



Flexibility and security over the life course: Key findings and policy messages

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Country codes

EU15 15 EU Member States prior to enlargement in 2004 (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the UK)

NMS 12 New Member States, 10 of which joined the EU in 2004 (Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia) and the remaining two in 2007 (Bulgaria and Romania)

EU27 27 EU Member States

EU27

AT	Austria	LV	Latvia
BE	Belgium	LT	Lithuania
BG	Bulgaria	LU	Luxembourg
CY	Cyprus	MT	Malta
CZ	Czech Republic	NL	Netherlands
DK	Denmark	PL	Poland
EE	Estonia	PT	Portugal
FI	Finland	RO	Romania
FR	France	SK	Slovakia
DE	Germany	SI	Slovenia
EL	Greece	ES	Spain
HU	Hungary	SE	Sweden
IE	Ireland	UK	United Kingdom
IT	Italy		

Authors: Ute Klammer, Ruud Muffels, Ton Wilthagen

Institute: OSA Institute for Labour Studies, Department of Sociology, Tilburg University, Netherlands

Research managers: Branislav Mikulić and Hubert Krieger

Project: Flexibility and security over the life course

Foreword

In a global economy, employers seek greater flexibility as they adapt their businesses to meet challenges such as increasing competition, rising costs, new technologies and consumer demand. Many workers also seek an element of flexibility, not least as they endeavour to balance their work and family life. At the same time, both sides need a certain degree of employment security in order to manage their companies and quality of life. The traditional linear life phases of education, work and retirement have become more fluid in a changing work environment. Taking a long-term perspective over the life course can help employees to coordinate their working time in closer harmony with family responsibilities or lifelong learning. Companies can also benefit, for example by offering a facility such as a working time account to facilitate busy or quiet production periods.

The European Commission is increasingly aware of the advantages of pursuing a life-course strategy in labour market and social policies. Among the objectives of the Lisbon Agenda are raising the labour market participation of older workers and postponing the actual retirement age. A further goal is the increased participation of women in the labour market, who typically have a more fragmented career path than men. All of these aims can be promoted by taking a life-course perspective. The Employment Guidelines of the European Employment Strategy now make numerous explicit references to the importance of such an approach, which besides its potential for workers and employers can also be a cost-effective and socially beneficial strategy for the state.

This report brings together the analysis of five previous studies on the topic of the life course published by the European Foundation for the Improvement of Living and Working Conditions. It summarises the overall research findings from the perspective of the individual, the company and the state, and highlights key policy messages. Company cases provide an interesting insight into real life examples of enterprises offering a coherent long-term approach in their human resource management.

Ensuring flexibility and security over the life course is a complex issue which seeks to address varying needs and preferences over time. Such a perspective requires the involvement of all actors: individuals, companies, social partners, social security institutions, private organisations such as pension funds and insurance companies, and the state. We hope that this report provides a valuable synthesis of the debate thus far and offers useful pointers to the way forward.

Jorma Karppinen

Director

1 Importance of life-course perspective for European Employment Strategy

Today, the life-course perspective has obtained a more prominent place in European labour market and social policies. The growing importance attached to education and training within the framework of ‘lifelong learning’ and ‘modernising social protection policies’ signals this new perspective. It is also reflected in attempts to define long-term policy strategies for coping with the consequences of the ‘knowledge-based society’. The goals of the Lisbon Strategy, set at the European Council in March 2000, to increase the labour market participation of older workers and postpone the actual retirement age – according to targets subsequently set at the 2001 European Council in Stockholm and in 2002 in Barcelona (European Commission, 2003) – have also raised the need to focus on work biographies, the long-term employability of workers and the sustainability of work. The European directives for the national action plans thus explicitly state that ‘this requires developing comprehensive national strategies based on a life-course approach’ (Council of the European Union, 2003, paragraph 15).

However, the life-course perspective has not always been explicit in European policy. This report will argue that the life-course approach started as a kind of ‘implicit agenda’ of the European Employment Strategy (EES) before a remarkable shift occurred, bringing it into the focus of interest in recent years and making it a central and explicit topic of the EES. The following analysis illustrates the ‘career’ of the life-course perspective within the EES.

The development of the EES goes back to 1997. Its core consists of a set of Employment Guidelines, proposed by the European Commission and adopted by the Council of the European Union. These guidelines provide common priorities for Member States’ employment strategies, the National Reform Programmes to be drawn up by the Member States, the Joint Employment Report – which may include country-specific recommendations to individual Member States, decided on by the Council – and the EU annual progress report.

Principles and guidelines of the EES

The European Employment Strategy (EES) is implemented by means of an ‘open method of coordination’, based on five key principles. In the words of the European Commission, these principles are the following:

- subsidiarity, implying a balance between EU and Member State level;
- convergence, requiring concerted action;
- mutual learning, including the exchange of good practice;
- an integrated approach, as structural reforms also extend to social, educational, tax, enterprise and regional policies;
- management by objectives.

Within the EES quantified measurements, targets and benchmarks are used to monitor and evaluate progress in the Member States. The indicators are agreed each year in the Employment Committee (EMCO). Since 2005, the employment guidelines are integrated with the macroeconomic and microeconomic policy guidelines, referred to as ‘Integrated Guidelines’, and which are set for a three-year period. In 2007, the European Commission published a proposal for a set of guidelines covering 2008–2010

(http://ec.europa.eu/employment_social/employment_strategy/index_en.htm,

http://ec.europa.eu/growthandjobs/pdf/european-dimension-200712-annual-progress-report/200712-annual-report-integrated-guidelines_en.pdf).

The European Commission seems aware that Member States generally are not in favour of frequent changes and extensions of the guidelines. Nevertheless, in the past 10 years the guidelines have been altered, both by introducing new topics, based on new insights stemming from policy and scientific debates, as well as by revising the wording of existing guidelines and the so-called pillars of the EES. The life-course approach can be considered as one such new topic. The 1998 Employment Guidelines do not include any reference to the life-course concept; however, they cover issues highly relevant to that concept, including the modernisation of work organisation and forms of work. Moreover, under the fourth pillar – entitled ‘Strengthening the policies for equal opportunities’ – the guidelines specify the aims of tackling gender gaps and reconciling work and family life. The latter objective is without doubt considered key to a life-course or life-cycle perspective and is worded as follows:

‘Policies on career breaks, parental leave and part-time work are of particular importance to women and men (...). There must be an adequate provision of good quality care for children and other dependents in order to support women’s and men’s entry and continued participation in the labour market. The Member States will strive to raise levels of access to care services where some needs are not met.’

(Employment Guidelines 1998, Council Resolution of 15 December 1997)

The early formulations of the Employment Guidelines illustrate this study’s hypothesis that the life-cycle perspective initially was an implicit rather than explicit part of the agenda within the EES. It is possible to identify a gradual emergence, acceptance and acknowledgement of the perspective within policy and scientific debate at the end of the twentieth century. Explicit discourses on life-course policies also started to develop within Member States, for example in the Netherlands, around the turn of the century.¹

In the 2001 Employment Guidelines the term ‘life cycle’ is mentioned for the first time, not as a perspective, but in relation to the objective of lifelong learning strategies:

‘Member States shall develop comprehensive and coherent strategies for lifelong learning, in order to help people acquire and update the skills needed to cope with economic and social changes throughout the entire life cycle.’

(Council Decision 2001/63/EC of 19 January 2001)

The 2002 Guidelines elaborate on this life-cycle importance of lifelong learning, as well as referring in the introduction to the concept of ‘work–life balance’. The life-cycle approach is introduced in an explicit manner in the 2003 Guidelines, within the context of increasing labour market participation and prolonging people’s careers through a strategy of ‘active ageing’. Consideration No. 15 of the introduction reads:

‘An adequate labour supply is needed in order to meet the demographic challenge, support economic growth, promote full employment and support the sustainability of social protection systems. (...) this requires developing comprehensive national strategies based on a life-cycle approach. Policies should exploit the employment potential of all categories of persons.’

(Employment Guidelines 2003)

¹ Between 2001 and 2002, a number of reports and articles were published in the Netherlands, mainly initiated by the Ministry of Social Affairs and Employment (*Ministerie van Sociale Zaken en Werkgelegenheid*, SZW). This work resulted in an ‘Exploring the life-course’ (*Verkenning levensloop*) report in 2002 and a comprehensive annex containing examples of and barriers to a life-course approach. These studies ultimately resulted in the introduction of the ‘Life-course arrangement’ by law in 2006.

In 2004, the text of the Guidelines remained unchanged, with no further elaboration of the life-course perspective. This changed in 2005 with the inclusion of a specific guideline, namely Guideline No. 18, entitled ‘Promote a life-cycle approach to work’. Text box 2 gives the wording of this guideline.

Guideline No. 18

Promote a life-cycle approach to work through:

- a renewed endeavour to build employment pathways for young people and reduce youth unemployment, as called for in the European Youth Pact;
- resolute action to increase female participation and reduce gender gaps in employment, unemployment and pay;
- better reconciliation of work and private life and the provision of accessible and affordable childcare facilities and care for other dependants;
- support for active ageing, including appropriate working conditions, improved (occupational) health status and adequate incentives to work, and discouragement of early retirement;
- modern social protection systems, including pensions and healthcare, ensuring their social adequacy, financial sustainability and responsiveness to changing needs, so as to support participation and better retention in employment and longer working lives.

(Guidelines 2005, 2005/600/EC)

In the current proposal by the European Commission for the 2008–2010 Guidelines, the text of Guideline No. 18 is similar to the 2005 version. However, references to the life-cycle approach now also appear under more guidelines, as follows.

- In Guideline No. 2, ‘To safeguard economic and fiscal sustainability as a basis for increased employment’, under item 3, Member States are requested to ‘take measures to increase labour market participation and labour supply especially among women, young and older workers, and promote a life-cycle approach to work in order to increase hours worked in the economy’.
- The explanation of Guideline No. 17, ‘Implement employment policies aiming at achieving full employment, improving quality and productivity at work, and strengthening social and territorial cohesion’, states that ‘promoting a life-cycle approach to work and modernising social protection systems to ensure their adequacy, financial sustainability and responsiveness to changing needs in society are all the more necessary because of the expected decline in the working-age population’.
- In the introduction to Guideline No. 21, ‘Promote flexibility combined with employment security and reduce labour market segmentation, having due regard to the role of the social partners’ (the so-called Flexicurity Guideline), it is observed that ‘for workers, working life is becoming more complex as working patterns become more diverse, irregular and an increasing number of transitions need to be managed successfully throughout the life cycle’.
- Finally, in the proposal for Guideline No. 23, ‘Expand and improve investment in human capital’, the need is argued for ‘efficient lifelong learning strategies open to all in schools, businesses, public authorities and households according to European agreements, including appropriate incentives and cost-sharing mechanisms, with a view to enhancing participation in continuous and workplace training throughout the life cycle, especially for the low-skilled and older workers’.

This short overview clearly shows that the inception of the life-cycle perspective within the EES has been a gradual but steady process. Relatively recently, this perspective has turned into an explicit policy objective to be addressed by the EU Member States.

Despite this obvious shift towards a life-course perspective in the EES – a perspective that is also reflected in other EU documents as well as in programmes of the social partners² – it has to be acknowledged that European social policy is still fragmented and even contradictory in relation to life-course issues. When the raising of labour market participation rates becomes the ultimate objective, as in the Lisbon Agenda, aspects such as the positive development of careers, the quality of work or issues of work–life balance and social sustainability – a long-term concept by definition – can be endangered or at least neglected. The pressure on women to increase their labour market participation, for example, can entail new problems for work–life balance in different stages of life if childcare, eldercare and social support are not reformed accordingly. The requirement to take up any type of work when unemployed can endanger people’s acquired qualifications, their further career and income prospects, as well as their well-being (Daalen, 2008). Low-paid jobs bear an additional risk of low pension claims and poverty in old age. These contradictory messages and developments concerning the life-course perspective can also be assessed if one looks at the way single Member States deal with the issue: although life-course rhetoric has become widespread, it is often without substance and not put into operation in social security and labour law.

Nevertheless, some of the common trends in European countries need to be discussed with reference to the life-course perspective:

- demographic change and the ageing of the population, leading to new opportunities but also new pressures to prolong working life – in other words, active ageing. These demographic conditions also lead to new needs to redistribute lifetime income to cover old age;
- structural changes in family patterns, including decreasing stability and more transitions in individual family life courses. These developments require a more frequent readjustment of solutions for work–life balance during one’s life course and challenge the assumptions that women are protected by derived rights;
- changing gender roles and employment biographies, including an increasing labour market participation of women, as well as new risks and discontinuities in male working life in many countries. Such trends entail fluctuating wages and social security benefits;
- new patterns of social exclusion and segmentation in the labour market, which might accumulate for individuals or certain groups and cause new enduring poverty risks during working life and in old age;
- the impact of demographic trends and changing life courses on the financial sustainability of existing social security systems;
- the implication of recent social security reforms – for example, regarding pensions and healthcare – on people’s behaviour and lifetime social protection;
- new short-term and long-term company strategies in a globalised economy and social partners’ options to develop new approaches in reaction to these challenges.

Life-course issues are therefore closely related to evolving trends and challenges at EU and Member State level. This concerns not only the fields of economic, employment and labour market policies, but also pension, social and equal opportunity policies, the debate on the quality of life, the aim of active ageing and the European social policy agenda. The life-course perspective is therefore a topic which merits systematic and careful investigation.

² The European Trade Union Confederation (ETUC), BusinessEurope (formerly UNICE) and the European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest (CEEP), for example, took up the life-course perspective for the first time in 2002 in their joint ‘Framework of actions for the lifelong development of competencies and qualifications’.

2

Outline of Eurofound research into the life course

In the light of the growing significance of the life-course perspective and of long-term strategies for employment and individual development, the European Foundation for the Improvement of Working and Living Conditions (Eurofound) has commissioned a substantial body of research on the life course. The research has resulted in the publication of five reports over a five-year period, as follows:

- Naegele, G., Barkholdt, C., Vroom, B. de, Goul Anderson, J. and Krämer, K., *A new organisation of time over working life*, 2003, available online at: <http://www.eurofound.europa.eu/publications/htmlfiles/ef0336.htm>
- Klammer, U., Keuzenkamp, S., Anxo, D., Boulin, J.-Y., Cebrián, I., Fagan, C., Klenner, C. and Moreno, G., *Working time options over the life course: Changing social security structures*, 2005, available online at: <http://www.eurofound.europa.eu/publications/htmlfiles/ef05101.htm>
- Anxo, D., Boulin, J.-Y., Fagan, C., Cebrián, I., Keuzenkamp, S., Klammer, U., Klenner, C., Moreno, G. and Toharía, L., *Working time options over the life course: New work patterns and company strategies*, 2006, available online at: <http://www.eurofound.europa.eu/publications/htmlfiles/ef05160.htm>
- Torres, A., Brites, R., Haas, B. and Steiber, N., *First European Quality of Life Survey. Time use and work–life options over the life course*, 2007, available online at: <http://www.eurofound.europa.eu/publications/htmlfiles/ef0699.htm>
- Muffels, R., Chung, H., Fouarge, D., Klammer, U., Luijkx, R., Manzoni, A., Thiel, A. and Wilthagen, T., *Flexibility and security over the life course*, 2008, available online at: <http://www.eurofound.europa.eu/publications/htmlfiles/ef0762.htm>

The projects did not exactly follow on from each other, but focused on different aspects relevant for a life-course perspective. Accordingly, they used a range of methodological and conceptual approaches and exploited different available databases with cross-sectional and/or longitudinal panel data. They are briefly summarised below in chronological order.

The report on *A new organisation of time over working life* (Naegele et al, 2003) analyses time patterns and arrangements in a life-course perspective, examining their relation to people's preferences and to aspects of the quality of life. In a first stage, a secondary analysis of existing empirical studies and surveys, as well as official statistics, was carried out. The results of this analysis were used to develop the concept of the life-course perspective further and to sketch a useful overview and typology of changing life courses. In a second stage, the study focused on an in-depth analysis of the situation in individual countries, based on information provided by a network of experts. The report analyses the changing needs and preferences of employees and employers from a life-course perspective, and discusses how social security structures can be adapted to these changing requirements.

The second Eurofound report in this area – *Working time options over the life course: Changing social security structures* (Klammer et al, 2005) – concentrates on a comparative institutional analysis. It investigates trends and the existing situation in different western European welfare states, focusing on the availability of different time options in different phases of life and over the life course. It also considers the consequences for individual social security protection and for the financial sustainability of existing social security systems. The study reveals country-specific levels and combinations of regulation in terms of laws, collective agreements and company agreements, and hints at the policy implications of different welfare state and regulation regimes. This second report can in particular contribute to an understanding of the current institutional regulation concerning time options over the life course – including the interplay of different levels of regulation – as well as the dimension of social protection.

Unlike the first two reports, the third Eurofound life-course study, entitled *Working time options over the life course: New work patterns and company strategies* (Anxo et al, 2006) and originating from the same research project as that on changing social security structures, focuses on the analysis and interpretation of empirical data. Based on cross-sectional European Community Household Panel (ECHP) data for 2000 and other data, it presents evidence on developments over time and the current situation concerning working time patterns, income sources and preferences in different stages of life. By focusing on the household level, it takes into account the working time combinations of men and women over the family life cycle. This empirical analysis delivers useful micro-level information, in particular for the unit of private households, and links these results to the regulatory framework at macro-level, developing on the analysis of changing social security structures. In addition, this report delivers evidence at company level from a longitudinal perspective, depicting interesting approaches to life-course policy in selected companies in different western European countries.

The fourth Eurofound report on this topic – *First European Quality of Life Survey. Time use and work–life options over the life course* (Torres et al, 2007) – is based on data analysis, exploiting mainly cross-sectional data from the 2003 Eurobarometer 60.3 and Candidate Countries Eurobarometer. Of the 28 countries covered by the database, 25 European countries have been integrated into the analysis. The report first focuses on the influence of the societal context and institutional setting that might explain differences in life-course patterns. It then addresses the issues of time use, work–life options and preferences over the life course. It adopts some of the questions and methodology of the former reports, in particular the stylised life-course typology developed in the study on new work patterns and company strategies. The added value consists of the greater number of countries for which data are provided, including the new Member States (NMS) of the EU. Some policy recommendations are drawn in the conclusions.

The fifth Eurofound life-course report, *Flexibility and security over the life course* (Muffels et al, 2008), has a mixed focus, combining empirical data analysis with conceptual work on the relationship between working time flexibility and the life-course approach at company level. The report is different to the earlier reports because it provides longitudinal information, based on long-running panel and life history data for a small selection of countries as well as comparative panel data for a maximum of eight years for 15 European countries. The main focus is on assessing the short, medium and long-term career and life-course effects of non-standard employment such as working on flexible or temporary employment contracts or according to flexible working times, particularly part-time work. The study also examines the long-term career effects of interruptions in one's career, for example due to childbirth and childcare. This allows for estimating the long-term and life-course effects of employment in non-standard work forms. Particular attention is devoted to testing the relevance of the 'scarring thesis', according to which employment in non-standard contracts has a lasting adverse effect on the employment and wage career. The report also examines the role of policy regimes and specific institutions in explaining differences in labour market mobility patterns across countries. Such policies and institutions include: the strictness of employment protection regulation for workers in open-ended and temporary employment contracts, the availability of working time options within companies, the generosity of social security benefits and gender-related working time preferences. The report considers the meso-perspective of the company and addresses the question of how the different time horizon of companies and individual employees can be reconciled. Best practice examples of companies offering long-term options are discussed. The findings about the long-term career effects and the role of institutions and policy regimes are helpful when it comes to the formulation of policy conclusions, especially with a view to life-course oriented policy approaches. The results can also be exploited in relation to the question of which role the different actors – such as the state, social partners or companies – can play in a life-course approach.

Aims of the report

The main aim of the present study is to bring together and discuss a selection of interesting results from the life-course research funded by Eurofound. Due to the different perspectives of the five reports and varying methodological approaches, including a variety of data sources and reference years, the five studies cannot be expected to represent a coherent compendium of life-course research. Nevertheless, a number of issues are taken up in more than one report, which underlines their significance for the life-course perspective. For example, the discussion of the theoretical foundations of the life-course perspective, which is covered most extensively in the reports on a new organisation over working life (Naegele et al, 2003) and new work patterns and company strategies (Anxo et al, 2006), will be considered in Chapter 3 of this report before the present conceptual model is discussed.

By concentrating on the individual's life course (the micro level), the conceptual model reflects the fact that the five reports mainly focus on the perspective of the individual in different life stages and household contexts. Most of the empirical research of the different projects focused on labour market participation and the allocation of time across the various activities which people combine during the individual life course (Naegele et al, 2003; Anxo et al, 2006; Torres et al, 2007), differentiated by gender and household type. In addition, the reports deliver detailed information on the distribution of income over the life course, including the long-term effects of non-standard work (Muffels et al, 2008). Furthermore, they examine the issue of whether the actual patterns match people's preferences (Naegele et al, 2003; Anxo et al, 2006; Torres et al, 2007) as an indicator for the quality of work and life. Important findings of this micro-level analysis will be discussed in Chapter 4.

However, the life-course or longitudinal perspective does not only concern individuals. Perspectives of different social actors have to be considered. On the one hand, companies, social partners and the state – including the social security systems – have an important impact on the life-course patterns of individuals. On the other hand, these actors have their own interests in a longitudinal perspective and have to face specific challenges. Chapter 5 therefore deals with meso-level findings, with examples of good practice at company level drawn from the reports on new work patterns and company strategies, and flexibility and security over the life course.

Chapter 6 discusses the links between certain welfare state structures and typical patterns of male and female life courses and social protection. All of the reports underline the importance of the institutional setting, in particular the legal framework and the existing social security systems, for the actual life-course patterns in a certain country. One question raised in all of the reports is which social protection schemes and labour market regulations, that is, labour law and/or collective agreements, favour flexible life trajectories and integrative transitions over the life course. Another crucial question is how changing life courses influence or endanger the financial sustainability of different types of welfare state regimes (Klammer et al, 2005). This section also presents some interesting national policy initiatives adopting the idea of a life-course approach (Anxo et al, 2006; Muffels et al, 2008).

Chapter 7 presents and discusses a selection of policy findings from the five reports that could help to develop a coherent life-course approach, taking into account possible contributions of different actors, such as the state, social partners, companies and individuals, but also path dependencies that might require country-specific approaches. For more detailed information about the approaches and important findings of the five Eurofound reports, a synopsis can be found in the Annex of this report.

Theoretical background and conceptual model

As the Eurofound reports – in particular those on a new organisation over working life and on new work patterns and company strategies – make clear, a number of theoretical and empirical studies as well as political concepts which were elaborated before can be fruitful and can help to develop a coherent life-course concept for the current European debate.

The life-course literature is multi-disciplinary, encompassing fields such as sociology, economics, psychology, demography and biology. Despite their differences, these research streams have in common that they add an explicit temporal dimension to human behaviour and development (Anxo et al, 2006, p. 11). Early notions of the life cycle were influenced by the Darwinian theory of evolution and focused on the process of social reproduction; in psychology disciplines, attention was also paid to socialisation and psychological development (ibid, p. 13). In the 1960s and 1970s, neo-classical economists developed dynamic models to explain individuals' inter-temporal choices, for example between work and leisure time, bringing different tastes and preferences into focus. More recently, the rational choice framework has examined life-course-related aspects as inherited 'social capital', as well as accumulated social and individual wealth. Norms, traditions and institutions are key elements in understanding individual behaviour over the life course, as it is a person's 'habitus' – as both the French sociologist Pierre Bourdieu and British sociologist Anthony Giddens have pointed out.

Neo-classical economists have developed different assumptions about how the future affects current decisions through the way that agents discount the future. The question of how the past influences current decisions, on the contrary, was often neglected (ibid, p. 15). Social scientists such as Glen H. Elder and Karl Ulrich Mayer started considering the life course as a whole only in the 1990s, acknowledging the importance and consequences of earlier transitions for later decisions and events. As Mayer states, life phases cannot be examined in isolation from each other:

'The life course is (...) an endogenous connection of causalities. Later results, goals and expectations can be understood and explained only out of decisions, resources and experiences made in the previous life phase. Courses within single fields of life (occupation, family, education) cannot be understood and explained isolated from courses in other fields of life.'

(Mayer, 1990; see also Naeyele et al, 2003, p. 21)

Choices made earlier in life may either extend or reduce the scope for later options, decisions and behaviour. While it became clear that the present situation of individuals is not independent of past choices, transitions, opportunities and constraints, this has raised the scientific and policy question as to whether and how 'adverse' choices in earlier life stages can be avoided or at least corrected and managed later in life (Anxo et al, 2006, p. 16).

Another important aspect highlighted by the life-course literature has been the importance of a cohort analysis. Cohort analyses undertaken since the 1960s have shown that different historical periods and contexts influence individual life trajectories. Successive generations living in the same country might experience their life courses in very different historical settings, for example due to periods of economic recession or economic boom. This also refers to Easterlin's birth and fortune thesis (Easterlin, 1987), according to which people's fortune in later life is dependent on the timing of birth in historical time and the size of the birth cohort. The larger the birth cohort, the more competitors there are with whom the fruits of the economy have to be shared. In the view of Easterlin, people also compare their income and economic welfare with the welfare of previous birth cohorts and judge their position accordingly.

In economic public finance literature, the notion of 'generational accounting' gained ground in the late 1980s and 1990s. The notion hinges on the neo-classical life-cycle approach according to which people try to maintain a more or less equal level of economic welfare over their entire life cycle and, in order to do so, borrow and save money according to their

needs during the different stages in the life cycle. This model predicts that younger people borrow to develop their careers, that middle-aged people save to compensate for the expected income shortfall during older age, and that older people use their savings to maintain their desired average standard of living. In reality, the standard life-cycle model appeared incapable of predicting the actual behaviour of the different generations correctly. The generational accounting theory was therefore elaborated to implement the role of institutions in the life-cycle framework affecting the intergenerational (re)distribution of resources and the savings behaviour in response to that. The basic idea was that institutions and policies in many western countries were such that, across younger and older generations, there seems to be an imbalance between payments in the form of premiums and taxes and receipts in the form of income transfers, such as pensions, from the state over the entire life cycle. This theory also considers the role of public debts and argues that the larger public debts are, the more unequal is the distribution between current and future – not yet born – generations. This imbalance calls for appropriate policies to reverse the balance in favour of future generations. The economic life-cycle approach, however, has not been the leading framework for the analyses in the five Eurofound reports. It will therefore not be taken into account as much as the more sociological life-course theory to which the reports heavily refer.

A number of studies have pointed out how strongly life courses are determined by the age structuring and gendering of institutions, for example legal age limits, age structuring in the educational and social security system, and the availability of care facilities. These ways of normative age and gender structuring determine the perception of social roles of men and women over the life course in a certain society. The traditional age structuring – in particular the so-called ‘tripartition of the (male) life course’ into the phases of education, paid work and retirement – has become fluid, however. In particular, the Eurofound report on a new organisation over working life shows that phases of education and training, employment, care and retirement are increasingly combined and activities are more likely to take place simultaneously, for example work and care or training and work – rendering male life courses more ‘female’ (Naegele et al, 2003). Flexible forms of transitions into the labour market and from employment and retirement are gaining ground.³

Within the process of individualisation, it is important to acknowledge a transition from relatively standardised family forms, work organisation structures and working time patterns to more complex and diversified structures in both the domestic area and labour market sphere. Life courses – in particular those of women – have become more heterogeneous. The weakening of traditional institutions such as companies’ internal labour market⁴ and the ‘male breadwinner’ family have gradually changed the nature of the boundaries between working and social life, while also blurring the traditional Taylorist divide between the productive and private domestic spheres. Hence, during the last decades many industrialised countries have experienced clear trends towards an increased porosity between the domestic and productive realms, paralleled by trends towards rolling back the state and deregulation in public areas, thus creating some sort of intervention paradox. A growing share of traditional female household activities have been outsourced to the market or the public sector. Simultaneously, in an increasing but still limited proportion of companies, working time patterns have been adapted in order to attract and retain highly skilled women and to take into account the prevalent modifications in the gender division of labour. Conversely, the diffusion of new information and communication technologies (ICT) has also extended the realm of the company into the household sphere. In the same vein, the introduction of paid care or leave schemes, associated with employment guarantees, has implied a ‘commodification’ of traditionally female unpaid household activities. In effect, previously unpaid household activities have become a commodity, to be paid for in the labour market. Moreover, such paid leave has strengthened the link between the domestic and work spheres, since in this case contact with the workplace is no longer disrupted (Anxo et al, 2006, p. 2).

³ The so-called ‘transitional labour market approach’ (see for example Schmid and Gazier, 2002; Schmid 2006) has shifted the attention to new and old transition patterns and to the policy options which regulate these transitions. As Anxo and Erhel (2007) have shown, such an approach is therefore clearly linked to the life-course perspective.

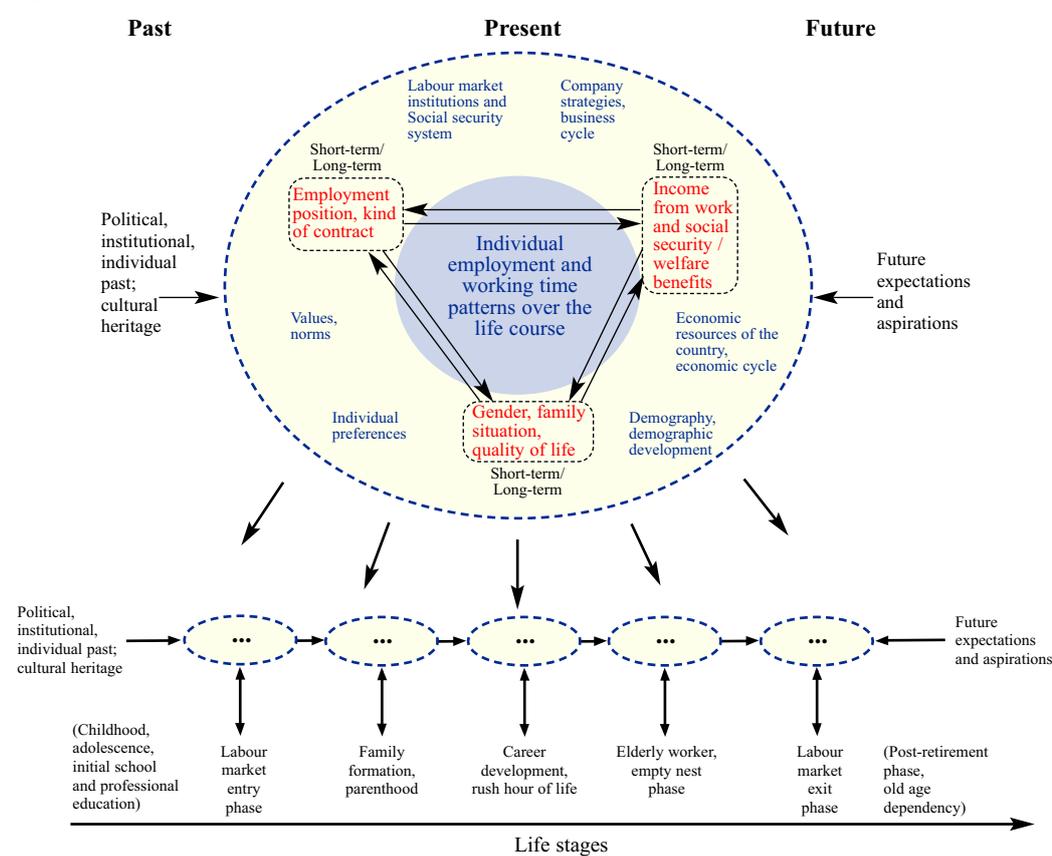
⁴ In particular, a company’s ability to secure employment over the life course.

To employ a life-course approach therefore means to acknowledge that life courses are both individually and socially constructed, and that they are subject to historical change (ibid, p. 11; Naeyele et al, 2003, p. 17). This is reflected in the following general orientation principles which Elder et al (2003, pp. 10–11; see also Naeyele et al, 2003, p. 17) call the ‘paradigmatic principles in life-course theory’.⁵

- The principle of lifelong development: Human development and ageing are lifelong processes in biological, psychological and social terms.
- The principle of human agency: Individuals construct their own life course through their choices and actions, thereby using the available historical and social options.
- The principles of time and place: Each individual life course is embedded in and shaped by the historical time of the person’s life and the place where they live, in other words, the structure.
- The principle of timing: The developments leading to certain transitions in life, and the consequences of these transitions, depend on the timing or position in the person’s life course.
- The principle of linked lives: People do not live in isolation and their network of relationships influences their life course.

Taking these findings and principles of life-course research into consideration, this report focuses on a limited number of aspects concerning the life-course perspective when exploiting the findings of the five Eurofound reports in this area. Figure 1 presents the conceptual model which shows the selection of issues and their assumed interdependencies to be discussed in this report.

Figure 1: *Conceptual model of life-course research*



⁵ For more theoretical assumptions of today’s life-course research, see the contributions in Mortimer and Shanahan (2003).

The aim of the conceptual model presented in Figure 1 is to provide a framework for analysing individual employment patterns in different life stages and hence to render a tool for bringing together the various findings of Eurofound research on the subject. The nucleus of the model is formed by individual employment and working time patterns over the life course. These patterns are the result of decisions in the domains of family, income and work, represented by the triangle figure. The triangle connects the three ‘decision’ boxes indicating the various decision contexts: family, income and work. The implicitly made choice to focus on the individual and hence the micro level is motivated by the fact that four of the five Eurofound reports (Naegele et al, 2003; Anxo et al, 2006; Torres et al, 2007; Muffels et al, 2008) also focus in particular on the individual level. Most of the findings are therefore formulated at this level; however, since all of the reports performed comparative analyses using various data sources, the micro-level findings are always presented with a view to the underlying macro-level context. As a result, the model presented is multi-level because it not only involves ‘agency’ (decisions) but also ‘institutions’ (welfare state institutions, social norms and values) and ‘structure’ (socioeconomic context, demography) operating at individual, company, country and European level.

It is well known that labour market and working time decisions are highly gender biased and depend on the family situation in the respective life stage, for example the presence of children and frail elderly people in the household. Nevertheless, as this report will illustrate, country-specific and cohort-specific differences are notable. This study will consider different employment positions, for instance employment, unemployment and economic inactivity, as well as the type of employment contract, such as fixed-term or open-ended. It will also examine, in a long-term perspective, the trends and transitions, for example, upward or downward mobility in the labour market. Another focus will be on the income of persons with different employment and working time patterns, referring to both income from work and social protection, that is, welfare state benefits. The assumption is that working time decisions are not only influenced by gender and family situation, but also by the position in the labour market and the type of employment contract, as well as by the achievable income and social security benefits – and vice versa. The arrows indicate that the three constituent elements of employment, income and family situation are in a two-way relationship to each other. Together they form an ‘employment – income – family’ triangle or connection, which is at the heart of this research model.

Individual employment and working time patterns – whether voluntarily chosen by the individual or imposed – are always embedded in and influenced by a number of context factors. First, the existing labour market institutions and social security system, or welfare state regime, set the frame for life-course patterns. Welfare state regulations and benefits influence citizens’ labour market participation and income over the life course, for example by existing parental leave regulation, the provision of childcare or cash benefits for families, unemployed persons or pensioners. However, changing work biographies and family life courses, such as an increase in flexible jobs or unemployment, rising divorce rates and poverty risks, can endanger the financial sustainability of existing social security systems. One question is how welfare states can provide a suitable mix of flexibility and security to promote both citizens’ and companies’ long-term development. Companies’ interests and their short and long-term strategies can support or hinder workers’ development – this interaction between workers’ life cycles and companies’ business cycles still needs closer investigation.

In this context, the ‘varieties of capitalism’ (VoC) approach stands out as a relevant framework to discuss the cross-country findings in the various reports, not least because it focuses more than the welfare regime approach on what happens at company level. The VoC approach is concerned with four major institutions: corporate governance, industrial relations – for example, employment protection regulation and wage bargaining – skills formation and inter-company relationships. Since these institutions are defined at national level, the VoC approach has analysed national models of regulation (Albert, 1991; Soskice and Hall, 2001). The focus has been on the modes of coordination, in other words, the degree to which the market mediates or whether the institutions take up the coordination responsibilities, for instance with respect to wage setting. Albert speaks of the Rhineland model of capitalism as distinct from the ‘Beveridgian’ or Anglo-Saxon models; the former represents a regulated market economy, while the latter models are more ‘liberal’ and include systems of social protection funded by taxes with entitlement based on citizenship or residence status rather than

insurance contributions. Likewise, Soskice and Hall distinguish between unregulated or liberal market economies (LME) and regulated or coordinated market economies (CME). With a view to wage setting and skills formation, these two models are in sharp contrast. CME focuses on developing specific skills at industry or company level, coordinated wage bargaining and strong employee representation, whereas LME are characterised by low investment in training and skills formation, investment in general skills more than specific skills, and flexible wages, reflecting more closely individual productivity, general education and work experience (Soskice, 2005).

The variety of labour market options and patterns also depends on the economic situation in the country, demographic development and other factors. Finally, individual choices and decisions in certain life stages are influenced by common values and norms of a society, as well as by individual preferences.

The study's heuristic model also presumes that the contextual factors which might influence a person's present labour market decision are determined by the past. Previous institutional development and cultural heritage have shaped the present institutional framework, as well as societal values and norms. In this respect, 'path dependency' is likely to play an important role. At the same time, future expectations and aspirations, for example the level of expected pensions, can have an influence on a person's present labour market decision.

The life-course decisions within the triangle will depend on which stage individuals and households find themselves in their life course. The bold line at the bottom of the figure depicts the various stages of the life course from childhood and adolescence until retirement, followed by the post-retirement and possibly dependency phase. The model applies to all life stages but the type of labour market and working time patterns will likely differ at different life stages. Flexible and temporary jobs are most widespread among persons in the early stages of adulthood – in the labour market entry phase – while part-time work decisions are taken mostly in the 'rush hour' phase of life, when many work and family demands tend to be made on people's time. Early or partial retirement decisions are characteristic of elderly workers in the active ageing or labour market exit phase.

Long-term effects of earlier labour market decisions are even more interesting for the life-course analysis of this report. Working time changes, for example, affect the employment position and hence the wage and income status of the person and household concerned both in the short term and also in the long term over the career. Therefore, the labour market, working time and income patterns characterising the situation of a person in a certain life stage, such as the empty nest or pre-retirement phase, are partly determined by decisions taken in earlier life phases. By following persons along the life stages – using longitudinal data, as done in the Eurofound report on flexibility and security over the life course (Muffels et al, 2008) – it is possible to see the longer-term effects of certain employment contracts; for instance, the impact of fixed-term contracts or working time decisions such as taking up part-time work on the future career and income development.

Although all life stages can be assumed to have a certain influence on other phases in life, this study concentrates on the period of working life from the first labour market entry of a young worker until the transition into retirement. It only partly considers the impact of the time before and after working life, for example the educational system or pension system.

None of the five reports covers all aspects of the model or all life stages, but each report gives an interesting insight into some of the dimensions and relationships.

Empirical findings and challenges for different actors

While a general framework for the life-course perspective can be set at national level, for example by adjusting legal arrangements, other actors also play a decisive role when it comes to the implementation of the life-course perspective. The social partners can add to the legal framework with regulations in collective agreements. The company level in particular determines issues that are decisive for the life-course perspective of workers, such as working time arrangements and training options. Special working time arrangements are essential to workers in balancing their work and private activities and responsibilities. They are also fundamental for companies to adapt swiftly to changing market demands and manage production capacity. The question to be discussed is whether the kind of flexibility and security needed by different actors is contradictory or complementary.

The five Eurofound reports thus deal with the needs, options and strategies of the different players, trying to assess how the different actors' perspectives could be integrated into a coherent life-course approach. The following three chapters will present some crucial findings and discuss important challenges for the various actors at individual, company and state level.

Certain assumptions can be made about employees' interests and needs over the life course as far as labour market participation and working time are concerned. Life courses have changed. The standard three-fold division into the phases of education, paid work and retirement has developed into much more diverse patterns (see Chapter 3 and Naegele et al, 2003). The timing of the different life phases and of the transitions is less clear. Moreover, they are often no longer sequential phases, but occur simultaneously, for instance when paid work is combined with training or when somebody continues to work in retirement age. Due to prolonged education and later entry into the labour market, it is possible to identify an intensified 'rush hour of life' through the concurrence of family formation and starting work. However, this rush hour of life only affects parts of the younger cohorts due to a considerable decrease in fertility rates and increase in childlessness in almost all western industrialised countries. The need to care for elderly people, on the other hand, is increasing due to the ageing population in western European societies. As a result, a growing number of people of working age have to take over responsibilities in the field of eldercare. This leads to individually shifting time needs over the life course.

More specifically, the individual's life course consists of several 'life courses' that have to be coordinated: the biological life course, the family life course, the professional life course and the employee's life course in a specific company or specific job. All of these different life-course dimensions are affected by changes (Table 1). The various life courses of a person coexist and are interwoven, but their weight can differ at different phases of life. When the different spheres cannot be matched and the burden becomes too great, people often tend to reduce their engagement in one of the affected areas of life or they opt for radical changes (Graf, 2001). This can become a problem for companies and therefore requires a long-term approach in human resource management (HRM).

Working time arrangements and income profiles over the life course depend on factors such as the institutional and regulatory framework, existing social protection systems and policies, companies' strategies and individual preferences, which are influenced by social norms. It can be assumed that different employees have different time needs and working time preferences according to their personal situation at a given point in time. Thus, in many cases, the working time preferences are not stable over one's working life but might change alongside people's changing private context, age, financial means and individual choices.

Table 1: *Societal changes affecting different 'life courses' of the individual*

Life course	Dominant changes
Biological life course	Increasing life expectancy Changing health risks and opportunities
Family life course	Changes in marriage and divorce behaviour Decreasing fertility rates Changing family and household forms
Professional life course	Changing values concerning paid work 'Compression' of working life, due to longer education and earlier retirement New forms of work Increase in transitions, discontinuous work biographies Increasing importance of lifelong learning
Life course in company	Flattening of company hierarchies Changes in career orientation Shift towards more responsibility for the employee ('entremployee') Changing age structures, ageing of the workforce
Life course in job	Changes in working conditions Changes in required qualifications

Source: *Research for Muffels et al, adapted from Graf, 2001, p. 26*

Labour market participation and working time

As already stated, the classic male ‘three-box’ life course of education, work and retirement is no longer standard in many EU countries. The Eurofound report on a new organisation over working life identifies three clusters of time arrangements from a life-course perspective (Naeyele et al, 2003, pp. 41–3):

- traditional standardised life-course biographies;
- combination biographies – these intermediate patterns have become dominant in western industrial societies, although differences between men and women are still notable;
- ‘developed combination’ or ‘choice’ biographies, which are only partly related to particular phases of the life course.

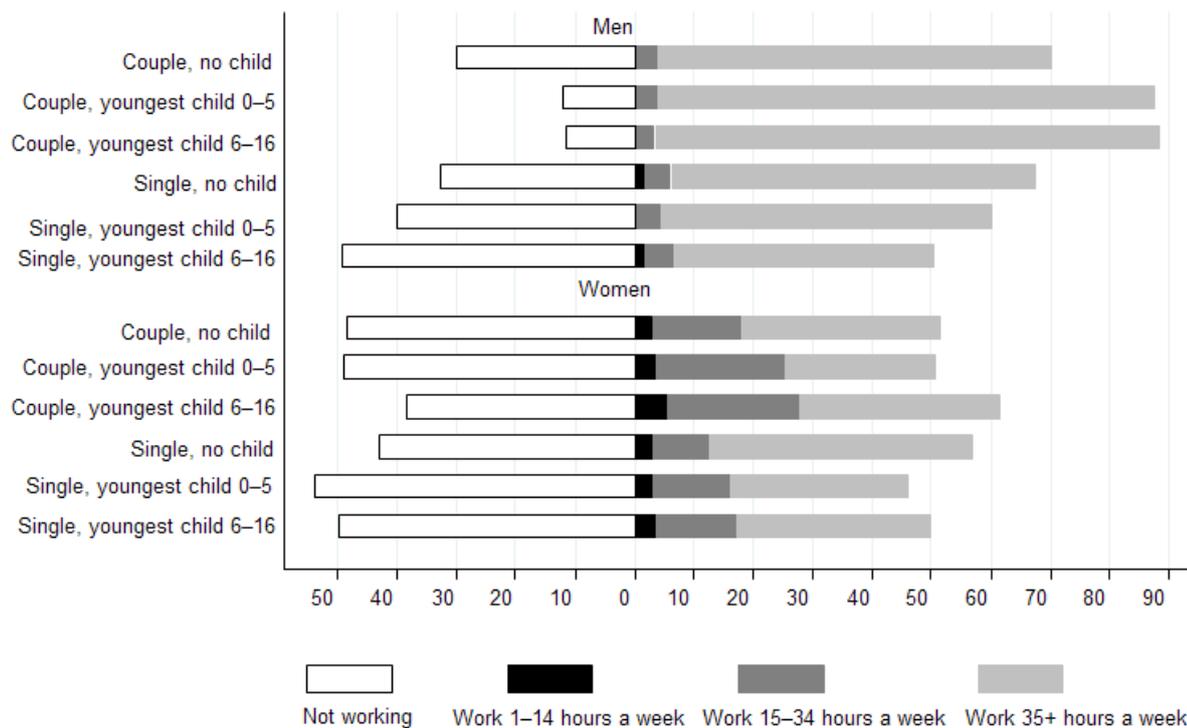
Younger birth cohorts of men have more intermittent spells of unemployment and part-time work than their older counterparts, in addition to more frequent job changes (Muffels et al, 2008, pp. 40–1). Moreover, these young male groups are more involved in household formation. The flexibility allowed by labour law, such as the strictness of employment protection legislation, is not always a good indicator concerning the frequency of changes. In spite of a more flexible labour market, workers do not experience more labour market changes in the United Kingdom (UK) than in the Netherlands, for instance (ibid, p. 41).

The impact of the household context and of changing gender roles often seem neglected in research on working time patterns. Labour supply and working time preferences, particularly those of women, depend to a high degree on the changing household context and role models. A clear trend emerges towards an ‘adult worker model’ in western European welfare states (Leitner et al, 2004): adults of both sexes are increasingly expected to earn their own money in the labour market. With the growing proportion of dual-earner families, however, new time arrangements and new options to plan one’s time are needed to cover care work and to achieve a work–life balance. These needs for individual solutions are additionally enforced by the growing responsibility that workers have to maintain their own employability.

Looking at working time patterns in the different EU Member States, the level of labour market integration and the number of working hours of men and women in different stages of the family life cycle still differ considerably. Differences in working time patterns between the various life phases are more visible among women than among men.

The Eurofound report on flexibility and security over the life course (Muffels et al, 2008) explores the labour market status of women and men, based on a study of 15 European countries, including 14 of the 15 EU Member States before enlargement in 2004 – Sweden was excluded for statistical reasons – and Hungary. Figure 2 draws on that research and gives further evidence of the labour market participation of men and women at different stages of the life course.

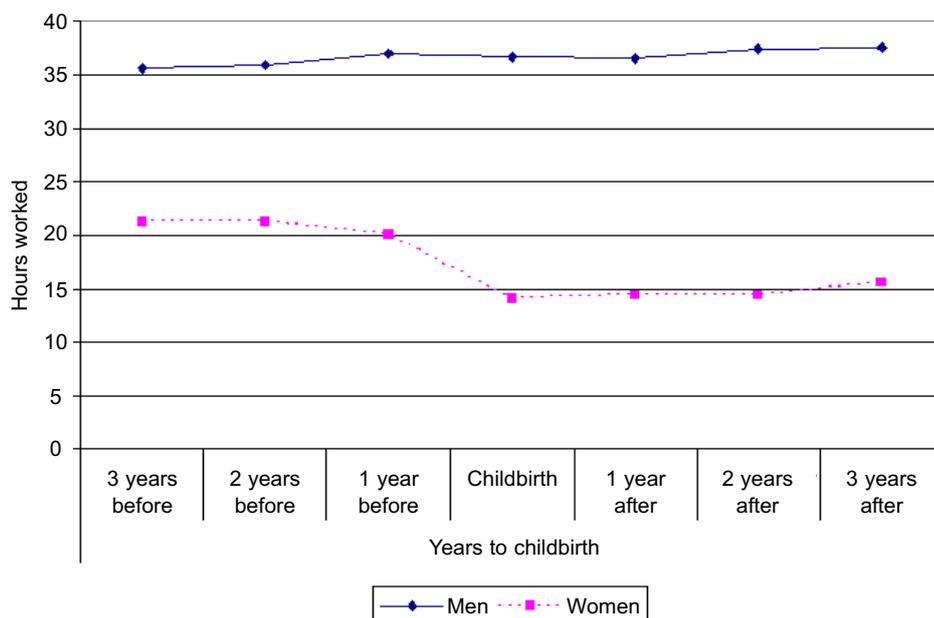
Figure 2: Labour market status and life-course phase, by sex, 18–64 age group, 2001 (%)



Source: Based on ECHP data for 14 countries (Eurostat), plus Hungarian panel data, Hungarian Household Survey (HHS) (Tárki), 2001

Figure 2 clearly indicates that the gender gap in terms of working hours exists during all life phases but particularly for families with young children: women with children reduce their labour market participation in order to take up care duties, while men tend to work even more when children arrive in the household. Figure 3 shows this effect of childbirth on the labour supply of mothers and fathers, using panel data from the same 15 European countries. Whereas childbirth has no major effect on the labour supply of fathers, the average decrease in the labour supply of mothers amounts to five hours a week. An anticipation effect may be noted, with women already reducing their labour supply as childbirth approaches, as well as a small recovery effect, with a modest increase in labour supply three years after childbirth.

Figure 3: Average working hours before and after childbirth, by sex, 18–45 age group (hours)



Source: Based on ECHP data (1994–2001) for 14 countries (Eurostat), plus Hungarian panel data, HHS 1992–1997 (TÁRKI)

The gender gap in working hours after childbirth is relatively low in the Nordic country of Sweden and also diminishes relatively quickly in the Anglo-Saxon welfare state of the UK. However, gender differences over the life course are considerable in countries like Continental-type Germany and Southern-type Spain (see Anxo et al, 2006).

While all five Eurofound reports on the life course refer to common welfare state typologies when grouping countries, they do not always use the same terminology. If not otherwise stated and differentiated, this report will usually refer to: the ‘Nordic’ welfare regime when referring to Denmark, Finland, Sweden and the European Free Trade Association (EFTA) country Norway; the ‘Southern’ welfare states when referring to Greece, Italy, Portugal and Spain; the ‘Anglo-Saxon’ welfare states of Ireland and the UK; and the ‘Continental’ welfare states, covering Austria, Belgium, France, Germany and Luxembourg. In comparative welfare state research, it has been noted that the Netherlands in some respects shows similarities to the Nordic type of countries, but in other respects to the Continental type. Whether the NMS that joined the EU in 2004 and 2007 represent a separate type or several new types of welfare regimes is still being debated. As the life-course analysis underlines, however, none of the country groups constitutes a completely homogeneous cluster, and different aspects lead to different clusters.

The Eurofound report on time use and work–life options over the life course (Torres et al, 2007, pp. 30–5) confirms the differences in the time use of men and women along the life course, focusing on the labour market entry phase, the rush hour of life and the late phase of working life. The research identifies the following country patterns of female labour market participation over the life course:

- a continuous model (Denmark, Latvia, Portugal, Slovenia, Sweden) and a moderately continuous model (Belgium, France);
- a traditional model (West Germany, Ireland, the Netherlands) and a moderately traditional model (Greece, Italy, Poland, Spain);
- a transitional model (Bulgaria, the Czech Republic, Estonia, Finland, Lithuania, Slovakia) and a moderately transitional model (Austria, East Germany, Hungary, Romania, the UK).

The patterns are influenced by the existing institutional framework and prevailing role models in certain groups of countries: Nordic, Continental, Anglo-Saxon, Southern and NMS. However, old and new Member States partly mix when it comes to life-course employment patterns. In Austria, France, Germany, Hungary and the UK, mothers are more likely to withdraw from paid work due to childbirth than in other EU Member States. Policies providing more institutional support for working mothers, in particular childcare facilities, clearly lead to a smaller reduction of working hours around childbirth (Muffels et al, 2008, pp. 27–9). In the UK, the labour market participation rate of women drops more sharply after the birth of the first child than in Germany and the Netherlands, but it recovers faster: obviously women return more quickly to the labour market in the ‘liberal’ British welfare state than in more ‘conservative’ Continental countries where cash benefits are higher or paid for a longer time (ibid, p. 35). The data confirm the analysis of Daly and Klammer (2005), who have shown that the continuity and level of mothers’ labour market participation in European countries depend on both demand factors – such as the availability of part-time, public sector and services sector employment – and supply factors – such as the provision of childcare facilities, cash benefits, taxation policy and the treatment of spousal earnings, as well as cultural factors and attitudes.

In terms of the total workload, parents in eastern and southern Europe tend to have a higher workload compared with their counterparts in western and northern Europe. In general, women work shorter paid working hours than men in any life phase and in any group of countries (Table 2).

Table 2: Average weekly working hours* in paid work, by sex, life phase and country, 2003

	Average weekly working hours (paid work)			
	Young (up to 35 years), childless	Couple with pre-school-age child	Couple with school-age child	Older persons (51–65 years), no children in household
Women				
Nordic countries	18	24	32	21
Continental countries	23	16	21	15
Anglo-Saxon countries	22	12	18	13
Southern countries	21	19	22	13
NMS	20	20	32	17
Men				
Nordic countries	23	39	40	23
Continental countries	29	40	40	21
Anglo-Saxon countries	30	(no data)	(no data)	23
Southern countries	27	45	46	23
NMS	25	40	43	23

Note: * Inactive persons included and coded as 0 hours.

Source: Torres et al, 2007, pp. 28, 37

The data from the Eurofound report on time use and work–life options over the life course confirm again that gender-specific differences are largest when small children are in the household, with an average gender gap of more than 20 hours a week in the Continental and Southern countries, and also in the NMS (Torres et al, 2007). In the Nordic countries, differences between the average working times of young mothers and fathers are somewhat lower, corresponding to 15 hours a week. Women at later life stages tend to work fewer hours than mothers in the rush hour of life, whereas childless women in early life stages tend to work more.⁶ Among men, childless persons in early stages and

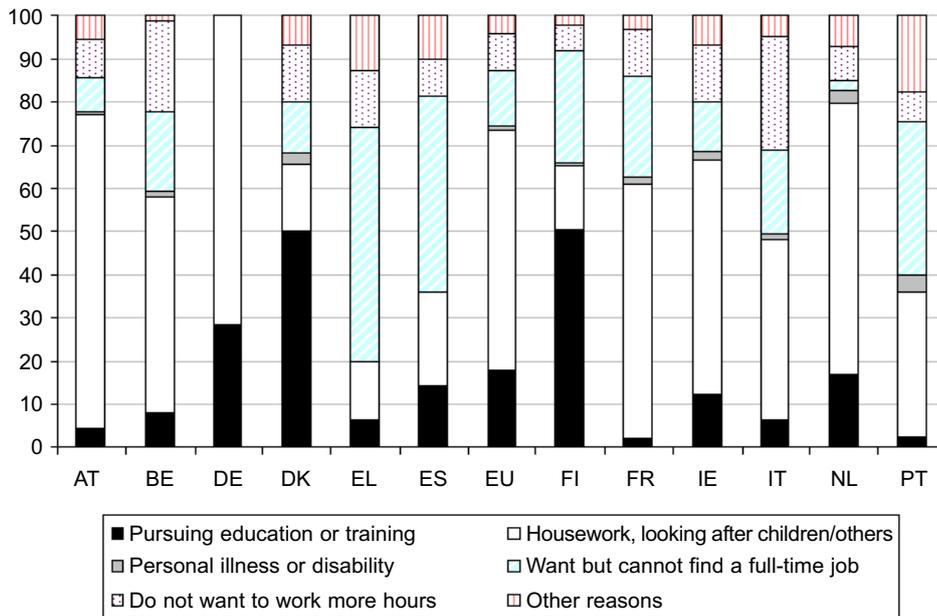
⁵ With the exception of the Nordic countries. As the authors of Report No. 4 state, this finding can probably be explained by the high number of students from the Nordic states who already have their own household, but are not or only partly active in the labour market.

also persons in later stages work fewer hours than fathers in the rush hour of life, with the Southern countries and the NMS showing the biggest differences between men’s life stages. It has to be mentioned, however, that the data from the report on time use and work–life options over the life course are cross-sectional and not real life-course data (ibid). This means that differences between life stages can also reflect cohort effects, for example with the younger cohorts of women being more labour-market oriented than their mothers, or older workers still making use of pre-retirement schemes that will be unavailable for later groups. In fact, cohort effects are clearly visible, as the Eurofound report on flexibility and security over the life course shows: younger birth cohorts tend to withdraw less from the labour market and recover faster from the initial drop in participation after childbirth. In many countries, part-time work has replaced work interruptions (Muffels et al, 2008).

The fact that women work shorter hours does not mean that their job matters less for them. The data reveal that, despite their more discontinuous working biographies, women value paid work as much as men do (Torres et al, 2007, p. 68).

In most EU Member States, household activities or caring obligations in the household are the main reasons why women work part time (Figure 4). This situation is different in Denmark and Finland, where women often work part time because they undergo education or training. In the Southern countries, female part-time workers also report they cannot find a full-time job.

Figure 4: Reasons for working part time, women, 18–64 age group, 2001 (%)



Source: Research for Muffels et al, 2008, based on ECHP data 1994–2001 (Eurostat)

The main reason why men work part time in many European countries – such as Austria, Belgium, Denmark, Finland, Germany, Ireland and the Netherlands – is because they are undertaking education or training. In the Southern countries, as well as in Belgium and France, a significant proportion of men who are working part time report doing so because they are unable to find a full-time job; caring obligations are not the main reason why men work part time in any Member State.

The Eurofound report on flexibility and security over the life course reveals that the long-term effects or ‘scarring effects’ of part-time work and childbirth are considerable, with rather large differences between countries (Muffels et al, 2008). Part-time workers have a lower probability of working full time later in their career, although this effect

diminishes over time. As Table 3 shows, among women with small part-time jobs, only 8% work in a full-time job (35 hours or more) after a year, and 17% do so after five years. The longer people work part time, the lower the probability that they will return to full-time work. After 10 years, the likelihood of a transition from part-time work to full-time work is lower in the Netherlands than in Germany or the UK (ibid, p. 30).

Table 3: Transition rates of part-time workers between t and $t+1$, $t+3$ and $t+5$, 18–64 age group, by sex (%)

Women					
	Status in $t+1$				
	Does not work	Work 1–14 hours a week	Work 15–34 hours a week	Work 35+ hours a week	Total
<i>Status in t</i>					
1–14 hours	26	47	19	8	100
15–34 hours	13	4	69	14	100
	Status in $t+3$				
	Does not work	Work 1–14 hours a week	Work 15–34 hours a week	Work 35+ hours a week	Total
<i>Status in t</i>					
1–14 hours	30	32	23	14	100
15–34 hours	20	4	57	19	100
	Status in $t+5$				
	Does not work	Work 1–14 hours a week	Work 15–34 hours a week	Work 35+ hours a week	Total
<i>Status in t</i>					
1–14 hours	32	24	27	17	100
15–34 hours	24	4	49	22	100
Men					
	Status in $t+1$				
	Does not work	Work 1–14 hours a week	Work 15–34 hours a week	Work 35+ hours a week	Total
<i>Status in t</i>					
1–14 hours	34	28	12	26	100
15–34 hours	17	3	47	34	100
	Status in $t+3$				
	Does not work	Work 1–14 hours a week	Work 15–34 hours a week	Work 35+ hours a week	Total
<i>Status in t</i>					
1–14 hours	28	14	13	45	100
15–34 hours	21	2	33	44	100
	Status in $t+5$				
	Does not work	Work 1–14 hours a week	Work 15–34 hours a week	Work 35+ hours a week	Total
<i>Status in t</i>					
1–14 hours	27	6	11	56	100
15–34 hours	23	1	27	49	100

Notes: The data indicate the transition rates from part-time work, between the first observation (t) and one year later ($t+1$), three years later ($t+3$), and five years later ($t+5$). Some of the data in the tables may add up to slightly more or less than 100%, due to rounding of figures. Source: Muffels et al, 2008, pp. 26–7, based on ECHP, 1994–2001 (Eurostat); HHS 1992–1997 (TÁRKI)

Some 47% of men and 45% of women believe that part-time work is bad for one's career; a similar proportion argue that working part time means having to do more in less time; considerable differences regarding these opinions arise between countries (Torres et al, 2007, pp. 69–70). Despite this widespread awareness of the negative effects of part-time work, the long-term effects of part-time work are often underestimated when such work is praised as a solution for parents – mainly mothers – to reconcile work and care. Long-term effects include poorer wage prospects and the negative impact on pension claims, particularly in those countries that calculate pensions according to the individual's lifetime income from work.

Flexible employment contracts

A long-term perspective sheds different light on atypical employment situations such as fixed-term, on-call or part-time work. The question is whether these jobs serve as a door-opener or springboard during the initial phase of labour market participation or in transition phases – or whether they turn out to be traps and dead-end roads which prevent positive career development (see also Muffels et al, 2008).

In fact, slightly more than every second worker in a flexible job (55%) has managed to move into a permanent job five years later – which also means that almost half of all workers in flexible jobs have not managed this transition (Table 4). Some 18% of workers still have a flexible job after five years, 5% are self-employed, almost 9% are unemployed and 13% are economically inactive. Once in a permanent job, the chances of maintaining that status are good – only 4% of all workers with a permanent job moved into a flexible job during the same five-year period in the 14 countries surveyed.

Table 4: Transition rates in employment status between t and $t+1$, $t+3$ and $t+5$, 15–64 age group (%)

Status $t+1$						
$t=0$	Permanent job	Flexible contract	Self-employed	Unemployed	Economically Inactive	Total
Permanent job	90.35	3.11	0.98	1.96	3.61	100.00
Flexible contract	30.17	46.88	2.35	11.10	9.50	100.00
Status $t+3$						
$t=0$	Permanent job	Flexible contract	Self-employed	Unemployed	Economically Inactive	Total
Permanent job	83.59	3.60	1.97	2.87	7.96	100.00
Flexible contract	48.62	26.58	3.60	9.80	11.39	100.00
Status $t+5$						
$t=0$	Permanent job	Flexible contract	Self-employed	Unemployed	Economically Inactive	Total
Permanent job	78.40	4.20	2.74	3.03	11.64	100.00
Flexible contract	54.50	18.43	5.35	8.75	12.97	100.00

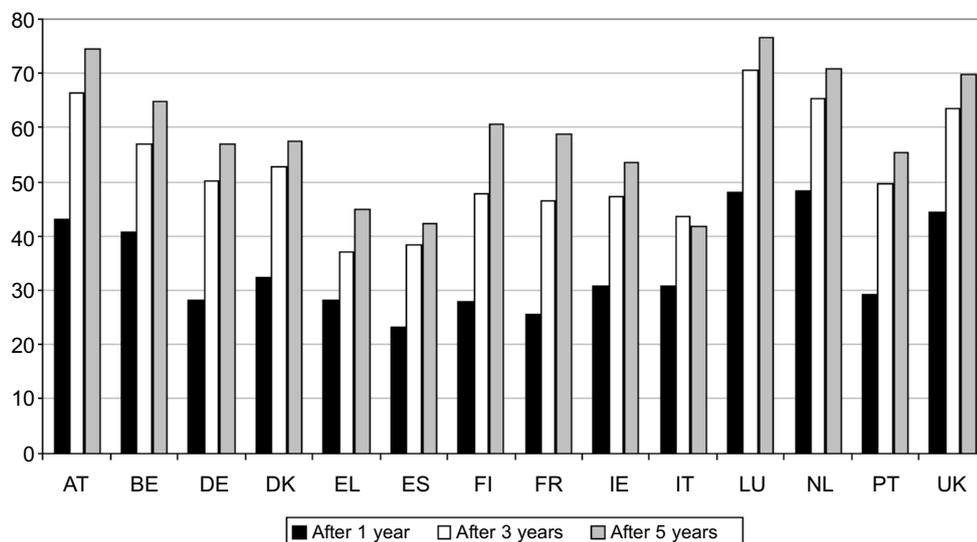
Note: The data indicate the transition rates in employment status, between the first observation (t) and one year later ($t+1$), three years later ($t+3$), and five years later ($t+5$).

Source: Research for Muffels et al, 2008, based on Eurostat, ECHP panel data 1995–2001 for Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain and the UK

The research for the report on flexibility and security over the life course explored in some detail the likelihood of moving from a flexible employment contract to another form of employment status (Figure 6 in Muffels et al, 2008, p. 23). Looking at the results by country, the chance of moving from a flexible employment contract into a permanent job is highest in Austria, Luxembourg, the Netherlands and the UK (Figure 5). The chances increase over time in all welfare state regimes although the increase is strongest in the first three years. After 10 years, about 80% of male workers on flexible employment contracts in Germany, the Netherlands and the UK have moved into a permanent job; these were the three countries analysed in the flexibility and security over the life course report over a longer period with longitudinal data. The results indicate that the scarring effects on the employment career diminish strongly over time

although they never fully disappear. Women seem to be in a worse position: they have much lower transition rates into permanent employment.

Figure 5: *Moving from flexible employment contract to permanent job, by time and country*



Note: The data indicate the transition rates from a flexible employment contract to a permanent job, between the first observation and one year later, three years later and five years later. Data are weighted and adjusted for sample and population size differences across countries. Source: Research for Muffels et al, 2008, based on Eurostat, ECHP panel data 1995–2001 and data from the British Household Panel Survey (BHPS)

In general, the likelihood of moving into a permanent job is much higher for workers on a flexible employment contract than for unemployed people. Nevertheless, the chance of moving into a permanent job from a situation of unemployment is relatively high in Luxembourg and the UK, and also in Denmark and Ireland, but much lower in Austria and the Netherlands.

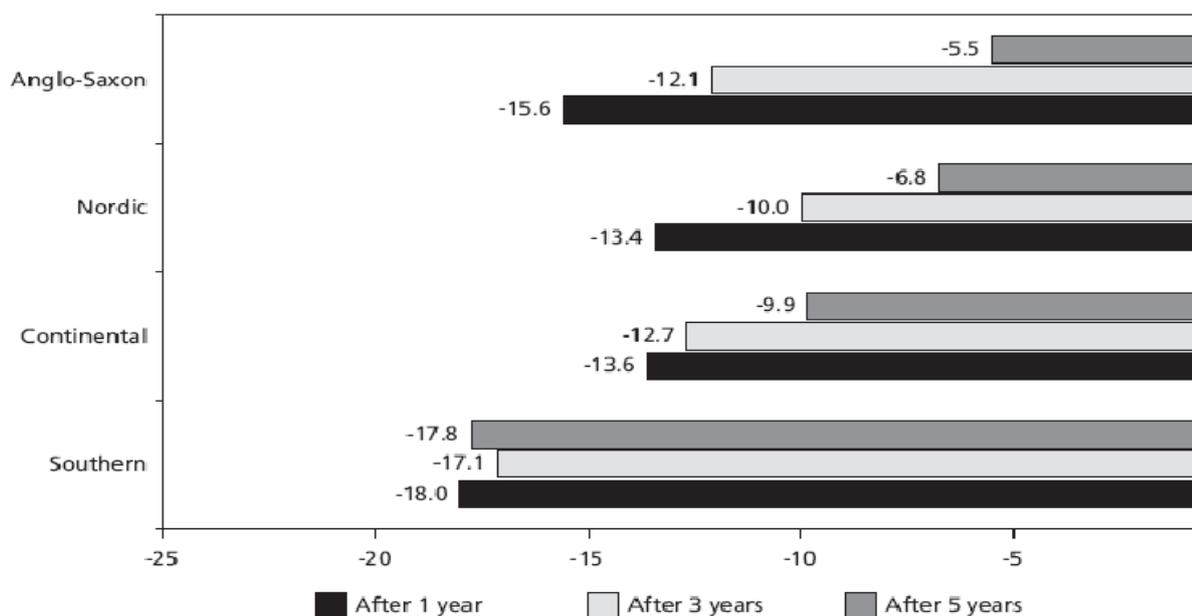
The analysis of longitudinal data in the flexibility and security over the life course report leads to the overall conclusion that the majority of flexible employment contracts are not dead-end roads (Muffels et al, 2008). However, country-specific differences are obvious; scarring effects for workers with flexible employment contracts are smaller and diminish faster in Anglo-Saxon regimes than in Continental and Southern regimes.

Whether flexible employment contracts are regarded as an opportunity or an impediment for the career therefore depends to a considerable extent on the employment status with which they are compared. While the data show that workers on flexible employment contracts have fewer chances of improving their employment situation than workers on permanent contracts, their future labour market chances are better than those of unemployed people (ibid, pp. 22–4).

In a long-term perspective, atypical work biographies are penalised to a lesser extent in social protection systems based on universal or flat-rate entitlements than in earnings-related systems based on detailed work history criteria: flat-rate entitlements guarantee at least a minimum protection for people with precarious careers and employment gaps. Where the pension level depends on the person's complete work history reflecting the duration and level of contributions – as in the 'Bismarckian' insurance-based systems in France, Germany or Italy – atypical work and discontinuous work biographies entail a particular risk of accumulating insufficient pension claims. Low wages lead to increasing poverty risks. In spite of the chances for upward mobility in some countries, workers on flexible employment contracts are usually confronted with wage penalties compared with workers on permanent contracts. By regime type, Muffels et al

(2008) observe that the Southern countries have the largest wage penalties for workers on a flexible employment contract (Figure 6).

Figure 6: Wage penalties for workers on flexible employment contracts compared with wages of permanent workers, by time and regime type (%)



Notes: The wage difference was initially set at 0 and then compared after 1 year, 3 years and 5 years. Finland and Luxembourg are not included due to low numbers of observations, particularly after five years.

Source: Muffels et al, 2008, p. 23, based on Eurostat, ECHP, 1995–2001

Wage penalties diminish over time but much more so in the Anglo-Saxon regimes than in the Southern regimes, or in the Nordic and Continental regimes, where they seem to persist in the longer run after initially dropping in the first year. Workers with a flexible employment contract in Anglo-Saxon regimes seem to have more opportunities to catch up and recover from the initial wage drop, signalling a more efficiently operating labour market. The results for the Southern countries indicate the strongly regulated and segmented labour markets in these regimes. Using information over a longer time frame (eight to 10 years) for three countries – western Germany, the Netherlands and the UK – Muffels et al (2008) reveal that the wage penalty was 4.2% in western Germany and 7.7% in the UK after 10 years, and was 9.6% in the Netherlands after eight years.

However, these wage figures might overstate the pay gaps in comparison with permanent workers because no account is taken of so-called composition effects due to the different characteristics of the various groups. The research conducted by Muffels et al (2008) went on to control for differences in educational level, age, household type, sex, occupational level and economic sector in a multinomial model. It found only slightly different evidence from the descriptive results confirming that Anglo-Saxon regimes and particularly Continental regimes have larger wage penalties for workers on flexible employment contracts one year later than the Nordic regimes of Denmark and the Netherlands, which constituted the reference group. Compared with the wage penalty in the Continental countries, the Southern countries – after correction for compositional differences – have a 4.2% lower wage penalty in the first year, whereas in Nordic countries it is 7.1% lower and in Anglo-Saxon countries even 10.1% lower. This result suggests that in the Southern countries, due to the dissimilar composition by age, skills level and human capital, workers with flexible employment contracts are in a more disadvantaged position than permanent workers in terms of wage levels than is the case in the other regimes. This seems to indicate that a flexible employment contract in the Nordic countries is more

similar to a standard employment contract than is the situation in the Southern countries where more workers with lower skills and lower resources are employed in these non-standard jobs. The report on flexibility and security over the life course also shows that, over time, the wage penalties tend to become smaller – although not in Ireland, Italy and the UK (ibid).

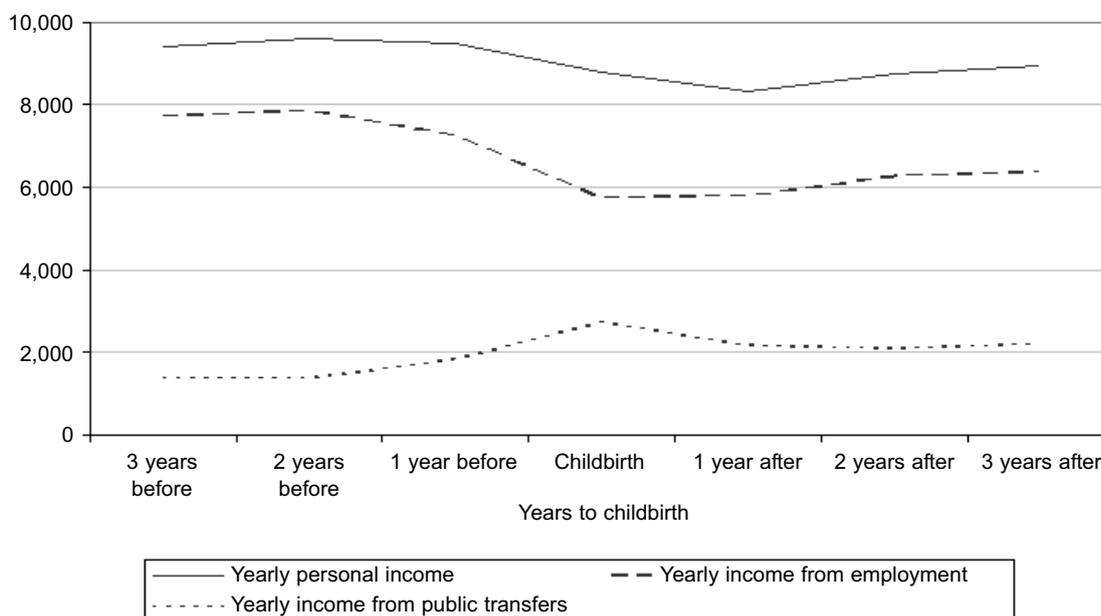
Training can help people to move from more precarious to less precarious jobs. Concerning training provision over the life course, the most favourable and less discriminating patterns were found in Finland, East Germany and Romania, followed by Austria, Italy and the Netherlands (Torres et al, 2007, p. 44). Almost 70% of all respondents expressed an interest in lifelong learning – this shows clearly that the European concept and demand of lifelong learning is now widely accepted by European citizens. One of the crucial questions in this field is the financing of the time needed for training. The data reveal that the majority of respondents see an obligation on the employer: 57% of Europeans in every stage of the life course believe that employers should support the time taken off work for training; 18% consider that the employee should bear the costs and 19% expect support from the state (ibid, p. 79).

Income from work and social transfers

The different working times of women and men in various phases of the life course translate directly into income disparities. While the labour market income earned by young single people has become more equal in many countries during recent decades, the gender gap is still very obvious once children are in the household. Men's labour market income in households with young children is on average higher than that of younger, childless men and of older men; conversely, women's labour income is lower when young children live in the household, due to the shorter working hours of mothers with young children (Anxo et al, 2006, p. 59). Country differences are again considerable: both the Nordic and the Anglo-Saxon welfare state regimes – for example, Sweden and the UK – show smaller gender-specific income differences during the family phase than the Continental and Southern regime types such as Germany and Spain. It can be assumed that, in the Nordic case, the availability of childcare facilities – which enables the mother's quick return to the labour market – as well as the generous and flexible parental leave systems, the collective bargaining system and the low gender pay gap play a major role in explaining this favourable pattern. In the liberal Anglo-Saxon welfare regime, meanwhile, the pressure on women to return quickly to the labour market has a positive effect on personal labour market attachment and income. This situation is different to the Continental and Southern welfare state types which still cultivate gender-specific role models, with mothers interrupting work after childbirth or at least reducing working time, and preserve a high gender pay gap.

The life-course perspective makes gender-specific differences even more visible if one regards accumulated lifetime income. Due to reduced working hours and possibly reduced wages after childbirth, having children tends to have a negative effect on women's future income. The income penalty is estimated to be 5% on average during the first three years after childbirth (Muffels et al, 2008, p. 29; Figure 7).

Figure 7: Pre and post-birth annual income, women, 18–45 age group, 2000 (PPP corrected euro)



Note: PPP = Purchasing power parity.

Source: Research for Muffels et al, 2008, based on ECHP, 1994–2001 (Eurostat); HHS 1992–1997 (TÁRKI)

However, the reduced income capacity effects might remain for many more years even after the return to full-time work, due to diminishing human capital or loss of skills and interrupted careers. The following example illustrates the cumulative life-course effects of work interruptions, reduced working time and low wages of women. While the gender pay gap is about 25% in Germany on the basis of cross-sectional data with regional and sector-specific differences, women born in the period 1936–1955 only earn a lifetime income from work of 42% compared with their male counterparts, according to Advancement via individual determination (AVID) data (Klammer and Tillmann, 2002). This raises questions concerning the necessary support measures – both cash benefits and initiatives to support transitions – in different phases of life.

The Eurofound report on flexibility and security over the life course has traced the long-term scarring effects of part-time work in a cross-country comparison (Muffels et al, 2008). After 10 years of part-time work and when compared with their full-time counterparts, women experienced a higher income penalty in the UK than in Germany or the Netherlands (ibid, p. 32). In all three countries, full-time working men have a higher increase in hourly wages over a 10-year period than full-time working women and in particular than part-time working women. The fact that the UK experienced a higher income penalty seems to be in contrast with the predictions on gender-specific cross-country differences derived from the VoC literature. Market-coordinated economies such as the UK were presumed to have higher wage or class inequality and reduced gender inequality (Estévez-Abe et al, 2001). However, the report does not find less gender inequality or higher wage inequality in the UK.

Due to the diverse cash benefits provided by different social security schemes, social security transfers play a varying role for different types of households. The ECHP data allow an analysis and comparison of the coverage and weight of cash transfers for different household types and countries. As analysed in the Eurofound reports on changing social security structures and new work patterns and company strategies, social security benefits are mainly concentrated on two phases in life: when people have children in the household and when people are 60 years and older. In respect of the latter group, a comparison of seven western European countries reveals few differences between countries, at least in terms of coverage rates: in each country, about 94%–98% of elderly couples receive social security benefits, usually

pensions. Regarding families with children, benefit coverage is high in Germany, the Netherlands and the UK, where – depending on the age of minor children and the country – between 93% and 100% of all families receive some benefits. In France, the coverage is somewhat lower, in particular for families with teenage children while, in the Southern countries of Italy and Spain, only about one-third of all families with children below 18 years receive cash benefits from the social security systems.

Looking at the weight which social security benefits have in relation to the household income of recipients, however, the picture changes somewhat. Cash benefits in the Southern states are selective and concentrated on needy families. As the data reveal, in Italy and Spain cash benefits play a more important role for the minority actually receiving such benefits. Irrespective of the type of household and position in the life course, social security transfers make up a larger share of the household income of recipients in Italy and Spain compared with the situation in France, Germany, the Netherlands and the UK. It is worth noting that non-labour income also plays a considerable role for women with a child under the age of seven years in Germany and Sweden (Anxo et al, 2006, p. 59). In the UK, families – and in particular children – bear a high risk of poverty compared with other European countries. This leads to the assumption that cash benefits can have an impact on the labour supply of certain groups of parents. However, non-labour income or cash benefits can only partly compensate the loss of income occurring in certain life phases, for example when small children are in the household. It should be noted that cash benefits are just one factor influencing decisions about labour market participation, among a range of elements such as the tax system, care facilities and role models.

In all seven western EU Member States analysed in the Eurofound report on changing social security structures, elderly households receive about 80%–90% of their income from social security (Klammer et al, 2005). Only in the UK, where ‘first-pillar’ or state pensions are rather basic, is the rate much lower (68%). For the retirement phase, social security benefits still play a major role in all countries, with high coverage rates and representing a large proportion of recipients’ budgets. Labour market participation and income over the life course are reflected to varying degrees in different pension systems.

The ECHP data contain only information on current income and not expected income. It can be assumed, however, that individual labour market decisions are affected by the expected retirement income. In a series of papers, Gruber and Wise – comparing the evidence in 12 industrialised countries – have shown that financial incentives are important in explaining the retirement decision (see for example Gruber and Wise, 2005). Kapteyn and Andreyeva, using the Survey of Health, Ageing and Retirement in Europe (SHARE) for eight European countries (2008), and Schils (2005), using the ECHP for 14 countries, arrive at the same conclusion. Schils examined the extent to which the retirement decision is affected by the generosity of early retirement benefits and found rather strong significant effects.

It has to be taken into account that the social transfers counted in the ECHP comprise a range of benefits, from maternity leave and childcare allowances to disability and unemployment benefits. A higher coverage rate and weight of transfers in one country compared with another country therefore do not necessarily reflect the generosity of a system for the different phases in the life course. The comparison also needs to correct for compositional differences related to variations in unemployment rates, population ageing, household composition and other factors.

Working time preferences and quality of life

The existing disparities between men and women in different stages of their life concerning labour market participation and working times do not give a clear picture about their satisfaction or quality of life. Quality of life encompasses several dimensions, such as work–life balance, employability, income security, social security, the quality of work and time sovereignty (Naegele et al, 2003, p. 55). Time arrangements have a direct impact on the quality of life. One important indicator is people’s working time preferences, that is, the extent to which men and women are able to realise their own preferences concerning labour market participation and working times.

As Table 5 highlights, a remarkably high proportion of workers today work in companies that in principle offer various working time options.

Table 5: *Workers employed in companies offering working time options, 21 EU countries (weighted %)*

	Part-time work	Unusual working hours	Flexible working time	Overtime	Parental leave	Care leave	Educational leave	Other leave	Temporary employment				Early retirement	Phased retirement
									Total	Fixed-term work	Temporary agency work	Freelance work		
AT	85	51	63	92	73	30	33	21	63	42	34	19	44	66
BE	87	57	48	82	81	63	48	33	86	66	64	20	69	76
CY	37	64	15	83	63	29	38	31	57	45	7	38	56	18
CZ	67	55	55	91	76	50	55	32	97	95	16	45	97	40
DE	90	53	63	93	78	48	49	35	83	76	32	26	62	65
DK	80	48	60	88	71	87	76	45	78	58	63	22	70	64
EL	19	46	30	62	66	34	23	20	59	45	9	30	43	10
ES	52	56	45	71	50	33	26	24	86	80	38	15	62	30
FI	71	51	71	92	91	74	88	66	93	90	32	22	85	64
FR	80	67	49	80	78	40	65	35	89	80	49	12	59	43
HU	56	43	43	56	76	70	63	23	60	55	15	5	55	22
IE	74	63	57	91	70	66	55	35	70	66	37	22	72	50
IT	62	46	42	83	68	51	30	26	77	60	31	31	18	12
LU	76	65	44	92	83	31	45	28	69	54	44	8	73	34
LV	61	68	58	57	76	30	57	35	66	60	12	21	80	38
NL	95	47	53	82	72	68	50	45	89	84	62	28	83	79
PL	77	52	54	70	65	72	61	67	86	75	5	45	86	37
PT	17	39	25	63	55	31	21	26	92	90	16	13	44	12
SE	89	48	73	91	95	52	78	45	91	86	35	23	46	53
SI	56	52	38	83	76	40	57	34	92	81	60	24	51	14
UK	85	67	57	86	78	55	44	31	79	65	51	18	78	64

Note: Missing cases including no answer or 'don't know' replies were excluded.

Source: Muffels et al, 2008, p. 16, based on Establishment Survey on Working Time and Work-Life Balance (ESWT) data for 2004/2005 (Eurofound)

As Torres et al (2007) have analysed, European employees prefer the following working time options: 'working more or fewer hours if needed' (available to 50% of workers), 'saving up overtime to take as extra time off' (33%) and 'carrying over holidays to next year' (29%). Furthermore, employees consider the following as important solutions for a better work-life balance: taking time off work for care or training purposes, entitlements to early retirement and childcare facilities at the workplace. Across the countries, the preferred options for combining work with other activities concern greater control over working time or the development of time saving schemes. The most prevalent working time options are also those that are considered to be the most important by the interviewees. This outcome is good news because it reveals that a considerable proportion of employees can already make use of time-based options to meet life-course needs (Torres et al, 2007). Young people seem to be more willing than their parents to save time for later use, but are often unable to do so for financial reasons. The Eurofound reports on a new organisation over working life, and time use

and work–life options over the life course conclude that optional working time models ‘seem to be superior to all other working time models’ (Naegele et al, 2003, p. 137). However, their gendered take-up is problematic: usually women use the model when starting a family – implying all of the possible negative effects on their future careers.

As the available information on working time preferences also reveals (ibid; Anxo et al, 2006; Torres et al, 2007), many European women and men actually cannot attain their preferred working time patterns or number of working hours. The data show that a significant proportion of men would like to work fewer hours. Naegele et al (2003, pp. 89–102; see also Bielinski et al, 2001) point out that, at the turn of the century, people in the EU15 and Norway on average expressed their wish to work 3.7 hours a week less than they actually did. Men would have liked to reduce their working time more than was the case for women (4.6 hours compared with 2.6 hours). Among women, both the wish to reduce and to increase working hours was widespread; not surprisingly, women with small part-time jobs in particular would have liked to extend their working time.

This general picture is confirmed for 2003, as the data analysis in Eurofound’s report on time use and work–life options over the life course shows (Torres et al, 2007). The data for 2003 also make clear that the wish to work shorter hours cannot always be realised. Although many workers would like to work less, only about 20% of all respondents throughout Europe stated that they actually planned to reduce their working hours. About 70% of all respondents answered that they did not plan to change their working hours, due to lack of will or income.

The preference for working fewer hours is primarily found in the Netherlands, Portugal and Turkey, and shorter working hours are particularly desired by people with children and by older workers. Many parents would like to have more time to improve their work–life balance, but young people – notably young workers without children – prefer to boost their income and accept longer working hours to achieve this goal. This finding underlines that work–life balance requires different arrangements at various stages of the life course.

Table 6 confirms again that people prefer diverse time-based options in different life phases. Unsurprisingly, young childless people have a greater preference for income instead of holidays than other groups of workers, while parents with pre-school or school-age children would like to have childcare facilities at the workplace more often than the other groups, and pre-retirement options are most attractive for the oldest respondents. The data evaluated in the report on time use and work–life options over the life course also reveal that many people wish to retire earlier than they actually do. In addition, women have a much greater preference than men for working part time in advance of retirement. However, the findings also show that early retirement is in particular viewed favourably where gaps between the importance and availability of options are widest (Torres et al, 2007, pp. 50–1).

The general finding, also confirmed in country-specific data analyses, is that options related to a more flexible control of working hours are most popular (ibid, pp. 51–2). The option to be able to work more or fewer hours is top of the employee wish list, with a total of 61% of all respondents throughout Europe favouring such an option, followed by the wish to ‘save overtime to take extra time off’ (41%) and to ‘carry over holidays to next year’ (32%).

Table 6: Options considered important for combining paid work with other activities, by life stage, 25 European countries, 2003 (%)

	Childless, up to 35 years old	With pre-school/school children	Childless, 36–50 years old	Childless, greater than 50 years	Total
Working more or fewer hours if needed	62	62	61	56	61
Saving up overtime to take as extra time off	47	41	40	36	41
Carrying over holidays to next year	34	31	32	31	32
Taking extra paid time off to look after relatives	25	33	28	25	28
Taking extra pay instead of holidays	32	28	26	22	27
Early retirement	22	27	32	33	28
Early retirement with the option to work part time	23	28	31	35	28
Taking unpaid leave	25	26	24	22	25
Taking extra paid time off for study	28	22	19	12	21
Taking a sabbatical, career break	21	19	18	14	18
Teleworking	17	17	15	13	16
Childcare facilities at workplace	15	24	11	8	16

Source: Torres et al, 2007, p. 51, based on Eurobarometer 60.3 and Candidate Countries Eurobarometer 2003

In general, working time preferences are better met in countries with a high level of working time flexibility than in other countries. Respondents from Nordic countries and some central European countries were most satisfied with their jobs, income, work–life balance and time spent on training (Torres et al, 2007; Muffels et al, 2008).

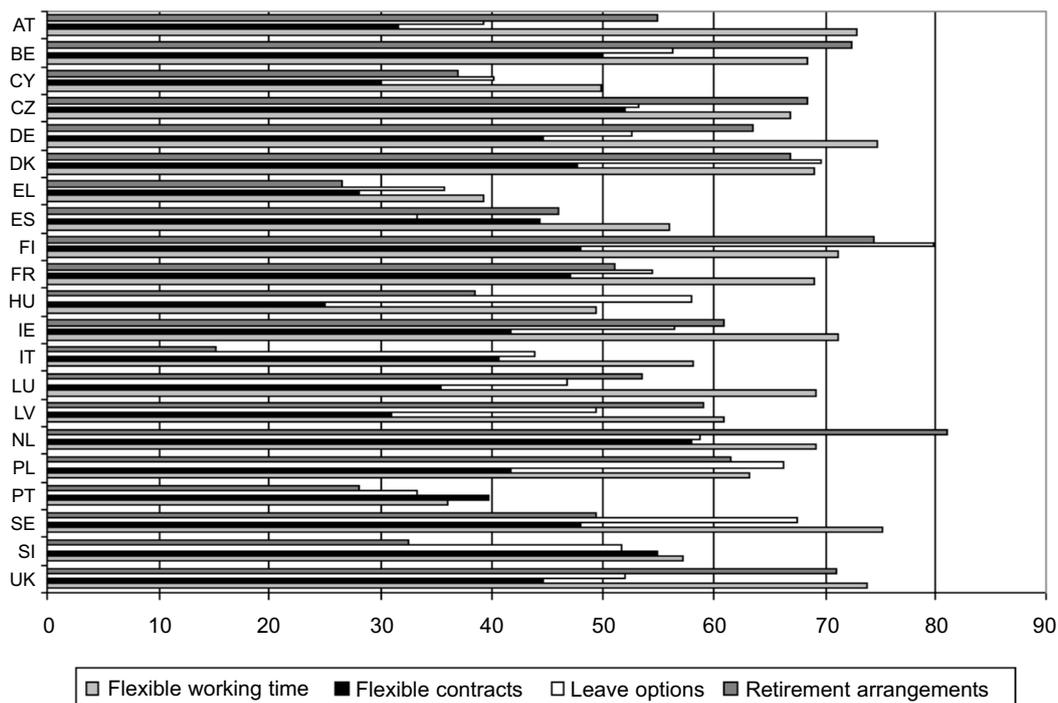
On the whole, the gap between actual and preferred working times indicates that the options to adjust working time according to life-course needs are still too limited. However, such preferences are not free from the institutional framework, from societal norms such as gender roles and similar context factors. A woman’s preference for a part-time job may be motivated by the existing lack of childcare facilities, while satisfaction with a certain work or care arrangement – and with income – is always related to the range of options in a given situation and life phase. Hakim (2000) has argued that differences in women’s working time behaviour stem from distinct types of work orientations and stable preferences. Conversely, other researchers (for example, Fagan and Rubery, 1996; Naegele et al, 2003, p. 19; Torres et al, 2007) argue that preferences should be understood as adaptive rather than static and in the context of a particular institutional framework.

Company strategies and good practice examples

5

A high proportion of companies throughout Europe offer flexible working time arrangements and leave schemes. As Figure 8 highlights, these options are most available in the Nordic countries and in the Netherlands and least available in the Southern countries.

Figure 8: Companies with particular types of flexible employment contracts and working time arrangements, by country (%)



Source: Muffels et al, 2008, p. 15, based on ESWT data for 2004–2005 (Eurofound)

The data on existing schemes do not reflect whether, and the extent to which, companies go beyond the legal requirements in the country – for example, regarding part-time work – or beyond collective agreements in what they offer to their employees. Neither do the data give any information about whether all groups of employees can make use of the different schemes or about the interrelation between the schemes offered. Flexible working time patterns for certain groups of employees or for certain life phases exist in many companies. Nevertheless, the number of companies that show a true life-course or at least a long-term approach in the range of working time or training options is still limited. The question is whether companies can be expected to be concerned about their employees’ lifetime or career development.

Companies’ and workers’ interest in long-term perspective

The VoC literature (for example Soskice and Hall, 2001), as referred to in Chapter 3, has shed light on the particular links between the corporate governance system and other institutional areas, such as the financial system, the labour market and industrial relations system, the social protection system and the system of education and training. Evidence emerges that companies operating in various regimes – liberal market versus regulated or coordinated economies – have different corporate governance cultures and human resource (HR) strategies. The specific type of capitalism has an impact on the patterns of external or internal flexibility, career developments, gender-specific occupational segregation and the quality of life. One consequence that is particularly relevant in a life-course perspective is related to the

difference between general and specific skills regimes, which is part of the VoC perspective. The argument posits that, since turnover is more costly for employers in specific skills regimes, such regimes penalise interruptions from work more than a general skills regime does (McCall and Orloff, 2005). The authors argue that in specific skills regimes ‘women bear the brunt of this penalty because their interruptions from work for family reasons are more predictable than are men’s’ (McCall and Orloff, 2005, p. 163). They conclude that the role of social policies in specific skills regimes is the provision of childcare rather than the provision of leave options in order to make the employment of mothers more stable and more similar to that of men.

Although companies’ behaviour and strategies therefore depend to a certain extent on the country’s regulation mechanisms and institutional framework, some overall patterns of development in relation to the life-course topic can be noted. In general, companies’ time horizon is less clear than that of employees, and developments concerning the long-term perspective of companies have to be discussed in a differentiated way. On the one hand, a clear tendency exists towards a more short-term orientation, since production cycles have become shorter and companies often have to adjust ever more quickly to changing markets. This situation often has a direct impact on the flexible workforce at the periphery of the company. On the other hand, ever more sophisticated products are based on a high and specialised knowledge of the staff, which requires long-term HRM focusing on qualifying and retaining employees. Career management and retention management – necessarily focusing on longer periods – become increasingly important to safeguard the economic success of companies. In times of demographic change and shrinking workforces, giving employees long-term security and perspectives for development in the company can increase their satisfaction in the workplace and can reduce costs resulting from sickness, absenteeism and staff turnover. These long-term and short-term strategies in companies’ HRM are closely related to the overall strategies of the company in a context of increased international competition (Anxo et al, 2006; Muffels et al, 2008).

Against this background, several typical company strategies of flexibilisation have been identified (Muffels et al, 2008; see also Diewald et al, 2005). The trend towards higher flexibility requirements does not only affect the flexible periphery of the workforce. The core workers are also increasingly involved in companies’ flexibility strategies, but not in the same manner. It depends on the kind of adjustment strategy on which the company focuses – such as cost reduction strategies, new organisational models for the production process or innovation strategies – who is involved and how people are involved. Overall, three main routes in HRM towards flexibility strategies can be identified: ‘negotiated stability’, ‘commercialisation’ and ‘mutualisation’. These strategies are often applied simultaneously but with respect to different groups of workers.

Negotiated stability is a strategy that can primarily be found in areas where standard employment contracts used to be the norm. While the conditions for these jobs used to be regulated by law and collective agreements, they are now increasingly negotiated at company level. Flexibility concerning the location of work and working times are negotiated in exchange for employment or income guarantees. ‘Pacts for employment’ at company level characterise a new exchange relationship between employers’ needs for flexibility and employees’ wishes for job security. These pacts focus on internal flexibility, giving employees some security in exchange for concessions that might also touch on their time planning. The time horizon of the pact is usually restricted to anything between some months and several years.

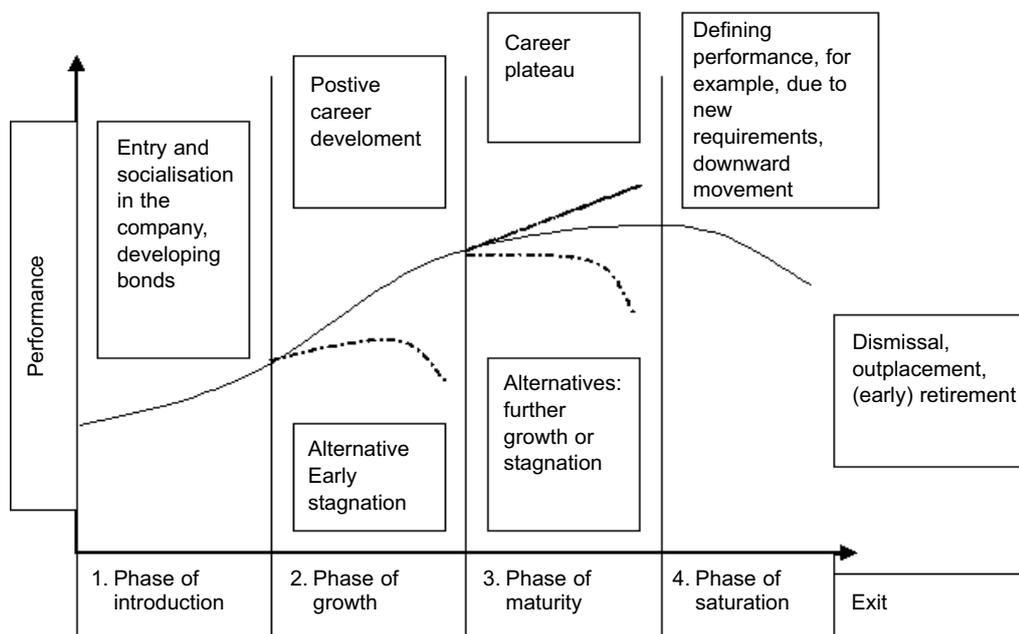
While negotiated stability and flexibility usually concern the core workforce of a company, strategies of commercialisation are common in organising workers at the periphery of the company. Within the process of organising flexibility, the borderline between the core workforce and the flexible periphery itself has shifted – often towards an extension of the flexible outer circle. Employees who had been part of the core workforce are increasingly involved in new arrangements in which working conditions and remuneration are bound to the success of one’s work. Working time becomes a variable subordinated to the fulfilment of objectives and contracts. By organising their own work in order to fulfil the requirements, such workers partly take over typical risks of the employer. In the sociological debate, the term

‘entreeployee’ has been framed to describe this type of employment relationship (Voß and Pongratz, 1998). Work relationships that are based on the outcome, instead of the number of working hours, can have a positive effect on the worker’s work–life balance but also imply the risk of self-exploitation, particularly in connection with increased competition and decreased remuneration. When company workers are only tied loosely to the enterprise, the degree of mutual obligations is low. In general, it might be assumed that this makes a company’s life-course planning scheme more difficult for workers. Nonetheless, at the same time, it might raise the worker’s chances for a higher income and an increase in autonomy. Usually, the exchange relationships between the contractors are more short-term oriented than in the case of negotiated stability; the long-term or even life-course perspective plays no explicit role here. While this strategy can help companies to adjust flexibly and quickly to changing circumstances, it can endanger workers’ need for predictability and their long-term career development.

The third approach that can be identified, mutualisation, is characterised by an increased rather than weaker reciprocity in the labour relation between employer and employee. It can particularly be found where high qualifications and high performance are required. In exchange for high salaries and prospects for individual development, companies today expect an increased commitment to the enterprise from their key players, as well as a high level of identification. This concerns the amount and flexible use of time that the employee is expected to dedicate to the work, but also the place of work and content, for example. The borders between work and private life cannot be maintained, and work dominates the other spheres. Concerning these important key players, companies’ time horizon is often long term and retention management is used to keep these employees in the company. While this can give employees some form of long-term security, for instance as far as income is concerned, it is often at the cost of short-term flexibility; these employment relationships leave restricted room for time needs beyond paid work.

Considering these general reflections and empirical findings, it is worth asking again whether companies can be expected to be concerned about their employees’ life courses. It should be noted that the so-called ‘employee life cycle’ – a concept well-known in HRM literature – is not congruent with the ‘real’ life cycle or life course of the employee. The employee has to organise and manage the whole working life course from education to retirement, whereas the ‘employee life cycle’ in the enterprise describes the development of a person from entry into the company until their exit from the company. In connection with the career development of the employee in the enterprise, the return on investment for the company changes as a function of time. It is assumed – in a simplified model (Figure 9) – that the benefit of an employee for the company increases sharply in the first phase after recruitment, then stays at a high level before possibly declining, for example when the employee does not engage in further training. This is the point when it is rational for the company to replace the worker, if legal regulations such as employment protection legislation or other regulations do not prevent this move. In other words, the company may consider that the employee life cycle has concluded long before the actual retirement age and the end of the worker’s real life course. According to this idea of the employee life cycle, it may be assumed that the company will be interested in optimising the development of the employee during this restricted period or life cycle, which can differ from employee to employee.

Figure 9: Phases of employee life cycle in a company



Source: *Research for Muffels et al, 2008, inspired by Graf (2001)*

It is therefore not self-evident that the long-term strategies of a company match the workers' long-term development and life-course needs. Instead, both the individual and the company are confronted with new requirements for synchronisation and diachronisation. From a life-course perspective, the challenge is to adapt or synchronise the long-term needs and strategies of companies and their employees (Muffels et al, 2008).

Examples of good practice

The Eurofound reports on new work patterns and company strategies, and flexibility and security over the life course discuss which working time options and other HRM measures at company level can contribute to a coherent long-term or even life-course approach. This report can only hint at some of the examples of good practice. The following company examples are drawn from the flexibility and security research, unless otherwise stated.

Happy Computers

Many small companies perceive the application of work–life balance policies as major obstacles that jeopardise their competitiveness. Nevertheless, the case of the computer training company Happy Computers in East London, UK, shows how a small company – employing about 45 workers at the time of the study – attained national standards and furthermore became a forerunner in introducing new work–life balance initiatives and gaining a competitive edge while doing so. The guiding principle of this company is that ‘people work best when they feel good about themselves’ and the enterprise uses ‘life-friendly’ policies rather than merely family-friendly policies to achieve this aim. Happy has a low staff turnover, which saves on recruitment costs, and the company also profits from its low absenteeism rates. When Happy experienced a downturn in business and had to reduce its staff some years ago, the whole company was involved in discussing the issue and resolved the problem through wage freezes instead of job losses.

Happy offers a variety of arrangements that facilitate work–life balance needs along the life course. Even before the extension of maternity leave in the UK, the company offered maternity leave for six weeks on full pay and an additional six weeks on half pay. Moreover, it held the jobs for nine months for those who were on leave, and unpaid leave was

granted for a further five-year period. The staff can choose between various types of flexible working time arrangements, which can be taken according to individual preferences, including compressed working weeks, part-time work, job sharing, school term-time working, annualised hours, and paid leave for religious observances or family needs. In addition, options are provided for career breaks of up to two years or month-long paid sabbaticals after having worked for six years at the company. Besides the flexible working time arrangements, the company also provides wellness benefits such as on-site massages or company bicycle allowances to prevent health problems. In a system known as ‘time bank’, the company provides an amount of 100 paid days which can be used by the staff members, on application, to engage in a project that will benefit the community.

In conclusion, Happy Computers represents a company case that – in a country with a lack of extensive regulations on working time arrangements and leave schemes – offers various life-course oriented arrangements at company level. This case study also shows the way in which small companies can be flexible and innovative while increasing their competitiveness through reducing costs related to staff turnover or absenteeism, thereby combining employers’ and employees’ needs for security and development.

Groupe Danone

Groupe Danone is one of the world leaders in the food industry, with its headquarters located in Paris, France. The companies’ agencies are spread over 120 countries and employ about 88,000 people worldwide, according to data for 2006. Sustainable development is one of the core elements of Groupe Danone’s business strategy. Since 2001, the ‘Danone way’ programme has been set up to define practical objectives to link business strategy and sustainability more effectively. One of the cornerstones of Danone’s sustainability concept is the aim of ensuring the employability of its employees by constantly developing skills and promoting active job security by encouraging mobility and professional development. Interestingly, the programme particularly addresses non-managerial staff. By 2008, all business units were expected to organise practical initiatives to achieve five key objectives in the context of employability: basic skills for each employee; at least 23 hours of training a year; introduction of a ‘skills passport’ giving details about positions held, skills developed and training courses undertaken; an annual performance review for each employee; and the option of working in another position every five years. Furthermore, an agreement has been reached to establish joint responsibility for development, which means that both the employer and the employees are responsible for improving job security – the employer by creating working conditions that facilitate skills development and the employees by improving their own professional development.

Groupe Danone has identified several future challenges to be addressed, including health and working conditions, skills development, motivation of older workers and labour costs. A handbook was compiled in order to help plant teams to develop an action plan in line with their local conditions. This is part of the ‘Evolution’ programme intended to ensure the employability of all employees throughout their professional life. Ensuring employability – in relation to training as well as health issues – over the life course or career is essential for the individual employee’s development in order to manage future job challenges. The scheme is notable in that Danone addresses the problem in a broader sense, by providing training irrespective of current skills shortages in the company and by applying the concept to every employee regardless of age.

ASML

Although many companies today offer a broad range of flexible working time arrangements, working time accounts (WTA) and life-time WTA seem to fit particularly well to the life-course perspective. The microchips producer ASML, based in Veldhoven in the south of the Netherlands, is a world leader in the manufacture of advanced technology systems for the semiconductor industry. This company represents one of the numerous examples where a WTA system has been introduced in order to enhance flexibility and to secure jobs. The product cycle in the microchips business can be labelled unique: a one-year ‘peak’ period and then a two-year slowdown phase, with very different capacity needs. In response

to these challenges, ASML has developed a master plan, including a WTA introduced in February 2006. The explicit aims of this plan were to make the deployment of current staff more flexible – in other words, internal numerical flexibility – and to limit the recruitment of temporary workers – that is, external numerical flexibility. The specific solution has been the creation of eight different rosters for different production processes, each with an upturn and downturn variant. In periods where the production capacity is used to its maximum, employees are allowed to work 45 hours a week for a maximum of 47 weeks. This potential five hours of overtime each week, above the company's 40-hour standard working week, means that a maximum of 235 hours is put into the WTA. Conversely, each employee can acquire a negative balance of 235 hours. Therefore, in total, the full scope of the account can amount to 470 hours. The WTA is a mandatory system for all employees.

According to the first assessments, the following benefits of the new WTA have been reported: the final arrangements required less weekend work from the employees than the initial plans; 150 extra jobs were expected to be created, due to extended business hours and a limited use of temporary workers; productive hours at the company have increased by 12.5%; the handling time of orders has been reduced by an average of 13% and the ramp-up capacity has been enlarged (Research for Muffels et al, 2008; Lammeren, 2006).

The system is backed by the current Dutch law on working time, which was introduced in 1996. This law contains a two-tier regime. First, a standard arrangement exists which contains maximum standards with regard to working time. The second tier is a consultation regime where a company can stretch the limits of the standard arrangement if an agreement is reached with the representative body for the workers. This underlines the general finding that the cooperation of social partners in the development of long-term oriented flexible working time schemes is crucial.

Airbus

Airbus Germany GmbH, based in the northern German city of Hamburg, is a subsidiary of the Airbus group, one of the leading aircraft manufacturers in the world. Airbus Germany has introduced a combination of three different WTA, known as 'SiduFlex' (Sicherheit durch Flexibilität [Security through flexibility]). Due to the crisis in aircraft engineering following the terrorist attacks in New York and Washington on 11 September 2001, the company had to react to a significant drop in orders. Project groups, comprising representatives of the company and the works council, as well as external specialists, were set up to find ways to meet the new challenges. In the context of a new approach to working time flexibility, the company also aimed to find a way to substitute previous arrangements for partial retirement that had been based on the German statutory legal framework which is due to expire in 2009.

The concept 'SiduFlex' not only addresses flexible working time arrangements, but also other regulations concerning temporary work, fixed-term employment contracts, working overtime and apprenticeships, in order to meet the challenges of changing capacity.

In relation to working time flexibility, 'SiduFlex' provides a three-account system which aims to meet short-term as well as long-term working time needs.

- The 'flexitime account' is designed to meet short-term flexibility challenges. Transfer of time to the other two accounts is possible.
- The 'security account' is supposed to balance the company's medium-term working time demands in order to avoid short-time work. The time saved is reduced collectively to meet recurrent overcapacity. In general, it cannot be used directly on an individual basis; however, this is possible with the consent of the employer and employee representatives. Time savings on the flexitime and the security accounts are limited to 250 hours.

- The 'life-time working time account' is limited to employees with indefinite employment contracts and a minimum of six months' seniority. It accumulates savings in the flexitime account and also the security account in case of overflow. Moreover, part of the worker's salary can be saved here. Time is capitalised according to the gross salary of the employee at the time when the claim arises.

'SiduFlex' became effective as of January 2003. Since then, it has had a positive impact on staff retention and the prevention of short-time work. The additional option for a private pension scheme is thought to increase employees' motivation and therefore also the employer's attractiveness. Furthermore, through the new concept, flexible adaptation on varying production capacities became possible. However, the model started in times of high demand and still had to be tested in times of lower capacity.

From a life-course perspective, the Airbus concept shows a life-course approach only in terms of being able to save time to exit the labour market earlier. At the time of investigation, the model did not yet offer options for temporary labour market exits to manage other time needs over the life course, such as parental or sabbatical leave.

Hewlett Packard

Hewlett Packard (HP) Germany, based in Böblingen, Bavaria, offers a broad range of options to its employees. The company has practised a variety of flexible working time models for some time, such as full-time and part-time work, work based on hours, permanent and fixed-term employment contracts, on-call work, shift work, working time 'corridors', job and desk-sharing, telework and function contracts. Focusing on the aspect of diversity, HP holds the explicit company philosophy that a diverse workforce represents a competitive advantage. While the aim is to provide people with employment opportunities based on performance, employees are regarded as being responsible for their own lifelong learning.

The company has replaced the former flexible start and end of the working day, which it introduced as far back as 1967, with a 'function time model'. The latter allows employees to carry out their daily work anytime within the working time corridor of 6.00 to 19.00, as long as somebody is available to help customers. This model gives employees considerable time sovereignty and flexibility within the team, while also improving customer orientation. Another working time model, 'Swingtime', allows employees to extend their working hours by up to three hours a week for two weeks and by two hours in the third week to accumulate an extra day off each month. While this measure aims to ease employees' work-life balance, agreements are also in place which enable branches of the company with particular flexibility needs to steer employees' working times according to the needs of the company.

Today, HP employees save time in different WTA. In the short term, WTA employees can save working hours up to a certain threshold; when this threshold is passed, days are shifted to the long-term WTA. No limits apply on the amount of working time that can be saved. Time credits can be used for early retirement, and also for free days or longer sabbaticals. Employees therefore have a high time sovereignty, although they have to arrange free time with their superior and, in the case of a longer absence, have to coordinate it with their colleagues to avoid capacity problems.

The introduction of the working time scheme '100 = 80+20' has given the employees additional options to reorganise work, time and money over their life course, and to save money for short-term or long-term needs such as training, sabbaticals or early retirement. Employees still have to maintain an actual weekly working time of 40 hours, but can decide to save up to a maximum of eight hours a week (= 20%) by reducing their salary to an equivalent of 32 hours a week (= 80%). In addition, extra benefits such as Christmas bonuses or extra premiums can be saved into the account. Unlike a number of other companies, HP has built up financial reserves in order to cover the value of the time credits. The money is placed outside the company to guarantee protection in case of insolvency.

According to internal surveys, employees seem to appreciate the working time arrangements as being among the best aspects of HP's HRM policies. The range of working time models offered by HP Germany can help workers to synchronise different tasks in a particular phase of their lives, while at the same time long-term saving options seem to contain the potential for a diachronisation of work, time and money over the employees' life course. By introducing extended time options for employees, while at the same time negotiating rights to manage employees' working time under certain circumstances, HP has sought to synchronise the flexibility and security needs of both the company and the staff. The solutions found were closely interwoven with the existing legal framework, for example the limit on the maximum daily working time as laid down in the Law on working time (*Arbeitszeitgesetz*) and the regulations safeguarding social security coverage during sabbaticals or partial retirement, as stipulated in the Law on flexible working times (*'Flexi-Gesetz'*) and the Law on partial retirement (*Altersteilzeitgesetz*).

It is obvious that HP's interest in employees' time sovereignty and work-life balance is part of a long-term orientation, namely the aim to increase the attractiveness of the company as an employer and to strengthen the attachment of employees to the company. However, some options, like the scheme '100=80+20', are restricted to employees with a permanent employment contract, and part-time workers do not have the same options as full-time staff. This reveals that innovative working time schemes often increase the gap between the work-life balance options available to core employees and the options for workers who are less integrated in the company.

The above company case studies show that gaps might exist between, on the one hand, the declared company philosophy and establishment of a broad range of options and, on the other hand, the actual working culture as well as the take-up of these options. Nevertheless, the company cases still provide examples of how companies can support a life-course perspective. The case studies also demonstrate that both employer and employee can profit from a long-term or career orientation of HRM policies.

Potential of working time accounts for life-course perspective

The company cases investigated in the research on new work patterns and company strategies (Anxo et al, 2006) and on flexibility and security over the life course (Muffels et al, 2008) have highlighted a broad range of flexible working time arrangements that employers and employees can use to adjust to changing circumstances and needs. In fact, WTA and in particular life-time WTA seem to fit particularly well in the life-course perspective. WTA can enable both companies and workers to save a stock of overtime hours, built up over peak work periods. During slow intervals, workers can stay in employment and continue to receive pay by drawing from these accounts. Time or money saved in WTA can also serve to cover shorter or longer periods in which time needs beyond paid work occur. In order to operate WTA, it is crucial to have the legal scope to consolidate and allocate hours over a relatively long period. It has to be acknowledged, however, that employees can only use flexible working times to suit their requirements if they enjoy access rights to their saved-up working time credits. The mere existence of a flexible working time model does not necessarily indicate whether it helps to meet the employee's life-course interests and needs. Specific provisions relating to these WTA and the time sovereignty are the decisive factors. The Eurofound reports – in particular those on changing social security structures and flexibility and security over the life course – conclude that long-term WTA have the potential to serve as an important tool for a new life-course orientation; nonetheless they also reveal certain shortcomings and risks (Anxo et al, 2006; Muffels et al, 2008). Long-term WTA are not the solution to the upcoming shortage in qualified personnel, and might even increase the labour shortage in the long run. For that reason, it can be assumed that, in times of labour shortage, workers will have problems taking time out of their WTA to cover their life-course needs. WTA which allow for an earlier labour market exit can also reduce the incentive to invest in the training of older workers, and therefore endanger the activity rates of older workers as set out in the Lisbon Strategy.

The returns to WTA from a life-course perspective can therefore vary greatly across companies. In a study by Haipeter and Lehndorff (2004) based on company case studies, long-term WTA were found to be connected with additional work stress in some companies, whereas WTA enhanced workers' time sovereignty and working conditions in others. Munz (2006) summarises in a German study that employees vary their working times for company reasons more often than for private reasons. However, the time sovereignty of employees is positively correlated with the existence of clearly regulated WTA which define rules for the handling of excessive time credits, and with the existence of a works council in the company that can control compliance to these rules.⁷

⁷ Concerning the time sovereignty of employees, Arrowsmith and Sisson (2001) point to good practices in the Swedish public sector at municipal level and in the health sector. Sweden is also the country where 'Time Care' originated, a software tool that enables self-rostering by employees. It was first introduced for hospital workers and is becoming increasingly widespread in aviation, consumer electronics and apparel industries in Sweden and other European countries.

6

Legal framework and social security structures

Impact of welfare state on discontinuous life courses

In line with the VoC (varieties of capitalism) approach outlined in Chapter 3, it might be expected that employers tend to invest less in working time flexibility options in unregulated or liberal market economies (LME) compared with regulated or coordinated market economies (CME). Recently, the European Commission provided evidence on the prevalence of working time options across the various welfare states and showed that flexible working time options are indeed much more prevalent in the coordinated than in the unregulated market economies (European Commission, 2007).

Estévez-Abe has used the VoC approach for cross-country gender analyses (Estévez-Abe et al, 2001). She focused on comparing institutional differences in training and skills formation, and their impacts on gender and class inequality. The research showed that, in LME with more wage flexibility and general skills, less gender inequality but more wage inequality may be found. Meanwhile, in CME with collective bargaining and specific skills, less class and wage inequality but more gender inequality is identified; the latter is due to employers not wanting to invest in costly training of workers who might be less productive due to caring duties. However, the data evaluated for the Eurofound reports, in particular the data analysed in the research on flexibility and security, did not clearly support this assumption (see first section of this chapter). Nevertheless, it can be assumed that the regulation mechanisms in a certain country have a direct impact on men's and women's situation and development over the life course.

The existing social security system can be regarded as a crucial factor influencing men's and women's working time patterns and income situation in various life stages. An investigation of the relationships between time options or arrangements over the life course and social security actually has to consider a triangular model and the mutual influences between a) the welfare state regime, b) the broad range of possible time options and c) the implications of different time options on social security in a certain regime type. Various time options can have different implications for the individual's social security protection, but also for the welfare system and its financial sustainability.

The construction of a typology of countries based on the type of employment contract and working time flexibility in the study by Muffels et al (2008) leads to the identification of different clusters in a 'flexicurity quadrant' measuring labour market mobility, on the one hand, and income and employment security, on the other. The Continental cluster is characterised by a trade-off between low labour market mobility and high levels of income and employment security, whereas the Anglo-Saxon cluster represents the opposite trade-off, characterised by high labour market mobility and low income and employment security. Southern countries combine low labour market mobility with low income and employment security. Both the NMS and the Nordic countries show an intermediate level of labour market mobility, but the latter states seem to cushion such mobility with a much higher level of income and employment security than the NMS. The Nordic countries therefore come closest to the flexicurity model.

The data analysis provided by Klammer et al (2005) and Torres et al (2007) also concludes that the common welfare state typology is a useful tool to analyse the labour market integration of men and women over the life course. However, the welfare state regimes reveal significant differences. While a high level of labour market integration of both sexes over the whole life course is typical for the Nordic countries, the three other regime types show strongly gendered patterns. The Continental countries show the most obvious concentration of working time options among prime-aged men, whereas in the Anglo-Saxon countries the younger cohorts seem to have better options to be integrated into the labour market. The Southern countries show a bifurcation of women's labour market integration: due to the lack of part-time work, women either work full time or are economically inactive. A part of the cross-regime disparities can clearly be ascribed to institutional factors, although different mechanisms are at work in this regard. In the Nordic countries, a

range of leave options combined with income replacement benefits, widespread childcare facilities, universal benefits and an individualised tax system seem to encourage and enable people to establish a long-lasting attachment to the labour market. Conversely, it is exactly the low level of ‘decommodification’ or independence from the marketplace – essentially, financial support – in the Anglo-Saxon welfare states and the resulting necessity to be active in the labour market that leads to some similar patterns in these countries. The high concentration of working time options among prime-aged men in most Continental countries emphasises the fact that not only leave options have an impact on actual time arrangements and time use. Underlying gender and age models also have an impact; these may be directly and indirectly shaped and reinforced by, for example, taxation systems, the role of individual and derived rights, eligibility criteria for social security benefits, and the availability of public services to cover care needs.

The analysis of time options and their impact on individual social protection (Klammer et al, 2005) shows that it is important to differentiate between ‘interruptions’ of the working career, reduced working hours or part-time work, and systems that allow for a flexible allocation of working time over the life course.

Interruptions of working life are not always a matter of choice; unemployment is increasingly becoming an integral part of working biographies in many European countries. Although unemployment is still one of the best covered social risks, existing social security systems differ in terms of access to the unemployment schemes, eligibility and re-eligibility criteria, the duration of benefits and the income replacement rate of these benefits. Deficits in social protection mainly occur in the case of long-term unemployment. Furthermore, unemployment early in the life course is often less protected by cash benefits than unemployment in later stages of life. For the future development of the career, access to active labour market programmes plays a decisive role. Deficits in pension income mainly occur in occupational pension systems. This affects pensioners, particularly in those countries where such ‘second-pillar’ systems have a high relative weight, as in the UK for example.

Most countries offer some leave schemes, at least for maternity leave (for more information on leave schemes, see also Anxo et al, 2007a). However, the right to take leave often cannot be used when no benefits or only low flat-rate benefits are paid. In fact, many existing parental leave schemes in the EU Member States do not provide cash benefits. Sweden is one of the few exceptions in this regard, where parental leave is accompanied by income-related cash benefits. In 2007, a similar scheme was introduced in Germany. In the case of eldercare – a field of increasing importance – the options are even more limited and most countries do not even offer the right to take leave; the Netherlands and Sweden are exceptions in this regard. For all leave systems, a second important aspect associated with the life-course perspective is whether employment security – that is, the right to return to the former employer – is guaranteed. If this is not granted, as in the French parental leave scheme, a period of leave can jeopardise the future career.

Schemes for sabbaticals or training leave, for instance in Germany or the Netherlands, are often based on an intertemporal redistribution of time and money by the leave-taker. This gives people some time options, and the continuation of the employment contract has the advantage that access to existing branches of social security is usually granted. However, if these time-saving systems are used for care work, such as eldercare, or other socially useful activities, it has to be asked whether there should not be some collective support for this. So far, the state contributes to these schemes through the income tax system only; a highly progressive tax tariff can help to make such schemes more attractive.

The latter also holds for part-time work. Currently, part-time workers, as well as full-time workers with low income, can profit from redistributive elements in many social security systems and often receive more than proportional benefits, compared with people working full time. Some countries offer additional targeted subsidies for special groups of part-time workers, for example Germany provides such schemes for parents working part time or for elderly workers in partial retirement (for more information on part-time work in Europe, see also Anxo et al, 2007b). However, the take-up

of part-time work still contains an additional risk of poverty, particularly in countries with social insurance systems oriented towards the principle of equivalence. From a life-course perspective, the total duration of part-time work spells is a decisive factor, especially for subsequent pension claims. Specific social risks are connected with small and badly paid part-time jobs. Although a general definition is missing in this field, in some countries – such as Germany, Sweden and the UK – people with short working hours or income from work below certain thresholds have no or only limited access to social security. The crucial question for social security protection over the life course is whether unfavourable part-time work only has a minor weight in the employment career, for instance as ‘first jobs’ in working life, or whether somebody becomes trapped in such employment.

Working time schemes that allow a flexible allocation of time over a longer period, for example WTA, can help individuals to organise working time over the life course according to their needs. As far as social security protection is concerned, however, long-term schemes contain certain risks. One important shortcoming is that many time credits are not insured against insolvency of the employer.

Regardless of existing rights to interrupt working life or adjust the number of working hours, the general finding is that universal and individualised social security schemes – for example, healthcare systems or pension systems based on citizenship rather than individual work record – give people some freedom to make use of the different time schemes and options offered. In this respect, the Nordic countries as well as the Netherlands provide a better institutional background for a flexible and secure distribution of time over the life course than the Mediterranean or Continental countries. Nevertheless, the Continental countries supply some mechanisms that can help in choosing different time arrangements within the household. The systems of income tax and derived rights to social security benefits give married partners certain opportunities to choose their preferred working time arrangement and to adjust it over time. This approach can be criticised for several reasons, however – mainly because it reinforces the traditional male breadwinner model. It also restricts the availability of such working time choices to a certain subgroup of the population – married spouses with sufficient income – while single people, single parents or low income couples do not have the same range of choices. For instance, the German system of joint taxation of spouses with very high marginal tax rates for the second earner can be assumed to have considerable influence not only on the labour supply of married women but also on the time allocation within the family. Decisions early in the life course in this field – for example, at the time of childbirth – often have an impact on partners’, in particular women’s, whole future life course.

In a seven-country comparison, the research for Muffels et al (2008) found that the Netherlands and Sweden have so far managed to provide the most advanced life-course approach in legislation and collective bargaining of the countries investigated. Klammer et al (2005) also conclude that these two countries have the most integrated systems of time and income management over the life course. Both countries are in the process of applying a coherent approach towards work–life balance which facilitates individuals to decide and arrange by themselves how they want to adjust their work to their changing personal needs over the life course. Belgium – a country that was not analysed in the above research – has also introduced a life-course oriented approach. The Belgian and the Dutch approaches will be discussed in detail below.

The case of the economic-transition country Hungary showed that, despite a tradition in legal regulations on life-course-related policies due to its socialist past, basic economic requirements dominate collective bargaining and work–life balance issues remain a neglected area in this regard. Spain also lagged behind in work–life balance issues due to other priorities on the national agenda. In relation to France, Germany and the UK, significant changes have occurred in labour law and collective bargaining which show that the employee’s need to facilitate the combination of work and family life throughout the life course has been recognised. However, most of these changes can be attributed to efforts to improve the conditions with regard to parents with young children and have thus only a limited relevance in terms of the individual’s entire life course.

Overall, a clear trend emerges towards the regulation of life-course oriented working time options, particularly since the beginning of the 1990s. During the last 20 years, provisions have also become more flexible by offering a choice between leave and part-time work options. Nonetheless, many options, such as parental leave, are still linked to specific life phases. Partly as a result of EU directives, all Member States have granted individuals a set of rights and entitlements with respect to leave schemes for various matters, such as maternal or educational. However, these entitlements are not strongly interwoven. Moreover, the scope of these schemes and their generosity – in terms of length, replacement rates or payment, and whether the employee can unilaterally decide to take leave or whether consent is required from the employer – vary significantly across countries, with the Nordic states, in particular Sweden, in many ways taking the lead. The Netherlands and Sweden show a number of positive initiatives covering most life phases, whereas the UK has few regulatory arrangements concerning working time options. Meanwhile, a middle position can be seen in France and Germany in this regard (Klammer et al, 2005, p. 40). The main differentiation between countries still lies in the payment conditions. These conditions determine actual take-up rates.

Obviously, country-specific disparities are based on different perceptions of certain (life-course) risks, and depend on whether a working time reduction or work interruption is regarded as ‘voluntary’ or ‘socially useful’. The existing social security schemes structure male and female life courses in combination with social values. Deviations from the embedded norms, for example from continuous full-time employment, can lead to insufficient coverage by the existing systems. This is particularly the case where basic security schemes are non-existent or where their benefits are low.

Large differences can also be observed in the relationship between statutory law and collective bargaining. In some countries, such as France and Italy, most of the life-course-related laws are primarily formulated at statutory level. Collective agreements in these cases simply reflect or repeat the legal provisions. In other countries, such as the Nordic states and the Netherlands, the role of collective bargaining partners is more prominent. Innovation often starts at sectoral level and is ultimately ‘codified’ at the central level of labour law and social security law, for example regarding workers’ rights to work more or fewer hours in the Dutch case. Meanwhile, in Denmark, statutory regulation remains much more modest compared with collective bargaining.

Discontinuous life courses and impact on sustainability of welfare state

The diffusion of flexible employment contracts and the take-up of various working time options have an impact on the expenditure and financial sustainability of the social security systems (Klammer et al, 2005). Principally, all kinds of leave systems that provide cash benefits and/or other benefits, such as access to training measures, cause direct social expenditure. However, in fact, leave schemes so far have not contributed much to the financial demands of most welfare states. Firstly, most leave schemes, for example several European parental leave schemes, provide for unpaid leave. Secondly, many leave schemes – insofar as data are available – have low take-up rates. This holds in particular for sabbatical leave schemes. Thirdly, due to demographic changes and low fertility rates, maternity leave – which is the ‘best paid’ leave scheme in a cross-country comparison – plays a minor role in financial terms, compared with other social security systems such as old age pensions. Fourthly, public expenditure for certain leave schemes can in the long run lead to savings in social security expenditure. The Danish job rotation programmes, where training leave is combined with employment chances for unemployed persons, serve as an example in this case.

Other kinds of work interruptions, in particular unemployment and economic inactivity, threaten the financial sustainability of many social security systems to a much higher degree. Unemployment causes higher public expenditure and loss of social security contributions and taxes, particularly in countries with high unemployment, such as Spain, and in states that provide long and generous cash benefits, such as the Continental and Nordic countries. Economic inactivity rates have decreased and should decline further, according to the European Stockholm and Barcelona targets as part of the Lisbon Strategy. Nevertheless, economic inactivity – in particular the inactivity of female spouses – still induces high

collective costs, mainly in countries which still support a breadwinner model, such as in Germany. In the Nordic countries, however, economic inactivity is much lower.

It could be assumed that the increase in part-time jobs would endanger the financial basis of social security since part-time workers in absolute terms contribute less to the social security systems while often claiming proportionally higher benefits. In a historical perspective, however, this hypothesis cannot hold, since part-time work has mainly acted as a substitute for the non-participation of women who already had access either to universal or to earnings-related benefits. As far as small part-time work is concerned, some countries – for example, France and the Netherlands – collectively support such jobs by reduced contribution rates or benefits that are more than proportional. In countries where such small jobs do not give full access to social protection, costs nevertheless arise indirectly, for instance when social assistance or minimum pensions have to be paid. In fact, the social costs depend on the distribution or life-time concentration of such jobs among the population. From the perspective of the financial sustainability of the welfare state, an equal distribution of working time among the whole population and a low proportion of ‘bad jobs’ are therefore desirable objectives.

Long-term WTA can help employees to adjust their working time over the life course, and such accounts can be advantageous for employers too. Nonetheless, as far as the financial impact on social security systems is concerned, the analysis provided by Klammer et al (2005) comes to a more pessimistic result. WTA can theoretically help to reduce overtime and redistribute working time more evenly among the population, with positive effects for the financing of social security. In Germany, however, where WTA are most widespread, they currently do not contribute to a more equal distribution of working time and money among the population, but rather reduce the financial basis for social security and therefore tend to augment the financial burden on the system.

Examples of good practice

Most countries offer regulations for certain life phases without being really interwoven; however, the institutional framework is more coherent and ‘life-course friendly’ in the Nordic countries, as has been noted. Some other countries such as Belgium and the Netherlands in particular have started to develop explicit life-course schemes. Following the research on flexibility and security over the life course (Muffels et al, 2008), this section portrays these schemes and discusses their potential for a coherent life-course approach.

Belgium

In 1985, Belgium introduced a system of career breaks as a labour market instrument to address the high level of unemployment. This scheme allows individuals to temporarily exit the labour market while still retaining their employment contract. The resulting temporary job vacancy is obligatorily filled by an unemployed worker receiving unemployment insurance. The strategy had two aims: protecting those who may otherwise be obliged to exit the labour market by providing an instrument to temporarily withdraw with a guaranteed return; and creating a port of entry into the labour market for vulnerable groups. The system, which has since been amended several times, was innovative because previously individuals who wished to take any kind of extended leave from work were obliged to quit their jobs whether for health reasons, caring tasks or educational training.

In the Belgian career break system, the worker receives no salary during the period of leave and does not accrue vacation time, but does continue to build up pension claims. Although the government provides subsidies for the workers taking leave, this amounts to a small lump sum each month which does not compensate for the lost earnings. Nevertheless, it creates a buffer of security for the employees to temporarily exit the labour market knowing that their place will be there when they return.

In order not to overburden companies, a 5% limit is set regarding the proportion of workers within a single enterprise who can concurrently make use of such leave. The employer may go above this percentage voluntarily. Leave-taking is not necessarily full time but can also be a reduction of working hours.

The Belgian career break system is flexible in many ways. The exit or reduction of hours is not restricted by the reason why somebody wants to take leave. The individual is completely free in terms of motive for the exit, and is not obliged to even name a reason for the desire to take a career break. The employer, on the other hand, is required to permit the career break as long as the maximum level of staff on leave is not exceeded. If the continuity of work without the involvement of the particular employee is impossible, the employer is obliged to substantiate the refusal. The current maximum period of time for the break is one year although extensions are allowed in many of the collective agreements.

In the second half of the 1990s, a new amendment introduced three thematic forms of leave: parental, medical and palliative care. Thematic leave has priority over regular career breaks and is not subtracted from the amount of time allowed for regular career breaks. Thus, thematic leave is in addition to career breaks. Individuals taking thematic leave are also entitled to a higher compensation than individuals taking regular career breaks.

In 1994, the government of Flanders in northern Belgium introduced an additional instrument to encourage the use of career breaks, in the form of a financial premium (VAL). This is a bonus that under certain conditions is paid to employees in Flanders who make use of the career break system, and is paid as a gross sum directly to the employee. The reason for the introduction of the additional subsidy was to make the career break system more accessible to lower income groups and lone parents.

The Belgian career break system has proven to be a dynamic strategy, capable of adjusting to more adequately meet the needs of workers while allowing the kind of flexibility necessary for a successful implementation by employers. The system is also designed to increase labour participation among women and older workers, and to facilitate lifelong learning.

The Netherlands

The Netherlands is the first country to have introduced a national legal arrangement under the heading of a 'life-course arrangement' (*levensloopregeling*) in 2006. This new programme offers a fiscally supported savings scheme with the aim of facilitating in a financial manner periods of leave or non-participation in the labour market. Most of the existing leave rights and working time options were either introduced or extended in the 1990s. The main legal framework for the introduction of these time arrangements comprises: the reform of the Working Hours Act (1995); the enactment of the Prohibition of Discrimination by Working Hours Act in 1996; the Working Time Adjustment Act (2000), which introduced a conditional right for workers to work fewer or more hours; and the Act on Work and Care (2001). Few state-designed measures and incentives exist in the field of education and retraining. Here the social partners are the main actors, with the exception of the so-called initial or basic education, which is still largely the responsibility of the government.

In 2001, the Dutch government introduced the so-called 'leave savings scheme' which allowed for individual and collective savings towards leave with a view to optimising the balance between work and care. A maximum of one year of leave could be saved under the scheme. However, the savings scheme was not transferable across companies and few employees opted for it. A further proposal entitled the 'Basic Life-course Arrangement' was withdrawn, but the topic stayed on the agenda. An arrangement which allowed for the saving of a maximum of 12% of wages and a maximum of one and a half years of leave was presented as a new option alongside an already existing general arrangement for saving a certain amount of one's wages. The latter is called *sparloon*, and is a widely used fiscally-friendly option where the employer transfers a part of the wage, before taxes, to a separate savings account, accessible after a certain period of

time and under certain conditions. Soon the discussion on this new proposal became linked to the politically sensitive issue of reforming the pre-retirement schemes. After heated debate, the government and social partners reached a new social agreement. The present life-course arrangement, which came into force in January 2006, was part of this agreement and contains the following key provisions.

- Employees may save a maximum of 12% of gross income each year up to a maximum of 210% of the yearly gross income, in order to finance periods of unpaid leave, such as care leave, sabbaticals, terminal care, parental leave and training leave, or to retire earlier from the labour market. After take-up, the account can be refilled up to the 210% value. Employees can save towards a maximum of three years of leave, if they decide that 70% of their wage is sufficient over the period; however, the social insurance coverage expires after 18 months. Based on the 210% of income savings sum, those who need to spend the full 100% of their wage over the leave period would be able to stay off work for up to 2.1 years.
- Money can be put in a life-course savings account or be used as a premium for life-course insurance with private insurance companies or pension funds. In agreement with the employer, overtime can also be saved in the account.

No new rights to leave were introduced in addition to existing rights; the life-course arrangement is primarily a fiscal arrangement to save money for use during certain periods of leave – particularly non-paid leave – or economic inactivity. Collective bargaining parties are expected to incorporate and facilitate the life-course arrangement in their agreements and employers are obliged to offer the arrangement to their employees.

The general idea of a life-course arrangement is widely supported in the Netherlands. However, the existing scheme is not unanimously welcomed. Critics claim that the current version is too limited in scope and inaccessible for lower-paid employees. The number of participants so far is much lower than expected at the introduction of the arrangement. Some commentators advocate a revised life-course scheme, integrating the current scheme and the *spaarloon* arrangement to make it more attractive. Other proposals suggest widening the scope and application of the scheme for education and training, and allowing more possibilities to use the money saved in the case of work-to-work transitions. In that scenario, the arrangement may develop into an individual transition arrangement that could be a pillar of a comprehensive transition security and employability system. A question being discussed is whether integrated life-course policies should be based on unilateral and unconditional rights on the part of the employee, as is the case in Belgium but not in the Netherlands. Trade unions in the Netherlands have expressed concern that the reforms may lead to a fully individualised, privatised and fiscally-based social security system. In fact, it cannot be denied that extended options to save for personal life-course needs could be used as an argument for further cuts in collectively financed social security systems. Despite these debates, the Dutch life-course scheme so far is the most encompassing attempt to organise a legal framework for a coherent life-course policy.

While all EU Member States have regulations and social security schemes for certain life phases, such as maternity leave or benefits for old age, what is lacking is a coherent life-course approach. The five Eurofound reports on this topic make clear that good arguments exist for proposing the development of a coherent life-course approach, instead of just focusing on single life phases or on increasing employment rates. Diversification of and changes in life courses lead to new risks and new tendencies of exclusion. Gender differences become even more obvious when looking at the entire life course. Moreover, the reorientation of European social policy, focusing on lifelong employability, activation and the ‘enabling state’, makes it necessary to give people more options to optimise their labour market participation and work–life balance over the life course.

It is important to emphasise the nature of the life-course perspective as an integrated and comprehensive approach, linking and combining various rights and entitlements to facilities for both women and men. Along the lines also developed within the transitional labour market approach (see for example Schmid and Gazier, 2002; Schmid, 2006), life-course policies can be defined as a purposeful strategy which enables and empowers societal actors and citizens to successfully synchronise paid work and other socially productive activities at a given time. Furthermore, such policies facilitate the synchronisation and management of a variety of preferences and choices involved in life-course decisions across different life phases – the diachronisation element – in order to guarantee optimal participation in work and other meaningful activities in the longer run (Muffels et al, 2008). Indeed, the innovative character of the perspective lies in this encompassing approach and also in the longitudinal or long-term view.

As far as social security is concerned, the challenge to be met in the context of a new, more flexible organisation of time over the life course can be described as finding a new balance between commodification and decommodification, to use the terminology of Esping-Andersen (1990). Commodification in this sense means that, through activation support, the (re)integration into the labour market might be improved. This can include employment and income support to promote beneficial transitions at the beginning of one’s working life, after periods out of the labour market, or after periods of reduced or precarious labour market participation, for example for persons who interrupt paid work for unpaid care work or for persons who become unemployed. It can also include support to facilitate the mobility between locations or jobs, that is, regional or job mobility. The topic of commodification has been advanced considerably by the shift towards an activating welfare state. Nevertheless, despite the general trend towards activation, countries differ in the degree of support offered and in whom they target for such support, as well as in the level of compliance and coercion they employ. Conversely, decommodification means permitting people economic independence from the labour market through the right to leave the labour market in certain situations and life phases, and in particular through financial support to bridge these phases. This has not been made superfluous by the shift towards the active and activating welfare state. On the contrary, the need arises to rethink and redefine under what circumstances and for what phases people are not expected to make their living primarily through paid work, and how these periods – before, during and after the ‘potentially active’ phase – can be bridged in terms of income.

Policy messages from individual perspective

Policy messages concerning the development of a coherent life-course approach meeting the needs of individuals can profit from a number of earlier proposals from the scientific and political sphere. It should be remembered that Gösta Rehn proposed more than 30 years ago (1972, 1977) to finance income transfers between various periods of paid employment and other social activities – such as parenting and education – through a general income insurance fund, to which individuals, companies and the state should pay contributions. Similar ideas were promoted by Supiot in the late 1990s (1998). In his view, everybody should have to contribute to such a system and, in exchange, every person should get drawing rights to cover periods of non-work or working time reductions. The system could be organised as a single fund controlled by the social partners and the state (Anxo et al, 2006, p. 112).

Other relevant approaches (see Naegele et al, 2003, pp. 25–31) concern proposals for a general reduction and redistribution of lifetime working hours (Boulin and Hoffmann, 1999) in order to enhance the freedom of choice of the individual and improve the availability of working time options allowing people to combine different activities, thereby improving their work–life balance. Better options to create age-integrated structures and combine activities over the entire life course in order to widen, promote and modernise gender roles have been recommended by others, such as Riley and Riley (1992) or Naegele and Frerichs (2000). The transitional labour market approach (see for example Schmid, 1998) suggests concentrating on improving support for transitions – for instance, between work and education, care activities, unemployment or retirement – during the life course. This would require a new focus of the welfare state, but also of other actors such as companies. The flexicurity approach focuses on options to balance flexibility and security. Although this approach has enjoyed considerable attention in recent years in the EU – with the European Commission publishing a Communication on flexicurity in June 2007, followed by an agreement on ‘common principles’ for flexicurity in December 2007 – it is still often discussed in a static sense. However, as Klammer (2004) has shown, this approach is highly useful when regarded as a dynamic concept and linked to the life-course perspective.

Pursuing some of these ideas and proposals outlined in the Eurofound reports – notably, in the report on changing social security structures (Klammer et al, 2005) – from the worker’s perspective, a coherent life-course approach should concentrate on the following aspects:

- support for continuity and upward mobility, as well as the prevention of involuntary discontinuity in workers’ careers;
- enabling of desired flexibility and discontinuity, for example by the regulation of leave options;
- support for transitions by empowerment as well as by financial support;
- appropriate guidance and training systems, especially low-threshold and widely accessible career guidance facilities within companies but also outside companies – for instance, to prevent early school leaving;
- policies aiming at an earlier entry into and later exit from the labour market or ‘decompression of working life’, leaving more room for other activities in between;
- reform of financial support systems – more options should be given to individuals to redistribute their income over their life. Furthermore, certain socially important phases such as care periods should be supported by collectively financed cash benefits;
- broader access to social security and strengthening of minimum benefits, particularly in the healthcare and pension systems.

Some of these points require more detailed discussion.

A sustainable ‘adult worker model’ in which – according to the Lisbon Strategy – all able-bodied adults are expected to earn their own living, primarily in the labour market, would have to allow variations and fluctuations in working times for people in different life situations and with different priorities (Klammer and Klenner, 2004). These requirements concerning the future role model of a worker are a logical necessity when the role model of the economically inactive carer is abolished without solving the question of how to provide otherwise for childcare and eldercare. It is also a consequence of the growing heterogeneity of the workforce and of increasing needs to maintain one’s employability by lifelong learning and recreational phases until one reaches retirement age. Following this idea, Muffels et al (2008) and others emphasise the importance of giving people more options to vary working times and adapt them to changing needs in different phases of the life course. As Anxo and Erhel (2007) point out, this also requires options to reverse individual choices, for example the right to return from a part-time job into a full-time job.

Life-course oriented policies should therefore be concerned with enhancing flexibility in time use, allowing individuals to save and spend their 'working life time' and to distribute time and money over the course of their lives as they wish:

'a life-course policy should give individuals the right and opportunity to choose between long-term adaptations of working hours (reduction or increase) or the use of lifetime saving accounts (...) or of lifelong training schemes and flexible retirement schemes'.

(Torres et al, 2007, p. 95)

This should be accompanied by the establishment of legal frameworks for life-course saving schemes. The Belgian career break scheme and the Dutch life-course approach, both summarised in this study, contain some potential in this respect by giving people a legal framework to redistribute their lifetime income over their life course according to personal preferences and needs. However, it has become clear that these approaches also contain a potential danger from the perspective of concern for the well-being of particular groups of citizens. When the state only concentrates on organising a scheme that allows people to save time and money for all kinds of needs during their individual life course without any differentiation concerning the motives for working time reductions and interruptions, an obvious risk arises for a further individualisation of risk coverage – leaving the people with less capabilities to deal with these risks largely or partly uncovered. This can only be avoided if policies first decide which situations in life, for example caring for children or elderly dependents, require some public, collectively financed support through the welfare state, and then aim to integrate these support schemes into an overall life-course framework. The role of the state in establishing a life-course policy therefore encompasses the creation of legal rights to reduce or increase one's working time, as well as providing options for leave and for re-entering the labour market – for instance, for parental leave. Such legal rights should determine minimum standards for employment contracts but also provide cash benefits for predefined life phases. Legal rights to redistribute one's time and money over the life course therefore have to be accompanied or complemented by integrated options creating opportunities for coordinating time and income arrangements (Naegele et al, 2003).

It is also important to ensure adequate social protection to allow an increasing number of people, who – due to economic and globalisation forces – are confronted with more intermittent periods of non-work for a variety of reasons, to deviate from the former full-time, lifelong-working life course. This involves strengthening the lowest level of the social safety net and improving minimum protection and/or compensation for temporary absence from the labour market. Activating policies should make a range of options available and should create new legal and institutional frameworks to support the people who are confronted with these new risks. The establishment of such universal citizen rights to recurrent periods of leave and reduced working times could smooth transitions and thereby enhance the job-matching process in the labour market as well as workers' productivity (Anxo et al, 2006, p. 112). In addition and with respect to pension provision, facilitating people to build up their own resources for bridging later life should be supplemented with safeguarding and strengthening basic universal public pension rights, in order to limit the risk of old age poverty.

Young people in particular should be trained during their education, insofar as possible, to be able to make coherent decisions. Life-course policies provide options and freedom of choice but at the same time imply the necessity and constraint to actually make choices. A formal right to career guidance and support could be considered, or perhaps even a right to transitional employment, meaning the right to be supported and not discriminated against or disfavoured in the process of making good transitions in the labour market,

As far as gender equality is concerned, flexible options to combine work and care might be problematic as long as only women pursue these options; such a 'signalling effect' can lead to a further discrimination of women in work. As Esping-Andersen states, 'we must conclude that true gender equality will not come about unless, somehow, men can be made to embrace a more feminine life course' (2002, p. 95).

In the meantime, as Anxo et al (2006) state, proactive measures will still be necessary to promote gender equality and social justice. However, ‘the key issue of gender equality (like any inequality) lies in life-course dynamics’ (Esping-Andersen, 2002, p. 87). The life-course perspective is thus not only linked to the employment agenda, but also to the care agenda and the equality agenda.

From the individual worker’s perspective, a life-course approach should therefore focus on a combination of improved individual choices allied with enabling measures, collectively financed cash support for certain phases or risks during male and female life courses, and broad access to minimum benefits in the healthcare and pension systems.

Policy messages from company perspective

It has become clear when looking at companies’ interests and flexibility needs that enterprises cannot be expected to mainly focus on their employees’ life-course needs irrespective of the business needs – that would also be at odds with the main message of the flexicurity concept. Company pressures and motives and their needs concerning flexibility and security, as well as the time horizon for their actions, are not necessarily congruent with those of their employees.

Because of this, implementing a life-course perspective requires the simultaneous involvement of different actors – in particular the state, the social partners and the company – with varying tasks. While the contribution of the state can be to generate the legal framework for different time-based options and to add these life-phase regulations to a coherent life-course approach, collective agreements can pre-empt, extend or specify legal regulations concerning leave and flexible working times, or they can establish a framework where no legal regulation exists. The German partial retirement scheme is an example of the broad insertion and specification of a given legal framework in different collective agreements, although the social partners have only partly adopted the different options for flexible retirement offered by the legislation since 1996. Social partners – in particular trade unions – can also play an important role as ‘life-course coaches’, providing information and assistance for workers at different points and transitions during working life.

Companies are becoming increasingly important as actors on the work–life balance stage. Flexible time options offered by the company can help workers to adjust paid work to changing needs over the life course. The state can encourage companies to adopt a more family-friendly life-course policy by creating incentives such as tax benefits for companies which provide suitably oriented working times, or through certification schemes and public awards. Economic arguments may create an additional and potentially strong incentive to ensure that personnel or HR policy in companies is more family-friendly and life-course oriented. However, it appears that the ‘working culture’ within the company is more important than specific company-level provisions. Ultimately, the social policy debate on role models and the life course can only be successful when it succeeds in initiating a paradigm shift in companies, where each employee is automatically also seen as a person with time needs beyond paid work, for example as a caregiver or as somebody involved in other socially relevant activities that can change over the life course (Klammer and Klenner, 2004).

The ideal of a dynamic, long-term oriented flexicurity strategy could be described as a system of joint and mutual risk management for workers and employers (Evers and Wilthagen, 2007). Employers face the risk of a weakening market position due to increased competition, but also the risk of a quantitative and qualitative mismatch of labour supply as a result of technical progress, demographic change and varying preferences and competences among workers. For workers, job or employment security and the possibility of reconciling work and private life may be at risk due to business responses to globalisation and intensified competition. Contributing to the risk management of the other party can contribute to managing one’s own risks. It is crucial that not merely current risks but also future risks are addressed, as the Eurofound reports clearly show that the needs for flexibility and security vary across the life course and the business cycle. Business networks and cooperation can contribute to greater employment security, giving workers more options to stay in work (Evers et al, 2004).

Policy messages from national system perspective

A number of policy measures which countries could implement to promote a life-course approach have already been outlined above from the perspective of individuals. In spite of some general trends, however, the actual problems differ from country to country. Whereas Southern countries and regimes have particular difficulties in enhancing flexible and secure policies for a life-course approach, Anglo-Saxon countries, like the UK, suffer from high poverty rates and especially a high level of child poverty. Europe is characterised by varieties of capitalism and welfare states (Hemerijck, 2002; Giddens, 2007); it will therefore feature and require varieties of life-course strategies and flexicurity (Eurofound, 2007). This implies that the policies and legislative strategies to foster flexicurity and the life-course perspective in the Member States need to deal with historically grown situations and starting points. However, Member States' choices as to which pathways to take are not prejudged. The countries should assess their own situations and identify their own meaningful future pathways to cope with different labour market challenges, acknowledging the fact that a 'one size fits all' approach is not appropriate.

This section includes a number of strategies that can serve to reconcile flexibility and security across the life course and business cycle; these strategies can be adopted at national level, depending on the country's history, political, institutional and cultural context, and labour market issues.

Need for activating and 'make transitions pay' policies

Evidence regarding the scarring effects of flexible employment contracts shows that policymakers should be aware of and should try to mitigate the negative effects that workers in non-standard employment contracts are exposed to in the short term, but also in the longer run. Governments might endorse activating policies to create opportunities for temporary workers to move quickly into self-employment or permanent jobs and to speedily recover from the employment and wage penalties they apparently face. In accordance with the transitional labour market approach, this means a shift from 'make work pay' policies to 'make transitions pay' policies. If governments aim to encourage and facilitate investment in the human capital of workers on flexible employment contracts through lifelong learning, such policies will likely be successful in tackling the scarring effects.

Institutional support for working mothers and other caregivers

With respect to the employment and wage penalties that women face, this study finds a positive link between, on the one hand, good employment and institutional service and income support for working mothers or parents and, on the other hand, the chances for women to realise their employment and working time preferences and to remain in their jobs. Moreover, such support reduces the wage penalty that these women experience during their career. Greater institutional support is needed for parents and other caregivers to work part time, particularly in Anglo-Saxon and Southern countries; this support will create more acceptance in society for limited care leave and flexible working times. Policies aiming to create improved working time options at company level or in the public sector have a better record of keeping women at work after childbirth.

Time management systems

Life-course oriented policies require a shift in current HRM practices through the establishment of life-course oriented time management systems. The workers' time input during their stay at the company should be better monitored and allocated, taking proper account of the economic needs of the enterprise at different stages of the business and company life cycle, and of the workers' social needs during their individual life course. The state can provide a suitable legal framework for such time schemes.

Wage policy and financial support through social protection system

Policies should mitigate the scarring effects on income or of reducing working hours in the context of childcare and eldercare, by providing financial support for socially useful activities. More employment and income support for working mothers with young children and other caregivers makes it less difficult for these persons with caring duties to catch up fully with other workers during the career. Strategies should also aim to reduce the pay gap between part-time and full-time work in order to improve the conditions for part-time work and increase employment. Support for jobs with reduced working hours will contribute to making such positions more accepted in society and enhance their attractiveness in terms of their wage career prospects. Policies aiming to create quality part-time jobs can also help to improve the match between labour supply and demand, and boost productivity gains. This strategy should raise the hourly wage level and narrow the gap compared with full-time wages. However, in countries where the dominating norm for mothers is to work full time, policies should be designed differently than in countries where the norm is to work part time.

Access to social protection schemes and minimum benefits

In terms of a broad access to social protection schemes and the need for minimum benefits, particularly in the healthcare and pension systems, the crucial challenges have already been mentioned above in relation to the individual perspective.

Pathways to balance flexibility and security

Inspiration for pathways within the EU to optimally balance flexibility and security over the life course can be derived from the recent documents prepared by the European Commission (2007) and the European Expert Group on Flexicurity (2007). The latter report also contains practical suggestions for steps within each pathway. These pathways respond to the varying labour market challenges and starting positions across countries. The four main, illustrative pathways are as follows.

- Pathway 1: Reduce asymmetries between non-standard and standard employment by integrating non-standard employment contracts fully into labour law, collective agreements, social security and lifelong learning, and consider making employment in standard contracts more attractive to companies. This pathway refers to two-tier or segmented labour markets with a large proportion of so-called 'outsiders' lacking security and the opportunity to move into permanent employment, paralleled by strict regulation of open-ended employment contracts.
- Pathway 2: Enhance companies' and workers' adaptability by developing and strengthening transition security. This pathway refers to labour markets with limited turnover or dynamism and high security levels for its workers, but lacking opportunities for the workers to regain employment in the event of redundancy.
- Pathway 3: Address opportunity and skills gaps among the workforce by broadening and deepening investment in skills. This pathway refers to labour markets which are rather flexible but are confronted with large numbers of workers in insecure jobs lacking learning opportunities and having skills deficiencies, which may curb productivity growth. They are also characterised by the prominent role played by the growth of the service economy which triggered and facilitated the increase in low-skilled jobs with low levels of productivity.
- Pathway 4: Enhance employment opportunities for benefit recipients, prevent long-term welfare dependency, regulate informal work and build up more institutional capacity for change. This pathway pinpoints segmented labour markets which are in a transition process towards a market-based economy and which are characterised by benefit dependency and a high level of informal work. Due to their historical state-oriented path, they have insufficient resources and poor supporting institutions to offer employment opportunities to the many 'outsiders' in the formal labour market.

The welfare regime approach and VoC classifications resemble the various pathways described here although regimes might be a mixture of various pathways. The rather unregulated or liberal UK labour market is closest to pathway 3, while the strongly regulated Southern labour markets align most with pathway 1 and the highly regulated regimes in

Continental Europe are similar to pathway 2. The Nordic countries seem to resemble pathway 3, but they are also a mixture of more than one pathway, including pathway 2. In short, no one-to-one relationship exists between pathways and regimes, indicating that the different regimes need to follow their own but different roads to introduce a life-course approach and improve their social and economic performance.

Conclusions

A life-course approach acknowledges that human life is full of risks, contingencies and discontinuities. Risks and uncertainties cannot be excluded; however, they can and should be anticipated and managed as well as possible. This risk management approach is highly complex as it aims to synchronise paid work and other socially valuable activities, synchronise individuals' past, present and future choices and activities, and synchronise the interests of workers, companies and society's interests as a whole. The complexity of the issue is specifically associated with the fact that preferences, needs and interests vary over time. It thus requires the involvement and risk-bearing of all actors: individuals, companies, social partners, social security institutions, private organisations such as pension funds and insurance companies, and the state. Time – more precisely time for paid work, unpaid work and non-working time – is the major coordinating and distributive mechanism within this synchronisation and risk management process, and so is income and income support.

The case for an appropriate life-course perspective and for life-course policies can also be argued by viewing labour market outcomes or scenarios that society should prevent from becoming manifest:

- a lack of life-course supporting facilities, detrimental to the income, wealth and well-being of workers and their families in the modern labour market and with adverse effects on safeguarding sustainable labour market participation, human development and social cohesion;
- a new class divide between people who have options and know how to use them best, as distinct from people without options or with options but without the capabilities of using them to the best advantage;
- life-course arrangements that are merely available, in practice, to people who already have the financial and human capital means for self-reliance, and which lead to the reproduction of inequality and segmentation;
- a wide range of life-course options but with a high likelihood that scarring effects occur for those who actually pursue the options;
- a full spectrum of life-course options and policies but with an adverse impact, in practice, on the further development of business and company adaptability in Europe;
- a broad range of life-course arrangements, which – due to under-utilisation – despite being based on fully unconditional, voluntary take-up decisions, do not serve the societal interest with a view to coping with diverse challenges.⁸ The latter include the demands of the knowledge economy, the ageing of society, the globalisation of the economy and the sustainability of the welfare state, including the preservation of social security systems and other provisions.

From this list of threats and challenges, it is clear that both theoretical or conceptual and empirical research efforts are needed to cope successfully with such risk factors. The five Eurofound reports discussed in this study hopefully provide a sound basis for a future research agenda in relation to the issues and themes identified in this report.

⁸ For example, life-course options which are used on a large scale but for early retirement only.

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Annex: Synopsis of methodology and findings of the five Eurofound life-course reports

Focus and methodology	A new organisation over working life (Naegele et al, 2003)	Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)	Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)	European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)	Flexibility and security over the life course (Muffels et al, 2008)
Main aim/focus	<ul style="list-style-type: none"> • Conceptual work on the life-course perspective • Analysis of developing time patterns and arrangements, of their relation to people's preferences and to aspects of the quality of life • Development of a typology of changing life courses • Development of policy implications for a life-course approach, including single and integrated measures 	<ul style="list-style-type: none"> • Institutional analysis of different levels of regulation dealing with relevant life-phase and life-course issues and their interplay; • Coverage of social protection for different life phases and events • Investigation of the sustainability of social security systems in times of increasing flexibility 	<ul style="list-style-type: none"> • Conceptual work on the life-course perspective • Data analyses (cross-sectional for 2000) for constructed life courses, for example, for working time and labour market participation, income from work and transfers, preferences • Focus on gender differences, household composition, cross-country differences 	<ul style="list-style-type: none"> • Data analysis (cross-sectional) of the First European Quality of Life Survey • Focus on different life phases and gender differences • Country comparisons, including the NMS • Influence of societal context and institutional setting 	<ul style="list-style-type: none"> • Career effects: Evaluation of long-term effects of non-standard work – primarily contract and working time flexibility – as well as the effects of childbirth and other factors • Companies: Long-term strategies and matching with employees' needs, examples of good practice
Theoretical background / analytical approach	<p>First stage: Secondary analysis of existing empirical studies and surveys as well as official statistics</p> <p>Second stage: In-depth analysis of the situation in individual countries, based on information provided by an expert network</p>	Institutional analysis, welfare state regime approach	Stylised life-course and household typology, tracing typical life trajectories	Stylised life-course typology), tracing typical life trajectories, following the typology of Anxo et al (2006)	<p>Based on separate working papers (WP) produced in the framework of the study</p> <ul style="list-style-type: none"> • Comparative welfare state research, country typologies testing the 'trade-off thesis' and the 'flexicurity thesis' (WP1) • Conceptual work, secondary literature analysis, case studies (WP2) • Econometric research with panel data and life history data (WP3–8); sequence data analysis technique
Actors / challenges identified	<p>Focus: Individuals, state, institutional framework</p> <p>Challenges: Demographic change, changing gender roles, increased competition, destandardisation of standard working time norms, shortening of the activity phase, gap between people's wishes and reality, quality of life</p>	<p>Focus: State, social security systems, social partners</p> <p>Challenges: Lack of social protection for certain life phases</p> <p>Sustainability of social security systems can be endangered by discontinuous life courses</p>	<p>Focus: Households, men and women; Chapter 7: Company strategies for life-course oriented time management</p> <p>Challenges: Both individuals and companies need to update their competencies more frequently than before (p. 105)</p>	<p>Focus: Individuals' behaviour, in particular concerning time use according to gender</p> <p>Challenges: Gap between people's working time preferences and reality, quality of life</p>	<p>Main focus: Individuals, micro-level effects; macro-level effects in WP1, meso-level effects in WP2</p> <p>Challenges: To make negative long-term effects of flexible jobs visible and to limit them; to match companies' and workers' short-term and long-term needs (synchronisation and diachronisation)</p>

Focus and methodology	A new organisation over working life (Naegele et al, 2003)	Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)	Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)	European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)	Flexibility and security over the life course (Muffels et al, 2008)
Countries taken into account	Western European countries (in Chapter 7: AT, DK, ES, IT, NL, UK + US and Japan), but country comparison is not central	Western European countries: examples from old EU15 countries representing the Nordic, Continental, Anglo-Saxon and Southern welfare state regimes	Seven western European countries: DE, ES, FR, IT, NL, UK and SE	25 countries: 14 of the EU15 (excluding LU), eight of the 10 NMS which joined in 2004 (excluding CY and MT), as well as BG, RO and Turkey (TR)	Different selections of EU Member States in different WP. For the country typology (WP1), 28 European countries; for company strategies (WP2), seven European countries; for the assessment of career effects due to contract flexibility (WP3, 4), 14 EU countries; for long-term effects of part-time work, childbirth and occupational mobility (WP5-8), DE, NL and UK
Database and years or cohorts	Secondary analysis of relevant literature, official statistics, information provided by expert network	Institutional data for years around 2002 and historical development	ECHP, cross-sectional data for 2000, and Swedish Panel Study Market and Nonmarket Activities (HUS)	Eurobarometer 60.3 and Candidate Countries Eurobarometer; cross-sectional data referring to 2003	Different for different WP. ECHP data 1995-2001 (WP3, 4), national panel data - German Socio-Economic Panel (GSOEP), Dutch Socio-Economic Panel (DSEP), British Household Panel Survey (BHPS) - in WP4-8, life-course data for up to five decades (1950-2000), depending on data source and WP. In addition, data from ESWT (Establishment Survey on Working Time and Work-Life Balance), EWCS (European Working Conditions Survey) and Eurobarometer

<p>Important findings</p>	<p>A new organisation over working life (Naegele et al, 2003)</p>	<p>Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)</p>	<p>Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)</p>	<p>European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)</p>	<p>Flexibility and security over the life course (Muffels et al, 2008)</p>
<p>Relation to European policy/European Employment Strategy (EES)</p>	<p>The life-course perspective is crucial for European policy in several fields, in particular:</p> <ul style="list-style-type: none"> • ageing of the population • structural changes in family patterns • globalisation and increased competition at micro and macro level • the growing importance of employability and lifelong learning for the workforce • the trend towards social and labour market exclusion • changing gender roles (pp. 1–2). <p>The life-course approach is related to several current EU debates in the field of economic, employment and labour market policy. It is also linked to the topics of: pensions, social and equal opportunities policy; the quality of life; the European Employment Guidelines; the concept of lifelong learning; the EU principle of active ageing; and the European social policy agenda.</p>	<p>EU countries are differently equipped for the EES, particularly as far as their social protection systems are concerned (see below).</p>	<p>The life-course topic is linked to the Lisbon European Council in 2000 as well as the Barcelona Council in 2002. The EES has emphasised the need to foster the development of a knowledge-based society and to increase the employment rates for different groups, such as older workers.</p> <p>The development of ‘negotiated flexibility’ is a main requirement of European policy, but notes that the actual situation is characterised by ‘piecemeal measures’ (p. 105).</p>	<p>The Lisbon Strategy’s main aim – to increase labour market participation – is not sufficient. ‘Rather than implementing “simple” activation policies, there is a need for an integrated life-course policy’ (p. 2). The employment agenda has to be connected with the care agenda and equality agenda.</p> <p>The data reveal Europeans’ high willingness in all life stages to engage in lifelong learning (p. 87).</p>	<ul style="list-style-type: none"> • Lifelong learning/ knowledge economy: The empirical results underline the importance of human capital and training for upward mobility in the labour market. • Flexicurity: The flexibilisation of employment contracts and working times has ‘scarring effects’ for the employees. Active labour market policies can help to limit these effects. • Lack of income support to mitigate the adverse effects of part-time work on hourly wages puts mounting pressure on families of the younger birth cohorts.
<p>Theoretical findings</p>	<p>The life-course perspective is developed according to six general orientation principles (based on Elder et al):</p> <ul style="list-style-type: none"> • ageing as a biological, psychological and social process; • human development as a lifelong process; • the impact of historical time and place; • the impact of the timing of events; • the concept of linked lives; • human agency as a crucial factor (p. 17). 	<p>The common welfare regime typology – differentiating between Nordic, Continental, Anglo-Saxon and Southern countries – is useful when analysing labour market integration of men and women over the life course. Despite country-specific differences, these regime types reveal characteristic patterns of labour market integration of both sexes in different life stages, with</p>	<p>Main features of the life-course approach are the crucial role of time and the attempt to take a holistic view, considering the entire life trajectory as the basic framework for policy analysis and evaluation (p. 2).</p> <p>At the core of the life-course paradigm is the link between individual trajectories, historical period, social structures and human agency (p. 12).</p>	<p>Preferences and choice, for example concerning working time models, are likely to be influenced by the institutional setting, role models and other factors.</p>	<p>The construction of a typology of countries based on contract and working time flexibility leads to the identification of different clusters in a ‘flexicurity quadrant’ measuring labour market mobility and income and employment security. The Continental cluster is characterised by a trade-off between low labour market mobility and a high level of income and employment security, whereas the Anglo-Saxon cluster represents the opposite trade-off, characterised by high labour market mobility and low income and employment security.</p>

Important findings (cont'd)	A new organisation over working life (Naegele et al., 2003)	Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al., 2005)	Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al., 2006)	European Quality of Life Survey: Time use and work-life options over the life course (Torres et al., 2007)	Flexibility and security over the life course (Muffels et al., 2008)
Theoretical findings	<p>The male and female life course is socially constructed; the former age-differentiated structure of education, work and leisure time has partly been replaced by an age-integrated structure, where these phases occur simultaneously.</p> <p>Several theoretical approaches can contribute to a life-course approach (pp. 25–31), such as the work of Rehn, the European Trade Union Institute (ETUI) proposals for a limitation and redistribution of lifetime working hours, the transitional labour market approach and the flexibility approach. Other contributions include the earlier proposals of the German Institute for Gerontology for a flexibilisation of working time over the life course, and the proposal of Riley and Riley to create more age-integrated structures.</p> <p>The horizontal life-course perspective allows policymakers to integrate several policy domains such as family policy, income policy and working time policy, while the vertical life-course perspective directs attention to the long-term consequences of policy decisions originally made for specific life phases. The life-course approach increases the scope for policy interventions in terms of active strategies combining preventive and compensatory measures (p. 145).</p> <p>The life-course approach cannot provide an answer to the question of which working life structures are desirable, nor does it reveal clear-cut causalities that generate specific working life structures (p. 146).</p>	<p>The Nordic countries achieving the most equal and continuous labour market participation. Factors like social security schemes, for example leave schemes, and the cooperation of different actors can help to explain the patterns analysed.</p>	<p>Earlier proposals by Rehn (1972) and Supiot (1998) addressing the financing of income transfers for various periods of paid employment and other social activities are fruitful for the further development of a life-course approach.</p>		<p>The Continental cluster is characterised by a trade-off between low labour market mobility and a high level of income and employment security, whereas the Anglo-Saxon cluster represents the opposite trade-off, characterised by high labour market mobility and low income and employment security. Southern countries combine low labour market mobility with low income and employment security. The transition regimes and the Nordic countries both show a medium level of labour market mobility, but the latter cushion this mobility with a much higher level of income and employment security, coming closest to a flexicurity model.</p>

<p>Important findings</p>	<p>A new organisation over working life (Naegele et al, 2003)</p> <ul style="list-style-type: none"> The classic male 'three-box' life course of education, work and retirement is no longer standard in many EU countries (p. 87). Three clusters of time arrangements from a life-course perspective are identified: 1) traditional standardised life-course biographies; 2) combination biographies, where combinations of activities are still related to particular phases of the traditional life course and gender differences are still apparent; 3) 'developed combination' or choice biographies, only partly related to particular phases of the life course. (pp. 41–3) The increasing availability of new working time arrangements does not necessarily lead to a better quality of life for the employees affected (p. 142). Optional working time models 'seem to be superior to all other working time models' (p. 137), but their gendered take-up is problematic: usually women use the model when starting a family. 	<p>Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)</p> <p>Work is most equally distributed among different age groups and both sexes in the Nordic countries whereas, in the Continental countries, prime-aged men are the most predominant group in the labour market. The Anglo-Saxon countries display somewhat similar gender differences as the Continental countries, but the differences between age groups are lower, with a higher labour market participation of younger and older employees. Southern countries show a lower level of part-time integration of women.</p>	<p>Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)</p> <p>In the different countries analysed, the level of labour market integration and average working hours of both men and women in different stages of the family life cycle differ considerably. The disparities are more visible among women than among men. While the gender gap after childbirth is relatively low in the Nordic country Sweden and also diminishes relatively quickly in the Anglo-Saxon welfare state UK, gender differences over the life course remain considerable in countries like the Continental welfare state Germany and the Southern welfare state Spain.</p>	<p>European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)</p> <ul style="list-style-type: none"> The time use of men and women differs considerably along the life course (entry phase – rush hour of life – late phase) and is influenced by the regime type, essentially Nordic, Continental, Anglo-Saxon, Southern or NMS. Different country patterns of female labour market participation over the life course are identified: a) a continuous model (DK, LV, PT, SE, SI) and a moderately continuous model (BE, FR); b) a traditional model (DE-W, IE, NL, TR) and a moderately traditional model (EL, ES, IT, PL); c) a transitional model (BG, CZ, EE, FI, LT, SK) and a moderately transitional model (AT, DE-E, HU, RO, UK). In terms of the total workload, parents in eastern and southern Europe tend to have a higher workload compared with their counterparts in western and northern Europe. Young people without caring duties prefer money to time. Concerning training provision over the life course, the most favourable or less discriminating patterns were found in DE-E, FI and RO, followed by AT, IT and NL. Almost 70% of all respondents expressed an interest in lifelong learning. The most available working time options are also those that are considered to be the most important by the interviewees: 'working more or fewer hours if needed' (50%), 'saving up overtime to take as extra time off' 	<p>Flexibility and security over the life course (Muffels et al, 2008)</p> <ul style="list-style-type: none"> Part-time work is unevenly spread across Europe. In AT, DE, FR, HU and UK, mothers are more likely to withdraw from paid labour due to childbirth than in other EU Member States. Policies providing more institutional support for working mothers lead to a smaller reduction of working hours around childbirth. (WP5) Younger birth cohorts behave differently after childbirth than older cohorts do: the younger groups tend to withdraw less from the labour market and recover faster from the initial drop in participation. Women in UK have a sharper drop in participation rates after the birth of the first child than women from DE and NL, but they also recover faster. (WP7) Younger birth cohorts of men have more intermittent spells of unemployment and part-time work, more frequent job changes and household formation events. (WP8) Despite the more flexible labour market, workers do not experience more labour market changes in UK than in NL. (WP8) <p>Long-term effects:</p> <ul style="list-style-type: none"> The majority of flexible employment contracts are not dead-end roads, with country-specific differences. Workers on flexible contracts have worse chances of improving their situation than workers on permanent contracts, but better chances than unemployed persons. (WP4) Long-term effects or scarring effects after part-time work and childbirth are considerable but differ by country.
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Important findings	Individuals/households: Labour market participation over the life course, working time, continuity and discontinuity (cont'd)	A new organisation over working life (Naegele et al, 2003)	Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)	Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)	European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)	Flexibility and security over the life course (Muffels et al, 2008)
		(33%) and 'carrying over holidays to next year' (29%). <ul style="list-style-type: none"> • Women value paid work as much as men do. • 47% of men and 45% of women believe that part-time work is bad for one's career; a similar proportion believe that part-time work means that you have to do more in less time, with considerable differences between countries. • Taking time off work for care or training, entitlements to early retirement and childcare facilities at the workplace are considered by European employees as the best solutions for a better work-life balance. • 57% of Europeans in every stage of the life course believe that employers should support the time taken off work for training; 18% consider that the employee should support the costs, and 19% believe that the state should do so. - Across the countries, the most desired options for combining work with other activities concern greater control over working time and the development of time saving schemes. - Young people seem to be more willing than their parents to save time for later use, but are often unable to do so due to financial reasons.				
		<ul style="list-style-type: none"> • Part-time workers have less chance of working full time later in their career, but this effect becomes smaller over time. • The longer people work part time, the less chance that they will return to full-time work. After 10 years, the likelihood of a transition out of part-time work is lower in NL than in DE or UK. (Wp6) 				

<p>Important findings</p>	<p>A new organisation over working life (Naegele et al, 2003)</p>	<p>Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)</p>	<p>Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)</p>	<p>European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)</p>	<p>Flexibility and security over the life course (Muffels et al, 2008)</p>
<p>Individuals/ households: Income</p>	<p>-</p>	<p>Social security transfers play a varying role in different phases of life, but disparities between countries are also considerable. Almost all families with children aged below 12 years in DE, NL and UK receive cash benefits, but only about 30% do so in ES and IT. Among older couples (60 years+), in all analysed western European countries about 95% receive benefits, and the benefits represent a much higher part of the household income – between 83% and 88% in DE, ES, FR, IT and NL.</p>	<ul style="list-style-type: none"> In households with young children, men's labour market income is higher on average than that of younger, childless men and older men. Conversely, women's labour income is lower when they have young children, resulting from the tendency for young mothers to work fewer working hours (p. 59). Non-labour income is most significant for households with older people (pensioners), but also for women with a child aged under seven years in DE and SE (p. 59). The proportion of parents receiving family benefits is much higher in DE, NL and UK than in the Southern countries ES and IT, with FR positioned in between these groups. However, in all of the countries, social transfers on average represent a relatively small proportion of the total family income for families with pre-school children aged between seven and 12 years in the seven western EU countries analysed (data for 2000) (p. 65). 	<p>Long-term effects: atypical work biographies are penalised to a lesser extent in social protection systems based on universal or flat-rate entitlements rather than on detailed work history criteria.</p>	<ul style="list-style-type: none"> Due to reduced working hours, childbirth has a negative effect on women's income. The income penalty is estimated to be 5% a year on average. (WP5) The income penalty for part-time work is higher in UK than in DE and NL, but in all three countries full-time working men have a higher increase in hourly wages than full-time working women and in particular than part-time working women. After 10 years of part-time work, the income penalty over the 10-year period was higher in UK than in DE or NL. (WP6)
<p>Individuals/ households: Preferences, satisfaction, quality of life</p>	<ul style="list-style-type: none"> Time arrangements have a direct impact on the quality of life, which encompasses five dimensions: work-life balance, employability, income and social security, the quality of work and time sovereignty (p. 55). As the analysis of existing data reveals, a considerable gap emerges between actual working times and people's preferences (pp. 89–102). 	<p>-</p>	<p>The analysis confirms a gap between working time preferences and actual working time: a high proportion of men want shorter working hours and a considerable share of women want longer working hours.</p>	<ul style="list-style-type: none"> Many workers are not satisfied with the number of working hours. Men with childless and elderly employees are most satisfied. Women are less satisfied than men with their free time. A large gap emerges between working time preferences and actual working hours; however, about 70% of the respondents do not plan to 	<p>Working time preferences are better met in countries with a high level of working time flexibility.</p>

<p>Important findings</p>	<p>A new organisation over working life (Naegele et al, 2003)</p>	<p>Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)</p>	<p>Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)</p>	<p>European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)</p>	<p>Flexibility and security over the life course (Muffels et al, 2008)</p>
<p>Individuals/ households: Preferences, satisfaction, quality of life (cont'd)</p>	<p>Some 45% of all women and almost 60% of all men wish to reduce their working hours (p. 112). <ul style="list-style-type: none"> • People in the EU15 plus Norway on average would like to work 3.7 hours a week less than they do; men would like to reduce their working time more than women would (4.6 hours compared with 2.6 hours; data for 2001). Preferences may be influenced by institutional factors and traditions. </p>	<p>-</p>	<p>The analysis confirms a gap between working time preferences and actual working time: a high proportion of men want shorter working hours and a considerable share of women want longer working hours.</p>	<p>change their working hours, due to a lack of money or to structural impossibilities. <ul style="list-style-type: none"> • Throughout Europe, about 20% of respondents plan to reduce their working time. The preference for fewer working hours is in particular found in NL, PT and TR, and it is particularly desired by people with children and older workers. • People wish to retire earlier than they actually do; women have a much greater preference than men for working part time before retirement. • Respondents from Nordic countries and some central European countries were most satisfied with their jobs, income, work-life balance and other issues. </p>	
<p>Companies / social partners</p>	<ul style="list-style-type: none"> • Social partners only started to employ a life-course perspective in 2002 when ETUC, BusinessEurope (formerly UNICE) and CEEP published a joint framework on lifelong learning. • Trade unions in Europe adopt widely different views about and strategies towards working time options (p. 105), whereas there is substantial uniformity in employer organisations' positions about increasing flexibility. 	<p>Companies and social partners can play an important role in a life-course regime, in particular by regulating flexible working time options and leave schemes, within the context of the legal framework. Working time accounts (WTA), which are becoming more widespread – particularly in DE, FR and NL – can be a suitable instrument to improve work-life balance, and lifetime accounts can offer possibilities to distribute time and money over the life course. However, they can also pose problems,</p>	<p>The analysis confirms the trend towards increased diversity of working time arrangements at company level, but mainly in large companies and in specific fields of economic activity, such as financial intermediation and technology.</p>		<ul style="list-style-type: none"> • WP2: Companies are not only short-term oriented, but also have to develop long-term strategies (diachronisation). Examples of good practice, such as Hewlett Packard, Airbus, Danone and Happy Computers (UK), focus not only on a range of flexible working time and leave options for their employees, but also on their future employability. However, a matching of companies' and individual's long-term needs and strategies is not evident. Companies employ different strategies and time horizons

<p>Important findings</p>	<p>A new organisation over working life (Naegele et al, 2003)</p>	<p>Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)</p>	<p>Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)</p>	<p>European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)</p>	<p>Flexibility and security over the life course (Muffels et al, 2008)</p>
<p>Companies / social partners (cont'd)</p>	<p>As far as the changing of life courses is concerned, a country comparison reveals: historical differences in terms of 'early' and 'late' movers; structural differences in the combination of different activities, as well as working times; and economic differences, for example schemes reacting to a negative or positive economic situation (p. 74).</p>	<p>for example when employees have no time sovereignty or when the savings in time or money are not transferable or are not insured against insolvency of the employer (pp. 37–9).</p>	<p>Welfare state regimes have different patterns of labour market integration over the life course. Labour market regulations and social security systems, but also company policies, have a strong impact on the structuring of age and gender. Four broad patterns appear to typify the gender contract: the Nordic 'universal breadwinner' model of high and continuous participation over the life course; the 'modified breadwinner' model, for example in France, with most women still working full time or long part-time working hours when they have children, but many low qualified women withdrawing from the labour market; the 'exit or full-time' model, for instance in ES and</p>	<p>-</p>	<p>regarding different employee groups, known as commercialisation, negotiated stability and mutualisation. Short-term oriented, problematic strategies are directed at their flexible workforce, while more stable, long term-oriented strategies are designed for their higher educated core workforce or key players. The differences are likely to grow in light of demographic change.</p> <ul style="list-style-type: none"> • WP3: Company policies to establish flexible employment contract and working time options for their employees lead to an improved fulfilment of preferences.
<p>State: Legal framework and social security</p>	<p>Welfare state regimes have different patterns of labour market integration over the life course (see above, findings for individuals/households).</p> <ul style="list-style-type: none"> • A clear overall trend emerges towards the regulation of life-course oriented working time options, in particular since the beginning of the 1990s; however, options – such as parental leave – are usually linked to specific life phases. • Countries differ with respect to the time options for different life phases: NL and SE show a number of positive initiatives covering most life phases, whereas UK has few regulatory arrangements on working time options. Meanwhile, a middle position in this regard can be seen in DE and FR (p. 40). During 	<p>Welfare state regimes have different patterns of labour market integration over the life course. Labour market regulations and social security systems, but also company policies, have a strong impact on the structuring of age and gender. Four broad patterns appear to typify the gender contract: the Nordic 'universal breadwinner' model of high and continuous participation over the life course; the 'modified breadwinner' model, for example in France, with most women still working full time or long part-time working hours when they have children, but many low qualified women withdrawing from the labour market; the 'exit or full-time' model, for instance in ES and</p>	<p>Welfare state regimes have different patterns of labour market integration over the life course. Labour market regulations and social security systems, but also company policies, have a strong impact on the structuring of age and gender. Four broad patterns appear to typify the gender contract: the Nordic 'universal breadwinner' model of high and continuous participation over the life course; the 'modified breadwinner' model, for example in France, with most women still working full time or long part-time working hours when they have children, but many low qualified women withdrawing from the labour market; the 'exit or full-time' model, for instance in ES and</p>	<p>'Developing a typology of institutional systems capable of explaining country differences in life-course patterns seems virtually impossible (...). (...) it seems more appropriate (...) to describe the major institutional factors (...) on a nation-by-nation basis' (p. 91).</p>	<ul style="list-style-type: none"> • Anglo-Saxon and Nordic countries perform best in balancing numerical flexibility and static employment security, while southern countries fare worst in this regard. (WPI) • Benefit replacement rates have no impact on occupational mobility, but do have an impact on employment contract mobility; high benefits imply a higher likelihood that employees move into unemployment. • The less strict the employment protection legislation, the higher the occupational mobility of

<p>Important findings</p>	<p>State: Legal framework and social security</p>	<p>A new organisation over working life (Naegele et al, 2003)</p>	<p>the last 20 years, provisions have become more flexible by offering a choice between complete leave or part-time options. The main differentiation still lies in the payment conditions.</p> <ul style="list-style-type: none"> • More recently, life-course oriented schemes have emerged for the first time, for example institutional arrangements allowing for working time sovereignty and reversibility, for instance from full-time to part-time work and vice versa. NL has such a life-course scheme. • Countries show differences in the coverage of career interruptions, reduced working hours and systems allowing a flexible distribution of working time. • Life-course oriented schemes, such as leave schemes, are often based on an intertemporal redistribution of time and income by the leave-taker. • Part-time work implies a higher risk in countries with income-related state pension systems, for example DE and FR, than in countries with a system based on residence or citizenship, as in DK and NL. • Certain social risks are connected with marginal part-time jobs. • Whether part-time jobs and leave schemes imply higher social costs for social security systems depends on the financing of the system, the cash benefits provided and the impact on people's – in particular women's – labour market behaviour. Where part-time work mainly replaces economic inactivity of women, it can contribute to the financial sustainability of the system. 	<p>Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)</p>	<p>IT; and the 'maternal part-time model', widespread in DE, NL and UK.</p> <ul style="list-style-type: none"> • In addition to the gender differentiation, particularly when the children are young, considerable inequalities arise between social groups. • Young cohorts are increasingly exposed to labour market and work-life balance risks. 	<p>Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)</p>	<p>European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)</p>	<p>Flexibility and security over the life course (Muffels et al, 2008)</p>	<p>temporary workers and the less likely their transition into unemployment.</p> <ul style="list-style-type: none"> • The higher the human capital endowments, the more upward mobility in the labour market. • The Belgian career break scheme and the Dutch life-course saving scheme contain much potential for a coherent life-course approach in which the state provides a legal framework. (WP2)
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<p>Policy messages</p>	<p>A new organisation over working life (Naegele et al, 2003)</p>	<p>Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)</p>	<p>Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)</p>	<p>European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)</p>	<p>Flexibility and security over the life course (Muffels et al, 2008)</p>
<p>General policy messages</p> <ul style="list-style-type: none"> Existing labour market and social policies and their institutionalised time and income options do not match new preferences and life-course arrangements (p. 49). New risks include a 'time squeeze' (stress) and loss of income (poverty). Individuals need enough time to realise a combination of different activities, as well as time sovereignty. They also need a secure income (p. 45). Many of the existing time and income options available in EU countries are not 'integrated options': they do not adequately combine time and income options, and they usually only refer to a certain life phase (p. 143). It is increasingly necessary to allow for parallel periods of work and non-work. Better options to combine work and non-work in earlier stages of life can increase workers' willingness to work longer in the later stages of life (p. 29). State action is essential to facilitate changes from a 'single option policy' to life-course policies, and to avoid the new dangers of marginalisation and poverty associated with these life-course changes (p. 113). 	<ul style="list-style-type: none"> Universal and individualised social security systems, for example for healthcare or old age, give people more manoeuvrability to use different time schemes and options. The flexibilisation of employment contracts and work biographies has a different impact on the financial sustainability of different types of social security schemes; this issue requires more research. 	<ul style="list-style-type: none"> The wide range of individual preferences concerning working time, alongside new production needs, require more flexible adaptations of working time over the life course. The shifting of social protection systems from the first pillar (the state) to the second and third pillars (companies, individuals) can entail additional problems for people with discontinuous biographies. Such a shift has to be combined with 'proactive measures promoting gender equal opportunities and social justice' (p. 111). A universal citizen right to recurrent periods of leave will have an enhancing productivity effect by promoting investment in human capital and improving the efficiency of the matching process in the labour market. Wage penalties that arise with reduced or interrupted working time arrangements over the life course differ from country to country. They seem to be lower where part-time work is well integrated and where the overall wage dispersion is low. The level of these penalties is mediated by national policies and institutions (p. 68). 	<ul style="list-style-type: none"> Some 60%-70% of survey respondents consider the following as useful for a favourable work-life balance: taking time off work to meet care responsibilities relating to family or sickness, or for training, as well as early retirement and childcare facilities in the workplace. These results suggest that such options may represent important policy demands. Cross-country differences between mothers' labour market participation are not only a matter of choice, but also depend on the type of welfare state and gender regime, affordable childcare and cultural factors. However, 'developing a typology of institutional systems capable of explaining country differences in life-course patterns seems virtually impossible' (p. 91). There is a need for a new 'gender contract' and a new 'generation contract' (p. 95). A longer working life could reduce the time pressure. Life-course policy lies at 'the interface of public policy, collective bargaining and company-level industrial relations' (p. 98). 	<ul style="list-style-type: none"> Policies might aim to accommodate employers' and employees' needs by creating innovative life-course-related working time options such as part-time or phased retirement, sabbaticals, paid leave schemes or WTA (p. 18). (WP1) Policies aiming to create part-time jobs and support working mothers are likely to improve the job match. The increasing labour market risks which people have to face call for more 'transitional labour market solutions'. (WP8) A coordination of the company's and the employee's long-term needs and strategies is needed. (WP2) 	

Policy messages	A new organisation over working life (Naegele et al., 2003)	Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al., 2005)	Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al., 2006)	European Quality of Life Survey: Time use and work-life options over the life course (Torres et al., 2007)	Flexibility and security over the life course (Muffels et al., 2008)
<p>Policy messages concerning individual countries</p>	<p>The Dutch career planning scheme and life-course saving scheme can be useful to establish a life-course approach (pp. 132–135).</p>	<ul style="list-style-type: none"> • The Nordic countries and the Netherlands provide a better institutional background for a flexible distribution of time and income over the life course than do some of the Continental or Southern welfare states. • Some countries, such as DE, influence or limit choice by supporting specific models, in particular the male breadwinner model, through taxation and derived benefits. • Support for marginal jobs can lead to increased costs in the long run, for example in DE. 	<ul style="list-style-type: none"> • The Nordic working time regime, using SE as an example, constitutes the most integrated and coherent system of time and income management over the life course. The institutional setting gives numerous opportunities for households to adapt their working time to various situations and commitments over the life course without a large loss of income; the system is characterised by negotiated flexibility and a high involvement of the social partners (p. 110). However, penalties still arise when workers – usually women – deviate from the norm (p. 111). • Leave systems can lead to wage penalties; this is reported for the parental leave system in DE, for example (p. 67). 	<p>SE represents a good example concerning people's time sovereignty (p. 97) and negotiated flexibility (p. 98).</p>	<ul style="list-style-type: none"> • Anglo-Saxon and Nordic regimes perform best in balancing labour market mobility and dynamic employment security. • Scarring effects for workers with flexible employment contracts are smaller and diminish faster in Anglo-Saxon regimes than in Continental and Southern regimes. • Southern countries seem to need a radical change in their current insider-protection oriented policies. • Southern countries should offer more part-time work, in particular for mothers (WP5) • Long-term income penalties for part-time work are higher in UK than in DE or NL.
<p>Practical policy messages</p>	<ul style="list-style-type: none"> • Policy proposals should take into account the acceleration, compression and irregularity of time arrangements (p. 88). • It is 'the task of the state to prevent or at least to alleviate the consequences of the precariousness that may be involved in certain types of atypical employment' (p. 111) • 'Employment protection has to be modernised, not entirely abolished' (p. 111). • There is 'a need for new arrangements aimed at modifying 	<p>A coherent life-course approach should concentrate on the following aspects:</p> <ul style="list-style-type: none"> • support for continuity and upward mobility, prevention of involuntary discontinuity in workers' careers; • the enabling of desired flexibility and discontinuity, for example by the regulation of leave options; 	<ul style="list-style-type: none"> • 'A comprehensive life-course policy should integrate several dimensions, such as the income or career development impacts of the different working time options/arrangements, as well as their impacts for future pension levels. Moreover, issues such as social justice (...) gender equality opportunity, and quality of life are particularly relevant in a 	<ul style="list-style-type: none"> • There is a need for an integrated life-course policy beyond a simple increase in labour market participation. • Life-course oriented policy should be 'concerned with enhancing flexibility in time use, allowing individuals to save and spend their "working life time" and to distribute it over the course of their lives as they so wish' (p. 94). 	<ul style="list-style-type: none"> • In some countries, a further flexibilisation of the labour market, for example by reducing employment protection legislation, could be helpful (WPI, 3). However, no 'one size fits all' solution emerges and country-specific pathways are preferable. (WPI, 3) • Investment in human capital over the life course pays off in terms of better flexibility. • Active labour market policy should be targeted towards disadvantaged people with flexible employment

Important findings	A new organisation over working life (Naegele et al., 2003)	Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al., 2005)	Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al., 2006)	European Quality of Life Survey: Time use and work-life options over the life course (Torres et al., 2007)	Flexibility and security over the life course (Muffels et al., 2008)
<p>Practical policy messages (cont'd)</p> <ul style="list-style-type: none"> the social consequences of flexibilisation in order to avoid social marginalisation' (p. 111). It is important to ensure adequate social protection for those who deviate from the former full-time, lifelong working life course (pp. 111, 143). This involves strengthening the lowest (social assistance) level of the social security net and improving minimum protection and/or compensation for temporary absence from the labour market (p. 111). Policies should make a range of options available and should create frameworks to support them (p. 145). In the pension systems, universal (basic) elements should be strengthened. People who have made 'wrong choices' should be supported by labour activation and education measures (p. 112). Policies should firstly develop single options from a life-phase and life-course perspective, such as flexible working time options, part-time work, phased retirement options, optional working times, WTA and leave options. Policies should also develop integrated options that relate time and income options in a balanced way. Integrated options can encompass collectively financed leave options as well as life-course insurance or the encouragement of individual saving accounts (pp. 115–135). Workers' saving schemes could be used to finance education from 'personal development accounts' (p. 131). Financial incentives could be used to encourage transitions. 	<ul style="list-style-type: none"> support for transitions, such as empowerment and financial cushioning; policies aiming at an earlier entry into and later exit from the labour market or 'decompression of working life', leaving more room for other activities during working life; the reallocation of financial support. More options should be given to individuals to redistribute their income over their life, while certain socially important phases, such as care periods, should be supported by collectively financed cash benefits. In addition, access to social protection schemes, in particular old age pensions and healthcare, should be facilitated and minimum benefits should be strengthened (pp. 80–1). 	<ul style="list-style-type: none"> The European Union should favour a holistic approach and recommend the implementation of a unified comprehensive and coordinated system for financing all periods of non-paid time. Individual freedom and sovereignty in time allocation over the life course could be guaranteed through the application of a universal citizen right complemented by an integrated system of income transfers' (p. 112). The introduction of general income insurance 	<ul style="list-style-type: none"> 'A life-course policy should give individuals the right and opportunity to choose between long-term adaptations of working hours (reduction or increase) or the use of lifetime saving accounts (...) or of lifelong training schemes and flexible retirement schemes. Employees should thus be able to distribute their paid and unpaid work, as well as their leisure time, over their lifetime, and to transfer financial resources from the earlier or later working phases to the rush hour of life' (p. 95). To achieve a new 'gender contract', policies should aim at both men (in particular fathers) and women (p. 96). To achieve a new 'generation contract', costly early exit options from the labour market should be reversed, and expectations should be changed. To achieve this, policies should enable people to maintain their skills and employability (p. 97). One objective should be to improve people's time sovereignty over the life course, as an individual right (p. 97). 	<p>contracts and non-standard working times to limit scarring effects, such as long-lasting negative income effects.</p> <ul style="list-style-type: none"> Policies should focus on the aim to 'make transitions pay'. The creation of 'bridge jobs' is recommended. The establishment of legal rights for working part time for men and women is recommended. (WP6) Policies should give employment and income support to mothers to continue work after childbirth (WP7). They should also provide income support to limit scarring effects on income when mothers reduce their working time before or after childbirth (WP5). Policies should create opportunities for married women to improve their skills during leave periods. (WP7) Policies should aim to reduce the pay gap between part-time and full-time work. (WP6) Policies targeted at supporting younger birth cohorts could help to relieve the pressure to return to the labour market too early after childbirth, thereby jeopardising work-life balance, for example in UK. (WP7) A possible trade-off exists between policies promoting long-hour jobs for women and life-course oriented policies aiming to create more opportunities to reconcile work and caring duties. (WP7) State policies should complement companies' HRM policies to establish family-friendly, life-course oriented measures at company level. 	

<p>Important findings</p> <p>Practical policy messages (cont'd)</p>	<p>A new organisation over working life (Naegele et al, 2003)</p> <ul style="list-style-type: none"> Older workers should be encouraged to continue working; early exit patterns should be reduced (p. 131). WTA contain some potential for a life-course approach, but a joint agreement on the main features of a scheme is important (p. 137), and the transferability of working time credits has to be guaranteed (p. 138). The life-course approach has to reflect the interaction between the demands of working and private life to foster the quality of life. Respective interests and preferences, incentives and obstacles that occur throughout the working life course have to be identified. The potential and constraints of particular measures at the level of the institutional framework have to be analysed and a cross-sectional perspective should be employed. However, working life structures cannot be anticipated and the question of which structures are desirable requires a political response (p. 146). 	<p>Working time options over the life course: Changing social security structures (Klammer, Keuzenkamp et al, 2005)</p>	<p>Working time options over the life course: New work patterns and company strategies (Anxo, Boulin et al, 2006)</p> <ul style="list-style-type: none"> financed by individuals, companies and the state – with access to individual drawing rights could provide a high degree of flexibility. The insurance should be managed by a single central fund controlled by the social partners and the state (p. 112). The drawing rights system could also be used to provide income maintenance for temporary working time reductions. In addition, proactive measures are necessary to promote gender equality and social justice (p. 113). 	<p>European Quality of Life Survey: Time use and work-life options over the life course (Torres et al, 2007)</p> <ul style="list-style-type: none"> Country-specific attitudes towards state intervention and market forces have to be respected. The former gains high approval in SE, for example, while the latter is approved in UK. 	<p>Flexibility and security over the life course (Muffels et al, 2008)</p> <p>for instance through legal rights, tax relief measures and certification measures. (WP2)</p>
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Source: Authors' compilation from the Eurofound life-course projects and reports