

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

Y Pwyllgor Deisebau | 7 Mawrth 2022
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Petition title: We call on the Welsh Government to lead the way by supporting trials of a four-day week in Wales

Text of petition:

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.

1. Background

The five-day standard working week has been the norm in the UK since the first half of the last century. However, there have recently been calls for this to be reduced. A shorter working week is defined by the Future Generations



Commissioner and Autonomy as “a reduction of weekly hours spent working, with no associated loss in pay”. Its implementation has often been proposed by campaigners as a ‘four-day week’, which reduces weekly working hours to around 32 hours per week.

Arguments have been advanced both for and against a move to a four-day week, with campaigners suggesting that a four-day week would have benefits for workers, employers, the economy, society and the environment. However, potential concerns have been raised around implementation costs, challenges specific industries would face in moving to a four-day week, and whether predicted productivity gains would materialise.

2. Welsh Government position

The Minister for Economy wrote to the Committee on 28 January, stating that the Welsh Government recognises “potential benefits in a shorter working week and we are keen to see the outcome of pilots planned for Scotland and Ireland in particular”. He went on to state 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.

On 19 January, the Minister for Economy answered questions from Luke Fletcher and Jack Sargeant in Plenary, and provided further details of the Welsh Government’s position on supporting a four-day week trial. He stated that:

...we are interested in what is happening. We have nothing to lose from reviewing the evidence in other parts of the world and seeing how comparable it is. We always have challenges about how we prioritise Government resources that are limited, and are undertaking trials that are meaningful and worth while, and can tell us something about what may be able to apply in the future, and how widely spread that opportunity may be as well.

The Minister went on to note that if Welsh businesses want to trial a four-day week, the Welsh Government would be interested in speaking to them to learn more about how that fits into the Welsh Government’s current work, what support

it could potentially provide, and how it could take on board any learning from the trial.

3. Welsh Parliament consideration

On 22 September 2021, the Senedd held a debate on a four-day working week. The following amended motion was passed:

To propose that the Senedd:

1. 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.
2. Believes that reforming working practices to meet the challenges of the automation revolution is necessary.
3. Notes with interest that governments in Scotland, Spain and Ireland are planning national-level pilots for a four-day working week.
4. 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.
5. Calls on the Welsh Government to consider the progress that is made through pilots in other countries and examine the lessons Wales can learn.

4. Future Generations Commissioner/Autonomy report

On 14 February, the Future Generations Commissioner and Autonomy published a report on a shorter working week. This sets out a number of **arguments in support of introducing a shorter working week**:

- To redistribute work in a fairer way, by addressing overwork and underemployment and reducing precarious work.
- To address inequalities in caring responsibilities.
- To support community cohesion by giving workers more free time to contribute to their communities.

- Improving health by decreasing stress levels and improving other indicators.
- Reducing carbon emissions through less commuting.
- Helping Wales adapt to labour-market changes caused by automation.

A survey undertaken as part of their work shows that 62% of respondents would ideally like to work four days a week or less, and that 57% support the Welsh Government piloting a scheme to move towards a four-day week.

It also outlined **potential barriers to the Welsh Government supporting the move to a four-day week**. Employment and industrial relations are reserved under the current devolution settlement (with the exception of matters relating to the *Agriculture Sector (Wales) Act 2014*), as are working time regulations. Additionally, subsidising widespread adoption of a four-day week would impact considerably on the Welsh Government's budget, with the report stating that "immediate, wide-scale implementation would require a government subsidy scheme to cover the costs to those employers who would require new staff to mitigate any negative effects on output of fewer labour hours".

Appendix A of the report addresses some of the 'common objections to a shorter working week'.

The report calls for the Welsh Government to take a number of steps to support a shorter working week within these constraints:

- 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.
- Collaborate with and empower trade unions to negotiate shorter working hours.

5. Developments beyond Wales

Perhaps the most well-known adoption of a shorter working week (not necessarily a four-day week) has been in Iceland. Iceland has traditionally had long working hours and relatively poor work-life balance, which has been argued to cause relatively low productivity. Initially the Icelandic Government (between 2015 and 2019) and Reykjavik City Council (between 2017 and 2021) undertook separate

trials where workers moved from a 40 hour week to a 35-36 hour one for the same pay. Two organisations that advocate a shorter working week, the UK think-tank Autonomy and the Icelandic organisation Alda, have published a report setting out the key findings from the trials. They found that reduced working hours improved workers' well-being and work-life balance, and maintained or increased productivity and service provision. Since the trials took place, 86% of Icelandic workers are either employed on contracts with shorter working hours, or on contracts that give them the right to work shorter hours. While those working standard hours saw relatively small reductions in hours, shift workers in the public sector such as nurses saw a larger reduction in the number of hours they are expected to work.

There are other examples of governments funding pilots to trial shorter working weeks. The **Scottish Government** is currently designing a pilot to help businesses explore the introduction of a four-day week, and has committed in its Programme for Government to establishing a £10 million fund to do this. The **Spanish Government is establishing** a voluntary pilot which will provide businesses with subsidies to introduce a four-day working week without pay reductions for staff.

Non-governmental organisations have also established pilots to trial a four day week, with 4 Day Week Global currently setting up a number of pilots across different countries. At the time of writing this briefing, Four Day Week Ireland is scheduled to operate a pilot four-day week programme in Ireland for 6 months from February 2022. This is being run by organisations who support a four-day week, and the pilot will provide support for participating employers; training; coaching and mentoring; and access to academic research and experts. **As part of the pilot, the Irish Government is funding a call for research on the economic, social and environmental impacts of a four-day week,** and will consider the impacts on employers taking part in the pilot. **A similar pilot will operate in the UK for six months from June 2022,** run by Four Day Week Global in conjunction with academic researchers, the 4 Day Week UK campaign and the think-tank Autonomy.

Every effort is made to ensure that the information contained in this briefing is correct at the time of publication. Readers should be aware that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.