



Friday on our minds – our take on working time trends

 **industrialAll**
EUROPEAN TRADE UNION

Introduction 3

Working time reduction: how high a priority in times of cost of living crisis? 4

Managing the twin transition through smart working time and training 9

Reducing working time to improve job attractiveness and work-life balance 14

Conclusion 15



Introduction

With the recent publicity surrounding the 4-day week, the possibility of reducing working hours is on the minds of many workers. More and more pilot projects are testing it, especially in small and medium-sized enterprises, but also in the public sector in regions such as Valencia in Spain. Politicians such as the European Commissioner for Employment, Nicolas Schmit, have spoken out in favour of it.

This short publication looks at different aspects of working time reduction in the manufacturing sector:

- trends and patterns in the manufacturing sector,
- the different models of working time reduction,
- its usefulness in managing the twin transition, e.g. by facilitating training
- its role in making jobs more attractive and enabling a better work-life balance

The publication is based on the findings of a [new study](#) by Dr Torsten Müller on working time trends in the manufacturing sector in Europe, published by the European Trade Union Institute (ETUI). The study is based on the latest academic literature as well as on reports from industriAll Europe member organisations that took part in a survey.

Reducing working time has always been a trade union priority, going back to our movement's historic victories for the 5-day week and paid holidays. This priority remains high on the trade union agenda today. IG Metall in Germany, for example, has included the demand for a 4-day week in its steel sector bargaining round this autumn. Other unions, such as Unite in the UK, have been campaigning for the 4-day week for several years.

It is important to note that the 4-day week is only one model of reduced working time. In the Nordic countries, trade unions approach working time from a lifelong perspective. They negotiate for workers to be able to adapt their working hours to care

responsibilities and to opt for early retirement, rather than pushing for a general 4-day week. A lifelong perspective on working time, and in particular early retirement with dignity, remains a key priority for trade unions in manufacturing, especially in sectors with arduous work.

The present booklet provides a deeper analysis of the many facets of working time reduction, taking into account the major challenges of today, such as overcoming the cost of living crisis while ensuring a Just Transition to a green economy and a fair digital transformation.

Isabelle Barthès, Acting Joint General Secretary of industriAll Europe, said:

Calls for a reduction in working time are raising the eyebrows among many employers and conservative policymakers. Faced with an extremely tight European labour market and skills shortages, their default response remains to push for longer working hours and more flexible overtime. Our information series will show that collectively negotiated reductions in working time can be part of the solution, helping to ensure a fair green and digital transition and attract skilled workers.

Working time reduction: how high a priority in times of cost of living crisis?

The '4-day week' is in the headlines despite the continuing cost of living crisis. High inflation rates across Europe continue to erode workers' purchasing power as real wages continue to fall, despite recent collective bargaining successes and increases in statutory minimum wages.

Even in this difficult context, reducing working time remains high on the trade union agenda, especially as the volume and pace of work continues to increase due to the twin transition. However, this priority has to be seen in the context of wages and the protection of purchasing power.

Balancing working time, wages and purchasing power

The reality on the ground is very complex and varies greatly between sectors and regions in Europe. A recent study by the European Trade Union Institute in cooperation with industriAll Europe unravels this complex situation and shows that working time reduction is first and foremost a priority for those who can afford it. Unfortunately, many workers are forced to work overtime, especially as inflation erodes the purchasing power of their wages. Therefore, the main demands of trade unions across Europe continue to focus on wage increases so that workers are not forced to work overtime to make ends meet in times of record inflation. Demands for reductions in working time are always discussed in the context of wage compensation, with unions seeking a minimal trade-off between wages and time off, or, ideally, a reduction in working time with no change in wages.

Shorter working time through collective bargaining

Although the situation varies across Europe, the study shows that collectively agreed working time is lower than the statutory maximum in most countries, demonstrating that it pays for workers to be unionised and covered by a collective agreement. The study explains that while the basic working time standards are set at a maximum of 48 hours per week by the

2003 European Working Time Directive, collective agreements in all EU countries limit working time to a range between 35 and 40 hours. The benefit to workers of being covered by a collective agreement is also evident when it comes to paid annual leave,



as workers tend to get more days off when they are covered by an agreement. This can be as much as 10 extra days in Germany, compared with an average of 5 extra days in Denmark, Italy and the Czech Republic. Our factsheet provides more information on the differences between countries and between manufacturing sectors.

Working time discrepancies across Europe

Another important finding of the study highlights the significant gap in working time between Western

Europe and Central and Eastern Europe. Collectively agreed working time in the metal and chemical industries ranges from 35 to 38 hours in countries such as Germany, France, Spain or Denmark, compared with 40 hours in Croatia, Romania or Slovenia. The East-West divide is particularly evident when looking at trends in the actual working week (which is generally slightly longer than the agreed working week), which tends to be longest in Central and Eastern European countries. You will find more information in the infographic overleaf.

Nordic countries. This approach considers workers' preferences, for example, in line with lifelong caring responsibilities, or linking working time reduction to part-time pensions and early retirement schemes.

Whatever the situation, trade unions formulate demands according to the needs of their members, so a one-size-fits-all model for all countries and sectors is counterproductive. Collective agreements at all levels, but especially at sectoral level, are therefore best placed to implement reduced working time arrangements.



Isabelle Barthès, Acting Joint General Secretary of industriAll Europe, said:

Our communication series on working time aims to shed light on the controversy surrounding the '4-day week'. The results of the ETUI study carried out in cooperation with industriAll Europe show that the situation on the ground is complex, especially in manufacturing industries where it is mainly thanks to collective agreements that workers enjoy decent working hours.

Despite the cost of living crisis, reducing working hours has never been more important than now, when the twin transition is leading to a constant intensification of work. The record profits of big business in the last two years of crisis have shown that there is enough money to increase wages and reduce working time to protect workers' wellbeing.

Diverse approaches: beyond the 4-day week

Finally, the study shows the different approaches taken by trade unions to reducing working time. Despite the hype about the '4-day week', this is only one model of working time reduction. Depending on the sector, different issues have to be taken into account (such as the organisation of shift work), so most workers and their unions prefer to opt for a general reduction in weekly working time rather than a 4-day week. Another approach to working time reduction based on a lifelong perspective can be found in the

Why work less? Facts about working time

Would you like to work less?

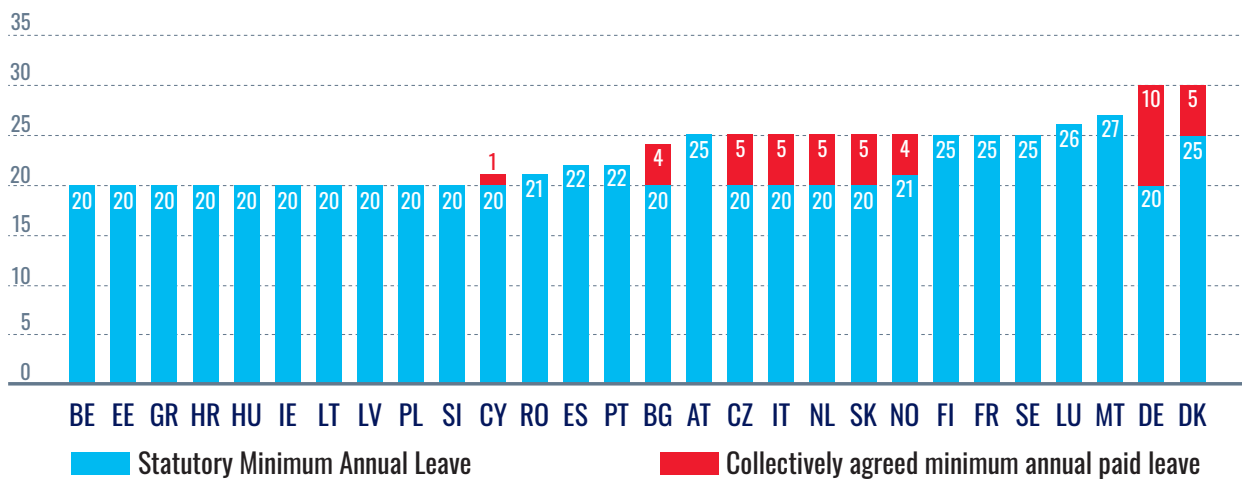
Sounds great! But how? You might have heard about the idea of a four-day week. One less day of work to spend with your family or pursue a hobby whilst receiving the same pay. It might sound like a dream, but in some places it is turning into reality. [Pilot projects](#) are testing it out around Europe and [some politicians](#) have been keen to support the idea.

How much do Europeans work at the moment?

Working time maximums are currently set by the 2003 Working Time Directive. This stipulates that workers in the EU should not work more than 48 hours a week. A new study, commissioned by industriAll European Trade Union, shows that collective agreements between unions and employers bring the maximum down significantly to between 35 and 40 hours a week in all EU countries. In short, the power of unions to negotiate fewer working hours means that the maximum working day is lower than legal maximum.

Specific agreements in certain sectors of the economy often reduce the maximum working week even further. In countries and sectors where trade unions are strong, workers work fewer hours.

Annual leave days in European countries

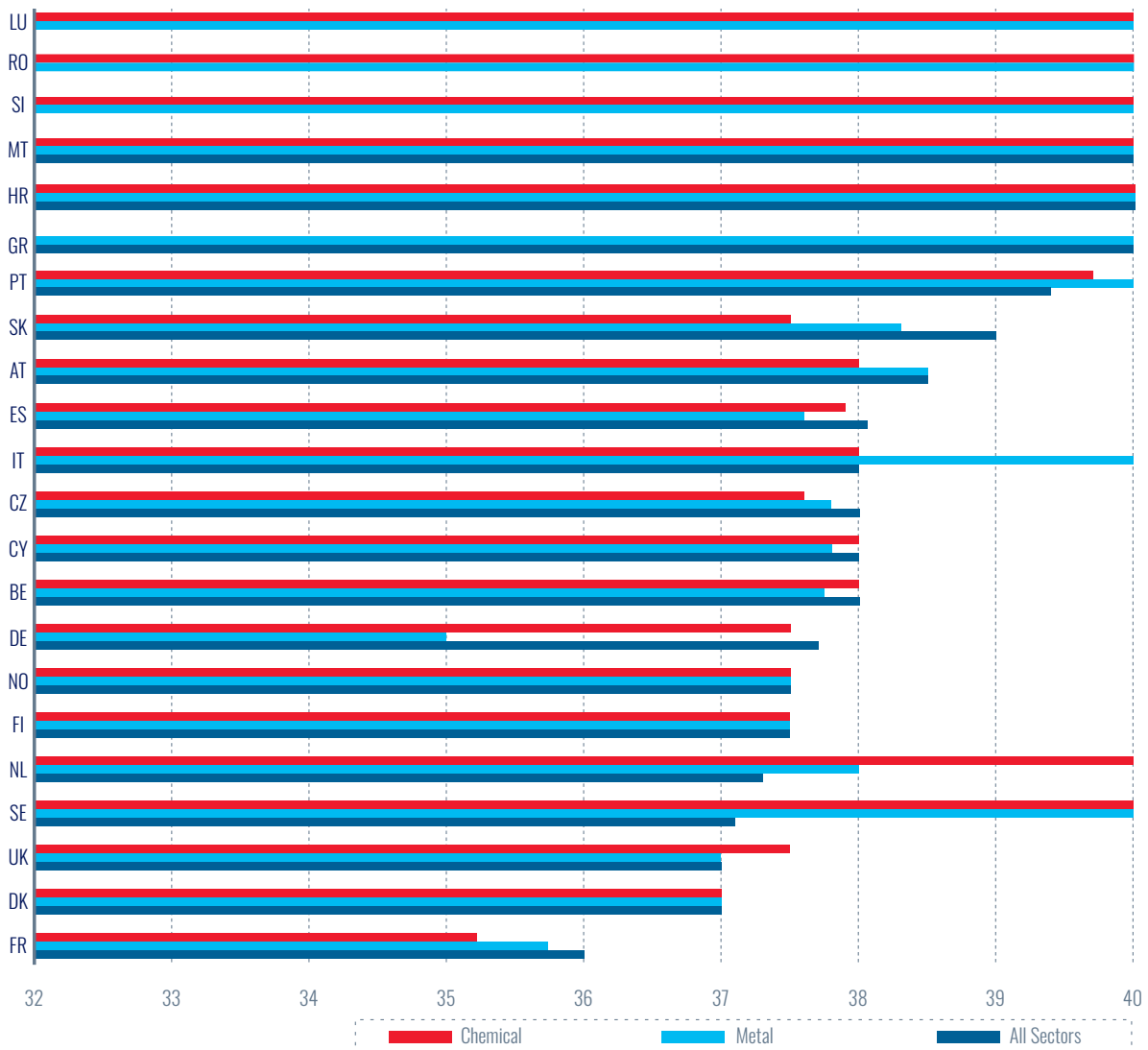




Factsheet

The graph above shows that all EU countries have weekly working limits below the 48-hour ceiling set out by EU law. Note the lower working hours in some countries for the chemical and metal industries, where unions are strong. There is also a gap between Western and Eastern Europe. The graph on the left shows how, in some countries, unions secure working time reduction not just by cutting the hours worked in a week, but by winning more days off in a year. More on the different ways unions are pushing for working time reduction overleaf.

Max. weekly working hours in European countries

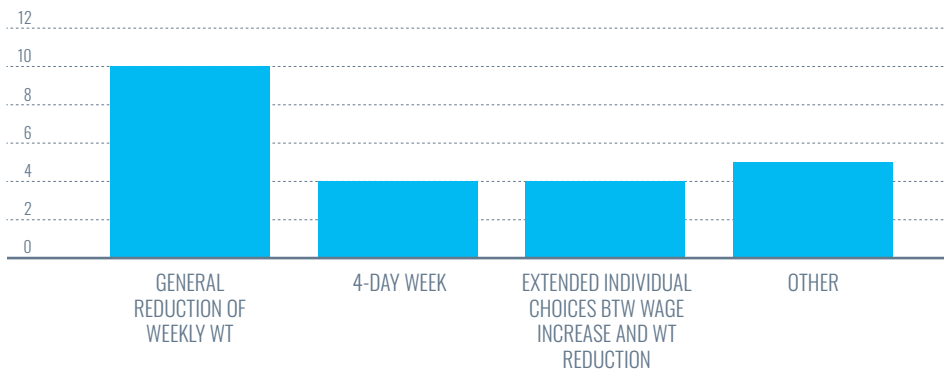


Now is the time for working time reduction

With the cost-of-living crisis, is reducing working time really a priority?

European economies are stuck with wage growth well below the level of inflation. Employers consistently argue that keeping their workers' pay in line with price rises will cause more inflation. While there is increasing evidence that it is [corporate profits raising prices](#), lowering working hours without loss of pay may be an alternative or complementary way of restoring workers' quality of life. Cutting working time would compensate for the massive loss of purchasing power over the last decade whilst boosting productivity and managing the green transition.

Main reasons for unions pursuing working time reduction



UK
56 companies having participated in a national trial have decided to continue with 4-day weeks on a permanent basis.

Spain
The government provides financial support to 70 SMEs in order to reduce hours by a least 10% without any pay cuts. Also manufacturing companies with less than 250 workers are encouraged to take part.

Portugal
The government provides funding for 85 companies which are taking part in a project with 4-day weeks as an experiment to accentuate work-life balance.

Germany
IG Metall has already negotiated possibilities for time off instead of paid work for carers in the metal sector. In the autumn of 2023, they will be negotiating a 4-day week in the steel sector with full pay compensation.

Italy
Italy's Lenet Group, known for kitchenware, lets workers consider Fridays as Saturdays, provided they have achieved their objectives for the week. No meetings will be held on Fridays.

What are unions doing to win working time reduction?

Despite the buzz around a four-hour working week, this is only one way of lowering the total time we work. A four-day week may not work in every sector or company. Our survey shows that unions are pursuing a variety of approaches to lowering working time. See the graph on the left. The map (above) highlights some great examples of where working time reduction is improving workers' lives, while boosting productivity and attracting more workers to take up jobs in key sectors.

Managing the twin transition through smart working time and training

Demands to reduce working time have been part of the core trade union struggles since the beginning of our movement. The historic victory of the 5-day week is the best example. Today, working time policies and reductions have become essential tools to achieve a [Just Transition](#) for workers affected by the green and digital twin transitions.

Tackling the impact of the twin transition

The green and digital twin transitions will have a huge impact on workers in industry. More than 25 million workers in Europe's manufacturing, mining and energy sectors will be affected by the changes as jobs change or disappear, new ones are created and the quality of jobs is affected. These workers need solutions that they can accept and see as fair. Piecemeal and short-term solutions will fail - the sheer scale and rapid pace of the twin transformation require a strong legal framework to ensure just transitions. In this context, the early involvement of workers and their unions in decisions about their future through information and consultation, collective bargaining and training rights is fundamental.

Diverse approaches to working time reduction

Working time reduction plays a key role in anticipating and managing the impact of the dual transition on workers' occupations and employment security. Although the '4-day week' has grabbed the headlines, it is only one possible scenario of working time reduction. A one-size-fits-all solution is not possible for the complex reality of the manufacturing sector, where shift work requires a different approach. Unions have negotiated several other options to find the best fit for each sector and company. Examples range from early retirement schemes to general reductions in weekly working hours, extended individual choice between wage increases and working time reductions, or working time reductions combined with training rights. The ETUI's [latest study](#) on working time provides a more in-depth analysis of different working time reduction options, such as the 2018 agreement in the German metal and electronics industry. This agreement allows employees to reduce their working hours, with

proportional wage compensation options, providing a framework for implementing a four-day week without explicitly naming it.

Combining Working Time Reduction and Training Rights

Reduced working time is part of the solution to overcome the current massive skills shortages in European industry, both for employment security and to meet the huge training challenges. IndustriAll Europe's recent [position](#) on training provides a deeper analysis of this issue, as the challenge is complex and daunting. The changes in automotive manufacturing are indicative of what European industry faces in terms of the training challenge posed by the green and digital transition: the emergence of entirely new job profiles and the need to massively scale up training programmes to meet growing demand. According to the European Battery Alliance, 800,000 workers will need to be retrained to meet the EU's battery ambitions, while BCG research for the European Electromobility Platform estimates that 2.4 million automotive workers will need to be retrained by 2030.

Skills shortages could prove to be the Achilles' heel of the green transition unless policymakers and employers take responsibility and move beyond rhetoric on training and skills to concrete action. This is where working time comes into play. Combined with training rights, working time reduction is part of the solution to Europe's training, reskilling and upskilling challenge. The infographics overleaf provides a reader-friendly overview of how working time can be an effective tool to manage the dual transition and enable training to ensure just transitions.

Isabelle Barthès, Acting Joint General Secretary of industriAll Europe, said:

Working time, and in particular working time reduction schemes negotiated with workers and their trade unions, are key to making Just Transition a reality in Europe.

The Swedish example shows the added value of a well-functioning social partnership. Where trade unions and employers work together constructively, they manage to find a win-win solution for all and to secure individual rights in a collective way. We need more examples of such frameworks for fair job-to-job transitions and lifelong learning to ensure a just dual transition across Europe.

Case Study: Sweden's Innovative Agreements

A good example of this comes from Sweden, where two groundbreaking collective agreements have been transposed into law to strengthen support for job-to-job transitions and lifelong learning. A transitional study grant and a new collectively agreed financial study grant give individuals the right to financial support for both shorter and longer courses to develop their skills, both during employment and between jobs. This will have important job security benefits for workers by increasing their opportunities to upskill or retrain. It will also benefit companies in terms of a more productive and skilled workforce.





Working less is good for everyone



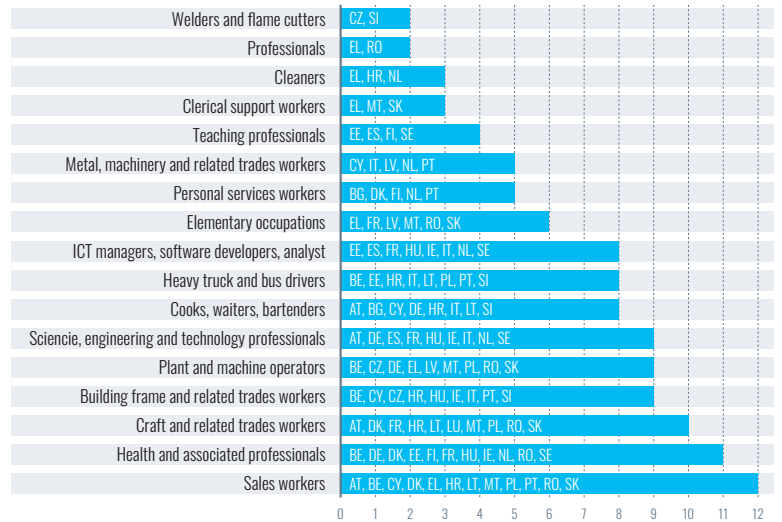
You might have heard a lot about a four-day week. The idea is to work less, get paid the same, and be more productive, whilst having a better work-life balance. Our previous factsheet explained how the four-day work is only one way of reducing working time. Around Europe, industrial trade unions are winning working time reduction of many different types. And it's not just workers who win with lower working time. It's good for companies, the economy, society and the planet.

Industry makes itself more attractive in a competitive labour market



Manufacturing and industrial firms are facing big skill shortages in many key sectors and professions. But the shortage of trained workers isn't reserved to industry; other sectors are experiencing similar problems, leading to tough competition for workers. Figure 1 shows where the shortages are most acute. Shortages are having a real impact on the economy. For example, 39% of manufacturing companies in Eastern Europe point to labour shortages as a factor limiting production. With a tight labour market entrenched across much of Europe, reducing working time is emerging as one way firms can attract skilled young workers into professions. Young people often value the flexibility and improved personal life that comes with shorter working time, particularly when starting a family. It's also a boon for women and people with caring responsibilities. Working time reduction can offer an edge to industrial sectors in the competition for the best workers.

Figure 1: Main shortages occupation – number of countries reporting shortages in different occupations



Source: Eurofound. Tackling labour shortages in EU Member States (2021)



Working less is good for you...

Europe is not only experiencing a record tight labour market, but also a burnout crisis with stress at work increasing substantially in the past years. According to a recent [study](#) by EU-OSHA, 44 percent of workers say that their work stress has increased since the pandemic and 46 percent say that they are exposed to severe time pressure or work overload. Several work-related health issues that are commonly associated with stress are also reported by a large proportion of workers: 30 percent reported at least one health problem (overall fatigue, headaches, eyestrain, muscle problems or pain) caused or made worse by work.

Unions push for working time reduction to protect health and the planet!

Figure 2 shows that improving work-life balance and health and safety is a top priority when reducing working time for unions. The same study, conducted by the European Trade Union Institute in cooperation with industriAll Europe, shows that the recent pilot projects which tested working time reduction in the form of the '4-day week' led to workers reporting less stress, fatigue and burnout. The situation has been a win-win for both workers and employers, as companies reported improved productivity, less costs for health care, reduced employee turnover and better chances when recruiting new employees.



...and it's a win for the planet!

Over 25 million manufacturing, mining and energy workers in Europe will be affected by the transition to green and digital industry. Figure 3 shows the massive impact of the green transition on the European economy. It shows a disproportionately large effect on industrial sectors.

A big part of this challenge comes from the new skills needed to do green jobs. According to the European Battery Alliance, 800,000 re/upskilled workers are needed to reach the EU's battery ambitions, while BCG research for the European Electromobility Platform estimates that 2.4 million automotive workers will need to be retrained by 2030.

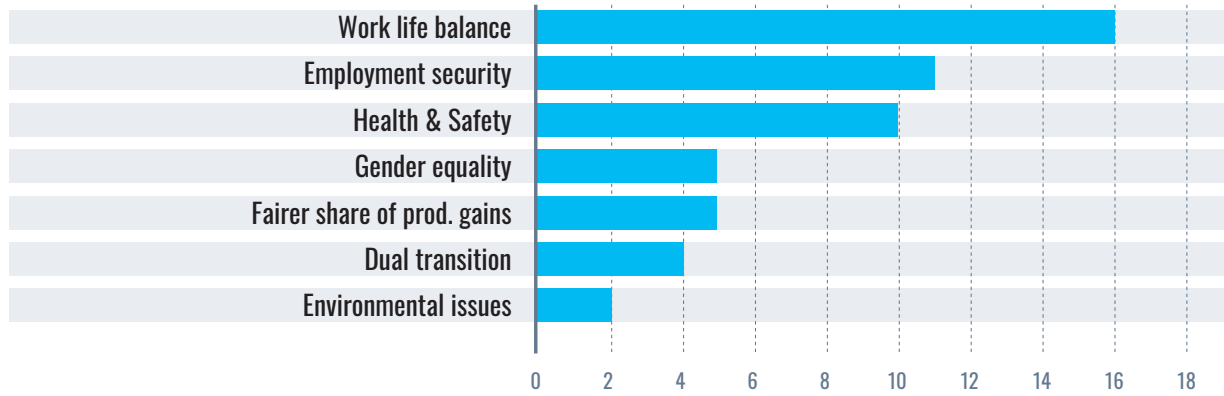
Working time reduction allows more time and flexibility for training and guarantees better employment security for workers in fast-changing industries.

A great example of this comes from [Sweden](#). Two landmark collective agreements have been turned into law to strengthen the support for job-to-job transitions and lifelong learning. A transition study aid and a new collectively agreed financial study aid give individuals the right to financial support for both shorter and longer courses to develop their skills, both while in employment and in between jobs.



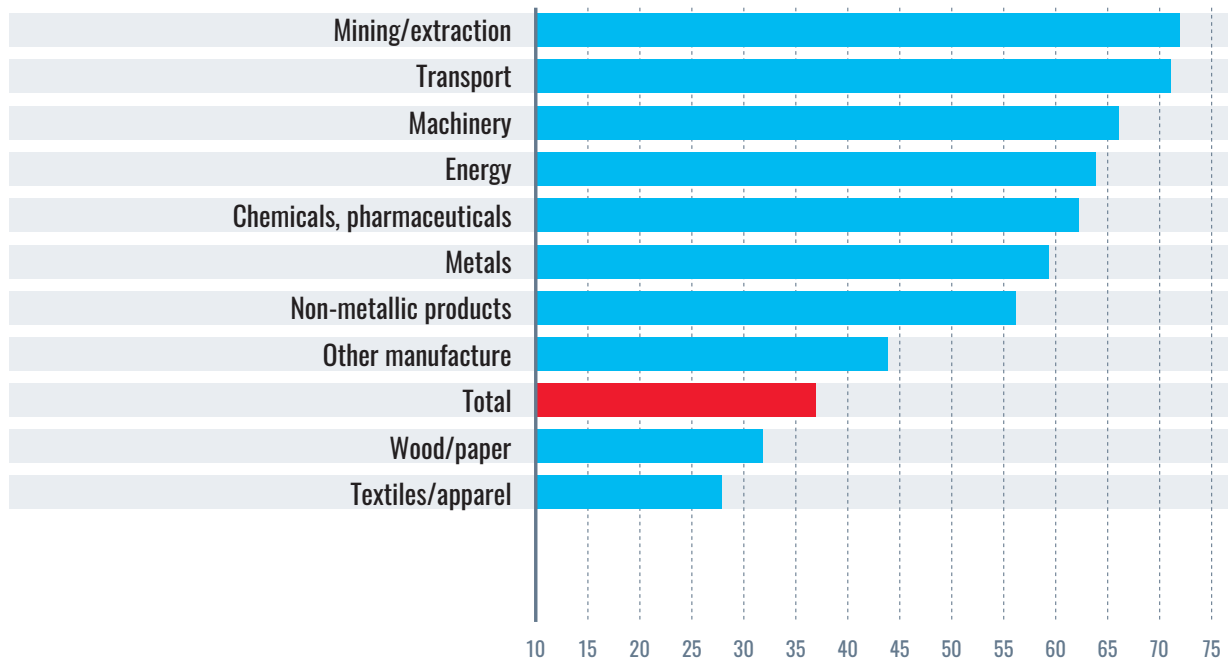


Figure 2: Principal reasons for pursuing collective working time reduction



Source: industriAll Europe Working Time Survey; multiple answers possible.

Figure 3: Impact of greening on occupations %



Source: ETWCS 2021

Reducing working time to improve job attractiveness and work-life balance

Despite the current record tightness of the European labour market, the 4-day week continues to attract attention and debate. Policymakers and employers argue that calls for a 4-day week are misplaced, given that the demand for skilled labour is at a record high.

Trade unions, however, argue that reducing working time can be part of the solution to a tight labour market. This is because it can significantly **increase the attractiveness of jobs by improving work-life balance**. This could be important in attracting women, workers with caring responsibilities, young people or others into sectors where there are shortages.

Despite employers' attempts to portray the current tight labour market as a labour shortage crisis with migration as the only solution, numerous reports published by [Eurofound](#), the [OECD](#), the [IMF](#), [CEDEFOP](#) and the [European Commission](#) show that the main causes of the current record shortages are poor quality and unattractive jobs. A recent [ETUI study](#) backs this up by showing that sectors with the worst labour shortages pay on average 9 per cent less than sectors where it is easier to recruit.

In its latest [position paper](#) on the issue, industriAll Europe presents a detailed analysis of the skills situation across Europe, focusing on industrial sectors. Our paper highlights that migration can only be a short-term 'quick fix' to this complex problem. A long-term sustainable solution requires a more holistic approach based on industrial policy, employment and social policy, active labour market policy, education and training policy and collective bargaining. Wage growth, improved working conditions (including through reduced working hours and better work-life balance) and an individual right to collectively negotiated training are all part of the solution.

Reducing working hours could also make a **positive contribution to tackling Europe's high levels of work-related stress**. Europe is not only experiencing record tight labour markets, but also a burnout crisis, with stress at work increasing significantly in recent

years. According to a recent EU-OSHA [survey](#), 44 per cent of workers say that their stress at work has increased since the pandemic, and 46 per cent say that they are under severe time pressure or work overload. Several work-related health problems, often associated with stress, are also reported by a large proportion of workers: 30 per cent reported at least one health problem (general fatigue, headache, eye strain, muscle problems or pain) caused or made worse by work.

Once again, working time reductions negotiated by trade unions and employers through collective agreements are key. The [study](#) by the European Trade Union Institute in cooperation with industriAll Europe shows that pilot projects testing working time reductions in the form of the '4-day week' have resulted in workers reporting less stress, fatigue and burnout, and an overall positive effect on mental and physical health and a better work-life balance. The situation has been a win-win for both workers and employers, with companies reporting improved productivity, reduced health care costs, lower staff turnover and better chances of recruiting new staff.

Isabelle Barthès, Acting Joint General Secretary of industriAll Europe, said:

We are disappointed that, despite all the evidence, the European Commission seems to be listening mainly to employers when it comes to addressing the tight labour market. The recently unveiled EU Talent Pool initiative, which puts labour migration from third countries at the centre of solving skills shortages, only plays into the hands of employers looking for a quick fix to the problem.

As trade unions, we will continue to propose sustainable, data-driven solutions, not quick fixes.

Europe needs investment in quality jobs and training to address the current shortages, as well as a reduction in working hours to avoid a future health crisis caused by disproportionate stress at work.

Conclusion: Industrial Unions and the Struggle for Working Time Reduction

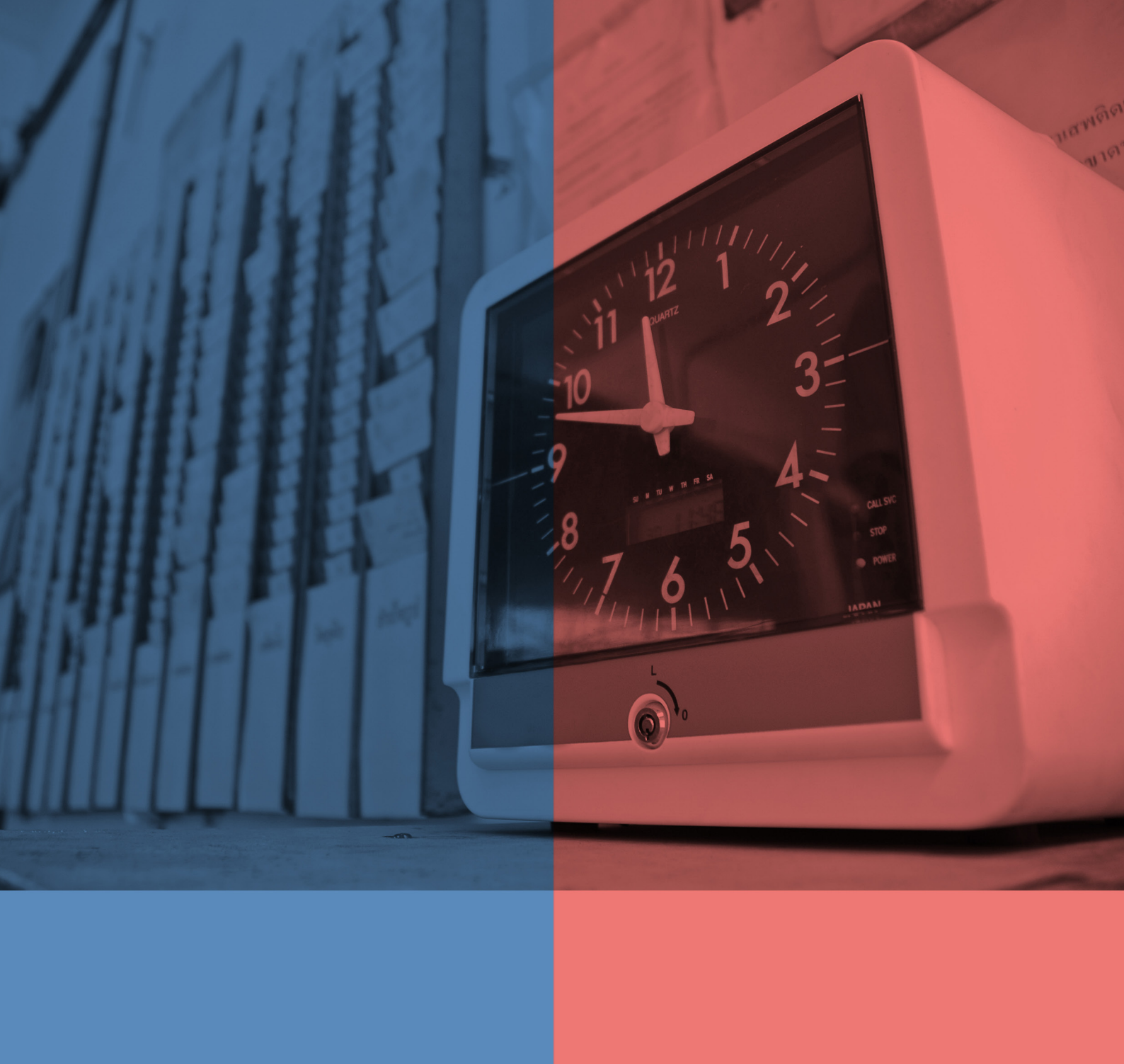
Why should unions fight for lower working time when workers' purchasing power has been so drastically eroded by inflation in recent years? Raising pay will always be central to union demands, and industrial unions have seen some recent successes in this arena. However, faced with employer reticence to agree raises that match high-levels of inflation, and worker demands for a better work-life balance, working time reduction has become a key to reclaiming wealth and power for labour. As the working day becomes more intense and stressful, not least because of the introduction of new technology, working time reduction is a way for workers to win back more control over their lives.

The media focus on a 4-day week only tells part of the story, particularly in industry, where shift patterns must adapt to 24-hour industrial processes and the demands of tight supply chains. Industrial unions are keen to look at working time holistically by delivering reductions that are meaningful to workers lives, whether that be fewer working days, shorter daily hours, time off for caring responsibilities or more generous holiday allowances.

Wanting to ground the public debate in this more nuanced reality, industriAll European Trade Union commissioned Dr Torsten Müller, of the European Trade Union Institute, to conduct a study that marries academic literature on the trend with a broad survey of its affiliates. The study, summarised in this publication,

shows that working time reduction is not only needed for workers' wellbeing, but to meet the challenges of the digital and green transitions. Working less is likely part of the answer to work intensification as a result of new technology. It is also essential to solving the skills gaps that plague industries where green and digital change is happening fastest. Time off can be time to train. It can also be an incentive to attract skilled young people into industries that struggle to compete for workers with digital skills. Done right, working time reduction can therefore be a win-win for workers and companies: a better work-life balance for the former, and a more skilled and productive workforce for the latter.

Industrial unions are already making working time reduction a key part of their agenda and including it in their demands to employers. From Sweden to Spain, from Germany to the UK, unions are employing a diverse and innovative range of solutions to deliver for their members. This proves that reducing working time is more than a pipe dream, but it needs strong unions, engaged in collective bargaining, to make it reality. The history of working time reduction in the last century – the adoption of the 40-hour week and the two-day weekend, as well as statutory holiday entitlement – shows that lowering working hours happens because of pressure from organised labour. If this century is to see another drop in the average hours we work, unions will again be driving that struggle.



www.industrial-europe.eu

 @industriAll_EU

 @industriAllEU

 @industrial_europe