



Intergenerational Bargaining:

towards integrated bargaining for younger and older workers in EU countries

Intergenerational bargaining in the EU

Comparative report

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iNGenBar - Intergenerational Bargaining – is a project co-funded by the European Commission, DG Employment, Social Affairs and Inclusion: Industrial Relations and Social Dialogue, VS/2013/0353). The Commission is not responsible for the content and author's views in this report, nor for any use that may be made of the information it contains.

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1. Introduction

Europe has been facing a series of challenges related to the employment situation of various age groups. In particular the young and older workers have attracted much attention: the young and older workers. The young are facing very high unemployment and serious difficulties to enter the labour market and/or to find good quality jobs. Following welfare state changes and in particular a rising pension age, older workers face requirements to prolong their working lives as well as difficulties in doing so in a healthy, high quality and productive way. In addition, they face serious obstacles to mobility in the labour market following from the reluctance of many employers to hire older workers.

Policy makers are increasingly trying to address the problems of these two groups with a view, first of all to increase their employment rate, the core objective of the European employment strategy. The focus here has been on education, labour market and welfare state policy, and to some extent also HRM policy within companies. At the EU level this includes the 2012 Youth employment Package and the 2013 Youth Employment Initiative and Youth on the Move initiative, as well as 2012 European Year for Active Ageing and Solidarity between Generations, the development of the Active Ageing Index and the European Innovation Partnership for Active and Health Ageing. Also within the member states governments have developed numerous policy initiatives in these fields.

The problematic labour market position of the two groups has also raised the question to what extent the difficult labour market position of young and older workers translates into divergent interests that could lead to an ‘intergenerational conflict’ in which the two groups compete for jobs and/or welfare entitlements, or into common intergenerational interests and objectives. This question, further discussed in section 3, forms the starting point of the iNGenBar (intergenerational bargaining) project, which approaches it from the perspective of the core interest representation actors in the labour market, trade unions and employers and their organisations. The project turns around the question what social partners do (or can do) to address the problems of these two groups through collective bargaining and related processes, and to what extent, or in what way, they have been developing policies for the two groups that treat them in an integrated manner instead of as two competing groups. The main objective of the iNGenBar project was subsequently defined as developing expertise regarding the better integration of policies and strategies for younger and older workers through collective bargaining and social dialogue, and to disseminate that expertise to employers, trade unions and governments.

To this effect, the project conducted six national case studies that reviewed the labour market situation of young and older workers, discussed the position of unions and employers on these issues and analysed the main integrated intergenerational initiatives of unions and employers. In addition, a study was made concerning the question to what extent EU legislation allows for policies targeted at specific age groups or if this contradicts European regulations prohibiting age discrimination.¹

The iNGenBar project is based on an explorative research design. It identified and evaluated the main debates and innovative practices in the national system of industrial relations of the six countries concerning ‘intergenerational bargaining’, i.e. the integration of policies and strategies for younger

¹ The national reports were prepared in 2014 by Dominique Méda, Michèle Tallard and Jean-Louis Renoux (France), Antonio Brettschneider (Germany), Lisa Rustico and Roberto Pedersini (Italy), Frank Tros (The Netherlands), Mia Rönnmar (Sweden) and Vanessa Beck and Glynn Williams (UK). The study of EU regulations was prepared in 2014 by Beryl Ter Haar and Mia Rönnmar. All reports can be accessed at: <http://intergenerationalbargaining.eu/pages/home>.

and older workers through collective bargaining and social dialogue. The EU level study investigated the ways in which legal and policy debates on age discrimination and employment policies at the EU level hinder or enable age related regulation, specific labour market measures for younger and older workers, and intergenerational bargaining. The main research findings of the iNGenBar project, and a selection of its case studies, were presented and discussed at the final conference in Brussels with social partners from 15 European countries. The main conclusions of these debates are integrated in this report.

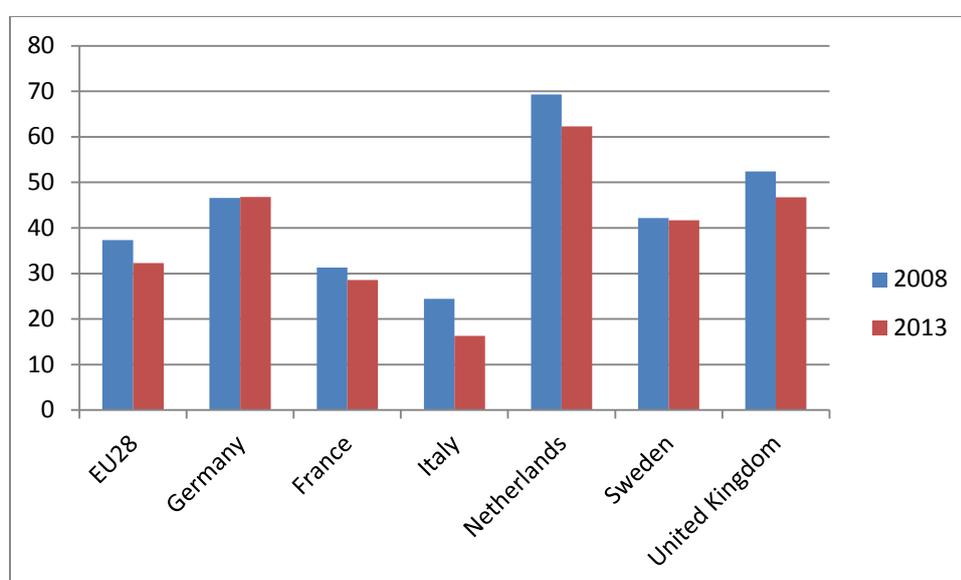
The structure of the report is as follows. Section 2 provides an overview of the labour market situation of young and older workers in the six countries under study. Section 3 discusses the rationale and logics of intergenerational bargaining. Section 4 presents the main intergenerational initiatives in the six countries while section 5 provides a comparative analysis of the cases. Section 6 discusses what lessons have been learned by iNGenBar and section 7 concludes with perspectives for the future.

2. Younger and older people in the labour market

2.1 Growing instability in early careers

In four of the six countries, there was a decline in the employment rates among youths (aged 15–24 years) during the Europe-wide crisis. Especially in Italy, we see both a very low percentage of employed youths and a fall in that percentage, namely from 24% to 16% (Figure 1). The youth employment rates in Germany² and Sweden stabilized in this period. The highest youth employment rates in both 2008 and 2013 can be found in the Netherlands (see Figure 8). This, however, has to be interpreted in the context of the widespread phenomenon of part-time work and students who have jobs on the side.

Figure 1: Employment rates of 15- to 24-year-olds in the EU28 and the six countries (2008–13)

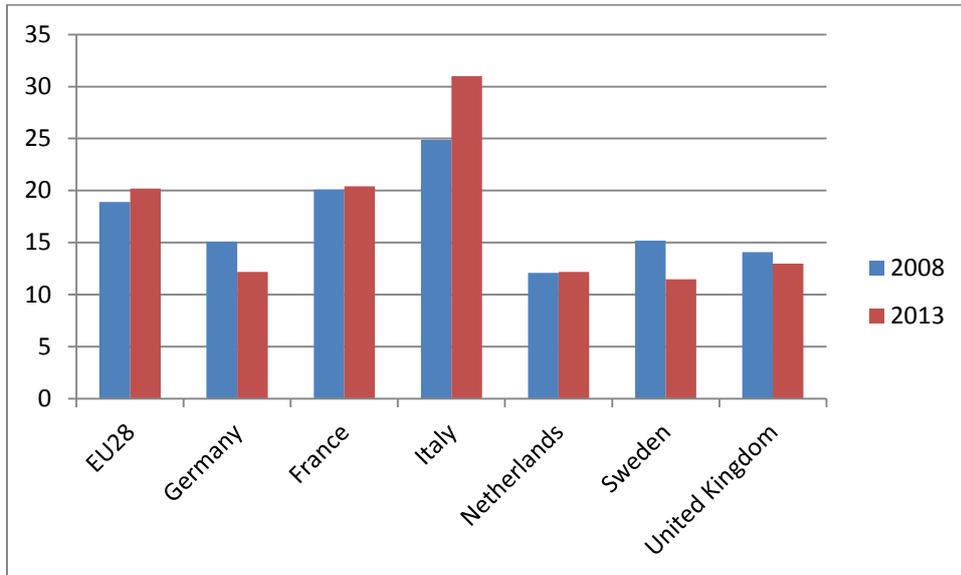


Source: LFS, lfsa_ergan (last update 5 November 2014).

Italy is also the worst case regarding the NEET statistics. NEET is an index that is used in the EU to measure the percentage of youths who are ‘not in employment, education or training’. In 2013, more than 30% of the young people in Italy were ‘NEETs’ (see Figure 2). The other five countries show lower levels and stable or even decreasing NEET shares among their young people during the crisis period. Especially in Germany and Sweden, more young people continued training and education activities before being employed.

² Brettscheider (2014: 6) notes that youth unemployment in eastern Germany is almost twice as high than in western Germany.

Figure 2: Young people (aged 15–24 years) not in employment, education or training (NEET rates)



Source: Eurostat, LFS, edat_lfse_23 (last update 15 October 2014).

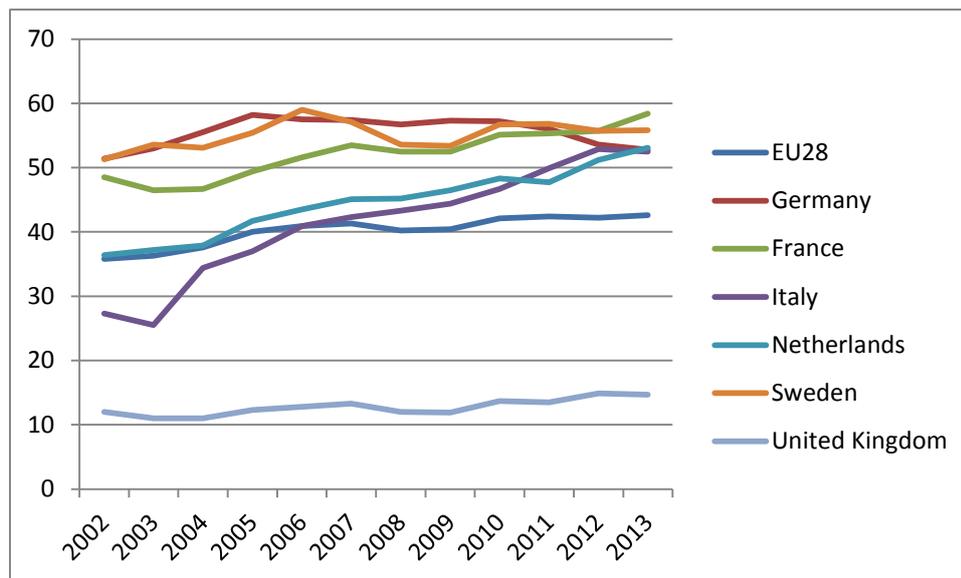
The percentages of young workers with temporary employment contracts are far higher than those among middle-aged and older age workers' categories (see also Eurofound, 2013). In 2013, 43% of the employed populations aged 15–24 years in the EU had temporary contracts. These percentages are far lower among workers aged 25–49 years (12%) and those aged 50–64 years (7%).³ The cross-national variations in the labour market regulations for young people in Europe do not fit the traditional typologies of comparative welfare studies (Cinalli & Giugni, 2013). France and Sweden have quite flexible labour market regulations for youths in a context of relatively generous unemployment regulations; Germany is characterized by high flexibility, precariousness and income insecurity (*idem*).

There are two main mechanisms in all EU countries causing young people to have higher chances of having temporary employment contracts (Blossfeld et al., 2008). Both mechanisms play a role in good and in bad economic periods, but their role is especially strong in periods of high unemployment. Firstly, young entrants in the labour market cannot show their past work performances to employers, which gives them low bargaining power and makes them accept flexible contracts. Secondly, employers want to screen their work potential, including the higher educated young workers, before taking on the risks and costs of regular, open-ended contracts. The growing shares of young people in flexible jobs and the trend for young workers to enter into their first regular employment contract in later phases of their working lives, need more policy attention. These phenomena hinder stable labour market inclusion among young people and thus their opportunities to initiate family formation and buy a house.

³ Source: Eurostat, LFS, lfsa_etpga (last update 30-10-2014). The percentages given here are based on averages in 28 EU member states.

The percentage of temporary contracts among young workers in the UK is relatively low (see Figure 3). In the UK, there is a less sharp ‘two-tier system’ of employment protection legislation in flexible and regular employment contracts. In other words, workers in regular jobs can also be fired rather easily and at relatively low cost. Figure 4 shows the sharpest growth of temporary contracts is among young workers in Italy. But also in the Netherlands we see a steady trend of increasing shares of temporary jobs among youths in the last 10 years: from 36% in 2002 to 53% in 2013 (see Tros, 2014: 7–9).

Figure 3: Temporary contracts as a percentage of the total number of employment contracts among workers aged 15–24 years in the EU28 and the six countries, 2002–13



Source: Eurostat, LFS, lfsa_etpga (last update 30 October 2014).

2.2 Increasing labour market activity among older people

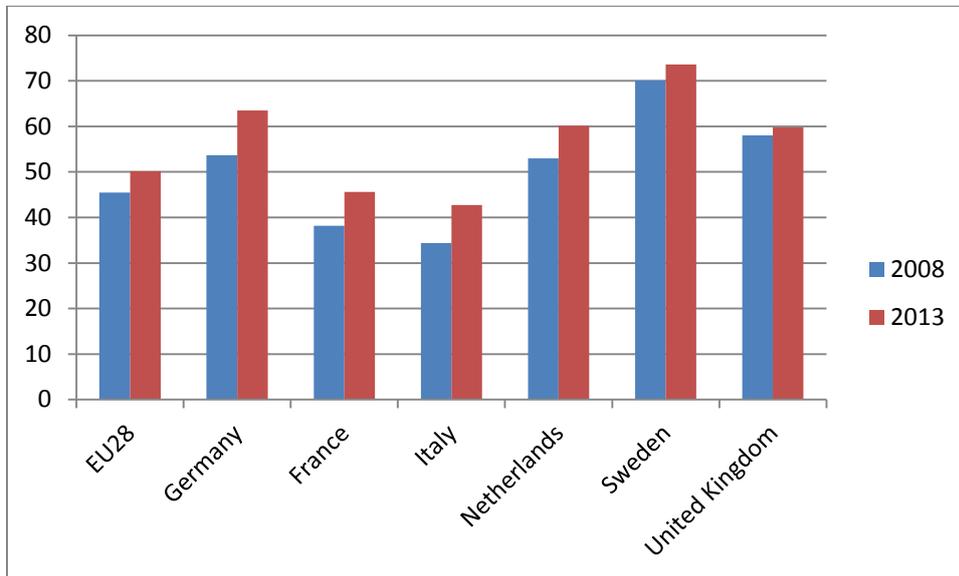
Contrary to the group of youngest workers, we see that the employment rates of the oldest workers (those aged 55–64 years) in all six countries have increased since the beginning of the crisis. Nevertheless, the deep-rooted ‘early exit cultures’ in France and Italy (Maltby et al., 2004) still seem to exist. Neither country has achieved the EU’s Stockholm target, set in 2001, that aimed at 50% employment participation in 2010 in the EU member states.

All six country reports point to the labour market effects of the successive reforms of early retirement and pension systems in the last decade. Méda, Renoux and Tallard (2014: 9) point to the paradox of the coexistence of the growth of the participation rates of older people in the labour market, together with rising unemployment rates and the expansion of precarious employment among older people in France. This paradox is also visible in Italy and the Netherlands (see Figures 4 and 5). This paradox can be understood through the effects of the national welfare state reforms: more unemployed older workers now have to look for a paid job. More of them are included in the unemployment statistics

because of their labour market ‘availability’ in the administrations. The growth in unemployment figures among the older people in Sweden and the United Kingdom is relatively less sharp.

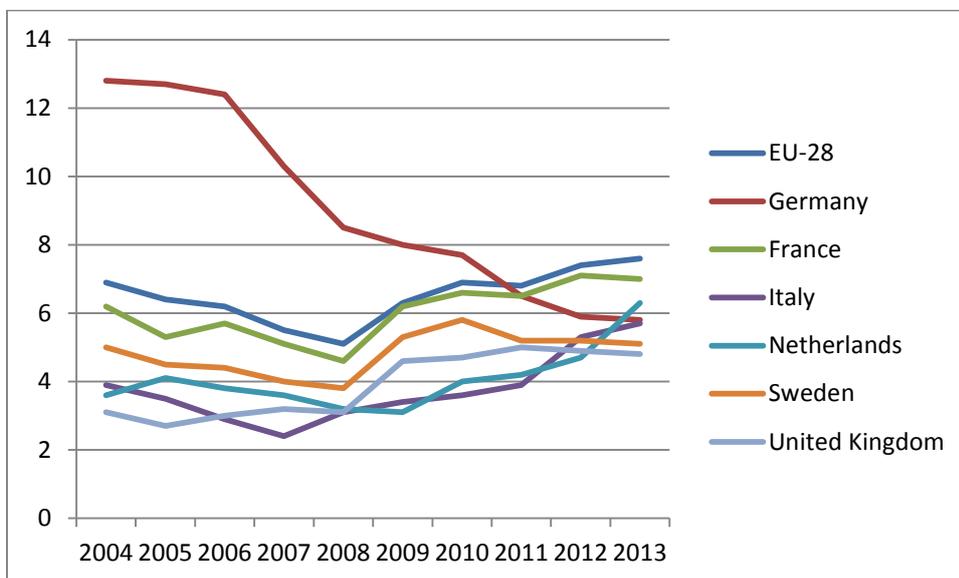
Germany stands alone in having a steady decline in the unemployment rates among people aged 55–64 years since 2008 (see Figure 5). Measures taken by the German Federal Ministry of Labour and Social Affairs that aimed at reintegrating older unemployed people (aged 50+) seem to have had a real impact since 2005 (Brettschneider, 2014: 9).

Figure 4: Employment rates of people aged 55 to 64 years in the six countries (2008–13)



Source: Eurostat, LFS, ifsa_ergan (last update 5 November 2014).

Figure 5: Unemployment rates of people 55–64 years in the EU28 and the six countries, 2004–14

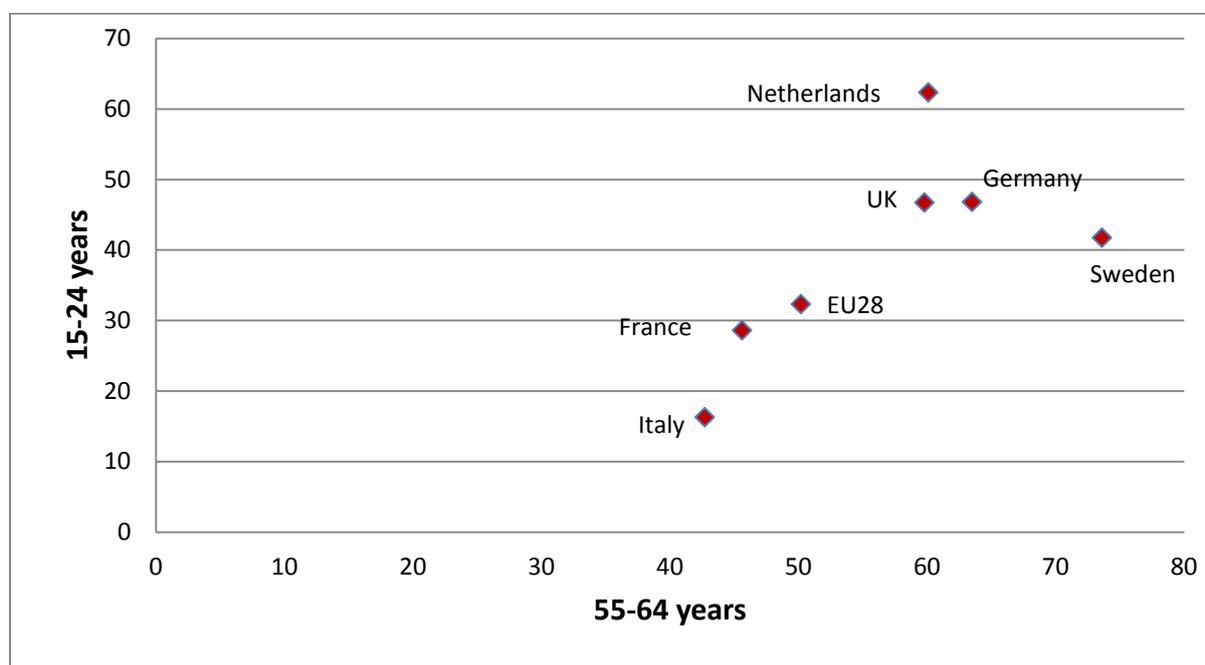


Source: Eurostat, LFS, ifsa_urgaed (update 30 October 2014)

2.3 Comparing younger and older workers in the labour market

When we compare the employment participation rates of younger workers with those of older workers, we cannot find support for the ‘lump of labour’ hypothesis which argues that there is a fixed number of jobs for which older and younger workers compete (see section 3.2 for a more detailed discussion). In the national labour markets that have relatively high numbers of older workers – such as Sweden (74%) and Germany (64%) – we also see relatively high employment rates among youths. In Italy and France, we see the lowest employment rates in both age groups. By showing configurations of statistics in both age groups – which is what is done in Figure 6 – we cannot claim any causal relationships. So, it can certainly not be argued that ‘the longer the working careers, the more job opportunities for the new generations’. Nevertheless, the conclusion of Figure 6 can be summed up by the statement that a combination of high employment rates for both the youth and the older workers is a real *possibility*.

Figure 6: Employment rates among younger people (15–24 years) and older people (55–64 years) in the six countries and the EU28, 2013

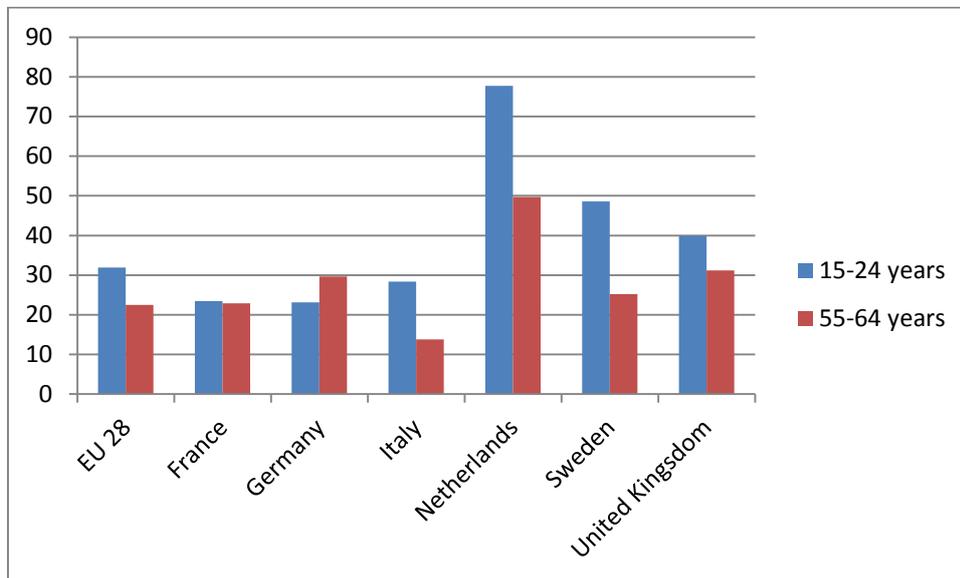


Source: Eurostat, LFS, lfsa_ergan (update 05 November 2014).

Germany, Sweden, the UK and the Netherlands are the better cases regarding the employment participation of both younger and older workers. These countries combine relatively high levels of employment rates among both groups and low and stable NEET levels. Italy and France are the worse cases from this perspective. Especially the youngest and the oldest workers in Italy have a problem finding and keeping jobs. More than 30% of those aged 15–24 years are NEETs.

Employment in the Netherlands is characterized by high levels of part-time jobs among youths and among workers aged over 55 years (Figure 7). Generally speaking, the working career profiles in the Netherlands are more similar to those in Germany, Sweden and the UK, rather than fitting the model of ‘compressed’ career through a late entry to and an early exit from the labour market.

Figure 7: Part-time employment as percentages of the total employment in the age groups 15–24 years and 55–64 years in the EU28 and the six countries, 2013



Source: LFS, lfsa_eppga (12 June 2014)

3. Intergenerational bargaining: perspectives and logics

3.1 Perspectives of generations and age groups

The phrases ‘younger workers’ and ‘older workers’ and the word ‘intergenerational’ used in this paper have a generational component as well as an age or lifecycle component. Generational differences go beyond the fact that people are of a different age or are in another career/life phase (Parry & Urwin, 2011). In Karl Mannheim’s (1928) classical sociological definition, a ‘generation’ is characterized by a group of citizens in a similar societal context who share, and are aware of, joint experiences and values. In Mannheim’s view and period, successive generations were substantially marked by ‘big events’ like civil wars, world wars and political revolutions. The more step-by-step developments in technology – like industrialization and digitalization – and deregulation in social market economies and liberalization in capitalism can also have an effect on the work related experiences and values of generations of workers. Although the current cohorts of older and younger workers are both post-WWII generations, they differ in their work related attitudes, values, expectations and involvements in work, which could also have detrimental consequences for the relations between age groups (Delay, Méda & Bureau, 2010).

On average, the groups of younger and older workers in Europe are experiencing different economic and wider societal realities. Youths in many European countries are facing great difficulties in entering the labour market and a high level of insecurity in their working lives. Many older workers – say, those who were born in the period 1949–59 (now 55–65 years old) – look back on earlier experiences in which the labour market generated more job and career opportunities and relatively generous levels of social security. Indeed, it cannot anymore be taken for granted that the new generations of workers in Europe will enjoy the same or better labour market and welfare conditions than their parents. Increasingly, this situation has been argued to lead to ‘intergenerational conflicts’ where interests and preferences of older and younger workers in terms of labour market and welfare policy differ substantially or are in direct contradiction with each other. Undoubtedly, present austerity politics and demographic and labour market developments provide some potential for distributional conflicts among generations (Kohli 2004). Also, a number of studies point to differences in attitudes among older and younger generations where welfare policies are concerned (e.g. Bonoli and Hausermann 2009; Busemeyer et al. 2009). Still, it may be premature to argue that new *intergenerational* conflicts have crowded out traditional *intragenerational* ones (Kohli 2004; also Beck and Quin 2012; Higgs and Gilleard 2010). Emphasising the existence of an intergenerational conflict concerning labour markets and welfare state provisions has many risks and pitfalls (see e.g. EC, 2005). To mention just three:

Beck and Williams state in the UK country report the following about the unintended effects of framing the industrial relations and broader public debates in potential intergenerational conflicts: ‘A focus on intergenerational conflict may be a self-fulfilling prophecy, since, by framing current younger workers’ prospects in terms of inequality between discrete, competing generations, current policy leads individuals to focus on their own immediate self-interest (Beck & Williams, 2014: 4).’ Conflict between groups is less likely if the same representative body acts on behalf of all groups (Vendramin, 2010). The involvement of trade unions that represent workers in all age groups is in this view important, because of their unifying effect between younger and older workers (Beck & Williams, 2014: 9). By focusing on short-term benefits for one age group, reciprocal solidarity

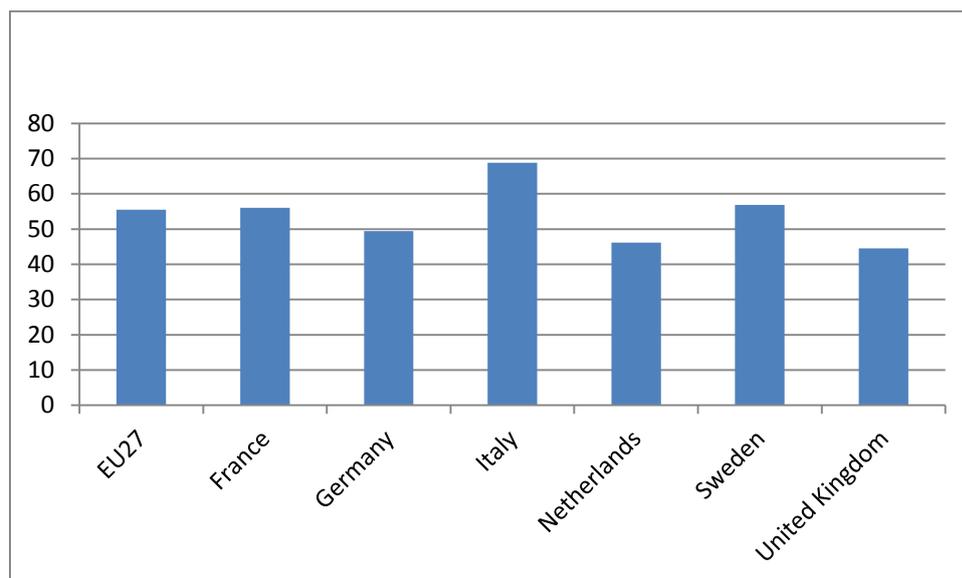
between younger and older workers can be easily overlooked: the younger workers will one day be older workers themselves and will be in need of jobs, age friendly workplaces, pensions, etc.

A second risk of framing collective bargaining and broader public debates in intergenerational conflicts and in an age related insider–outsider divide, is that *intragenerational* inequality can also be easily overlooked (Hamblin, 2013: 28). Not all older workers are well-off ‘insiders’ in the labour market, some of them are at considerable risk of becoming ‘outsiders’, in particular when they have to search for new jobs, and according to Eurostat data poverty affects some 14 percent of the 65 and over population in the EU. Also, not all younger workers are ‘outsiders’, in particular many of the higher skilled do quite well in the labour market.

A third risk of framing the younger and older generations in the labour market as competing groups, is that this underwrites the highly controversial and too simplistic ‘lump of labour’ assumption (see discussion in section 3.2). As already shown in section 2, more jobs for one age group does not automatically lead to fewer jobs for the other age group.

In a European survey executed at the beginning of the financial and economic crisis, respondents in member states were asked to reflect on the following statement: ‘As older people work until a later age, fewer jobs will be available for younger people’. The survey results in the EU27 and the six countries covered by the iNGenBar project are shown in Figure 8.

Figure 8: Percentages of citizens in European countries who ‘somewhat agree’ or ‘strongly agree’ with the statement ‘As older people work until a later age, fewer jobs will be available for younger people’



Source: European Commission, *Flash Eurobarometer 269, Intergenerational solidarity: Analytical report*, fieldwork in March 2009

No less than 69% of the Italian population agreed with the statement (EC, 2009). This percentage is significantly higher than the European average (56%) and seems to reflect the public debates and labour market situation in Italy. Rustico and Pedersini (2014: 5) conclude in their country report that: ‘In general terms, a divide between young and older workers characterizes the Italian labour market,

as well as the related public policies and public debate. The latter is often addressed in terms of an “insiders versus outsiders” dualism.’ Early retirement is also an important issue in collective bargaining in Italy (section 6.3).

Remarkably, we also see rather high public support for this intergenerational ‘trade-off’ assumption in countries in which this logic has never played a significant role in industrial relations debates – such as in Sweden (Rönmar, 2014: 17–18) – and in countries in which this logic has become highly controversial in public policies, such as in France (Méda, Renoux & Tallard, 2014: 24–25), Germany (Brettschneider, 2014: 17), the Netherlands (Tros, 2014: 10) and the UK (Beck & Williams, 2014: 17–18).

3.2 Four logics of intergenerational bargaining

Industrial relations can potentially play an important role in avoiding intergenerational conflicts by developing an integrated approach to the various age groups in the labour market and by interlinking policies aimed at younger and older workers in bargaining processes. The possible relevance of intergenerational bargaining and the underlying reasons for integrating the policies and strategies for younger and older workers through collective bargaining and social dialogue, can be disentangled in four possible logics:

- ➔ The public policy logic in which bargaining processes aim to achieve public policy objectives like promoting increasing employment rates for both younger and older people.
- ➔ The replacement/distribution logic in which older workers are replaced by younger workers, through (early) retirement.
- ➔ The logic of creating synergetic effects in combining the capabilities of younger and older workers and promoting intergenerational knowledge and skills transfers.
- ➔ The logic of a lifecycle approach that concerns the acknowledgement that people’s needs regarding jobs, workplaces and work–life balance issues change during their working lives.

The public policy logic

Increasing the employment participation and labour market inclusion of younger and older people are important public policies of the EU and its member states. The EU still follows a strategy of ‘active ageing’ in which longer, and healthier, working lives are promoted. The objective of increasing the employment rates of people aged 55–65 years was already part of the 2000 Lisbon Strategy and the EU’s lifelong learning strategies. At the same time, the EU has been developing a number of youth policies. The crisis of 2008 has clearly intensified the policies on tackling the high youth unemployment rates in European countries, such as in the initiative ‘Youth on the Move’ and the Youth Guarantee programme (for a discussion see Ter Haar and Rönmar, 2014: 5–9). The current Europe 2020 strategy targets an average employment participation rate of 75%, but the employment rates for the youngest workers (15–24 years) and the oldest workers (55–64 years) are substantially below this level as shown in section 2.

The six country reports emanating from the iNGenBar project show that the social partners are often involved in the development and/or implementation of public labour market policies for youths and older workers (see section 4). Intergenerational bargaining at sector and company level can be a mechanism for them to contribute to achieving these public policy objectives.

The replacement/distribution logic

The approach of promoting an intergenerational ‘trade-off’ in which older workers are replaced by younger workers, for example through the instrument of early retirement, was still quite common in the 1980s but has become controversial in later years and the respective welfare state provisions have in many cases been eliminated. Collective funding for pre-pension arrangements has been abolished in most cases and statutory pension ages are being increased across The EU. The ‘pull’ factors of social security provisions for workers in the last phase of their working careers have been substantially weakened compared to the last three decades of the twentieth century (Ebbinghaus & Hofäcker, 2013). The new financial incentives relevant at the end of working careers indeed seem to encourage workers to delay retirement, especially in Italy, the Netherlands, Germany and France (Employment Outlook 2013). Also, the recent global crisis has been associated with unusually large losses in pension and housing wealth, which may induce older workers to stay longer in the labour force (Duval et al., 2011: 23). And austerity measures concerning welfare state provisions challenge the social partners in Europe to develop strategies different from those applied during the crises in the 1970s and 1980s.

Reintroducing policy instruments that are based on the replacement or redistribution logic is also theoretically controversial. In this discussion, many economists point to the ‘lump of labour fallacy’ (Eichhorst et al., 2013; OECD, 2013: 49–55). They have two main arguments against policies that are aimed at an intergenerational redistribution of employment:

1. The number of jobs in an economy is not fixed, but is dependent on many factors.
2. Younger and older workers are no substitutes for each other because they have different job profiles and competences.

Furthermore, there is little empirical evidence that older workers would crowd out the youths and that the early retirement of older workers would lead to more jobs for young workers. Kalwij et al. (2010) tested the hypothesis of substitution between employment of both age groups in 22 OECD countries in the period 1960–2004. Their findings suggest that the policies during the 1970s and 1980s aimed at facilitating early retirement were ineffective as instruments for reducing youth unemployment. They suggest that the big changes in technology and workers’ skills resulted in groups of younger and older worker who were very different and therefore poor substitutes.

So, the theoretical shortcomings in the ‘lump of labour’ assumption and the limited effectiveness of the instrument of early retirement for solving the youth unemployment problem in the past, call into question the usefulness for social partners of discussing an intergenerational ‘trade-off’ or a ‘rebalancing’ of the employment opportunities for younger and older people, at least from a general and a macro perspective.

However, in certain sectors, where the numbers of jobs are more fixed and in which younger and older workers do not have job profiles that are that different, the replacement logic can play a role. An

example could be the retail sector. In other words, the intergenerational replacement/distribution logic in employment is not a complete fallacy, nor is it a complete myth – at least, not in some sectors and some professions. The too absolute statements of theorists are also at odds with more detailed empirical labour market research that shows the negative effects of longer working careers of the older workers on the limited demand for new, young workers in some countries (e.g. in the Netherlands: ROA, 2013).

Some country reports show that collective bargaining parties have not abandoned their traditional views regarding this intergenerational replacement/distributing logic in employment entirely. Although employers and trade unions are not considering a return to the massive early retirement programmes of the past, they are debating in some sectors more flexible solutions in the fields of gradual retirement and part-time work for older workers. Direct and explicit intergenerational measures – such as shared jobs and ‘tandems’ or ‘couples’ between younger and older workers – are also topics on the collective bargaining agendas (see section 4).

The logic of creating synergetic effects

A third reason to consider intergenerational bargaining concerns the promotion of synergetic effects between younger and older workers in sectors of industry, at the company level and at the workplace. This logic is based on the assumption of complementarity of the contributions of younger and older workers and in their interrelationships, compared to the assumption of substitution in the replacement/distribution logic. To promote the better deployment of younger and older workers in transforming organizations, there is a need for policymakers, employers and employees to be attentive to the age group relationships that currently inform workplace practices (Brooke and Taylor, 2005).

The first argument here is that workplaces and labour markets need the human resources of both younger (new) and older (experienced) workers. Younger workers have recently been educated learning the newest knowledge and have been growing up surrounded by digitalized technology, but they lack work and organizational experience and related training. Older workers, on the other hand, have a lot of firm- and sector-specific knowledge, skills and experiences, but have been socialized in older educational and technological contexts.

A second argument here is that cooperation between younger and older workers can create opportunities for both groups to support each other at the workplace – not only in a formally organized exchange of instructions from older to younger workers, but also as a result of dynamic cooperation based on unscheduled interactions between younger and older employees, which can promote the sharing of knowledge and resolve unforeseen issues in production (Delay, Méda & Bureau, 2010). Intergenerational learning is not always one-directional, although the most professional literature deals with the direction from old to young (e.g. Cedefop, 2008). In some sectors beyond the traditional industrial settings, intergenerational transfers and collaborations can be more reciprocal (Delay, Méda & Bureau, 2010: 147–149).

The country studies show awareness among the social partners of the importance of preserving the skills of the older, experienced workers, as well as guaranteeing the continuity of the inflow of new, young workers through apprenticeship systems and work training contracts. Some collective bargaining initiatives in France, Germany, Italy and the Netherlands are explicitly aimed at

intergenerational knowledge and skills transfers and intergenerational collaborations in school-to-work trajectories and workplaces.

The workers' lifecycle logic

A fourth logic to integrate policies and strategies for younger and older workers in collective bargaining concerns the acknowledgement that people's needs regarding jobs, workplaces and work-life balance issues change during their working lives. Collective bargaining can promote regulations that are strategically adapted to the needs of employees in the course of their working careers and lifecycles. This logic can be implemented in a collective way, through policies that are directly or indirectly targeted at certain age groups, for example vocational training for labour market entrants, employment stability for workers in their phase of family formation, working hours flexibility for workers with young children and task flexibility measures for senior workers in demanding jobs. The country reports of Germany and the Netherlands discuss the implementation of individual workers' saving accounts to allow them to make their own decisions regarding working hours, education and training, leave and flexible pensioning through the life course in the framework of collective agreements (Brettschneider, 2014; Tros, 2014: 34–38). The case studies in the German country report deal with recent integral lifecycle approaches of the collective bargaining parties in some sectors and companies (Brettschneider, 2014). Some demography-related life course policies in Germany are regulated by a mix of collective funding, individual workers' drawing rights and the promotion of 'age aware' HRM instruments.

Related to this lifecycle approach, social partners can invest in preventive policies aimed at sustainable employability and healthier working conditions and workplaces to enable older workers to prolong their careers.

Conclusions

From the above we can draw the following conclusions:

- ➔ Social partners can have a unifying effect between the generations of workers by avoiding the frame of 'generational conflicts', and following an approach of collaboration, reciprocal solidarity and combatting the myth of the existence of directly competing groups in the labour markets. This does mean however, that younger and older workers do not have different needs and interests but rather that these do not have to be considered in conflict with each other.
- ➔ Social partners in Europe, together with governments, are facing the challenge of improving labour market inclusion for both younger and older workers in the context of high youth unemployment and the policies aimed at achieving longer working lives. This means that social partners cannot avoid developing intergenerational bargaining initiatives.
- ➔ Bargaining over employment and working conditions for younger and for older workers is not a zero-sum game. Social partners can enable more intergenerational positive-sum strategies through
 - i) creating intergenerational synergies in workers' age and generation related capacities and skills;

ii) supporting the specific needs of both younger and older workers; and iii) following a more integral approach in lifecycle policies.

4. Main intergenerational initiatives in the six countries

The main intergenerational debates and initiatives in the six countries – as reported in the six country studies – are analysed in this section from the perspectives of the four logics of intergenerational bargaining presented in section 3. The sequence of presenting the main findings in the country reports in this section is based on the main logics: public employment policy, replacement/distribution logic, creating intergenerational synergies and the lifecycle logic.

4.1 France: negotiations in the context of the *Contrat de génération*

The approach closest to the ‘ideal type’ of intergenerational bargaining is found in France. In 2012, the country’s president, François Hollande, initiated a rather ambitious and comprehensive programme – the *Contrat de génération* (‘Generation contract’) – to promote collective bargaining practices regarding both young and older workers. The programme combines financial incentives for firms (including SMEs) to recruit young people on the condition that they keep their older workers, combined with mandatory bargaining for the social partners on age related issues (depending on the size of the firm). The aim of the *Contrat de génération* is to simultaneously increase the employment participation of both younger and older workers, and enhance intergenerational skills transfer by giving open-ended employment contracts to young people and giving older workers mentoring tasks. Through its clear focus on creating synergies in the employment and skills of younger and older workers, one can say that the French government also wants to make a political statement by not falling into the ‘old trap’ of using the instrument of early retirement for the older workers in the fight against youth unemployment (Méda, Tallard and Renoux, 2014b: 3).

Dominique Méda, Michèle Tallard and Jean-Louis Renoux (2014) evaluated the *Contrat de génération* comprehensively and critically. From a quantitative perspective, one can conclude that the initiative’s (ambitious) political targets have not been reached. In 2012, the French government set itself the goal of creating 500,000 jobs within five years, but the number of grants stagnated at a yearly level of 30,000 jobs instead of 100,000. As regards promoting collective bargaining activities on these topics in the French industrial relations systems, the French researchers conclude that there have been mixed results. The main sectors have indeed signed agreements. Between June and December 2013, a total of 3,700 company level agreements were signed, together with 3,600 action plans at the company level (*ibid.*, 2014: 33). Far more collective bargaining activities have taken place in larger firms; many SME companies in France are reluctant to join the scheme. The French report elaborates on several dynamics in the French social dialogue and collective bargaining processes around the *Contrat de génération*. Firstly, they found a tension between the more narrow (quantitative employment) focus of the French government and the more integral focus of the social partners. In July 2011 (a year before the launch of the programme), the social partners agreed a cross-sector agreement on youths’ integration, the development of mentoring, and the introduction of tandem concepts for young trainees and older workers. The intensified involvement of the government to develop national legislation on the *Contrat de génération* has diminished the attention to an age management logic and put the focus more on job numbers. Secondly, they show many negative side-effects of the inordinate number of successive layers of mandatory bargaining in age related issues, such as i) ‘hurried-through bargaining’ – in which unions are weakened by too complex technicalities,

ii) ‘wait and see’ attitudes, and iii) a high degree of formalism in SMEs (Méda, Tallard & Renoux, 2014b: 5–6). After evaluating social dialogue and collective bargaining processes in recent years, Méda, Tallard and Renoux (2014: 71) conclude that the programme of the *Contrat de génération* seems to have ended up in a ‘depleted’ bargaining process with low priorities concerning innovative age management such as the organization of intergenerational skills transfers. Avoiding the financial penalties and just fulfilling the (more minimalistic) requirements of the law can easily become the main driving force for social partners.

4.2 The Netherlands: generational sector plans and age related collective bargaining

Partly inspired by the debates in France regarding the *Contrat de génération*, in 2013 the members of the Netherlands’ largest trade union federation, the FNV, agreed on a *Generatiepact* (‘Generation pact’). In this strategic policy paper, the sector trade unions united in the FNV recommended both the social partners at the national level and the Dutch government to make a better combination of youth unemployment policies and the policies for older workers in social dialogue and collective bargaining. Besides this general (political) message regarding a better and more interlinked integration of the policies and strategies for younger and older workers in Dutch industrial relations, we can also read in this report many explicit and rather detailed examples of and new ideas for intergenerational measures. The trade unions recommend measures to promote i) new jobs and work training contracts for youths and continuing labour market inclusion for older workers, ii) a better intergenerational distribution of employment through the part-time employment of older workers, and iii) creating synergetic effects between the generations by giving older workers mentoring and training tasks regarding young workers (Tros, 2014: 19–20). In fact, the FNV’s approach is based on a mix of intergenerational logics in collective bargaining. The policy option of combining part-time retirement – in this case, working hours reduction with some compensation for income loss towards the end of the older workers’ careers – with the recruitment of new, young people was crucial in this pact.

The *Generatiepact* played an influential role in the national Labour Foundation (and its Social Pact 2013) and the launch of a €600 million public fund (2013–15). This fund is used to subsidize bipartite *sector plannen* (‘sector plans’).⁴ To be considered for public co-financing, the measures in the sector plans have to be approved by the Ministry of Social Affairs and Employment and will be monitored during the implementation. One third of this fund is explicitly earmarked for supporting youth measures; preserving older workers’ jobs and skills is listed as an important criterion in the government’s test.

Sixteen months after the launch of the public fund for sector plans, 13 of the 23 approved plans were dealing with targeted, explicit measures for both youths and older workers (Tros, 2014: 23–25). These plans deal with a combination of measures to create a certain number of work training contracts for young people (mostly younger than 27 years), together with investments in the employability of older workers (mostly aged 55 years or more) through training, education and job-to-job policies. The collective bargaining parties in seven sectors agreed on interlinked measures for the younger and older

⁴ Sector plans have to be initiated and agreed by employers’ associations and trade unions at the sector level, or possibly at the regional level. The social partners have to finance at least 50% of their measures in their own sector plans by themselves.

workers, mostly aiming to generate synergetic effects in knowledge and skills transfers from the older workers to new, young workers and trainees.

The sector plan in the construction industry was analysed as a case study for the country report of the Netherlands (Tros, 28–32). This case study shows the following favourable conditions for intergenerational bargaining:

- i) Co-financing from the government (50% of €120 million).
- ii) Proactive approach of the bipartite labour market organization in the sector to preserving the skills of older workers, combined with a sufficient inflow of young construction workers into the apprenticeship system in the construction sector.
- iii) Cooperative social dialogue in the field of training and employment in the sector, and the ‘isolation’ of this policy dossier from more conflictual subjects in collective bargaining.

The social partners faced two main barriers. Firstly, the refusal of the government to subsidize working hours reduction or retirement/partial retirement in a sector with health problems among older workers. Secondly, the limited financial resources in the sector, also caused by decreased coverage rates of collective bargaining in the construction industry.⁵

We see in the Netherlands a governance approach that is different from that in France. The *Generatiepact* emerged bottom-up from trade unions in the sectors (the FNV confederation even remained in the background). Further, collective bargaining parties are not obliged by the state to bargain on intergenerational issues as they are in France, but can be financially supported by the government if their own initiatives in sector plans have been approved by the government. A remarkable similarity between the two countries is the straightforward governmental focus on preventing a reintroduction of the old ‘trade-off’ of replacing older workers with young workers in times of high youth unemployment. In the governmental assessment of sector plans, part-time retirement arrangements or working hours reductions for older workers were not eligible for subsidy (Tros, 2014). So, even in the more corporatist system in the Netherlands, we found evident tensions between the public policy logic and the desire for autonomous collective bargaining in intergenerational issues.

Another case study in the Netherlands country report deals with a modernization in the age related terms and conditions of employment in a regular collective agreement. This case study is an illustration of the social dialogue debates in many sectors and firms in the Netherlands in which the older workers’ stipulations in collective agreement are debated. These extra rights for older workers have come under more pressure since the implementation of the Equal Treatment in Employment Act (2005) in the Netherlands. A recent case (in the secondary education sector) shows an intergenerational approach in negotiating on austerity measures in the terms of employment for older teachers. The long-established extra leave facilities for those aged over 52 years have been converted into a ‘life-course regulation’ in which workers of all ages are given some options as regards working hours, leave, remuneration, and pensions. The underlying idea is that all teachers can be in need of more free time: young teachers need more preparation time for their classes, and middle-aged teachers can have care responsibilities in their families. The social partners made a kind of compromise in 2014 to keep some of the targeted provisions for workers aged 57 years or older, legitimized by the older teachers’ need for more recuperation time. In other words, the bargaining parties in this sector

⁵ Caused by structural factors – such as the increase in self-employment in the sector – and cyclical effects of the financial and economic crisis (bankrupts).

followed an intergenerational redistribution logic in the regulation on working conditions. Nevertheless, the high workloads of teachers in this sector – especially when taking into account that most of them remain teachers throughout their working lives – continue to be a problem in the sector.

4.3 Italy: generational relay schemes

Although Italian employment policies can in general be characterized as addressing either youth employment or early retirement, Lisa Rustico and Roberto Pedersini (2014) analysed some Italian initiatives in which these policy domains have been connected to each other. These initiatives are based on the intergenerational replacement/distribution logic by facilitating working hours reduction or gradual retirement in order to generate new job opportunities for youths. The Italy country report shows that this approach was first adopted at the beginning of the 1980s (ibid.: 8). Since the mid-1980s, the private sector has employed ‘intergenerational solidarity schemes’ in which older workers’ working time reduction has been combined with new jobs for youths within the same company. These intergenerational company schemes are subsidized by public resources as compensation for some of the income loss of older workers.

In their country report, Rustico and Pedersini (ibid.: 13–21) present a comprehensive analysis of four recent case studies of intergenerational relay schemes in Italy and their implementations. In all cases, older workers can voluntarily apply to reduce their working time by a maximum of 50% and for a maximum of 36 months. The company commits to consequently hire a young person, so as to achieve positive net results in staff size. The region or the province provides public support to cover senior workers’ voluntary contribution payments. The relative success of the intergenerational schemes in Trento can be explained, at least in part, by the intense social partners’ engagement: unions and employers’ representatives sit on the employment agency board and have signed more than one company and sector agreement. Other potential enabling factors were the private pensions funds, flexibility in the measures, and financial resources. However, the authors conclude that practice remains limited. They identify several obstacles, such as the uncertainty due to the instability of the legal framework and political priorities, and the older workers’ reluctance to lose part of their salary in times of economic crisis, combined with the impossibility of returning to full employment.

Rustico and Pedersini conclude that the analysed bargaining practices in the case studies in Italy are not ‘working’ and implemented as expected. Their real impact on younger and older workers is, at least in quantitative terms, marginal at best.

Comparing the Italian report with the other country studies, we see firstly, in contrast to all other reports, public support for early retirement. Public employment policies that aim at longer working careers for senior workers are still underdeveloped in Italy. Also the social partners in Italy are ambiguous in the active ageing agenda. Collective dismissals are still used as important instruments to make older workers redundant without creating jobs for youths (Rustico & Pedersini, 2014: 11–12; 18). There is some activity on the agenda for youths – such as apprenticeships, trainee schemes, and the Youth Guarantee – but Italy is plagued by very high shares of young people who are not in employment, education or training (see figure 3). More recently, the government and some social partners (such as in the chemical industry) have taken some initiatives in giving older workers tasks in tutoring new, young workers in sectors and companies. Nevertheless, these debates and activities are very small scale. The same can be said about the social dialogue and collective bargaining practices

towards life course policies, lifelong learning, and improving working conditions, health related issues and adapting tasks to promote longer working careers.

In sum, the continuing focus on early retirement in Italy's collective bargaining practices contradicts the EU's active ageing agenda – without generating new jobs for the youth – and seems to overshadow the investments in the employability of older workers and other age related policies.

4.4 Germany: integral *Demografie-Tarifverträge* and lifecycle policies

The most innovative collective bargaining approach is found in Germany in the case of demography related collective agreements (*Demografie-Tarifverträge*) and their options for implementation in lifecycle policies that address workers' school-to-work transition till their retirement transition (and the career phases in between). These intergenerational initiatives have emerged since 2006 in collective agreements in the metal and electrical engineering sector and the chemical sector, as well as in large companies in the metal industry and the railway sector (Brettschneider, 2014). We follow Brettschneider in his claim that the case studies in the Germany country report illustrate a well-developed integral age and ageing related HR strategy at the company level, embedded in the framework of collective bargaining.

In his comparative study of several case studies, Antonio Brettschneider (2014b: 2–3) demonstrates that these *Demografie-Tarifverträge* share some crucial features, such as: i) a mandatory demographic analysis of the workforce at the company level; ii) a 'demography fund', financed solely or mostly by the employer(s); iii) a framework of possible instruments that can be used for tailor-made implementations at the more decentralized levels; and iv) continuous monitoring and consultations between the employer and workers' representatives at the company level are aimed at.

An interesting characteristic of the case studies in Germany is that the collective bargaining parties follow a comprehensive strategy by including quality of work and health issues in age and ageing related issues. Employers' strategies have been connected to trade unions' campaigns on *Gute Arbeit* (Brettschneider, 2014: 20–25). Quantitative issues – such as the inflow of young workers and the flexible retirement of older workers in a long-term demographic perspective – are linked explicitly with qualitative issues, such as vocational training and education for the youth, career development, reconciliation of work and family, health policies, continuous training, age appropriate workforce design and retirement transitions (see the illustrative diagram on page 45 of the country report of Germany).

The German case studies are clear examples of autonomous collective bargaining: public policies do not play an explicit role in the emergence or implementation of the *Demografie-Tarifverträge*. The social partners' actions are centred on the fourth logic of intergenerational bargaining: a policy approach in which the workers' changing needs are supported over the lifecycle. The intergenerational replacement/distribution logic seems to have disappeared from the strategies of the collective bargaining parties (idem: 15). Trade unions seem to see flexible retirement arrangements as an opportunity to support older workers' preferences and needs, instead of as an instrument to create new full- or part-time jobs for youths (idem: 23). The approach in creating synergies between the workers' generations is part of the demography related agreements and their implementation in life course policies by promoting mixed-aged working groups, senior's supervision of trainees, job rotation, and

the organization of succession management in which the experiences of retirees are shared with younger workers (Brettschneider, 2014: 25–38).

The German case studies as such can be evaluated as best cases, because of the social partners' long-term orientation, the integration of quality of work issues, age/ageing awareness, and the involvement of trade unions and works councils. We see three important challenges and limitations. Firstly, bargaining about the distributive allocation of the funds' resources (e.g. targeted at younger or older workers) may come at the decentralized level. Complicated debates on 'fairness' and 'deservingness' are beyond the scope of the works councils' normal tasks and can lead to political fights within the company (Brettschneider, 2014: 46). Secondly, not all sectors and companies can afford the demography related funds and/or are institutionally embedded in well-organized employers' organizations and trade unions. The further spreading of demography related agreements and lifecycle policies in the German model of industrial relations is a challenge. Thirdly, there is a drawback to a system that combines the provision of vocational training and social security by collective bargaining parties (with limited coverage rates) with the low involvement of public policies in these policy domains, namely: inequality in the workers' access to these arrangements.

4.5 Sweden: age related bargaining for younger and older workers

In Sweden, strategies for combatting youth unemployment and promoting prolonged working lives for older workers are largely seen as separate, equally important and non-conflicting strategies (Rönmmar, 2014: 17). The collective bargaining parties in Sweden recently initiated new 'parallel bargaining' targeted at younger and older workers.

The Sweden country report by Mia Rönmmar (2014) shows a relatively high autonomy of the social partners and their collective bargaining activities in age related issues. All three case studies in Sweden – which are about i) introduction agreements for younger workers, ii) partial retirement for older workers and iii) transition agreements in case of dismissals – were initiated by collective bargaining parties at the sector level.

Compared to the French and the Dutch, the intergenerational public policy logic remained more in the background of collective bargaining. In 2010, the social partners in some of the national sectors introduced 'introduction agreements' for younger workers. These agreements regulate employment relations with young workers, combining work, education, training and supervision (ibid.: 19). Two years later, public authorities began to intervene in these domains. The government introduced a scheme in which employers are given public subsidies, on the condition that they hire one or more young person(s) within the framework of the collectively bargained introduction agreement. In addition, the Swedish government tried to promote collective bargaining activities in relation to this issue and its implementations. As we have seen in the country reports of France and the Netherlands, also in Sweden some tensions have emerged between the government – which pushes for the labour market inclusion of younger workers – and social partners, which want autonomous bargaining. For the social partners in Sweden, an important aim of the introduction agreements for youths is to secure competence provision, and not a 'quick fix' for youth unemployment (ibid.: 22).

The intergenerational bargaining logic of promoting a redistribution of employment from older to newer generations is rather alien to Swedish public policy and collective bargaining (ibid.: 36). The main aim of the collective agreements on partial retirement for older workers is to prolong their

working lives – a better alternative to being forced into full inactivity in the case of sickness or limited employability. In other words, this initiative is more focused on the principle of supporting the need of older workers (and employers) to continue participating in the labour market. Without formulating the explicit aim of intergenerational replacements in the labour market, the social partners simply hope that the partial retirement of older workers will also lead to a corresponding recruitment of younger workers (idem: 35). The main debates regarding part-time work for older workers in the industrial relations context in Sweden relate to the financial compensation for the concerned older workers.

The third case study in the Swedish report concerns the collective agreements on supporting job-to-job transitions for workers in the case of redundancy. Rönmar shows that intergenerational elements play a more implicit role in these ‘transition agreements’. Social partners are negotiating on the application or derogation of the indirectly age related ‘last in, first out’ (LIFO) principle in the case of collective dismissals (ibid.: 29–30). Older workers are favoured by this LIFO principle, while younger workers may be favoured by the opportunities to negotiate on bargaining on the derogating from this principle. Another age related topic in these agreements concerns the inclusion of workers who have flexible and fixed-term contracts (ibid.: 32–33).

The intergenerational logic to create synergies between younger and older workers is neither explicitly aimed at by nor part of Swedish collective agreements. However, the introduction agreements can have intergenerational implications at the workplace in the context of the supervision, training and education of youths by especially the older workers. The Swedish Trade Union Confederation LO refers to a win-win situation when the knowledge and the experience of older workers are transferred to youths: older workers with supervision tasks in the introduction agreements have less need to reduce their working time, be on sick leave or retire early (ibid.: 22).

Following Rönmar, we conclude that the debates and collective bargaining activities in Sweden are focused on the needs of younger workers (to enter and establish themselves in the labour market) and those of older workers (to prevent sickness and early retirement and to promote longer working lives). The collective bargaining approach in Sweden is to make targeted age related agreements that are in line with both EU and Swedish law (ibid.:33-34). So, the Swedish social partners are following the lifecycle logic, but without explicitly interlinking the policies for younger and older workers in life course related agreements as in the German case (see 6.5).

4.6 UK: implicit age and life phase related activities

Vanessa Beck and Glynn Williams (2014: 3) conclude in their country report that intergenerational bargaining in the UK must be understood as an implicit activity because of the following, interrelated impediments in the UK context: i) restricted scope of collective bargaining, ii) absence of bargaining at the sectoral level; iii) low union density in the private sector, especially among young workers, iv) employer and union focus on ‘here and now’, v) union scepticism of ‘flexicurity’ style trade-offs, and vi) age equality legislation (Beck & Williams, 2014: 7).

It can therefore be concluded that the industrial relations characteristics in the UK are at odds with enabling factors for explicit bargaining and collective agreements regarding our four logics of intergenerational bargaining:

1. The reduced role of collective bargaining in the UK has further weakened the conditions for connecting targeted employment public policies with mandatory bargaining for the social partners. Furthermore, the plural industrial relations system in the UK has no tradition of 'interwoven' mechanisms between governmental policies and collective bargaining (lack of social partners' involvements at the macro-level).
2. Besides the argument that collective bargaining activities have weakened and narrowed in their scope, it has also to be said that in general, social partners in the UK have rejected the assertion that extending the working lives of older workers limits the options for young people (Beck & Williams, 2014a: 3). The 'phasing' of retirement through part-time work towards the end of careers is considered a constructive way of managing staff turnover and an opportunity for a managed transfer of skills from older to younger workers, but not as a policy to generate more job opportunities for youths (Beck & Williams, 2014: 22–26).
3. Targeted rules to create synergetic effects between younger and older workers are hindered by the limited scope of collective bargaining on primary terms and conditions in employment (e.g. wages and pensions) and the low level of interventions in workplace management.
4. Although there is some flexibility in collective bargaining regarding age related approaches, the equal treatment legislation in UK has been interpreted very firmly as a requirement for the equal treatment of workers of all ages (ibid.: 42).

The case studies in the UK country report show that unions do not explicitly bargain for just youths or just older workers. They definitely do not want to make 'trade-offs' between the job opportunities or working conditions of these two groups. The trade unions are aware that younger and older workers can have different needs and that company practices can have different impacts on age groups, but their approach is that employment, pay and working conditions have to be good for *all* workers. The case study on the 'Mid-life Career Review' was initially targeted at workers in their late 40s/early 50s to promote longer and better working careers, but the involvement of the unions expanded the approach beyond this age group. Shop stewards and 'union learning representatives' support individual workers, irrespective of age, in their work, careers and work–life balance through 'safe' conversations' with peers, which can be seen as preparation for performance appraisal conversations with management (ibid.: 26–32). By integrating such issues as health, wellbeing and quality of work in the career reviews, the workers' age and career phases can indirectly play a role.

5. Comparative analyses

Table 1 gives an overview of the main intergenerational initiatives and their initiating actors, main content and underlying logics in the six countries. This overview is not exhaustive; the smaller initiatives in the countries are discussed in the individual country studies.

Collective bargaining parties in the six countries show awareness about the challenge of enhancing employment opportunities for both youths and older workers, and of integrating their policies and strategies for younger and older workers through collective bargaining and social dialogue.⁶ When we compare the intergenerational initiatives in the six national systems of industrial relation, we see variety in:

- 1) Initiating actors at different IR levels;
- 2) Coordination patterns between actors;
- 3) Intergenerational logics;
- 4) The degree of interlinkages between the policies of younger and older workers and integrative approaches;
- 5) Implementation and ‘success’.

Looking to the initiating actors in intergenerational bargaining in the case studies, we see relatively high activities by:

- ➔ The state in France (and also the national social partners preceding the government initiative);
- ➔ The social partners at the sector level in Sweden and the Netherlands;
- ➔ The social partners at the sector and firm levels in Germany;
- ➔ Local trade unions in the UK.

Secondly, we see that coordination patterns between the IR actors differ in the six countries:

- ➔ ‘Interwoven’ actions of the government and collective bargaining parties in France and the Netherlands (more top–down in France and more bottom–up in the Netherlands);
- ➔ Relatively autonomous collective bargaining in Sweden and Germany;
- ➔ More ad hoc, less widespread collaborations in Italy between local governments and social dialogue in companies;
- ➔ Autonomous local activities of trade unions in the UK.

Unsurprisingly, the variety in initiating actors and coordination patterns between the IR-actors corresponds to the national traditions in industrial relations systems (e.g. Crouch, 1993; Baglioni & Crouch, 1993; Milner, 2015).

⁶ With the remark that trade unions in the UK want to address and integrate the specific needs for the youth or the older workers in a more age-neutral approach.

Table 1: Main initiatives in the six country reports: by country, period, main content and main logic(s) of intergenerational bargaining (not complete)

Country	Main inter-generational initiative	Initiating and main actors	Period	Main content	Main logic(s) of intergenerational bargaining
France	<i>Contrat de génération</i>	State; procedures for collective bargaining	2012–	Creation of jobs for youth while maintaining older workers	Public policy. Secondary: synergetic effects.
Germany	Demography related collective agreements implemented in lifecycle policies	Social partners at sector level; framework for company consultations	2006–	Funds for comprehensive/ integral age management measures	Lifecycle approach. Secondary: synergetic effects.
Italy	Inter-generational relay schemes	State (national and regional) Framework for company schemes	Follow up of initiatives in the last 3 decades	Partial retirement older workers connected to recruitment of young workers	Replacement / distribution logic.
Netherlands	Sector plans	Both social partners and government	2013–2015	Subsidizing targeted/interlinked measures for younger and older workers	Combining logics of public policy, synergetic effects, lifecycle approach.
Sweden	Parallel, targeted bargaining for youths and older workers	Social partners at sector level	2010– Follow-up	Introduction agreements for younger workers. Partial retirement older workers	Lifecycle approach. Secondary: synergetic effects.
UK	Career reviews	Trade unions	2014	Support for individual workers in work and work–life balance	Implicit lifecycle approach.

Source: The six iNGenBar country reports

Thirdly, we have clearly seen variety but also similarities in intergenerational logics in collective bargaining and collective agreements between the six countries. In this perspective, we can make the following conclusions:

- ➔ The public policy intergenerational logic in interlinking the employment policies for both younger and older workers is most visible in the collective bargaining practices in France and the Netherlands;
- ➔ The intergenerational replacement logic is most explicitly regulated in Italy, although replacement is partial following the a part-time employment of older workers;
- ➔ The logic of creating synergetic effects between younger and older workers is explicitly pursued in collective bargaining in France, Germany, the Netherlands and, to a limited extent, Italy;
- ➔ The logic of a lifecycle approach is integrally implemented in some of the collective bargaining practices in Germany. A targeted age group approach – based on the principle of age related workers’ needs – is also quite strongly developed in the collective bargaining practices in Sweden (but in a more parallel – and less interlinked – way than in the German case).

Fourthly, we see that collective bargaining parties in the six countries address similar topics: improving school-to-work transitions and guaranteeing the inclusion of new, young workers by organizing training facilities at the workplace; preserving the work related skills and experiences of older workers; and providing flexible retirement opportunities for older workers. We see more variety in the extent to which the social partners make agreements on these topics and explicitly interlink these policies. The most integral demography and lifecycle oriented approaches – from the ‘school-to-work’ to the ‘work-to-pension’ transition – can be found in Germany. The German cases are also more integrative through the integration of topics regarding health, quality of work and work-life balance topics.

We found collective agreements on promoting intergenerational knowledge transfers in France, Germany and the Netherlands, and to a lesser extent also in Italy. In these agreements, the older workers are involved in mentoring, coaching and/or instructing young people at the workplace and in vocational training trajectories. The Swedish collective bargaining parties are following an age related approach – by combining agreements for the younger and the older workers – but are not (yet) explicitly combining these policy domains. The collective bargaining parties in the UK seem to be aware of age related problems, but are reluctant to make age related collective agreements.

In all six countries, we see that the debates about part-time work or gradual retirement for older workers are framed as a ‘win-win-win’ opportunity to enable longer working careers, to preserve knowledge and experience for business, and to facilitate ‘succession management’ by the youth.

Finally, we see variety in the degrees of implementations of intergenerational bargaining and agreements. There is no doubt that the legislative programme of the intergenerational relay schemes in Italy is used to a very limited extent. To make absolute conclusions regarding the ‘success’ of the *Contrat de génération* in France is in our view a more complex case. The France country report is critical about the implementation of this programme in collective bargaining (see section 4.1). It is clear that the results can be seen as disappointing in the context of the quite high ambitions of this governmental programme and the low effects on quality oriented age management. Nevertheless, in a more international comparison, it can be concluded that this programme has stimulated collective bargaining at a relative high level. Furthermore, the *Contrat de génération* programme still has three years to go. The more bottom-up approach in the sector plans in the Netherlands seems to be more successful in the agreements on both younger and older workers in a quite broad range of sectors. However, it is unknown whether the demography related actions of the Dutch social partners will continue after the end of the respective public funding in 2016. The *Demografie-Tarifverträge* in some of the German sectors is better embedded in the autonomous system of collective bargaining.

The social partners in Germany are far less dependent on the political conditions. The challenge here, however, is propagating intergenerational bargaining towards a wider coverage of sectors.

6. Lessons learned from the iNGenBar project

First lesson: Governments can play an important role in supporting and promulgating social partners' initiatives in combining the creation of jobs for youths, the preservation of the jobs of older workers and the promotion of intergeneration knowledge transfers.

Especially in a more international perspective, the political support of the French and the Dutch initiatives in collective bargaining has had a positive impact (with the caveat that public policies can have the more or less unintended effect of narrowing the scope of social partners' actions; see lesson 2). The governmental programmes in both France and the Netherlands have demonstrably led to the promotion of collective bargaining activities and agreements in the main sectors of the two countries regarding the combination of creating jobs for youths and preserving the jobs of older workers, and in the Netherlands also job-to-job policies for older workers. Furthermore, both intergenerational programmes are only in the first phase of the implementation process. It remains to be seen whether the rather short programme in the Netherlands will have a follow up.

The Italian public-privately financed intergeneration relay schemes have had only very limited results concerning collective bargaining practices and take-up rates among the workers. The Italian government has not followed a strong intergenerational employment policy and older workers feel insecure about participating in the intergenerational relay schemes.

Second lesson: Intergenerational public policies have led to tensions in autonomous bargaining.

The public intervention in intergenerational bargaining in France and the Netherlands has promoted collective bargaining on intergenerational issues but has also led to a narrowing of the scope of the social partners' bargaining activities regarding these issues. The French government's focus on quantitative targets in the *Contrat de génération* has led, more or less intentionally, to a bargaining agenda largely focused on quantitative indicators and devoting much less attention to qualitative issues like organizing intergenerational knowledge transfers and other age management measures. A similar process occurred in the Netherlands. Although the trade unions wanted to integrate in intergenerational bargaining the issues of part-time early retirement and working hours reduction for older workers, they have been confronted with the non-eligibility of these measures for public financial support.

It is interesting to note that the widest scope in the bargaining agendas for younger and older workers can be found in Germany, in a context of highly autonomous collective bargaining. The social partners in some German sectors have themselves launched anticipatory discussions and longer term employment analyses concerning their demographical contexts. The demography related funds can be seen as a stabilizing factor for addressing new challenges regarding younger and older workers and for agreeing on new age related measures in the near future. Nevertheless, the biggest challenge in Germany seems to be extending these collective bargaining practices to other sectors and firms without the support of the government.

Third lesson: The intergenerational replacement logic has been put in the background in social dialogue and collective bargaining.

The case studies in this projects confirm the general conclusion that the social partners are politically and financially restricted in making collective agreements on early retirement. This study shows that the debates on early retirement have changed into the promotion of more flexible and tailor-made

arrangements at the micro level, instead of a reintroduction of the massive programmes at the macro level. The debates and agreements on early retirement for older workers have been changed into i) a more voluntary approach; ii) a focus on the older workers' individual responsibility for their income security at the end of their working careers; and iii) the use of the concept of part-time retirement/work as an instrument for enabling longer working careers.

Fourth lesson: Intergenerational 'positive-sum logics' have entered collective bargaining and social dialogue.

The social partners are framing the interrelations between younger and older workers in a more 'positive-sum' game (although less so in Italy). They acknowledge the need for both groups to be more integrated into the labour markets, and stress the general importance of the specific labour-related contributions, strengths and needs of younger and older workers. One specific intergenerational 'win-win-win' configuration is mentioned quite often: transferring knowledge and skills from the experienced older workers to the younger generations at workplaces and in school-to-work trajectories. The French, Dutch and Italian cases have even made (modest) agreements on this logic. Such measures address younger workers' interests (training), older workers' needs (enabling longer working careers) and business needs (preservation of skills and organizational knowledge).

Fifth lesson: The making of labour market diagnoses in a demographic and longer term perspective promotes intergenerational collective bargaining.

Especially the German and Dutch reports show that labour market diagnoses at the sector and firm level have led to, sometimes interrelated, targeted measures and agreements for both younger and older workers. Longer term analyses can better justify the importance of anticipatory policies in skills provisions in all age groups, succession planning in HRM and 'ageing friendly' workplaces.

Sixth lesson: EU laws do not hinder intergenerational bargaining or age related regulations for younger and older workers.

The social legal study by Beryl ter Haar and Mia Rönnmar concludes that EU treaties provide a strong legal basis for the prohibition of age discrimination and that the legal basis to adopt measures specifically addressing younger and older workers and persons is weak to non-existent (Ter Haar and Rönnmar, 2014: 24). Nevertheless, the CJEU case law on age discrimination has afforded member states and social partners broad discretion in their decision to pursue a particular aim in the field of social and employment policies and in their choice of measures used to achieve this aim, including the differential treatment of age groups (*ibid.*: 26). The involvement of social partners as relevant actors in the promotion and adoption of measures for younger and older workers is acknowledged in EU policy initiatives and in the EU age discrimination law (*ibid.*: 27). Nevertheless, EU policy initiatives address the specific situation of youths and older workers separately. Only the policy field of lifelong learning can be seen as an exception (*ibid.*).

7. Perspectives in Europe

We conclude that there are three advantages in promoting the 'intergenerational' dimension in social dialogue and collective bargaining:

- It strengthens awareness of the specific labour market positions and needs of both younger and older workers.
- It supports social partners' role in unifying generations of workers – also as a response to public opinion and the risk of 'generational conflicts' or age related outsidership in the labour market and in employment relations.
- It fosters 'positive-sum' bargaining by combining and interlinking age related capacities, knowledge and skills and integrated approaches in lifecycle policies (from school-to-work transitions to retirement transition, and all working life phases in between).

This project has resulted in a better understanding of the social partners' reasons to strive for a better integration of the policies and strategies for younger and older workers through collective bargaining and social dialogue. The social partners' opportunities to improve the labour market and employment situation and working conditions for both groups are dependent on the national contexts of industrial relations systems, such as the cooperative structures between governments and collective bargaining parties and the scope of dialogue and bargaining between employers and trade unions (especially where the integration of issues of the quality of employment, training and education, health and working conditions is concerned).

This research project has also shown that the Europe-wide crisis has been an enabling factor in promoting intergenerational or age related public policies, although they did not emerge immediately when the crisis started: the bigger public initiatives in the country reports were implemented several years after the onset of the crisis: the French *Contrat de génération* was implemented in 2012 and the Dutch *Generatiepact* in 2013. Both public programmes reinforced the governmental approach of not using early retirement schemes for older workers as a policy instrument in solving the problem of youth unemployment (the main intergenerational 'trade-off' during the last three decades of the 20th century). We expect continuing political and public attention to the employment participation of both groups, because of the risk that the workers at the beginning as well as at the end of the working lives run to be used as 'adjustment' variables in flexible labour markets.

The research results indeed suggest that the old intergenerational 'trade-off' – that is, redistributing employment from the older to the newer generations of workers – has disappeared as an important topic in collective bargaining. At the same time, however, the labour market and company practices in some sectors of industry can push for, or generate, a redistribution of jobs towards cheaper or more recently educated workers, for example in the retail industry (in which the labour market is more constituted as a 'lump sum'), the IT sector (in which the older workers' skills risk becoming obsolete) or in physically demanding workplaces. More tailor-made collective bargaining on investments in skills, health, task differentiation and cross-sector job-to-job policies are needed to prevent unemployment and sickness in later working life phases. For some groups, however, we expect in both the short and the longer run that the social partners in Europe will increase their bargaining activities on the issue of part-time work and flexible and gradual retirement among older workers. These negotiations will deal with regulating compensation for income loss and the needs of older workers themselves, although cost reduction of senior workers' labour costs will also play a role. The

take up of these reduced working hours of the older workers by younger workers can be directly or indirectly addressed in collective bargaining. The relevant case studies in this project (in particular Italy and the Netherlands) have taught us that combining part-time retirement for older workers with new jobs for youths can be both enabled or hindered by the financial compensation for the older worker.

A remarkable finding in this project is that the social partners in all countries (with the possible exception of the UK) have intensified their debates – and sometimes initiated regulations – on the topic of intergeneration transfers of knowledge and skills by involving older workers as mentors, coaches, trainers or instructors for young workers at workplaces, vocational education organizations or in other school-to-work trajectories. Reserving these kinds of tasks for workers in the final phase of their working careers is a valuable option to enable longer working careers for older workers, knowledge management in organizations, and recognizing and appreciating the skills, insights and values of experienced workers (see also Cedefop, 2009; Delay et al., 2011; Jubany et al., 2014). Coordination through collective bargaining and the involvement of trade unions can have a supporting and promoting function for these kind of innovations at the workplace, as we have seen in France, Germany and the Netherlands.

We can also conclude that the collective bargaining parties in most of the case studies seem not to refer to frames and concepts on ‘intergenerational solidarity’, or to ‘intergenerational conflicts’, when discussing or negotiating age related employment or working conditions. Social partners in many case studies address the specific, work related needs of both younger and older workers, without bargaining on intergenerational ‘trade-offs’. This can be done through approaches targeting specific age groups in labour market policies and in collective agreements (Sweden, Netherlands, France, Germany), or through an approach in which the needs and interests of youths or older workers are addressed in age neutral, general regulations (UK). Nevertheless, some tensions between age groups are signalled in some of the country reports, for example regarding the negotiations on the austerity measures in older workers’ provisions and their conversion into new provisions for workers in all working career phases in the Netherlands. In this case we have seen negotiations along the intergenerational redistributive logic that does not concern employment but a distribution of terms and conditions of employment. Another complex case dealing with intergenerational solidarity is that of the debates in German firms about age group related priorities in HR policies and the related distributive decisions in the context of the demography related funds and framework agreements. These tensions and dialogues between generations of workers can be better moderated when young workers are more organized by trade unions and when they are given a stronger voice in trade unions’ decisions and actions. Intergenerational bargaining approaches and activities are challenged by the ageing memberships of trade unions in Europe (Keune, 2015). Vandaele (2012) concludes that youth representatives across Europe find their confederations’ responsiveness and commitment to organizing younger workers inadequate. Trade unions are only to a limited extent adapting their internal policies and strategies to support young people and engage the new generation of workers in their activities and decision-making structures.

Besides the more targeted logic of organizing intergenerational learning in collective bargaining, and the more political dependent logic of public employment policies for youth and older workers, we think that bargaining along the lifecycle logic is a promising approach in collective bargaining, because of its ambition and ability to respond to – and to anticipate – the specific and changing needs of workers in work-life phases and during their careers, from the school-to-work transition to the work-retirement transition. Such an approach can include topics on the quality of work and

employment, health issues, training, job design or redesign, and work–life balance to foster an improved labour market inclusion of youth workers and higher quality working career extensions for older workers. The biggest challenge in this approach is to extend it to workers in less organized sectors and to those with less stable career patterns.

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Germany: Antonio Brettschneider, University of Duisburg-Essen, Institut für Soziale Arbeit und Sozialpolitik (Chair: Prof. dr. Ute Klammer).

Italy: Lisa Rustico and Roberto Pedersini, Università degli Studi di Milano, Dipartimento di Scienze Sociali e Politiche.

The Netherlands: Frank Tros, University of Amsterdam, Amsterdams Instituut voor ArbeidsStudies (AIAS).

Sweden: Mia Rönmar, Lund University, Faculty of Law.

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