figures are estimates based on collective agreements in the chemical industries in 2013.
Slovakia	Figures are estimates based on the chemical multi-employer collective agreement for 2012-2014.
Spain	Figures are estimates based on provisional data for 2014 from the Statistics of Collective Agreements of the Ministry of Labour (including NACE divisions 20, 21 and 22).
Sweden	Figures are based on estimates from Statistics Sweden's Labour Market Survey (NACE sectors B to E); figures are weighted average covering the period from January to November.
UK	Figures are based on estimates from IDS.

Metalworking sector, 2014

Country	Source
Austria	Figures are estimates, based on provisions of the sectoral agreement.
Belgium	Figures are estimates based on agreements for blue-collar workers in metal, mechanical and electrical engineering (Joint Committee 111) and white-collar workers in metal engineering (Joint Committee 209).
Croatia	Figures are estimates based on the assumption that provisions on working time in collective agreements are the same as provisions of the Labour Act on working time.
Cyprus	Figures are estimates, based on provisions of the sectoral agreement.
Czech Republic	Figures are estimates based on data by ISPP, 2014.
Denmark	Figures are estimates, based on provisions of the sectoral agreement.
Finland	Figure refers to regular working time based on provisions of the main sectoral collective agreement.
France	Figures are estimates, based on provisions of the sectoral agreement.
Germany	Figures are based on estimates from the collective bargaining archive of WSI.
Greece	Figures are based on estimates from the metalworkers' trade union POEM.
Ireland	Figures are estimates based on the Programme for National Recovery from 1987.
Italy	Figures are estimates based on the National Archive of Collective Agreements of the National Council for Economic Affairs and Labour (CNEL).
Luxembourg	Figures are estimates based on data from CEPS/Instead and Statec on collective agreements.
Malta	Figures are based on estimates from the Transport Equipment, Metal and Allied Industries Wages Council Wage Regulation Order (1977), which are confirmed by the General Workers' Union (GWU).
Netherlands	Figures are estimates, based on provisions of the sectoral agreement.
Norway	Figures are estimates, based on provisions of the sectoral agreement.
Portugal	Figures are estimates, based on provisions of the sectoral agreement.
Slovakia	Figures are estimates from ISPP 2014 data by the trade union OZ Kovo.
Spain	Figures are estimates based on provisional data for 2014 from the Statistics of Collective Agreements of the Ministry of Labour (including NACE divisions 20, 21 and 22)
Sweden	Figures are based on estimates from Statistics Sweden's Labour Market Survey (NACE 25-30 and 33); figures are weighted average covering the period from January to November.
UK	Figures are based on estimates from IDS on engineering.

Banking sector, 2014

Country	Source
Austria	Figures are estimates, based on provisions of the sectoral agreement.
Belgium	Figures are estimates based on the provisions of the sector agreement (Joint Committee 310). Source is the FOD WASO directorates of the Federal Public Service for Employment, Labour and Social Dialogue.
Croatia	Figures are estimates based on the assumption that provisions on working time in collective agreements are the same as provisions of the Labour Act on working time.
Cyprus	Figures are estimates, based on provisions of the sectoral agreement.
Czech Republic	Figures are average estimates based on the company-level collective agreements concluded in the private sector by members of the Trade Union of Banking and Insurance Employees (OS PPP). Source is ISSP 2014.
Denmark	Figures are estimates, based on provisions of the sectoral agreement.
Finland	Figures are estimates, based on provisions of the sectoral agreement.
France	Figures are estimates based on the assumption that provisions on working time in collective agreements are the same as provisions of the Labour Act on working time.
Germany	Figures are based on estimates from the collective bargaining archive of WSI.
Greece	Figures are estimates, based on provisions of the sectoral agreement.
Ireland	Figures are estimates based on the Programme for National Recovery from 1987.
Italy	Figures are estimates based on the National Archive of Collective Agreements of the National Council for Economic Affairs and Labour (CNEL).
Luxembourg	Figures are estimates based on data from CEPS/Instead and Statec on collective agreements.
Malta	Figures are estimates calculated on the basis of collective agreements concluded at company level and confirmed by the Malta Union of Bank Employees.
Netherlands	Figures are estimates calculated from a sample of company agreements in the sector, provided by the Labour Inspectorate.
Norway	Figures are estimates, based on the provisions of 'Sentralavtalen', the collective agreement covering the financial sector.
Portugal	Figures are based on estimates from Ministry of Economy and Employment, Quadros de Pessoal, 2013.
Slovakia	Figures are estimates from ISPP 2014, by Trexima Bratislava.
Spain	Figures are estimates calculated on the basis of provisional data from the Statistics of Collective Agreements of the Ministry of Labour.
Sweden	Figures are estimates based on Statistics Sweden's Labour Market Survey (NACE 64-82).
UK	Figures are based on estimates from IDS on financial services.

Retail sector, 2014

Country	Source
Austria	Figures are estimates, based on provisions of the sectoral agreement.
Belgium	Figures are estimates based on the provisions of various subsectoral agreements. Source is the FOD WASO directorates of the Federal Public Service for Employment, Labour and Social Dialogue.
Croatia	Figures are estimates based on the assumption that provisions on working time in collective agreements are the same as provisions of the Labour Act on working time.
Cyprus	Figures are estimates based on the assumption that provisions on working time in collective agreements are the same as provisions of the Labour Act on working time (Law 155(I)/2006).
Czech Republic	Figures are based on estimates from ISSP 2014.
Denmark	Figures are estimates, based on provisions of the sectoral agreement.
Finland	Figures are estimates, based on provisions of the sectoral agreement.
France	Figures are estimates based on collective agreements of some retail subsectors such as 'jewellery and watch making', 'fruits, vegetables, grocery and dairy products', 'non-alimentary products' and 'stationery retail'.
Germany	Figures are based on estimates from the collective bargaining archive of WSI.
Greece	Figures are based on estimates from the Federation of Private Employees of Greece (OIYE).
Ireland	Figures are estimates based on the Programme for National Recovery from 1987.
Italy	Figures are estimates based on the National Archive of Collective Agreements of the National Council for Economic Affairs and Labour (CNEL).
Luxembourg	Figures are estimates based on data from CEPS/Instead and Statec on collective agreements.
Malta	Figures are based on estimates which are confirmed by the General Workers' Union (GWU).
Netherlands	Figures are estimates calculated on the basis of a sample of sector agreements, provided by the Labour Inspectorate.
Norway	Figures are estimates based on the Landsoverenskomsten Virke-LO/HK.
Portugal	Figures are estimates, based on provisions of the sectoral agreement.
Slovakia	Figures are estimates from ISSP 2014 data for NACE G (wholesale, retail trade).
Spain	Figures are based on estimates calculated on the basis of provisional data provided by the Ministry of Labour.
Sweden	Figures are based on estimates from Statistics Sweden's Labour Market Survey (NACE G45-4).
UK	Figures are based on estimates from IDS on retail and wholesale.

Public administration, 2014

Country	Source
Austria	Figures are estimates, based on provisions of the public sector employment law.
Belgium	Figures correspond to the provisions of statutory rule in the public sector.
Croatia	Figures are estimates based on the provision of the collective agreement for public officers and employees, OG 104/13, 150/13, 153/13.
Cyprus	Figures are estimates from the Pancyprian Public Employees Trade Union (PASYDY).
Denmark	Figures are estimates based on the collective agreement between the Ministry of Finance and the Danish Central Federation of State Employees' Organisations (CFU).
Finland	Figures are estimates, based on provisions of the sectoral agreement.
France	Figures are estimates on normal weekly working time for civil servants at central and regional levels, as provided by DARES.
Germany	Figures are based on estimates from the collective bargaining archive of WSI.
Ireland	Figures are estimates based on the Programme for National Recovery from 1987.
Italy	Figures are estimates based on the National Archive of Collective Agreements of the National Council for Economic Affairs and Labour (CNEL).
Luxembourg	Figures are estimates based on data from CEPS/Instead and Statec on collective agreements.
Malta	Figures are estimates based on the 'Collective agreement for employees in the public service 2011-2016'.
Netherlands	Figures are estimates based on a sample of collective agreements, taken from the annual report on collective agreements.
Norway	Figures are based on provisions of Hovedtariffavtalen Staten (central government) and hovedtariffavtalen ks (local government)
Portugal	Figures are estimates, based on provisions of the public sector employment law 68/2013.
Slovakia	Figures are estimates based on the multi-employer collective agreement for civil service for 2014.
Spain	Figures are based on estimates from the statistics on collective bargaining from the Ministry of Employment ('Public Administration and defence; compulsory Social Security')
Sweden	Figures are based on estimates from Statistics Sweden's Labour Market Survey (NACE 84 and 99).
UK	Figures are based on estimates from IDS on central government.

Annex 2: Key developments in working time

This annex contains a summary table of the key developments in individual EU Member States and Norway, together with an overview of the main developments and debates regarding standard working time in each country. In some countries, changes were introduced by legislation. Others were part of collective agreements. The information given is based on in-depth reporting from Eurofound's Network of National Correspondents.

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
AT	1st amendment to Working Time Act										2nd amendment to Working Time Act						
BE					Four day week		Tripartite agreement on 38 hours										
BG																	
CY						Law 63 (I)/2002											
CZ				Euro-amendment							New Labour Code				Short time work schemes		
DE																	
DK											Industry Agreement						
EE													Work and Rest Time/ Employment Contract Act				
EL														Coercive Law 3863 and 3849/2010			
ES															Royal Decree - Act 7/2011		
FI																	
FR		Aubry I		Aubry II			Fillon adjustments	Fillon adjustments				35 hours a week reform					
HR						Labour Act change OG19/01											
HU																Changes in Labour Code	
IE																	Haddington Road Agreement

Annex 2: Key developments in working time

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
IT							Legislative Decree No 66									Guidelines to increase productivity and competitiveness	
LT						New Labour Code										Changes to Labour Code	
LU		National Action Plan 1998															
LV																	
MT							Organisation of Working Time Regulation		National Holidays and Public Holidays Act								
NL											Amendment to Act on Working Time						
NO													Working Environment Act				
PL							Regulations of Labour Code				Amendment to Labour Code						Amendment to Labour Code
PT													Law No 7/2009			Law No 23/2012	
RO																	
SE																	
SI						Employment Relationship Act					Changes to Employment Relationship Act	Partial Subsidising of Full-time Act/ Partial Reimbursement of Payment Compensation Act					New labour legislation
SK																	
UK		Working Time Regulations 1998															

Austria

Debates about flexible working time arrangements have dominated Austrian public discourse since the 1990s. Over the years employers have been asking for greater flexibility in regulating working time at company level. This has been more evident in recent years in the context of the economic crisis.

The first major changes in that direction were introduced with the first amendment of the Working Time Act in 1997, followed by a second major amendment in 2007, based on a proposal by the social partners. The aim of the amendments was to transfer more rights from the statutory, national level to the sectoral and company level, thus giving social partners more power to regulate working time issues in sectoral collective agreements or works agreements. The Working Time Act provides the possibility to:

- extend the daily standard working time up to 10 hours;
- extend the daily standard working time up to 10 hours so as to achieve a 4-day week;
- allow 12-hour shifts as standard working time (in the absence of health issues or if regulated in collective agreements);
- extend the maximum daily working time to 12 hours and weekly working time to 60 for almost half a year in special cases;
- pay a 25% overtime bonus for part-time employees.

The act also provides for severe penalties in case of violation.

Belgium

During the first decade of the 2000s, several developments in standard working time were introduced or debated in Belgium. Since 2000, flexicurity and variable working schedules have been the subject of discussions which, according to the social partners, were mostly inconclusive.

The tripartite agreement in 2003 on the reduction of working time aimed to reduce the weekly working time from 40 hours to 38 hours. However, most people still work 40 hours per week and make this time up later as a rest break.

A voluntary 4-day week was introduced in the private sector in 2001. This involved particular work schedules such as 4 days per week of 9 hours or 5 days of work, with 3 full working days and two half days of work.

Bulgaria

Flexibility has been on the agenda in an effort to overcome economic difficulties. Among the major changes in the Labour Code, adopted in 2006, was the transposition of the EU Working Time Directive. The position of the country for this transposition was established after tripartite discussions in a working group. The main motivation of the government is that the opt-out gives the opportunity to the workers who would like to work to get more pay.

Croatia

The most important development regarding working time during the first decade of the 2000s was the change in the provision setting out weekly working time at 40 hours for full-time workers in March 2001 (OG 19/01), replacing the previous provision for 42 hours. However, the collective agreements

in force at the time of this provision already provided for a weekly working time of 40 hours. The latest change in labour legislation (Labour Act, July 2014, OG 93/14) maintained the same provisions as in the previous Labour Act.

All relevant collective agreements within the scope of this report are consistent with the provisions of the Labour Act. No debate on working time has been reported in Croatia. Working time flexibility is relatively uncommon in the country, with part-time work prevalent in the agricultural sector.

Cyprus

The most important development in working time was in 2002 through Law 63(I)/2002 on the 'Organisation of Working Time', which took place as part of the transposition of the EU Working Time Directive. The enactment of Law 63(I)/2002 has been the subject of consultation with the social partners.

In the context of the economic crisis, the social partners have supported a reduction in working time, with a corresponding reduction in pay, usually through arrangements on a weekly basis, such as a 4-day instead of a 5-day week as well as a reduction in overtime worked.

In 2013, the government introduced legislation extending shop opening hours in tourist areas and declared the whole country a tourist zone. The purpose of this measure was to boost employment. Reactions by the social partners have been mixed, with employers' organisations concerned about the implications for small businesses and trade unions focusing on implications for the work-life balance of employees and for the regulation of labour relations in the retail sector.

Czech Republic

The most important changes in working time stemmed from a 'euroamendment' of the Labour Code in 2000, which came into force on 1 January 2001. Statutory weekly working time was shortened from 43 to 40 hours, but since the previously longer working week included rest breaks of 30 minutes per day, the change was deemed only formal (cf. Fassmann and Čornejová, 2005).

The new Labour Code, which came into force in 2007, further extended the group of workers for whom the maximum working week is more strictly limited than for other workers due to their low age: from those aged up to 16 to those aged up to 18 (Bukovjan and Chládková, 2006). Since 2012 the Labour Code does not distinguish between work in even and uneven working schedules so that the working day can be in some cases longer.

In 2011 the Czech government gave the go-ahead for short-time work schemes. Within this scheme, companies are allowed to reduce their workers' hours in the event of a fall in business, rather than introduce dismissals, with the employees' lost earnings met by the state. This arrangement was first included in a recovery plan agreed at a tripartite meeting with the Czech government in 2010.

Denmark

The debate on working time has focused on the gradual increase in working time and implications for workers' health and work-life balance. Agreed weekly working time has been 37 hours since 1990 in the private sector as well as in the public sector. During the first decade of the 2000s, however, key changes regarding working time were agreed in the trendsetting Industry Agreement, affecting 250 000 workers. This was introduced as a pilot project, but later in 2007, as a permanent agreement. It allowed for deviations concerning working time – provided that both parties agreed to the changes. The

rationale behind the flexible working time scheme in industry was that both company and employees would benefit from increased competitiveness as a result of flexible working time.

Estonia

Arguably, the most important change in standard working time was introduced via the individual employment relations regulation reform which came into force on 1 July 2009. In the previous regulation, there were general national standards for working time and the overall limit was 8 hours per day or 40 hours per week (Work and Rest Time Act §4). Although the new regulation prescribes that employees work 40 hours over a period of 7 days and a maximum of 8 hours a day, the new employment contract act does not impose the general norm and employers and employees are free to agree on any organisation of working time, provided that daily, weekly and night work limitations are taken into account (Employment Contract Act §43).

The objective of the deregulation of standard working time was to increase the flexibility of employment regulations. The abolition of the standard working time increases the flexibility or freedom of choice of the parties to agree on work time arrangements that are in the best interest of the parties. However, the regulation clearly provides a time limit for performing work, daily and weekly rest times, and rules for night work, which prevent unhealthy working time arrangements.

Finland

No major changes were made to the Working Time Act in the 2000s and the average standard working time has remained stable for the past 20 years. There has, however, been a clear trend towards more flexible working hours. The Ministry of Employment and the Economy Working Conditions Barometer shows that, in 2013, as many as 70% of employees had flexible working time systems, which is 10 percentage points higher than in 2006. This is a result of collective bargaining where the flexibility needs of the employer and the employee have, to varying degrees, been coordinated.

France

The introduction of the Aubry I (June 1998) and Aubry II (January 2000) laws aimed at reducing statutory weekly working time to 35 hours to boost employment and improve the quality of life, and particularly work–life balance. Shorter working weeks, coupled with expected productivity gains and tax reductions for wage categories just above the national minimum wage, were designed to keep labour costs relatively stable and, in turn, to boost employment.

From 2002 onwards, the new conservative government blamed the 35-hour legislation for the sluggish economic growth at the turn of the century. Therefore, the Fillon laws of 2003 and 2004 increased overtime hours to 220 hours per year and abolished all tax incentives of the Aubry laws.

The ‘Law for the renovation of social democracy and reform of working time’ was introduced on 20 August 2008. This extended the possibility of determining an annual number of days for autonomous professional and managerial staff (in force since the Aubry laws) to other categories of workers such as ‘autonomous employees’. The same law also introduced other possibilities of derogations of working time organisation by collective agreements (at industry and company levels).

Germany

There have been no changes in legislation since the year 2000. Average collectively agreed working time remained stable throughout the decade.

Greece

Coercive law 3863/2010 and Law 3846/2010 were the most important developments on working time. The legislation has brought significant changes to the way in which overtime and overtime exceeding maximum working hours, Saturday work and so on were calculated. The public sector reforms in Greece continued after the country's first bailout package in the spring of 2010. As part of the 2011 reforms in the Greek public sector, the weekly working time was increased from 37.5 to 40 hours (Eurofound, 2012c).

Hungary

Since 2000 there have only been changes to the Labour Code in 2012. These stipulated the standard working time and provided possibilities for derogations by collective agreements and other means. Although the Labour Code was significantly revised, there were only a few changes regarding working time.

- Overtime (irregular working time) was increased to a maximum of 250 hours per calendar year, instead of 200 hours previously).
- 'Settlement periods' were introduced to provide some flexibility in working time in those jobs where no reference period is applied.
- Agreements between the employer and employee (based on ILO Convention No 132) on the allocation of leave were introduced.

Social partners participated in the consultation process on the amendments to the Labour Code. Consultation was carried out in the framework of the macro-level tripartite body Permanent Consultative Forum of the Competitive Sector and the Government (VKF).

Ireland

The main change in working time was introduced via collective agreement, with the 2013-2016 Public Service Stability Agreement or Haddington Road Agreement (a bilateral agreement between the government and public service unions) which affected 289,000 public servants. The main rationale or objective of the new agreement was to cut public service costs. As part of the agreement, standard working hours of public servants have been increased to 37 hours a week for those previously working 35 hours or less and to 39 hours weekly for those previously working between 35 and 39 hours a week. No working time changes are foreseen for those working 39 hours or more. Implementation of the agreement was planned in two phases, the first starting in July 2013 and the second in July 2015.

During the economic crisis Ireland saw a sharp increase in flexible working arrangements.

Italy

The most important changes in working time setting took place in 2003, with the implementation of the EU Working Time Directive via Legislative Decree No 66 of 8 April 2003. The decree introduced for the first time provisions setting working time at national level for both the public and private sectors.

Working time regulation has also been affected by 'Guidelines to increase productivity and competitiveness in Italy' signed by the government and the most representative employers' organisation and trade unions, apart from the General Confederation of Italian Workers (CGIL), on 21 November 2012. The guidelines allow local and company-level agreements aimed at improving productivity to link wage increases with more flexible working time settings.

Lithuania

On June 2002, the 1992 Law on Holidays, regulating annual leave, and the 1993 Law on Labour Protection, regulating working time, were replaced by the new Labour Code, which came into effect on 1 January 2003. The new Labour Code sought to liberalise labour relations and to ensure their conformity with the principles of a market economy as well as with EU and international labour standards. The EU directives on part-time and fixed-term employment (1997/81/EC and 1999/70/EC) were transposed into Lithuanian legal acts by the Labour Code and subsequent amendments.

Some minor legislative change in working time regulation took place in 2012 and 2014. In 2012 changes to the Labour Code provided for changes in working time schedules to be introduced at company level, in addition to provisions in collective agreements.

The latest Labour Code amendments of 1 July 2014 gave employers the right to set work schedules.

Luxembourg

During the first decade of the 2000s, the provisions of the Law on the National Action Plan 1998 (NAP) of 12 February 1999 were implemented. Provisions included flexible working arrangements and annualised working time. The national law went a step further by committing the social partners to negotiate the organisation of working time (Article L. 162-15 (4) of the Labour Code). Even if there are no conditions imposed for results, these dispositions have changed the collective bargaining scheme.

Malta

The Organisation of Working Time Regulations 2003, which transposed the EU Working Time Directive, were of major importance in the development of standard working time in Malta. Before these regulations came into force, there were no nationally prescribed maxima for both the working week and the working day. Instead, there were a number of wage regulation orders that included clauses about working time, which varied considerably from sector to sector. In addition, annual leave was previously based on the Weekly Day of Rest and Annual Vacation Leave National Standard Order 1989.

The amendment of the National Holidays and Other Public Holidays Act 1975 was another significant legal development in standard working time in Malta in the first decade of the 2000s. Through the amendment, which was enforced from 1 January 2005, employees lost their entitlement to additional days of vacation leave when public holidays fell on a Saturday or a Sunday. This amendment resulted in a reduction of a varying number of paid holidays per year.

Netherlands

The length of the weekly working time has been stable for a long time. On average, collective agreements contain a 37.5-hour working week for full-time employees. In 2007, the statutory working week was changed by amending the act on working time. The maximum amount of hours per day is 12 (60 hours per week). These amounts are restricted by so-called reference periods. Unlike the previous regulation, there is no longer a legal difference between normal working time and overtime. However, most collective agreements do make a distinction on this point.

Norway

Working time is regulated partly in statutory legislation and partly by collective agreements. There have been no major changes in standard working time since 1987 when the working week was

shortened from 40 to 37.5 hours a week. However, following a committee looking at the use of shift and rota work in 2008 (NOU 2008: 17), section 10-4 of the Working Environment Act was amended in 2009. The change was related to the question of how rota work should affect the maximum weekly working time. In a new paragraph of section 10-4 it was laid down that:

‘In the case of three-shift rotas not covered by the fourth or fifth paragraph [paragraphs regulating shift work that covers day and night] and which entail that individual employees are required to work at least every third Sunday, normal working hours pursuant to the first paragraph shall be reduced by regarding each hour worked on Sundays and public holidays, cf. section 10-10, first paragraph, as equal to 1 hour and 10 minutes, and each hour worked during the night, cf. section 10-11, first paragraph, as equal to 1 hour and 15 minutes, down to 36 hours per 7 days. Normal working hours must regardless not exceed 9 hours per 24 hours and 38 hours per 7 days’.

Poland

The preparation for implementation of ‘*acquis communautaire*’ before joining the EU in 2004 was the key stimulus for changing the legal framework, including that related to working time. Regulations of Polish Labour Code implemented the EU Working Time Directive in 2003. The main changes concerned the establishment of a mandatory length of daily rest of 11 hours (Article 132 of the Labour Code) and a weekly rest of 35 hours (Article 133 of the Labour Code). Subsequently only small changes have been made as regards working time arrangements, for example, the reference period was extended by 1 month (to 4 months) in 2007. Significant changes only came with the global financial crisis. Since its beginning there was growing pressure from employers’ organisations and the government to make working time arrangements more flexible. As a result an amendment to the Labour Code was introduced in 2013 which made it possible to extend reference periods to 12 months. Since these changes had been imposed without the trade unions’ consent (Eurofound, 2013c), their representatives left the Tripartite Commission in June 2013.

Portugal

Introduced in 2009, Law No 7/2009 maintained the principle of maximum duration of weekly working time duration of 40 hours and daily duration of 8 hours but reinforced working time flexibility. The law envisages two possibilities of adaptability of working time.

- By means of collective agreements, the normal working hours can be increased by up to 4 hours per day, provided the working week does not exceed 60 hours, and does not exceed the maximum set by law (Article 204).
- An individual arrangement may be made between the employee and the employer to increase daily working time by up to 2 hours, provided the average working week does not exceed 50 hours (regime of individual adaptability, Article 205) and on the condition that, on average, the maximum duration of working time is respected.

This law also introduced the regime of concentrated work schedule by individual agreement between employer and employee, or by means of a collective bargaining agreement. This involves concentrating the working week into a maximum of 4 days. In addition, the law introduced the regime of a time bank to be set by collective bargaining agreement, which allows normal working hours to be increased by a further 4 hours of paid work per day or up to 60 hours a week (up to a maximum of 200 hours a year), during busy periods of the year, offset by reducing working hours during less busy periods.

In 2012, Law No 23/2012 added the regime of an individual time bank (Article 208-A), by individual agreement between employer and employee, whereby the normal working time can be increased by up to 2 hours within a maximum 50-hour week, with an accrual limit of 150 hours per year. This law also stated that, in the collective time bank regime, compensation for the additional working time can be, by collective agreement, also an increase in holidays (Article 208). Furthermore, this law introduced other measures with an impact on working time:

- removing four public holidays (Article 234) without equivalent payment;
- halving payment for overtime (Article 268).

Slovakia

A new Labour Code was adopted in 2001, Act No 311/2001, which set working time as a maximum of 40 hours per week. Meal breaks and rest ceased to be counted as working time. The Labour Code was based on social dialogue and tripartite negotiations between the social partners, with the consensus of all concerned.

Slovenia

Since 2002 working time has been determined by the Employment Relationship Act. Sectoral collective agreements follow the provisions of labour legislation, determining working time according to the type of work and sector.

In 2007, changes to the Employment Relationship Act were adopted and, in accordance with labour market reforms, introduced more flexible working arrangements and incentives for the reconciliation of work and family.

As a response to the economic crisis, legislation (Partially Subsidising of Full-time Work Act and the Partial Reimbursement of Payment Compensation Act) regarding shorter working hours and co-financing of reimbursement of wage compensation for workers on temporary layoff was adopted in 2009.

In 2013, new labour legislation was adopted which introduced more flexible organisation of working time for mobile workers. It also introduced additional measures aimed at reconciling work and family life, and provisions for longer overtime work. The annual time limit for overtime fell from 180 hours to 170 hours, but introduced the option to extend an annual time limit for overtime to a maximum of 230 hours per year on the basis of written consent of the employee.

Sweden

A few amendments to the Working Hours Act were made during the 2000s. The changes made have concerned clarifications on overtime and rest periods. Changes in standard working time have mainly regarded the arrangement of working time, where a trend towards more flexible employment has emerged.

UK

In terms of legislation, the main relevant change of recent years, the 1998 implementation of the EU Working Time Directive by means of the Working Time Regulations 1998 occurred shortly before the period under consideration in this report. This change was a major one, as working time was previously subject to little statutory regulation in the UK. The regulations introduced for the first

time a generally applicable statutory framework covering matters such as maximum weekly working hours, minimum rest periods, rest breaks and paid annual leave.

Between 2000 and 2013, the Working Time Regulations 1998 were amended on numerous occasions, dealing with matters such as annual leave entitlement (2001 and 2007), the working time of minors (2002), the inclusion of previously excluded sectors such as various forms of transport (2003), employees with partly unmeasured or self-determined working time (2006), offshore work (2006), trainee doctors (2009) and agriculture (2013). However, none of these amendments dealt with standard working time for employees in general.

With regard to collective bargaining, the overall situation between 2000 and 2013 was largely static. Average collectively agreed basic hours, as calculated by IDS, varied little over the period, not falling below 37.2 hours or rising above 37.7 hours (though a slight upward trend may be detected from around 2005). In terms of collective agreements covering relatively large numbers of employees, few major developments in standard working time were reported – the main examples included reductions in normal weekly hours in Scottish local government and education.

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This report examines the main trends and milestones characterising the evolution of the most important aspects of collectively agreed working time in the European Union during the first decade of the 21st century. Drawing primarily on information collected by Eurofound across all EU Member States and Norway, it focuses in particular on five sectors: chemicals, metalworking, banking, retail and public administration. The report describes the institutional regimes of regulation and assesses the evolution of agreed working hours (hours expected to be spent on work according to collective agreements or agreed between employers and employees) and usual working hours (hours usually spent in practice in work activities) between 1999 and 2014. The report points to the tension that exists between the pressure for decreased working hours in favour of a better work–life balance and fewer health problems for workers and the need for working time flexibility to meet the demands of a modern world economy.

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency, whose role is to provide knowledge in the area of social and work-related policies. Eurofound was established in 1975 by Council Regulation (EEC) No. 1365/75, to contribute to the planning and design of better living and working conditions in Europe.

