

# Hours of work and productivity

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In western Europe, the last four decades have witnessed a continuing trend towards shorter working hours.

Workers in most European countries work 40 or less hours a week. The reduction in hours was achieved, in most cases, through a series of stages. Austria, for example, moved from 45 hours in 1968 to 43 hours in 1970. By 1975, the working week had been reduced to 40 hours. A similar pattern is evident in Belgium. It is very important to note that the rise in *productivity and real incomes* in these countries created the demand and condition for reduction in hours.

## South Africa

Here at home, hours of work have come under the spotlight as part of the negotiations around basic conditions of employment. Indeed, one of the sticking points in the negotiations is labour's demand for a 40-hour week and business' refusal to contemplate such a demand.

A point which has been overlooked in the negotiations is that many South

Africans already work less than 45 hours a week. According to the statistics, about 49% of employees work between 40 and 41 hours a week. The bulk of employees work between 36 and 40 hours a week.

The other point to be made from these figures is that, rather than trying to set a yardstick across all sectors, a better approach would be to set sector-specific hours of work. Finally, we also need to create and maintain a credible database on work-week statistics.

## The link to productivity

Almost any number of hours of work is achievable, on condition that there is a commensurate productivity improvement to sustain it. All efforts should be directed towards achieving the required level of productivity to sustain whatever hours are targeted.

## Compromises

Working time arrangements are fundamental to the organisation of each worker's life. They are often based on

## October Household Survey weekly hours – all employees (1994)

Hours	Total	Women	Men	Total	Women	Men
1-20	138 540	72 724	65 816	2%	3%	1%
21-35	746 356	360 275	386 081	9%	13%	7%
36-40	3 047 640	1 194 090	1 853 550	38%	43%	35%
41-46	1 972 890	642 920	1 329 970	25%	23%	25%
47-50	1 093 904	276 264	817 640	14%	10%	16%
50+	1 021 304	241 714	779 590	13%	9%	15%
Total	8 020 634	2 787 987	5 232 647	100%	100%	100%

Note: The survey was gazetted on 23 February 1996

cultural assumptions and social customs. It is not surprising, then, that changes are often controversial. This is especially true because many recent innovations have *been introduced for purely economic reasons*

Investment in plant and equipment are based on calculations of return that assume long, if not continuous, operating hours. In some cases, workers are confronted with a *choice between work schedules they do not like and the loss of their job*. Employers are also faced with difficult choices. In an increasingly competitive global environment, optimising capital utilisation is one of the necessary prerequisites for productivity improvement and competitiveness. Continuous operations are a must.

Compromises on working time which offer advantages to both employers and workers must be reached. Essential to this endeavour is to achieve a capability to evaluate the various arguments which currently challenge the logic of existing work arrangements.

*What is the nature of this challenge? What are the arguments for change?*

The sources are many and varied, reflecting not only the breadth of the subject (ranging from questions of school leaving age to retirement, and from optimum length of shifts to the benefits of sabbatical leave), but also the interrelation of working time and other aspects of the social system, such as marriage, maternity, child care, education and community activity.

*Whilst the sources of criticism of existing patterns are varied, a common theme is the call for a greater degree of choice and flexibility in working time arrangement, so as to reflect the growing diversity of the contemporary work force.*

*In the first place, it must be recognised that the starting positions of workers and employers are far apart.*

Workers insist that inconvenient

schedules should be voluntary. Weekend and night work should be avoided. Economic justifications alone should never be sufficient reason to introduce schedules that *could be harmful to the health of workers or disruptive to their family and social life.*

*Employers emphasise the exigencies of production, the need to improve productivity and competitiveness, the pressure of global competition and the fluctuations in activity that need to be taken into account*

Compromises are made more difficult by disagreements about who should control the degree of flexibility

## Recommendations

In seeking solutions, the Norwegian experience might offer some pointers

The reduction of hours was a continuing issue between labour and management in Norway. In 1985, an agreement was reached between workers and managers to cut hours to 37,5. This would be implemented over three years. At the same time, a 20-member task team was appointed to evaluate how this would affect competitiveness. The group was asked to *suggest ways of increasing productivity to compensate for the loss in production hours.*

The NPI has made some calculations using figures from the CSS and the Reserve Bank. We arrived at the conclusion that to achieve a 40-hour week, assuming no overtime, would need an average increase in productivity of at least 8,1%.

Having established the targeted productivity level, the social partners need to develop plans to achieve this level. Human resource training and skilling would form part of the plan. Everyone would benefit. *Arguing about hours is putting the cart before the horse.* The argument should be about the level of productivity and how it will be achieved to sustain any length of the work week.