



**Written Testimony in Support of SB0197
Four-Day Workweek Pilot Program and Income Tax Credit**

Pete Davis
Director, Democracy Policy Network
February 9, 2023

I. Winning the Weekend

The length of the workday and workweek has changed at various points throughout American history. Before the Civil War, the Sabbath was the only time that most free, working Americans had off. In fact, the word “weekend” did not even exist until the 1870s.

With the Industrial Revolution, fewer Americans participated in farming, which had a natural stopping point at sundown. As laborers moved into factories, working conditions became harsher, and the work day became more regimented. With the growth of industrialism came the growth of the labor movement, which started to press for worker interests. And in 1884, the Federation of Organized Trades and Labor Unions called for an eight-hour day. When their demands were not met, they called for widespread demonstrations for “time for ‘what we will’.” They made buttons that read: “8 hours for sleep, 8 hours for work, 8 hours for leisure.”

Soon Jewish immigrants took up the fight for a longer weekend, since their Sabbath was Saturday instead of Christians’ Sunday. When the first American factory—a New England spinning mill—instituted a five-day workweek in 1908, it was to accommodate Jewish workers, and the practice soon spread to other factories.

The movement got a boost from Henry Ford, who responded to the labor movement’s push for an eight-hour day by instituting the practice at his car factories. He argued in business terms: if people were stuck in factories all week, they would not have time to take weekend road trips in his Model Ts. “People who have more leisure must have more clothes,” he told the press. “They eat a greater variety of food. They require more transportation in vehicles.”

In 1916, the government began to step in, requiring an eight-hour day for railroad workers. In 1919, four million Americans—about twenty percent of the industrial labor force—went on strike, demanding, among many things, more time off. During the Great Depression, it became more practical to limit the working week, as fewer hours for each worker meant more people working at least some hours.



Americans responded positively to the shorter hours and by 1938, half a century after the word was invented, “the weekend” was written into federal law when President Franklin D. Roosevelt signed the Fair Labor Standards Act, which phased American working hours down to a limit of forty hours a week. (Five years earlier, the Senate had passed a *30-hour* workweek bill, but it failed to pass the House.)

The two-day weekend went viral overseas, too: by the 1970s, every European country had a weekend and, at most, a forty-hour workweek. And by the mid-twentieth century, Americans were so bullish on the idea of a shorter workweek that many experts thought the workweek would shorten even more. The economist John Maynard Keynes thought technological advancement would lead to a fifteen-hour workweek by the 2020s. A 1965 Senate subcommittee predicted a fourteen-hour workweek by the year 2000. And in 1956, then-Vice President Richard Nixon stated that a shorter workweek was “inevitable within our time.”

II. Burnout nation

Nixon and Keynes were not wrong about productivity growth: American worker productivity has consistently increased since the 1950s. That increased productivity, however, has not led to fewer working hours.

This is a uniquely American phenomenon. Americans work about fifty percent more than people living in Germany, France, or Italy. We also work more than the citizens of Sweden, Norway, the Netherlands, Finland, Switzerland, and Austria—all nations that, probably not coincidentally, rank higher than America on World Happiness surveys. We put in 122 more hours per year than Brits, and we’ve even surpassed Japan, the nation that invented a word, *karōshi*, meaning “death from overwork.”

It’s not just that we are working nights and weekends. We are also overworking at work. One third of American workers eat lunch at their desks. Half of American workers report feeling they can’t get up for a break at all. Even having kids is not stopping or slowing our drive to productivity. While France has sixteen weeks of parental leave and Japan has fourteen weeks, the United States is the world’s only industrialized nation with no federally mandated paid parental leave.

According to the OECD Better Life Index, we rank 28th among advanced nations in “work-life balance”—ninth from the bottom. 41 percent of us say we feel tense or stressed out during a typical workday. More than half of us report being “burned out.”



This stress is costing us. It's making us bad at work— half of us say we're being less productive as a result of stress. It's making us resent our neighbors — more than a third of us report feeling anger at our coworkers and resentful that they do less work than we do. Burnout is the leading cause of employee turnover and, according to one British study, the source of almost \$7 billion) in economic losses per year. With all this in mind, it is no surprise that, according to a 2017 study, only thirteen percent of Americans are passionate about their jobs.

III. The Four Day Workweek

Fortunately, there is an international, multi-sector movement to reduce the workweek further.

In 2008, Utah governor Jon Huntsman, Jr. issued the Working4Utah Executive Order, which mandated a four-day workweek for almost all of the state's government employees. The program was popular with the employees themselves: four out of five state employees said they liked the new system. But the system also had benefits for the state as an employer: workers took less leave, were happier, were absent less and reported being more productive.

In recent years, some cutting edge companies — from Kickstarter to Shake Shack to Shopify — have begun experimenting with a four-day workweek, with business reviews and journalists beginning to take note the positive effects on employee happiness, productivity, and burnout.

Take health, for example. The president of the U.K.'s Faculty of Public Health has said the four-day workweek might help lower our blood pressure and increase our mental health. Or take the problem of unemployment: a staggered four-day workweek, where employees work on different days throughout the week, could function to redistribute work hours to more people and lower the unemployment rate.

As for productivity, it turns out that we perform worse when we work too many hours a week. According to a study in the American Journal of Epidemiology, at fifty-five hours a week, we start doing more poorly on mental tasks than our colleagues working forty hours a week. British writer C. Northcote Parkinson has theorized that work inevitably expands to fit the time we give it. If we have five days to get a week's worth of work done, we'll take five days to do it. If we have four days to get a week's worth of work done, we'll get it done in four.

Indeed, a four-day workweek may better address the reality of what most people are capable of producing in any given day. In studies aiming to find out how much work is too much, K. Anders Ericsson—who has spent years studying how we develop expertise, and influenced Malcolm Gladwell's famous "10,000 hour" rule—has found that in any one sitting, most of us can only

complete four to five hours of concentrated work. Any more than that and our work suffers, or we just stop working entirely.

The four-day workweek also appears to have cultural benefits. A shorter week at work would especially benefit women, many of whom reduce their at-work hours after having children. Forty-four percent of female doctors now work four or fewer days a week, up from twenty-nine percent in 2005. A four-day workweek for everyone would ensure that taking a longer weekend would not disadvantage moms. And a report from the New Economic Foundation posits that a shorter workweek could help solve gender imbalances at home, too. Currently, women tend to spend more time than men doing housework and raising children, even when they work as much as their male spouses. More time off for both spouses might lead to more parity in the division of labor at home.

Experiments are proliferating around the world:

- Between 1979 and 2000, France and Germany reduced annual work time by 240 hours (the equivalent of cutting six forty-hour workweeks from the year).
- In Spain, Prime Minister Pedro Sanchez’s administration is investing 50 million euros (\$59 million) into a nationwide program to trial a four-day workweek. Under the program, employees will get the same salaries from companies despite working fewer hours—and the government funding will compensate businesses by temporarily covering the cost of hiring additional workers or installing new technologies so as to ease the transition.
- During the financial crisis, Germany kept employment stable through the *Kurzarbeit* program, in which employers reduced employees’ working hours instead of laying them off — and the government provided a subsidy up to 60 percent of employees pay for hours not worked.
- In Iceland, the Reykjavik City Council and the Iceland national government conducted four-day workweek trials (without reduction in pay) between 2015-2019. 2,500 individuals (1% of Iceland’s population) participated. Productivity remained the same or improved in the majority of workplaces, researchers found. The trials led unions to renegotiate working patterns, and now 86% of Iceland's workforce have either moved to shorter hours for the same pay, or will gain the right to, as reported by the UK think tank Autonomy’s report, “Going Public: Iceland’s Journey to a Shorter Working Week.”
- New Zealand Prime Minister Jacinda Ardern has suggested that a four-day workweek could boost the country’s economy. The idea was tested and successfully implemented by New Zealand company [Perpetual Guardian](#), reporting a rise in employee productivity of 20%, as well as a 45% increase in employee work-life balance. Recently, Unilever New

Zealand is [following suit](#), beginning a one-year experiment for its 81 employees to move to a four-day workweek.

- In light of the pandemic, Japan’s 2021 annual economic policy guidelines unveiled plans to push companies to adopt a four-day workweek. After introducing a four-day workweek, branded ‘[work-life choice](#)’, Microsoft Japan reported a productivity boost of 40%, electricity costs reduced by 23%.
- In February 2022, Belgian lawmakers [passed a bill](#) winning Belgian employees the right to complete their workweek in four days instead of five without a loss of salary.
- The Scottish Government’s 2021-22 Programme for Government included a commitment to fund a series of [four-day working week pilots](#). According to [Euronews](#), a government trial is due to start in 2023, in which £10 million will be allocated to support companies reducing hours by 20 percent without a loss in compensation.
- Throughout 2022, The [4 Day Week Global Foundation](#) ran a [major pilot study](#) with 33 companies and 903 employees throughout the US, Ireland, and a few other countries. Each company agreed to, for six months,: (1) reduce their workweek to a four day, 32 hour schedule; and (2) not lower pay. 18 of the 33 companies are definitely going to keep a four-day workweek, 7 more are planning to but have not made a final decision, and 1 is leaning towards continuing. None report definitely not continuing with a four-day workweek.

(It should be noted: There is a distinction in workweek reduction between salaried and hourly wage workers. For salaried workers, a four-day workweek is often primarily about changing the culture around the workweek’s schedule. For wage workers, the primary fight is about increasing wages to keep pay steady with decreased hours—and secondarily about the culture of the workweek’s schedule (though, for example, Fair Scheduling laws). Any effort to shorten the workweek for all Americans needs to ensure reduction in work does not lead to a reduction in pay.)

IV. Maryland’s opportunity

It’s rare to have a cause that unites so many different types of interests:

- A shorter workweek means more time with family
- A shorter workweek means more time with faith communities
- A shorter workweek means more time with civic and community engagement
- A shorter workweek means more time for entrepreneurship
- A shorter workweek means more time for educational development
- A shorter workweek means more productivity for business
- A shorter workweek means more power to labor



- A shorter workweek means more sustainable resource use
- A shorter workweek means more Free Time for, as the original fighters for the weekend put it a century ago, “what we will.”

With SB0197, Maryland has the opportunity to serve these important interests and help start the process of spreading this cutting edge work practice in the United States.