# **From Five to Four?** P-06-1247 Support trials of a four-day week in Wales

January 2023





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## About the Committee

The Committee was established on 23 June 2021. Its remit can be found at: **www.senedd.wales/SeneddPetitions** 

#### Current Committee membership:



**Committee Chair: Jack Sargeant MS** Welsh Labour



**Rhys ab Owen MS \*** Independent Plaid Cymru Member



**Luke Fletcher MS** Plaid Cymru



**Joel James MS** Welsh Conservatives



Buffy Williams MS Welsh Labour

\* Rhys ab Owen MS joined the Committee December 2022.

The following Members attended as substitutes during this inquiry.



**Jayne Bryant MS** Welsh Labour



Altaf Hussain MS Welsh Conservatives

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## Chair's foreword

A four day week is a bold proposal aimed at giving people back time to train and upskill, to navigate huge chances in the workplace without placing more stress on workers and to give people time back in a country that works some of the longest hours in Europe.

Despite these long hours the UK lags behind on productivity, once we break that link of hours worked equalling productivity we can start to look at a four day week differently. It is also clear to me that the balance of power has tipped in recent years away from the worker and looking seriously at giving them some time back without loss of pay could be one of the important changes our society needs.

It is bold proposal but no more bold than those campaigners who fought for a five day week, paid holiday and sick pay. These changes were more recent than we often realise and were dismissed by many at the time as being impossible to deliver, yet now we take them for granted.

This short report sets out some of the evidence the Committee has gathered in relation to a petition calling on the Welsh Government to play its part in a range of on-going experiments which are challenging the established norms of work, and the working week.

While we normally try to reach a cross-party consensus when it comes to the work of committees, it has not been possible on this occasion. While a majority of the committee endorses the recommendations and positive about the idea of finding out if a four day week could work, we have included a minority view from Joel James, to reflect his different conclusions.

We are grateful to all those who gave evidence to the Committee. We were pleased to hear voices in favour of the concept of a four-day week and those more sceptical. What seemed clear though, was that the way we work has been changing and will need to change further.

The COVID pandemic led to a massive change in the way many people work, and forced many to reconsider what was important in terms of their quality of life. The increasing use of

automation is another driver of change. As is the climate crisis. How we will respond to these external forces, and the changing expectations of employers and employees, is unclear. But the decisions we take today, will shape that response.

When the five-day working week was first introduced it was seen as revolutionary. If the fourday week (or some other variation of reduced hours) is to move in to the mainstream, that change will need to be underpinned by evidence. That is why we are recommending that the Welsh Government adds to the growing evidence base on the issue.

Experiments are being conducted around the world – but we will have a much stronger knowledge of how they fit our circumstances here in Wales if we conduct our own experiments. I hope the Welsh Government will consider our call for a modest experiment in our public sector, so that future debates on this subject will be more fully informed by evidence from Welsh people on the economic, social and environmental impacts of a four-day week.

JACK SARCEANT.

Jack Sargeant MS, Chair, Petitions Committee

## 1. The Petition

This report sets out the recommendations and conclusions of the Petitions Committee, and provides links to the evidence considered by the Committee in relation to the following petition:

## P-06-1247 We call on the Welsh Government to lead the way by supporting trials of a four-day week in Wales

Moving to a four-day working week boosts productivity & workers' wellbeing.

After successful trials of a shorter working week in Iceland – with no reduction in pay – governments in Scotland, Ireland & Spain are all devising their own four-day week pilots that are scheduled to begin next year. There's also serious moves towards a four-day week taking place in Belgium, New Zealand, Germany & Japan.

We call on the Welsh Government to lead the way by supporting trials of a four-day week in Wales.

## 2. Background

This chapter introduces the concept of a four-day working week, sets out the arguments for and against introducing a four-day week, and explores the political debate around the issue in Wales.

#### Introduction

**1.** The five-day working week has been the norm in Wales and the United Kingdom since the first half of the twentieth century.<sup>1</sup> This resulted from a number of campaigns over the preceding hundred years, and was found by employers to reduce absences and improve efficiency.<sup>2</sup>

2. This change took place at around the same time as the United States of America officially adopted a five-day week in 1938.<sup>3</sup> Henry Ford and the Ford Motor Company had adopted the five-day week in 1926, introducing a forty-hour working week without reducing workers' pay and conditions.<sup>4</sup>

**3.** There have recently been calls for this to be reduced to a four-day week, which proponents argue would improve workforce wellbeing, increase productivity and improve the environment.

**4.** Reducing working hours while pay remains the same is a key requirement for campaigners supporting a four-day week. 4 Day Week Global, a not-for-profit organisation that is running four-day week pilots across the world, wants to see an '100-80-100' model adopted, which sees workers receiving 100% of their current pay, working 80% of their existing hours, and maintaining 100% of their current productivity.<sup>5</sup>

<sup>&</sup>lt;sup>1</sup> Professor Brad Beavan for The Conversation, <u>History of the two-day weekend offers lessons for today's calls for a four-day week</u>

<sup>&</sup>lt;sup>2</sup> Professor Brad Beavan for The Conversation, <u>History of the two-day weekend offers lessons for today's calls for a four-day week</u>.

<sup>&</sup>lt;sup>3</sup> US Department of Labor, Fair Labor Standards Act of 1938: Maximum Struggle for a Minimum Wage

<sup>&</sup>lt;sup>4</sup> Ford, Ford heritage: The Ford Motor Company story

<sup>&</sup>lt;sup>5</sup> 4 Day Week Global, <u>Why Trial a 4 Day Week?</u>

## The four-day week and other reduced work hours experiments around the world

**5.** There have been a number of pilots run across the world over recent years that have reduced working hours. Perhaps the most well-known example of a shorter working week has been in Iceland. The Icelandic Government and Reykjavik City Council undertook separate trials between 2015 and 2019 where workers moved from a 40 hour week to a 35-36 hour one for the same pay.<sup>6</sup>

**6.** Since the trials took place, 86% of Icelandic workers are either employed on contracts with shorter working hours for the same pay, or on contracts that give them the right to be paid the same to work shorter hours. While those working standard hours saw relatively small reductions in hours, public sector shift workers such as nurses saw a larger reduction in the number of hours they are expected to work.<sup>7</sup>

**7.** Other pilots to reduce working hours have taken place in New Zealand<sup>8</sup> and Japan<sup>9</sup>, with government employees in the United Arab Emirates moving to a four and a half day week from February 2022.<sup>10</sup>

**8.** 4 Day Week Global is currently working with partners on a number of four-day week pilots in the UK, Ireland, Europe, North America, Australia and New Zealand.<sup>11</sup> These are at different stages, with some in development and others currently taking place.

**9.** The midpoint results from their UK trial, which includes two employers from Wales (Merthyr Valley Homes and Comcen), found that 86% of respondents said that they would be likely or extremely likely to consider retaining a four-day week after the trial period ends, and that 49% of respondents found that workplace productivity had improved (34% "improved slightly", 15% "improved significantly") while 46% said it had remained the same.<sup>12</sup>

<sup>&</sup>lt;sup>6</sup> Alda and Autonomy, <u>Going public: Iceland's journey to a shorter working week</u>

<sup>&</sup>lt;sup>7</sup> Alda and Autonomy, <u>Going public: Iceland's journey to a shorter working week</u>.

<sup>&</sup>lt;sup>8</sup> For further information see Coulthard Barnes and Perpetual Guardian, <u>White Paper 2019 – The four day week</u> and Dr Helen Delaney, <u>Perpetual Guardian's 4-day workweek trial</u>: <u>Qualitative research analysis</u>

<sup>&</sup>lt;sup>9</sup> BBC News, <u>Microsoft four-day work week 'boosts productivity'</u>

<sup>&</sup>lt;sup>10</sup> Gulf Business, UAE's new workweek – How has it impacted the ecosystem?

<sup>&</sup>lt;sup>11</sup> 4 Day Week Global, <u>Pilot Program</u>

<sup>&</sup>lt;sup>12</sup> 4 Day Week Global, <u>UK Companies in 4 Day week Pilot Reach Landmark Halfway Point</u>

**10.** The Scottish Government has also committed to providing £10 million funding to support businesses to trial a four-day week, and is developing this over the next year.<sup>13</sup>

#### Arguments for and against introducing a four-day week

Supporters of a four-day week argue that it would:

- Improve workers' well-being, by providing better work-life balance; improving mental and physical health; and raising job satisfaction.
- Boost productivity, with proponents of a four-day week citing evidence from Iceland, Japan and New Zealand.
- Deliver environmental benefits, such as reduced air pollution and lowering carbon emissions due to reduced commuting and behavioural change.
- Contribute to greater gender equality, with men taking on more responsibility for unpaid care and housework.

However, others have raised concerns about potential negative impacts of a four-day week, including:

- Whether a four-day week is too rigid an approach when greater flexibility is required in the workplace.
- Some sectors may struggle to replicate their productivity or be able to operate within a four-day week, such as education, health, hospitality and personal services.
- Some workers are already over-worked, and moving to a four-day week would exacerbate the stress-related challenges they face.
- Some organisations suggest that moving to a four-day week **poses organisational** challenges, and may be too complicated to implement.

<sup>&</sup>lt;sup>13</sup> Scottish Parliament, <u>Question on a four-day working week to the Minister for Just Transition, Employment and</u> <u>Fair Work</u>, 20 April 2022

#### Latest developments in Wales

**11.** On 22 September 2021, the Senedd **held a debate** on a four-day working week. An amended motion was passed, proposing that the Senedd:

- Recognises the change in work practices as a result of the COVID-19 pandemic and that this has brought with it many wellbeing and work-life balance benefits.
- Believes that reforming working practices to meet the challenges of the automation revolution is necessary.
- Notes with interest that governments in Scotland, Spain and Ireland are planning national-level pilots for a four-day working week.
- Recognises pilots of a four-day working week in Iceland were an overwhelming success and led to many workers moving to shorter hours with no reduction in pay.
- Calls on the Welsh Government to consider the progress that is made through pilots in other countries and examine the lessons Wales can learn.

**12.** In a letter to the Committee<sup>14</sup> in January 2022, the Minister for Economy said that he recognised the potential benefits of a shorter working week, and is keen to see the outcome of pilots in Scotland and Ireland. He also stated that:

"We want to consider the delivery, impact and outcomes of these pilots. We will want to see consistent evidence from these pilots of how a four-day working week can improve work-life balance, help us cut carbon emissions and support gender equality, whilst avoiding unintended consequences.

"As referenced in First Ministers' Questions recently, some businesses in Wales have already expressed an interest in a four-day week as they believe it makes commercial sense to do so. We would support their policy intent should they decide to implement such an arrangement."

**13.** In February 2022, the Future Generations Commissioner published a report on the fourday week that she had commissioned from the think-tank Autonomy.<sup>15</sup> This report considered arguments for and against a four-day working week; potential barriers the Welsh Government

<sup>&</sup>lt;sup>14</sup> Letter from Minister for Economy to the Petitions Committee, 28 January 2022

<sup>&</sup>lt;sup>15</sup> Autonomy for Future Generations Commissioner, <u>A Future Fit For Wales – The roadmap to a shorter working</u> week

would face in supporting moving towards a four-day week; UK and international examples; an implementation strategy for a four-day week in Wales; and how a four-day week could be achieved working with the trade union movement.

**14.** The report concluded that the Welsh Government could take a number of steps to support a shorter working week within the boundaries of the devolution settlement:

- Trialling a shorter working week within the public sector, either as a large-scale trial or a gradual roll-out.
- Using public sector procurement to encourage adoption of a four-day week/shorter working week in the private sector.
- Introducing a scheme where private sector employers can be accredited for reducing staff working hours.
- Collaborating with and empowering trade unions to negotiate shorter working hours.

## 3. About the petition and the Committee's work

This chapter details the journey of the petition, and the work of the Committee to explore how to take the petition forward.

#### About the petition

**15.** The petition collected 1,619 signatures before it closed on 31 January 2022.

**16.** The Committee wrote to the Minister for Economy on this matter, and considered his response at its meeting on 7 March 2022.<sup>16</sup> At this meeting, it also considered the response of the petitioner, Mark Hooper.<sup>17</sup> The petitioner noted the Minister's response, and asked the Petitions Committee to undertake a short study on introducing a trial of a four-day week, to add to the work produced by Autonomy for the Future Generations Commissioner.

**17.** The Committee subsequently decided to take evidence on this topic to investigate the potential pluses and minuses of a four-day week, with the intention of shaping Welsh Government policy in this area.

**18.** The Committee's evidence sessions took place on 27 June 2022 (Panels 1 and 2), and 11 July 2022 (Panel 3). A list of participants can be found in Annex A. The Committee is grateful to all those who gave evidence and shared their experiences from UK and international contexts, which helped shape our discussion and conclusions.

#### Whether a four-day week should be piloted

**19.** Advocates of a four-day week were keen to outline the potential benefits they thought it could bring to Wales. Mark Hooper, the lead petitioner, said that he submitted the petition as a way of changing our relationship with work. He felt that this change is needed to respond to climate change, address productivity challenges, and to address over-work.<sup>18</sup>

**20.** Joe O'Connor from 4 Day Week Global set out the potential benefits he thought a fourday week would deliver:

<sup>&</sup>lt;sup>16</sup> Letter from Minister for Economy to the Petitions Committee, 28 January 2022

<sup>&</sup>lt;sup>17</sup> Correspondence from petitioner, 1 March 2022

<sup>&</sup>lt;sup>18</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, Paragraphs 8-10

"I think that there is a really considerable body of evidence out there, both in terms of research and case studies all over the world, that suggests that reduced work time can lead to improved worker well-being, reduced burnout, reduced stress, and it's something that can be really transformative in terms of work-life balance for employees when it comes to being able to spend more time with family, in the community, learning new hobbies, new skills and so on."

**21.** Advocates of a four-day week argued that it would give Welsh employers a "competitive edge" in recruiting staff. Mark Hooper gave the example of Atom Bank, which reported a 500% increase in people who wanted to join them after they introduced a four-day week.<sup>20</sup> Joe O'Connor said that "quality of life in a lot of ways is the new frontier for competition", and that "those societies that can offer a better quality of life to their citizens can really give themselves an edge when it comes to the global war for talent".<sup>21</sup>

**22.** However, those less supportive of a four-day week expressed different views around its potential benefits. Cheney Hamilton of Find Your Flex considers that there are options that support businesses and workers better than a four-day week.<sup>22</sup>

**23.** Professor Abigail Marks of Newcastle University said that reducing work intensification is required before reducing working hours:

"I think the four-day working week is a great idea, but I think that there are steps that need to be taken before we get to that point—so, really being much more mindful of overwork, work intensification, work extensification. And once we can reduce that, then we start working to looking at either reducing the working day or reducing the working week".<sup>23</sup>

#### Productivity

**24.** Mark Hooper said that discussions around productivity offer the opportunity to build consensus around a four-day week.<sup>24</sup> Joe O'Connor highlighted evidence that companies are using the four-day week to align the interests of companies and workers, and that companies

<sup>&</sup>lt;sup>19</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 113

<sup>&</sup>lt;sup>20</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 47

<sup>&</sup>lt;sup>21</sup> Petitions Committee, <u>Record of Proceedings</u>, 27 June 2022, paragraph 116

<sup>&</sup>lt;sup>22</sup> Petitions Committee, **Record of Proceedings**, 11 July 2022, paragraphs 49 and 50

<sup>&</sup>lt;sup>23</sup> Petitions Committee, <u>Record of Proceedings</u>, 11 July 2022, paragraph 17

<sup>&</sup>lt;sup>24</sup> Petitions Committee, Record of Proceedings, 27 June 2022, paragraph 37

have reported maintained or increased productivity.<sup>25</sup> He noted that the pilots 4 Day Week Global are delivering measure productivity in ways that meet the individual company's needs, either using companies' existing metrics or working with them to develop others.<sup>26</sup>

**25.** However, Cheney Hamilton from Find Your Flex suggested that a four-day week wouldn't address overall productivity challenges. She argued that an outcome-based approach would be more effective.<sup>27</sup>

#### Well-being

**26.** Louisa Neale from the Future Generations Commissioner's Office set out the potential mental health benefits she considers a four-day week may deliver. She felt that a shorter working week can provide more regular recovery periods, and may help to address a "crisis of burn-out amongst workers".<sup>28</sup> Louisa Neale also gave the example of the Gothenburg trial where 70 nurses worked a six-hour day, noting that:

"The outcomes there were very positive impacts on health and well-being. There was a marked improvement in sickness leave and a boost in productivity, and 85 per cent more activities being arranged for patients."<sup>29</sup>

**27.** Professor Marks commented that "If people can't manage their work in a five-day week because of overwork, then they're not going to manage it in a four-day week", and that this would have a negative effect on well-being.<sup>30</sup> Professor Marks also noted that evidence from the Perpetual Guardian four-day week pilot in New Zealand found that it did not resolve issues of overwork, as work was intensified further, as were management pressures around performance management, monitoring and productivity.<sup>31</sup> Similarly, she said that well-being issues were identified at the Microsoft trial in Japan.<sup>32</sup>

**28.** Will Stronge from Autonomy disputed this point, stating that "shorter working hours shouldn't be dismissed because in other parts of the economy there are other issues", and that one trial was not necessarily representative of the other pilots that have been undertaken.<sup>33</sup> He

<sup>&</sup>lt;sup>25</sup> Petitions Committee, <u>Record of Proceedings</u>, 27 June 2022, paragraph 114

<sup>&</sup>lt;sup>26</sup> Petitions Committee, <u>Record of Proceedings</u>, 27 June 2022, paragraph 149

<sup>&</sup>lt;sup>27</sup> Petitions Committee, **Record of Proceedings**, 11 July 2022, paragraph 62

<sup>&</sup>lt;sup>28</sup> Petitions Committee, <u>Record of Proceedings</u>, 11 July 2022, paragraph 42

<sup>&</sup>lt;sup>29</sup> Petitions Committee, **Record of Proceedings**, 11 July 2022, paragraph 76

<sup>&</sup>lt;sup>30</sup> Petitions Committee, <u>Record of Proceedings</u>, 11 July 2022, paragraph 32

<sup>&</sup>lt;sup>31</sup> Petitions Committee, <u>Record of Proceedings</u>, 11 July 2022, paragraph 16

<sup>&</sup>lt;sup>32</sup> Petitions Committee, <u>Record of Proceedings</u>, 11 July 2022, paragraph 44

<sup>&</sup>lt;sup>33</sup> Petitions Committee, **Record of Proceedings**, 11 July 2022, paragraph 21

cited evidence from work he has done with the Scottish Government and the Public and Commercial Services Union where care workers felt that a shorter working week would help their well-being and be an important change alongside other mechanisms.<sup>34</sup> He concluded that a four-day week wasn't a 'silver bullet' to improve workers' well-being, but one of a number of steps that could be taken.

**29.** Shavanah Taj had a more nuanced view on this area. On the positive side she stated that:

"I think it's worth mentioning that, according to Mind, one in six people have reported experiencing a mental health problem in any given week. So, working a four-day week could leave workers with more time to focus on leisure, on personal development, of course, and spending time with family and loved ones. And, given that we have only just begun coming out of a pandemic, and workers are really exhausted and tired, and many are complaining about long COVID and not having had enough time to spend with their families, if done properly, this could be a really good one."<sup>35</sup>

**30.** However, she did also identify potential unintended consequences of introducing a fourday week:

> "One of the concerns that have been flagged is that in parts of the devolved civil service—well, actually, the civil service overall, really—and parts of the public sector, people are already overworked and they're struggling to be able to take time off in lieu. So, again, there is this balance, and it's going to be very, very important to take into account some of those issues as well."

#### Equality

**31.** The impacts of introducing a four-day week on equality were discussed. Professor Marks felt that "for those types of jobs where it is viable, compared to those where it isn't, we're going to leave further separation in society between the affluent and those who are struggling."<sup>36</sup>

**32.** Shavanah Taj suggested that a four-day week could help reduce the gender pay gap, which is "closing at a real snail's pace". She also pointed out that childcare responsibilities are more easily shared in a four-day week, and that childcare costs would be reduced.<sup>37</sup> However,

<sup>&</sup>lt;sup>34</sup> Petitions Committee, **Record of Proceedings**, 11 July 2022, paragraph 36

<sup>&</sup>lt;sup>35</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 23

<sup>&</sup>lt;sup>36</sup> Petitions Committee, **<u>Record of Proceedings</u>**, 11 July 2022, paragraph 31

<sup>&</sup>lt;sup>37</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 24

she also expressed concern that women make up the majority of the workforce in sectors such as hospitality and education in which might be harder to work a four-day week, and might be disadvantaged by changes.<sup>38</sup>

**33.** Shavanah Taj noted the potential benefits of a four-day week for workers with disabilities, noting that it would "really help us as far as plugging the disability pay gap is concerned".<sup>39</sup>

#### **Flexible working**

**34.** Cheney Hamilton suggested that businesses need to focus on outcomes as a starting point for changing working practices rather than one model, and that there are better and more inclusive solutions than a four-day week to deliver increased flexibility. She stated that:

"...a four-day week isn't actually flexible, it's just another way of working flexibly. It's not a one-size-fits-all solution, and this again harks back to inclusivity, in terms of the sheer volume of roll-out and management and everything else that needs to go hand in hand with this kind of 'solution'."<sup>40</sup>

**35.** However, there did not seem to be much difference in what those on both sides of the argument wanted. Mark Hooper shared his experience of how a four-day week worked in practice at IndyCube:

"I'm not somebody who subscribes to this—that you have to do four days instead of five. I think flexibility is critical. People who worked in the organisation that I was running, some would get in later every day so that they could take the children to school, and then were leaving earlier every day so that they could do the pick-up. That was particularly important. For one bloke in particular who had shared parental responsibility, it meant he saw his children more than he would have done previously. So, that was one. Then, somebody else took Fridays off to write a poetry collection that got published."<sup>41</sup>

**36.** Similarly, Shavanah Taj said that:

<sup>&</sup>lt;sup>38</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 41

<sup>&</sup>lt;sup>39</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 42

<sup>&</sup>lt;sup>40</sup> Petitions Committee, **Record of Proceedings**, 11 July 2022, paragraphs 25-26

<sup>&</sup>lt;sup>41</sup> Petitions Committee, Record of Proceedings, 27 June 2022, paragraph 62

"I think if we were to approach this from a basis where we said, 'We're not saying people just work Monday to Thursday'—that's not what this is about. This is about an enhanced version of flexible working, but you don't work as many hours you would have, and you're not going to lose any pay. And equally, you're not only not going to lose any pay, but it also doesn't mean that, for example, if you need to have any training, your employer is not going to then ask you, 'Well, you know that day you don't normally work, that's the day that you've got to log on or you've got to go and attend some training."<sup>42</sup>

**37.** Cheney Hamilton acknowledged that there was agreement on a number of areas, however she felt that the four-day week not the best way to describe what is being proposed, suggesting that moving to an outcomes-focussed approach takes into account that "Some people may want to work a five-day week in normal hours, some people may want to work two or three, some people might not want to work for one organisation but work for multiple ones."<sup>43</sup>

#### The four-day week in different sectors

**38.** There is agreement between those who support a four-day week and those who do not on the difficulties of implementing it in certain sectors of the economy. However, there are different interpretations of the impacts of this on the merits of a four-day week.

**39.** Some sectors have been less represented than others in four-day week pilots than others. Joe O'Connor noted that while hospitality, manufacturing and care employers have participated in the pilots run by 4 Day Week Global, they have been less likely to than a number of other sectors such as tech, finance and ICT.<sup>44</sup>

**40.** Professor Marks felt that a four-day week was "simply not viable" in some sectors of the economy, stating that:

"...when we're looking at a four-day week, it's actually not realistic or viable across all sectors. The sectors where it's clearly not viable—so, for example, hospitality, hotels, education, construction—are those that tend to have the

<sup>&</sup>lt;sup>42</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 68

<sup>&</sup>lt;sup>43</sup> Petitions Committee, Record of Proceedings, 11 July 2022, paragraph 61

<sup>&</sup>lt;sup>44</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 121

poorest-paid people. Also, if we're looking at some platform workers, it's really, really not viable."45

**41.** Shavanah Taj suggested that, in sectors such as care, hospitality and education, there may be different priorities to address before introducing a four-day week.<sup>46</sup> For example, issues around zero-hours contracts may be more pressing. Therefore, in her view, targeting pilots at the right sectors at the right time is particularly important – "where we're doing well, I think we should definitely run some pilots".<sup>47</sup>

**42.** Joe O'Connor acknowledged that "you could not introduce the four-day work week tomorrow for nurses, doctors and consultants and achieve the same level of productivity without increasing head count".<sup>48</sup> However, he took the view that additional costs of hiring more staff would be offset by benefits from lower staff turnover and reduced sick leave costs.

**43.** Will Stronge felt that there would be opportunities to hire more people in sectors where productivity cannot be maintained with a four-day week, such as education and healthcare, arguing that this would spread prosperity more widely.<sup>49</sup> He also noted that reducing working hours in sectors such as health could allow for greater professional development and less burnout.

#### **Practical issues and pilots**

**44.** Will Stronge set out some of the challenges that employers and workers have faced in the four-day week pilots he has been involved with. He said that some employers have not sufficiently prepared for a four-day week, or engaged with their staff early enough. In addition, sometimes there is mistrust between managers and staff. However, he also said that "companies that have managed to move to shorter working weeks, these pioneering first-adopters, they are organisations with good workplace cultures and the ability to be agile and dynamic".<sup>50</sup>

**45.** Joe O'Connor also detailed his experience of how challenges arising in the four-day week pilots his organisation had run could be overcome. He identified particularly small companies and understaffed companies as ones that would struggle to move towards a four-day week.

<sup>&</sup>lt;sup>45</sup> Petitions Committee, **Record of Proceedings**, 11 July 2022, paragraph 31

<sup>&</sup>lt;sup>46</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 68

<sup>&</sup>lt;sup>47</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 75

<sup>&</sup>lt;sup>48</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 131

<sup>&</sup>lt;sup>49</sup> Petitions Committee, <u>Record of Proceedings</u>, 11 July 2022, paragraph 54

<sup>&</sup>lt;sup>50</sup> Petitions Committee, **Record of Proceedings**, 11 July 2022, paragraphs 57 and 58

**46.** Joe O'Connor also pointed out that most employment legislation is geared to a five-day week, and that a barrier 4 Day Week Global often faces when setting out pilots is that some companies participating make policy changes rather than changes to employee contracts. There are potential implications around changing contracts to leave accrual and pension arrangements.<sup>51</sup>

#### Implementing a four-day week in Wales

**47.** Those in favour of introducing a four-day week pilot set out their views on how this could best be done to maximise impact.

**48.** Joe O'Connor felt that a Wales-specific four-day week trial would be of benefit to the Welsh Government as it would give a greater understanding of the impact of a four-day week on different sectors of the economy. He concluded that:

"...from a Government perspective, this is about much more than just a trade-off between the bottom line and a benefit for employees, which is very much the partnership approach that we develop with individual companies in our trials; this is about looking at the overall impact of this on the Welsh economy, society and environment. I think having your own programme would really provide a very good vehicle for doing that."<sup>52</sup>

**49.** He also set out how he thought a Welsh four-day week pilot could add to the evidence available from elsewhere.<sup>53</sup> While previous trials had looked at impacts on individual employees and workforces, he felt a trial in Wales could focus on the broader impact connected to other Wales-wide policies to address challenges such as gender equality, sustainability, recruitment and employee well-being.

**50.** Joe O'Connor also set out a number of different ways that the Welsh Government could support four-day week pilots. He supported four-day week trials in targeted and discrete areas of the devolved public sector, and supporting private sector employers who want to move to a four-day week.<sup>54</sup> Additionally, he raised the role of governments in supporting research on macro-level impacts of a four-day week, such as economic, social and environmental impacts.<sup>55</sup>

<sup>&</sup>lt;sup>51</sup> Petitions Committee, <u>Record of Proceedings</u>, 27 June 2022, paragraph 124

<sup>&</sup>lt;sup>52</sup> Petitions Committee, Record of Proceedings, 27 June 2022, paragraph 132

<sup>&</sup>lt;sup>53</sup> Petitions Committee, Record of Proceedings, 27 June 2022, paragraphs 134 and 135

<sup>&</sup>lt;sup>54</sup> Petitions Committee, Record of Proceedings, 27 June 2022, paragraph 124

<sup>&</sup>lt;sup>55</sup> Petitions Committee, Record of Proceedings, 27 June 2022, paragraph 125

**51.** A number of witnesses supportive of the four-day week called for Welsh Government involvement in pilots to be targeted at the devolved public sector. Shavanah Taj and Mark Hooper wanted to see a pilot developed in the devolved civil service, with Shavanah Taj highlighting that there is a well-being hour that could be built on through such a pilot.<sup>56</sup> However, she also said that high workloads and staffing gaps would need to be considered when developing a pilot.

**52.** Will Stronge and Shavanah Taj both wanted to see trade unions involved in development of Welsh pilots. Will Stronge said that trade unions need to be included to ensure that pilots are implemented fairly.<sup>57</sup> Shavanah Taj commented that:

"...running a four-day week pilot in the devolved public sector is going to be a really good opportunity for us to learn more about what we could achieve for workers in Wales, as long as this is done in consultation with the recognised unions, and takes into account some of the agreements that already exist around condensed working hours, for example."58

**53.** Mark Hooper set out what he would want to see from a four-day week pilot. He said that the "most important measure is can the people who are on the four-day week achieve what they were achieving by doing fewer hours and less time", as has been achieved in previous trials.<sup>59</sup>

<sup>&</sup>lt;sup>56</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 44

<sup>&</sup>lt;sup>57</sup> Petitions Committee, <u>Record of Proceedings</u>, 11 July 2022, paragraph 81

<sup>&</sup>lt;sup>58</sup> Petitions Committee, <u>Record of Proceedings</u>, 27 June 2022, paragraph 51

<sup>&</sup>lt;sup>59</sup> Petitions Committee, **Record of Proceedings**, 27 June 2022, paragraph 59

## 4. Conclusions

This chapter sets out the majority view of the Committee. An alternative viewpoint is set out in Chapter 5.

**54.** There is enthusiasm amongst workers for reducing the working week, as shown by polling in the Autonomy report, which found that 62% of the Welsh public would ideally choose to work a four-day week or less.<sup>60</sup> In addition, 57% of the Welsh public would support the Welsh Government piloting a scheme to move towards a four-day working week, and 76% would support the sharing out of work so that people can have a good work-life balance.<sup>61</sup>

**55.** Employers would quite reasonably ask what this will mean for their productivity, for customer service, and for continuing to be able to run their organisation. Advocates of a fourday week who presented evidence to us acknowledged the challenges around reducing the working week, but also suggested that it would bring benefits around well-being, productivity, the environment and equality.

**56.** One of the Committee's most interesting findings is that, regardless of their views on the desirability of a four-day week, there is widespread agreement across those who provided evidence on things that are not working with the status quo. Chief among these were the need to tackle overwork, and for a more flexible approach to working. The differences of opinion are around how best to achieve this, and the terminology used to describe changes.

**57.** We don't think that a reduced working week is a panacea for these challenges, but it could be a valuable part of the solution. There are limits on what the Welsh Government can do in respect of a shorter working week, but the potential benefits of this for workers, employers and society make the levers it has worth exploring. Other countries around the world are already moving ahead in this area, and if the benefits mentioned by those calling for a four-day week materialise, then it will be important for Wales to maximise its attractiveness to workers and not to be left behind.

**58.** There are existing trials currently taking place in the UK and more widely where private sector employers are piloting the four-day week to assess its implications. To build on these

<sup>&</sup>lt;sup>60</sup> Autonomy for Future Generations Commissioner, <u>A Future Fit For Wales – The roadmap to a shorter working</u> week

<sup>&</sup>lt;sup>61</sup> Autonomy for Future Generations Commissioner, <u>A Future Fit For Wales – The roadmap to a shorter working</u> week

within a Welsh context, the Welsh Government should work with employers in the devolved public sector to develop a pilot for reduced working hours. This pilot should aim for productivity to be at least maintained, and should not result in the loss of pay.

**59.** We understand that there are some parts of the public sector where it is less easy to implement a shorter working week. With the Welsh Government's financial settlement likely to be tight in the coming years, we suggest that a pilot should prioritise those parts of the devolved public sector where hours could be reduced without organisations needing to recruit a considerable number of additional staff.

**60.** While being supportive of a pilot, we recognise that valid concerns have been raised during the evidence we have taken, and the Welsh Government will need to address these if it decides to develop a pilot. In particular, it will need to avoid a rigid approach to reducing working hours; ensure that reducing hours doesn't unwittingly result in staff feeling increasingly overworked; and that practical barriers to implementing reduced working hours are addressed.

**61.** The workforce and its representatives will need to be involved throughout to ensure that the pilot has buy-in from them, which would be in line with the Welsh Government's social partnership approach. Similarly, there are organisations who have expertise in running pilots to reduce working hours, and those who have successfully introduced reduced working hours within their organisation. The Welsh Government should involve these organisations in the development of their pilot, should it decide to go ahead with one.

**62.** A rigorous and impartial evaluation of any pilot will be critical to understanding how successful it has been. We heard that much of the research literature available has focussed on workplace-level impacts of a four-day week. If the Welsh Government decides to go ahead with a pilot there is an opportunity to add to that by including analysis around the economic, social and environmental impacts of the pilot.

## 5. Minority view

"This report sets out the evidence that the Committee has considered in relation to supporting a trial of the four-day working week. The evidence does not provide adequate justification to spend Welsh Government budget, intended for the people of Wales, on a scheme that the Welsh Government does not have the legislative competence to implement across the board. The arguments for the four-day working week are not supported by sufficient research data on improving productivity, which the whole premise of justifying a four-day working week rests upon.

"I am fundamentally opposed to a four-day working week, as set out in this petition. I believe it is not something that could be introduced in all sectors, and would lead to division and injustice in society. Even if a demonstration in the public sector were successful, it would not necessarily provide any meaningful information for small businesses in my constituency, or for care providers already challenged by a shortage of staff to fill their needs seven days a week.

"For those reasons, I cannot support this petition."

#### Joel James MS

## Recommendations

The following recommendations are endorsed by a majority of the Committee.

**Recommendation 1.** The Welsh Government should develop a pilot to reduce working hours within the devolved public sector, with no loss of pay for employees. This pilot should be targeted at parts of the devolved public sector where it is more realistic to expect that productivity will not be negatively impacted by reducing working hours of staff.

**Recommendation 2.** In developing this pilot, the Welsh Government should liaise with organisations that have run pilots to reduce working hours, and organisations that have implemented them for their own staff.

**Recommendation 3.** If the Welsh Government decides to run a reduced working hours pilot, it should require devolved public sector organisations who wish to take part in a reduced working hours pilot to:

- Take a flexible approach to how employees reduce their hours, while ensuring that organisational needs and levels of service to the people of Wales can continue to be met.
- Develop plans to show how they have taken into account the possibility of reduced working hours unwittingly leading to employees being overworked, and how they will mitigate against this risk.
- Set out plans they have put in place to meet the practical challenges associated with participating within a reduced working hours pilot.
- Secure agreement from recognised trade unions, or employee representatives where there is no recognised trade union, and involve the workforce throughout the development of proposals.

**Recommendation 4.** If the Welsh Government opts to develop a reduced working hours pilot, it should ensure that a robust and impartial assessment of this pilot is undertaken, which includes analysis of the economic, social and environmental impacts of the pilot.

### Annex A: List of oral evidence sessions.

The following witnesses provided oral evidence to the committee on the dates noted below. Transcripts of all oral evidence sessions can be viewed on the Committee's website.

Date	Name and Organisation
27 June 2022	Mark Hooper, Lead petitioner
	<b>Shavanah Taj,</b> Wales Trades Union Congress
27 June 2022	Joe O'Connor, 4 Day Week Global
11 July 2022	<b>Cheney Hamilton,</b> Find Your Flex
	Professor Abigail Marks, Newcastle University
	<b>Louisa Neale,</b> The Future Generations Commissioner for Wales's Office
	Dr Will Stronge, Autonomy