



Statement by Juliet Schor, Professor of Sociology, Boston College, before the Senate Committee on Health, Education, Labor, and Pensions for a Hearing on:

**Workers Should Benefit from New Technology and Increased Productivity:
The Need for a 32-Hour Work Week with No Loss in Pay**

March 14, 2024

Good morning Chairman Sanders, Dr. Cassidy and members of the Committee. I am honored to have this opportunity to discuss the thirty-two hour week.

We are here today because since 1938, there has been no reduction in the standard workweek. And yet, since 1950, the productivity of the average American has risen by 400%.¹ Although there has been a small average reduction in weekly hours since that time, full-time workers still log an average of 41.9 hours per week.² On an annual basis, hours also remain high—they even rose in the 1990s, and have barely changed since then.³

¹ Total Economy Data Base (TED), Conference Board. In 1950, per hour productivity was \$22; in 2022 it was \$83, in constant dollars. <https://www.conference-board.org/data/economydatabase/total-economy-database-productivity>.

² Weekly hours for full-time workers in 2023 from BLS. <https://www.bls.gov/cps/cpsaat19.htm>.

³ Average annual Hours from TED. Annual hours were 1796 in 1990, 1844 in 2000, 1734 in 2010 and 1774 in 2022.

On a household basis, the time squeeze is especially acute. As increased numbers of mothers entered the paid labor force in the 1970s, and men's hours did not fall to compensate, paid work effort soared in dual earner families, which are now the majority household type. Annual household hours for an average middle-class married couple with children rose to 3,446, or 600 more than in 1975.⁴

These trends are in contrast to the path of worktime reduction from 1870 until WWII. In fact, the long working hours of the United States represent an exception—both to our own past and in comparison to other countries. The average American is on the job 400 more hours than in Germany; 200 more than in France, the Netherlands and the UK; and 50 more than the average Japanese.⁵ This is despite the US historically being the global leader in worktime reduction—and the world's first five day week country. In other high income nations, hours have fallen steadily, by just under a half a percent a year over the postwar period.⁶ Here, hours have been roughly stable on a population basis, and on a household basis, have risen considerably.

This was the situation when the pandemic hit, which brought with it extraordinary levels of stress, burnout, and exhaustion for American workers, as well as the Great Resignation,⁷ and historically high levels of unfilled positions.⁸ Gallup reports that the US and Canada have the highest regional levels of workplace stress in the world, with more than half of all respondents reporting that yesterday they experienced feeling stressed “a lot of the day.”⁹

As a result of these elevated levels of stress and burnout, as well as successful individual company experiences, an increasing number of employers have decided to trial a four day, 32-hour week, with no reduction in pay. I was asked to lead research on their experiences. Beginning in February of 2022, in collaboration with an NGO called 4 Day Week Global, we began a series of six month trials of the four day week model. Since that time we have been enrolling additional companies. More than 200 have joined, plus another 100 are being followed by our collaborators in Portugal, Brazil and Germany. While the majority are white collar firms, we have participants across all sectors—including healthcare, restaurants, manufacturing and construction, retail, non-profits, IT, finance, and professional services, the largest group. Participants span the globe—in addition to the US and Canada, we have companies in Europe, Australasia, South Africa, and Brazil. We collect data from employees before they begin their new schedules, as well as at six, twelve, and twenty-four months into their four day weeks. We have also collected a small set of common metrics from the organizations. The results have been extremely positive, for both workers and companies.

⁴ Isabel V. Sawhill and Katherine Guyot, 2020, “The Middle Class Time Squeeze,” Brookings Institution. p 2. <https://www.brookings.edu/articles/the-middle-class-time-squeeze/>.

⁵ Average annual hours from TED. <https://www.conference-board.org/data/economydatabase/total-economy-database-productivity>.

⁶ Timo Boppert and Per Krusell, 2020, “Labor Supply in the Past, Present, and Future: A Balanced-Growth Perspective,” *Journal of Political Economy* 128(1):118-157.

⁷ Total private quits from Federal Reserve of St. Louis Economic Data. <https://fred.stlouisfed.org/series/JTSQR>.

⁸ Unfilled job vacancies from Federal Reserve of St. Louis Economic Data. <https://fred.stlouisfed.org/series/LMJVTTUVUSM647S>.

⁹ Gallup, *State of the Global Workplace: 2023*, p 22. <https://www.gallup.com/workplace/349484/state-of-the-global-workplace.aspx>.

First, the worker findings. We have twenty-six worker well-being measures for more than 3600 employees who have completed at least two surveys. On every metric, we find positive and statistically significant improvements with the shift from a five to a four day schedule. In our US and Canada sample, 69% of employees have lower burnout scores and 41% have lower stress. More than 40% report better physical and mental health. Two-thirds experience more positive emotions. Anxiety and fatigue decline for 40%. Nearly 60% score higher on questions about their ability to achieve work-family balance. Sleep problems diminish. Ninety-five percent of participants want to continue with this schedule. Findings are very similar for our global and our large UK samples.

In survey comments and interviews, we hear that the new schedule is “life changing,” “the best thing that’s ever happened to me,” “transformational,” and that the trial has “improved my life in every possible way.” Workers tell us about improvements in mental and physical health, ability to spend time with family, and finally getting a chance for time for themselves. We hear from people with disabilities who credit the four day week with their being able to stay in the labor force. One respondent reports that “Had it not been for the pilot I wouldn’t have had the time or the availability to get medical appointments and procedures which ultimately led to the early detection of something that might’ve proved fatal.” That something was cancer.

We also find that these results are durable—and not merely a response to a novel schedule. At twelve months there is no reversion to pre-trial levels, and for some measures, improvement continues.

In our statistical modeling, we investigate what is driving these improvements in well-being. We find that it is reductions in hours worked.¹⁰ These vary across the sample, as not everyone actually reduces hours by the full eight per week. What we discovered is that the larger the working time reduction, the greater the well-being improvement. When we drill down farther, we find two main reasons for the association between worktime reduction and well-being. The first is reductions in sleep problems and fatigue. The second comes from a more surprising, but integral part of the approach, which is that the four day week results in large improvements in people’s self-reported work ability. We find that 57% of employees experience an increase in their “current work ability compared to their lifetime best.” Self-reported productivity also rises and 54% score higher on a “work smart” scale. The ways in which companies and individuals prepare for the four day week leave people more in control of their workloads, more energized on the job, and more capable. It’s central to why the model works, not just for employees, but for the organizations who implement it.

Let me say a word about our research methods. To assess employee outcomes we use a within-subjects methodology, surveying employees before and after the four day schedule is introduced. This avoids the biases of retrospective and cross-sectional studies. While we do not have a perfect way to establish causality, the finding that larger reductions in hours yield more well-being improvement supports our interpretation. To mitigate “confounders,” i.e. unmeasured trends occurring simultaneously, we have adjusted for a wide range of socio-demographic and socio-economic characteristics, as well as company characteristics such as industry and size, which

¹⁰ Wen Fan, Juliet B. Schor, Orla Kelly and Guolin Gu, 2023, “Does work time reduction improve workers’ well-being?: evidence from global four day workweek trials,” <https://osf.io/preprints/socarxiv/7uicy9>.

barely change the findings. Our findings hold across various time periods, industries and nations, suggesting that our results are robust and likely generalize to different settings. In our ongoing trials we have added control companies for comparison.

Let me turn now to our company findings. The most important number here is 91%. That's the fraction of companies in our global sample of 202 who have continued with the four day week schedule after at least one year. Only 9% have gone back to a five day schedule. Among the 60 US and Canadian companies, only two, a mere 3%, have reverted to five days.

Company performance metrics also show success. Among the US/Canada companies, the resignation rate fell 22.5%. Absenteeism declined 39%. The average revenue increase over the trial period has been 30%. We do not have a common productivity measure in large part because productivity is so difficult to measure in many white collar settings and because measurement varies across organizations. However, the companies rate the trial impact on productivity at 7.7 out of 10. They rate the trial overall at 8.6 out of 10. They rate the ability of the new schedule to attract employees at 8.8.

Many observers are surprised by the fact that a reduction in hours with no decrease in pay can work for companies. One reason is that they are able to increase hourly productivity. The four day week global model involves two months of preparation in which companies figure out ways to improve efficiency. These vary by industry, but for many, streamlining meetings and reducing distractions are key. Because standard hours have been sticky at 40, companies become vulnerable to Parkinson's Law—work expands to fill the available time. Even as they have gained many time-saving digital tools, if hours are not reduced, inefficiencies can creep in. This has been the case for many in the trials.

A key finding of our research is that the productivity improvements companies report are not due to speed-up, but occur as a result of true enhancements to work process and culture. Our employee metrics for work intensity and the pace of work are mainly stable as measured before the trial and at six months. In contrast, workers' self-reports of productivity and work ability increase significantly.

But success involves more than just increasing hourly productivity. Companies are also benefitting in other ways. For some of the organizations in our trials, the main benefit is reduced burnout among their employees, which in turn leads to improvements in employee retention.

Less stressed, more committed workers may also lead to a higher quality of service or production. This is of particular concern among healthcare workers, and nurses in particular, who are the largest group of healthcare workers in the US. The high rates of not just resignations, but nurses leaving the profession can be addressed with a four day week. After experiencing a loss of 50% of their inpatient nurse leaders during the first two pandemic years, Temple University Hospital instituted a four day week for them. Voluntary turnover fell to 0% and patient outcomes improved.¹¹

¹¹ Angelo Venditti, Barbara Cottrell, and Kimberly Hanson, 2023, "Designing structures to support a 4-day workweek for nurse leaders," *Nursing Management*, October, pp-28-32.

In our trials, we see a statistically significant reduction in turnover intentions. Some companies report zero resignations after starting the new schedule. Similarly, they find large increases in their applicant pool when they can advertise a four day week. This is especially crucial at the current moment, when there are so many unfilled positions.¹²

Our research involves companies who have voluntarily decided to shift to a four day week. It may be useful to note some of the features of these companies, to address potential concerns of an economy-wide shift to a 32-hour week. One concern is about small companies. We have a preponderance of small companies in our sample—in the US/Canada group, 78% of organizations have 50 or fewer employees. In part that is an artefact of the trials—large companies can do this on their own. However, employees at many small companies may be especially suffering from burnout.

A second issue relates to flexibility. Companies in these trials do not follow a one size fits all model. They are more like snowflakes—every company does it differently. The ways in which they take time off vary, as they plan, experiment and figure out the best model for them. For example, only 60% have a Fridays off model.

Finally, one of the reasons these organizations are succeeding is that the planning process involves productive collaboration between workers and management to figure out how to make the new schedule work. That collaboration is itself a benefit to the organization going forward.

Governments around the world have become interested in the four day week. In Spain, Portugal, Belgium and Scotland, national governments have already sponsored trials. Interest is growing.

If we adopt a four day week it is likely we will find that productivity growth not only makes worktime reduction possible, but that the relationship goes both ways. Hours reductions can raise hourly productivity. That has been the stated experience of both workers and management in our trials. It is historically what scholars have concluded from past reductions in worktime.¹³ And it accords with international comparisons—the countries with the highest levels of per hour productivity are those with the shortest worktime—Germany, France, Netherlands, Norway, and Denmark.¹⁴

I began my remarks by referencing the four-fold increase in productivity that we have seen in the US economy over the last 70 years. The fact that so little of that productivity increase has been put toward reducing hours is in sharp contrast to the prior century. As a result, American workers have been suffering from burnout and stress, with families in special jeopardy. The pandemic

https://journals.lww.com/nursingmanagement/citation/2023/10000/designing_structures_to_support_a_4_day_work_week.5.aspx.

¹² Unfilled job vacancies from Federal Reserve of St. Louis Economic Data.

<https://fred.stlouisfed.org/series/LMJVTTUVUSM647S>.

¹³ Gerhard Bosch and Steffen Lenhndorff, 2001, “Working-time reduction and employment: experiences in Europe and economic policy recommendations,” *Cambridge Journal of Economics*, 25:209-243; John Pencavel, 2015, “The Productivity of Working Hours,” *The Economic Journal*, 125(589):2052-2076.

¹⁴ Annual hours and productivity from TED. <https://www.conference-board.org/data/economydatabase/total-economy-database-productivity>.

exacerbated this pre-existing problem. Given current robust rates of US productivity growth,¹⁵ the promise of further increases as a result of Artificial Intelligence, and the fact that over the last 85 years, the statutory workweek has been unchanged, I support the legislative effort to enact a 32 hour workweek.

¹⁵ Productivity growth was 3.2% in Q4 of 2023. <https://www.bls.gov/news.release/prod2.nr0.htm>