



## O SOCIÁLNOM DIALÓGU A MOŽNOSTIACH PREDĽŽENIA PRACOVNÉHO ŽIVOTA V EURÓPE

### TOPICS CONCERNING SOCIAL DIALOGUE AND THE EXTENSION OF WORKING LIFE IN EUROPE

*Bogusława Urbaniak*<sup>1</sup>

Ekonomické dôsledky starnutia populácie Európy vedú politikov k prijatiu zákonov na predĺženie pracovného života. Táto tendencia sa stretá s nesúhlasom verejnosti. Odbory, zamestnávateľia a vlády v jednotlivých európskych štátoch sa k tomuto problému stavajú rôzne. Predkladaný článok poukazuje na výsledky spoločenského dialógu v tejto oblasti, predovšetkým sa zaoberá rolou odborov v dvoch skupinách štátov s odlišnými pracovnoprávnymi vzťahmi. Článok testuje hypotézu, že v štátoch s rozdielnymi modelmi pracovnoprávných vzťahov hrajú odbory vo vzťahu k otázke predĺženia pracovného života odlišné úlohy.

Kľúčové slová: politika starnutia, pracovný trh, odbory, spoločenský dialóg

The economic impact of an ageing population in Europe forces policy makers to adapt legislation towards the extension of working life. This tendency is met with opposition from the public. Trade unions, employers and governments in European countries develop their own measures to address this problem. This article presents the outcomes of social dialogue in this area, with special attention given to the role of trade unions, acting in countries with two completely different models of labour relations (LR). The article tests the thesis that in countries with dissimilar LR models, trade unions also play different roles in shaping and stimulating social dialogue on the extension of working life.

Key words: ageing policy, labour market, trade unions, social dialogue

JEL: J21, J51, J83

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<sup>1</sup> Dr. Hab. Bogusława Urbaniak. Department of Labour and Social Policy, Institute of Applied Economics and Informatics, Faculty of Economics and Sociology, University of Lodz, 90-255 Łódź, Poland, e-mail: [bogelur@uni.lodz.pl](mailto:bogelur@uni.lodz.pl).

Bogusława Urbaniak is the Head of the Department of Labour and Social Policy. Her main areas of research include labour market, industrial relations, social policy, HRM, social and economic consequences of ageing. She has been a member of the Employment Expert Group of the AGE Platform Europe since 2011 and is engaged in national and international research projects, including the project "Equal opportunities in the labour market for people aged 50+".

## **1 INTRODUCTION**

One of the most important questions in making economic growth in Europe supportive of social inclusion concerns the sustainability of a high level of occupational activity among older employees. This area definitely needs the active involvement of trade unions, as well as their participation in the development of labour market policies focused on integration, specifically when each EU Member State is required to prepare its own annual action plan consistent with the objectives of the European employment strategy. This article analyses the employment policy solutions implemented by two countries which have different models of labour relations (LR), namely France and Norway. Norway is not an EU Member State, but as a member of the European Economic Area it must implement many solutions that EU members have incorporated into their legislation. It should be noted, however, that Norway also frequently introduces initiatives and solutions that EU countries find worthy of consideration.

Trade unions become active whenever the topic of stimulating occupational activity, among people aged 50 years and older, is put on the agenda for social dialogue in Europe. This article aims to analyse how trade unions contribute to increasing the occupational activity of older employees by using, as examples, two countries which have different LR models. The thesis to be tested is that the role of trade unions in giving shape to, and driving social dialogue, differs depending on the LR model. The analysis will be performed using the analytical and comparative method and the sample of countries that will be considered and compared consists of Norway and France. The discussion will be mainly based on documents prepared by the European Commission, and on the outcomes of one of the Peer Reviews of the Mutual Learning Programme, which was set up to exchange information and experiences on topics within the European employment strategy. The results of the author's research will be used to support activities aimed at increasing the effectiveness of social dialogue whilst also improving occupational activity among older employees.

## **2 THE EUROPE 2020 STRATEGY AND LABOUR MARKET CHALLENGES IN EU-27**

An important objective of the European Year For Active Ageing And Solidarity Between Generations in 2012 was to make the EU an age-friendly area and generate, by 2020, conditions enabling: 1) the generation of jobs for older employees, 2) the implementation of a policy providing older people, a group particularly vulnerable to unemployment, with equal labour market opportunities, and 3) a flexible retirement policy, which is needed because the official retirement age will be nominally extended/equalised for men and women (European Commission 2012a).

In March 2010, the European Union announced its new strategy on development – *Europe 2020. A Strategy for Smart, Sustainable and Inclusive Growth*. After the failure of the Lisbon Strategy, this new approach seeks to stimulate development, based on knowledge, while also paying attention to environmental issues

and the greater availability of high(er)-quality jobs. This approach is expected to ensure economic, social and territorial cohesion as well as a high level of employment, especially as its target rate for the group aged between 20-64 years old has been set at 75% for 2020. The new strategy allows each Member State to have its own objectives within that framework and to adjust the target employment rate to suit its particular situation. This ‘customisation’ may be introduced following individual negotiations between a Member State and the European Union, during which the Community takes into account each country’s starting point and its unique characteristics. Poland has reduced its overall target from 75% to 71%. Other countries that also chose to pursue lower employment rates are Malta (62.9%), Italy (67-69%), Ireland (69-71%), Romania (70%), Slovakia (72%), and Lithuania (72.8%). However, some countries decided to raise the target required by the Strategy, for instance the Netherlands (80%) and Sweden (far above 80%) (European Commission 2013a). For these rates to be reached in this decade, these countries will have to strive to keep the oldest employees in the labour market, especially when demographic changes will increasingly reduce the inflow of younger people. Strong concerns also arise with the possible outflow of older employees, especially those choosing disability pensions, or the growing number of employees switching to various benefits, e.g. unemployment or social benefits. Although an increase in the mandatory retirement age should, theoretically, decrease the outflow of older employees, the problems they are likely to encounter in the workplace may make them more willing to seek benefits as a “substitute” for old-age pensions.

In order for the ambitious objectives of the Europe 2020 Strategy to be achieved, cooperation between social partners and national governments is required. This task is quite complex because the economic crisis restricts the creation of new jobs (the unemployment rate for EU-28 was 11.0% in July 2013) (Eurostat 2013). The jobs which are available may not always be appropriate for those aged 50+ who, hypothetically, will have to work longer after the mandatory retirement age is raised. The attitudes of older people towards (meaningful) employment are also changing – 61% of respondents in the EU are of the opinion that those reaching retirement age and who are willing to work, should be allowed to do so.<sup>2</sup>

The document *Information on the Actions Undertaken in Poland – Implementation of the Madrid Plan of Action on Ageing*<sup>3</sup> which the Polish Ministry of

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<sup>2</sup> However, as many as seven out of ten people aged 15 years and older indicate that the further occupational activity of people aged 55+ is impeded by the negative attitudes of employers. This opinion was expressed most frequently in Hungary (88%) and Greece (87%); 69% of such responses in Poland placed the country at the EU average. According to the respondents, the friendliest countries to people aged 55+ were employers in Scandinavia: Norway – 50%, Denmark and Sweden – 57% each (European Commission 2012b, p. 50).

<sup>3</sup> In April 2002, UN Member States adopted the *International Plan of Action on Ageing* at a conference in Madrid, thus committing themselves to taking action within three priority

Labour and Social Policy (MLSP) prepared for a meeting in Vienna<sup>4</sup>, in September 2012, shows that Poland does not have a special action plan for older people. It stresses that every older individual “with their wealth of experience, and necessities, including their entire emotional, spiritual and physical sphere is treated as a legitimate and rightful member of society” (UNECE 2012). Such wording reflects a tendency to view those problems specific to older people through the prism of their capabilities and skills. Polish law does not treat old age as a dysfunction. It strongly accentuates the equal treatment of all its citizens (including the elderly) and provides appropriate anti-discriminatory measures for its enforcement. Older citizens and their organizations can influence the development of laws, and the practical solutions that affect them, by presenting their concerns through social dialogue and consultations. This allows the active ageing policy to be extended also to employment issues.

Evolving opinions on whether retired employees should stay in employment require trade unions to represent the interests of employees of all ages, including those aged 50 and above.

### **3 DATA AND METHODS**

The effectiveness of social dialogue on the extension of working life, and the importance of the trade unions in that process is difficult to estimate for the lack of clearly defined measures. Quite naturally, the multitude of variables makes all evaluations approximations. One way to handle the problem is to compare some characteristic aspects of the actions that social partners, mainly trade unions, take in the different models of labour relations established in European countries. In this comparison, the position of pan-European trade union organisations such as the ETUC must also be considered, because their policies have an effect on the actions of trade unions in particular countries. However, attention should be focused on the involvement of trade unions in activities at company, industry and national levels as these are aimed at supporting the longer occupational activity of older employees. The practical and institutional solutions that countries develop in this area differ depending on their model of labour relations. This means that the solutions determined by the centralised northern model are not comparable with those stemming from the decentralised southern model. This raises the question as to which solutions concerning the extension of working life are more effective, and whether, for instance, the

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directions: older persons and development, advancing health and well-being into old age, ensuring enabling and supportive environments (Ministerstwo Pracy i Polityki Społecznej 2013).

<sup>4</sup> The second regional conference of ministers will be a review of the countries’ achievements in fulfilling the *International Plan of Action on Ageing*. The conference will make an evaluation of the achievements and will define problems and challenges relating to the active participation of older people in the life of society. It is expected that the conference will publish a list of priorities for action for the next five years, making the pursuit of a higher quality of life for all society members as achievable as possible (Ministerstwo Pracy i Polityki Społecznej 2013).

solutions of the northern model set a good example for countries with different LR models.

As the importance of the trade unions is generally decreasing today (one proof of this is the falling rate of unionisation), it is worth investigating whether the trade unions as a labour market player still have a significant influence on the introduction of policies aimed at extending the occupational activity of ageing populations. Their actual role in this area can be measured by comparing the solutions that countries with different LR models have adopted in order to encourage the employment of older employees.

The discussion presented below is based on the *Europe 2020 Strategy* and the *European Employment Strategy (EES)* both of which are obligatory for France as an EU Member State. Norway is not an EU country, but having entered the European Economic Area (EEA) that joins all EU Member States plus two other non-EU countries – Liechtenstein and Iceland – it has introduced most EU laws. Norway has ratified the Schengen Agreement introducing joint external border controls with the non-Schengen states and eliminating border controls within the Schengen Area. Economic cooperation between the Community and Norway is quite close and the country participates in many EU projects. In the opinion of the EU Member States, the institutional elements of Norway's employment policy are examples of good practice. Proof of the EU's inclusive approach to Norway is that the country was invited to participate in the Mutual Learning Programme (MLP). According to art. 149 of the Treaty on the Functioning of the European Union, the Programme is "an important tool for the open method of coordination in the field of EU employment policy" (European Commission 2013c). One component of the MLP is a forum where representatives of the EU governments, supported by independent academic experts, can exchange information and lessons learnt during the implementation of the EES. The meetings are hosted by those countries whose governments wish to present some effective policy or practice to a group of peer countries. One of the meetings was held in May 2012 on the initiative of the Ministry for Labour in Norway. Its subject was *Extending Working Life: The tripartite cooperation and the role of the Centre for Senior Policy*. The meeting confirmed Norway's active involvement in the implementation of the EES, as well as stressing the significance of Norwegian solutions, and their applicability to Member States, as examples of good practice.

This article is based upon data and documents prepared and inspired by the European Commission and the ETUC, as well as on seminar proceedings from the Oslo meeting held under the Mutual Learning Programme (European Commission 2012c).

#### **4 THE ACHIEVEMENTS OF EUROPEAN SOCIAL DIALOGUE IN ALLEVIATING THE IMPACT OF THE ECONOMIC CRISIS ON THE LABOUR MARKET**

From 2008 until 2010, European social dialogue was dominated by problems caused by the economic crisis. The nature of these problems required strong involvement of social partners to protect those employees threatened by rising unemployment. The benefits of social dialogue and government initiatives enabled many companies to cope successfully with the recession and made the employment cuts less painful. The introduction of flexible working time allowed the working hours of full-time employees to be reduced (internal flexibility) and thus forced dismissals were avoided (external flexibility), as well as an increase in unemployment. It is recognised, however, that social dialogue does not have the same integrating and soothing effects in all countries. There have been many cases of social unrest, stirred up by people who are dissatisfied with the reforms affecting the social security systems, pension systems or wage policies. These reforms allow budget deficits to be reduced, but trade unions view them as being too drastic. The *Industrial Relations in Europe 2010* report (European Commission 2011, p.7) indicated that although the long-term reforms and future-oriented responses to the crisis were generally accepted as necessary, particular solutions met with resistance from the trade unions whose opinion differed on the sources of the crisis from those of employers' representatives and the government.

A new direction in European social dialogue are the subsector autonomous framework agreements, which redefine the labour market by making it a friendly place that will allow for the integration of all employees regardless of their individual characteristics. In 2010, the fourth agreement of this type was ratified. It was presented at a summit on growth and employment by representatives from various Member States. Its purpose is to maximise the potential of the European labour force, to improve the quality of jobs, and to increase employment rates in ageing populations. The participants at the summit stressed the importance of trying to create inclusive labour markets (i.e. labour markets which are open to all, with surmountable entry barriers, that allow people to stay in the labour market and retain their jobs in spite of re-occurring threats, as well as providing them with opportunities to integrate with other market participants) since these are a key element in the collective responsibility of employers, employees and their representatives. The bodies responsible for implementing the agreement are national representations of employers' and employees' organizations. One of the tasks that has been assigned to the committee responsible for subsector social dialogue requires the preparation of annual status reports (European Commission 2011, p.10). Autonomous framework agreements aim at supporting the implementation of the *Europe 2020 Strategy*. Its objective is inclusive growth through stronger coordination between employment and social policy.

## 5 TRADE UNIONS IN THE EUROPEAN UNION

The problems in the labour market, brought about by the economic crisis, have somewhat overshadowed those caused by the ageing labour force. But in the coming years, active ageing will not disappear from the agenda. The desired changes are determined at EU level by European social partners. In this process, labour is represented by the European Trade Union Confederation (ETUC), an organization founded in 1973 to promote the interests of working people, and to represent them in EU institutions. Its members are 85 national confederations of trade unions from 36 European countries, and 10 European federations of trade unions (ETUC 2013b). The ETUC is recognised by the European Union, the Council of Europe and the EFTA, as the only representative of the European Industry Federations.<sup>5</sup> One member of the ETUC is the European Federation of Retired and Older People (FERPA). It works “with the ETUC, especially on social security and social protection, with a particular focus on pensions” (FERPA 2013).

The ETUC’s website provides a list of its activities. These range from social dialogue and industrial relations, European governance, youth and employment to social policies and social Europe, etc. The ETUC generally emphasises the importance of social dialogue as a means for promoting a culture of forward-looking age management within companies, both in terms of young people entering and older people leaving the labour market (ETUC 2005).

As far as raising the statutory retirement age is concerned, the ETUC’s position is more specific; its Executive Committee clearly stated at a meeting in December 2012 that the ETUC „rejects any automatic mechanism to increase the statutory retirement age or set a uniform retirement age for all Member States.” (ETUC 2013a). This attitude encourages trade unions – especially in European countries – to oppose any changes in legislation concerning retirement age, thus making national dialogue on these issues more difficult to conduct.

The effectiveness of trade unions in shaping the labour market position of older employees largely depends on the type and model of social dialogue in the country. In broad terms, five types or models of social dialogue exist (see table 1). Only one of them, the western model, does not occur in Europe. It is similar to the model used in the USA. In France and Norway the models of labour relations, and the role of social dialogue, differ; the situation in their labour markets is also different. Interestingly, however, national LR models, which until recently have clearly differed in their treatment of work, remuneration and employment issues, are becoming increasingly alike. Collective bargaining is steadily becoming decentralised, usually to company level, employee participation in the workplace is increasing while union

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<sup>5</sup> They include a number of sectors and sub-sectors, for example ETF-European Transport Workers’ Federation representing three sectors: transport, fishing, tourism and eight sub-sectors.

membership is shrinking. Employers' organizations are growing in power and the coverage of collective agreements is widening.

At the same time, the importance of government as a force in labour relations seems to be diminishing (European Commission 2011, p. 17 and 29).

Table 1: Models of labour relations and the role of social dialogue  
(selected characteristics)

<i>Model</i>	<i>North</i>	<i>Centre-West</i>	<i>South</i>	<i>West</i>	<i>Centre-East</i>
<i>Country where used (examples)</i>	Sweden, Norway	Germany, Austria	France, Spain	-	Czech Rep., Poland
<i>Industrial relations regime</i>	organised corporatism	social partnership	polarised / state centred	liberal pluralism	segmented / state centred
<i>Prevailing level of bargaining</i>	sectoral	sectoral	variable	company	company
<i>Bargaining style</i>	integrative	integrative	confrontation	confrontation	acquiescent
<i>The role of social partners</i>	institutionalised	institutionalised	unequal / politicised	case dependent	unequal / politicised
<i>State's role in labour relations</i>	limited (mediator)	„shadow of hierarchy”	frequent interventions	non-intervention	organizer of transitions
<i>Employee representations</i>	union based / high coverage	dual system / high coverage	variable <sup>a</sup>	union based / small coverage	union based / small coverage

Notes: <sup>a</sup> France – both trade unions and joint representations of employees and employers acting within particular areas of interest; Spain – a dual system with both employee councils and trade unions. In some countries, e.g. Poland, a dual system based on trade unions and employee councils.

Source: Voss (2009, p. 21) as quoted in Miller (2011, p. 7). Additions made by the author of the paper.

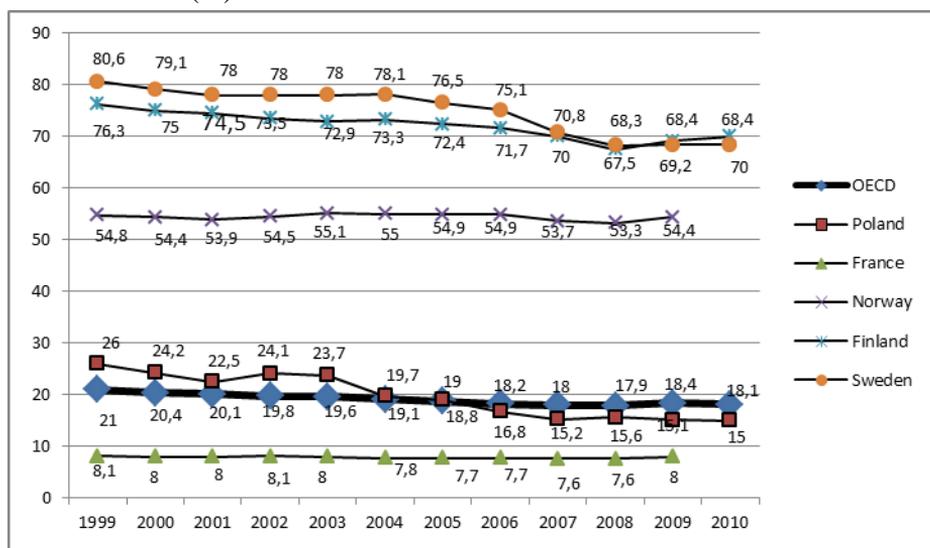
The global changes affecting labour markets have also reduced unionisation rates in both OECD countries and the EU-27 (figure 1)<sup>6</sup>. Only 18.1% of all employees in the OECD countries in 2010, and 23% in the EU Member States in 2009 were unionised. The unionisation rate in France, which is the lowest and has also been quite stable for many years, is considerably different from those found in other countries. The highest unionisation rates in Europe amounting to 70% can be found in four countries in Northern Europe – Denmark, Finland, Norway and Sweden. Poland had 47

<sup>6</sup>Along with declining union membership in the EU countries, the gap between the 1999-2009 unionization rates in Sweden and France, which respectively have the highest and the lowest rates, decreased by 12.1 percent. However, the only reason for this was falling union membership in Sweden.

active trade unions in 2008. A similar dispersion of trade unions can be seen in France (67 organizations), Slovenia (50) and Hungary (48).

Without going into the causes for this, let us take a look at France. Its rate of trade union coverage is very low (only 8%), yet its union movement is far from weak. There are two reasons for this. The first reason is the ubiquity of collective labour agreements; the working and employment conditions for almost all its employees are in fact determined by the trade unions (figure 2). The second reason is that the trade unions are very powerful. They can stage massive strikes and demonstrations, but this confrontational stance towards employers and the government does not prevent them from taking part in collective bargaining preceding the conclusion of collective agreements.

Figure 1: Changes in unionization rates in the selected OECD countries, years 1999-2010 (%)

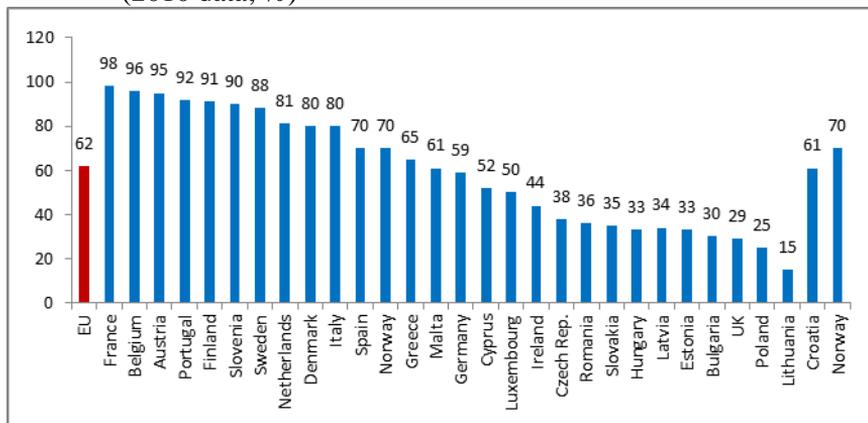


Source: Developed by the author based on OECD Employment and Labour Market Statistics (2012) and ETUI (2013).

In 2009 the working and employment conditions of two-thirds of all employees in EU-27 (66%) were generally regulated through collective bargaining. The data from 2010, however, show a clear fall in collective bargaining coverage to 62%. Although the data on collective agreement coverage in individual countries must be treated with great caution, they still allow certain classifications to be made. The group of ten countries with the highest rates of collective agreement coverage in EU-27 can be divided into two subgroups. Denmark, Finland and Sweden have high coverage rates and unionisation rates. A representative of the other subgroup is France, where the rate of collective agreement coverage is high, unlike the rate of unionisation.

As Fulton (2013) observed, the economic crisis has changed the levels of collective bargaining, strengthening the trend towards decentralisation. For example, Romania has given up negotiating solutions at national level.

Figure 2: The collective labour agreement coverage in EU-27, Croatia and Norway (2010 data; %)



Source: Developed by the author based on Fulton (2013).

Increasing awareness and building trust are essential for helping social partners solve the problems caused by demographic ageing. Social trust takes a long time to shape, but its ultimate importance for the creation of social capital, which drives economic growth in modern democracies, cannot be overestimated.

According to an EES survey conducted in 2008, only 19% of Polish respondents aged 16 and above trust other people. The French rate was even lower, 18%, and in Portugal and Bulgaria only 14% of the respondents trusted other people. In Norway, where social partners collaborate successfully, the rate was almost three times as high as in Poland - 62% (the highest was in Denmark – 68%). Only 13% of Poles believe that those people who try to help others have good intentions. This rate, again, is 3.5 times lower than in Norway (45%) (Czapiński and Panek 2012, p. 302).

## 6 SUCCESSFUL COOPERATION BETWEEN SOCIAL PARTNERS IN NORWAY AS A GOOD EXAMPLE FOR EU MEMBERS TO FOLLOW

Generally, social partners differ considerably in their involvement in shaping ageing policy in EU Member States (European Commission 2013a, p. 189). A case in point is Norway and France. The main difference between them lies in the levels of collective bargaining – in France the process is more decentralised and takes place at industry and company levels, while in Norway it is rather centralised and assigned to national and industry levels. It is difficult to decide which of these approaches is more effective.

The success of the active ageing policy in Norway (in 2010 the Norwegian employment rate for those aged between 55-64 was 68.6%, over two times higher than in Poland) can be attributed to the interaction of many factors – the positive state of the economy that increases demand for more and more new jobs, a low (total) level of unemployment (3.2% in January 2012), and a pension system that encourages people to continue being in employment even after retirement. The measures that the government adopts to increase employment in the older age groups include changes in the law, financial incentives for employers and employees, as well as the launching and financing of various campaigns aimed at informing society and raising its awareness. The government also delivers or funds different forms of guidance and consulting activities addressing the needs of major stakeholders, such as social partners, individual employers, managers and older employees. Considerable attention is given to social dialogue and collective bargaining for the employment of older people.

As far as employment for the older age groups is concerned, a special role is played by the Norwegian Centre for Senior Policy (CSP – developed based on Midsundstad 2012), which was established to make society more sensitive to the impact of demographic changes and to accentuate the importance of older employees. In fulfilling its statutory goals and to develop active ageing strategies in the workplace, the CSP conducts surveys, collects and disseminates good practices, and enters into direct cooperation with employers and employees. The CSP is founded on the social partners' mutual belief that it will be very difficult to make the labour market generate more jobs for older employees without collaborative efforts supported by governmental measures.

The CSP was instituted in 1969 as a tripartite structure. Its members represented the Ministry of Social Policy, the largest organization of employers in Norway (NHO) and the largest trade union (NTUC). The Joint Committee for the Preparation for Retirement was established as the body responsible for encouraging people to plan their lives as retirees. In the early 1990s, the scope of the Committee's tasks was considerably extended. The main focus was senior policy (as an element of personnel policy in organizations) consisting of guidance on HRM tools and instruments appropriate for older employees and the management of age-diverse human resources. What is important about the Committee's activities is that it addresses the current phase of the employees' lives by adjusting its proposals accordingly. As a result, the main feature of senior policy in companies is its focus on the latter stages of human life. In this way, the CSP has initiated a campaign for age management in organizations. The CSP conducts research activities and implements practical projects with a view to encouraging employers to offer career development paths to their middle-aged and older workforce, and to treat the latter as a resource rather than an economically passive group of people that only wait for their pensions.

Today's CSP is a centre that promotes and develops policies for older employees in order to strengthen their position in the labour market. It plays an

important role as an institution by raising public awareness and defining good standards of cooperation into which social partners enter at local and on-site levels to ensure people's employability in the long-term perspective. The CSP also dispels many myths about the productivity and competency of older employees.

One of the most important factors behind the CSP's success is its strong commitment to publicizing and disseminating "good" practices, such as those showing that disease does not mean older employees are absent from work more often than other employees, that they have significant capacity for continued learning, that they are reliable and dedicated, that they can use their experience to give advice and guide their younger colleagues. The CSP also organizes and maintains networks of advisors.

Most activities that the CSP has undertaken in this decade are consistent with the provisions of the tripartite *More Inclusive Working* agreement, which was established on 3 October 2001. The agreement was subsequently renewed and its present edition expired in 2013. The activities covered by the agreement included, for instance, the National Initiative for Senior Workers in Working Life and a "Win-Win" information campaign.

The purpose of the agreement is to prevent and reduce sick absenteeism, to increase the effectiveness of job creation measures, to improve the workplace environment, and to reduce exclusion from the labour market. The slogan that guides social partners in Norway today is "inclusive labour market", i.e. one open to all, based on the same rules.

## **7 THE ROLE OF THE TRADE UNIONS IN EMPLOYMENT POLICY IN FRANCE**

The largest trade union in France is the leftist General Confederation of Labour (CGT). However, its importance is relatively low compared with the percentage of trade union members it represents (23%). The second largest trade union – the French Democratic Confederation of Labour (CFDT) – has almost the same level of membership at 22.7% (European Commission 2011, p. 21). The great dispersion of trade unions and limited union membership impede the resolution of conflicts with employers and the government.

Collective bargaining is increasingly used in France as a means of alleviating the adverse effect of the economic crisis on the labour market. One of the subjects discussed by the trade unions, employers and the government is the predicament of older employees during the crisis. The talks that the French social partners held between 2009 and 2010 aimed at making social dialogue more effective in certain aspects, such as the exchange of information, consultations, the rights and powers of the dialogue participants, as well as which parity rules should regulate the appointment of the trade union representatives and employers to joint institutions. With reference to the laws requiring companies to extend collective labour agreements to older employees or to prepare pertinent action plans (coming into effect in 2008), the agenda for talks was modified accordingly. In May 2009, negotiations for a national

intersectoral collective agreement began. The social partners to the agreement deemed what main lines of action were necessary to “lessen the impact of the economic crisis on employment as much as possible”. The agreement was concluded in July 2009 and then signed by all the major social partners in France, excluding one of the two largest trade unions. The main provisions of the agreement aimed at increasing employment opportunities by promoting shorter working time (e.g. for new employees, mainly in the service sector) and higher occupational mobility through various types of training (this involved establishment of training funds and development of more stable career paths for part-time employees).

In the course of the talks, the partners tried to work out solutions by strengthening the ties between the dismissed employees and their employers (for instance, by regulating the temporary „exchange” of employees between employers) and helping older employees (likewise young people and the long-term unemployed) to stay in employment or to find new jobs.

In addition to the meetings with the social partners, held in February and July 2009, the government formed a tripartite committee for monitoring the economic crisis. In the meantime, in April 2009, a social investment fund was started to coordinate the training and retraining of employees affected by the crisis. The social partners accepted the government’s proposal that the action plan for the promotion of employment should be extended to a training programme. A subsector agreement on managing the impact of the crisis on employment was also reached. The government offered public aid to employers, enhanced the social security system and initiated public projects to modernise infrastructure. These lines of action were accepted by the employers’ organisations, but the trade unions objected to them and staged national demonstrations between March and June 2009. One of their demands was that the government should take measures to increase the purchasing power of the euro, and that tax privileges for the rich should be withdrawn.

Once the preparations for intervention in the labour market were complete, the French government, in 2010, decided to launch a pension system reform that, in addition to other changes, extended the period of working life. Accompanied by protests from the trade unions, a reform raising the mandatory retirement age from 60 to 62 came into force in October 2010. It also made provision for a gradual rise in age, requiring an individual to reach the age of 65-67 in order to be eligible for a publicly-funded pension (the process has now been stretched to 2018). Another new solution was the change in the number of pensionable years. Their number is set to increase steadily following the extension of life expectancy in older age, from 40.5 to 41 years in 2012 and 41.5 in 2020. As far as the promotion of employment in older age groups is concerned, two solutions appear to be particularly important. One offers publicly funded aid to employers that have employees aged 55+. The other solution allows training budgets (which are mandatory for employers delivering training programmes) to be used to fund the costs of mentoring programmes for young people.

The core of the reform is that it extends collective bargaining to senior policy in companies. *Décret n° 2009-560 du 20 mai 2009* requires public and private organisations, employing at least 50 people, to sign collective agreements (where trade unions are not present, employers are responsible for proposing action plans) regulating the employment of older people, and to set targets indicating the numbers of older employees to be retained and recruited. The company collective agreements must be reviewed every three years. Organisations that fail to prepare appropriate measures are subject to a financial penalty of 1% of the wage bill (Kryńska and Szukalski 2013, p.130). Although the French government (formed after socialist Francois Hollande won the presidential elections) reduced the retirement age for some employees from 62 to 60 years of age, the change did not question the whole logic of the pension reform of 2010. The modifications affect people who started work at the age of 18 or 19. Those who started employment when they were 14 or 15 years old are allowed to retire at the age of 58. Employees with 41.5 pensionable years are able to retire with a full pension at the age of 60. Those who fall short of the full number of pensionable years are allowed to retire with a reduced pension.

Another instrument to stimulate the employment of senior employees is the *Contrat de génération* (generational contract) introduced in 2013 (Kryńska and Szukalski 2013, p.130) to boost the employment of youth and seniors as quickly as possible. Whether it will be successful depends on the support of the trade unions.

An interesting solution can be found in the agreement signed by the social partners in the French metallurgic industry. Its main purpose is to prevent job loss during the economic recession, and to use the time as an opportunity for improving employees' qualifications. Following the forced cuts in working hours, employees, in their free time, participate in various types of training.

A review of the individual on-site agreements reveals a whole range of strategies – from those protecting against the risk of working-time cuts (i.e. rather than sending employees home, their spells off work are added up as additional vacations in the future, etc.) through to measures reducing working time whilst also allowing employees to keep their rights to remuneration (e.g. “a social crisis fund” at Renault) as well as the utilisation of unplanned free time for training. Under the terms of the last strategy, an employee may be paid a percentage of his/her regular wage for the time he/she spends at home (“a transfer home”) because of the shorter working period. One workday per week is free from regular duties and then training is provided.

Another topic that the social partners in France discussed was making employees' mental health problems, specifically stress in the workplace, part of collective bargaining. France has the shortest working week in EU-27, and this restricts the possibility of increasing the flexibility of working time in the internal labour market. Moreover, employees are exposed to enormous pressures during this comparatively short working week (only 35 hours). Problems such as these attracted a lot of attention after 23 employees from France Télécom committed suicide, not to

mention another 13 attempted suicides, between 2008 and 2009 as a result of psychological harassment in the workplace. Workplace harassment and abuse were addressed in the subsector agreement signed in 2010. The *Union pour un Mouvement Populaire* party (UMP) proposed that from the start of 2012 the length of the working week should be determined at sector/subsector level or at company level based on the negotiations conducted by trade unions and employers. However, the social partners rejected this proposal.

## 8 CONCLUSIONS

The reason why European countries have launched employment policy reforms is to keep older workers in employment. The long-term retention of these workers in the labour market would not be possible without social dialogue.

The following developments can be observed within senior policy today:

- a gradual rise in the mandatory retirement age – Bulgaria, Denmark, Estonia, France, Germany, Greece, Malta, Romania, and Poland;
- the limited availability of early retirement; some countries have already cancelled this option (e.g. Austria, Denmark), while others have tightened up the eligibility criteria (Cyprus, Hungary, Slovakia, and Poland);
- stronger incentives to encourage the extension of working life for both older employees (Poland, Norway, and Italy) and employers (Poland, France);
- limited increases in pension-related expenditure; there is a strong tendency to make the public pension system less generous and financially more sustainable. In some countries, such as Ireland, Latvia and Lithuania, the public pension systems have been tightened up because of the economic crisis.

The European tendency to raise the statutory retirement age has become a fact. While opposing it, the trade unions also take action to support older employees. In France and Norway, the trade unions are active in this area at all three levels: country, industry and company. The predicted deficit of human resources resulting from changes in demography is not the only reason why employment at older age should be promoted. Another factor is the high, public expenditure on older citizens, the bulk of which is consumed by their pensions. Trade unions stress that the extended working life policy must be accompanied by measures securing decent working conditions and the protection of employees against overwork.

This article set out to determine how trade unions contribute to the increasing occupational activity of older employees by analysing the case of countries with different LR models. This approach enabled various forms of engagement by the trade

unions, for the improvement of the position of older employees in the labour market, to be discussed. The thesis tested in the article has proven how trade unions in countries with different LR models (in this case France and Norway), differ in the way in which they shape and stimulate social dialogue on the extension of labour activity. The trade unions' contribution to the extension of working life is positive in both models, regardless of whether social dialogue is a tri-partite activity conducted at national level (Norway) or whether it involves two partners operating at company level in a strong regulatory environment imposed by the state (France). The effectiveness of social dialogue on the extension of working life is also significantly determined by the coverage of the collective labour agreement, which is substantial in both France and Norway. The findings of the author's research may help advance domestic senior policy in the area of employment in Poland and other European countries since it uses social dialogue as a tool for making the adopted solutions more effective.

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