

13 July 2007

**EUROPEAN COMMISSION'S SECOND-STAGE CONSULTATION OF  
EUROPEAN SOCIAL PARTNERS ON RECONCILIATION OF  
PROFESSIONAL, PRIVATE AND FAMILY LIFE**

**BUSINESSEUROPE'S REPLY**

1. On 30 May 2007, the European Commission published a second stage consultation of European social partners on reconciliation of professional, private and family life, following the procedure enshrined in Article 138 of the EC Treaty. It follows on the first stage consultation released in October 2006.
2. In a first part, the consultation document recalls the importance of the issue of reconciliation of work, private and family life, to improve labour market participation of women and in a context of demographic pressure on social systems due to an ageing population. It also gives some indications of the 13 replies received from European level social partners to the first stage consultation.
3. In a second part of the consultation document, the European social partners are asked for their views on the following questions:
  - a. How could the availability, affordability, accessibility and quality of child care be increased? How could the availability, affordability, accessibility and quality of social services and care facilities for the elderly, people with disabilities and other dependants be promoted and increased?
  - b. How could the exchange of good practices in the field on work-life balance be reinforced, notably when it comes to the dissemination of the results of the European social partners' framework of actions on gender equality adopted in March 2005?
  - c. How could men be encouraged to avail themselves of measures aimed at reconciliation?
  - d. How could innovative, adaptable and flexible work arrangements be further developed and promoted?

European social partners are also asked if there are willing to engage in a social dialogue process regarding the revision of the current EU legislative framework on gender equality, maternity leave and parental leave with a view to:

- e. the creation at EU level of new types of leave for family related purposes,
- f. the further improvement of maternity protection, and
- g. a review of the current provisions regarding parental leave, which stem from a European social partners' framework agreement adopted in 1995.

#### **GENERAL COMMENTS**

4. BUSINESSEUROPE agrees with the Commission that reconciliation of work, private and family life is an important issue in the current context of insufficient labour market participation of women and demographic ageing. The challenge is to help women to become or remain active in the labour market. Allowing men and women to combine professional and family responsibilities is certainly one key element to tackling this challenge
5. Social partners have an important role to play in allowing men and women to balance their work and family life, by, for example, providing flexible working options where possible. However, cooperation with public authorities is particularly crucial, especially to promote campaigns and educational programmes aiming at a change in mentalities regarding gender roles and the participation of women in labour markets.
6. The European social partners have tackled and continue to tackle the issue of reconciliation from different angles, in the remits of their competences, notably by negotiating the framework agreements on parental leave in 1996, by promoting flexible forms of work for example through the framework agreements on telework adopted in 2002 and on part-time work in 1997 and lately by deciding to coordinate their activities at national, sectoral and company levels through the adoption of a framework of actions on gender equality in 2005.
7. The framework of actions on gender equality adopted in March 2005 identifies four priorities for actions: addressing gender roles and stereotypes, promoting women in decision-making, supporting work-life balance and tackling the gender pay gap. The member organisations of BUSINESSEUROPE, UEAPME, CEEP and ETUC are committed to promote the framework of actions in Member States at all appropriate levels taking account of national practices, through joint and separate actions, during the next five years. It is also foreseen that the national social partners will draw up an annual report on the actions carried out in Member States on the four priorities identified. The first follow-up report was published in January 2007 and the second one should be adopted in the autumn 2007.
8. The framework of actions, as well as its follow-up reports, contain useful information on both social partners objectives and concrete actions to reconcile work, family and private lives. A majority of actions reported by social partners in the first follow-up report concerned the priority of promoting work-life balance. This work provides answers to many of the questions raised by the Commission in the present document.
9. Moreover, the framework of actions promotes the idea that, in order to boost work-life balance and at the same time have a positive impact on the desegregation of labour markets, a mix of policy measures is necessary. The improvement of the availability of care facilities, of leave arrangements and the promotion of flexible forms of work should be put at the same level of priority. BUSINESSEUROPE is

therefore concerned about the disproportionate emphasis placed on leave arrangements in the Commission document.

10. Furthermore, in order for the measures to make a difference, the priority is not to revise the EU legislative framework but to promote concrete and coordinated actions by a whole range of stakeholders in Member States: at national, sectoral, regional and/or company levels. A one-size-fits-all regulatory approach from the EU level will not provide an adequate response to the challenge of the reconciliation of work, private and family life – and could hinder progress already underway in some member states.
11. Finally, the Commission document rightly recalls the need to debate reconciliation policies in the context of the overall Growth and Jobs strategy set by the European Union.

#### **DETAILED COMMENTS**

***How could the availability, affordability, accessibility and quality of child care be increased? How could the availability, affordability, accessibility and quality of social services and care facilities for the elderly, people with disabilities and other dependants be promoted and increased?***

12. BUSINESSEUROPE is of the opinion that affordable, accessible and high-quality childcare and care facilities for the elderly are the basic cornerstones for gender equality and successful work-life balance.
13. Quality childcare facilities have enabled an increasing number of women to enter the labour market. This is the main reason for the high employment rates of women in the Nordic countries for example. On the contrary, in some European countries the lack of institutionalised childcare and other care facilities is the greatest hinder for women's and men's equal participation in the labour market. Enabling women to return to the labour market after having given birth is instrumental in the fight against labour market segregation and the gender pay gap. BUSINESSEUROPE believes that more emphasis should be placed on the supply-side of care services, whether for children or other groups, than is currently the case in public debates. The Commission is therefore right to prioritise this topic.
14. As regards care facilities for the elderly and people with disabilities, there is no doubt that services will become increasingly pressurised as the population ages. More consideration may need to be given to this issue at both national and EU level. Exchange of good practices from the national level (policy strategies, investments plans etc.) and local levels (concrete projects etc.) can be useful to promote practical ways ensuring that care facilities are conducive to effective reconciliation of work and private life, while taking into account the wide diversity of social systems and family policies in various European countries. The questions of how to encourage the development of jobs in the personal services sector and how to integrate groups furthest from labour markets through these job opportunities should in particular be looked at.

15. Social partners have certainly a responsibility in prioritising the issue of the affordability, accessibility and quality of care facilities in their policies and in their contacts with public authorities. This is the reason why this issue is highlighted in the European social partners' framework of actions on gender equality and the subsequent actions undertaken by national social partners. Lack of information about available support services can prevent employees or job candidates to. Adequate and tailored information and guidance is therefore important and some employers engage in compiling information about locally available services to enable employees and candidates to source such services. Similarly, support may be given to migrant workers who may not be familiar with local services.
16. However, BUSINESSEUROPE believes that it is the responsibility of the public authorities to ensure that care facilities are available, affordable and of high quality. It is also their role to ensure that care services are demand-led and reflect labour market needs for flexible arrangements to be accessible to all, rather than just those working under mainstream employment contracts/working time. In many countries, employers can and do support parents but since investment in good quality care benefits the whole of society – in the education, health and criminal justice systems as well as in employment – the state must take the lead in providing the right framework for the provision of such services.
17. Some countries have usefully taken advantage of EU financial support, notably through the European Social Fund, to reinforce their infrastructures.
18. Finally, granting more leave to take care of family relatives cannot be a panacea for the lack of care supply. Indeed, that would go contrary to the objectives the European Union is pursuing in the framework of its growth and jobs strategy. It would be detrimental to the goal of rising employment rates, especially for women and would undermine current efforts from companies in most countries to tackle their problem of labour shortages.

***How could the exchange of good practices in the field on work-life balance be reinforced, notably when it comes to the dissemination of the results of the European social partners' framework of actions on gender equality adopted in March 2005?***

19. The Framework of Actions is in its second year of implementation only. Time is needed for the social partners at national, sectoral, regional and company level to discuss, design and undertake actions on its four priorities. However, BUSINESSEUROPE feels that more information could be usefully spread in Member States on the endeavours of social partners in this regard. In some countries, such as Ireland or the UK, social partners have successfully influenced the recently developed national gender equality strategies and play an important role in its implementation, securing a close link between agreed objectives at EU level and national developments.
20. The national debates on flexicurity policies are a good vehicle to promote the priorities of the framework of actions on gender equality. Indeed, flexicurity debates

are an integrated starting point for labour market reforms. Securing a win-win situation for companies and employees will enable companies to adjust to global market requirements and offer an opportunity to design work arrangements that correspond to workers' needs in particular with regard to their wish to reconcile family and work commitments.

21. At EU level, support to the social partners could also be provided. The Dublin Foundation for example is in the process of setting up an observatory on family policies which could usefully report on innovative policy mixes put in place in Member States on key issues for work-life balance.
22. At the end of the follow-up process, the dissemination of the results of the evaluation report of the framework of actions on gender equality could be usefully debated at an EU level conference. This would however need to be discussed and agreed in the framework of the European social dialogue.

***How could men be encouraged to avail themselves of measures aimed at reconciliation?***

23. Much of what is suggested in the Commission's consultation document is aimed at spreading the responsibility for caring between parents. Certainly this is a laudable goal, which is also highlighted in European social partners' work. However, the question of task sharing in parenting is interlinked with cultural issues, which cannot be tackled through further regulation. This question needs to be addressed in Member States, through the promotion of a culture of equality and the fight against stereotypes. In many countries, national strategies and policies already tackle this issue. In countries where this does not exist, efforts should certainly be made in cooperation with social partners to promote a culture of equality starting from school and spreading throughout the working life.
24. Moreover, BUSINESSEUROPE is uncomfortable with part of the language of the consultation which seems to imply incentives and penalties for men and women. The provision of choice rather than imposing specific behaviour should be the key objective of policies at EU as well as at national levels. In the last decades, much progress has already been made but it needs to be recognised that cultural change takes time and cannot be forced.
25. BUSINESSEUROPE believes that action to promote reconciliation of work and family life should for the most part take place at the level of the individual company or sector, within a supporting institutional framework. As with many human resources practices, the development and dissemination of models of good practice, guidelines and case studies introduce companies to viable work-life balance arrangements. Identifying positive male role models, particularly in senior positions, can also help. Employer organisations and trade unions are instrumental in that respect as they can provide briefings, training, guidance and networking opportunities to company players. Enabling human resources managers to better understand how to manage flexible arrangements is key to the successful implementation of such arrangements.

26. Certainly the target group for many available family friendly services, such as maternity coaching, or return to work programmes, is women. It is nevertheless important that service providers look at ways of expanding some of these services to men, especially around the time of the birth of a child, and avoid discouraging the participation of men by naming or designing their services exclusively for women. Successful campaigns aiming at changing cultural attitudes towards caring responsibilities need to be targeted both towards men and women as caring decisions are most of the time taken in agreement between family members.
27. BUSINESSEUROPE also believes that a genuine strategy to combat labour market segregation must underpin all actions. Indeed, if a cultural shift is to take place in the direction of greater gender equality, education initiatives must be taken from an early age in schools to encourage girls and boys to take unbiased decisions regarding their further education and career choices, their career development and the way they will share family responsibilities.

***How could innovative, adaptable and flexible work arrangements be further developed and promoted?***

28. BUSINESSEUROPE believes that the exchange of good practice is vital to promoting innovative and flexible working arrangements. For companies, competitiveness is key and where companies can see that changes to work arrangements and patterns will improve staff productivity, employee relations, recruitment and retention or enhance the service to their customers, they will embrace new practices voluntarily.
29. Apart from guidance in the form of leaflets, manuals, brochures and web based information, BUSINESSEUROPE members report involvement in the organisation of “work-life balance days” to promote the introduction of such policies in companies. Many also collect information and research on company practices and devote funds or arrange competitions to support and reward innovative practices.
30. A wide range of tools exist concerning working time flexibility (part-time work; flexitime, working hours account etc.), flexible work arrangements (job alternation, telework etc.), new working methods (video conferences etc.). Any arrangement concerning work-life balance must be agreed at the level of the individual enterprise, taking into account the specific work organisation and nature of business operations. Because needs are so disparate, local solutions to local problems work best. In implementing any flexible working arrangements, the needs of both employee and employer must be met.



***Are European social partners willing to engage in a social dialogue process regarding the revision of the current EU legislative framework on gender equality, maternity leave and parental leave with a view to:***

- ***the creation at EU level of new types of leave for family related purposes,***
- ***the further improvement of maternity protection, and***
- ***a review of the current provisions regarding parental leave, which stem from a European social partners' framework agreement adopted in 1995?***

31. BUSINESSEUROPE is not in favour of extending leave entitlements at European level. There are already minimum entitlements for maternity leave and parental leave as well as a comprehensive anti-discrimination legal framework at EU level. BUSINESSEUROPE is concerned that creating new leave rights (for paternity, adoption or care for dependent family member) or extending existing ones in a one-size-fits-all way from the EU level would have an adverse effect on the participation rates in labour markets. Moreover, the Commission gives no evidence of the positive impact such measures taken at EU level would have on work-life balance for workers. This is for example the case, concerning the proposal to raise the age of the child in respect of which parental leave can be taken.

32. Member States have put in place different institutional settings, many times agreed with social partners, which seek a balance between leave arrangements and other types of arrangements in order to fit to the specific labour market challenges of the country, region, sector or company. Since the specific challenges vary widely, so too do the arrangements in place in different member states. EU-level interventions would therefore necessitate wholesale revision of the regulations in many states, causing significant disruption and without enhancing the generosity of provision. If extra leave has to be granted, it should be part of negotiations between management and labour or be part of an individual, tailor made arrangement between employer and worker. The Commission for example seems to forget that the reason for some countries not to provide a distinct paternity leave to fathers is that they are entitled to take extensive parental leaves, already allowing them to take care of their child.

33. Moreover, in countries such as the UK or Spain, new legislation on paternity leave are being revised or put in place. Any new EU level initiative would therefore cause significant confusion and disrupt action already underway.

34. Once again, BUSINESSEUROPE would like to highlight the fact that granting leave to take care of family relatives cannot be a panacea for the lack of infrastructures for care services. A well-thought and balanced policy mix is needed in order to achieve in practice improvements in work-life balance.

35. In BUSINESSEUROPE's view there is no need to extend at European level the right for maternity leave in excess of 14 weeks. The fact that many Member States already provide maternity leave that is longer than 14 weeks is not the right argument to propose such an extension. Indeed, the duration of maternity leave has

to be decided on the e consideration of the protection of the health and safety of the mother.

36. The Commission is right in pointing out that the attractiveness of the different leave arrangements is at least in part due to the financial entitlements to which they are linked. However, BUSINESSEUROPE strongly feels that the financial aspects of these questions are of the competency of Member States as it has a direct effect on the social security spending and the tax contribution levels. For the same reasons, BUSINESSEUROPE has strong doubts about the proposal of the Commission to allow to the workers in parental leave the same protection as for women in maternity leave. This proposal seems to overlook the logic of the maternity leave provisions, to be unworkable with regard to the very long entitlements some countries have regarding parental leave and to put under unnecessary financial pressures both the state and the employers' financed social security schemes.
37. BUSINESSEUROPE is concerned by the proposals of the Commission aiming at a change in the transferability of (parts of) leaves. Employers believe this question should be tackled at national level, because the fact that a leave is transferable or not, in part or in total, reflects a balance between different objectives such as giving incentives to the other partner to take the leave in order not to loose an opportunity (non-transferability) or allowing more flexibility to families to determine how parental responsibilities should be shared between the partners (transferability). Any attempt to change from the top the existing provisions on parental leave would run contrary to the national arrangements sought in Member States and would therefore be counterproductive.
38. Finally, to be successful and add value, the solutions have to be workable not only for employees but also for companies. The decisions on the different ways to take parental leave should be taken as close as possible to the level of the enterprise and take into account their needs. The possibility for employers and employees to agree more tailored arrangements should be kept.

## **CONCLUSION**

39. BUSINESSEUROPE believes that reconciliation of work, private and family life is an important aspect of improving labour market participation of women and in the context of demographic ageing. However, BUSINESSEUROPE is extremely concerned that the Commission seems to pre-suppose that new challenges are best met by legislation at EU level. Given the extensive legislative framework already in place, the necessary flexibility in the response to work-life balance needs can only be achieved by non-legislative innovations and interventions.
40. BUSINESSEUROPE considers that the Commission should ensure that any potential new initiative is in line with the EU Growth and Jobs strategy and does not lead to a decline of the labour supply. The Commission has a role to play in promoting public authorities and social partners understanding of a good work-life balance through, for example the European Employment Strategy, information campaigns and exchange of good practices. At the same time, it has to recognise



that work-life balance is an issue best dealt with in Member States, as close as possible to companies and workers concrete situations.

41. The responsibility for dealing with work-life balance issues arising at the workplace undoubtedly lies with employers and workers, while public authorities have a crucial role to play in addressing the wider societal aspects. This applies in particular to ensuring the availability and affordability of quality care facilities, for children, elderly and/or other dependents and to allow men and women to join the labour market. Where appropriate, partnerships between public authorities and social partners can help in devising innovative, cost-effective solutions.
42. BUSINESSEUROPE is committed to supporting a good work-life balance for European workers and its members are currently engaged in actions to follow-up the priorities of the framework of actions on gender equality. BUSINESSEUROPE also believes that any follow up work on the implementation of the Parental Leave Directive, which stems from an agreement of the European social partners, should be undertaken by the European social partners themselves. European employers consider that it would be of added value to jointly map the existing arrangements on flexible working, care and family leave in Member States, which seek to promote work-life balance for workers while taking into account labour market needs. On 11 July 2007, a separate joint letter from BUSINESSEUROPE, ETUC, CEEP and UEAPME was sent to the European Commission to inform of the opening of discussions on that particular aspect.

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