Chapter Two

⏩ HOUSEHOLDS, WORK AND FLEXIBILITY
Critical Review of Literature

THE UNITED KINGDOM

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INTRODUCTION

The pressure for increased flexibility at work in the UK has been said to derive from increased international competition, privatisation of public sector organisations, the diffusion of new information technologies and increases in the immediacy and variability of customer demand (Burchell et al. 1999). In addition, the restructuring of British firms has occurred in the context of two major recessions in the early 1980s and 1990s. Debate on the flexible labour market in the UK has also focused on the nature of the regulatory framework surrounding the employment relationship and here it is widely agreed that under Conservative administrations of the 1980s and 1990s employment protection has diminished faster in the UK than other EU countries (for example, Cousins 1999, Dickens and Hall 1995, Marullo 1995, Walsh 1997). For many writers it has been the weakening of the collective institutions of labour, the impact of changes in industrial relations legislation, the reduction in trade union members, and the reduction of those now covered by collective agreements which have had the most significant impact on the employment relationship (for example, Gregg and Machin 1994, Nolan 1994, Metcalf et al. 2000).1 New Labour, in power since 1997, has also been committed to a flexible labour market (see, for example, the White Paper Fairness at Work 1998), although there have been important gains in individual, collective and family-friendly employment rights in recent legislation (discussed in the Context Report (Workpackage 3).

The commitment to and pursuit of a flexible labour market in the UK is in line with the OECD Jobs Strategy (1994) and the more recent EU Employment Guidelines. One of the aims of flexible labour market policies has been to promote employment growth or a wider distribution of employment. Many do see advantages in the direction taken by the UK and claim that the country has gained competitive advantage with its higher level of labour market flexibility and lower wage and non-wage labour costs. Nevertheless as, O'Reilly (1996) reports the results of employment creation from increased 'non-standard' work have often been disappointing and in many cases generate undesired consequences such as the creation of ghettos of disadvantaged employment. Others have pointed to the social costs which have been generated. One particularly damaging consequence has been a social polarisation of the population with an increase in income inequality and poverty. Since 1994 there has been falling unemployment but geographical concentrations of long-term unemployment and inactivity persist, with an unequal distribution of jobs among households.

1. THE DISCOURSE ON FLEXIBILITY IN THE UK

1.1. The Flexible Firm Thesis

Earlier debate on 'non-standard' work in the UK focused on the flexible firm thesis, employers' labour strategies and the extent to which increases in 'non-standard' work reflect new departures or are innovative. With respect to the flexible firm thesis Atkinson and Meager (1986) argued that in the context of increased international competition and the recession of the early 1980s, employers were now pursuing a strategy of dividing their workforces into two distinct segments – a core and a periphery – each regulated by very different employment conditions. Core workers are presented with an employment package of training and payment practices which elicit high labour efficiency and cultivate commitment. At the other extreme, employers seek to obtain a relatively cheap and easily disposable workforce, either through sub-contracting, fixed contract or self-employment on specialist projects or by direct employment of workers who are denied career status, for example, part-time, temporary casual workers or trainees.

Later studies refuted the strong version of the flexible firm thesis, that is, that employers have systematically organized their workforce in terms of a core and periphery and have argued that traditional rationales for the use of 'non-standard' workers have remained important (for example, Hunter *et al.* 1993, Heather *et al.* 1996). However, if a weaker version of employer's strategy is used not as a 'plan' but as 'patterns' of decision making (Proctor *et al.* (1994) changes in the 1990s, including restructuring in the public sector, produces more evidence of changing strategies. Recent research by Purcell *et al.* (1999) found that that in most of their case study establishments there was definite evidence of core-periphery employment practices and an awareness by employers of the advantages of segmented recruitment and fragmentation of the less highly skills jobs. The authors conclude that where this can be done without damage to productive or service quality there is likely to be an increase in flexible working and a decrease in job opportunities which provide for the full subsistence needs of incumbents.

Evidence from the Workplace Employee Relations Survey (Cully *et al.* 1999) also indicates widespread use of flexible employment, nine out of ten workplaces sub-contract activities, eight out of ten use part-timers (over a quarter with a majority of part-timers), over half employ people on fixed-term contracts and over a quarter use agency workers. In their view a more fined-tuned approach to flexibility was being used in which the use of non-standard forms of labour within the core workforce was identified. Other assessments, however, suggest that the model of the core – periphery model is simplistic and misleading. Gallie *et al.* (1998) argue, for example, that it is far from clear that part-timers can meaningfully be classified as part of a peripheral workforce although those on short-term contracts come close to the model (see Part 2 (a) and (b) below).

1.2. The Insecure Workforce

A more recent debate which is emerging is that of the insecure workforce. This shifts the emphasis away from an employer's agenda and the extent to which both supply and the use of labour have become more flexible and places the interests of employees centre stage (Heery and Salmon 2000). The insecurity thesis asserts that economic risk is being transferred increasingly from employers to employees, through shortened job tenure and contingent employment and remuneration, that insecurity is damaging to long-term economic performance, through its promotion of an employment relationship founded on opportunism, mistrust and low commitment, and that the emer-

gence of an insecure workforce imposes severe costs on individuals, their families and the wider society (Heery and Salmon 2000, Burchell *et al.* 1999, Sennet 1998).

Burchell *et al.* (1999) also found that it was the core workforce which took the primary responsibility for achieving flexibility. This occurred through an expansion of their workload, work intensification, increased variation in their working hours and location of work and the erosion of their traditional job demarcations. In many cases the increased organisational flexibility is achieved by reducing direct employment through redundancies, by contracting out and by redesigning the way work is carried out. There has, therefore, been a significant increase in functional flexibility of workforces over recent years including multi-skilling, multi-tasking, multi-functioning, delayering and the erosion of job demarcations. In addition organisations have pursued temporal flexibility by changing working hours regimes as well as locational flexibility.

However, not all these forms of flexible working may benefit employers. Recent research has stressed the importance of the 'pyschological contract', that is, the implicit commitments made between the employer and employees. The restructuring of work and an increase in the tenuous commitment of employers may result in a reduction of employees' motivation, loyalty, commitment and performance, as well as high turnover rates, absenteeism and difficulties of recruitment (Guest 2000, Burchell et al. 1999, Purcell et al. 1999).

1.3. The Debate on Choice and Constraints

The expansion of part-time work in the UK – from 3.3 million in 1971 to 6.2 million in 2000 – has also fuelled considerable controversy and debate about the role and nature of part-time work in the British labour market. This debate can be considered from the demand side or from the supply side. Explanations which focus on the demand side posit that employers construct part-time jobs in particular ways, for example, to lower costs, to cover for variable customer demand or to increase competitiveness of the organisation (Rubery and Tarling, 1988, Dex and McCulloch 1995, Purcell *et al.* 1999).

On the other hand, those explanations from the supply side focus on lack of investment in human capital of those who take part-time employment as well as the need for women to take part-time jobs to reconcile domestic commitments and childcare with work. More recently women part-timers' lack of commitment to employment and the view that they give priority to family and home making has been put forward by Hakim (1991, 1996). In Hakim's view the growth of part-time work reflects women's own preferences about working hours and a concern to find jobs which enable them to reconcile work and family life. She argues that there are two qualitatively different types of working women, the committed 'self-made' women who work full-time and are career-oriented, and the uncommitted 'grateful slaves' who are satisfied with part-time work and give priority to their domestic commitments.

This is a view which resonates with popular discourse, in that, part-time work in the UK is widely viewed as 'not proper work'. The term is often used in a derogatory way to indicate a lack of commitment to work, for example, leaving work early or arriving late at work. The term may also be used to refer to a secondary tier of support jobs in an organisation for example, secretaries or administrative support staff (Gregson *et al.* 1999). This discourse confirms the (mainly male) full-timers identity and position in contrast with the overwhelmingly female part-timer's less privileged position

Critiques of Hakim's work have also noted the negative and stereotypical image of part-time female workers embodied in her work (for example, Breugel 1996). While it is the case that the vast majority of female part-timers say that they

prefer to have a part-time rather than a full-time job[2] critics of Hakim have pointed out that she does not take into account the structural constraints which surround their job choices. These constraints include the presence of children and childcare problems, the long-hours culture for those in full-time work and the persistence of the traditional domestic division of labour. The gendered distribution of time also constrains the degrees of freedom that women have to make choices about work and mothering (Scheibl 1999).

Supply and demand factors, however, do overlap. Employers have perceptions of what kind of work is appropriate for women with domestic responsibilities and have found that the restricted job choice of mothers who need hours to fit in with domestic work and child care is a ready source of recruitment for part-time hours (Beechey and Perkins, 1987).

1.4. The Costs and Benefits of Flexible work

Tables 1 and 2 show a summary of costs and benefits to employers and individual workers synthesised from recent research (Burchell *et al.* 1999, Purcell *et al.* 1999, Perrons 1999, White and Forth 1998). However, it must be stressed that the costs and benefits for employers depend on the sector, the nature of the product market and customer demand, as well as the size of the firm and location. For individual workers, whether benefits outweigh costs depends on gender, age, family responsibilities, and other status (for example, student or retired) as well as occupation, degree of skill and labour market power. For both employers and individual workers the costs and benefits also depend on the type of flexible working arrangement (Purcell *et al.* 1999).

One important debate concerns the extent to which flexible employment enables individuals to escape unemployment in an effective way. White and Forth's (1998) research found that flexible employment did indeed dominate the job market for a sample of unemployed people, constituting three quarters of all jobs obtained by them between 1990 and 1995. However, there was little evidence of these jobs providing pathways to improved jobs, most part-timers and self-employed people remained in these forms of work over the five year period. The conclusion reached by the authors though is that if flexible work is not available for the unemployed there is a risk of administering a damaging shock to the British labour market and raising long-term unemployment.

A further debate relates to the extent to which part-time work for women may assist in reconciling paid work with family life and may provide a bridge which facilitates entry into work and possibly a full-time job. This has been evident in north European countries especially in Sweden (in the public sector) and the Netherlands where part-time employment has been the major engine of growth for women's employment (Esping-Andersen 1990). As is well known the configurations of Swedish employment and welfare state policies have enabled women to combine work and family, attain financial independence and continuous lifetime employment.

Nevertheless, part-time work can also contribute to the segregation of women into low waged parts of the economy with less entitlement to unemployment benefits or pensions, less possibility of promotion or training and wages which do not endow financial independence. One view is that even if a common floor of employment rights for full-time and part-time work exist as in the current EU directive on part-time working these 'will not compensate for the part-time worker's more limited earnings and career prospects' (Ostner and Lewis 1995:183). Further, flexible work often does not provide an independent income so that women remain dependent on the male breadwinner, with caring responsibilities and the gender division of labour within the home largely unchanged (Perrons 1999). Finally,

part-time work 'is essentially a gender compromise' (Fagan and O'Reilly 1998:23). It has provided a 'space' for women to enter the labour market but it does not challenge the male-work model or the long-hours culture and does not disrupt men's traditional breadwinner status at the workplace or in the home.

1.6. Family friendly policies and working arrangements

Policies which aimed to promote the reconciliation of work and family life emerged as a mainstream issue in the mid-1990s and have been a key feature of new Labour's welfare to work policies as well as the recent EU Employment Guidelines. More recently (under criticism that employees with family responsibilities were being privileged in the workplace) the focus of the government's 'family-friendly' measures has changed to that of a 'work-life balance' to include all people in work and not just those with family responsibilities. The arguments made are several; work is an important route out of poverty for workless families, especially lone parents, parents and carers can more easily combine work with their caring responsibilities and businesses can benefit as stress levels, sick leave, staff turnover and absenteeism are reduced. Employers who do have family-friendly practices are also more likely to develop a high-trust psychological contract with their employees, increasing motivation, loyalty and productivity. In Part 2 we discuss the extent of family friendly policies in the UK at the end of the 1990s and the Context Report will examine in more detail these and related policies.

1.7. The difficulty of definition of flexible work

Forms of flexible work such as part-time, temporary, casual. or self-employment are often referred to as if they were homogeneous. Yet as the discussion in Part 2 reveals there are large differences between them as in practice each term covers a range of different working arrangements and degrees of job security and insecurity (see Purcell *et al.* 1999, Felstead and Jewson 1999 and Gregory *et al.* 1999). Similarly, terms such as 'flexible' work, 'non-standard' employment, 'marginal' labour, 'peripheral' workforce, 'contingent' employment and 'atypical' work are used in overlapping ways and by many writers as if they were synonymous. Figure 1 attempts to map the range of working arrangements available to employers according to our criteria of flexibility of time, place and conditions and whether these jobs are more likely to be permanent or temporary. Although it is difficult to obtain statistical data on all these working arrangements, Figure 1 does give an indication of the complexity of flexible employment. In practice many of these working arrangements may also overlap.

2. FLEXIBILITY OF TIME, PLACE AND CONDITIONS OF WORK

2.1. Flexibility of time

Hours of work

Male full-time workers in the UK work the longest hours in Europe. Table 3 shows the average usual weekly working hours of full-time male workers compared to the EU average. The ELFS also shows that 40 per cent of UK male workers are working more than 46 hours a week compared to an EU average of 15 per cent. For male manual workers paid overtime is essential to boost low hourly rates although professional and managerial workers are much more likely to work long unpaid overtime. For both men and women however, there has been a dramatic increase in both paid and unpaid overtime over the past decade and for full-time workers the working week has clearly lengthened (Harkness 1999, see also Table 4). The UK, however, has one of the lowest average hours of female part-time working – 18.3 hours per week compared to an average of 19.8 hours for the EU (15) (Table 3). A high proportion a both men and women work unsocial hours (Table 4), in the evenings, weekends and public holidays. According to a recent report almost a quarter of the workforce work between 6am and 6pm and 15 per cent work all night (Summerskill 2000). New areas of work such as call centres, shops, garages and IT companies offer long opening hours together with the traditional industries such as hotels and restaurants, manufacturing, emergency services and health care.

Part-time employment

Part-time work has continued to increase in the 1990s and accounted for 40 per cent of the increase in the number of employees in the 1990s, half of this increase is attributable to men (DfEE 2000). Women's part-time work has therefore remained stable during the 1990s at just over 44 per cent of female employees, while that of men has increased from 6.9 in 1992 to 9 per cent in 1999.

The Workplace Employee Relations Survey (Cully *et al.* 1999) also shows a high concentration of part-time workers in certain sectors. For example, part-time workers were in the majority in 26 per cent of all workplaces, notably, wholesale and retail, hotels and restaurants and education and health. Part-timers were also more prevalent in workplaces belonging to large organisations and in private sector workplaces with no skilled labour.

The use of a threshold for National Insurance (NI) contributions has been particularly related to the high incidence of part-time work in the UK. In 1998 more than a third of all female part-time employees earned less than the lower earning limit for NI (this was £64 a week, 102 euros, in 1998/99) (EOC 1998). In total, two and a half million people, the vast majority women, earn below the NI lower earnings level. Both employers and employees may collude to ensure that weekly earnings do not exceed the lower earnings level, so that the NI is not deducted from pay packets. Those who do not pay the NI contributions, however, do not acquire rights to contribute to benefits, for example, unemployment insurance, maternity allowance, incapacity benefit, and the state pension. In addition eligibility for sick pay and maternity pay is dependent on earnings being at or above the level. The long-term effects are of particular cause for concern as those earning below the level tend not to have personal or occupational pensions and so have to rely on means-tested social assistance in retirement.[3]

As discussed in Part 3 below the UK has one of the lowest provisions of childcare facilities in Europe with the exception of higher paid women who can afford expensive private childcare. This is undoubtedly one of the reasons for high levels of part-time work for mothers. The UK (together with the Netherlands) has the highest maternal part-time working in the EU (two-thirds of mothers with dependent children work part-time in both countries) (Moss 1996).

One robust finding in the substantial literature in the UK is that part-timers are more disadvantaged than full-timers in a range of labour market conditions. Part-timers are more likely to occupy low-level and low skilled jobs, and be in jobs that require no training. Part-timers are also likely to receive less training or promotion opportunities and occupy jobs that have less benefits, employment rights, fringe benefits such as holiday pay, and access to pensions (Dex and McCulloch 1995, Gallie *et al.* 1998, Perrons and Hurstfield 1998, Purcell 2000). Whist there has been an improvement in the gender pay gap for female full-time workers in the 1990s, the gender pay gap has been declining for female part-time workers (Desai *et al.* 1999, Rubery *et al.* 1997).[4] As Desai *et al.* note 'In part-time work there is no reward for increased age and experience unlike in full-time jobs. The problem of low pay in part-time work is more a problem of the jobs themselves (1999:183).

Gallie *et al.*'s (1998) analysis of the Employment in Britain survey showed that part-time workers constitute a highly distinctive sector of the British labour market. The authors confirm that they have relatively low skill levels, restricted opportunities for skill improvements, low pay and poor career opportunities. However, part-timers were less likely to be flexible in the types of work they did (for example, functional flexibility and pay and hours flexibility), nor did they suffer from chronic job instability characteristic of a 'peripheral' workforce. In this sense this evidence did not support the polarisation thesis embodied in the model of the flexible firm. On the other hand, research into part-time employment in the retail and finance sectors have shown that employers are now demanding intensified effort and increasing flexibility of time in ways which women with children are not in a position to offer (Dex and McCulloch 1995, Neathy and Hurstfield 1995, Perrons and Hurstfield 1998).

Call centres

Computer telephony is the fastest growing occupation in the UK. Ten years ago computer telephonists working in call centres were virtually non-existent. Now there are about 7,000 call centres employing over 200,000 people, about 1 per cent of all employees and about half of the agent positions in Europe.[5] There are now more computer telephonists than employees in vehicle production, steel and coal put together. Between 60 and 70 per cent of jobs are estimated to be female (DfEE 2000, Fernie and Metcalf 1998, Perrons 2000).

Call centres are characterised by unsocial hours and limited promotion opportunities. Many call centres operate on a 24 hour basis, although this may be attractive to partnered parents as their partners are available for free childcare. More and more companies, however, are making use of transatlantic call centres (remote processing) as a way of lowering costs and providing a 24 hour service.

Call centres are also characterised by scripted work which is electronically monitored (Perrons 2000). Indeed, as Fernie and Metcalf note 'the possibilities for monitoring behaviour and measuring output are amazing to behold – the "tyranny of the assembly line" is but a Sunday School picnic compared to the control that managers can exercise in computer telephony' (1998:2). As their research shows Bentham's Panopticon was truly a vision of the future.

Family–friendly working arrangements

As discussed in Part 1 policies which aim to reconcile work and family life have been promoted by both New Labour and the EU in the late 1990s. Tables 4 and 5 show the proportions of employees who have access to such arrangements (for example, jobsharing and flexitime) and the proportion of establishments allowing employees flexible arrangements.[6] However, as Dex *et al.* (1999) remark, it is important to distinguish between policy and practice. Having a policy does not necessarily mean that employers promote the use of

these arrangements or that employees take them. The culture of an organisation may be such that employees fear their future career prospects if they do make use of them. The Workplace Employee Relations Survey 1998 found that in 25 per cent of establishments with some family-friendly arrangements, no employees had taken them up (Cully *et al.* 1999).

2.2. Flexibility of place

Homeworking

Since 1992 the UK Labour Force Survey (LFS) has asked respondents whether they work mainly, partially or sometimes at home. Table 6 shows the results of an analysis of the Spring 1998 LFS (Felstead *et al.* 2000). In total about a quarter of the UK workforce now carry out some of their work at home. Table 6 also shows that those who have no fixed place to carry out work now account for around 7 per cent of those in employment and those who work in different places throughout the working week constitute 1.2 per cent of the workforce (Felstead *et al.* 2000)

Two stereotypical images of homeworking predominate; on the one hand, it can be exploitative, low paid work carried out by women seeking to combine work with childcare, on the other hand, there is an optimistic scenario where people are able to work at home via the use of the Internet, mobile phone and computer. The Felstead *et al.* (2000) report finds supporting evidence for both these images. Higher occupational groups predominate among the mainly and sometimes working at home groups. Overall non-manual occupations accounted for around four-fifths of those who worked at home. Three out of five who work at home at least one day a week are dependent on information and communication technologies. However, for those who work in manual occupations, of whom almost nine out of ten are women and almost half are non-white, the incidence of low pay is alarmingly high. In the Felstead *et al.* report three-quarters are low paid compared to a fifth of those who work in conventional workplaces (this survey period was before the introduction of the minimum wage).[7]

Working from home

In the LFS 1996 1.6 million workers describe themselves as working from home rather then at home. Many are labour only subcontractors such as plumbers or carpenters (Sectec).

Hotdesking

Hotdesking occurs where workers are not assigned their own private space but work at whichever desk is available. Although there are no estimates of the extent of this working arrangement the list of organisations using hotdesking is now extensive, for example, American Express, Rank Xerox, IBM, Hertfordshire County Council, Surrey County Council, Ernst and Young, Royal Mail, and the Benefits Agency (Sectec).

2.3. Flexibility of conditions of work

Sub-contracting

The Workplace Employee Relations Survey found that 90 per cent of workplaces with 25 or more employees subcontract one or more service. The most common were building maintenance, cleaning, transport, training or security (Cully *et al.* 1998). As the authors of this report acknowledge the distinction between sourcing externally from the market or producing internally to the firm has become blurred. Many large organisations, including the public sector, have created internal quasi-markets making it harder to place boundaries around the conceptual construct of a workplace.

Temporary work

Between 1992 and 1999 the number of temporary workers increased by a third although there has been a slight fall since 1997 (DfEE 2000). Seven per cent of employees are in temporary work (Table 7), with half of these on fixed-term contracts, one-fifth as casual workers and 15 per cent as agency temps. Temporary working is highest in the public sector at just over 10 per cent. However, there is quite widespread use of temporary workers, the Workplace Employee Relations Survey 1998 found that 44 per cent of firms (72 per cent in public sector workplaces) used fixed term contracts, 28 per cent agency workers and 13 per cent freelance workers (Cully et al. 1999).

Gallie *et al.* (1998) distinguished between contract workers who were on contracts lasting between one to three years and short-term temporary workers who were on contracts lasting less than 12 months. They found that there was a sharp divide between the two groups with contract workers having a skill and career profile similar to that of permanent workers. Robinson (1999) also makes the point that 'the typical temporary worker in the UK is much more likely to be a well-paid professional employed on a fixed-term contract within the public sector' (1999:89-90). Short-term temporary workers were far more disadvantaged with limited opportunities for developing their skills, responsibilities and work of intrinsic interest. They saw themselves trapped in their labour market position and had high levels of job insecurity.

Large-scale restructuring in the public service now means that many public sector managers and professionals, teachers, lecturers, social workers and nurses now work on temporary fixed-term contracts. For example, one fifth of educational professionals are now engaged in temporary work (Morgan *et al.* 2000). Conley's (2000) research on temporary workers in the public sector is critical of both Gallie *et al*. and Robinson as she found that fixed-term contracts can be ongoing over many years leading to chronic job insecurity and an inability to plan or take on financial commitments. She also points out that that many temporary workers are also part-time.

The imposition of compulsory competitive tendering in the public sector has also affected many of those in low-skilled manual jobs, for example, cleaning, catering and security. According to Allen and Henry (1996) this has led to a growth in 'precarious' employment, that is, jobs which are subject to repeated episodes of competitive tendering generating uncertainty about the future employment relationship and conditions of work. In the view of these authors then there is evidence that insecure work is more characteristic of the public sector than the private sector and gives credence to the belief that the flexible firm thesis has most relevance to the public sector employment.

Self employment

Self-employment increased from 7.4 per cent in 1979 to a peak of 13.5 per cent in 1990. By 1999 self-employment had fallen back to less than 12 per cent (DfEE 2000). As Table 7 shows self-employment is more important for men and also for some ethnic minority workers (rates of self-employment among Pakistanis and Indians are 18 and 15 per cent respectively, Labour Market Trends, 2000). The increase in self-employment in has been linked to sectoral changes, technological advances, fragmentation of large firms, the economic cycle, demographic changes, start-up capital increases and government policies to promote self employment. Push factors for an individual include redundancy, unemployment, having had a series of temporary, short-term jobs and discrimination (especially for ethnic minority workers) (Dex and McCulloch 1995).

3. INFORMAL, DOMESTIC AND ADDITIONAL WORK

3.1. Informal Work

Informal work is defined here as economic activity which is not recorded in official statistics and which operates in the absence of administrative monitoring and control (Leonard 1998). Criminal activities are excluded in the discussion below. The UK possibly has a smaller informal economy than other European countries because of the 'legalised deregulation' of much irregular work, temporary, casual and part-time work. 'Since those on low incomes are unlikely to reach the tax threshold, many workers who would be classified as illegal in other European countries are good, law-abiding – but poor – citizens of the UK' (Pahl 1988:1).

Four main areas of informal economic activity are discussed below, of which the first three can be considered individual worker strategies and the fourth household strategies (see Leonard 1998).

Tax evasion by regular workers

Pahl (1988) has argued that the informal economy in the UK is largely a product of tax policy and is not employer-led, as is the case, for example, in southern Europe. The main groups of people involved are the self-employed and those who are employed but take second or further jobs (about 5 per cent of the workforce). Both groups may omit or under-declare part of their income for tax purposes. The self-employed may also informally pay other people 'off-the-books' and pay in cash and they may also use the unpaid labour of family workers.

Williams (1995) suggests in her study that 'there was a high degree of tolerance to evasion and a reluctance to declare to the appropriate tax authorities individuals providing personal services (1995: 15). Based on other studies, Williams (1995) also points out the characteristics of households likely to be participating in the hidden economy. There were more households in younger rather than older age ranges. The type of person participating was likely to be self-employed or skilled or semi-skilled. Individuals were likely to work part-time and live in privately unfurnished accommodation. Her findings, which supports Pahl's argument, indicate that 'little evidence was found to show that income tax or national insurance was being evaded in main jobs' (1995: 20).

Recently, however, there is evidence of non-compliance existing in companies operating at the edges of the legitimate labour market, and particularly in the informal economy, according to the second report of the Low Pay Commission (2000). Employees in this fringe economy include people dependent on benefits for their main income, those who are denied choice of work due to family commitments, lack of skills or high local levels of unemployment, and also ethnic minority groups whose opportunities may be restricted by cultural barriers or outright discrimination.

Undeclared income earning by those who unemployed

The sources of information on whether the unemployed 'get by' by participating in informal work comes from the accumulated evidence of locality studies. Research in the Isle of Sheppey and Hartlepool found that the unemployed were far less likely to engage in informal economic activity than those with a secure base in formal employment (Pahl 1984, Morris 1995). The reasons are several: lack of money to buy the necessary materials and equipment, lack of skills, lack of social networks as a source of such work, less opportunities in more deprived neighbourhoods and a fear of being 'shopped' to the authorities. In Pahl's (1988a) view the concentration of opportunities in some households and absence of opportunities in others has lead to a polarisation between 'work-rich' and 'work poor' households.

However, other studies have shown that claiming unemployment benefits and working

(often in low paid, short-term subcontracted work) is a way of life for some and justified as a necessary strategy to make ends meet (Leonard 1998). For employers one of the main ways to provide the cheapest tender is to use a mixture of formal and informal workers. Where informal workers are in receipt of benefits they are perceived to be able to 'afford' to work for low rates of pay (Leonard 1998). Williams and Windebank (1998) suggest that local variations on whether the unemployed 'get by' is dependent on the supply of informal labour, the demand for informal goods and services, the institutional structure of the locality including the structure of networks which can organise informal work and the extent of sanctions against informal work.

Informal employment of ethnic minority groups

In the clothing and textile industries changing supply and demand factors created very favourable conditions for informal working in the 1970s and 1980s. Mitter (1986) and Phizacklea (1990) have shown how recession, redundancy and racial discrimination in employment forced an increasing number of ethnic minority men into entrepreneurship in the clothing industry. These factors together with the changed market for clothing production, with an emphasis on speed and flexibility, have led to a 'flourishing small-firm sector operating in a highly precarious competitive market' (Phizacklea 1990:110). The competitive advantage of ethnic businessmen is that they are able to draw on the cheap labour of female family or ethnic community labour, where the employment relationship is regarded as a traditional obligatory relationship.

In discussing the restructured UK clothing industry since the early 1970s, Phizacklea also points out why ethnic minority women often constitute an ethnically homogeneous labour force in small clothing business dominated by ethnic minority entrepreneurs. It is due to the fact that 'many of them are constrained from finding better paid work because of language difficulties, cultural restrictions or pure racial discrimination' (1992: 109). In addition, the very lowest rung in the clothing industry is occupied by home workers and the vast majority of them 'are women confined to the home because of domestic responsibilities' (Ibid.).

There is a scarcity of research on the employment of refugees and asylum seekers. One recent study found that refugees who were in employment 'were working almost exclusively in secondary sector jobs that are characterised by low pay and poor terms and conditions of employment' (Bloch 2000: 80). Moreover, asylum-seekers and undocumented workers tend to be concentrated in unskilled and sporadic work.

Unpaid economic activities carried out for the household or for friends and relatives outside the household on a reciprocal basis.

Studies have also shown that self-provisioning within the home requires access to formal employment, skills and the ability to purchase machinery and equipment (Leonard 1998, Pahl 1984). This is also the case for reciprocal exchanges between households. However, there is some evidence that unemployed households also engage in reciprocal exchanges even though this is mainly between kin (Morris 1995).

Recent studies though point to an alarming concentration of multiple deprivation and social exclusion in some estate neighbourhoods in the UK. For example, one study of seven deprived estate neighbourhoods in England found that

- 'there is severe deprivation in depth and breadth: all aspects of life are affected
- educational attainment, crime and safety, housing, jobs, skills, the
- environment, incomes and health; benefit dependency is very high;
- employment is low (Brennan *et al.* 2000:143).

On these estates 40 per cent of households had an average income of less than £100 (159 euros) a week, 63 per cent of heads of households were unemployed or inactive and 37 per cent of households received 90 per cent or more of their income

from benefits. Worklessness is the norm rather than the exception (see also Part 4 (a) below).[8]

Two recent study of self-help activities in such deprived neighbourhoods in Sheffield and Southampton found that those households suffering deprivation could not undertake many essential tasks within the home, and were less likely to supply paid or unpaid community exchanges (Williams and Windebank 2000, Williams *et al.* 1999). The reasons were the same as those identified by Pahl (1984) (discussed above), namely, lack of economic and social capital, lack of social networks and fear of being reported to the authorities. A further factor was the perceived lack of trust, community and sense of well being around people, reflecting the nature of social disintegration in many deprived neighbourhoods in the UK.

3.2. Domestic work

Despite the high employment rates of women, UK studies confirm that domestic and caring work remain a female responsibility, even though their partners may be doing more than in the recent past. Gershuny *et al.*'s (1994) work is useful here in that although they also confirm that working women bear a disproportionate 'dual burden' of paid and unpaid work, there is evidence of a lagged or gradual adaptation. That is, domestic practices may change gradually through an extended period after a wife's entry into paid work. Ferri and Smith's (1996) cohort study also showed that the more mothers were involved in paid work the more fathers participated in parenting and household tasks even though these were still very unevenly shared. When fathers worked more than 50 hours a week, however, their domestic contribution was sharply reduced irrespective of their wives employment status. Highly educated fathers and those in professional and managerial positions showed relatively low involvement in childcare. Another study of fathers' family lives showed that they viewed their central role in the family as that of provider and that 'fathering' was still constrained by a reluctance of both mothers and fathers to give up their traditional parenting roles (Warin *et al.* 1999). In the views of those men who were unemployed, disabled, sick or in low paid work, not being able to provide for their families affected their ability to be 'good fathers'.

As Table 8 shows the UK has one of the lowest provisions of publicly funded childcare in the European Union, especially compared with the Scandinavian countries. The UK also offers the lowest maternity pay and leave and the poorest package of parental leave (to be discussed in WP3). The features of childcare provision in the UK are set out in Table 9. There are significant gaps in provision including the high cost, the quality of provision and the overall lack of provision. The evidence suggests that lack of affordable childcare is a major obstacle to mothers being able to take paid work (Dex *et al.* 1999). As Table 10 shows partners, grandparents and other informal sources are the main providers of childcare for working mothers. There has, however, been a recent increase in the use of private nurseries and childminders, although only 4 per cent of employees say that they have access to a workplace nursery or childcare subsidy (Cully *et al.* 1999). Crompton (1999) drawing on 1994 data suggests that 24 per cent of mothers with children under 4 use professional paid childcare, 23 per cent a combination of informal and professional but nearly half are dependent on informal care. There is also evidence of 'shift parenting' (see Table 9 and Part 4(b)).

4. THE RELATIONSHIP BETWEEN FAMILY AND WORK

Alongside the increased diversity in patterns of employment the UK has, as elsewhere in Europe, witnessed greater diversity in household formation. The trends over the past two decades which have affected household diversity have been increased cohabitation (so that this is now the norm for those aged between 20-30), an increased number of births outside marriage (now over 30 per cent), high levels of divorce and repartnering, reduced rates of marriage and an increase in single person and lone parent households.

4.1. Changes in the nature and distribution of employment

Changes in the nature and distribution of employment have affected households differently and unequally.

An increase in male inactivity rates

For some, especially less skilled men, there has been a decline in employment opportunities and in their chances to earn wages on which families can be established or indeed prosper (McRae 1999). Of importance here is the increase in male inactivity rates associated with the large job losses in manufacturing in the past two decades. Although male unemployment rates have declined since the recession of the early 1990s, in 2000 there were some 2.3 million men of working age, excluding students, who were economically inactive (Dickens *et al.* 2000). This is twice the number of unemployed men. Twenty years ago just 400,000 men were economically inactive. Male inactivity is also highly geographically concentrated in depressed labour market areas, higher among less skilled men and those living in social housing.[9] While inactivity is high among those over 50 (some 28 per cent of such men are inactive) it nevertheless is found in all working age groups. Such high levels of inactivity for men represent a movement of unemployed people into other statuses, such as sickness and early retirement. For those who do work, there has been a shift in low pay to older men. One in 6 male workers over the age of 24 is now low paid compared to one in 30 in 1968 (Stewart 1999).

Young men

There has also been a deterioration in the position of young men in the labour market, especially those who are low skilled and have low educational qualifications. For young men entering work the stock of jobs now is very different to that in the 1970s with full-time manufacturing jobs being replaced with part-time, service jobs. Many young men do not want to take the low paid, part-time service sector jobs on offer and/or employers do not see them as appropriate workers for these jobs. Young men are, therefore, more likely to enter the labour market as unemployed and the likelihood of experiencing subsequent unemployment has increased (see Stafford *et al.* 1999). Wages in new jobs have declined because of the rise in the proportion of part-time jobs and because hourly wages are failing to grow at the same pace as the rest of the economy (Gregg *et al.* 1999a). The inability of those with limited educational qualifications to obtain anything other than low paid work may, in turn reduce their prospects of forming and supporting a family and may be contributing to the rise in lone motherhood (Burghes *et al*. 1997, Kiernan 1995).

Increased participation of women in the labour market

One of the most profound changes in employment to impact on the household has been the increasing participation of women in the labour market. Women's employment grew almost continuously throughout the 1980s and 1990s and in 1997 there were 20 per cent more women working full-time and 25 per cent more working part-time than in 1984 (McRae 1999). Yeandle (1997) has estimated that by 1995 approximately 30 per cent of women workers were in relatively high status jobs. The latter development, however, has con-

tributed significantly to a growing polarisation between women workers, between those with continuous full-time jobs and those women with discontinuous careers and in lower paid part-time jobs (Dex and McCulloch 1997, Bruegel and Perrons 1996).

A 'work-rich'-'work-poor' society

There has also been a tendency for new jobs (especially part-time jobs) to be taken up by women married to men who are already employed; for example, 73 per cent of mothers with dependent children and whose partners are employed are in paid work compared 32 per cent where the partner is not employed (DTI 2000). Dependants of the unemployed or the unemployed themselves are effectively prevented from taking low paid or part-time jobs work by loss of benefit or the 'poverty trap'. It is precisely these groups which have been targeted by new Labour's welfare to work policies, measures which aim to increase the returns from paid work (to be discussed in WP3).

The picture which emerges is therefore one of polarisation between households in the distribution of jobs. The most common mode now is that of dual income households at about 62 per cent of households (Gregg *et al.* 1999). Not all such households are affluent, however, the dominant pattern is one full-time worker and one part-time female worker with female earnings essential for the household in the context of falling male wages.[10]

The proportion of no-earner working age households was 17 per cent in 1999, containing 4 million adults and 2.6 million children (Dickens *et al.* 2000) In 60 per cent of such households no adult had worked in the last 3 years. As with male inactivity rates, there are high geographical concentrations, 48 per cent of working age households in social housing were workless in 1999 compared to 8 per cent in owner–occupation (Dickens *et al.* 2000). Compared to all other OECD countries the UK has disproportionately more workless households especially those with children, despite a relatively high employment rate. There is particular concern with the high proportion of children in poverty, and the effects of deprivation. In 1997/8 one third of all children were living in households below half average income. Recent evidence suggests that childhood deprivation reduces educational attainment and future earnings and increases the risks of youth unemployment and teenage pregnancy (Gregg *et al.* 1999b).

Increased earnings differentials and income inequalities

The pace of the increase in wage and income inequality in the UK in the past twenty years has been unique in Europe (Rowntree Foundation 1995). The severe and prolonged decline of manufacturing jobs since the early 1980s, together with an increase in service sector jobs has meant there has been an increase in both higher and lower earning service jobs which has contributed to growing income inequality. Other factors include a tendency for the earnings of the higher paid to grow more rapidly than those of the low paid and the decline or abolition of labour market institutions such as trade unions or wages councils. In comparison with other EU countries Britain is a country with a high incidence of low pay for full-time and part-time workers (Gregory and Sandoval 1994, Stewart 1999).[11] There is also evidence of a low-pay – no-pay cycle, that is those who are low paid are more likely to leave employment than those higher up the pay distribution and those who enter work are more likely to enter low paying jobs (Dickens *et al.* 2000). In addition, these authors report a lack of upward mobility from low paid work and an increase in the costs of job loss with respect to future earnings.

High dependency on means–tested benefits

Inequalities between wage earners and those in receipt of benefits have widened since benefit increases have been in line with prices rather wage levels at a time when many of those in work have seen their real wage increase. Fifteen per cent of the population were in households dependent on means-tested social assistance benefits in 1992, an

increase of nearly 7 percentage points since 1980, the largest increase of the OECD countries (Gough *et al.* 1997). For those who are dependent on means-tested benefits, low waged and insecure jobs do not provide opportunities to re-enter employment.

Lone parents

As McRae (1999) has observed the UK now leads western Europe in at least three examples of family change, a high proportion of teenage births, a high divorce rate and an increasing and high proportion of lone parents. Each of these family outcomes is associated with economic disadvantage. The UK has the highest number of lone mother families in the EU, 22 per cent of all families with dependent children, a proportion that has more than doubled since 1980 (Kilkey and Bradshaw 1999). However, the UK also has one of the lowest employment rates for lone mothers at 42 per cent compared with 63 per cent for all other mothers (only the Netherlands and Ireland have lower employment rates). Not surprisingly, lone mothers in Britain are vulnerable to poverty, 66 per cent and 28 per cent of lone mothers not in work and in work respectively live in poverty (that is, where their equivalent disposable income is less than 50 per cent of the average disposable income) (Kilkey and Bradshaw 1999). Again this is the highest in the EU. One reason suggested for the difficulties in gaining paid work is that many lone mothers have few chances of obtaining other than low paid work, because of lower qualifications. They, therefore, cannot earn sufficient to pay for the high costs of childcare nor do they have a partner who can look after children while they are at work.

4.2. Families and Parenting

There has been a shift in the recent research agenda from a concern with women in the labour market and equal opportunities to one in which the family has come to the forefront as a research issue, especially families' relationship to the labour market (Dex *et al.* 1999). This research agenda has also been stimulated by the policy agenda of new Labour with its commitment to promote family-friendly policies and extend childcare provision. Recent research has, therefore, been concerned to investigate stress imposed on family life by the changing nature of work, the effects of long and unsocial hours on family life, the difficulties of parenting, lack of child care and elderly care, the implications of a work-rich, work-poor society and the long-term consequences for those children who live in work–poor households.

The majority of parents in the UK are in paid work. In almost two-thirds (63 per cent) of working age couples with dependent children both adults worked, although in only a quarter of these did both partners work full-time (DTI 2000). In 22 per cent of couple families with dependent children the man was the sole earner. The employment rate of mothers in couple families increased from 50 per cent in 1990 to 68 per cent in 1997. However, the employment rate for lone mothers has only increased very slightly in the last fifteen years. Employment has also grown more slowly for Afro-Caribbean women, mothers with older children, or with three or more children and for women living with an unemployed or inactive partner (Brannen 1998).

Fathers with dependent children are more likely than other men to work longer hours especially if they are a sole wage earner. For example, in households where the father was the only breadwinner, fathers worked on average 55 hours per week in 1994 (Dex *et al*. 1999). In the Ferri and Smith (1996) cohort study two-thirds of fathers worked 40 hours or more, over a quarter 50 hours or more and one in ten worked over 60 hours a week. Burchell *et al*. (1999) found that more than half of respondents in their sample claimed that their family life had suffered as a result of their

working hours and work overload. Reasons given included tiredness and irritability, not seeing enough of their partners and children and a restriction of social life. Mothers with children in partnered households, on the other hand, are more likely to work evenings, early mornings or weekends so that their partners can look after the children (Ferri and Smith 1996). In one in four families with children at least one parent is working in the evening which could have implications for the quality of family life (Harkness 1999). One recent estimate is that 61 per cent of working families have parents away from home early mornings, nights or weekends, with 34 per cent working at weekends (Summerskill 2000).

CONCLUSIONS

A recent TUC report challenges the view that we are witnessing the end of permanent employment in the UK and suggests that the growth of flexible employment is overstated (TUC 2000). For example, this report points out that the share of permanent jobs (this excludes temporary and self employment) fell only 1 per cent between 1984 and 1999 (that is, from 83 to 82 per cent). However, this perspective ignores the constant rounds of restructuring of internal labour markets within organisations, more aggressive employer tactics to pass costs onto core employees together with evidence of increased use of numerical flexibility in both public and private sectors (see, for example, Cully *et al*. 1999, Purcell *et al.* 1999, Burchell *et al*. 1999 and Walsh 1997). The aggregate statistic also masks important features of the nature and distribution of flexible employment in the UK and its differential impact on households. That is, as this paper has shown, account must be taken of the uneven distribution of work, the importance of part-time work and its gendered nature, the extent of low paid work, and the nature of entry level jobs.

It can be argued that a part-time or temporary job is better than no job and the nature of flexible employment in the UK does provide a pathway out of unemployment as well as enabling most mothers to combine work and family life. However, as we have seen, the nature of part-time work in the UK has a detrimental effect on lifetime earnings, career prospects, employment protection and financial independence. Such work does little to change the gender division of labour at work or in the home. For some (especially unskilled men) the low paid flexible jobs on offer have affected their ability to establish or maintain a household. For increasing numbers of lone parents there also remains strong barriers to paid employment. The fact that low paid flexible work has been taken by those with partners already in employment has exacerbated the growing polarisation between households and their division into work rich and work poor households.

The high level of part-time working for women in the UK reflects the lack of support for parents, for example, maternity and parental leave as well as child care provision are among the lowest in Europe. Where parents are in paid work (and this is the majority of parents) there are now concerns that long and unsocial hours and intensified workloads are beginning to impact on family life and especially parenting. At the other end of the spectrum, the uneven distribution of paid work, the expansion of flexible employment and dependence on benefits have restricted opportunities for some to participate in paid work. As we have seen, this also limits their ability to engage in informal economic activities, self-help within the household and community exchanges. A particular anxiety concerns the geographical concentration of deprivation and social exclusion, which means that many children will grow up in households and neighbourhoods in which paid work is almost unknown.

NOTES

1 Since 1979 there has been a halving of the coverage of collective bargaining together with the near abandonment of industry-wide agreements in the private sector. Union membership has fallen from around 12million in 1979 to 7million in the late 1990s (around half of whom are public sector workers although they constitute only 18 per cent of the workforce). Only one quarter of employees are both union members and covered by collective bargaining (Metcalf et al. 2000).

2 In the Spring 1998 LFS, 78 per cent of women and over 90 per cent of mothers currently working part-time said that they did not want a full-time job (Thair and Risdon 1999).

3 Most men earning below the lower earnings level are under 25 and typically single and a student and very few men remain in low paid jobs for an extended period of time. However, one in seven women aged 25-54 earns below the lower earnings level and a significant number remain in low paid jobs for an extended period (EOC 1998).

4 The Low Pay Commission in its First Report (LPC 1998) found that part-timers constituted just over half of the low paid (defined here as earning less than £3.50 per hour, 5.6 euros). The Report also confirms a decline in average real earnings of part-timers since 1979.

5 It is estimated that 2.2 per cent of all employees will work in call centres by 2001 (Fernie and Metcalf 2000).

6 The data is from Workplace Employee Relations Survey (Cully et al.1999) and is the first to provide statistical information on family-friendly arrangements in enterprises of more than 25 employees.

7 In 1997 the National Group on Homeworking found an average wage of £1.60 (2.5 euros) per hour or £58 (90 euros) for a 36 hour week (LPC 1998). The follow up study of the impact of the introduction of the national minimum wage by the Low Pay Commission found, however, that 6 months later almost half of a sample of homeworkers were still not receiving the minimum wage (LPC 2000).

8 The Social Exclusion Unit (1998) suggests that there are several thousands of deprived neighbourhoods in England alone and could be between 20 to 30 per cent of all wards (local electoral districts) in England.

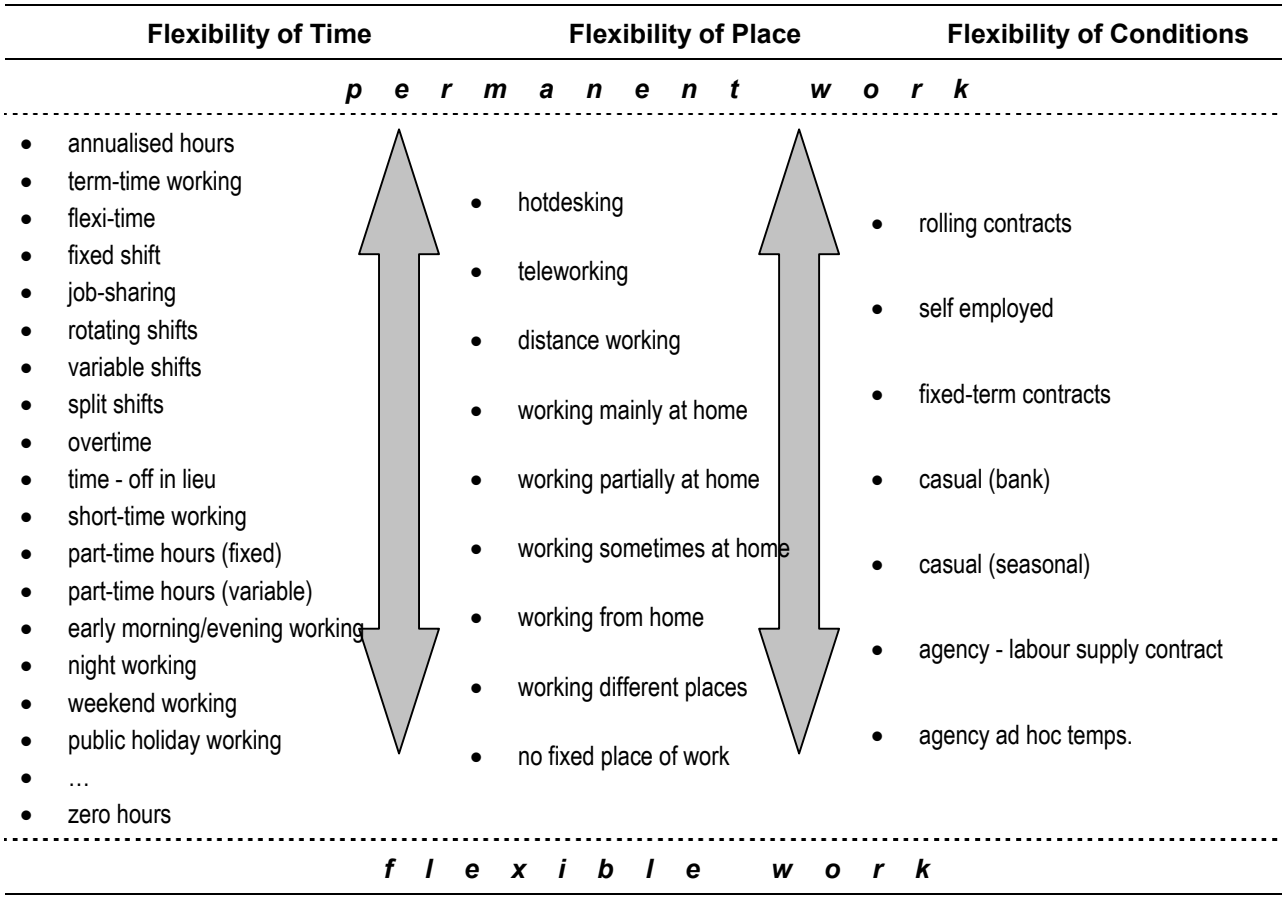
9 The rate of inactivity among men living in social housing is 30 per cent and only 54 per cent are in work (Dickens et al. 2000).

10 The proportion of households with one full-timer and one part-time earner at 35 per cent is much higher than the 20 per cent of households with two full-timer earners. (Crieghton 1999). At the same time men's contribution to family income has fallen from nearly 73 per cent in 1979-81 to 61 in 1989-91 and that of women rose from 15–21 per cent (Harkness et al. 1996).

11 In 1997, around 1.5 million, one in every 14 workers earned below £3 (4.7 euros) an hour, 3 million earned below £3.50 (5.6 euros) an hour, and 6 million, one in every four, earned below £4 (6.3 euros) an hour (Stewart 1999).

ANNEX

Figure 1. Typology of Flexible Working



Adapted from Fig. 1 Purcell et al (1999)

Table 1. Benefits and Costs for Employers in Using Flexible Employment

Benefits for employers	Costs for employers
The ability to match labour supply with variations in customer demand	Higher labour turnover
To reduce fixed costs of employment such as national insurance contributions, pensions, fringe benefits, staff development or annual holidays with pay	Increased absenteeism
To meet periodic crisis in production or service provision	Quality levels not maintained
To mange human resources more effectively - increase the commitment and loyalty of their employees and attract and recruit high quality workers	Poor labour relations
	Increased personnel costs e.g. recruitment and training
	Erosion of the 'psychological contract',

Sources: Burchell *et al.* (1999), Purcell *et al.* (1999), Perrons (1999), White and Forth (1998).

Table 2. Benefits and Costs of Flexible Employment to Workers

Benefits of flexible working for individuals	Costs of flexible working for individuals
Reconciliation of family responsibilities with work	Reduced employment protection which lead to a reduced level of job security
Reconciliation of other interests (e.g. hobbies or other employment) or statuses (students or retired) with work	Lack of training and progression
Offers ways out of unemployment	Low earnings and reduced job mobility (a 'trap' rather than a 'bridge')
Can provide a 'bridge' into full-time or permanent work	Low levels of union membership reducing lack of protection against dismissal and bargaining power in wage determination
Can supplement other sources of family income	Lack of access to social security and fringe benefits
	Increased work intensification
	Incursions into family time
	Can impact negatively on family relationships
	May not promote financial independence
	Does not change the gender division of labour at work or in the home

Sources: Burchell *et al.* (1999), Purcell *et al.* (1999), Perrons (1999), White and Forth (1998).

Table 3. Average usual weekly hours of work in main job for all in employment in UK, Netherlands, Sweden and the EU (15), (% of all employees)

	Full-time	Part-time
UK		
Female	40.7	18.3
Male	45.7	17.2
Netherlands		
Female	38.5	18.6
Male	39.2	18.9
Sweden		
Female	40.0	25.4
Male	40.2	18.9
EU (15) average		
Female	39.0	19.8
Male	41.3	19.0

Source: Eurostat Labour Force Survey 1998

Table 4. Flexibility of time (% of employees)

	All	Men	Women
Annualised hours[1]	4.0		
Term-time working[2]		2.0	8.0
Flexi-time[3]	32.0	24.0 private sector 37.0 public sector	36.0 private sector / 39.0 public sector
Job-sharing[3]	16.0	6.0 private sector / 23.0 public sector	15.0 private sector / 34.0 public sector
Overtime [4]			
paid		55.2	38.5
unpaid		40.6	57.8
Part-time hours[5]	24.8	9.0	44.3
Evening working[4]	16.3	16.7 (full-time) 25.3 (part-time)	13.5 (full-time) 17.9 (part-time)
Night working [4]	6.4	7.9 (full-time)	4.3 (full-time)
Saturday working [4]	21.9	24.2 (full-time)	18.4 (full-time)
Sunday working[4]	11.7	12.1 (full-time)	11.0 (full-time)
Bank Holiday working[6]	32.0		
Zero hours[3]	5.0 (*)		

(*) –as % of workplaces

Sources:
1. EIRO December 1998
2. Dex and McColloch (1995) based on 1994 LFS
3. Workplace Employee Relations Survey (Cully et al.1998)
4. Harkness (1999) based on 1998 LFS
5. Labour Market Trends Sept. 2000 based on LFS 1999
6. Labour Market trends August 2000 based on LFS Autumn 1999

Table 5. Percentages of establishments(*) allowing employees flexible arrangements in the UK

	WERS[1] 1998 (Non-managerial) %
Parental Leave	55
Working at/ or from home	14
Job share	45
Term-time only	19
Change FT – PT	52
Workplace nursery	5
Financial help with childcare	6
Flexitime	18

(*) establishments with more than 25 employees

Source: 1. Dex *et al.* (1999) from WERS 1998

Table 6. Flexibility of Place

	All % of workforce	% of Men	% of Women
Teleworkers[1]	about 3.5		
Working mainly at home	2.5	30.7	69.3
Working partially at home	3.5	63.8	36.2
Working sometimes at home	22.0	62.9	37.1
Working different places during the week	1.2		
No fixed place of work	7.0		

Source: Felstead et al (2000) based on LFS Spring 1998
1. Estimate from Felstead et al 2000

Table 7. Flexibility of Conditions

	All % of workforce	Men % of workforce	Women % of workforce
Self-employed[1]	11.7 (proportion with employees 26%)	15.7 (proportion with employees 27%)	6.7 (proportion with employees 23%)
Temporary[2]	7.1	6.3	8.0

1. Labour market Trends August 2000 based on LFS winter 1999/2000
2. Labour Market Trends September 2000 based on LFS 1999

Table 8. Provision of publicly-funded[1] services for children in EU Member States

Member State	Provision in publicly-funded services for children aged (years):		
	0-3 years	3-6 years	6-10 years*
Austria	3%	75%	6%
Belgium	30%	95%+	??
Denmark	48%	82%	62% + all 6 year olds in pre-primary education
Finland	21%	53%	5% + 60% of 6 year olds in welfare and education system services
France	23%	99%	?30%
Germany	2% (W)	78% (W)	5% (W)
	50% (O)	100% (O)	88% (O)
Greece	#3%	#70% (a)	?<5%
Ireland	2%	55%	?<5%
Italy	6%	91%	??
Netherlands	#8% (a)	#71% (a)	?<5%
Portugal	12%	48%	10%
Spain	?2%	84%	??
Sweden	33%	72%	64% + some 6 year olds in pre-primary schooling
UK	2%	#60% (a)	??<5%

Key:

*	Children in compulsory schooling are not included and the data is confined to services providing care and recreation to school aged children.
(a)	Figure includes some children in compulsory schooling (i.e. where compulsory schooling begins before 6).
??	No information.
?<5%	No information but under 5%
?	Approximate fig.
#	Greece, the Netherlands and the UK do not produce statistics for children aged 0-3 and 3-6: In Greece , statistics are for children aged 0-2.5-5 years; in the Netherlands, for children aged 0-4 years; in the UK, for children aged 0-5 years.

1) In nearly all cases, 'publicly-funded' means that more than half of the total costs of a service are paid from public sources, usually between 75 percent and 100 percent. The main exception to this are the Netherlands, where public funding usually covers less than half the costs of services in the welfare system.

Source: European Commission Network on childcare and Other Measures to Reconcile Employment and Family Responsibilities (ed.) (1996): A Review of Services For Young children in the European Union 1990-1995. Luxembourg: European Commission Directorate General V. (The source table does not contain data on Luxembourg.)

Table 9. Characteristics of childcare in the UK

Characteristics of childcare	Examples
Quality of child care is highly variable	70% of childminders and 20% of pre-school workers are unqualified[1]
Cost of childcare is high and the highest in Europe[2]	Full-time childminding for under 5 costs between £50-£120 per week, full-time private day nursery costs between £70-180 per week. An average income family with 2 young children could pay as much as one third of their income on childcare.[1]
Childcare is not readily available and provision is patchy especially in rural areas and inner cities.	There are 830,000 registered child care places for 5.1 million children under 8 in England.[1]
More mothers would work if child care available	4 out of 5 non-working mothers would work (55% part-time) if the childcare of their choice was available.[1]
The majority of parents use informal childcare	See Table 11
Shift parenting is common	Of a sample of 33 year olds where fathers worked fulltime, 71% of mothers worked between 6pm and 10pm.[2]
The proportion of workers stating that they have access to a work-place nursery or childcare subsidy is very small	4% of all employees stated this in the WERS 1998.[3]

Sources: 1. DfEE 1998
2. Ferri and Smith (1996)
3. Cully *et al.* (1999)

Table 10. Providers[1] of childcare,[2] 1994-1995, Great Britain

	Pre-school age children (%)	School age children in term-time (%)	School age children in holidays (%)
Female respondent	82	78	77
Her partner	15	10	12
Mother/ mother-in-law	11	7	12
Registered childminder	6	2	2
Other relative	3	2	5
Private nursery/ crèche	2	-	-
Person employed in respondent's home	1	2	3
Friend/ neighbour unpaid	1	1	-
Friend/ neighbour paid	1	2	1
Day nursery/ crèche run by employer	1	-	-
They look after themselves	-	5	2
Child's older siblings	-	2	2

1 Percentage of dependent children cared for by each type of provider. More than one type of provider may be identified.
2 Respondents were mothers aged 16 to 69

Source: Dex *et al.* 1999 based on Family and Working Lives Survey 1994

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