Workshop on Social move

The societal shift in parenting and working roles: legislation as a driver to achieve work-life balance for all

Families on the Move conference
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Introduction

This workshop examined the societal move or shift of families towards more dual earners with dual or multiple care needs (for children, older family members, relatives with a disability, or other). The first session allowed for a reality-check of emerging challenges, highlighting some OECD research on the state of play and namely work-life balance challenges of 21st century families, followed by a spotlight on the situation in Belgium and The Netherlands.

The second session of the workshop highlighted some proposed responses to the challenges, namely through the perspective of national (Germany) and European (DG EMPL of the European Commission) policy-makers on legislative proposals needed or already under way to support changes in work and welfare to bolster the work-life balance of families, with the views of trade unions and employers on the matter. There were about 30 workshop participants present, from several countries (Belgium, Croatia, Czech Republic, Germany, France, Switzerland, Spain, The Netherlands, Hungary, Italy) and from several backgrounds (civil society, university, public administration, European institutions, social partners, private interests). All presentations can be found on COFACE’s website.

Reality check and State of play

Olivier Thévenon, Economist from the Social Policy Division of the Organisation for Economic Cooperation and Development (OECD) specialises in the role of social and family policy, including in relation to work-life balance. He provided the workshop participants with a state of play of work-life balance trends and challenges based on recent OECD data, also highlighting the main cross-national differences. There is clearly much variation across countries in the policy responses to help parents and children in this respect. Not all countries are in same stage of development of work-life balance policies to help parents and children. Dr Elke Valgaeren (Head of Research at Gezinsbond - one of the biggest civil society organisations representing families in Flanders, Belgium) and Jessica Van Ruitenbug (Policy Advisor for FNV – The Netherlands Trade Union Movement) provided country snapshots of trends and challenges emerging in Belgium and The Netherlands. Here below is a state of play of key trends and challenges emerging from the discussions with workshop speakers and participants.

The shift in family needs
Some challenges linked to the shift in family structures were highlighted. There is an average of 6 in 10 households with children (where both parents work) reporting difficulties to reconcile work and family life, however the patterns vary across countries according to the age of children (in some countries, the age of children matters, in others not). (OECD). The survey of parents with young children carried out by Gezinsbond in Flanders, Belgium (with feedback from 6000 respondents) shows a general dissatisfaction with the length of maternity leave (15 weeks) and paternity
leave (10 days), believing this is too short to allow parents to create a bond with their baby. The dissatisfaction with the length of the leave is also linked to the need to breastfeed, the well-being of the child, medical reasons, the lack of childcare or difficulty to entrust a young baby to others, and more - and as a result many parents are obliged to compensate by taking additional holidays or using their parental leave immediately linked to the birth of the child (hence losing the possibility to use it when the child is older and might need support). The results of the survey show a cry for help for more time around childbirth. In The Netherlands, data presented by the Dutch Trade Union Federation show the following figures: 20% of workers are under pressure due to work-life reconciliation; 20% of workers also have care responsibilities; 10% of sick leaves are due to strains in work-life; 33% of mothers with young children find the work-life combination rewarding, 50% find the combination difficult, and 25% are unhappy with their work-life balance. The Netherlands used to have a breadwinner model, but this is shifting towards a 1,5 breadwinner model (one full-time and one part-time). Although still 2 out of 5 people in the country think that women are more suitable for care-giving, and women tend themselves to believe they are more suitable than the husband for the care-giving, but this might be due to the lack of holistic work-life balance support (namely paid parental and paternity leave), which reinforces this model and pre-determines the choices of families.

Supporting more women into employment
Recent European social surveys show that a growing share of the population believe it is good for children to have a working mother, indicating a shift in values/culture about mothers with pre-school children. The European Commission pointed out that women are not as represented as men in the labour market - the employment gap between women and men is 11.6% in the EU, and even higher when comparing full-time employment rates. This is a striking result, given that more women graduate than men, being highly qualified but encountering difficulty when entering the labour market. The chances for women to be in employment decreases with the presence of children (especially very young children) - women tend to return to employment when the child grows up, but the presence of very young children is clearly an obstacle to employment, the main reason for around 30% of women being the lack of childcare facilities (in Latvia, up to 60% of non-working mothers report lack of childcare facilities as the reasons for not entering employment) (OECD). While in Belgium, Gezinsbond is calling for a longer period of maternity leave (26 weeks instead of 15), the aim is to strike a balance between allowing enough time around childbirth and not keeping mothers out of the labour market too long. Women’s labour market participation is not only a matter of gender equality and addressing the gender pension gap, but also an economic imperative given the general ageing of the EU population. In Germany, current surveys show that mothers of young children have an increasing desire to work more than they currently do, but also that fathers want a greater role in family and child upbringing, with a more equal share of work and family responsibilities. However, they need more support (resources, services, time) in order to achieve this.

Participation of young children in childcare facilities
There is much heterogeneity across countries in the participation of young children (below age 3) in childcare facilities, and it is to a great extent correlated with household income. The paradox is that, while research shows that childcare has positive effects on children especially in terms of social and health development as well as furthering intergenerational social
mobility, children from low-income families are still less likely to participate in childcare (this is for instance the case in Ireland and France). Income inequalities affect participation rates of children in formal childcare. (OECD). The case of The Netherlands shows that low participation of children in childcare can also be linked to culture, where there is a general perception that children should not start pre-school before the age of four. Work-life balance challenges do not stop when children go to compulsory school - out-of-school care is needed and is an essential component of any work-life balance policy. OECD data shows that a high proportion of 6-11 year-olds use out-of-school care services. In The Netherlands, the typical Dutch school day (8.30-12.00 and 13:15-15:15), means that school days are quite difficult to combine with an ordinary job, making out-of-school care essential.

The situation of low-income families
Low-income families face multiple barriers: economic (affordability of care, and low incomes), social (access to information about childcare, and prioritisation mechanisms by municipalities), cultural (languages, gender roles, and perception of childcare as negative/positive). There is a need for more integrated social and childcare services taking into account the needs of both children and parents (2-generation approach). In Belgium, a country where there is a decent supply of childcare (but still unaffordable for many), legislation allowing for more low-cost childcare can make a difference to low-income families. The take-up of leaves can also be an issue for low-income households, especially in countries where the leaves are unpaid or where the income replacement rate is low. Questions were asked about leave arrangements or childcare allowances for single parent families. In Belgium, there are indeed more financial constraints for single parent families than for dual earner households to make use of their parental leave rights since there is a very low income replacement rate for parental leave (a flat rate for all parents). So the rights are available, but take-up is not easy for single parent families, so there are specific allowances to address this challenge. In The Netherlands, parental leave is not paid, so there is no difference between dual earner and single earner families - the take-up rate is generally low. However, there are extra financial benefits to support single parent families.

Caring arrangements for the ageing population
Europe is an ageing society - people live longer, but not necessarily in good health. Entitlements to care for a relative or elderly family member are far less developed compared to childcare leave, and the income replacement rate is generally low for such leaves (OECD). This was reflected in the presentation on The Netherlands, where short-term care is decently paid (70% of income) but with little take-up, and long-term care leave is 6 weeks but unpaid. Everything points to an increase in care responsibilities for Dutch families, not only because of the general ageing of the population, but also because of the healthcare reforms which are promoting a shift from formal to informal/family care. It is useful to note that in The Netherlands, you can take up leave to care for a family member, friend or anyone you have a social relationship with. Some highlighted the fact that care provided for elderly or disabled family members is different to childcare. The care is often more complex, is required several times a day, including medical care. If companies do not allow employees to take carers’ leave, this can result in the carer leaving the labour market entirely (which not only has costs for the companies who lose skilled workers, but for society in general). Comments were made about the link between fertility and the ageing population, driving home the importance of helping families to tackle their work-life balance.
challenges in order to deal with the demographic challenges and set the scene for more intergenerational solidarity.

**Gender equality and work-life balance are two sides of the same coin**

It is difficult to disconnect work-life balance discussions from gender equality, and namely the division of unpaid work: there is an unpaid work gap between men and women which is present in households with no children, but this greatly increases when children are present because women still carry out most of the childcare work. The gender gap in unpaid work is lower in countries where the female employment rate is higher, but this is mainly due to the fact that women are doing less unpaid work (not because men are doing more unpaid work). (OECD) It was pointed out that some women with 5-6 children choose to stay home (where this is economically feasible) and receive a small basic income for this family work. But evidence shows that families with only one earner are at greater risk of poverty. Hence allowing them to combine this family work with paid work through flexible work arrangements could be an area to explore further.

**Leave take-up rates by fathers are still low**

The take-up rates of leaves by fathers is still low in many countries, with big gender differences of leaves taken by men and women (OECD). The data shows variations across countries, from a take-up rate of 45% of the total leave days by men in Iceland, to countries like France where men represent 5% of the leave-takers, despite flexibility and generous leaves. There is an existing EU parental leave directive from 2010 (which stems from a social partner agreement), but the take-up by fathers is much lower than by mothers, and when taken is of a much shorter duration. This can be explained by many factors (cultural, economic, social), but evidence shows that to increase take-up rates, the rights to leave need to be individualised, non-transferable to the mother, flexible (to be taken in blocks or piecemeal), and with a decent income replacement rate since men are still very often the higher earners in the household. In The Netherlands, there is currently a big public debate on paternity leave, with many fathers (mainly from higher income households) wanting a right to take care of their child, and bond with their child.

**Workplace culture and the use of flexible work arrangements**

Take-up rates are also linked to workplace culture and the use of flexible work arrangements. OECD data shows that there are limited gender differences in the use of flexible work arrangements except for home-working. Men use this option more than women, often because they are manager positions which allows them more flexibility. However, there is little evidence to show that such flexible work arrangements are used by men for work-life balance purposes. Another workplace-related factor raised by a participant, is the presence of low-quality and badly paid jobs on the labour market. This has an influence on the choice of parental leave take-up or use of (unaffordable) childcare. As concerns women in that situation, they will often choose to take the family leave rather than stay in the labour market. The tendency of lower-income households to have 2-3 jobs makes it even harder to reconcile work and family life, and flexible work arrangements are generally harder to achieve in such situations. Women are also more likely to be in part-time jobs, and The Netherlands is a case in point where there is the highest proportion in Europe of women in part-time work - many women even start their career with part-time contracts - so that there is a high labour market participation of women, but they work few hours. The European Commission initiative on work-life balance is also partly driven by the changes in the world of work, namely linked to digitalisation and the potential of “smart
work” to allow for more flexible working arrangements for families. The vital role of social partners was raised, questioning their commitment to work-life balance in times of economic crisis. But the political momentum launched by the European Commission with the package might foster more participation of social partners and increase public debate on the matter at national level.

Actions and next steps

The second session of the workshop highlighted some proposed responses to the challenges highlighted in the first session, namely through the perspective of national (with Mark Kamperhoff, Head of Unit EU – Federal Ministry for Family Affairs, Senior Citizens, Women and Youth, Germany) and European (with Manuela Geleng, Head of Unit – DG Employment, Social Affairs and Inclusion, European Commission) policy-makers on legislative proposals needed or already under way to support changes in work and welfare to bolster the work-life balance of families. Maxime Cerrutti (Director of social affairs – Business Europe) and Cinzia Sechi (Advisor – European Trade Union Confederation) provided the views of employers and trade unions on the matter.

Comprehensive policy approach needed to provide continuum of support to families

Increasing evidence points towards the need to rethink family policies in light of 21st century challenges (economic, demographic, social). One could argue that work-life balance is the “meeting point” between family policy on the one hand, and gender equality policy on the other. The package of measures published by the European Commission is an opportunity to rethink family policy holistically to ensure a work-life balance continuum of support, filling gaps in provision of services and entitlements. OECD data shows certain gaps in the continuum of support in relation to leaves and childcare: namely between the end of a leave and the participation of children in childcare programmes, due to the underdevelopment of childcare for children under 3 years of age. The same can be said for pre-school/primary school and gaps in out-of-school care provision for children.

However, in order to work effectively at EU level, and deepen exchanges and cooperation on this, we need a common language. For COFACE Families Europe, that common “European” policy language is reconciliation, based on 3 conceptual pillars: resources, services, time. See the reconciliation policy check list from COFACE paper “Families on the Edge” (March 2017) which provides an overview of different measures needed to achieve the work-life balance continuum of support.

The policy approach promoted in the European Commission’s Work-Life balance package covers these different pillars to a great extent, and also uses a life-cycle and inter-generational perspective as a starting point for the EU policy framework it proposes. This is very much in line with demographic realities (increasing numbers of three- and four-generation families, the situation of the sandwich generation caring for both children and older family members, etc). The package therefore targets both working parents and working carers, hence addresses not only the situation of parents with children but also adults with ageing parents.
As reminded by the European Commission representative in the workshop, the package consists of both legislative and non-legislative measures. The non-legislative measures include **10 broad EU policy actions**, including maternity leave measures to ensure enforcement of existing legislation to protect women from discrimination and dismissal (through reinforced cooperation of national equality bodies); the need for strengthened policy guidance and sharing of best practices at different levels; the use of the EU semester (Europe’s economic policy process) to monitor Member States’ performance on work-life balance measures such as development of childcare and long-term care, promoting women’s employment, reducing the gender pay gap, and more) through the development of more benchmarks; using the full potential of EU financial instruments like the European Social Fund and the European Regional Development Fund to fund support services (both training of professionals and service infrastructure). Some workshop participants questioned the ambition of the European Commission and the nature of the policy guidance given in the package, saying that the issue of discrimination should go beyond dismissal following leave periods and also consider existing discrimination against flexible working arrangements, calling for stronger direction from Europe in this respect.

Another participant started a reflection on the nature of the **policy objectives** of the package: increasing labour market participation of women and achieving more gender equality, as well as setting a level playing field for all EU Member States. Setting clear objectives for work-life balance policies was considered crucial, and different objectives were highlighted in the discussion: increasing labour market participation of women, gender equality, improving the well-being of children, etc. There was a discussion on whether the dual policy objectives of the package (increasing women’s labour market participation and achieving more gender equality) were not to a certain extent opposing objectives, due to the explicit focus on women. However, the EU package clearly aims also for an increase in sharing of caring responsibilities in the family, offering a real choice to both women and men (reconciliation for all) to organise their work-life-balance. One participant brought up the issue of fertility, and to what extent work-life balance policies should/do have fertility increase as a policy objective. The OECD representative suggested that investment in childcare services could have a triple objective: 1. Achieving positive outcomes for children in terms of social and emotional development. 2. Helping more women into employment. 3. Increase in fertility rates (since work-life balance is central to the decision to have more children).

The German policy presented in the workshop covers a number of the areas in the reconciliation policy checklist above, and the objectives of the parental allowance in Germany are the following: to give parents more time for family life, but also to encourage equal partnerships and shared parenting, as well as improving the livelihood of mothers. However, the question was raised as to what extent work-life balance measures can actually contribute to reducing inequalities. All participants acknowledged the family policy innovation in Germany (namely the holistic approach, addressing different sides of the work-life balance coin) and the approach of encouraging equal partnerships in families (inviting parents to “dare to share”). There were questions about the types of fathers taking leave, and who has access to childcare services. This led to a general discussion about the contribution of
work-life balance policies to poverty reduction, by making childcare and long-term care affordable for families, and ensuring that family leaves come with decent income replacement rates. For instance, parental allowance in Germany which is normally 65% of the last income amounts to 100% for lower-income families (up to 1000 EUR).

Finally, participants briefly discussed issues of monitoring and assessment. In Germany, there is a gender equality report published every four years by the government, with a recent one published this year which includes a new indicator on the gender care gap (i.e. time used daily on unpaid care work). The report shows that the gender care gap is higher in the “rush hour” of life around the age of 34 - women use twice as much time for unpaid care work than men do. There are many gaps to be closed (as stated in the report), not least the gender pension gap, as highlighted by some participants referring to the challenge of taking into account unpaid work in some way. One participant stressed the urgent need for the development of formal long-term care services, and the fact that unfortunately these services were not yet as standardised as childcare. Mapping the gaps in long-term care provision would be a first step, as well as monitoring of the services (as is the case in Germany which has a nation-wide monitoring system with school grades for formal care homes published every year in a Federal report on the quality of care, the number of carers, the number of service users, and more).

**Legislation to ensure enforcement, adequate safety net and minimum standards**

Evidence points to different policy measures taken across countries to address work-life balance of families, but gaps in support still persist and options are still limited across many countries. Legislation is an important way to achieve a real continuum of support.

**National legislation** is in place in all EU countries to help families balance their work and family life – with different reconciliation policy mixes of access to resources, services, and time arrangements. The German policy approach and existing legislation was presented in detail at the workshop (see full presentation here). It consists of a mix of established benefits already in place for parental allowance, with additional options for single parent families and people who work part-time. The general approach aims to foster reconciliation for all, encouraging intra-family sharing of family work as well, through a variety of incentives (flexibility, bonus where family work is shared, individual rights to leaves, financial security, and more). This is all firmly rooted in Federal legislation.

Mention was also made of the German caregiver act of 2015, aiming to help the reconciliation of family care and work, with different leaves available (from short-term to longer-term up to 25 months), however take-up is still low. It is interesting to note that since 2013 in Germany there is a justiciable right for every child to have a place in childcare from 1 year to the mandatory school age (which means parents can go to court if they are not provided with a place in childcare). Municipalities are responsible for childcare, but the Federal government provides funding and qualitative support for children up to the age of 3. The legal right to childcare has been an incentive for further development and funding of childcare supply (which has led to 400,000 more places in childcare since 2013). In some regions of Germany, access to childcare is free.

There was some discussion in the workshop on funding of childcare (and indeed generally-speaking on the financing model for reconciliation policy measures, the proportion of funding coming from employers, taxpayers, etc), and how to strike a balance between providing enough
childcare, maintaining the willingness of families to pay for childcare, and also developing priority mechanisms to ensure those who most need it can access it (e.g. prioritising dual-earner families or single-earner families with lower incomes, or both). The Business Europe representative called for more emphasis on childcare: it is clearly an investment and not a cost since it is compensated by more women working and increased public income through tax. An Austrian study shows that investment in childcare paid off after 4 years.

There were questions from participants on the take-up of leaves by German men and whether specific campaigns were put in place around the launch of the parental allowance in 2007, to encourage equal partnerships in families. Figures indeed show that since 2007, fathers’ contribution to parenting has increased by 2-3% every year. In some regions, more than half the fathers take up the parental allowance, and women’s employment (especially concerning mothers with children from 1-8 years of age) has increased by 10% since 2006. The representative of the Dutch trade unions was asked about their advocacy to push for legislation on paternity and parental leave, rather than push for an extension of maternity leave. The reason for this is the existing gender pay gap and discrimination in the workplace – they are pushing for legislation since they believe currently most women choose to stay at home due to a lack of real options for the family. The same goes for long-term care: there are some social partner trade agreements, but this is not considered enough. Legislation is key to providing a work-life balance continuum of support and to ensuring real changes in cultural and social norms in order to reduce the gender care gap.

The challenges highlighted above are applicable across the EU, and is one of the reasons why the European Commission published a proposal for EU legislation on work-life-balance, as a deliverable of the newly launched European Pillar of Social Rights (which includes key principles on work-life balance, equal opportunities, and gender equality). The aim is to increase women’s employment but also to better engage men in parenthood. The legislative proposal builds on existing rights (a 2010 social partners agreement on parental leave), and aims to set minimum requirements for all EU countries, including paternity leave (10 days paid around birth of child), parental leave (4 months for each parent, non-transferable to the partner, taken for children up to 12 years), and carers leave for relatives who need support (5 working days/year, and justified medically), with payment at sick-leave level for all three leaves. In addition, the legislative proposal includes references to protection from dismissal and the right to request flexible work arrangements (for both working parents and working carers).

Maternity leave is not part of this legislative proposal, even if some participants reflected on the ideal minimum standard for the EU (around 6 months) in order to allow for enough family time but allowing women to keep a link with the labour market. Childcare is not part of the EU legislative proposal either but, as reminded by the ETUC representative, because this is not a direct competence of the EU. European Commission proposal was considered ambitious for some participants, and lacking ambition for other participants. But there was a general consensus that this was a

1 See COFACE’s preliminary assessment of the Pillar of Social Rights
www.coface-eu.org/disability/analysis-eu-pillar-social-
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useful proposal to set minimum standards across the EU, with the ETUC representative welcoming this opportunity for upward convergence across the EU to move in the same direction for quality of life, for workers, for businesses. After different EU summit declarations on the need for a more social Europe (see Bratislava Declaration 2016, Rome Declaration 2017), this proposed legislation will allow Member States to show their commitment to safeguarding the European project.

**Work-life balance in the workplace - different actions possible**

Legal rights to leave, access to affordable and quality services, the right to request flexible work arrangements and other reconciliation policy measures, can only be effective if actions are taken to make work-life balance a reality in the workplace. The impact assessment of the European Commission shows that the determining factor is not family leaves, but it is rather the take-up of flexible work arrangements that will have the most impact.

**Flexible working** is needed for employees to reconcile their work and family life, with different forms of flexible working including telework, smart work, part-time work options. On the other hand, enterprises also count on workers to be flexible to help adapt to constantly changing environments. So this is an area where social partners can work together to find solutions, even if the ETUC representative provided feedback from their UK members pointing to the flexibility not being employee-led enough, with employers in a position to refuse the right to flexible work arrangements. There is evidence of the positive impact of flexible working – an example was given from experiments in the construction industry in Spain which showed that absenteeism consequently reduced by 25%, and productivity increased significantly. The discussion focused on how businesses can reconcile work organisation and leaves, as well as part-time work arrangements. The representative from Business Europe highlighted that co-working was important, ensuring the link is preserved between the employee and the enterprise, for instance remaining in touch during the leave in order to ensure a smooth transition back to work. Part-time work in principle is useful but some issues were raised. While part-time contracts are essential to take different family leaves over time, there were discussions about the gender pension gap and how to promote a quality part-time work model (e.g. sufficient hours/week, from 24h upwards, to provide a decent living wage) which is beneficial and prevents poverty. There were comments about the perception of part-time and the discrimination at work regarding part-time workers (although in some countries like The Netherlands, part-time work is the norm for women and fully accepted by employers and society).

Flexible working was introduced in the workplace in the last decade in Germany, with incentives for both parents to work part-time – but there were questions as to whether part-time work was a real option for families. Flexibility in taking leaves is acknowledged and accepted by employers, but the development of part-time as part of a family leave frameworks has a stronger impact on the employer, with a resulting blurring of lines. More problematic was the fact that in some countries, there are not enough dismissal protection mechanisms for part-time or temporary contract workers, with some participants highlighting the need for quality job contracts in order to make flexibility work genuinely for both employees and employers.
As noted during the workshop, work-life balance needs to also happen in the workplace (and not only be facilitated through good reconciliation policies and legislation). Flexible work arrangements are part of this, but so is a shift in workplace culture towards changing minds, changing practices to create a workplace culture which is conducive to the use of family leaves. Leadership is important in this respect, namely with managers and top management leading by example, and where possible with progress reports on work-life balance or gender equality in the workplace (either enforceable through legislation or through social partner agreements). In the case of Germany, there are also gender equality quotas in management since data showed that mixed teams result in better outcomes for enterprises – but in order for this to work effectively, women need to enter the labour market early and stay on the labour market.

The OECD report on work-life balance in Germany ("Dare to Share") also includes a chapter on employers and workplace flexibility – in fact through the European Social Fund, Germany has developed a network of family-friendly employers to support them in exchanging good practices on work-life balance in the workplace. In Austria, the government has subsidised family-friendly workplace audits. Eurofound carries out regular surveys of employer work-life balance practices, and data shows that employers are likely to show more flexibility in working time when they have a higher proportion of women in companies and human resources departments with a long-term strategy, and where employees are involved in the decision-making process. In fact, flexible working arrangements seem to be an integral part of modern management practices.

The business case for work-life balance was discussed by participants. It was clear from both European social partner representatives that work-life balance is a key priority for both trade unions and employers, however they disagree on how that work-life balance can be achieved at EU level, with ETUC in favour of the newly proposed work-life balance directive and Business Europe being skeptical about its added value. There is a perception from Business Europe that an increase in women's participation in the labour market (as promoted by the European Commission package) would consequently decrease labour market participation of men. However, the European Commission representative explained that this work-life balance directive is meant to help everyone on the labour market, encouraging a faster return to work for women. The main aim being to ensure the European workforce increases rather than decreases (given the current demographic changes towards an increasingly ageing population), with all skilled women and men in a position to work should they choose to, and able to sustain employment. The same applies to older workers – there is a lower participation rate of older workers since many have to stop due to care responsibilities, yet they often have huge professional experience which gets lost. As with older versus younger workers, there is no contradiction with men vs women: employment creates employment. If indeed the labour market participation of men is slightly reduced, with a resulting significant increase of women in employment, then this should lead to an overall increase in the workforce which is beneficial to enterprises.

Business Europe invited participants to look at work-life balance both from the employee and the employer perspective. Employers have contributed to developing European social protection systems over decades, including work-life balance measures, which are funded differently according to countries (tax-based or insurance-based). Indeed, social security is generally much higher in Europe than in other regions of the world.
(as indicated in the European Commission’s impact assessment in the work-life balance package), and this is valued by employers. However, the work-life balance directive on the table proposes an increase in the income replacement rate of the leaves, with a resulting increase in non-wage costs for employers and employees. While Business Europe values work-life balance in the workplace, there are also concerns linked to the financial implications of the proposed work-life balance measures, which will potentially increase the cost burden on enterprises, potentially resulting in lower growth and impacting job creation. The European Commission representative referred to the impact assessment for the work-life balance package and the estimate of an increase in GDP by 838BN euros by 2050 as a result, hence this work-life balance package is considered good for the economy. Some participants were keen to shift the discussion away from costs, and see work-life balance measures as an investment (not a cost), pushing birthrates up, providing all with the opportunity to work, reducing absenteeism due to family challenges, and reinforcing employee motivation and productivity. Moreover, evidence shows that millennials (younger generations of workers) value work-life balance in the workplace, which is important to attract skilled workers. Finally, according to different business case studies available, there is no evidence which shows that providing work-life balance provisions hurts productivity or financial results.

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