



Highlights of [GAO-07-989T](#), a testimony before the Joint Economic Committee

Why GAO Did This Study

Increasing retirements and declining fertility rates, among other factors, could affect the labor force growth in many developed countries. To maintain the size and productivity of the labor force, many governments and employers have introduced strategies to keep workers who face greater challenges in maintaining jobs and incomes, such as women and low-skilled workers, in the workforce. This testimony discusses our work on (1) describing the policies and practices implemented in other developed countries that may help women and low-wage/low-skilled workers enter and remain in the labor force, (2) examining the change in the targeted groups' employment following the implementation of the policies and practices, and (3) identifying the factors that affect employees' use of workplace benefits and the resulting workplace implications.

The testimony is based on a report we are issuing today ([GAO-07-817](#)). For that report, we conducted an extensive review of workforce flexibility and training strategies in a range of developed countries and site visits to selected countries. Our reviews were limited to materials available in English. We identified relevant national policies in the U.S., but did not determine whether other countries' strategies could be implemented here. The report made no recommendations. The Department of Labor provided technical comments; the Department of State had no comments on the draft report.

www.gao.gov/cgi-bin/getrpt?GAO-07-989T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Sigurd R. Nilsen, (202) 512-7215 or nilsens@gao.gov.

WOMEN AND LOW-SKILLED WORKERS

Efforts in Other Countries to Help These Workers Enter and Remain in the Workforce

What GAO Found

Governments and employers developed a variety of laws, government policies, and formal and informal practices, including periods of leave, flexible work schedules, child care, and training. Each of the countries we reviewed provides some form of family leave, such as maternity, paternity, or parental leave, that attempts to balance the needs of employers and employees and, often, attempts to help women and low-wage/low-skilled workers enter and remain in the workforce. In Denmark, employed women with a work history of at least 120 hours in the 13 weeks prior to the leave are allowed 18 weeks of paid maternity leave. In addition to family leave for parents, countries provide other types of leave, and have established workplace flexibility arrangements for workers. U.S. federal law allows for unpaid leave under certain circumstances. All of the countries we reviewed, including the United States, also subsidize child care for some working parents through a variety of means, such as direct benefits to parents for child care or tax credits. For example, in Canada, the government provides direct financial support of \$100 a month per child, to eligible parents for each child under 6. Last, governments and employers have a range of training and apprenticeship programs to help unemployed people find jobs and to help those already in the workforce advance in their careers.

Although research shows that benefits such as parental leave are associated with increased employment, research on training programs is mixed. Leave reduces the amount of time that mothers spend out of the labor force. Cross-national studies show that child care—particularly when it is subsidized and regulated with quality standards—is positively related to women's employment. Available research on training in some of the countries we reviewed shows mixed results in helping the unemployed get jobs. Some local initiatives have shown promise, but evaluations of some specific practices have not been conducted. Some country officials said it is difficult to attribute effects to a specific policy because the policies are either new or because they codified long-standing practices.

While policies do appear to affect workforce participation, many factors can affect the uptake of workplace benefits, and employees' use of these benefits can have implications for employers and employees. For example, employees' use of workplace benefits can create management challenges for their employers. Additionally, employees are more likely to take family leave if they feel that their employer is supportive. However, while a Canadian province provides 12 days of unpaid leave to deal with emergencies or sickness, low-wage workers cannot always afford to take it. Similarly, the uptake of available benefits can also have larger implications for an employee's career. Some part-time jobs have no career advancement opportunities and limited access to other benefits. Since employers tend to target their training to higher-skilled and full-time workers, employees who opt to work part-time may have fewer opportunities for on-the-job training that could help them advance, according to researchers in the Netherlands.