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Justice

## Exchange of good practices on gender equality

### **New forms of work**

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## Comments paper – Portugal

## Flexible working time in Portugal

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### Gender relations in the labour market: an overview

The female employment rate is 61.1% (see Table 1) in Portugal, above the target of 60% set by the Lisbon Strategy. According to the Labour Force Survey (Eurostat), such a goal had already been achieved ten years earlier (60.5%, in 2000), along with a decline in the gender gap (measured in percentage points). Such a figure is slightly higher than in the EU27 (58.2%) (Eurostat, 2011). The economic recession and the rise in unemployment may explain the decline registered in employment in 2010 (the unemployment rate among women increased from 5.3% in 1999 to 12.5% in 2010, and from 4.4 to 10.4% in the case men).<sup>1</sup>

**Table 1 – Employment rates for men and women (15-64 years old)**

	Women	Men	Gap (percentage points)
<b>1999</b>	59.5	75.5	16.0
<b>2000</b>	60.5	76.2	15.7
<b>2005</b>	61.7	73.4	11.7
<b>2008</b>	62.5	74.0	11.5
<b>2010</b>	61.1	70.1	9.0

Source: Eurostat, LFS (Data extracted on 12.10.2009 and 3.10.2011)

Considering the Europe 2020 target of a 75% employment rate (for men and women aged 20-64), as far as women are concerned all the EU countries still have a long way to go over the next 10 years, as only Sweden has already reached that goal (75.7%, in 2010). In Portugal, considering that age cohort, the female employment rate is 65.6% in 2010 (75.4% for men).<sup>2</sup>

The impact of parenthood on women's employment is marginal in Portugal: the employment rate falls from 77.1 (women aged 25-49 without children) to 76.1% in the case of women (same age cohort) with children under 12 years old. Therefore, the difference in percentage points is -1.0, whereas in the EU-27 it is considerably higher (-11.4). As in Portugal, in the Netherlands the difference is also well below the European average (-5.5). This statistical evidence suggests that for Portuguese women, employment participation tends to be continuous over their life cycle, as in general they do not drop out of the labour market after childbirth. With regard to men, the participation in employment increases with parenthood in the EU in general; the difference in the employment rates is +11.4 in Portugal, and in this case, the difference is above that registered in the Netherlands (+6.2) and in the European Union average (+8.5) (E.C., 2011: 35-36: data refer to 2009). In Portugal, the full-time dual-earner model appears as the most common form of organisation in the household, as in a large proportion of couples (68% and 72% with and without children, respectively) both

<sup>1</sup> LFS data base, Eurostat. Data extracted on 07.09.11

<sup>2</sup> LFS data base, Eurostat. Data extracted on 04.10.11

partners have a full-time participation in the labour market. Such figures contrast with those found in the Netherlands, where the full-time dual earner model only involves 6% of couples with children and 39% of those without. Here, the prevailing model is that of one member of the couple working full-time and the other part-time (mostly, women), especially when there are children in the household (67%). This evidence contrasts with Portugal where this arrangement involves 24% of couples (data refer to 2006; Eurostat, 2009: 31; Casaca, 2010).

## Flexible working time arrangements

Within the EU27, Portugal stands out as the country where a relatively high employment rate among women is combined with a pattern of continuous (see above) and full-time employment. While the female employment rate is higher in the Netherlands (69.3%, 2010), it should be noted that 76.2 of women work on a part-time basis. In Portugal, however, only 12.3% work under this working time regime (and 4.9% of working men) (Eurostat, 2011: 3).<sup>3</sup> The gender gap (measured in percentage points) is 7.4 in the country, 52.0 in the Netherlands, which is more than twice the average in the EU27 (23.6). In Portugal, the average working time is 39.4 hours per week for those women employed on a full-time basis (41.0 as far as men are concerned) and 19.5 for those working part-time (21.4 for men). In this latter regime, the number of hours worked by the Dutch women is slightly higher (20.1), as well in the EU27 as a whole (20.5). As far as men working under the same regime are concerned, in the Netherlands and in the EU as a whole (in contrast with Portugal) the number of hours worked is lower in comparison to the number of hours usually worked by women – 19.3 (Eurostat, 2011: 6). In Portugal, the national employment plans have sought to promote this form of work since 2000, but the results have been quite limited.

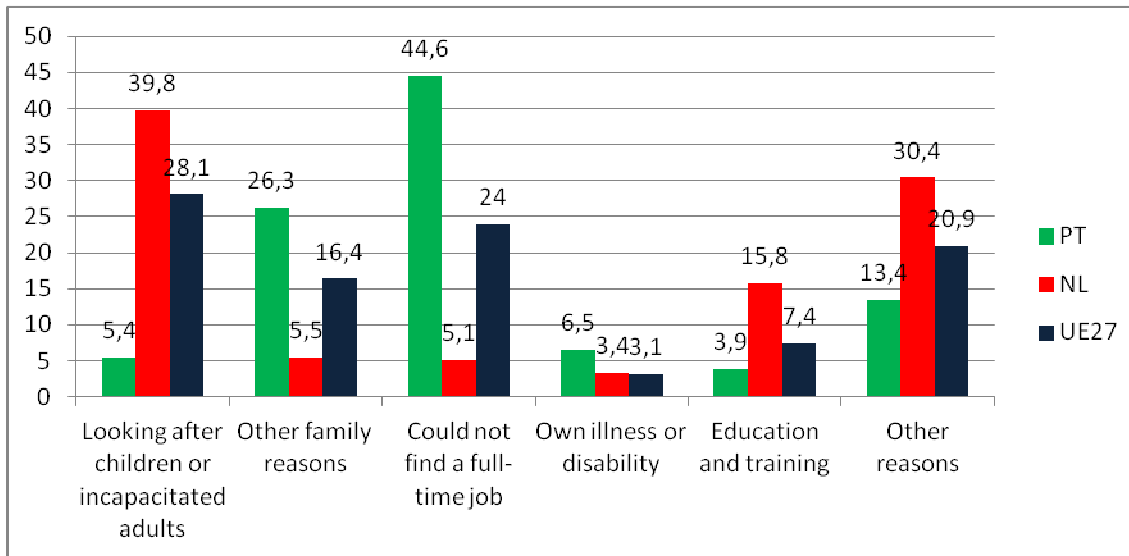
For a very significant number of women in Portugal, part-time work has been above all involuntary (a condition reported by almost half of female part-time workers - 44.6%, in 2010<sup>4</sup>). This figure ranks among the highest scores of involuntary part-time work across the EU27, in contrast with the overall average of 24.0% (EU27), and in particular with the Netherlands where the respective percentage is 5.1%. Even though involuntary part-time work is also high for part-time male workers in Portugal (39.5%), the percentage is lower than in the case of their female counterparts. This is not the case in the Netherlands and in the EU27, where such working time regime is more involuntary for men.<sup>5</sup> The reasons that lie behind working on a part-time basis also vary between both countries, as displayed in Figure 1. While in the Netherlands almost 40% (39.8%) of women report „looking after the children and incapacitated adults“ as the main reason for working part-time, in Portugal almost half of women (44.6%) report that they did not succeed in finding a full-time job. An interesting difference is also registered in terms of conciliation with education and training purposes – a reason mentioned by 15.8% of the women working part-time in the Netherlands and only by 3.9% of women in Portugal.

<sup>3</sup> The first industrial sector employing part-time workers in Portugal is agriculture, whereas in the Netherlands health and social work sectors are the main recruiters of this form of work (Eurostat, 2009: 111).

<sup>4</sup> LFS data do not provide an accurate picture of involuntary part-time work, as the only reason considered for such qualification is being unable to find a full-time job (see also Plantenga et al. (2010: 43).

<sup>5</sup> LFS data base, Eurostat. Data extracted on 04.10.11; Note: Netherlands - break in series

Figure 1 – Main reason for part-time employment (Women, in 2010)



Source: LFS data base, Eurostat. Data extracted on 04.10.11; Note: Netherlands - break in series; UE27- extremely unreliable data

A New Labour Law was enacted in 2009 seeking to promote more flexibility in the Portuguese labour market, including the organisation of working time. The introduction of the “compressed working week” and the “hours bank/working time bank” are examples of new legal measures<sup>6</sup>; nonetheless the data available show that the use has been low, contrary to the situation in the Netherlands and in the Nordic European countries (Eurofound, 2009: 7; data refer to the “hours bank”). The fact that only 10.2% of the Portuguese workers report that the monthly household income is *easily* able to make ends meet (11.1% of men and 9.2% of women), in contrast with 54.5 of the Dutch workers who provide the same answer (EWCS, 2010)<sup>7</sup> might explain the difficulty in incorporating such new measures in collective bargaining agreements. In Portugal, the overtime work is usually compensated by payment, while in the Netherlands it is more compensated by time off, and the mixture of the two is the most widespread form of compensation (Eurofound, 2009: 13). In current times, due to high competition pressure and efforts to reduce labour costs, companies may seek to reduce the compensation-related costs and promote more flexibility in working time; however, this will imply a degradation of living conditions for many Portuguese workers (due to a loss of income).

Other forms of working time flexibility are not common in Portugal either. Flexible working time schedules involve only 17.2% of women and 22.5% of men (E.C., 2010:26; data refer to 2004). Most workers still have fixed working time schedules. According to the EWCS<sup>8</sup> 2010, only almost one out of three workers (28.3%) in Portugal (compared to 44.1% in the Netherlands and 38.2% in the EU27) reported that they did not work at fixed starting and finishing times. As far as Portugal is concerned, more men (31.6%) than women (24.6%) provided this answer. The same evidence is found in relation to work in the evenings, or at night, or in the variation of the number of hours on either a daily or weekly basis (see annex 1). A less pronounced difference between men and women is

<sup>6</sup> The first measure involves the possibility of working up to 12 hours per day, so that the working week is compressed into fewer working days (4 working days is the maximum weekly limit). The second allows extension of the working day up to four hours, up to a limit of 60 hours per week and 200 hours per year (see also Plantenga *et al.*, 2010: 35).

<sup>7</sup> European Working Conditions Survey, carried out by Eurofound. Data extracted on 3/10/2011.

<sup>8</sup> European Working Conditions Survey, carried out by Eurofound. Data extracted on 3/10/2011.

found in relation to shift work and work at weekends (a working time schedule quite common in Portugal for both men and women) (annex 1).

## Policy debate, good practices and transferability issues

The previous section aimed to demonstrate the main dissimilarities between the Portuguese and the Dutch contexts in terms of gender relations in employment and working time flexibility. Such differences need to be taken into account when the transferability of good practices is under discussion. The Netherlands has good achievements in terms of working time flexibility, with no correspondence when it comes to gender equality, whereas Portugal is portrayed as a country with the opposite reality (E.C., 2010: 69). The “Customised Working initiative” (mentioned in the distributed paper by Pascale Peters) has the merit of seeking to promote a new culture in the private business sector and public organisations in the Dutch context. This involves the promotion of flexible working policies and practices seeking to foster better organisational performance, family-friendly workplaces, better quality of life and greater individual well-being. Furthermore, it is accepted that the cultural shift also encompasses the modernisation of social representations attached to men and women’s roles in society, by supporting the participation of both men and women in paid-work and care activities. From the list of examples given in the paper, emphasis is put on flexible working time (under a win-win strategy), initiatives to support working carers, and new ways of work, including mobility (telework arrangements). However, in terms of good practices, it is not clear enough whether the pursuit of gender equality is taken as a central dimension. Working time flexibility may have a positive impact on women’s participation in the labour market, enhance the work-life balance but it is not clear that it will have a positive impact in terms of gender equality (E.C., 2010). Attention needs to be given to the systematic monitoring of gender equality indicators.

As in the case of the quality mark of “The modern employer” in the Netherlands, in Portugal the Commission for Equality in Work and Employment (CITE) together with the Commission for Citizenship and Gender Equality (CIG) have granted the *Equality is Quality award* to companies/organisations that promote gender equality, good practices in work organisation, including reconciliation of professional, family and private life<sup>9</sup>, gender desegregation in occupations or hierarchical positions, gender equality criteria in recruitment, promotion and training/learning opportunities. The award is held for three years and recipients can use it to publicise their good practices, improving their image among consumers, service recipients and stakeholders. There is an honourable mention for organisations/companies that do not meet all the eligibility criteria but have implemented good practices in terms of gender equality. A complementary purpose is to have business cases, to encourage other employers and disseminate similar good practices across the country. The evaluation committee is also independent and is made up of representatives of both mechanisms (CITE and CIG), academics, representatives from different sectors of public administration, the business sector (employers’ representatives) and trade unions.

The Commission for Equality in Work and Employment (CITE), as a tripartite body, has also designed and developed projects seeking to disseminate good practices in terms of gender equality. As a consequence, some companies have implemented good

<sup>9</sup> The award has been granted since 2000. The list of companies granted with an award or honourable mention may be consulted at <http://www.cite.gov.pt/pt/premioigualdade/entidadespremiadas.html>

practices, in a spirit of social dialogue, seeking a win-win situation in agreements related to working time schedules, family-friendly and gender-equality practices. The Commission for Citizenship and Gender Equality (CIG) has provided financial support for the promotion of Plans for Equality in public and private institutions. The first call for projects took place in 2008 and other calls have been opened thus far. About 44 general projects are being implemented, meaning about 165 Plans for Gender Equality. Technical support has been provided as well. Guidelines for the designing of Plans have been produced and are available for the interested organisations.

Part-time work may conflict with the aims of gender equality, jeopardise women's economic independence (in their present and future lives), as well as the progress/modernisation of gender relations by reinforcing the women's position of subordination and dependence, and the ideology of motherhood and female domesticity. National policies should be very cautious in the promotion of part-time work, as it is now more and more accepted that "part-time working is no longer viewed as the "best strategy to solve current labour-market problems", as stated in the distributed paper (page 6). In relation to tele(home)work, some caution should also be taken as, just like any other form of work, it is not gender neutral. Some studies have shown that women tend to opt for teleworking mainly due to the need to combine paid work with childcare responsibilities, while men's options are very much motivated by a greater concentration on professional duties and productivity (Casaca, 2002).

With a view to increasing labour market participation for both men and women by 2020, particular attention needs to be given to the impact of austerity policies on employment, since the contraction in employment rates is now visible, as well as to policies and initiatives oriented to promote a better reconciliation of work and family obligations. In Portugal, employers are now demanding increases in the weekly working time.

The low wages in Portugal account for the low focus of collective bargaining agreements on flexible working time, as explained above. Further constraints need to be taken into account. The traditional principles of organisation still have an important prevalence in the country, being more labour intensive and less oriented towards innovative forms of work organisation. Therefore, while in the Netherlands, the business sector has implemented new principles of organisation, based on multi-skilling, working time flexibility, learning opportunities, participation, involvement, autonomy and team-work (the discretionary-learning model), in Portugal, the Taylorist model and lean management principles still prevail (Holm *et al.*, 2008). Moreover, flexibilisation strategies have mainly rested on contractual flexibility and not on working time flexibility (Eurofound, 2009). Other possible constraints are related to the main form of collective bargaining agreements; decentralised social dialogue is not common in the country, although it could favour the implementation of flexible working time arrangements, adjusted to both employers and employees' needs. The negotiation (not the imposition) of working time is a central condition for the workers' satisfaction with their jobs, their well-being and better organisational performance in the middle and long run. Predictability is seen as even more important than flexibility to facilitate work-family balance (E.C., 2010: 57). Some "predictable flexibility" is therefore required and this can only be achieved through workers' involvement in the design of working time schedules and social dialogue. According to the distributed paper, this is becoming more and more common in the Netherlands. This is a good practice that can be transposed in some cases to the Portuguese context, but deep changes in the Portuguese industrial relations system would be required. In the Netherlands, only 35.1% of the workers report that the working schedules are unilaterally set by the employer, while in Portugal three-quarters (74.5%) of the workers report this (EWCS, 2010).<sup>10</sup> More innovative principles of work

<sup>10</sup> European Working Conditions Survey, carried out by Eurofound. Data extracted on 3/10/2011.

organisation, new business cultures and cooperative forms of social dialogue are required, with working time flexibility being negotiated in order to balance companies' needs and workers' preferences, therefore benefiting both parts. This should be accompanied by the design and implementation of plans for equality, to avoid gender segregation and gendered forms of working time flexibility.

Gender equality must be taken as a priority to ensure that flexible working time arrangements do not reinforce gender stereotypes and gender segregation in the labour markets. Support from public funds is required for the development and consolidation of good practices, but such provision may be at risk in the current context of the implementation of the austerity programme in the country.

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## ANNEX 1

Other flexible forms of organisation of working time<sup>11</sup>

	Men	Women	Difference in percentage points (M-W)
	<b>once or more</b>		
<b>work at weekends (how many times a month)</b>			
PT	48,7	41,6	7,1
NL	53,0	40,6	12,4
EU27	56,1	49,0	7,1
<b>work in the evenings for at least 2 hours (how many times a month)</b>			
PT	42,8	28,5	14,3
NL	54,3	45,1	9,2
EU27	47,5	39,2	8,3
<b>work at night for at least 2 hours (how many times a month)</b>			
PT	21,1	11,8	9,3
NL	18,6	11,7	6,9
EU27	21,6	13,5	8,1
<b>work more than 10 hours a day</b>			0
PT	26,8	15,7	11,1
NL	53,6	21,0	32,6
EU27	40,2	22,9	17,3
<b>work in shifts</b>	<b>yes</b>		
PT	11,8	9,2	2,6
NL	6,4	7,6	-1,2
EU27	16,9	17,2	-0,3
<b>work the same hours every day</b>	<b>no</b>		
PT	31,1	22,9	8,2
NL	52,3	50,5	1,8
EU27	44,9	39,2	5,7
<b>work the same hours every week</b>			
PT	30,5	20,0	10,5
NL	38,8	36,8	2
EU27	37,2	27,5	9,7

<sup>11</sup> Source: European Working Conditions Survey (EWCS), carried out by Eurofound. Data extracted on 29/09/2011.