

1. Introduction

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Labour market regulation has received considerable political as well as academic attention in the past twenty years. Controversy has focused on whether regulations need to be abandoned or loosened so as to boost employment, or whether they should be made more restrictive to avoid undesirable practices. Essentially some of these conclusions come down to a political position taken by neoliberals and their critiques. Neoliberals tend to be in favour of a general removal of what they call 'restrictive practices'. Their critics give more emphasis to the need to modernize and adapt existing forms of regulation to meet the changing structure of most modern labour markets. This implies, amongst other things, taking account of the growing use of non-standard employment, reductions in standard working hours, working time flexibility and the increase of female participation in paid work. These changes in the organization of work have implications for existing policy prerequisites and current reforms initiated in relation to welfare entitlements across a number of areas affecting entry and exit to the labour market, for example, such as unemployment benefits, pensions and parental leave. The transitional labour market approach sets out to address these issues in the context of high levels of European unemployment.

The growth of unemployment means that more people are likely to experience interrupted working careers and therefore make more transitions between different employment statuses. One of the key issues for the examination of *transitional labour markets* (Schmid, 2002) is the extent to which people are successfully able to leave unemployment permanently, or whether these exits are merely 'revolving doors', spinning them back into social exclusion. We distinguished in earlier work between integrative, maintenance and exclusionary transitions (Cebrián et al., 2000, pp.2-4). This categorization is intended to allow us to distinguish between transitions which facilitate social integration and those which are more likely to generate social exclusion. *Integrative transitions* refers to people taking up and staying in paid employment, having previously being unemployed, non-employed, or in education and training. Their current job permits a more long-term integration into paid work. *Maintenance transitions* refer to people already in a job who have sought to maintain their employment

by moving between different working time statuses, for example from full- to part-time work, or taking up temporary leave arrangements before returning to their former job. Finally, *exclusionary transitions* refers to people whose time in paid work is a temporary interruption to a longer pattern of non-employment or unemployment.

Regulating working time is a particular central concern to these debates. Working-time flexibility covers a number of potential permutations from reductions in standard working time, reliance on overtime or short-time work to part-time and temporary work. Working-time flexibility can range from firms using a longer or shorter day, week or month, to the use of annualized hours over a year, or even lifelong working-time accounts. Working-time flexibility can also refer to movement between different working-time statuses, such as full- and part-time work, the use of sabbaticals or leave arrangements, as well as entries and exits from employment.

One of the aims of developing *transitional labour markets* is to find a compromise between competing interests and needs of the actors concerned. On one hand, employers may need to reduce labour costs, and obtain optimal staffing requirements over the short-, medium- or long-term perspective using a range of flexible working time practices. On the other hand, employees' preferences for different types of working hours vary over the life cycle and between the sexes. Additionally, government interests, for economic, social and political reasons, have been largely concerned with the requirement to develop more job-intensive growth to tackle the problem of unemployment and exclusion from the world of work. Many governments, as the chapters in this volume outline, have moved from a position of seeing working time regulation as a means of improving the quality of work to a position where this is one tool in the battle against unemployment.

The contributors to this volume examine the characteristics of employment regulation with regard to working-time flexibility and industrial relations in their national setting, they provide a review of current debates around this issue and they examine the role of recent reforms of social policy in facilitating or hindering labour market transitions. The main focus of the chapters in this volume is to outline the characteristics and changes which have occurred in the regulatory institutional framework shaping working-time transitions in seven European countries in recent years and to what extent they facilitate the development of transitional labour markets.

This introductory chapter sets out to provide an overview of the debates that have influenced our discussions. It starts by briefly outlining some of the major problems faced by west European societies in terms of unemployment, labour market restructuring and transitions. It then goes on to

outline the basis for our comparison of working time regulation in different countries by drawing on comparative approaches developed in industrial relations and social policy research. Here we explain how we categorize the countries examined in this book into three distinct types: negotiated flexibility, statist flexibility and externally constrained voluntarism. We then go on to discuss the key issues affecting transitions, looking in particular at employment regulation and the relationship between changes to standard working time and the potential offered by part-time and temporary work as a means of integration or exclusion on the labour market. This is followed by an examination of social policies which have a bearing on integrative and maintenance transitions. Finally, the chapter argues that, despite attempts to remove some of the barriers to making transitions between different employment and non-employment statuses, the impact of these are likely to be limited in the face of significant institutional obstacles which remain to be addressed. These obstacles are related to the constellation and institutionalization of power interests in a given society and how these have been established over time in different countries.

1. LABOUR MARKET DEVELOPMENTS IN EUROPE

Unemployment is one of the key issues central to examining labour market transitions concerned with getting people back into work as a means of preventing social exclusion. Since the mid-1990s, we have seen an overall trend of falling unemployment rates, albeit with varying degrees of success (see Figure 1.1 and Table 1.1). Even so, this gradual descent has been from a comparatively high rate, in some cases the highest rates in the postwar period. Reducing unemployment continues to be a central political concern, especially in countries with a poor record, such as Germany, France and Spain, where rates remain relatively high or difficult to bring down. Other countries, such as Ireland, the Netherlands, the UK and Sweden, have had a more successful experience, albeit using very different types of policies to address this issue.

France and Germany found themselves with unemployment rates around the 10 per cent mark at the beginning of the 1990s, with only a slight improvement of this figure over the decade. However, French women appear to have been less likely than men to benefit from any improvements, with persistently high rates of female unemployment. A similar, but stronger, pattern was also observable in Spain, where a very high proportion of women, compared to men, were unemployed. Female unemployment reached its peak in 1995, with over 30 per cent of Spanish women in the labour market being unemployed, compared to 18 per cent of active



Figure 1.1 Unemployment rates, 1975–2001

Table 1.1 Unemployment rates by gender, 1975–2001

	1975	1985	1990	1991†	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001*
EU	3.6	9.8	7.6	8.0	9.2	10.7	11.1	10.7	10.8	10.6	9.9	9.1	8.2	7.8
Men	3.5	8.7	6.1	6.8	8.1	9.7	10.0	9.4	9.6	9.3	8.6	7.9	7.0	6.6
Women	4.1	11.6	9.7	9.7	10.8	12.2	12.8	12.5	12.4	12.3	11.7	10.8	9.7	9.4
France	3.9	10.2	9.0	9.5	10.5	11.8	12.6	11.7	12.4	12.3	11.8	11.2	9.5	9.2
Men	2.8	8.3	6.8	7.4	8.4	10.1	10.8	9.7	10.5	10.6	10.0	9.5	7.8	7.6
Women	5.9	12.6	11.9	12.2	13.0	13.9	14.7	14.0	14.5	14.4	13.9	13.3	11.5	11.1
Germany	3.5	7.2	4.8	4.2	6.6	7.9	8.4	8.2	8.9	9.9	9.3	8.6	7.9	7.4
Men	3.3	6.2	4.0	3.7	5.2	6.6	7.1	7.1	8.2	9.2	8.8	8.2	7.6	7.1
Women	3.8	8.7	5.9	4.9	7.0	9.7	10.1	9.6	9.8	10.7	10.0	9.1	8.3	7.9
Ireland	7.3	16.9	13.4	14.8	15.4	15.7	15.2	12.3	11.7	9.9	7.5	5.6	4.2	3.8
Men	7.9	16.1	12.8	14.2	15.1	15.4	14.8	12.2	11.5	9.9	7.7	5.7	4.3	3.8
Women	5.7	18.5	14.6	15.9	16.0	16.2	15.8	12.5	11.8	9.9	7.3	5.5	4.2	3.7
Netherlands	4.3	8.4	6.2	5.8	5.6	6.6	7.0	6.9	6.3	5.2	4.0	3.3	2.7	2.7
Men	4.5	7.0	4.3	4.1	4.3	5.6	6.3	5.8	4.9	3.9	3.1	2.3	2.0	1.7
Women	3.8	10.8	9.1	8.4	7.6	7.9	8.2	8.6	8.1	7.0	5.3	4.7	3.7	4.0
Spain	4.4	21.7	16.2	16.4	18.5	22.8	24.1	22.9	22.2	20.8	18.8	15.9	14.1	13.7
Men	4.9	20.2	11.9	12.3	14.5	19.1	19.7	18.2	17.6	16.0	13.8	11.2	9.8	9.5
Women	3.0	25.1	24.1	23.9	25.6	29.3	31.4	30.5	29.5	28.3	26.6	23.0	20.6	19.9
Sweden	1.8	3.0	1.8	3.3	5.8	9.5	9.8	8.8	9.6	9.9	8.3	7.2	5.9	5.1
Men	1.5	3.1	1.8	3.6	6.9	11.1	11.2	9.7	10.1	10.2	8.6	7.2	6.0	5.2
Women	2.2	2.9	1.8	2.9	4.7	7.7	8.2	7.8	9.0	9.5	8.1	7.1	5.8	5.1
UK	3.2	11.5	7.1	8.7	10.0	10.1	9.3	8.7	8.2	7.0	6.3	6.1	5.5	5.1
Men	4.3	11.8	7.4	9.8	12.0	12.1	10.9	10.1	9.5	7.9	7.0	6.7	6.0	5.6
Women	1.4	11.0	6.6	7.4	7.4	7.6	7.1	7.0	6.5	6.0	5.5	5.3	4.9	4.5

Notes:

† Includes the new German Länder from 1991 onwards; * fourth quarter.

Source: European Commission (1995) for data 1975–1994; European Commission (2001) for data from 1995 onwards.

Spanish men. In the last quarter of 2001, the unemployment rate fell to just over 9 per cent for men, compared to nearly 20 per cent for women. Even where there has been some improvement, women are being left behind.

One of the greatest employment successes of the decade was found in Ireland where unemployment rates fell from a high of around 15 per cent at the beginning of the 1990s to around 4 per cent by 2001 for both men and women. The Netherlands also experienced a significant success story with unemployment rates falling to around 1.7 per cent for men and 4 per cent for women in the last quarter of 2001. In Sweden, during the crisis of the mid-1990s, women seemed to do a little better than men, who were more vulnerable to unemployment; at the height of the crisis, unemployment rates reached just over 10 per cent. In the UK, these proportions were apparent earlier, around the beginning of the 1990s, and by the end of the decade unemployment had been significantly reduced, to an official rate of just over 5 per cent.

One of the major problems with unemployment is the fact that a significant proportion end up without work for periods of longer than one year. The rates of long-term unemployment (LTU) have increased dramatically since the mid-1970s. In particular, we can see from Table 1.2 and Figure 1.2 how, in Sweden, less than 5 per cent of the unemployed were in LTU in 1977, compared to over 25 per cent in 2000. LTU as a proportion of the unemployed has increased quite significantly in Sweden, even though it still has one of the lowest rates compared to the other countries. The UK has had one of the most noticeable successes in reducing the proportion of LTU, especially since the mid-1990s; however, whether this is due to labour market policies, or shifting the unemployed onto other forms of social welfare and inactivity, is an issue of some controversy in the UK (see Smith, this volume).¹ The Netherlands is also a country with a noticeable success record over this period (Visser and Hemerijck, 1997). France, in contrast, has not seen much change, with LTU accounting for over 40 per cent of all the unemployed in 2000. Ireland, Germany and Spain remain amongst the countries with a high level of LTU. Although Ireland has reduced unemployment dramatically in the last decade, amongst those that are still unemployed over half are in LTU. Despite having some of the highest rates of LTU, both Ireland and Spain have had some apparent success in reducing these levels. Germany, by contrast, has actually seen levels increase significantly over this period.

A particularly important aspect of the problem is the issue of youth unemployment. However, the significance of this also varies between countries. Spain has one of the highest rates, with as many as 45 per cent of young people unemployed during the mid-1990s (see Table 1.3). The situation in

Table 1.2 Long-term unemployment rates, 1977–2000 (% of the unemployed)

	1977	1985	1990	1991*	1992	1993	1994	1995	1996	1997	1998	1999	2000
France	25.2	46.8	38.0	37.2	36.1	34.2	38.3	42.3	39.5	41.2	44.1	40.3	42.5
Germany	n.a.	43.8	46.8	31.6	33.5	40.3	44.3	48.7	47.8	50.1	52.6	51.7	51.5
Ireland	n.a.	63.3	66.0	61.6	58.9	59.1	64.3	61.4	59.5	57.0	–	55.3	–
Netherlands	n.a.	59.4	49.3	46.1	43.9	52.3	49.4	46.8	50.0	49.1	47.9	43.5	32.7
Spain	20.7	56.7	54.0	51.1	47.4	50.1	56.1	56.9	55.7	55.5	54.1	51.3	47.6
Sweden	4.7	11.4	12.1	11.2	13.5	15.8	25.7	27.8	30.1	33.4	33.5	30.1	26.4
UK	n.a.	50.3	34.4	28.8	35.4	42.5	45.4	43.6	39.8	38.6	32.7	29.6	28.0

Note: * Includes the new German Länder from 1991 onwards.

Source: OECD (2001), *Labour Force Statistics 1980–2000*.

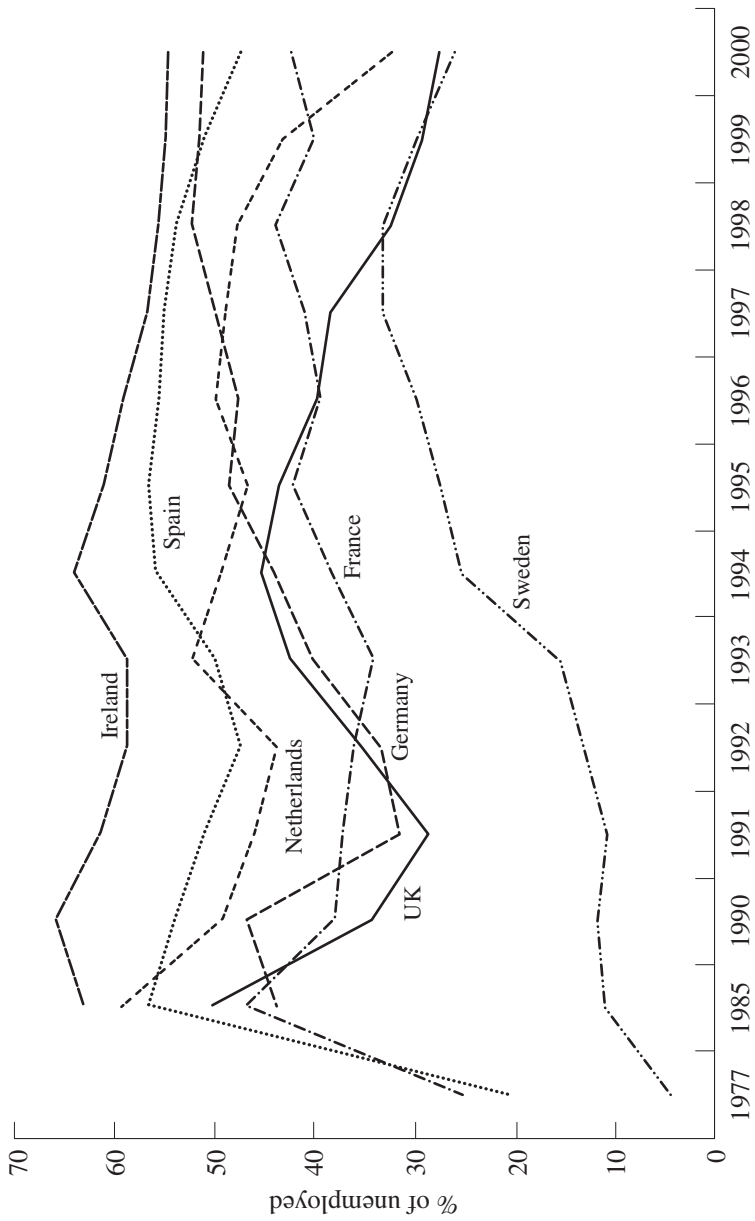


Figure 1.2 Long-term unemployment, 1977–2000

Table 1.3 Youth unemployment rates, 1975–2001 (% labour force, 15–24)

	1975	1985	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001*
EU	n.a.	21.8	15.4	15.9	17.7	20.8	21.2	21.5	21.9	21.1	19.5	17.9	16.1	15.8
France	n.a.	25.5	19.5	21.4	23.5	27.5	29.5	27.5	29.1	29.2	26.5	24.3	20.1	21.4
Men	n.a.	22.3	16.0	18.1	20.2	25.3	27.2	23.9	26.3	26.7	24.3	22.4	18.2	19.3
Women	n.a.	28.9	23.2	24.9	26.9	29.8	31.9	31.3	32.2	32.0	29.0	26.5	22.3	23.9
Germany	n.a.	10.3	4.5	5.9**	6.4	7.8	7.9	8.8	10.0	10.8	9.8	9.1	9.1	8.4
Men	n.a.	9.5	4.3	5.4**	5.8	7.5	7.7	8.9	10.6	11.7	10.6	9.8	9.8	8.9
Women	n.a.	11.2	4.7	6.3**	7.0	8.1	8.2	8.7	9.2	9.8	9.0	8.4	8.2	7.8
Ireland	n.a.	24.2	19.4	22.4	24.4	25.4	24.0	19.5	18.2	15.4	11.3	8.4	6.5	5.7
Men	n.a.	25.5	20.4	23.7	25.8	27.0	25.4	20.8	19.0	16.0	11.6	8.3	6.1	5.4
Women	n.a.	22.7	18.2	20.9	22.8	23.4	22.3	17.9	17.2	14.6	11.0	8.6	7.0	6.2
Netherlands	n.a.	13.2	8.6	8.3	8.5	11.1	10.7	12.1	11.7	9.5	8.0	7.1	5.1	4.7
Men	n.a.	13.0	7.5	7.4	8.5	11.9	11.9	11.3	11.0	8.2	7.8	5.1	3.8	2.5
Women	n.a.	13.5	9.6	9.1	8.6	10.2	9.5	12.9	12.4	10.9	8.1	9.2	6.4	7.0
Spain	n.a.	47.8	32.3	31.1	34.6	43.4	45.0	42.5	41.9	38.9	35.4	29.5	26.2	26.1
Men	n.a.	45.6	26.2	25.7	29.9	40.0	40.9	36.9	36.3	33.1	29.0	23.2	20.6	20.5
Women	n.a.	51.0	39.7	37.9	40.6	47.6	50.1	49.0	48.8	46.0	43.3	37.2	33.3	33.1
Sweden	n.a.	7.1	4.5	7.8	13.6	22.6	22.6	19.1	20.5	20.6	16.6	13.6	11.3	10.0
Men	n.a.	7.4	4.6	8.5	16.0	26.0	25.3	20.4	21.3	21.1	16.8	13.1	10.7	8.8
Women	n.a.	6.8	4.5	7.1	11.1	19.0	19.8	17.7	19.8	20.1	16.3	14.2	11.9	11.3
UK	n.a.	18.5	10.8	14.0	15.3	15.9	14.7	15.9	15.5	14.2	13.6	13.2	12.8	12.1
Men	n.a.	19.7	11.9	16.3	18.7	19.2	17.4	18.0	18.0	15.9	15.2	14.7	13.7	13.2
Women	n.a.	17.0	9.6	11.4	11.2	12.0	11.4	13.3	12.5	12.2	11.8	11.4	11.6	10.9

Notes:

* Fourth quarter; ** includes the new German Länder from 1991 onwards.

Source: European Commission (2001).

France is also fairly serious, with nearly a third of young people (aged 15–24) being unemployed in 1994; this has since fallen slightly to just over 20 per cent in the last quarter of 2001. We can see from Figure 1.3 how the lowest rates of youth unemployment, are found in Germany and the Netherlands, which is often attributable to the role of apprenticeship training (see also Schömann and O'Connell, 2002). During the mid-1990s there was a significant increase in unemployment amongst young Swedish people but by the end of the decade this had also fallen to a level comparable to that found in Germany and the Netherlands. One of the most dramatic achievements in reducing youth unemployment was seen in Ireland. It went from having one of the highest levels at the beginning of the 1990s, comparable with Spain and France, to seeing a radical reduction by 2000, bringing it down to levels well below 10 per cent and comparable with the Dutch rates.

One of the most notable structural changes has been the increased rate of female participation in the labour market. This has been most dramatic in countries with a previously very low rate of female employment: Spain, Ireland and, especially, the Netherlands (Figure 1.4a). In these countries female employment has increased from around 30 per cent in 1975 to over 50 per cent in 2001; and in the Dutch case to over 65 per cent, which is just slightly below the UK and Sweden rates (Table 1.4 and Figure 1.4a). A significant part of this increase, especially in the Netherlands, has been tied to the use of part-time employment and, especially, short-hour part-time jobs (see Visser, this volume). In France and Germany, women's participation has increased moderately, from around 50 per cent in 1975 to just over 60 per cent in 2001 (Figure 1.4b). Swedish women have traditionally had much higher employment rates than most other European women, but we find that this has been gradually falling over the 1990s, while relatively high rates of female employment in the UK have continued to increase moderately (Figure 1.4c). Participation rates for men have tended to fall in most countries, except in the Netherlands, where male rates were traditionally comparatively low, although they have increased since the mid-1990s. French men also had a slightly lower activity rate, but this has fallen by about five percentage points in the last 25 years (Figure 1.4b). In Ireland and Spain, male activity rates fell from over 88 per cent in 1975 to around 77 per cent in 2001, and comparable falls are observable in the other countries.

In part, some of these changes in the gender composition of the labour market are associated with the introduction of new flexible working-time practices, in particular part-time work and temporary employment. The highest growth in part-time work has been seen in the Netherlands, with Ireland also showing a significant increase towards the end of the 1990s (Table 1.5). Levels of part-time work in Sweden have fallen slightly and

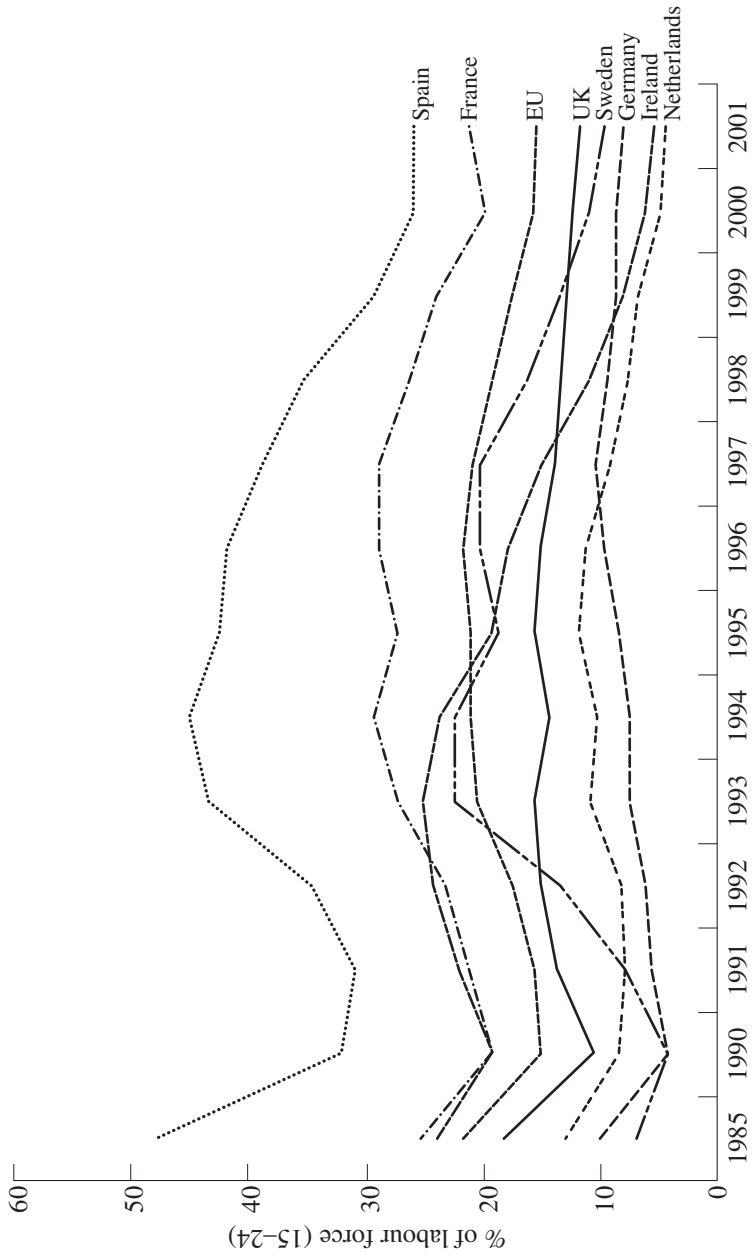


Figure 1.3 Youth unemployment, 1985-2001

Table I.4 Activity rates for men and women, 1975–2001 (% labour force, 15–64)

	1975	1985	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001*
EU	64.6	65.3	66.8	67.7**	67.3	66.4	66.1	67.3	67.5	67.8	68.2	68.7	69.0	69.1
France														
Men	80.7	75.6	74.2	73.7	73.4	72.8	72.8	75.0	75.3	75.2	75.2	75.4	75.3	75.3
Women	50.9	56.3	57.7	58.7	58.9	59.5	60.2	60.8	61.2	61.2	61.8	62.3	62.6	62.5
Germany														
Men	84.1	80.6	79.3	79.6**	78.2	77.6	76.9	79.6	79.3	79.2	79.2	78.8	78.9	78.8
Women	50.5	52.9	56.7	60.9**	60.3	59.8	59.7	61.3	61.4	61.8	62.2	62.9	63.1	63.0
Ireland														
Men	88.5	82.8	80.1	79.5	77.9	76.6	77.0	76.4	76.2	77.0	78.2	79.0	79.7	78.8
Women	34.5	38.8	40.9	41.9	43.6	44.8	45.0	47.3	48.7	51.1	52.9	55.0	56.4	55.3
Netherlands														
Men	79.9	72.3	77.5	78.3	79.0	79.2	79.2	79.9	80.3	81.7	82.4	82.8	84.2	83.6
Women	30.7	40.1	51.2	52.7	55.0	55.9	57.3	58.6	60.0	61.6	63.0	64.6	65.9	65.4
Spain														
Men	88.4	78.8	77.8	77.3	76.9	76.2	75.2	74.8	75.2	75.4	76.0	76.7	77.4	77.0
Women	32.0	34.3	41.8	42.1	43.0	43.9	45.0	45.2	46.0	47.0	47.8	48.9	50.8	50.4
Sweden														
Men	89.4	86.1	86.3	85.9	84.0	82.1	81.1	80.2	80.3	79.6	79.3	79.5	79.8	78.5
Women	67.7	79.0	82.0	81.6	79.8	78.1	77.5	75.8	75.8	75.0	74.2	74.7	75.1	73.9
UK														
Men	90.2	87.0	86.9	85.7	84.7	82.2	80.9	84.0	83.9	83.7	83.5	83.2	82.8	82.6
Women	55.0	61.9	66.3	65.6	65.3	65.2	64.6	66.6	67.1	67.5	67.6	67.7	68.0	67.6

Notes:

* First quarter; **the new German Länder of the former East Germany are included from 1991 onwards.

Source: European Commission (1995) for data up to 1994 and European Commission (2001) for data from 1995 onwards.

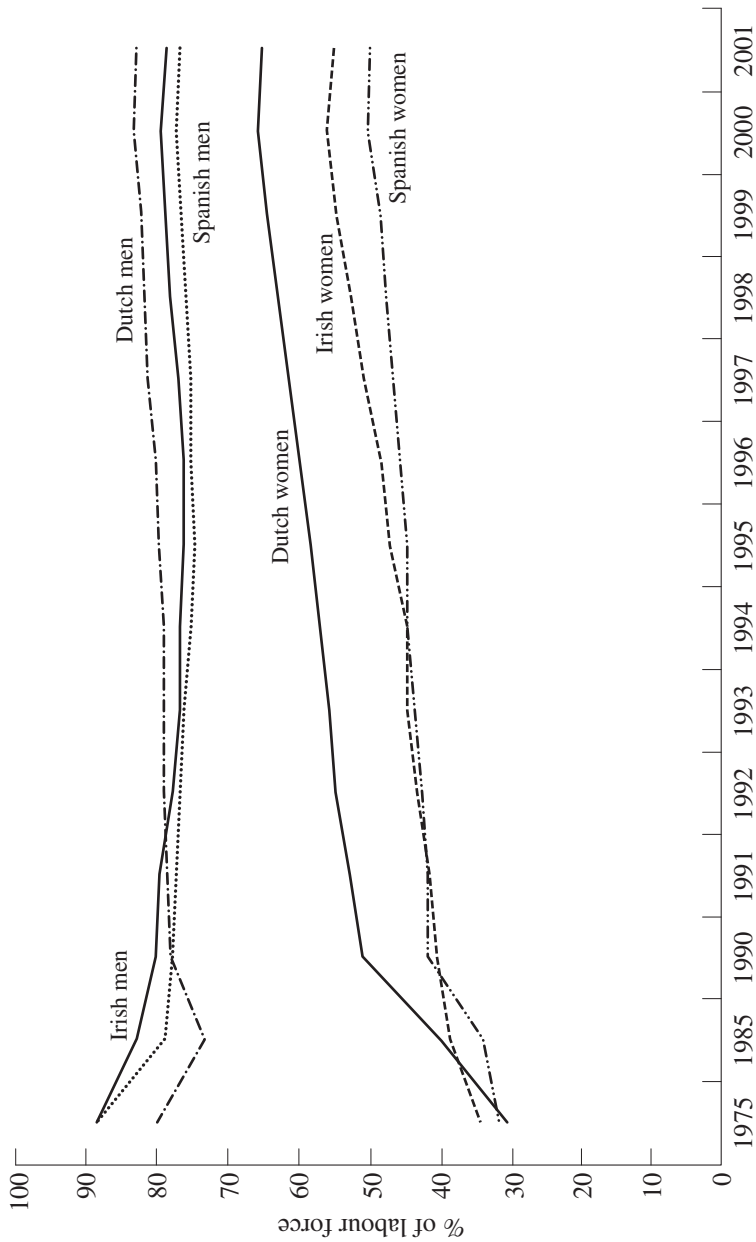


Figure 1.4a Activity rates for Irish, Dutch and Spanish men and women, 1975–2001

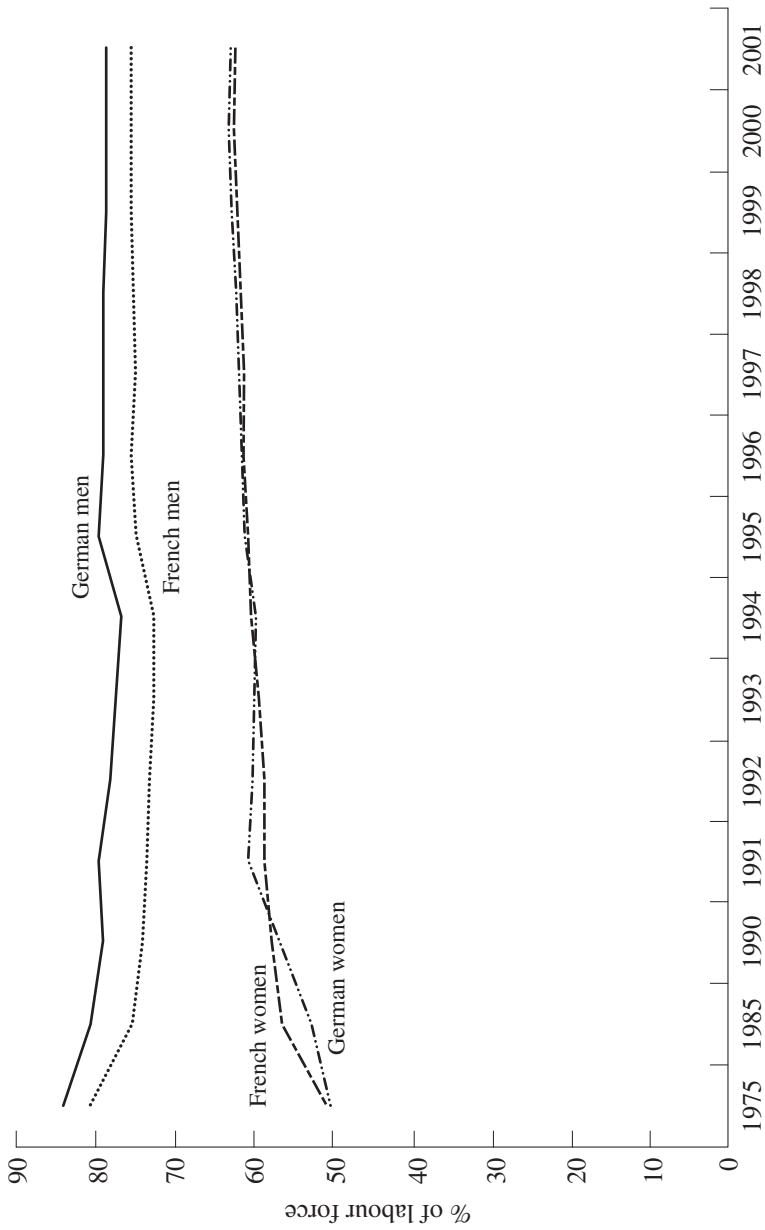


Figure 1.4b Activity rates for French and German men and women, 1975–2001

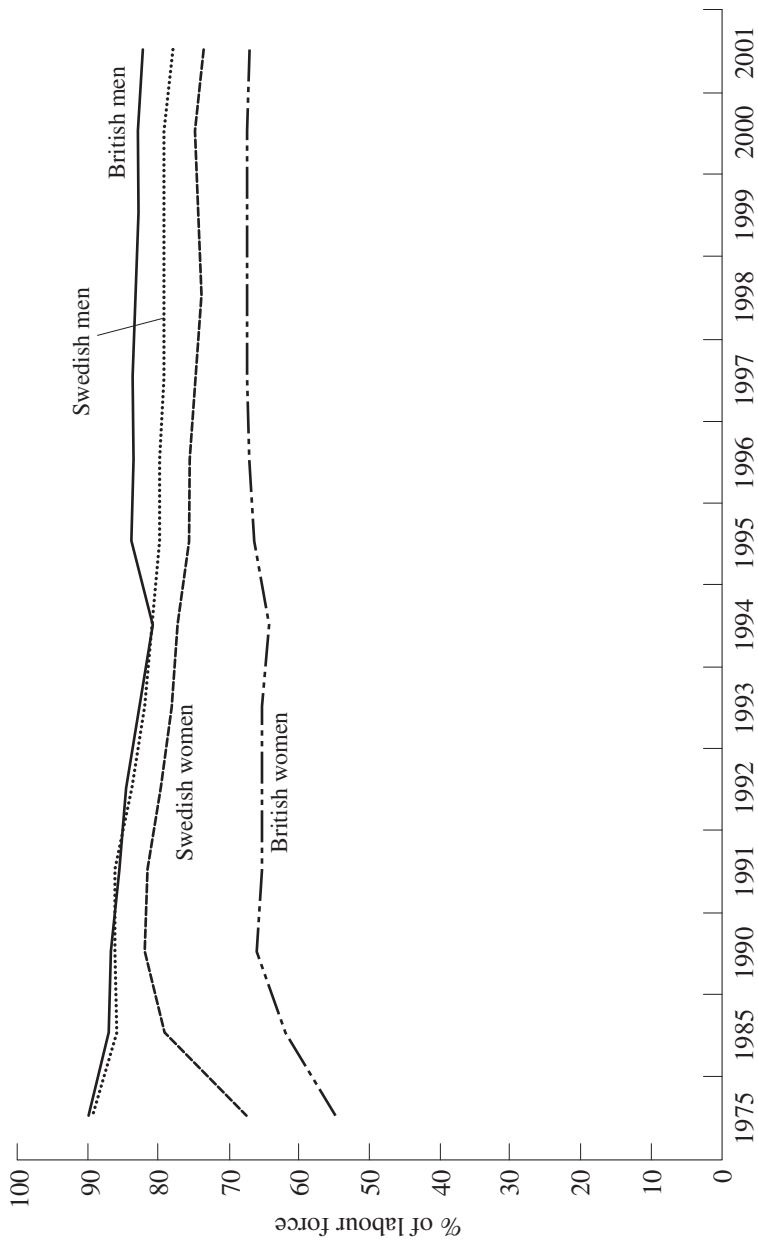


Figure 1.4c Activity rates for Swedish and British men and women, 1975–2001

Table 1.5 Part-time employment by gender, 1985–2001 (% total employment)

	1985	1990	1991**	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001*
EU	12.5	13.5	13.5	14.2	14.8	15.3	16.0	16.4	16.9	17.3	17.6	17.7	17.6
France	10.9	11.9	12.1	12.7	13.9	14.9	15.8	16.3	17.0	17.3	17.1	16.9	16.9
Men	3.2	3.3	3.4	3.6	4.1	4.6	5.1	5.3	5.5	5.6	5.5	5.4	5.4
Women	21.8	23.6	23.5	24.5	26.3	27.8	29.1	30.0	31.2	31.6	31.4	31.0	31.0
Germany	12.8	15.2	14.1	14.1	15.1	15.8	16.3	16.7	17.6	18.4	19.0	19.4	19.4
Men	2.0	2.6	2.4	2.7	2.9	3.2	3.6	3.8	4.3	4.7	4.9	5.0	5.0
Women	29.6	33.8	30.1	30.7	32.0	33.1	33.7	33.9	35.3	36.4	37.3	37.9	37.9
Ireland	6.4	8.1	8.4	9.1	10.8	10.8	11.6	11.4	13.6	16.5	16.4	16.4	16.3
Men	2.4	3.4	3.6	3.9	4.9	4.8	5.1	4.9	6.0	7.5	7.2	6.9	6.8
Women	15.5	17.7	17.8	18.6	21.2	21.4	22.4	22.0	25.4	30.0	30.0	30.1	30.0
Netherlands	22.4	31.7	32.6	34.5	35.0	36.4	37.5	38.1	38.2	39.0	39.8	41.1	41.2
Men	7.6	15.0	15.7	15.4	15.3	16.1	16.8	17.0	17.3	18.0	18.1	19.2	19.3
Women	51.0	59.2	59.8	63.8	64.5	65.9	67.6	68.3	67.9	68.1	69.0	70.5	70.6
Spain	5.8*	4.9	4.7	5.8	6.6	6.9	7.4	7.7	8.0	7.9	8.1	8.0	7.8
Men	2.4*	1.6	1.6	2.0	2.4	2.6	2.8	3.0	3.1	2.9	2.9	2.8	2.7
Women	13.9*	12.1	11.2	13.7	14.8	15.2	16.2	16.6	17.1	16.9	17.1	16.9	16.3
Sweden	25.3	23.5	23.7	24.3	24.9	n.a.	25.2	24.6	23.8	23.8	23.7	22.6	22.6
Men	6.8	7.4	7.6	8.3	9.1	n.a.	9.0	9.1	9.2	9.1	9.8	10.6	11.0
Women	45.5	40.9	41.0	41.2	41.4	n.a.	43.0	41.9	41.4	40.5	39.3	36.0	35.7
UK	20.9	21.3	21.9	23.2	23.9	23.8	24.3	24.8	24.9	24.7	24.8	25.0	24.9
Men	4.3	5.2	5.4	6.2	6.6	7.1	8.1	8.6	8.8	8.7	9.1	9.1	8.9
Women	44.3	42.6	43.1	44.5	45.0	44.3	44.4	44.7	44.6	44.5	44.2	44.6	44.6

Note:

** Includes the new German Länder from 1991 onwards: * first quarter.

Source: European Commission (1995; 2001).

have been fairly similar to those found in the UK, albeit under very different employment conditions. France and Germany find themselves around the EU average, and only Spain has noticeably low levels compared to the other countries.

Male part-timers are still a somewhat rare phenomenon, and it is more common for this type of work to be found at the extremes of the age distribution, amongst young students and older semi-retired men (Delsen, 1998). Nevertheless, Dutch men have the highest rates of part-time work, reaching nearly 20 per cent of all male workers (Figure 1.5a). This is also reflected in the higher proportions of households with children and two part-time workers in the Netherlands (Anxo and O'Reilly, 2000). Sweden and the UK have male part-time rates around 10 per cent, and towards the end of the 1990s there was a notable increase of part-time work amongst Irish men, albeit only accounting for just under 7 per cent of male employment in Ireland (Table 1.5).

The pattern amongst women varies considerably across countries (Figure 1.5b). Again the Netherlands has one of the highest rates, with just over 70 per cent of all working women being employed in a part-time job. Part-time work in the UK has remained fairly stable over this period, and in Sweden it has actually fallen. In countries with a relatively low level of female participation such as Ireland there has been a notable increase, although less so in Spain; full-time work remains more common for those women who are able to work. In France and Germany, there have been some modest increases in part-time work over the 1990s, where the rate of part-time employment has gone up by approximately ten percentage points.

There is also considerable variety in the use of fixed-term contracts (FTCs) between the countries. Spain has a disproportionately high use of such contracts, compared to the other countries (Table 1.6 and Figure 1.6). In fact the extent of fixed-term contracts accounting for around a third of all employment is somewhat exceptional compared to other European countries (for this reason, the Spanish data have been excluded from Figures 1.6b and 1.6c, to allow us to see the trends in other countries more clearly). Cebrián et al. (this volume) argue that the Spanish labour market has developed 'flexibility at the margins' so that it is mainly young people and women who are employed on these types of contracts. In contrast to Spain, the UK and, more recently, Ireland are among the lowest users of such contracts. In part this is due to the different common law legal traditions in the British Isles compared to codified legal systems found in continental Europe. In practice this means that continental employers are often constrained in the way they can contract labour in terms of how statute specifies the use of such labour. This is particularly evident in the case of the use of temporary employment where, in many European countries,

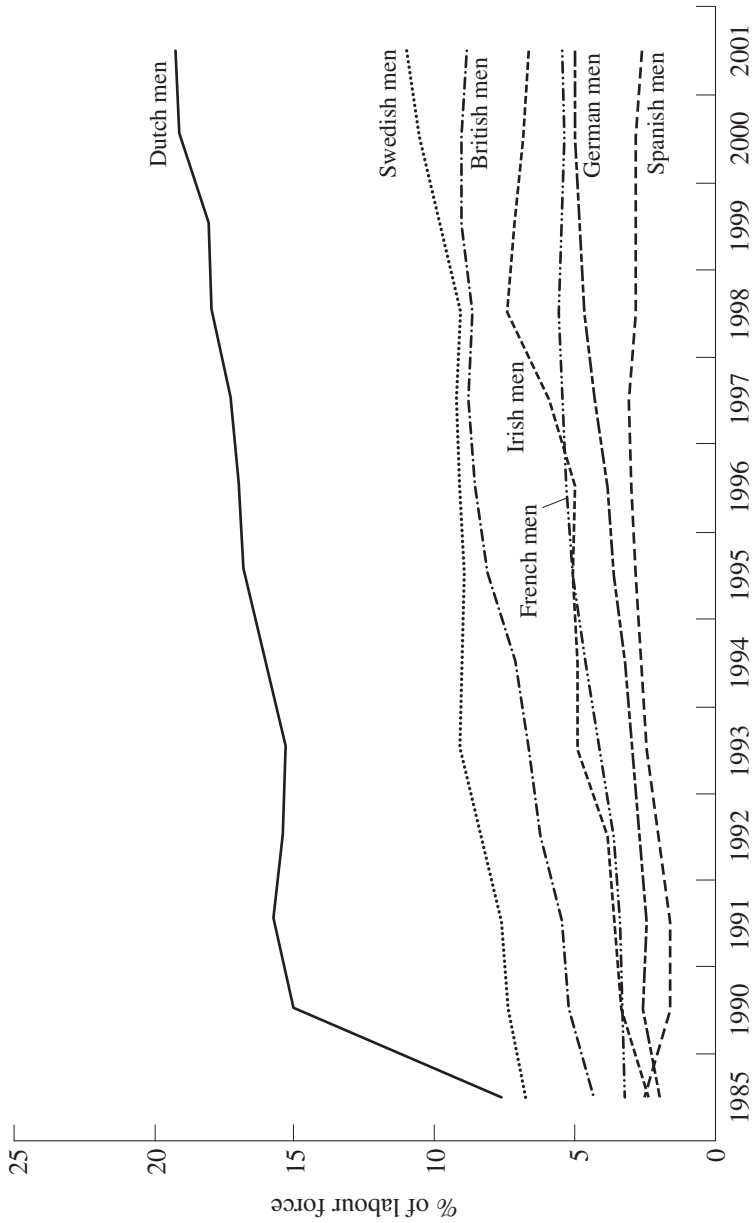


Figure 1.5a Male part-time employment rates, 1985–2001

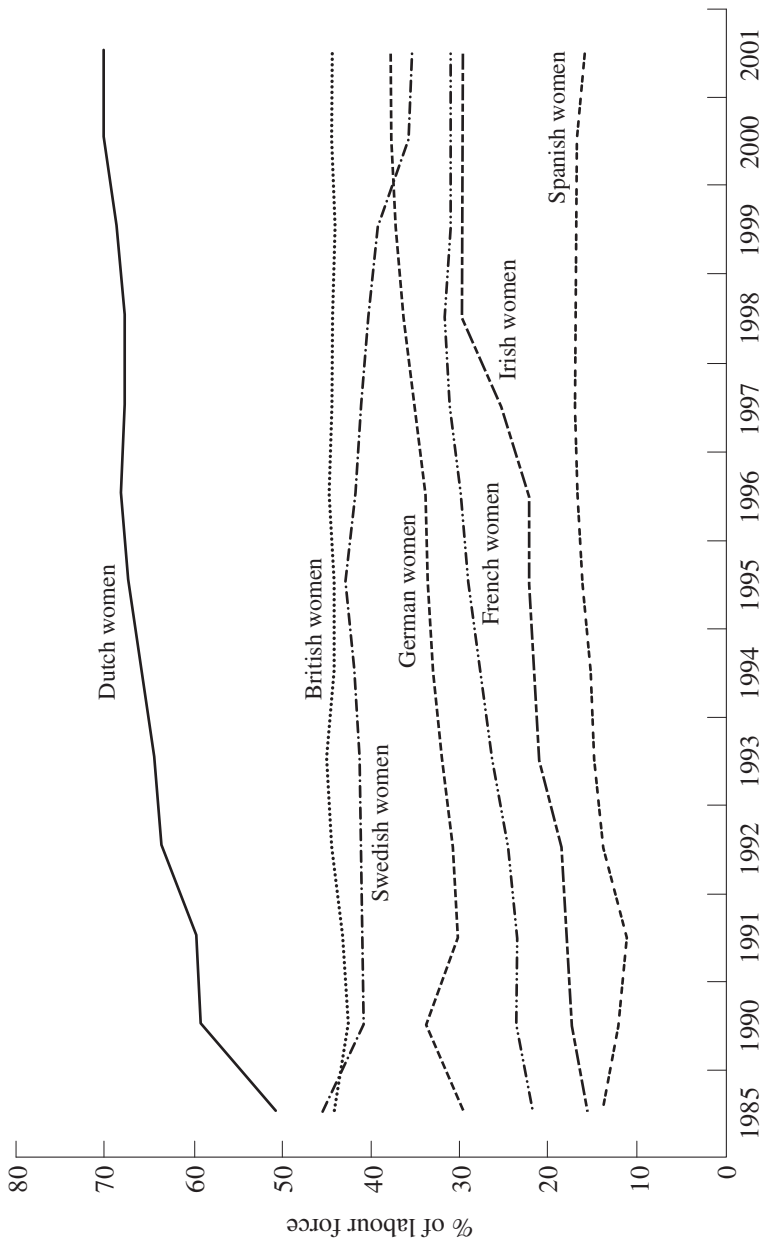


Figure 1.5b Female part-time employment rates, 1985–2001

Table 1.6 Fixed-term contracts, 1985–2001

	1985	1990	1991†	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001*
EU	9.1	10.3	10.3	10.8	10.6	11.0	10.0	10.2	10.6	11.0	11.3	11.4	11.4
France	4.7	10.4	10.1	10.4	10.8	10.9	11.4	11.7	12.3	12.9	13.3	13.8	13.9
Men	4.8	9.3	8.6	9.0	9.1	9.7	10.3	10.6	11.2	11.8	12.4	13.0	13.0
Women	4.6	11.9	11.9	12.1	12.7	12.3	12.7	13.2	13.7	14.1	14.3	14.9	14.9
Germany	9.8	10.3	9.3	10.4	10.2	10.2	9.4	10.0	10.5	11.1	11.6	11.4	11.4
Men	9.1	9.6	8.7	9.9	9.8	9.8	8.9	9.7	10.1	10.6	11.1	10.9	10.9
Women	10.9	11.2	10.1	10.9	10.7	10.7	10.2	10.5	11.1	11.6	12.3	12.1	12.1
Ireland	7.3	8.5	8.3	8.7	9.3	9.4	8.0	7.5	7.3	5.9	4.1	3.8	3.9
Men	5.5	6.7	6.1	6.5	7.4	7.5	6.1	5.3	5.1	4.2	2.9	2.7	2.8
Women	10.6	11.4	11.5	11.9	11.9	12.0	11.1	10.9	10.7	8.5	5.7	5.5	5.5
Netherlands	7.5	7.6	7.7	9.7	10.0	10.9	9.3	10.0	9.9	10.6	10.5	11.9	12.0
Men	5.8	6.1	5.9	6.9	6.9	8.0	7.2	7.4	7.6	8.3	8.2	9.6	9.7
Women	10.6	10.2	10.7	14.0	14.4	15.0	12.5	13.6	13.2	13.9	13.7	15.0	15.1
Spain	15.6**	29.8	32.2	33.5	32.1	33.6	28.3	27.4	27.5	27.2	27.2	26.7	26.5
Men	14.4**	27.7	29.3	30.7	29.5	31.4	26.7	25.9	26.1	26.0	25.6	25.0	24.9
Women	18.4**	34.2	38.2	39.1	37.2	37.9	31.4	30.3	30.0	29.3	30.0	29.5	29.2
Sweden	11.9	10.0	9.8	10.5	11.5	n.a.	11.0	10.8	11.3	12.0	12.6	13.1	12.6
Men	9.6	7.3	7.4	8.3	9.9	n.a.	9.1	8.7	9.0	9.5	9.9	10.6	10.2
Women	14.2	12.7	12.2	12.6	13.0	n.a.	12.9	12.8	13.6	14.7	15.4	15.7	15.2
UK	7.0	5.2	5.3	5.4	5.7	6.3	6.3	6.5	6.7	6.5	6.2	6.2	6.1
Men	5.6	3.7	3.8	4.4	4.8	5.3	5.3	5.3	5.6	5.5	5.4	5.2	5.1
Women	8.7	7.0	6.9	6.6	6.7	7.4	7.6	7.9	8.1	7.9	7.3	7.4	7.4

Notes:

† Includes the new German Länder from 1991 onwards; * last quarter; ** figures for 1987.

Source: European Commission (1995, 2001).

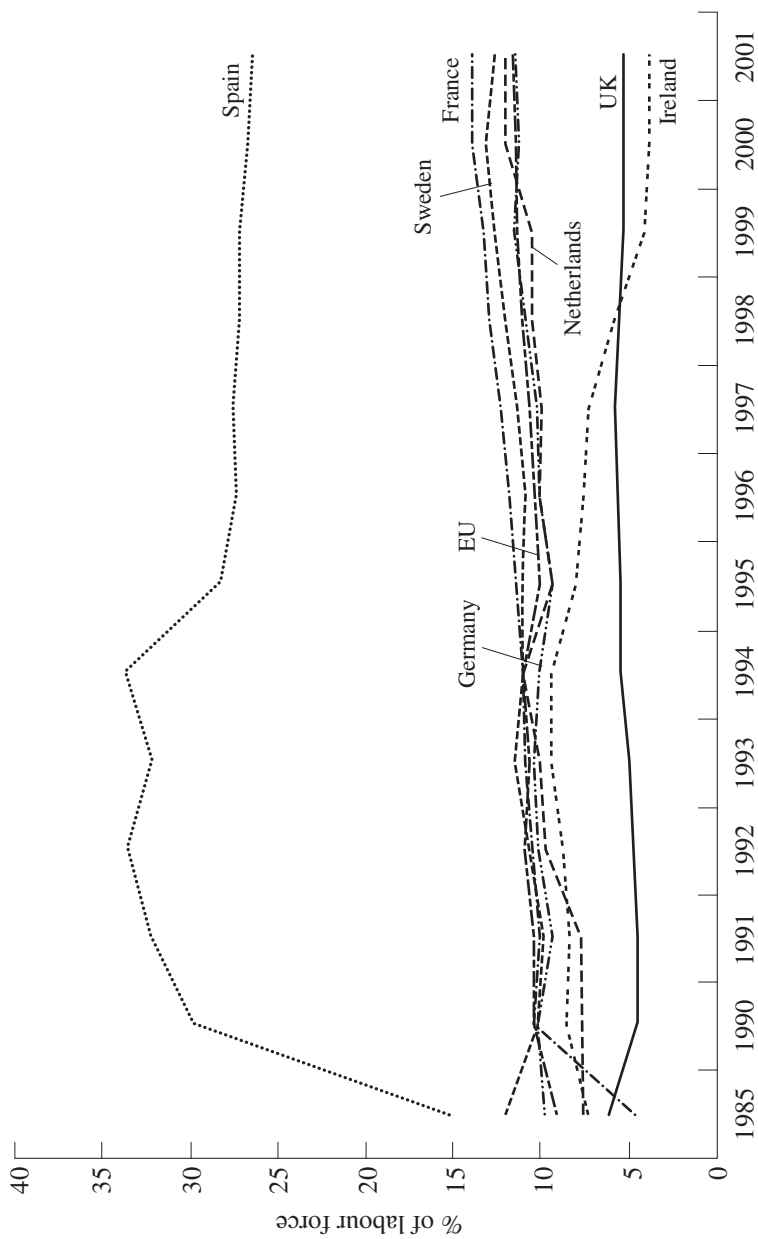


Figure 1.6a Fixed-term contracts, 1985–2001

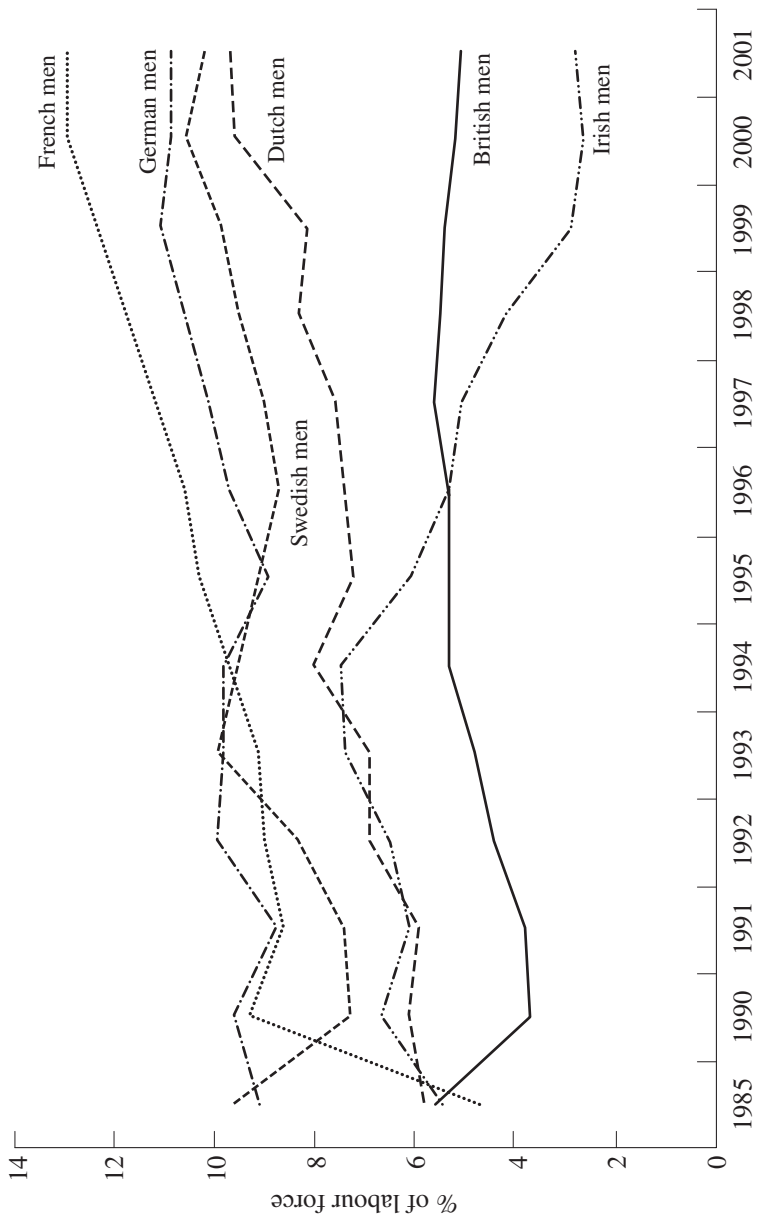


Figure 1.6b Men with fixed-term contracts, 1985–2001

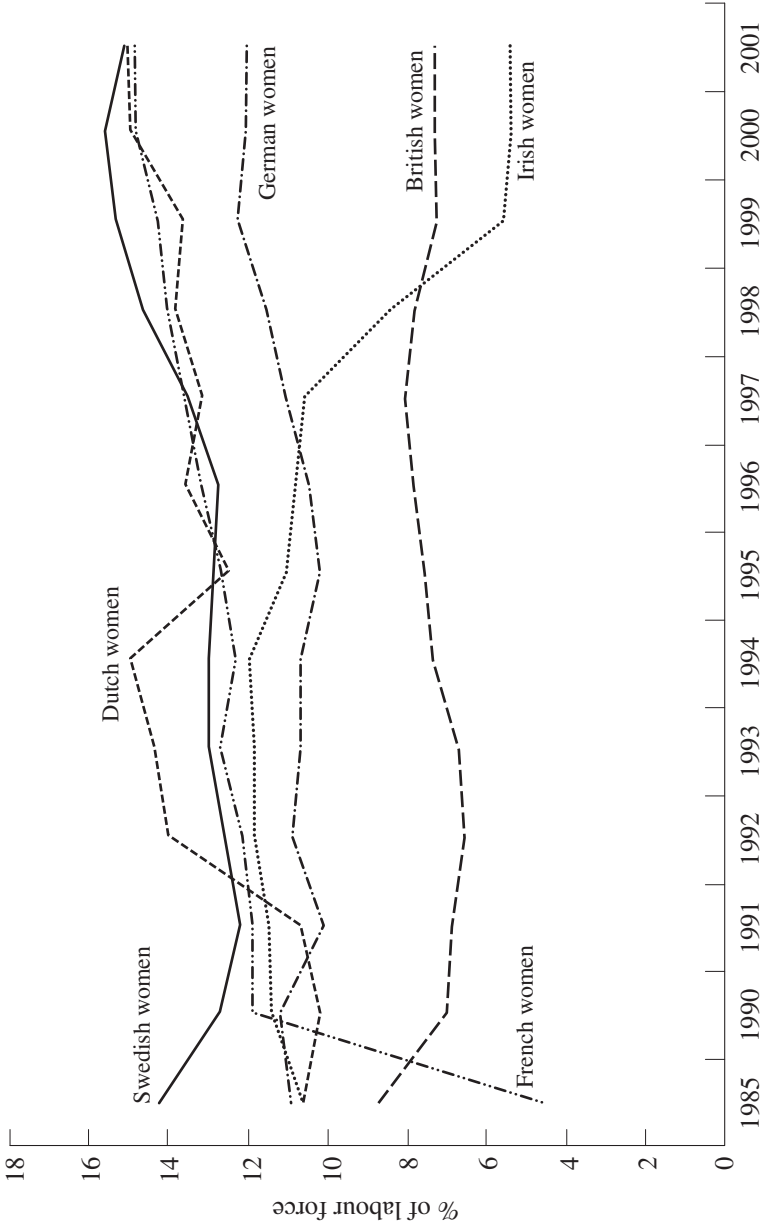


Figure 1.6c Women with fixed-term contracts, 1985–2001

statute has specified the conditions under which such labour can be used (O'Reilly, 1994). In the UK, in contrast, employers have a broader scope and are effectively able to contract staff how and when they like, so long as it is not legally forbidden. For this reason British employers often have less resort to the use of temporary or fixed-term contracts. In Ireland, we have seen the use of such contracts fall dramatically, which is partly due to the tightening up on legislation in this field as well as attempts to retain workers in a tight labour market (O'Connell et al., this volume). Despite an equally buoyant economy and an improvement of employment regulations covering temporary staff in the Netherlands, employers have continued to use these types of contract. Fixed-term contracts have also been relatively important in France, Sweden and, to a lesser extent, Germany, in particular for men. Swedish women have also seen an increase in the use of FTCs, which according to Anxo and Storrie (this volume) is due to their use as replacement contracts for permanent staff on leave arrangements.

These aggregate indicators briefly highlight the extent of the problems faced by many European labour markets in terms of long-term unemployment, the changing labour market structure, with the increased entry of women as well as the use of flexible employment contracts in the form of part-time and temporary work. The potential of flexible working time to allow more people access to the labour market and create a broader distribution of paid employment is an issue of considerable controversy. On one hand, critics argue that these types of 'non-standard' contracts reinforce labour market segmentation and social exclusion in forms of precarious employment. On the other hand, approaches such as transitional labour markets try to conceive of conditions under which such contracts could facilitate a diversified range of access points allowing for more integrative or maintenance transitions. However, the extent to which these opportunities are available and are taken up is closely related to the type of regulatory regime governing particular employment systems within the countries of the European community.

2. COMPARING EMPLOYMENT SYSTEMS AND WORKING-TIME REGULATION

In earlier work we set out to distinguish between different approaches to regulating working time as a way of comparing and contrasting the developments between the countries examined in this book (Anxo and O'Reilly, 2000). We argued that regulation can occur at several levels, but the importance of the different levels varies between countries according to the strength or weakness of the social partners in collective bargaining. We

identified five key levels at which regulation can be initiated and implemented: the *national level* through the universal application of statutory legislation, the *branch or industry level* through collective bargaining applied to a range of firms or sectors, the *plant or company level* through localized collective agreements, the purely *individual level* through the employment contract concluded between an employer and employee, and the *supranational level*, for example, through the implementation of European Union directives. In most countries the minimum criteria in these standards usually already exist in national regulations; however, a notable exception is the UK, where the introduction of the EU directive on working time is likely to influence both the length and the distribution of working time. In contrast to nearly all other European countries, the UK has a pattern of working time across a wide distribution of hours with a significant proportion working either very long or very short hours, in contrast to more standardized patterns in other countries. The distribution of working time in France and Germany illustrated how standard working-time reductions had occurred in Germany over the 1980s with a gradual reduction in normal working hours. In France, there had been little change apart from the one-hour reduction from 40 to 39 hours introduced by the government in 1982, and the subsequent 35-hour week introduced in 2000 (Anxo and O'Reilly, 2000; see Boulin et al., this volume).

In order to differentiate between these developments we generated a three-fold typology to allow us to group countries together. This categorization distinguished between *negotiated flexibility* involving the social partners, *statist flexibility* between statutory intervention and company implementation and, finally, *externally constrained voluntarism* (O'Reilly and Spee, 1998; Anxo and O'Reilly, 2000). This typology builds upon earlier research in comparative political economy and industrial relations (Crouch, 1993; Crouch and Streeck, 1997; Hollingsworth et al., 1994; Hall and Soskice, 2001). It also draws from comparative social policy research which has generated alternative typologies for categorizing welfare states (Lewis, 1992; Esping-Anderson, 1990; Sainsbury, 1996; Silver, 1994). We use this typology as a heuristic device to identify the type of institutional conditions which facilitate or hinder particular types of labour market transitions through different working-time statuses. We outline these characteristics briefly here, for the purpose of comparison, while the individual chapters critically discuss this categorization and elaborate on national developments in more detail.

Negotiated Flexibility: Involving the Social Partners

Negotiated flexibility is the concept we used to categorize societies where moderate levels of statutory regulation provide the parameter framework

and basic protection within which the social partners negotiate for particular decentralized or branch level solutions, such as is found in Sweden and, to a lesser extent, Germany and the Netherlands. Government intervention in collective bargaining is rare in these corporatist systems where the social partners jealously guard their autonomy and decision making is centralized and coordinated (Hall and Soskice, 2001). Such societies have had relatively low levels of industrial conflict and a strong tradition of cooperation and consultation, in increasingly decentralized negotiations.

Despite their having some common affinities, significant differences also exist between these societies. For example, Sweden has much higher levels of unionization than Germany (85 per cent, compared to 32 per cent: OECD, 1994, p.173). In the Netherlands, one of the most influential shocks to the Dutch system was the fall in union density, from 39 per cent in 1980 to 25 per cent in the mid-1990s. Nevertheless, recommendations made by nationalist corporatist decision-making bodies are normally taken up as indicators for the parameters of collective bargaining at decentralized levels. The extensive coverage of collective agreements of between 70 per cent and 80 per cent of employees remains a significant feature of continuity in the Dutch system. Further differences identified by Crouch (1993) indicate that Scandinavian neocorporatism is stronger and more stable than 'pluralist collective bargaining' in the case of Germany or the Netherlands.

Additionally, comparative welfare state research further highlights the distinction between the social democratic agenda in Sweden and the more conservative breadwinner ideology underpinning German welfare institutions. The Netherlands represents a more hybrid case, where there is still debate as to whether it has moved from a conservative to a more social-democratic position. On the one hand, more conservative elements are reflected in the traditionally comparatively lower levels of female participation and the take-up of short-hour part-time jobs, which reinforce a modified male breadwinner model. On the other hand, there has been a radical reform of welfare aimed at removing traditional allocation and entitlement criteria, and levels of female employment have increased considerably, albeit with a high proportion of short-hour part-time jobs (see Table 1.4; Pfau-Effinger, 1998; Sainsbury, 1996; Visser and Hemerijck, 1997; Visser, this volume). These differences have an impact on the type of options that have been adopted in recent years to manage the challenge of flexibility under conditions of unprecedented levels of unemployment and rising levels of female employment and part-time work. In contrast, the Swedish system is based on more egalitarian principles in terms of both wages and welfare, whereas the German system is seen to be a more conservative traditional breadwinner model. The implication this has for labour market transitions is that groups of insiders in the traditional industrial sector

protect their interests against those who are excluded because of either their status as inactive persons or their dependence on a male breadwinner.

The distribution of working time in Germany and the Netherlands has been characterized by a series of significant reductions in normal working time since the mid-1980s, whereas in Sweden it tends to remain concentrated around the statutory norm. Despite a favourable institutional framework, working time has not been a major issue in the bargaining process in Sweden during recent decades, where wage increases have predominated (Anxo and Storrie, this volume). The use of part-time work is more extensive in Sweden than in Germany. The use of temporary fixed-term contracts is more limited in both countries, although this has been growing in recent years, and in the Netherlands it has increased significantly. Debates in these countries about ways to find new solidaristic solutions belong very much to these industrial relation traditions, where the state has traditionally only had a weak and supporting function in facilitating negotiations between the social partners.

Statist Flexibility: Between Statutory Intervention and Company Implementation

Statist flexibility refers to countries where statute is the key element governing working-time regulations. The regulatory role of trade unions is relatively weak, despite quite high coverage rates. For example, according to the OECD (1994, pp.171–4), union density rates in France and Spain in 1990 were 10 per cent and 11 per cent, respectively, but the percentages of the working population covered by collective agreements were 92 per cent and 68 per cent, respectively. France and Spain could be seen as examples of this type of system, although the French state and employers have instigated more radical initiatives than those in Spain. Reliance on the state as the final arbitrator, where the social partners are weak, and on individual initiatives implemented at the company level can be seen in countries where statutory regulation has been the key element governing the use of flexible employment conditions and the introduction of innovative working-time patterns.

As Boulin et al. argue in this volume, working-time issues in France have been rooted in a long historical struggle from the beginning of the 20th century. Since the epochal changes of 1936, there had been little discussion of working-time issues in France. The decision collectively to reduce standard working time to 39 hours a week in 1982 was a reflection of the inability of the social partners to come to a negotiated agreement. Given the weak tradition of collective bargaining due to the politically oriented role of the trade unions and the autocratic control of French employers, the

state has traditionally stepped in to regulate relations between the social partners (Adam et al., 1972; Gallie, 1978; Reynaud, 1989; Goetschy and Jobert, 1993). However, since the Seguin law of 1987 to encourage the development of greater working-time flexibility and collective bargaining, this issue has become an increasingly important part of the French debate on ways to reduce unemployment (*Financial Times*, 13 October 1997), as well as encouraging negotiations. More recently, the state has sought to support the needs of employers for working-time flexibility, for example by creating incentives to help reduce labour costs with the goal of mitigating unemployment. Examples of such efforts are the Loi Robien and earlier attempts to introduce solidarity contracts. These have been particularly popular in France, where working-time laws have sought to encourage job sharing and the recruitment of younger workers to replace those accepting early retirement (Béhar, 1997; Boulin et al. this volume; Cette, 1997; Hoffmann, 1997).

French employers have been very active in developing a range of flexible working practices at the company level. Boulin et al. outline three models of working-time changes that have been observed at the company level: overtime and short-time work; atypical work and extended opening hours; and modulation which implies an annualization of working time. These changes can result in a tendency towards more individualized forms of working-time regulation at the company or individual level. But Boulin et al. also point out that there has been an uncharacteristic increase in the number of company agreements being signed on new practices and submitted to the Labour Ministry, especially since the introduction of the Loi Aubry introducing the 35-hour week in 2000.

The situation in Spain has some similarities to the French case, particularly in relation to the role of the state and trade unions, although the two countries clearly have quite distinct political traditions. Trade unions in Spain have traditionally been organized on a political basis, and during the Franco period the state played a significant role in determining relations between the social partners, leaving managers with a low degree of autonomy and morale. During the 1980s, government encouragement to foster stronger tripartite social pacts and accords was seen as 'attempting virtually explicitly to replicate a version of "northern European" neo-corporatism' (Crouch, 1993, p.267), but with only limited success. Since 1993, the trade unions have campaigned for a reduction in working time, especially because Spain has such long working hours. The unions have argued for collectivist solutions to the problems of unemployment – through statutory regulation and a reduction of standard working hours – rather than negotiated solutions. Employers, on the other hand, have argued that longer working hours are required, and, bolstered by the election of a conservative government,

they have become more intransigent in negotiations. Failure to conclude collective agreements has led the government to consider further labour reforms (Cebrián et al., this volume).

The debates on working time in these countries illustrate that, unlike Germany or the Netherlands, there is a much higher degree of controversy over the means of redistributing work between insiders and outsiders. To a large extent, French society has always ended up reverting to statutory, universal and collectivist forms of regulation (Baglioni, 1990, p.24). These are then implemented at an individual level within the firm to resolve issues of broader conflict and social redistribution, in this case between those with and those without employment. One of the key factors shaping the management of flexibility is related to the concept of a standard worker and the value accorded to the equality of citizens (Boyer, 1997, p.101). Lallement (1997, p.298) makes a similar point when he argues that the basis of the 'rapport salarial' in France results from the development of a welfare state and pressure from employees in their role as citizens. One of the principles that distinguishes these types of solutions from those pursued in countries like the UK is the idea of a republican conception of a standard worker and citizen. In more liberal systems the underlying assumption is based on the idea that different types of individuals can exercise a free choice over their form of labour market participation. This is a very different approach to dealing with the problems raised by labour market and working-time flexibility. As Silver (1994) argues, it is more usual to find attempts to develop a solidaristic or corporatist approach to social integration and social exclusion in countries like France than is the case for example in the UK, which is illustrative of a more voluntaristic approach.

Externally Constrained Voluntarism

The use of working-time flexibility in the UK and Ireland can be differentiated from practice in the other countries. Both countries have historically shared or inherited a voluntaristic form of industrial relations institutions which emphasize unions' right to free collective bargaining in the context of relatively weak labour legislation. Normal working-time patterns in the UK, but less so in Ireland, are found distributed over a very wide spectrum. A significant share of workers are found in very long- or very short-hour jobs (also see Bothfeld and O'Reilly, 2000; Smith, this volume; O'Connell et al., this volume). This pattern of working-time distribution reflects the absence of statutory working-time regulation, the weakening of industrial relations and the low priority given to working-time reductions by the trade unions.

The British industrial relations system experienced a unique challenge during the Thatcher decades, which resulted in a considerable undermining

of the position of trade unions in the democratic process. The 18-year period of Conservative government was marked by persistent hostility to efforts towards a European harmonization of employment and working-time legislation and vigorous opposition to the goals of the Social Chapter. During this period the voluntarist tradition of trade union rights to 'free collective bargaining' was damaged by a substantial weakening of the relatively uncoordinated trade union movement. This was particularly exacerbated by the sharp decline in the manufacturing sector in the UK, where the trade unions were strongest. The growth in employment has largely taken the form of part-time work in the less well organized service sector. Evidence of the possibilities for employers to flout the minimalist forms of regulation can be seen, for example, in the way employers in the retail sector simply ignored bans on Sunday opening, paid the fines incurred and continued to open, until the government change the law.

Nevertheless, the election of the 'New Labour' government in May 1997 led to the signing of the European Social Chapter and Working Time Directive, and promises to introduce a minimum wage and improved rights for part-timers and the low paid. After the Thatcher experience, many trade unions changed their attitude to Europe, as representing their last or 'only hope'. The 1999 Employment Relations Act improved trade union rights and recognition which was subsequently made visible by an increase in union membership. This law also reduced the qualifying period for employment protection, enhanced maternity leave arrangements, improved the rights of part-timers and provided for higher levels of compensation for unfair dismissal. In effect, a series of regulatory changes have been implemented into British society, in large part initiated from the European Union and the European Court. Nevertheless, in this volume, Mark Smith argues that, despite significant changes, 'most of the characteristics of the UK labour market will remain largely unchanged' and highly polarized in terms of rewards and opportunities. For example, Tony Blair told the British Trades Union Congress that he was committed to keeping British labour markets flexible (*Guardian*, 9 September 1997), but at the same time also accepting the need for minimum levels of security.

In Ireland, there has been more willingness in recent years to regulate labour relations in accordance with European norms, while the trade union tradition still remains relatively strong. O'Connell et al. (this volume) argue that the traditional characteristics of the Irish regulatory system have moved away from a British model of 'voluntarism', 'adversarialism', 'fragmented and decentralized trade union organization'. Previously, the social partners had been hostile to statutory regulation, which they saw as an infringement on their autonomy. However, since the 1980s, a number of employment Acts, modelled on European directives, have been introduced.

Signs of a new form of regulation can be seen at the national level through a series of ‘corporatist-style solidaristic agreements between the social partners and government’. These agreements cover incomes, labour market policy, public expenditure and taxation, marking a move away from the old model of regulation, towards a more continental European approach. This shift has in part contributed to the recent economic success of the Irish economy. Ireland has also been more enthusiastic about the European project than the UK under previous Conservative governments.

Apart from the economic and labour market difficulties faced by Ireland in the 1970s and 1980s, change has also been stimulated by the growing number of foreign multinationals in the Irish economy, now accounting for a third of the employees in manufacturing. The conclusion of non-union deals in these firms has further resulted in the development of a dual regulation, undermining the inherited ‘voluntarist’ tradition. Crouch (1993, p.267) argues that, in Ireland, there was a move away from neocorporatism during the 1980s and towards a straightforward pluralist model, despite the existence of strong collective bargaining institutions, but in the 1990s there was a return to the pursuit of national accords. In many senses Ireland can be seen as moving away from a system with very limited forms of statutory regulation and strong collective bargaining towards an approach where statutory regulation has become more significant and the role of the unions in collective bargaining has been increasingly moderated.

The basic aim of this typology is to highlight the power constellation of the social partners, policy agendas and the most common means used for negotiating and implementing working-time changes in the societies examined in this book. This approach draws attention to the differences between these agendas and the regulatory arrangements for implementing such changes. We turn now to examine how key issues have been dealt with in each of these different employment regimes. Here we focus on two key aspects: first, the impact of employment regulation related to standard and non-standard jobs; second, the way social policy reforms have sought to improve on integrative and maintenance transitions.

3. EMPLOYMENT REGULATION AND TRANSITIONS: KEY ISSUES

Schmid (2002) has identified four key transitions related to working life: between education and paid work, between unemployment and employment, between household responsibilities and, finally, between exit options. Men and women encounter these trajectories at different points over the life cycle. All four can be associated with different working-time arrangements.

These may include the combination of part-time or temporary employment during the phases of education, child rearing or caring, or may even serve as partial exit measures to retirement. Additionally, there has been an increasing attempt to develop policies that allow the unemployed and those on social assistance to perform some element of paid employment without its negatively affecting their benefit receipt, so that by working they are not worse off. Such arrangements may also imply taking up part-time or temporary contracts. One of the key issues relates to the different status relationship between full-time workers and those on temporary and part-time contracts; that is, developments around the reduction of standard working time and the status and protection provided to marginal workers. To what extent have policy reforms come closer to the idea proposed by Schmid supporting transitions between these different phases? How far, if at all, do they go towards dismantling the barriers preventing movement between different employment statuses?

Changes in Standard Working Time

One of the suggestions from Schmid is that moving towards a norm of a 30-hour working week, over the life cycle, would be a desirable goal in allowing the management of transitions at different phases. This would imply the use of something equivalent to time accounts, so that employees could adjust their hours as necessary. For some countries, or companies, this may be seen as being too complicated. But, as Anxo and O'Reilly (2002) have argued, a time credit system could be organized on a national basis in a way comparable to existing social security systems. Even though no country has yet adopted such a scheme, what we have seen in a number of countries is a reduction of standard working time. Historically, moves to reduce working time were related to health and safety concerns and attempts to improve the quality of working life. However, with rising levels of unemployment greater attention has been focused on the potential this measure could create to prevent increases in unemployment in most countries, with the exception of Ireland and the Netherlands, whose concerns have now moved to one of managing labour shortages.

In the countries we have characterized as having negotiated forms of flexibility we tend to find a gradual reduction in standard working time over the 1980s and 1990s. This is particular true in the case of Germany and the Netherlands. In the Netherlands, the Wassenaar Agreement in 1982 marked an important turning point in Dutch industrial relations when employers agreed to working-time reductions in return for wage restraint. This resulted in most workers getting a 5 per cent reduction in working time and experiencing a 9 per cent fall in real wages (Visser, this volume). Under

the conditions of low inflation a central dialogue developed around a broader set of issues related to immigrants' employment rights, flexi- and part-time workers, and pension reforms. Visser (this volume) traces how the demand for a collective working-time reduction was gradually weakened in the face of the growing popularity of part-time employment, which the unions saw as an individual, rather than collective, measure to reduce working time. Gradually, some of the unions also began to abandon the idea of a standard working norm, which was exceptional in the continental case. Since the 1993 New Course central agreement between the social partners, there has been an increased decentralization, destandardization and individualization of normal working time.

In Germany, the metal workers' union IG Metall have been at the forefront of facilitating the implementation of a 35-hour week in the motor sector. Other sectors have also been keen to pursue this demand (Bosch and Lehndorff, 2001; O'Reilly and Bothfeld, this volume). In Sweden, these reductions occurred during the 1960s and 1970s. Since the early 1980s, working hours in Sweden have tended to rise moderately (Anxo and Storrie, this volume, Figure 2.1). This is partly due to the fall in the use of part-time work and an increasing number of women working full-time. Despite a modest revival of interest in working time reductions around 1992, when unemployment began to increase, both the Swedish employers' federation and trade unions at the national level are opposed to further reductions. Their preference is for active labour market policies to be used to address this problem. Nevertheless, in local-level plant agreements, working hours are often negotiated below the national standard. According to Anxo and Storrie (this volume) the decentralization of negotiations at the plant level, backed up with union support, means that reduced working-time policies, through annualized hours, or an individualization of working time, can be a good thing.

In more statist systems such as Spain and France, there was practically no change in the distribution of people working the standard 39–40 hours a week over the 1980s and 1990s. It was not until 2000, with the statutory introduction of the 35-hour week in France, that this really changed (Boulin et al., this volume). In Spain, there have also been demands for working-time reductions, but as yet these have not really amounted to much. Here, as Cebrián et al. argue, the Spanish system is characterized by 'flexibility at the margins': while the conditions for permanent full-time 'insiders' have changed very little, it is among women and young people that we find the highest use of temporary contracts.

In more voluntarist societies such as the UK, and to a lesser degree Ireland, standard working hours are quite long, and overtime is an important component of wages. Reductions in working time have not been a

major issue of debate, although in Ireland in 1989 the social partners agreed within the framework of the Programme for National Recovery to a 39-hour week norm. Since 1996, there has been a fall in standard hours of Irish male full-timers. However, O'Connell et al. (this volume) argue that working-time reductions have only had a limited employment effect, while companies prefer to rely on the use of overtime. The UK has an extremely polarized situation with very long and very short actual working hours in comparison with the other countries, which have more standard hours. Even the implementation of the European directive on working time stipulates maximum hours of 48 a week, and so many derogations for particular jobs that it is only likely to have a limited impact on reducing the very long hours culture.

Nevertheless, the reduction of standard working time has important implications for the relationship between, for example, standard full-time employment and part-time and temporary work. Potentially, reductions to the normal working week could reduce the divide between the different status attached to these types of employment, especially of those working part-time, as this could diminish the gap between part-time and full-time workers. However, this alone is not enough, as the case of Japan illustrates: here, part-time workers can work 35 or more hours a week, but they have a very different status from those of full-timers (Wakisaka and Bae, 1998; Gottfried and O'Reilly, 2002). Hours reductions in themselves are important but not sufficient to bridge this gap. This is because of the different employment status, benefits and protection associated with non-standard forms of employment (Fagan and O'Reilly, 1998). Nevertheless, trends towards a reduction make the gap potentially more bridgeable than where the distribution of hours is more polarized between those on very short and those on very long hours.

Part-time and Temporary Employment: a Pathway to Integration or Exclusion?

Part-time work has been a major factor associated with increased female activity rates and rising employment rates. Most of this increase has come from women who were previously classified as inactive. However, examples from France or at Volkswagen in Germany suggest that there are also signs of its being used to provide an entry measure for the unemployed and young people moving from training and education into work, as well as also being aimed at older workers, for example with the introduction of part-time early retirement in Germany. In our empirical research we found that part-time work could be used as a vehicle to bring inactive women into paid employment, which can be seen in the Dutch and Irish cases, and to a lesser

extent in West Germany. It can be part of a temporary reduction of hours during a phase of the employment career, which apart from the Swedish case rarely tends to be found in other countries. It can be used as a means of reducing personnel numbers, as in the public sector, with the aim of work sharing rather than cost cutting. This was the case in Sweden during the mid-1990s, the Netherlands and to some extent in Germany, France and Spain. Finally, it can also be used as a means of obtaining cheap marginalized labour, at peak workload times, which is more common in the UK and to some degree in the private sector in France. One issue of controversy is whether this is a form of integration or exclusion – that is, although these people may have a job, they are often ‘integrated’ on second-rate terms.

The key issue in the debate about standard and non-standard employment relates to the different employment status associated with each type of contract. In some countries like the UK and Germany, a series of thresholds have operated to exclude part-timers from standard employment protection and insurance, giving them an inferior or secondary status to full-timers. However, in recent years we have seen an improvement in most countries where part-timers are gradually receiving employment status and other benefits, more or less pro rata on the same terms as full-timers. This has come about as a result of a range of factors including economic pressures, European Court of Justice rulings, European directives and a number of national statutory and company initiatives. These have varied from integrating part-time work into the standard social security and tax system, as in Germany, to the other extreme of raising the earnings thresholds so that such workers, and their employers, are excluded from paying tax and social security contributions, as in the UK² (Bothfeld and O’Reilly, 2000).

Since 2000, Dutch employees have a legal right to request part-time hours; a similar measure has also been adopted subsequently in Germany and the UK. Visser argues here that the promotion of part-time work by the Dutch trade unions has had some success in narrowing status differences between job and social security rights, especially in terms of unemployment benefits, health insurance and pensions. He points out that ‘Entitlements have been individualized . . . and are based on citizenship rather than employment, which is the system in which part-timers fare best.’ Additionally, tax reforms in the Netherlands in 1990 and later in 2001 removed the disincentives for second earners to limit the number of hours they worked. Marginal part-time workers have also been included in the minimum wage coverage since 1993. In Ireland, improved, that is tightened, employment protection and benefits for part-timers since 1991 do not seem to have halted the growth of this form of employment, according to O’Connell et al. (this volume). Further legal reforms to remove earnings

thresholds and reduce wage discrimination between full- and part-timers were also introduced in 2001 in Ireland.

Similar concerns are also found in debates about the secondary status associated with temporary employment and the integrative potential it can offer. Criticisms that it represents a further segmentation of the labour market have also reached the attention of policy makers, as can be seen for example in the Netherlands in the debate and reforms related to the concept of 'flexicurity'. In 1995, an agreement between the Dutch unions and employers on the right to continued employment after 24 months or four consecutive contracts, and entitlement to pension provision for temporary workers, led to the central agreement on 'Flexibility and Security' in 1996. This subsequently led to the statutory reform of employment dismissal protection in 1999. The compromise amounted to a reduction of rights for permanent full-timers and an improvement for temporary workers (Wilthagen and Rogowski, 2002).

Visser (this volume) is optimistic that temporary and part-time work in the Netherlands has served the purpose of integrating more women, young people and the unemployed into paid work. He points out that half of the people who took a temporary job in the Netherlands found themselves in permanent employment after two years. Amongst the unemployed who took a temporary job, between 22 and 33 per cent found themselves in a permanent job two years later. On one hand, this is a reasonably high percentage of people who have been able to move into the core labour market, for example compared to the proportion of people who made the transition from part-time to full-time employment in Germany and the UK (Bothfeld and O'Reilly, 2000). But, on the other hand, there are still a lot of people unable to make this transition either because they lack the skills and end up returning to unemployment, or disability pensions, or because they find themselves in a round of precarious employment; Visser also points out that the rise in disability pensions has increased amongst those workers who have been on temporary employment contracts.

The Dutch case is a clear example of the importance and potential trade-off in attempts to weaken employment protection for full-time workers in return for improved protection for such temporary workers. The main components of the legislation have been to strengthen temporary workers' rights to unemployment benefit in exchange for reducing the period of notice for terminating a contract for full-time permanent workers.³ This marks a shift from 'security within a job' to 'security of a job' and forms part of wider package related to the development of job pools. In the Netherlands these changes are considered 'a historic agreement that makes a particularly valuable contribution towards sustaining harmonious employment relationships' (SZW, 1997, p.2). Wilthagen (1997, p.15) argues

that the trend to deregulation 'generates new, albeit different kinds of rules' and the issue of flexicurity represents attempts to limit the process of flexibilization. In the Netherlands, this measure is enthusiastically embraced as a positive reallocation of rights between the 'haves' and the 'have nots'.

Despite the general ebullience for these measures there are a number of critical points which should also be borne in mind. The ability of the corporatist bodies to come to an agreement on this issue was based on the fact they had something to bargain over (Wilthagen, 1997, p.18; Wilthagen and Rogowski, 2002). Crouch (1993, pp.44–5) argues that one of the characteristics of the Dutch system of 'bargained corporatism' is the frequent contact between the social partners. This is important 'in reducing the imbalance of timing between sacrifice and gains. There is no need to put all weight on one big exchange, and at any one moment each side is receiving further present and future commitments.' Pennings (1996) argues that more emphasis is given to flexibility than to security issues, which could be seen from the difficult negotiations between employers and unions in the temporary agency business (Wilthagen, 1997, p.23). Additionally, the discussion of security is largely related to employment protection, rather than forms of income security. A focus on the latter would represent a far more radical challenge to the existing work–welfare nexus and come closer to the concept of transitional labour markets envisaged by Schmid.

Similar measures to improve the conditions of temporary work are also visible in Sweden, where the use of temporary contracts has been related to the provision of parental and sabbatical leave for full-time permanent employees, although there has also been a notable growth of on-call contracts over the 1990s. Statutory reform, introduced in 1997, taking effect from 2000, was intended to give a permanent contract to those temporary workers who had worked on a series of staff replacement FTCs for at least three out of five years. Anxo and Storrie argue that this law had the likely effect of encouraging decentralization of the regulation of temporary contracts and flexibility in general to the local level of bargaining. In Germany, a different compromise was made where employers' right to extend the use of temporary contracts was permitted in return for employees' right to demand a part-time job (O'Reilly and Bothfeld, this volume).

In countries where individualized flexibility is more common, the limited protection acquired by full-timers makes it difficult to see how this could be traded off for improved rights for some atypical workers within existing collective bargaining structures. In the UK, for example, during the Thatcher–Major period, improvement in the conditions for part-timers was largely dependent on the application of decisions made in the European courts. Overall, temporary employment in the UK is less significant as employers can obtain working-time flexibility through other means. This is also

closely related to the fact that standard employees need to qualify for two years' continuous employment before they are entitled to basic employment protection. In Ireland, the use of temporary contracts declined considerably towards the end of the 1990s. Attempts to regulate the use of such contracts and avoid employees being given a series of FTCs was introduced in 1993. This reduced the incentives for employers to renew temporary contracts. From the employee side, the take-up of such contracts, or even taking leave, have a detrimental effect on entitlement to unemployment benefits as well as on pension entitlements, according to O'Connell et al. (this volume).

Further, in other countries where collective bargaining structures are weaker than in negotiated models like the Netherlands, it may be more difficult for the unions to conceive of supporting the growth of atypical workers, despite the comparatively high use of these types of contracts, for example, in Spain and France. In Spain, it was not until 1980 that fixed-term and temporary contracts were permitted. In this highly regulated system, this change led to a massive growth in precarious employment. Considerable controversy over this and more recent debates over protecting temporary workers ensued. In France, there has been a long history of legal reforms between restricting and liberalizing the use of these contracts. In France, Boulin et al. point out, fixed-term contracts are becoming a more common entry point for the unemployed: nearly half of the unemployed had previously worked on a temporary basis. The conservative Juppé government in France took an active role to support the needs of employers to obtain working-time flexibility by creating incentives to help reduce labour costs, with the goal of reducing unemployment. This can be seen, for example, in the *Loi Robien* and earlier attempts to introduce solidarity contracts (Aznar, 1997; Béhar, 1997; Cette, 1997; Hoffmann, 1997). Boulin et al. make the point that the Juppé government found itself in a contradictory position between initially opposing work-sharing policies and subsequently promoting them. This reflects the sometimes ambiguous role that the state plays in regulating employment conditions in France, as can be seen for example in relation to temporary workers (O'Reilly, 1994, pp.131–2). Part-time work is largely seen as a means of job sharing in these societies and appears to have status comparable with full-time employment. However, the use of temporary employment creates a blurring of this relationship, where many temporary jobs are organized on a part-time basis, but with a temporary status.

We can see that there have been a number of measures to try and reduce the insecurity associated with temporary and part-time employment in these countries. These have largely been measures to prevent the worst excesses associated with the successive use of these contracts. Nevertheless,

our empirical analysis from an earlier period, before these reforms were introduced, suggests that transitions, for example between part-time and full-time work, are not very common. The possibility of more labour market mobility would require more extensive measures that draw our attention to the realm of social policy and how the existing welfare infrastructure creates incentives or disincentives to make transitions between standard and non-standard employment. In the following section we focus on the type of policies which support integrative and maintenance transitions in particular for the unemployed, those on social assistance and those with caring responsibilities.⁴

4. SOCIAL POLICY AND WORKING TIME TRANSITIONS: KEY ISSUES

Creating Integrative Transition Paths by Reducing Non-wage Costs

One of the major trends in most European countries has been to try and make the unemployed more attractive to employers by reducing non-wage costs for target groups. One issue of concern has been whether those in receipt of unemployment benefit are unwilling to accept jobs with flexible working time, if their earnings are not significantly more than their benefit entitlement. They may also be dissuaded from accepting marginal jobs, especially part-time ones, where benefit entitlement is calculated on the basis of their last job, as in Germany. Under such circumstances, marginal jobs are unattractive, especially if the person perceives that this is likely to be followed by a period of unemployment, which our earlier empirical work indicates is not an unreasonable expectation for a significant proportion of such people.

Experiments with in-work benefits to address this issue are critically reviewed by Mark Smith in this volume. He argues that policies such as Family Credit in the UK was related to the proliferation of low-wage jobs for breadwinners. This scheme was seen as an expensive subsidy to low-paying employers as well as discouraging labour market activity of other family members, especially women. As a result of these evaluations the Labour government replaced in-work benefits with tax incentives known as the Working Family's Tax Credit, which is effectively a negative income tax for low earners based on the US model of Earned Income Tax Credit. Smith concludes that the introduction of a minimum wage is likely to reduce the need for expensive wage supplement schemes which effectively subsidize low-paying employers. This, together with the introduction of increases in child allowance, is an attempt to address the polarization, lack

of equality and child poverty in British society; but, as Smith points out, without adequate mechanisms to ensure a regular updating of the minimum wage rate it will have a limited impact on the target it is seeking to address.

Additionally, policies aimed at getting lone mothers back to work, together with the New Deal to integrate young people into work or training, have been introduced in the UK since the election of the New Labour government in 1997. The New Deal was extended in 1999 to the over-50s age group with the effect of increasing their participation rate. Smith summarizes: 'in all these developments there are major weaknesses in the implementation and the level of support; for example, parental leave is unpaid, coverage of childcare is limited, the minimum wage is set at a low level and the Working Time Directive contains easy opt outs'. Despite seeing the European level of regulation as a potential catalyst for change in the UK, Smith is also sceptical that this will fundamentally alter the essential characteristics of the UK production regime with a 'voluntarist and decentralised' system of industrial relations, 'weak labour market regulation and a residual welfare state'.

In Ireland, there have been similar moves to introduce the Back to Work Allowance Scheme for the long-term unemployed and lone parents where they can retain a proportion of their welfare entitlements while working in a job of 20 hours or more. For those taking up part-time jobs, there is the Job Incentive Scheme, as well as the Pay Related Social Insurance Exemption Scheme that allows a holiday period from making social contributions for a maximum period of two years. These programmes are aimed at opening up the poverty/employment trap and redistributing job opportunities to more disadvantaged groups. Although O'Connell et al. say that it is too early to evaluate these schemes, employers reported that, without such policies, they would not have employed long-term unemployed people.

In contrast, the Swedish model has always favoured active labour market policies associated with training provision and employment promotion programmes rather than additional benefit options for the unemployed. Anxo and Storrie argue that a work-time limit requirement for unemployment benefit creates an incentive to work long part-time hours. For those involuntarily working part-time, a wage compensation replacement rate of 80 per cent is available from the unemployment insurance funds for up to 300 days. Changes to the tax system in 1972 also encouraged female participation rates. But it is essentially the active labour market policies to retrain the unemployed that are used to avoid long-term and high levels of unemployment, alongside incentives created by the fact that the costs of social benefit expenditure are borne by the local author-

ities. The success in reducing youth unemployment is largely attributable to this strategy.

In Germany, there have been a number of new experiments with combination wage programmes intended particularly for the long-term unemployed, the low-skilled and those with children. The Mainzer Model adopted in 2002, running until 2006, will remove employers' requirement to make social contributions, and employees will receive an extra child allowance. This is designed to encourage these workers to take up non-standard forms of employment; they can earn €325–897 a month without losing their benefit entitlement. This complements earlier attempts introduced in 1994 to reduce the disincentives to the unemployed taking up non-standard employment: subsequent entitlement to unemployment benefit would be based on their previous full-time status, rather than on their immediate part-time record. Further measures through the JobAQTIV law have also sought to encourage the use of job rotation measures. At present German policy makers are grappling with the problem of how to integrate low-skilled, low-wage jobs into a social model which has been characterized as generating a high-wage high-skill equilibrium (Hall and Soskice, 2001). The Netherlands seems to have been more successful in dealing with this problem. Jelle Visser argues that wage restraint from insiders was linked to 'a collective work-sharing strategy with help of various forms of working time reduction, lower taxes, tax exemptions and subsidised employment' together with policies allowing for lower wages for new entrants and attempts to tighten access to disability allowance (Visser and Hemerijck, 1997).

In France, there have been a number of experiments with policies designed to reduce employers' contributions for low-skilled, low-waged employment. According to Boulin et al. (this volume) one of the distinctive features of these programmes has been that it is only employers who receive social contribution rebates. These rebates include permanent reductions in employers' contributions to family allowance for those on minimum wage incomes. The Robien and Aubry laws allowed for a temporary rebate on contributions for employers who took on the long-term unemployed, young people or low-skilled people, or who reduced or reorganized working time so as to create or secure jobs. Additionally, employers who created new part-time jobs or converted full-time jobs into part-time ones received a 30 per cent rebate on the social contributions they had paid for these employees, although this was subsequently abolished in the second Aubry law in 2000. Further, a number of measures have been merged to generate a new scale of gradually decreasing rebates depending on employees' income.

Nevertheless, Boulin et al. are sceptical of the success of these various measures as the proportion of low-skilled amongst the unemployed has

increased, and there are deadweight and substitution effects between different categories of employee. Although they suggest that it does help women and young people move from unemployment into paid work, the evidence indicates that this is part of a punctuated unemployment trajectory rather than a means of facilitating integrative transitions. Further fiscal measures which have an impact upon labour market participation include the 'family quotient' tax system which levies high marginal tax rates on women's income, creating incentives for mothers, especially those with lower skills and earnings potential, to withdraw from paid work. Nevertheless, Boulin et al. argue that the policy effects are relatively weak as a significantly high proportion of French women continue to work, which is in part due to the more extensive provision of childcare infrastructure. Criticism has also been voiced at the Parental Educational Leave Allowance which, from 1994, has been available to families with two or more children (before, this was only available to families with three or more children). This benefit acted as a particular encouragement to low-skilled mothers to drop out of the labour market; but it also meant that they were not entitled to participate in training programmes which could potentially help them get a job in the future, although some more recent reforms have sought to curtail these effects.

In Spain, employment promotion programmes have focused on those most affected by unemployment: young people, women, the long-term unemployed, the handicapped and older people. For young people in particular there has been a combined use of apprenticeship training contracts and reduced social contributions, together with tax incentives to encourage the conversion of temporary jobs into permanent ones. Cebrián et al. (this volume) argue that these reforms, introduced in 1997, seem to have had some impact in bringing down rates of youth unemployment. Given that women face a higher risk of unemployment, the National Action Plans have sought to introduce a job rotation programme with reduced social contributions for companies taking on unemployed women replacing those on maternity leave. Further measures with reduced social contributions have been aimed at getting women into more permanent jobs where they are traditionally underrepresented.

As the authors in this volume indicate, there have been a number of labour policy measures introduced to facilitate integrative transitions for target groups of the unemployed. These have taken one of three forms: subsidizing employers, compensating workers or retraining. Each policy has focused on making such potential workers more attractive to employers by reducing social contributions, as done, for example, in France. Alternatively, in the UK, government legislation has sought to compensate directly those in low-income employment, thereby attempting to reduce the disincentives

of leaving benefit and taking up paid employment. Finally, countries like Sweden and Spain have also sought to improve the qualification levels of such people to make it easier for them, in particular for younger people, to find employment. The choice and combination of such policies is clearly related to the specific characteristics of the welfare system, as well as the political constellation of interests pursuing particular policies. This is clearly going to be an important area for future evaluation research.

Supporting Maintenance Transitions: Leave Arrangements and Childcare

There have been a number of reforms in the countries studied here which seek to improve upon the provision of leave arrangements related to child-rearing. These policies usually have the most benefit in supporting transitions in working-time status for those already employed. Parental leave, career breaks and sabbaticals for training or otherwise can allow full-time employees to move temporarily to part-time employment or non-employment, with a guarantee to return to their previous position. These arrangements can be provided either through statutory entitlement or through individual company or collective agreements. In general, societies with a weak male breadwinner model have more generous statutory leave arrangements, as in Sweden, for example. Here paid part-time parental leave makes this a more common element in a broader range of jobs over the life cycle and for women in particular to maintain a secure position when making transitions between different working-time statuses. These leave arrangements are also supported by a strong childcare infrastructure.

Even so, in countries with a stronger male breadwinner model there have also been moves to improve on existing provisions. In the Netherlands, legislation introduced in 2001 in the 'Employment and Care' Bill aimed to harmonize different leave arrangements and introduce a new right to ten days a year 'care leave'. But the employers were very hostile to this move, preferring the extension of sectoral negotiations. In Germany, there were initiatives introduced in 2000 to allow both parents simultaneously to combine paid leave with reduced working hours up to a maximum of 30 hours each week.

In the UK, improvements made to maternity rights by reducing the qualifications period, extending the duration of leave to eighteen weeks and raising maternity benefit were introduced in 1999. Unpaid parental leave was also introduced, with the proposal that, from 2003, two weeks would be paid at the same rate as maternity leave. Additionally, a childcare tax credit allows up to 70 per cent of childcare costs to be offset for low-income families on the Working Families Tax Credit scheme. Part of the National Childcare Strategy has been to increase the number of trained carers and

expand nursery and after-school clubs. However, even these provisions are relatively limited and the costs of childcare are extremely high. Even in Ireland, the introduction of the Parental Leave Act in 1998 brought the country into compliance with EU law, although this leave was unpaid; earnings-related paid maternity leave was extended to 18 weeks in 2000.

In Spain, the introduction in 1999 of the Act on the Reconciliation of Work and Family Life also introduced parental leave and the possibility of career breaks of up to three years. As for France, despite more extensive support for working mothers in terms of the provision of crèches and childcare, Boulin et al. argue that the limited leave arrangements which do exist are seen as potentially jeopardizing an individual's career chances and are unattractive because they are not usually associated with any financial component. But a more extensive system of good quality public childcare means that women find it easier to return to employment.

Improvement on existing provisions and leave arrangements also has to be evaluated in the context of childcare provision and the incentives created by the tax system for women, in particular, to withdraw or limit the number of hours they work. Supporting maintenance transitions in the way proposed by Schmid would require considerably more investment in the social care infrastructure than currently exists in most European countries. The potential to use such leave arrangements as a means of integrating those currently outside paid work, for example through the use of job rotation programmes, is an additional policy that has only been used to a very limited extent, but one that would be central to the concept of transitional labour markets (Schömann and Schmid, 1999).

5. CONCLUSIONS

This introductory chapter set out to summarize and identify the main issues which are discussed in more detail in the national chapters examining the institutional forms of regulation affecting labour market transitions through working-time adjustments. Our approach allows us to examine change within European labour markets in relation to the configuration of institutions, policies and actors in each country. This can enable us to see how common trends are worked out in different ways, and what consequences these have for working-time transitions. We have argued that a key issue for the future of labour regulation will be the changing relationship between standard and precarious employment. Secondly, we have attempted to raise the issue of the way welfare regulation helps or hinders exits from dependency and exclusion, focusing on policies affecting integrative and maintenance transitions. This clearly indicates the need for good

evaluation research to assess the effectiveness of these policies, and their potential adaptation in different countries.

What we find from the analysis presented here are a number of common trends that have developed within distinct societal and institutional arrangements. Drawing on established typologies, we have tried to use them to understand the way in which working-time flexibility issues are being discussed and implemented in the countries examined here. Clearly, such typologies can only provide a broad-brush approach to some of the many contradictory and competing policy issues under consideration. Nevertheless, they also indicate that the implementation of the concept of transitional labour markets will also vary across countries, as will its effectiveness. Even so, what we have seen in recent years from governments and social partners in different countries is a recognition of the centrality of and need to address these issues.

The transitional labour markets approach seeks to identify where blockages occur and the types of policies that could be implemented to reduce these. In our work both in this book and in O'Reilly et al. (2000) we have sought to examine both the quantitative level and extent of labour market transitions and the qualitative implementation at the organizational level of different transition trajectories. In this book we have sought to focus on the macro level of regulation in the area of employment rights and social policy. We aimed to identify how regulative frameworks constrain or encourage particular types of transition. What our research indicates is that there are clearly attempts to move policy in a direction of removing the barriers between different employment statuses, as well as a growing emphasis on moving the non-employed and unemployed back into work. However, the varied and limited success of some of these policies suggests that considerable work remains to be done in terms of evaluating the effectiveness of such policies in the future.

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NOTES

1. For example, the British definition of unemployment changed 25 times during the 18 years of Conservative rule.

2. The threshold at which social contributions are paid was raised in 2000 from £64 a week to £76, and National Insurance contributions had to be paid once employees started earning £87 a week. This is very different from the strategy used by the SPD–Green government in Germany, where the threshold was abolished and all employees were integrated into the social welfare system, albeit with considerable controversy.
3. On-call workers must be guaranteed a minimum of three hours work per day; also it is no longer necessary to register the extension of temporary employment contracts, and the temporary agency is responsible for social security contributions and income tax for employees working longer than 26 weeks.
4. The impact of transitions related to educational and training trajectories are examined in more detail in Schömann and O'Connell (2002); policies directed particularly at the unemployed are examined by de Koning and Mosley (2002). Additionally, several of the authors in this volume also examine the impact of exit transitions through the pension system.

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