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signed by Mr Jordi AYET PUIGARNAU, Director

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to: Mr Javier SOLANA, Secretary-General/High Representative

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Council, the European Economic and Social Committee and the
Committee of the Regions:

A better work-life balance: stronger support for reconciling professional,
private and family life

Delegations will find attached Commission document COM(2008) 635 final.

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COMMISSION OF THE EUROPEAN COMMUNITIES

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THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE
AND THE COMMITTEE OF THE REGIONS**

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1. INTRODUCTION

The choices which men and women make in combining the professional, private and family aspects of their lives are primarily personal. Nonetheless, the way in which individuals balance these competing demands has consequences for public policy, for example by influencing labour-market participation and fertility rates. At the same time, public policy in turn influences these choices, for instance by establishing legal rights to family-related leave and public provision of care for children and other dependants or by affecting other factors, such as the opening hours of shops and the length of the school day. Although the focus has tended to be on supporting the reconciliation choices of those who are — or wish to be — employed by others, these issues are equally relevant to the self-employed.

Strategies to support the above-mentioned reconciliation choices build on a range of components and require the commitment of various players. Childcare facilities, leave entitlement and flexible working time arrangements are core components of the policy mix, while the powers are spread between European, national and local levels and between social partners at European, national and sectoral levels.

The European Union's role in this area is relatively limited, but the success of reconciliation policies affects achievement of major EU goals, in particular more and better jobs. This Communication therefore reviews the current situation and sets out the steps being taken to develop the legislative framework, including the proposals which accompany this Communication.

2. RECONCILIATION POLICIES IN SUPPORT OF KEY POLICY OBJECTIVES

At European Union level, successful reconciliation of work and private life is particularly relevant to a number of key policy objectives.

The **Lisbon Strategy**, established in 2000 covered reconciliation. The relaunch in 2005¹, has placed stronger emphasis on growth and jobs and recognised that women's huge potential on the labour market needs to be tapped if the strategy is to succeed. The March 2005 European Council stressed the contribution which measures reconciling work and family life can make to attracting more people onto the labour market. By setting a target employment rate for women (60%) which was lower than the overall target (70%), however, the Council acknowledged the prevalent gender imbalance in employment rates.

¹ COM(2005) 24.

The Integrated Guidelines to support the Lisbon Strategy are addressing this gender imbalance, including by means of reconciliation policies but, in the words of the Joint Employment Report 2007/2008², *'progress in the field of gender equality has been mixed'* and *'many Member States are far from reaching the childcare targets and most do not even refer to them in their national strategies.'* Notwithstanding this, female employment has been the main driving force behind the steady growth of employment in the EU in recent years. Between 2000 and 2007, the number of people in employment in EU-27 grew by 14.6 million, 9.2 million of whom were women. The employment rate of women (aged 15-64) went up each year, reaching 58.3% in 2007, 4.6 percentage points above the 2000 level and well within reach of the target of 60% by 2010.

This is an impressive achievement, but its impact on **gender equality** has been less marked. The Treaty³ requires the EU to aim to eliminate inequalities and promote equality between men and women in all its activities. Yet the indicators for pay, labour market segregation and the number of women in decision-making jobs have shown no significant improvement in recent years. In particular, the pay gap⁴ has remained steady at 15% since 2003 and has narrowed by only one point since 2000. As the Commission noted in its annual report on equality between women and men⁵, *'it would appear that the substantial efforts made in connection with the European Strategy for Growth and Jobs with a view to creating more and better jobs for women have proved more successful in terms of quantity than quality'*.

This situation is unlikely to change as long as the current gender imbalance in the take-up of reconciliation options persists (for example, in terms of working part-time or taking family-related leave) and as long as there is a significant gap between the employment rates of women with children and women without. Between 2000 and 2007, the overall employment rate of both groups increased, but the gap between the two remained at 12 percentage points.

The relevance of reconciliation policies to **demographic renewal** is now explicitly recognised at European level⁶. With an ageing population and a falling birth rate, such policies can support women and men who care for older dependants and make it easier to combine parenthood with work. There is also clear evidence that Member States which have effective policies to enable women and men to balance work and family responsibilities have higher fertility rates and higher female employment rates. Further, having a high quality job is acknowledged as the best safeguard against social exclusion and poverty in general. The provision of affordable quality care services for children and other dependants has therefore been emphasised in the context of **active inclusion** policies⁷. As emphasised in the 2008 Joint Report on Social Protection and Social Inclusion⁸, strategies to increase parents' access and attachment to the labour market including through enabling services and with adequate income support are also a particularly vital element in fighting child poverty.

² Page 9 of the Joint Employment Report 2007/2008 adopted by the Council on 29 February 2008 and published on 3 March 2008. On page 4, the report criticises the fact that *'the responsiveness of European labour markets to the challenges of globalisation and ageing remains insufficient'*.

³ Articles 2 and 3(2).

⁴ The 'gender pay gap' is the difference between average hourly pay for women and men before tax across the economy as a whole. See *Tackling the pay gap between women and men* - COM(2007) 424.

⁵ COM(2008) 10.

⁶ *Promoting Solidarity between the Generations* - COM(2007) 244.

⁷ COM(2007) 620.

⁸ http://ec.europa.eu/employment_social/spsi/publications_en.htm. See also the full report of the Taskforce in Child Poverty and Child Well-being set up by the Social Protection Committee (SPC): http://ec.europa.eu/employment_social/spsi/docs/social_inclusion/2008/child_poverty_en.pdf.

The Report recognises the major role that reconciliation measures, e.g. those enhancing the quality and availability of childcare can play, but also highlighted the importance of looking at measures such as work intensity and quality of jobs.

As pointed out above, a broad range of players, including at European level, are involved in developing and delivering reconciliation policies.

The **Commission** has made enhancing reconciliation one of the six priority areas of action in its Roadmap for equality between women and men for 2006-2010⁹ and measures in this area are closely linked to the related priority of achieving equal economic independence for women and men.

This priority was echoed in the European Pact for Gender Equality, agreed by the March 2006 **European Council**, and taken up in the joint programme and declarations of the German, Portuguese and Slovenian Council Presidencies in 2007-08¹⁰. In March 2008 the European Council concluded that the availability and affordability of quality childcare should be increased in line with agreed targets and that efforts should be pursued to support reconciliation. And in their joint programme¹¹ for the eighteen months up to the end of 2009 the French and future Czech and Swedish Presidencies have committed themselves to paying special attention to measures to improve reconciliation of work, family and private life for both women and men.

The **European Parliament** has consistently called for improvements to the existing Community legislation on maternity and parental leave¹² and, in its May 2008 proposals to amend the new Employment Guidelines, called for the provision of parental and other leave schemes¹³. In its resolution of 21 February 2008 on the demographic future of Europe¹⁴, Parliament called on the Member States to adopt best practices as regards the length of maternity leave and pointed out that it is possible to influence birth-rate curves favourably through coordinated public policies, by creating a family- and child-friendly material and emotional environment. In its resolution of 27 September 2007¹⁵ it urged the Member States to mutualise the costs of maternity and parental leave allowances in order to ensure that women no longer represent a more costly source of labour than men and welcomed the consultation procedure on reconciliation with the social partners. Supporting a work-life balance is one of the four priorities in the Framework of Actions on Gender Equality agreed by the European **social partners** in 2005. The latest annual report¹⁶ on this subject points out that this is the area generating the largest number of initiatives by national social partners.

⁹ COM(2006) 92.

¹⁰ In its December 2007 resolution on balanced roles of women and men for jobs, growth and social cohesion, the Council recognised that difficulties in reconciling work, family and private life still prevail and called on the Commission, *inter alia*, to assess the current Community legal framework related to reconciliation, especially the impact on labour-market participation.

¹¹ Council document 11249/08 POLGEN 76 of 30 June 2008.

¹² For example, Resolution 2003/2129(INI), P5_TA(2004)0152), point 26.

¹³ <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P6-TA-2008-0207+0+DOC+XML+V0//EN&language=EN>

¹⁴ 2007/2156 (INI), points 14 and 15, at: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P6-TA-2008-0066+0+DOC+XML+V0//EN&language=EN>.

¹⁵ 2007/2065(INI) at:

<http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P6-TA-2007-0423>, point 13, 28 and 29.

¹⁶ http://ec.europa.eu/employment_social/social_dialogue/docs_en.htm.

Developments reported by the social partners include introduction or extension of care leave, flexible working arrangements and measures to increase the take-up of these options by men.

It can therefore be concluded that, while the need for reconciliation policies is now uncontested at European level, the inadequacy of such policies coupled with the gender gap in take-up mean that reconciliation measures cannot yet make an optimum contribution to achieving the EU's major policy objectives. Enhancing the work-life balance also constitutes a real opportunity to reconcile the objectives of security and flexibility¹⁷ both for employees and employers, although these principles are often presented as opposed.

3. IMPROVING SUPPORT FOR RECONCILIATION

In its 2008 Annual Policy Strategy the Commission gave an undertaking to propose new initiatives to improve reconciliation of family and professional life. The measures set out below are in line with the values of opportunities, access and solidarity which underpin the Renewed Social Agenda¹⁸.

The legislative proposals deal with:

- strengthening workers' legal entitlement to family-related leave;
- ensuring equal treatment of the self-employed and their assisting spouses.

The availability of affordable, accessible quality childcare is vital for parents' reconciliation choices. Accordingly, the legislative proposals are accompanied by a report on the progress which Member States have made towards meeting the childcare targets agreed at the 2002 Barcelona European Council.

3.1. Family-related leave

The Commission launched its current deliberations in 2006 with a formal consultation of the European social partners under the European social dialogue procedure. *Inter alia*, this allows the European social partners to negotiate agreements which can then be given force of law. The first directive agreed under this procedure was based on the 1995 framework agreement on parental leave¹⁹. The Commission's consultation documents²⁰ addressed legislative and other measures to support reconciliation and identified a number of options for new types of leave which could meet the needs of workers better by reconciling professional, private and family life, namely paternity leave (a short period of leave for fathers around the time of the birth or adoption of a child), adoption leave (leave similar to maternity leave around the time of adoption of a child) and filial leave (to care for dependent family members).

The Commission also suggested ways to improve the rules on maternity protection (Directive 92/85/EEC) and the framework agreement on parental leave annexed to Directive 96/34/EC. The proposals relating to parental leave cover incentives for fathers to take parental leave,

¹⁷ Cf COM(2007) 359 final Towards Common Principles of Flexicurity: More and better jobs through flexibility and security.

¹⁸ COM(2008) 412.

¹⁹ Council Directive 96/34/EC of 3 June 1996 on the framework agreement on parental leave concluded by UNICE, CEEP and the ETUC (OJ L 145, 19.6.1996, p. 4).

²⁰ SEC(2006) 1245 and SEC(2008) 571.

protection of employment rights and prohibition of discrimination, the duration of and payment for such leave, flexibility in taking parental leave and the age of the child. Other measures highlighted by the Commission include care facilities for children and other dependants, new ways of working (including telework) and encouraging men to take up reconciliation options.

A report to the Tripartite Social Summit in March 2008 announced that the social partners had agreed a package of joint measures to support reconciliation. Then in July 2008 they confirmed their intention to initiate the negotiation procedure provided for in Article 138 of the EC Treaty to 'better achieve the aims of the Parental Leave Directive.' Since it cannot be ruled out that the negotiations will also address other forms of family-related leave, such as paternity leave, adoption leave and leave to care for other family members, the Commission does not intend to make proposals on parental or other family-related leave at this stage. The social partners have confirmed, however, that they do not intend to address maternity leave in their negotiations.

3.1.1. Revision of Directive 92/85/EEC on maternity protection

Maternity leave differs from other types of family-related leave for one obvious reason, since it can only be taken by the mother. The Commission considers it appropriate to make a proposal²¹ now, so that when the social partners come to review parental leave they will have an indication of the minimum leave to which the mother could be entitled and the conditions governing it after a revision of the Directive. The proposals are:

- to increase the minimum maternity leave from 14 to 18 weeks (in line with the ILO recommendation);
- to increase the flexibility for women to decide when to take their maternity leave before or after giving birth;
- to improve employment protection for women on, or returning from, maternity leave.

These measures are expected to make it easier for women to stay in the labour market after giving birth, since it may be easier for women to return to the labour market after a longer maternity leave rather than taking parental leave to look after their still-too-young child as is the case with shorter maternity leave periods. In addition, the decision to return to work is facilitated if the woman's employment rights are respected. Improving leave arrangements and payment during leave, and strengthening employment rights will help reconcile work and family life and improve labour market participation of women with children.

3.1.2. Further proposals on family-related leave

In a letter dated 10 July 2008 the social partners announced that they expected the negotiations to start in September. At the end of the period set by the Treaty for such negotiations (nine months, extendable by agreement), the Commission will, if the social partners so request, take the necessary action to give legal force to the new agreement by adopting it in the form of a proposal for a directive. If the negotiations do not result in a new agreement, and as foreseen in the second-stage consultation document, the Commission will

²¹ COM(2008) 600.

consider bringing forward proposals to complement the existing legislation in the area of reconciliation.

The Commission conducted an impact assessment²² on all the legislative options outlined in the 2007 second-stage consultation document sent to the social partners. Although the Commission is currently restricting the scope of its proposal to maternity leave, the assessment of the other options could assist the social partners in their negotiations.

3.2. Equal treatment for the self-employed and their assisting spouses

Balancing family life and work is a challenge not only for men and women employed by other people but also for the self-employed and their spouses who help them in their professions or businesses. Directive 86/613/EEC established the principle that equal treatment is not limited to employed workers. It also recognised the need to provide reconciliation measures, especially in relation to maternity.

The Directive has had a limited impact and its vague wording makes it difficult to enforce. However, the need for action in this area, spurred by the growing recognition of the need to tackle the gender gap in entrepreneurship, is as great as ever. One reason for this gap may be the scant — or total lack of — social protection available to self-employed women, in particular maternity protection²³. Around 11% of the self-employed rely on assisting spouses to manage the family business. One third of assisting spouses work more than 25 hours per week yet have no protection in the event of divorce from or death of their self-employed partner.

The Commission has decided to propose to repeal Directive 86/613/EEC and to propose a new Directive in order to achieve the goals set by the original Directive more effectively. The main proposals²⁴ are:

- female self-employed workers and assisting spouses or life partners should be entitled, at their request, to the same maternity leave entitlement as provided for employees under Community law in Directive 92/85/EEC
- at their request, assisting spouses or life partners when recognized by national law should be able to join the same social security scheme as self-employed workers, under the same conditions applicable to self-employed workers.

These changes are expected to lessen the disincentive for women to become self-employed and the vulnerability of assisting spouses.

3.3. Report on implementation of the childcare targets by the Member States

The 2002 Barcelona European Council urged the Member States to remove disincentives to female participation in the labour force by aiming to provide childcare by 2010 for at least 90% of children between three years old and school age and at least 33% of children under three. These targets have become an integral part of the European Employment Strategy and Lisbon Agenda.

²² SEC(2008) 2526.

²³ Commission Staff Working Document SEC(2008) 2101 – Impact Assessment accompanying the Commission Communication *Think Small First: A Small Business Act for Europe* - COM(2008) 394.

²⁴ COM(2008) 601.

In a report accompanying this Communication, the Commission points out that:

- most Member States are not on course to meet the targets, especially for children under three;
- where facilities do exist, often they are costly or the opening hours are not compatible with full-time work or jobs with atypical hours;
- the quality of the facilities (qualifications of the staff and the staff/child ratio, for example) could deter parents from using them.

In a recent letter to the Commission the social partners expressed their concern that the Barcelona targets will not be achieved and, while recognising that the primary responsibility lies with public authorities in the Member States, suggested that the social partners could play a supporting role.

In response to the above-mentioned report on progress towards achieving the childcare targets, the Commission will:

- monitor the follow-up to Member States' policies in this field under the Strategy for Growth and Jobs, support it with comparable, up-to-date statistics and, if necessary, propose Recommendations to those countries where implementation is weak;
- analyse the development of childcare services and their specific contribution to gender equality, in particular in the annual report on equality between women and men to each spring European Council;
- promote exchanges of good practice in this area and stimulate research on jobs in the childcare sector;
- promote the development of affordable quality childcare services, including by making full use of the potential of the EU Cohesion Policy, in collaboration with all stakeholders (Member States and social partners).

3.4. Other action

As stated in Section 2, a number of policy objectives are directly linked to reconciliation policies. For example, in the area of demographic renewal, establishment of a group of experts on demographic issues and of the European Alliance for Families will stimulate discussion and exchanges on reconciliation issues.

Nonetheless, reconciliation measures will continue to focus primarily on gender equality, since effective reconciliation is a precondition for equal economic independence, the first priority of the Roadmap. The Commission is currently preparing the mid-term report on the implementation of the Roadmap. The two working programmes for the Roadmap for the years 2007 and 2008²⁵ already show that the Commission is making good progress with implementing the measures set out in it but that greater commitment is needed from all concerned to mainstream gender equality more effectively into social and economic policies.

²⁵ SEC 2007(537) and SEC(2008)338.

In order to enhance knowledge of reconciliation policies and the analytical tools for assessing them, the Commission will:

- foster exchanges and dissemination of good practice between the Member States, focusing in 2008 on provision of childcare and on measures to address the gender imbalance in use of family-related leave;
- promote use by the Member States and other players of the manuals produced by the Commission in 2007 and 2008 on gender mainstreaming in employment, social inclusion and social protection policies²⁶;
- continue to develop, together with Member States, a common Europe-wide basis for obtaining timely, comparable and pertinent statistics on reconciliation between work and private and family life, especially on childcare, flexible working-time arrangements and use of family-related leave.

Lastly, the EU Cohesion Policy (in particular by means of the European Social Fund) will continue to co-finance initiatives at national and local levels to promote reconciliation, for example by providing support for care services for children and other dependants, for training and qualifications of care workers and for employers who offer their employees career breaks, childcare and other family support services.

4. CONCLUSION

The Commission considers that better support for reconciliation measures will enable men and women to exercise greater choice in balancing the work and private sides of their lives and will also contribute to achieving major policy objectives of the European Union, notably on growth and jobs, the social inclusion of vulnerable groups and gender equality.

The improvement and modernisation of the European regulatory framework which should be achieved by the proposals accompanying this Communication and the negotiations launched by the social partners will enable women to achieve greater economic independence and encourage men to play a greater role in family life. Action at Community level setting out minimum obligations to improve the reconciliation of work, private and family life is necessary and appropriate in order to achieve the Community task of gender equality and the targets of the Lisbon strategy.

The primary responsibility for developing and promoting reconciliation measures belongs to the Member States. The Commission therefore calls on them to ensure that these measures are implemented in a way which gives women and men real choices. In particular, the Commission urges the Member States to take the necessary steps to make up for the significant delay in meeting the targets they have set themselves on childcare provision.

²⁶ http://ec.europa.eu/employment_social/gender_equality/gender_mainstreaming/tools_en.html.