

## LISBON CRITERIA AND THE PART-TIME EMPLOYMENT

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### RESUME

*In 2000 in Lisbon the European Council launched a strategy to improve the competitiveness of the EU labour markets. Thanks to the Lisbon criteria the measurement of the progress within the Member States has been facilitated due to the exact numerical targets. Despite this fact, behind the figures obtained hides the fact that in some Member States part-time employment is more extensively used than in others, which influences the total employment rates. The aim of this paper is to compare the labour market based on full-time employment equivalents (FTE) and analyse the positive aspects as well as possible threats of the part-time employment in the EU.*

**Key words:** EU, Lisbon Strategy, employment rate, part-time jobs

### Introduction

In 2000 in Lisbon the European Union has launched a new strategy to improve its position within the world economy. The EU declared its goal „to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion” (European Council, 2000, p.1) until 2010. The strategy aimed at achieving more and better jobs for Europe set by Lisbon Agenda initially comprised two goals: to achieve the 70% employment rate and the 60% female employment rate by 2010 (European Council, 2000, p. 2). One year later in Stockholm a further goal was added, i.e. to boost the employment rate of elderly workers to 50% by 2010. Considering the situation on labour markets in 2000 these goals may be considered truly ambitious.

However, these figures do not fully reflect the fact that in some Member States part-time employment is more spread than in others which influences the total employment rates. The paper consists of two parts. In the first part we

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focus on Lisbon Criteria and compare them with the FTE equivalents. The second part analyses the problem of part-time employment. The aim of the paper is to compare the labour market based on full-time employment equivalents (FTE) and analyse the contributions and threats of part-time employment in the EU.

## 1 Lisbon Criteria

Nowadays, with the expiration of the time set in the Strategy, it is obvious that many EU Member States have not been able to fulfil its criteria. There are two main reasons for it. First of all, due to the different labour market situation and employment rates in 2000 and secondly, due to the impacts of the world economic crisis in 2008/09, which led rather to decline of the employment rate than its improvement. However, the labour market policy measures adopted by the Member States within the framework of the Lisbon Strategy are important from the economic and also from the social point of view. They contribute to increase in the competitiveness of respective Member States and also the EU as a whole.

Without a doubt there are various positive social effects of being employed, e.g. the reduction of negative social behaviour, social stability, and deeper integration to the society as well as the possibility of self-realisation. However, the economic effects are important as well. Especially in the time of rising requirements on fiscal expenditures of the EU Member States and citizens' expectations about the costs covered by the state (e.g. ageing societies, rising health care expenditures, expenditures on active labour market policies etc.) their stability and long-term sustainability is essential.

The crucial fact which is not reflected in the Lisbon Strategy is that in some Member States the part-time employment is much more preferred than in others. According to the European Commission, in 2006-07 about 20% of the jobs created in the EU were part-time jobs (European Commission, 2008, p. 30). According to the Labour Force Survey, almost 40 million Europeans were part-time employed (18% of the labour force) in 2008.

*The problem lies in the fact that the Lisbon employment criteria do not distinguish between part-time and full-time employment.* Therefore, in some cases the figures may appear to give better impression compared with the real situation. In case we apply the full-time employment equivalent (FTE) the employment gaps among the Member States get smaller, as illustrated in the

table No. 1. The FTE is defined as “total hours worked divided by the average annual number of hours worked in full-time jobs, calculated as a proportion of total population in the age group” (European Commission, 2009, p. 31).

In other words, it indicates the employment rate in economy in case we operate only with the full-time jobs. Part-time employment is “converted” for this purpose into full-time equivalents. This enables to demonstrate the utilization of the labour force in the particular Member State. The situation at the labour market is therefore reflected not only from the social point of view, but also from the economic point of view. How much is really produced thanks to the employment gets clearer.

Tab. No. 1 Employment rates and full-time employment equivalents in 2008 %							
State	2008	2008 FTE	Gap	State	2008	2008 FTE	Gap
EU-27	65,9	60,6	5,3	LT	64,4	64,3	0,1
EU-15	67,3	60,7	6,6	LU	63,3	60,9	2,4
BE	62,4	57,5	4,9	HU	56,7	56,2	0,5
BG	64,0	63,5	0,5	MT	55,2	53,2	2,0
CZ	66,6	65,7	0,9	NL	77,2	59,6	17,6
DK	78,1	70,3	7,8	AT	72,1	63,2	8,9
DE	70,7	60,7	10,0	PL	59,2	58,3	0,9
EE	69,8	68,6	1,2	PT	68,2	66,7	1,5
IE	67,6	63,0	4,6	RO	59,0	58,9	0,1
EL	61,9	61,3	0,6	SI	68,9	66,1	2,8
ES	64,3	61,2	3,1	SK	62,3	60,9	1,4
FR	65,2	60,5	4,7	FI	71,1	68,9	2,2
IT	58,7	55,4	3,3	SE	74,3	68,0	6,3
CY	70,9	69,5	1,4	UK	71,5	62,3	9,2
LV	69,9	69,7	0,2				

Source: European Commission, 2009, Compendium, p. 2, 31

In case we focus on the figures presented above, we can see that after applying the FTE equivalents the differences between labour market performances are smaller. In 2008 the total EU-27 employment rate in economy was according to the FTE almost 10% below the goal set by the Lisbon Strategy. The gap between the best and the weakest performers (Denmark and Malta) reduces to mere 17%, compared with 23% if measured in the regular manner. In 2008 Denmark achieved the highest employment rate if applying the FTE equivalent, with several other states (Finland, Sweden, Estonia, Cyprus, and Latvia) being close below.

Generally speaking, according to the Lisbon criteria the best performing Member States are Scandinavian and Anglo-Saxon Member States. At the same time they achieve broader gap in employment rates than the Southern EU-15 Member States and the New Member States. In 2008 the widest gap was recorded in the Netherlands (17.6%) while the closest one was in Lithuania (0.1%). Already in this point we can see the crucial differences among the Member States. In this regard the Scandinavian and Anglo-Saxon states share many common features. They are highly developed; their GDP per capita is a notch above the EU average and the employment protection tends to be smaller (measured by the EPL – employment protection index). This has a positive impact on labour market's flexibility and boosts the employment rates.

Furthermore, especially in Scandinavia there is dense net of child-care facilities and after-school care centres available, which in turn enables women to combine family and professional life. The part-time employment is therefore extensive and considered as a standard, both contributing to increase the employment rates. Scandinavia is also well-known for generous investments into the activation policies and education in the field of human resources. Their investments to the research and development measured by the GERD indicator (gross domestic expenditures on R&D) are the highest in the EU. Due to a combination of liberal labour markets facilitating employment and generous social safety net is Scandinavia considered to be the most competitive area of the world (e.g. according to the World Competitive Index).

Concomitantly, there are several Member States whose performance in fulfilment of the Lisbon criteria is due to various reasons considerably weaker. The Southern EU-15 Member States and the new Member States figure prominently among these states. The labour markets in the Southern Europe are generally considered to be less flexible, more rigid with higher barriers

among insiders and outsiders on the labour market and also among various groups of workers. The child-care facility net is not so developed and available as in the North of the EU which makes the balancing of the family and professional life more complicated. The main influence is being felt especially in the realm of female employment which is steeply below the Lisbon goals. The social barriers also contribute to this situation; female employment in families with children is generally less accepted.

As for the new Member States, due to incomplete economic transformation a lower economic performance is typical, causing its GDP per capita to lag behind the EU average. However, thanks to the catching-up process and economic convergence the GDP growth rates tended to be above the EU average before the economic slow-down. In these Member States relatively high barriers among insiders and outsiders on the labour market persist, making a huge difference in protection for various groups of workers. The protection of the regular workers with open-end contracts is substantially higher than for temporary workers with very poor employment protection strongly below EU/OECD standards. (OECD, 2009) A net of child-care facilities and after-school child-care centres was created already before 1989, in conformity with the goal of the communist regimes to achieve full employment.

In these Member States the difference between employment rates and FTE equivalents is the narrowest, usually less than 1%, signalling very small participation of the part-time employment on the employment rates. The full-time employment is preferred for several reasons. First of all, it is quite new type of working contract without any tradition and the labour codes and labour market policies still have not properly adjusted to such type of employment. Therefore, the legal framework is not adequately adapted yet. Moreover, due to the lower economic level the second income in the family is very often an economic necessity in order to guarantee a certain living standard. On the micro level we can say that the worker has to achieve a certain economic level to afford a part-time employment. In the EU-10 Member States the part-time employment is therefore attractive (from the workers' point of view) especially for students, mothers on maternity leave, retired people or other marginal groups on the labour market who have also alternative income. The proportion of workers who prefer the part-time employment instead of full-time employment is therefore substantially smaller.

As stated above, part-time employment is much more preferred by women to balance their family lives and their professional careers. As illustrated in the table No. 2, the gap between female employment rate and the FTE equivalent is more visible than in the case of total employment rate.

Table No. 2 Female employment rate and FTE equivalent in %							
State	2008	2008 FTE	Gap	State	2008	2008 FTE	Gap
EU-27	59,1	50,7	8,4	LT	61,8	60,3	1,5
EU-15	60,4	50,1	10,3	LU	55,1	47,7	7,4
BE	56,2	46,9	9,3	HU	50,6	49,2	1,4
BG	59,5	59,0	0,5	MT	37,4	34,5	2,9
CZ	57,6	56,1	1,5	NL	71,1	45,4	25,7
DK	74,3	63,8	10,5	AT	65,8	52,1	13,7
DE	65,4	49,5	15,9	PL	52,4	50,6	1,8
EE	66,3	64,3	2,0	PT	62,5	59,3	3,2
IE	60,2	51,1	9,1	RO	52,5	51,6	0,9
EL	48,7	47,0	1,7	SI	64,2	60,8	3,4
ES	54,9	49,1	5,8	SK	54,6	52,9	1,7
FR	60,7	53,7	7,0	FI	69,0	65,0	4,0
IT	47,2	41,8	5,4	SE	71,8	62,5	9,3
CY	62,9	60,3	2,6	UK	65,8	52,2	13,6
LV	65,4	65,0	0,4				

Source: European Commission, 2009, Compendium, p. 2, 31

In case we focus on gaps between female employment rates and their full-time employment equivalents we can see *the correlation between the economic level and frequency of part-time employment*. The female part-time employment is more common in the Member States with the GDP per capita above the average of the EU (e.g. the Netherlands, United Kingdom, Germany, and Denmark). The gap is lower in the Southern and Eastern EU Member States (e.g. Greece, Malta, Baltic States, Bulgaria, and Romania).

As already mentioned, the factors influencing the female employment rates are not only the legal framework, construction of the labour market policies, availability of the child-care facilities but also the presence or absence of social barriers. One of the main social barriers is the differing acceptance of women (mothers) return on the labour market in the respective EU Member States. The link between female employment and part-time jobs will be discussed in another part of this paper in more detail.

To sum up, the Lisbon criteria and the full-time employment equivalent enable us to compare the labour market performance of the respective EU Member States. In this regard we should differentiate between the level of employment rates and the share of part-time employment rates on total employment. In the case we refer to the Lisbon criteria measured according to the FTE, we can differentiate between the states with high employment rates (above 62%), average employment rates (58-62%) and low employment rates (less than 58%). For a low gap between total employment rate and the FTE we consider the difference lower than 3.5% (average value of the gap in EU-27 tabulated in the table No. 1). For a high gap we consider the difference higher than 3.5%. According to these criteria it is possible to divide the EU Member States into six groups:

- High level of employment rates and high gap between total and FTE employment rates (Denmark, Sweden, UK, Austria, Ireland);
- High level of employment rates and low gap between total and FTE employment rates (Finland, Estonia, Latvia, Lithuania, Czech Republic, Slovenia, Bulgaria, Cyprus);
- Average level of employment rates and high gap between total and FTE employment rates (Germany, France, Netherlands, Luxembourg);
- Average level of employment rates and low gap between total and FTE employment rates (Spain, Greece, Slovakia, Romania, Poland);
- Low level of employment rates and high gap between total and FTE employment rates (Belgium);
- Low level of employment rates and low gap between total and FTE employment rates (Malta, Hungary, Portugal, and Italy).

This demonstration makes the situation of the EU labour markets and their performance more mixed compared with the usual understanding and reading of the labour market performance. In 2008 almost half of the EU labour markets

(13 of 27) performed very well (group No. 1 and No. 2), achieving higher than 60% employment rate measured by full-time employment equivalent (FTE). This result signalizes the very high utilisation of the labour force which has a positive impact on the economic output of the Member States. Additionally, five Member States (group No. 1) were able to attract further workers to the labour market as part-time workers. The gaps between total and the FTE employment rates were low in case of 8 Member States (group No. 2). Seven of them are New Member States where the part-time employment is less preferred and demanded. These states should therefore focus on creation of the full-time jobs, taking into consideration that part-time employment has only additional character in their economies.

High level of employment rates measured by the FTE can possibly be one of the factors contributing to the strong economic growth of the New Member States before the global economic slow-down in 2008. Of course, there are other important factors such as convergence process, growth of the labour productivity, capital investments etc.

The Old EU Member States rank in group No. 3 and group No. 5 because their economic level above the average of the EU in many cases allows the trade-offs between work and free time. However, it is important to note that the people remain employed, so they keep and improve their knowledge and skills. Moreover, when the economic conditions require so, transition to the full-time employment is easier than the return on labour market from the position of unemployed of economically non-active.

The group No. 4 and especially group No. 6, comprising Southern and Eastern European Member States, show only lower employment level and there is a large potential to increase the employment rates. The percentage of people contributing to the economic output in these states is lower, potentially having a negative impact on long-term sustainability and stability of their fiscal systems. For the Member States in the group 6 the situation is further complicated by the fact that many people are not employed at all, and efforts to return them to the labour market may be financially demanding. Such situation requires upgrading their skills and means aimed on active labour market policies.

In every above-mentioned group of the Member States part-time employment has a different position. Today, the part-time employment can help to solve the labour market difficulties and improve their flexibility. However, this trend could also have a negative impact in case that part-time employment is

used at the expense of the full-time jobs. In the next section we will examine the main pros and cons of this type of employment.

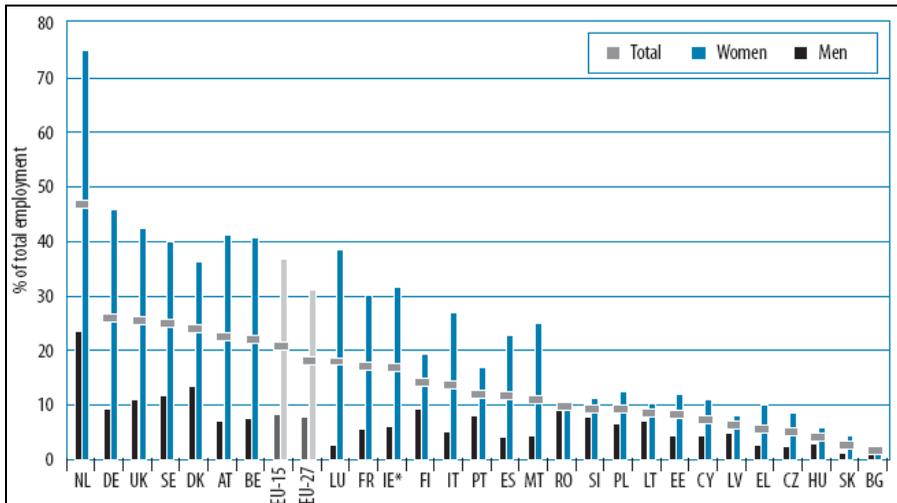
## **2 Part-time employment**

In this section of the paper we will concentrate on two complementary issues. First, we will enquire into the positive and negative aspects of the part-time employment; secondly, we will examine for which groups of workers the part-time employment results beneficial.

Since the 1990s, the number of part-time workers defined according the ILO as “any employed person whose normal hours of work are less than those of comparable full-time workers” (Eurofound, 2003, p. 2) in the European Union continues to grow. The European Commission focused on guaranteeing equal rights for part-time workers already since 1980s, as in this period the number of part-time jobs started to rise for the first time. In 1981 the draft Directive on voluntary part-time work was submitted to the European Council, but failed to find approval (Eurofound, 1997, p. 1). In 1997, however, the social partners achieved an important agreement on the issue and the Framework Agreement on part-time jobs had been signed.

In the course of 1990s the demand for the part-time jobs in the EU continued to rise. In 1999, according to the report *Employment in Europe 2000*, the number of newly created full-time jobs exceeded the number of part-time jobs for the first time since 1990 (EC 2000: 8). In the time span of 2000 and 2007 the number of part-time jobs in the EU grew by 17%, compared with less than 5% of full-time jobs (European Commission, 2008, p. 31). In 2008, according to the LFS there were almost 41 million part-time workers in the EU, 34 million of them as employers (Eurostat, 2009a, p. 2). These figures indicate that the trend of part-time employment got common in Europe and the importance of this type of job is rising. The share of part-time employment on total employment is illustrated in the scheme No 1.

Scheme No. 1 – Part-time employment as a percentage of total employment in 2007



Source: European Commission, 2008, p. 36

What are the positive aspects of the part-time jobs for the workers and for the economy? Without any doubt, part-time jobs are beneficial on many occasions and in many aspects. First of all, they offer a viable path to achieve a better balance between working life and other activities, a possibility appreciated especially by women (as illustrated by the scheme No. 1). Their share in the total part-time employment in comparison with their male counterparts is substantially higher in almost all Member States.

First positive impact of part-time jobs is to be seen in the demography. The Member States where the child-care facilities are easily available and part-time jobs are more usual tend to have higher birth rates (Eurofound, 2003. p. 7). Moreover, it is possible to discern also some long-term positive impacts on the population development. For example, in 2006 the highest fertility rates in the EU have been reported in Scandinavia and in the UK, Ireland and the Netherlands (1.8 – 1.9 child per woman), while in the Southern and Eastern Member States where the part-time employment is less common the figures were substantially lower (e.g. in Poland, Hungary or in Portugal the fertility rate

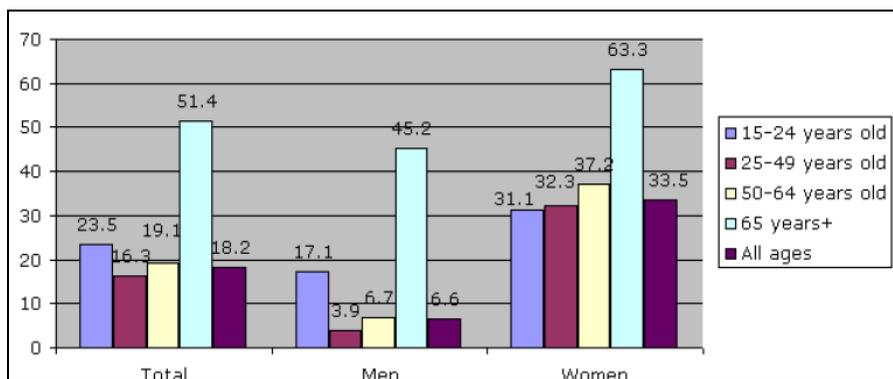
in 2006 was 1.3 – 1.4 child per woman). (Eurostat, 2009b, p. 157) Considering the progressive ageing of the European societies, achieving higher fertility rates is crucial for the entire EU. Increased fertility rates may ameliorate and eventually solve the ageing problem and prolong the period necessary to adapt the European economies on higher proportion of post-productive generation in the societies.

Female part-time employment has also positive effects on the economy. In case mothers can combine family and professional life, they return back on the labour market. According to the Eurostat, in 2008 approximately 80% of the part-time employers were women. This fact, illustrated by the table No. 2, indicates the female employment rate in the EU. Thanks to part-time jobs women are able to keep and upgrade their skills gained in the education process and their previous professional life, therefore their future employment is easier. The costs on activation policies and requalification can be therefore aimed at other groups that require it.

Another effect is related to the expenditures on education. In case of being employed the women use the knowledge gained during the education process. With the rising portion of the EU population achieving the tertiary education (it is important to note that the education is predominantly financed by the Member States) the state receives back investments into the human resources in the form of taxes and other contributions to the fiscal system.

When we focus on the structure of the part-time employees based on their age (Scheme No. 2) we notice that besides women there is another relevant group strongly preferring the part-time jobs, i.e. the elderly population. More than 50% of the part-time workers in 2002 belonged to the age group 65+. This type of employment obviously has very positive impact and allows elderly people to stay economically active for a longer period of time. This age group has an advantage of knowledge gained during their entire professional life. In this case part-time jobs offer elderly people an opportunity to bridge and prolong the period between the full-time economic activity and retirement age.

Scheme No. 2 – Percentage of part-time jobs by gender and age groups in 2002



Source: Eurofound, 2002, p. 4

Today all EU Member States face the problem of the ageing societies and try to adapt their labour and social policies to this new situation. In 2009, the share of the population aged 65+ on the total population amounted to 18%; in 2020 it should reach 20% and in 2030 more than 25% of the population. (Eurostat, 2009b, p. 147) That requires substantial adaptation of labour market policies, since elderly population will become more important source of labour force compared to the current state of labour markets.

One of the measures devised by the EU to be applied on the EU-wide scale is to prolong the average retirement age, thus keeping the people economically active for extended period of time. Between 2000 and 2008 the EU prolonged the average retirement age from 60 to 62 years, in some Member States (e.g. Sweden, the UK, and the Netherlands) even to 63 years. However, it is necessary to acknowledge that the possibilities of being employed have certain limits and that despite rising life expectancy and improving health-care the states cannot prolong the average retirement age forever.

Furthermore, part-time employment enables the employers in service sector (sale, retail or catering inter alia) to hire extra labour force for the peak times. These jobs get are becoming more important with the process of tertialization of the European economies. As of today, most of the labour force is employed in the service sector and the share of employment in the secondary

sector steadily declines. In 2007 the employment rate in services in the EU-27 reached almost 70%, compared with 62% in 1995. In the same time employment in the industry declined from 28% to 24% (Eurostat, 2009b, p. 279).

Part-time jobs are more applicable for the service sector. The peak periods in services (such as retail, sale, catering etc.) can be more easily covered by the part-time employment. The part-time employment is also more beneficial for the companies. They do not have to hire full-time workers who would be used only partly during the workday. Service sector offers more opportunities to women than to men. The tertialization process can further boost the female employment. In 2007 the service sector in the EU-27 has been tilted in favour of women with more than 80% women and less than 60% of men employed in the services (European Commission, 2009, p. 220). Moreover, this trend is expected to grow continuously.

Another positive aspect of part-time jobs is that they provide a special sort of transition platform for the unemployed before they are able to find a full-time employment. In 2008 there were almost 17 million unemployed in the EU. (Eurostat, 2009a, p.2) Most of them, about 10 million, were searching for full-time jobs and only 2.3 million for part-time jobs. However, part-time employment is definitely better solution than not to be employed at all; therefore part-time jobs could be a first step in the process of return on the labour market.

Last but not least, in the time of economic slow-down or crisis the part-time jobs can avoid rapid rise of unemployment by enabling employees to keep their job and concomitantly enabling employers to keep the labour force until the economic situation improves. In 2009 the so-called "*Kurzarbeit*" helped to save many jobs in Germany. According to the German employment agency BUGA (Bundesagentur für Arbeit) 1.4 million workers were employed thanks to the *Kurzarbeit* scheme in June 2009. (Bundesagentur für Arbeit, 2009, p. 10) The principle of the *Kurzarbeit* is following: the company files a notice with the local labour authorities that it will have its employees work only part of their usual work time. A federal allowance for the employees on short time work may amount to up to 67% of their normal net income for the maximum period of 6 months (extended up to 18 months in 2009). This solution prevents a sharp growth of unemployment rate within a short period. According to BUGA, *Kurzarbeit* helped to safeguard about 0.5 million jobs in 2009. However, this protective measure is very financially demanding and can be applied only within

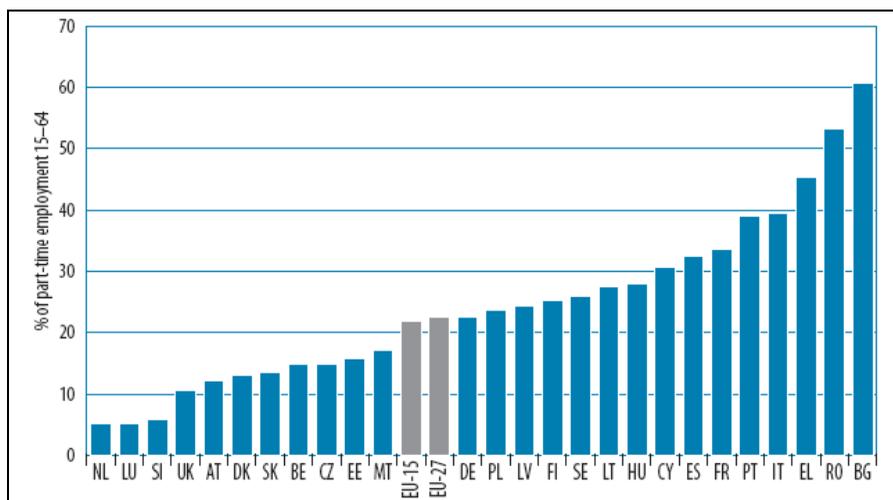
a limited period of time.

From presented perspective it might seem that part-time employment does not have any negative effects. However, there are some less positive aspects of this type of employment we should bear in mind. As we have already mentioned above, there is a positive effect in case that an unemployed person gains the part-time job or in case that part-time job prevents lay-offs in conditions of economic slow-down. On the other hand, if the part-time employment is generally preferred to the full-time employment, the underemployment can be caused.

In this case we speak about the so-called involuntary part-time work, e.g. situation when people would rather work full-time if they had an opportunity. According to the European Commission survey from 2007 about 22% of the part-time workers would prefer to work more. (European Commission, 2009, p. 37) The percentage of part-time jobs assumed on involuntary basis is illustrated in the scheme No 3.

The involuntary part-time work prevails in the Member States where the living standards are below the EU average (Romania, Bulgaria, and Lithuania). From the EU-15 Member States the highest figures were reported in Greece, Italy and Portugal. The involuntary part-time is also above average in the Member States where this type of job is more common (Finland, Sweden, and Germany).

Scheme No. 3: Part-time work on an involuntary basis, percentage of total part-time, 2007



Source: European Commission, 2009, p. 37

According to the Labour Force Survey conducted in 2002, 14% of part-time workers would prefer the full-time job. *Today there are 8 million people (or 22%) who would like to work more but the full-time jobs had not been offered to them.* With the rising trend of part-time employment we can expect more people being involuntary part-time employed in the future. *In case the Member States create such a labour market frame where the part-time jobs are preferred more than full-time, the final effect could be negative.* The total employment rates will be impressive, because instead of one full-time worker you need to hire at least two part-time workers. But from the economic point of view we can speak about losses.

Finally, different economic level of the Member States requires different labour market policies. From the worker's perspective it is possible to consider the part-time jobs to be beneficial, in case he/she reaches certain economic level. That is the reason why part-time jobs are mainly spread in the Member States with higher performance of the economy and higher living standards.

The economic level is higher and translates into the possibility of a worker to make trade-offs between work and free-time activities. In the New Member States and in the economically weaker EU-15 Member States this trend can ironically lead to the underemployment and to the lower economic output. These Member States should rather focus on creation of the full-time jobs and part-time jobs should remain predominantly additional in their character.

## **Summary**

Since 2000 when the Lisbon Strategy has been launched labour markets are one of the most discussed topics within the EU. The growing demands on fiscal expenditures require not just increasing the incomes, but also keeping the fiscal systems sustainable. An attempt to achieve higher employment must be therefore primarily directed at the group of economically inactive and unemployed. Accordingly, Lisbon criteria aimed at achieving high employment rates within the EU and keeping more population economically active for a longer period of time. Efforts should be undertaken to make more attractive the concept of being employed. Bringing people back to the labour markets requires also changes within the framework of the labour market policies and labour codes to make the labour markets more flexible, so as to achieve that there is an alternative between to be full-time employed and not to be employed at all. This alternative is the part-time work, which became highly attractive in the EU within last two decades. In 2008 approximately 40 million Europeans worked part-time and it is expected that their number will continue to rise.

A major flaw of the Lisbon criteria is the fact that they do not distinguish among full-time and part-time jobs. They indicate how many people are employed but not if their employment is full-time or part-time only. Consequently, they predominantly reflect only the social aspect of the problem, e.g. how many people are employed. But the economic aspect, e.g. how much the working people produce, goes largely unnoticed, even though it is important due to the rising requirements on fiscal systems. The economic aspect could be measured by the full-time employment equivalent (FTE), which indicates the employment rate in case the part-time employment is “converted” into full-time employment. Applying the FTE makes visible that the proportion between full-time and part-time employment within the EU differs.

There are various reasons leading to this conclusion. First of all, in some Member States the labour codes are still not properly adapted, so the part-time employment tends to be lower. In the Member States with high GDP per capita part-time employment is quite often preferred because the workers can afford to work less. In the new Member States where the economic level is lower, part-time employment is used to a considerably lesser extent. Part-time employment is very often used by women (80%) to balance family and professional life, with the proviso that there is a net of child-care facilities available. In such a case another important factor adds to the feasibility of women's part-time employment – a general acceptance of a fact that female with families turn back to the labour market. Part-time employment is rising also due to the tertialisation process of the European economies, filling the employment gaps during the seasonal peaks in the sectors such as retail or catering. Services are domain of women, so we can expect that the female employment will further grow.

Another group benefitting from the part-time jobs is the age group of seniors aged 65+, who can use part-time employment to bridge the period between full-time employment and retirement age and stay longer on the labour market. Part-time employment can also temporarily prevent the unemployment in case the economic slow-down or help the unemployed to return back on the labour market before gaining the full-time job.

A major negative aspect of this type of employment is involuntary part-time work. In case the workers prefer to work full-time but only the part-time is offered we can speak about underemployment. Today there are about 8 million involuntary part-time working people in the EU and we can expect that the figure will continue to rise together with part-time employment in general.

For economically weaker Member States it is crucial to focus on creation of full-time jobs. In these states the share of involuntary part-time workers is the highest, achieving up to 40-60% of the part-time employment. Part-time jobs in these Member States should have only an additional character. Such states primarily focus on the creation of full-time jobs. Despite the fact that to create part-time jobs instead of their full-time alternative is easier and more jobs could be created in this way, the final effect remains negative due to the phenomenon of underemployment. Lisbon criteria should therefore take into consideration not only the comprehensive employment rates in the Member States, but also the proportion of full-time and part-time jobs on the total employment.

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