



27 February 2008

## PROGRESS REPORT

### RECONCILIATION OF PROFESSIONAL, PRIVATE AND FAMILY LIFE

**SUBJECT: SOCIAL PARTNERS' PROGRESS REPORT IN VIEW OF THE TRIPARTITE SOCIAL SUMMIT ON 13 MARCH 2008**

#### **Introduction**

On 30 May 2007, the European Commission published a second stage consultation of European social partners on reconciliation of professional, private and family life, according to the procedure enshrined in Article 138 of the EC Treaty.

On 11 July 2007, consequently, ETUC, BUSINESSEUROPE, UEAPME and CEEP in a joint letter to Commissioner Spidla, committed to:

- Assess, more than ten years after its adoption, the progress made with the implementation of the framework agreement on parental leave in the EU Member States
- Evaluate parental leave arrangements in connection with other arrangements supporting parents and work life balance, such as flexible work arrangements and childcare, as well as other forms of leave
- Determine whether joint actions need to be taken

On 7 November 2007, the Social Dialogue Committee decided to launch a consultation of national social partners and to set up the Ad Hoc Working Group on Work Life Balance.

This work has been carried out on the basis of members' contributions and in full consideration of the discussions at the two meetings of the Ad Hoc Working Group held respectively on 22 January and 13 February 2008.

This document informs the Tripartite Social Summit on social partners' views regarding the progress made by the EU Member States in promoting better reconciliation of professional, private and family life during the last ten years and their indications on how best to further promote reconciliation in Europe.

I. **Assessing the progress made in the field of Work Life Balance in the last ten years**

The demographic evolution of Europe is having an increasing impact on the number of people active in the labour market. One of the most evident trends in recent years has been the continuous growth in the number of women in employment and the diversity in family patterns, both of which have an impact in the composition and the needs of the European workforce in professions, sectors and society. However, despite higher educational levels, the employment gap for women and the gender pay gap are still among the challenges to be addressed. Not tackling this may result in long term costs to society. In order to remain competitive in the age of globalisation and to ensure that social protection systems are financially sustainable and respond to societies' needs including the ageing population, Europe needs a modernisation of policies supporting more and better jobs, an increase in labour participation and the reduction of labour market segmentation. It must also be recognised that the care and upbringing of children is an investment in the future of society. Work life balance instruments are an important contribution in reaching the goals of the Lisbon Strategy.

The parental leave framework agreement has been successfully and fully transposed in all the EU member States. It has been a catalyst for positive change and ensured common ground on work life balance in Europe. Moreover, it promoted the development of autonomous social dialogue in some Member States. In a number of cases, a wider range of measures to achieve better reconciliation of individuals' professional and family life have been introduced. Undoubtedly the parental leave framework agreement has played a significant role in helping families in Europe to achieve better reconciliation. There is evidence to show however that parental leave arrangements are not being fully used. Social Partners' contributions suggest that this may be for a number of reasons including the lack of/ low level of income, limited take up by both men and women, cultural barriers, etc. In addition, the existence of other reconciliation measures can also affect the take up of parental leave. Despite the fact that the agreement has been transposed, it did not fully achieve the objectives stated in the Directive such as gender equality, reconciliation, sharing responsibilities between women and men etc.

Over the last ten years, several EU Member States have developed sets of diversified measures, which aim to promote the better reconciliation of professional private and family life in a way which corresponds to the needs of workers and employers, while reflecting different national labour market needs and the diversity of traditions and cultures present in Europe. Consequently, the European Social Partners have observed a convergence of goals combined with a diversity of national approaches. Furthermore in several countries, a range of instruments are being developed such as paternity leave, adoption leave, options for flexible working as well as leave and care infrastructures for dependent, disabled and older people.

Flexible working arrangements, leave arrangements and care facilities are the three main categories of instruments used by the EU Member States to achieve work life balance in practice. The extent to which these three instruments are used and the interrelationship between them however varies greatly between European countries.

Contributions by social partners show that, in all EU countries social partners are active to different extents in the promotion of work-life balance, notably with regards to flexible working and leave arrangements. While agreeing on the importance to achieve better reconciliation, national social partners are engaged in tripartite concertation, or in bipartite dialogue aiming to assess and identify common answers, as well as they are taking separate measures. This is even more the case since employers see measures to support families as a way to attract and retain talented employees. Nonetheless, the role of the social partners also varies a lot according to the way in which the EU Member States have been able to develop care infrastructures, notably childcare facilities. In some countries, either the social partners or employers themselves have been filling the vacuum left empty by the lack of public investments in care infrastructures.

European Social Partners recognise the valuable contribution that can be made through an exchange of good practices on innovative actions and arrangements in the area of reconciliation.

## **II. The role of the EU and of the European Social Partners in achieving better reconciliation of professional, private and family life**

In the context of globalisation and in an ageing Europe, reaching better levels of reconciliation of professional, private and family life and an increasing labour participation in particular for women, are a shared goal for all European countries. Gender equality policy and an effective reconciliation of professional and private life can contribute to addressing the challenges of demographic changes and labour market developments: an ageing population, labour market shortages and the low fertility rate in the EU.

In order to achieve the Lisbon goals, the European Union and the European Social Partners have a crucial role to play:

- In promoting gender equality
- In developing common strategies to achieve better reconciliation
- In monitoring the national developments through sharing experiences
- In launching promotional actions aiming at a change of attitudes and behaviours

European Social Partners welcome and will contribute where appropriate to the European Alliance for Families, which was launched by the Spring European Council in March 2007

Members' contributions highlighted the growing complexity around the promotion of reconciliation in different national contexts. The social partners acknowledged that despite the growing number of innovative practices there remains room for improvement. Furthermore, they have assessed that in some instances, the potential of existing legislation has not yet been fully tapped and there remains room for improvement. The European Social Partners have agreed to intensify their actions to achieve work life balance in Europe in full consideration of the needs of workers and employers.

The important role that the social partners, at all levels, play in achieving the reconciliation of professional, private and family life was highlighted by the working group. Legislation, public authorities and various types of instruments and forms of cooperation between social partners themselves (including through social dialogue and collective bargaining), and with public authorities at different stages, areas and levels, have a role to play.

It was agreed that in order to continue to make progress on the issue of reconciliation, a balanced, integrated and coherent policy mix must be put in place, comprising the 3 following areas:

- a) Leave arrangements
- b) Working arrangements
- c) Care infrastructures

European Social Partners draw attention to the fact that adequate arrangements for the protection of mother and child before and around the birth of a child are an integral part of this policy mix.

Achieving better reconciliation through a broader range of leave arrangements and flexible working arrangements should not be a justification for an increased segmentation of European labour markets, rather, it should help improve the level and quality of women's participation in the labour market, a cornerstone of the Lisbon strategy. It should also create the conditions to enable men to play a greater role in the family and private life.

#### **a. Leave Arrangements**

A wide range of leave arrangements exists across the EU including maternity, parental as well as (in a number of member states) paternity leave and different typologies of leave for urgent reasons, all of which have and continue to play a very important role in reconciling work, family and private life. However, the contributions received from members show certain limitations, in particular with regard to parental leave. Although the directive has been fully transposed in all member states, the take up of leave has been limited for a variety of reasons. The right balance needs to be found in order to make sure that leave arrangements do not undermine the efforts to increase labour market participation. To this end measures should be taken to support workers returning from leave and to prevent negative effects on their career.

The European Social Partners agree to undertake joint action to better achieve the aims of the Parental Leave Directive as part of wider work on reconciliation.

With regard to maternity protection, which has a larger scope than only leave arrangements, European social partners agree that an assessment should be made of the current legal framework at EU level to see if it is still up to date.

#### **b. Working Arrangements**

There is an important link between high labour participation of women and men's participation in family life. In order to enable genuine choice for women and men, the European Social partners recognise the importance of good quality work life balance arrangements for men as well as for women.

The European Social Partners recognise that good quality work life balance arrangements can enhance employee satisfaction, promote workplace equality and quality jobs, contribute to an organisations reputation as an employer of choice and benefit employers as well as workers. Successful policies to support work-life balance need to be tailored to the needs of individual men and women, bearing in mind that these can vary throughout the life course. It is also important that account is taken of different organisations' needs, bearing in mind that these can vary depending on the size, sector or customers needs.

The European Social Partners have a common interest to explore and promote forms of working time arrangements that benefit both employers and workers.

The promotion of work life balance should go hand in hand with increasing job quality and competitiveness in Europe. Employers must be given the means to plan and anticipate the consequences of reconciliation measures on their staff, including on the remaining workforce, and hence on their ability to deliver products and services. While workers and organisations' needs do not necessarily coincide, the best results are achieved through dialogue and negotiation, including collective bargaining where appropriate.

The regulation and organisation of working time can allow workers (male/female) to combine a mainstream job with the demands arising from issues such as the care for children or other dependent family members. Specific flexible working time arrangements (such as adapted schedules) and possibilities to reduce or extend one's working time (such as reversible part time work) could complement a general family friendly working time organisation.

On this basis, European Social Partners will assess if and in what form, innovative and adaptable working arrangements for women and men can be promoted.

### **c. Care Infrastructures**

The European Social Partners acknowledge the importance of high quality, accessible and affordable care infrastructures, including child and dependant care, in order to allow for better reconciliation between professional, private and family life. Many of the members' contributions drew particular attention to the limitations of the availability and affordability of childcare and dependent care in their countries. Although the development of care infrastructures is primarily the responsibility of public authorities, European Social Partners recognise the complementary role that social partners at all relevant levels can play and will give their full support to the realisation of this goal.

European Social Partners welcomed the conclusions of the European Council in Barcelona in 2002, which committed Member States to eliminating obstacles to the participation of women in the labour market and to introducing by 2010 childcare for 90% of children between 3 years of age and the mandatory school age, and for at least 33% of children under 3. The European Pact for Gender Equality, March 2006, further encouraged action at Member State level in this regard. Today, the European Social Partners reiterate this call to Member State to accelerate progress to realise this commitment in the next 2 years. The European Social Partners call on the Commission and the Member States to monitor progress on the basis of National Reform Plans as well as to make recommendations and to take action accordingly.

The European Social Partners will assess to what extent there is scope for joint action and in what form, to promote the availability, affordability and accessibility of these forms of care. They will contribute to the forthcoming Commission Communication on Childcare, due in 2008.

The European Social Partners recall that funding is available via the new European Social Fund (ESF) legislative framework. The new programming period offers valuable opportunities to national social partners in order to contribute for reforms in the field of employment and labour market inclusion that have a positive impact on work-life balance.

To further strengthen this issue and to ensure more concerted action at the EU level, the European Social Partners call on the EU to add a new target to the Lisbon goals regarding care services for dependants.

Finally, the European Social Partners will meet after the Tripartite Social Summit to decide on the content and form that these actions will take.

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The European Social Partners recall that in addition to the work launched by the ad hoc working group, which will be continued, social partner action is also ongoing at national, regional and local level via the Framework of Actions on gender equality and the follow-up to be given to their joint analysis of European labour markets.