



The case for an employer duty to consider why jobs can't be done part-time and flexibly; and for recruiting for more part-time and flexible positions

July 2019

Overview

- There are far too few quality part-time and flexible jobs in the UK labour market.
- The consultation linked to the Government’s October 2018 announcement around flexible working must be published without delay.
- More widespread, embedded and gender-equal part-time and flexible working will help create a level playing field for parents and carers especially women – at work. It will allow working parents and carers to find suitable jobs and progress in their careers, and will provide an alternative to low-paid, insecure work.
- Recruiting more positions on a part-time and flexible basis carries additional benefits for businesses, the government and the economy.

Background

In October 2018 the Secretary of State for Business, Energy & Industrial Strategy Greg Clark MP announced that the Government would consider creating a duty for employers to consider whether a job can be done flexibly, and make that clear when advertising roles. This would bring about much-needed labour market reform by increasing the supply of part-time and flexible jobs, helping create a labour market that is fairer and works for employers and employees.

The problem

The UK labour market isn’t working for parents and carers. The proportion of quality, permanent jobs (£20,000 + FTE) that are advertised with flexible working options – including part-time – stands at just 11.1%. Working Families’ research shows that 86% of working parents say that they would like to work flexibly but just under half (49%) do¹. On the current trajectory, it will take at least 60 years for all quality jobs to be advertised with flexible working options².

Current legislation needs to go further. Working Families’ research shows that over a third (37%) of parents that don’t work flexibly said it isn’t available where they work, despite the fact that all employees have the right to request flexible working³. Whilst this right has supported some people (often mothers) to get the flexibility they need on an individual basis, it has not been the catalyst needed for flexible working to become the “norm” in the labour market.



¹ The Modern Families Index, Working Families & Bright Horizons 2019

² The Flexible Jobs Index, Timewise 2018 (the current 11.1% figure is up 6.2% from the first Flexible Jobs Index four years ago)

³ The Modern Families Index, Working Families & Bright Horizons 2019

The impact of the current labour market structure on parents and carers, and on gender equality

- Those who work part-time and flexibly are disadvantaged in terms of their career progression. Parents working part-time have just a 21% chance of being promoted within the next three years, compared to 45% for their full-time counterparts. Those affected are mainly women – 41% work part-time compared to 13% of men⁴.
- Very often the only ‘flexible’ and part-time jobs available are low-paid. Estimates suggest a very large part-time pay penalty – between 26% and 29%⁵. Research shows that 1.5 million people are trapped in jobs like these, working below their skill level because they can’t find better-paid jobs with the working patterns they need⁶. This affects women more than men; almost twice the number of mothers than fathers are on a zero-hours contract or take on casual work⁷.
- More than one in ten (11%) of parents have turned down a new job or promotion in favour of preserving their work-life balance, suggesting that once working parents have managed to obtain the flexibility they need, they feel unable to move on. Nearly two-thirds (65%) of mothers and half of fathers agree or strongly agree with the statement: ‘I will stay in my job because I won’t be able to get the flexibility I have now elsewhere’.
- These factors contribute to a UK gender pay gap that stands at 17.9%⁸.



Our outdated labour market – which is wedded to an outdated 9-5 model, with permanent contracts on the one hand and low-paid, precarious work on the other – leaves people with caring responsibilities (often mothers) with a binary choice between low-paid work and not working at all. Ensuring more quality flexible and part-time jobs is of crucial importance to creating a level playing field in the workplace for parents and carers, and to improving economic opportunities for women.

⁴ Women & the Economy briefing paper, House of Commons Library 2019

⁵ The part-time pay penalty, Manning & Petrongolo 2006

⁶ Flexible Working: A Talent Imperative, Timewise & EY 2017

⁷ Parents and non-parents by sex and age of youngest dependent child and different working arrangements, UK and regions, ONS 2018

⁸ Gender pay gap in the UK, ONS 2018

The solution

Legislation needs to go further. The Government's proposed duty would bring about much needed labour market reform by accelerating workplaces toward flexibility as default. This would help ensure a wider choice than what's currently on offer, increase participation in the labour market (particularly amongst women) and increase choice for those that want a better work life balance (including fathers who want to take on more of the childcare, are also disadvantaged by a lack of quality part-time and flexible working opportunities).

The consultation must be published before the summer recess (25 July) so that stakeholders have the opportunity to respond.

The benefits to business of a flexible-by-default labour market

- Flexible workers are also more likely to be engaged⁹, potentially generating 43% more revenue and improving performance by 20%, compared to disengaged employees¹⁰.
- Flexible working can reduce absence rates as it allows employees to manage disability and long-term health conditions¹¹ and caring responsibilities¹² as well as supporting their mental health and stress¹³.
- 9 in 10 employees consider flexible working to be a key motivator to their productivity at work. For 89% it is a bigger motivator than financial incentives (77%)¹⁴.
- 92% of young people want to work flexibly. Employers that choose flexible working within permanent contracts will likely attract talented workers currently choosing temporary work¹⁵.

Best practice employers are already considering flexibility as part of recruitment. The vast majority of Working Families' members carry out at least some job analysis on each vacancy to determine the potential for flexible working prior to advertising and ask hiring managers to justify a full-time working pattern for vacancies. More than a third of organisations routinely state the opportunities for flexibility in their job adverts¹⁶. Many use the strapline and logo developed by Working Families in partnership with the Government and other stakeholders: *Happy to Talk Flexible Working*¹⁷.

⁹ The Modern Families Index, Working Families & Bright Horizons 2019; also shown in *Doing More With Less? Human Relations*, Kelliher & Anderson 2009

¹⁰ *People and the bottom line*, Institute for Employment Studies & The Work Foundation 2018

¹¹ *Health and well-being at work survey*, CIPD 2018

¹² *Walking the tightrope: The challenges of combining work and care in later life*, Age UK and Carers UK 2016

¹³ *Health and well-being at work survey*, CIPD 2018

¹⁴ HSBC 2017

¹⁵ *Flex Appeal: Why Freelancers, Contractors and Agency Workers Choose to Work this Way*, REC 2014

¹⁶ *Top Employers for Working Families Benchmark*, Working Families 2018

¹⁷ For more info please visit: www.workingfamilies.org.uk/employers/httfw

The benefits to government and the economy of a flexible by default labour market

- Flexible working can play an important part in the delivery of wider social and economic objectives – such as:
 - Closing the gender pay gap. It has been estimated that if the UK gender gap were to be closed, this could generate an additional £150 billion to Gross Domestic Product (GDP) up to 2025 and add 840,000 women to the UK workforce¹⁸.
 - Helping to enable particular groups to join or stay in the labour market, such as older workers, carers or those with mental health conditions or disabilities. For example, 63% of older workers feel that companies should offer part-time roles; and 78% agree that workplaces should offer flexible working patterns (such as variable start and finish times or the ability to work remotely)¹⁹.
- More widespread, embedded and gender-equal flexible working is crucial to the success of other policies the Government is pursuing, such as shared parental leave (fathers need flexible working when they return to work to continue to share care), in-work progression in Universal Credit (parents and carers expected to progress in work need more quality part-time and flexible jobs to be available to avoid ‘cycling’ between unemployment and temporary low-paid jobs), and the health and wellbeing at work agenda (reducing sickness absence, for example).
- The widespread adoption of flexible working in the UK could boost the economy by as much as £90 billion each year²⁰.

Contact details

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¹⁸ The power of parity: advancing women’s equality in the UK, McKinsey & Company 2016, See also, Why diversity matters, 2015, Delivering through diversity, 2018

¹⁹ Ageing Society Grand Challenge survey, Saga & Populus 2018

²⁰ The productive value of the untapped workforce: A study into the potential economic impacts of a flexible working culture, Centre for Economics and Business Research 2014