

Summary

Supply of labour 2016

Working, caring and learning in a flexible labour market

The Dutch government is keen to increase the labour participation rate. This has consequences for people's personal lives, because if they begin doing (more) paid work, this also increases the demands placed on them in other areas of life: working, caring and learning are inextricably intertwined. On the one hand, more and more people are combining paid work with care tasks, whilst on the other training is seen as an important means of enabling workers to remain in employment until retirement age (sustainable employability).

Working, caring and learning in a flexible labour market constitute the central theme of this report, which describes the findings of the most recent edition of the Labour Supply Panel (*Arbeidsaanbodpanel*), a long-term survey of approximately 4,500 working and non-working people in the Netherlands. The Panel data were collected in the autumn of 2014. The report 'Supply of labour' (*Aanbod van arbeid*) is published every two years and seeks to present a broad picture of developments in the employment situation and opinions of working and non-working people.

The results described in this edition of the report reveal a number of clear trends on the labour market in relation to working and caring. The Dutch labour participation rate is rising and the share of people combining working with providing informal care is growing. No comparable developments are observed with regard to learning, however: the percentage of employees following training has remained virtually unchanged for many years. That is striking given the specific importance attached in government policy to training as a means of ensuring sustainable employability in a flexible labour market. The government wants people to work more, care more and learn more. However, there are limits to the extent to which these activities can be combined, in terms of both time demands and burden. For example, working people who are providing informal care are found to suffer from increased 'combination stress' (difficulty in combining paid work with providing care) and higher sickness absenteeism rates.

There are also differences between different labour market groups as regards working, caring and learning. A continuing point for concern is that older employees receive less training, exhibit less labour mobility and are often in poorer health than their younger counterparts. Low-skilled workers and those on flexible employment contracts are also at relatively high risk of dropping out of the labour process and receive little in the way of training, either formal or informal. These groups also have less access to flexible working practices which in theory make it easier to combine work and care tasks, such as flexible working hours and working from home.

Task combination and flexible working

Dutch workers are increasingly confronted with task combination and flexibilisation: combining paid work with providing informal care, combining different jobs, combining study with paid work, or having a flexible employment contract.

In 2014, 18% of working people in the Netherlands were providing informal care, a rise of six percentage points compared with 2004. This increase has occurred among both employees and self-employed workers over recent years, with self-employed people being informal carers slightly more often than employees.

The percentage of workers combining more than one job increased steadily in the period 1986-2014, from 3% to 9%, mainly involving employees who also work in a self-employed capacity. A proportion (17%) of those with multiple jobs work long hours (more than 48 hours per week). The percentage is higher than average among low-skilled workers (27%).

School and college students increasingly take a job alongside their studies. In the period 2004-2014, the percentage of students not working or looking for work halved, from 49% to 25%. In 2014, 60% of students had jobs. Students do not see their job as a stepping stone towards their later career, but primarily as a source of money. They report that their jobs rarely impede their progress in their studies.

The share of workers with flexible employment contracts increased in the period 1986-2014. Workers on such contracts have less job security than workers with permanent contracts: the probability that people with a temporary contract will still be in work two years later is ten percentage points lower than for workers with permanent contracts.

No increase in training

No clear developments can be observed on the learning front comparable to those taking place in relation to working and care; the share of employees following a training programme or course has been stable for years. This is out of kilter with the importance attributed to training in government policy as a means of achieving sustainable employability. Around four out of ten workers had taken part in training in the two years preceding the survey, and this proportion remained fairly constant over the whole period 2004-2014. There was a slight increase in the percentage of self-employed people following training, though it was still slightly lower in 2014 (36%) than the percentage of employees doing so (41%). Groups with a weak labour market position (low-skilled workers, older workers, flexiworkers and people with less robust health) receive relatively little training.

The most recent Labour Supply Panel survey also contained questions on informal learning, i.e. the extent to which people learn 'on the job'. It was found that people who receive lots of formal training are also the people who learn a lot during their work. Formal and informal learning are thus not complementary, and a lack of formal training is not compensated by informal learning. A proportion of workers (51%) report that changes are taking place in their work which require additional training. High-skilled workers who report this receive training much more often (57%) than low-skilled workers (24%). Lifelong learning does not yet appear to be getting off the ground for low-skilled workers.

Combination stress

Combining work with providing care is not always straightforward. One in five workers with a care task (childcare or informal care) experience 'combination stress', i.e. difficulty in combining their paid work with caring for children or someone in their immediate setting. Women experience this combination stress more often than men (22% versus 16%). Workers who provide informal care experience more combination stress than parents with young children. Self-employed workers, high-skilled workers, older persons, workers with a long commute and people working under high time pressure also experience relatively high combination stress.

Growth in homeworking

Flexible working practices, such as homeworking and flexible working hours, could make it easier to combine work with care tasks. The amount of homeworking is continuing to rise: one in five employees work from home at least one day a week, an increase of five percentage points over the last ten years. The number of hours spent working from home has also increased, from 6.5 hours per week in 2004 to over eight hours in 2014. There has also been a gradual rise in the share of workers who are able to determine their own start and finish times, to just over 40% in 2014. On the other hand, the reason that people work from home is generally not to enable them to combine work with care tasks, but to allow them to complete work or work overtime at home.

Some groups on the labour market have more access to flexible working than others. Part-time workers have fewer opportunities for flexible working than their full-time counterparts; this is striking, given that working part-time is often seen as a way of combining work and care tasks. Flexible working is also assumed to reduce combination stress. In reality, however, these two solutions seem not to complement each other but to a certain extent act as substitutes for each other. Men, people aged over 55 and high-skilled workers have relatively wide scope to work flexibly, while people with temporary contracts work from home less often than their peers with permanent contracts.

The literature is not unanimous regarding the effect of flexible working on combination stress. After correcting for other characteristics, we find that people who work flexibly experience just as much combination stress as people who do not. This may be because people who have lots of care tasks and who experience high pressure of work are also the people who frequently work from home. It is also possible that working from home does not reduce combination stress because it is used mainly to complete work or to do additional work rather than to make it easier to combine work and care tasks. If organisations and the government wish to encourage flexible working as a means of reducing combination stress, therefore, it is important to prevent it creating additional pressure on workers to do overtime at home.

Non-workers less satisfied with life than workers, and the gap is widening

Paid work is acquiring an ever more prominent role in people's lives. More people are in paid work and government policy is also placing more emphasis on the duty to work. We investigated how important paid work is for workers and non-workers. Our first finding was that life satisfaction is lower among non-workers than among people in paid work: fewer than half (42%) of non-workers

are satisfied with their lives, compared with 82% of employees. This gap widened in the period 2010-2014. It may be that the more prominent role of paid work in society and the less generous social security benefits are part of the reason for the growing importance of paid work in people's happiness. This also impinges on the discussion surrounding the value assigned to paid and unpaid work in the 'participation society'. People can after all participate in society in other ways than by working, for example by caring for others or doing voluntary work.

Second, there is a difference in work ethic, or the view that people in society have a moral duty to work, between the different groups. Older and lower-skilled people have a relatively strong work ethic. Unemployment is not associated with a weak work ethic, implying that unemployment is not related to a reduced moral awareness of the duty to work. This finding is endorsed by studies showing that a majority of unemployed people and benefit recipients take a traditional view of work.

Variation between labour market groups in opportunities for working, caring and learning

The results of our study show that not everyone finds it easy to combine working, caring and learning. This is the case, for example, for groups who receive little training or have relatively little access to flexible working practices that are intended to make it easier to combine work and care tasks. This applies in the first place for employees with flexible contracts. Temporary contracts no longer appear to be reserved only for young starters on the jobs market, as a stepping stone to a permanent contract, but are now also used in later career stages and for older workers. People on flexible employment contracts are precisely the group who appear to have less access to the flexible working practices which would make combining tasks easier. This group also receive relatively little training. It is also notable that people with temporary contracts have lower life satisfaction than employees with (the prospect of) a permanent contract. The difference can be explained in part by the lack of job security and poor working conditions often experienced by people with flexible contracts.

Secondly, the labour market position of older workers is an area for concern. Older workers are less mobile on the labour market: less than 5% of 55-64 year-olds had changed employer in the two years preceding the survey, compared with almost 40% of 16-24 year-olds. Moreover, where over-55s do change jobs, this is less often for a career advancement. The percentage of both men and women in work falls sharply above the age of 50. More and more people expect to have to continue working for longer, but the preferred retirement age is not keeping pace with this, having stood at around 61 years for a number of years now. An additional factor that has to be considered in this context is the role played by health, especially for low-skilled workers: 40% of over-55s in low-skilled jobs report less than robust health, ten percentage points higher than the figure for high-skilled workers. Older employees also relatively often provide informal care. The 'rush-hour of life' is thus not something that applies only for young parents, but also increasingly affects older workers with loved ones who need care. Training and flexible working practices, such as working from home, appear to be the preserve mainly of the 'better-off workers': high-skilled workers with a relatively secure position on the labour market. Low-skilled workers receive relatively little training and also have fewer opportunities to work from home.

Dutch government policy stresses the importance of working, caring and learning. At the same time, the labour market is changing, with a growing share of self-employed workers and people on flexible employment contracts. The content of work is also changing at an ever-increasing pace due to technological developments. This places heavy demands on the adaptability of workers. Although flexible working practices and informal learning are seen as tools to enable citizens to participate in all areas of society, it is precisely here that the problem lies: certain groups, either because of their own background or because of the nature and content of their work, have structurally less scope to make use of these resources. These groups thus warrant extra policy attention, because otherwise the ambition of combining working, caring and learning in a flexible labour market will be one that is difficult to realise for them.