National implementation of flexicurity pathways.
Developing tools and monitoring instruments based on empirical feedback in consensus with social partners

Project VS/2009/0629 funded by the European Commission

- final report, February 2010 -
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Executive Summary

For more than 10 years now, striking “the right balance between flexibility and security” is the key issue of labour market policy across Europe (European Commission 1997, p. 12). A decade after the European Commission (EC) stated the above in the Green Paper *Partnership for a new organisation of Work*, the combination of on the one hand a felt need by companies to be able to adapt to rapidly changing economic circumstances with, on the other hand, the commitment to the ‘European Social Model’ is widely reflected by the term ‘flexicurity’. The EC also stated that “Active involvement of social partners is key to ensure that flexicurity delivers benefits for all” (European Commission 2007, p.18). Moreover the starting point for this project is that flexicurity provides chances for both unions and employers if the concept is considered and fleshed out in a constructive way.

Accordingly we have analysed literature on and texts of collective agreements and consulted social partners to discuss if and how they develop and implement flexicurity. The project attempted to link the various instruments developed by the EC to the experiences of social partners and construct tools to assist them in developing flexicurity within collective agreements (CAs), the main bargaining institution of social partners across Europe. Within the project tools were developed that social partners can use to create a balance between flexibility and security, i.e. flexicurity, in collective agreements (CAs). This project furthermore contained structured consultation and discussion with and between social partners by means of workshops and interviews/questionnaires to make sure that we developed a tool that provides concrete value to the social partners.

Because these tools should relate to the actual practice of collective bargaining in countries across Europe we selected a set of countries. Three countries, Germany, Denmark and the Netherlands, were the ‘core cases’ that were analysed in-depth. In addition, we selected five additional cases to ‘test’ the applicability of the tools in other countries. A preliminary assessment of how well the tools could be applied in collective bargaining systems that are different to those in the three core countries in the project was undertaken in Belgium, France, Italy, Spain and Sweden.

To gain insight into flexicurity and collective bargaining we first made an inventory of the development of the concept of flexicurity in the policy framework, as well as, the academic field. We then took stock of the available literature on flexicurity and collective bargaining. Based on an analysis of policy documents and texts of collective agreements
in the three ‘core countries’, we then developed two different tools for flexicurity in collective bargaining:

(1) A flexicurity check-list for social partners, that is, a number of items to be taken into account in collective agreements, and

(2) A computer tool for monitoring the respect of flexicurity principles in collective agreements, that is, a model operating with quantitative indicators and providing visual representations.

The tools were then presented to social partners in all eight selected countries to gain feedback on their usefulness. Some adjustments were made regarding the checklist though most of the feedback entails important issues that should be taken into account when using the checklist. Nevertheless we would like to underline that these tools are a first attempt and should be considered as work in progress.

The flexicurity checklist is on the one hand based on an analysis of the available EU-level policy documents that are backed by the European Social Partners: the flexicurity common principles, the flexicurity components and the flexicurity pathways, combined with the guidelines no. 20 and 21 in the European Employment Strategy. This entails a top-down analysis from EU-level principles to concrete provisions in CAs. The checklist furthermore contains CA-provisions from selected texts in the three countries that could contribute to flexicurity, i.e. a bottom-up perspective. The checklist draws attention to clusters of themes that might be important from a flexicurity point of view and that could be discussed and considered, both within the bargaining process or in evaluating existing CAs.

The second tool has been developed by the Hans-Böckler-Stiftung and is a computer monitoring tool that shows the possibilities of scrutinising the flexicurity balance in existing CAs using a national database of coded CAs. Since such a database exists in the Netherlands we devised a way to evaluate these coded CAs according to a set of flexibility and security indicators. The selection of indicators made here is flexible enough to be changed and adjusted in line with the ideas and demands of social partners. It is important to note here that any tool is only as good as the data available in a coded dataset of CAs. The Dutch database does not code all elements of a CA (e.g. provisions on flexible contracts, see Houwing and Schils 2009), and therefore some elements relevant for flexicurity might be missing. Nevertheless it provides a useful starting point to highlight the possibilities of a coded data-set. As of yet, the monitoring tool cannot be directly used by social partners and needs further development, but we hope we have
given social partners a sense of the opportunities of such a monitoring tool and hope to further develop the tools in the future.

When asked for feedback on these tools, two main issues were most salient for social partners across the eight countries. Firstly, social partners in all countries stressed the fact that CAs do not provide the whole picture on flexicurity as it does not show how the CA works out in practice. In addition to what is taken up in CAs, one should ideally also include the take-up rate of CA-provisions, and furthermore actual behaviour of individuals. The project is in that sense indeed limited but has from the onset aimed only to analyse collective bargaining and collective agreements. Acknowledging that the results do not provide the full picture of flexicurity in firms, we assert that the tools could serve as useful instruments to develop a framework for flexicurity in collective bargaining.

The second issue that social partners pointed out was that not all flexicurity issues in the checklist are regulated at CA-level. Some issues that are relevant for flexicurity, such as for example equal treatment of part-time and full-time workers, or access to unemployment benefits, are regulated by national law rather than via CAs. This can however vary quite significantly across countries. We therefore aimed to keep the flexicurity checklist as complete as possible, including all relevant elements from a EU-policy perspective. In concrete bargaining settings, the checklist can then be adjusted in line with the issues that are regulated by CA in a specific country, sector, and firm.

Between the feedback from the three core countries and the five additional cases we have made an excursion into a German practice. We found that in Germany there is widespread use of ‘internal flexicurity’ in working time accounts. This practice is considered useful by both employers and workers to balance flexibility and security. We therefore chose to include a chapter on these accounts to provide the reader with an in-depth view of how this practice is developed and negotiated in Germany. While this is an insightful example of flexicurity in the German context, there is a large range of other possible flexicurity practices and combinations.

As one of our main conclusions shows, the social partners consulted in the framework of this project emphasized that to analyse the implementation of flexicurity, one should also take the level of firm practices into account. This is an essential next step that should be taken to fully assess flexicurity in practice.

We aim to undertake several activities to disseminate and present the outcomes of this project to a larger audience, including other Member States and national social partner organisations, as well as European social partners. These activities may serve,
as a next step, to explore the possibilities of making the collective bargaining evaluation and monitoring tools transferable to more/all EU Member States and increase mutual learning. If this is thought appropriate and feasible the flexicurity checklist could also be made available in an electronic format, using websites and other channels from the European Commission and/or the European Social Partners.
1. Introduction to the project

This research report is based upon the findings of the EC-funded project *National implementation of flexicurity pathways; Developing tools and monitoring instruments based on empirical feedback in consensus with social partners (VS/2008/0629)*. The partners in this project are:

- CAOP (Centre for Labour Relations in the public sector), the Netherlands
- ReflecT institute, Faculty of Law, Tilburg University, the Netherlands
- Wirtschafts- und Sozialwissenschaftliches Institut (WSI) in der Hans-Böckler-Stiftung, Germany
- FAOS, Employment Relations Research Centre, Denmark
- Labour Associates, Spain/Belgium

Also national experts from Belgium, France, Italy, Spain and Sweden have been involved in the project.

The project had two main objectives. The first aim was to translate and concretise flexicurity themes and goals into tools for social partners across member states. The second objective was to identify practices within collective bargaining and Collective Agreements.

In line with the first objective a flexicurity checklist and computer tool were developed as tools to monitor and evaluate flexicurity in collective agreements based, amongst others, on consultations with social partners in the above mentioned EU countries. Secondly a range of best practices were identified, which included a case study of working time accounts in Germany as example of a possible flexicurity measure.

Our work has been divided into work packages, which are described in detail in chapter four.
2. Introduction to the report

For more than 10 years now, striking “the right balance between flexibility and security” is the key issue of labour market policy across Europe (European Commission 1997, p. 12). A decade after the European Commission (EC) stated the above in the Green Paper Partnership for a new organisation of Work, the combination of on the one hand a felt need by companies to be able to adapt to rapidly changing economic circumstances with, on the other hand, the commitment to the ‘European Social Model’ is widely reflected by the term ‘flexicurity’. Flexibility is however not only increasingly demanded by business: workers too have put increasing emphasis on flexibility in combining their working life and their private life. This is partly due to the increasing labour market participation of women, while technological developments have facilitated flexibility in working hours and location.

In its most elaborate document on flexicurity to date, the EC recently presented four “policy components” of flexicurity, four “pathways” to flexicurity, and eight “common principles” of flexicurity (European Commission 2007). Now that, recently, the European Union (EU) has accepted the eight common principles, following the EC’s 2007 Communication on flexicurity, the European Parliament’s resolutions, and the European Social Partners’ joint analysis of labour market challenges and flexicurity, national Member States are invited and expected to make flexicurity work. National Reform Programmes represent the policy framework for this. Importantly, no one size fits all approach is thought feasible or envisaged. Also, the efforts of national actors, governments and social partners are considered essential. The reason for this as formulated by the EC is that “Active involvement of social partners is key to ensure that flexicurity delivers benefits for all” (European Commission 2007, p.18). As a result, the development of flexicurity policies in the EU is characterized by a multi-level nature and the relations and interconnections between the policy and implementation levels are crucial. In this project, we have set out to formulate suggestions on the development of flexicurity in collective bargaining in collaboration with social partners. The starting point for this project is that flexicurity provides chances for both unions and employers if the concept is considered and fleshed out in a constructive way.

Because flexicurity is an open concept with multiple definitions, which it should be in order to stimulate ‘tailor-made’ solutions, it is important to take various views on what flexicurity is and can be into account. In this project we will analyse the way flexicurity takes shape and can be implemented via collective bargaining between social partners. We have analysed literature on and texts of collective agreements and consulted social
partners to discuss if and how they develop and implement flexicurity. We aim to link the various instruments developed by the EC to the experiences of social partners and construct tools to assist them in developing flexicurity within collective agreements (CAs), the main bargaining institution of social partners across Europe. More specifically, the objective of this activity is threefold:

1. First of all we translate and concretize the common principles, the concept of flexicurity pathways, flexicurity components, the various (draft) flexicurity indicators (as developed by the Employment Committee (EMCO) and academic scholars) and analytical schemes (such as Wilthagen's flexicurity matrix) into possible tools for social partners across all EU Member States. These tools were developed in collaboration with social partners in order for them to be used a) within the collective bargaining process to discuss (integrated) flexicurity measures and provisions, and b) to evaluate and monitor existing CAs from a flexicurity perspective.

2. Our second objective is to identify good practices within collective bargaining and CAs, either at the sector or company level, which can be considered instruments or arrangements that support the implementation of the common principles on flexicurity.

3. Thirdly, this project aims to stimulate mutual learning and the transferability of monitoring tools and practices across sectors of industry and also across national borders.

As enshrined in Integrated Guideline no. 21 of the European Employment Strategy (EES), in the EC's analysis of the components of flexicurity, and in many other EU policy documents, the role of the social partners and of collective bargaining cannot be overestimated. Collective agreements form an instrument that has the potential to determine and regulate, in more detail and tailor-made form than via the method of state legislation, new arrangements, provisions, rights and obligations that serve the interests of both employers and workers. Nevertheless, there is always interconnectedness between what is regulated at the national level and what is regulated through collective bargaining. This varies widely across countries; in some countries little is left to be regulated in CAs while in other countries the national law accords substantial freedom to social partners to regulate labour issues. Also, the types of issues that are left to one or the other level of regulation vary per country.

As our starting point we focus on collective bargaining in the Netherlands, Germany and Denmark, but apart from applicability in these Member States that are instances of the continental welfare regime (Germany and the Netherlands), and of the
Scandinavian welfare regime (Denmark) (Esping-Andersen 1990), we aim to widen the scope of applicability to countries from other welfare regimes as well. The relevance and transferability of the tools will therefore also be assessed in Spain, France, Italy, Belgium, and Sweden. We aim to develop a methodology that can be used by the various collective bargaining parties across Europe. Correspondingly, the main contribution of the project consists of:

1. A flexicurity check-list for social partners, that is, a number of items to be taken into account in collective agreements, and
2. A computer tool for monitoring the respect of flexicurity principles in collective agreements, that is, a model operating with quantitative indicators and providing visual representations.

A core feature of this project is that the tools are developed in collaboration with trade unions and employers’ organisations. Social partners from the Netherlands, Germany and Denmark are explicitly consulted in the activity, while more brief consultations with experts are carried out for the five ‘shadow-cases’, i.e. Spain, France, Italy, Belgium, and Sweden. The rationale is that tools relevant for social partners in collective bargaining and negotiation should link directly to their day-to-day knowledge and experience.

This report is structured as follows: in the following (third) chapter we briefly highlight the conceptual, analytical and policy dimensions of flexicurity; how has it developed until today and how is it understood in the policy making field and by academic analysts? Because we aim to move beyond these discussions and focus on how social partners understand flexicurity, the last section deals with the views of European social partners regarding flexicurity. In the fourth chapter we explain the methodology we used in this project. The fifth chapter contains an overview of the available literature on collective bargaining and flexicurity in the three core countries Denmark, Germany and the Netherlands.

In the following chapters six and seven we present the flexicurity tools we have developed. These are on the one hand a checklist that can be useful for social partners when engaging in collective bargaining, and on the other a monitoring tool to evaluate the content of CAs. The checklist is a more general tool showing possible combinations of flexibility and security in collective bargaining while the monitoring tool is a more particular implementation. In the ensuing chapter eight we show the responses and feedback of the social partners regarding the flexicurity tools. The flexicurity checklist
presented in chapter seven has been amended to a certain extent based on the input the social partners that is taken up in chapter seven.

In chapter nine we zoom in on the German case as it provides an interesting insight into the arrangement of flexicurity within firms by means of so-called ‘working-time accounts’. It provides an ‘excursion’ to study a specific flexicurity approach more in-depth. In chapter ten we move away from the three ‘core countries’ in this study and present the feedback and views of social partners in five other European countries. Experts on collective bargaining in these five countries compiled detailed information that served as input for this chapter. In chapter eleven we summarize the key procedures and elements of this study and provide suggestions for possible follow-up activities.
3. Conceptual, analytical and policy dimensions of flexicurity

3.1 The maturity of flexicurity as a policy instrument

During the 1970s and 1980s, rising levels of unemployment and persistent long-term unemployment have led to a need felt for deregulation and flexibilisation of labour markets. Policy makers felt that in most of post-war Europe, employment relations were regulated by rather restrictive employment protection legislation and collective agreements. Flexibilisation was considered a useful way to adjust labour relations in line with pressures associated with globalisation (e.g. shorter production cycles, new information technologies). At the same time, societal trends of individualization and pluralisation of life-styles questioned whether the standard employment relationship should remain the core point of reference. Despite this appeal for greater flexibility on both supply- and demand-side, there is simultaneously a need to ensure certain securities. Security is imperative to prevent people with a weak labour market position from being excluded, i.e. a segmented labour market. Furthermore, some degree of security is required to ensure long-term investments in for example skills (Viebrock and Clasen 2009).

The reconciliation of a need for greater flexibility in the labour market and employment relations on the one hand while, on the other hand, retaining varieties of securities generated the origin of the notion of flexicurity. The notion dates back to developments and debates in two countries in particular: the Netherlands and Denmark (ibid. p. 7). In addition, the concept is in line with the core foundations of the so-called ‘European Social Model’ (Keune and Jepsen 2007). Wilthagen and Tros (2004) ascribe the conception of this term to a member of the Dutch Scientific Council of Government Policy, Professor Hans Adriaansens who, in the autumn of 1995, launched this catchword in several speeches and interviews. He suggested compensating the decreasing job security (fewer permanent jobs and easier dismissals) by improving employment opportunities and social security. Other sources maintain that the term was first coined by the social democratic Prime Minister of Denmark Poul Nyrup Rasmussen in the 1990s.

After the term surfaced in the policy debate in the mid 1990’s, the concept gained ground across Europe. The notion of combining flexibility and security is clearly documented in the EU policy discourse since 1993, starting with the 1993 White Paper on Growth, Competitiveness and Employment and formulated explicitly in the 1997 Green Paper – Partnership for a New Organisation of Work. It has furthermore been
addressed at a series of EU summits, including Essen in 1994, Florence in 1996, Amsterdam in 1997 – resulting in the Amsterdam Treaty – Luxemburg in 1997, Lisbon in 2000, and has become a key target of the European Employment Strategy (EES). The pursuit of a (new) balance between flexibility and security has over the years become more prominent in the European Employment Strategy. The 2001 European Employment Guideline 13, under the Adaptability pillar, explicitly addresses both flexibilisation and security goals. In 2005 it became a goal in itself and from 2006 on the term flexicurity is being used. In the Employment Strategy, the social partners are invited to negotiate and implement agreements that make undertakings productive and competitive, achieve the required balance between flexibility and security, and increase the quality of jobs (Wilthagen and Tros 2004, p. 1-2). Recently the DG Employment, Social Affairs, and Equal Opportunities of the European Commission published two strategic documents with arguments in favour of the flexicurity approach to labour market reforms. These are the Green Paper: Modernising labour law to meet the challenges of the 21st century (2006) and Towards Common Principles of Flexicurity: More and Better Jobs Through Flexibility and Security (2007), first published as a Commission's Communication.

The Common Principles of Flexicurity were accepted by the EU Employment and Social Affairs Ministers Council on December 5/6, 2007, whose decision has been endorsed by the European Council on December 14, 2007. These eight principles, summarized in box 1 below, relate to the goals of flexicurity (see principles 1, 4 and 6), the various practices that can constitute flexicurity (principles 2 en 5), and the flexicurity approach (principles 3, 7 en 8):
Box 1 Common principles of flexicurity (summarized)

1) Aim at more and better jobs, modernise labour markets, and promote good work through new forms of flexibility and security to increase adaptability, employment and social cohesion.

2) Look for deliberate combinations of flexible and reliable contractual arrangements, comprehensive lifelong learning strategies, effective active labour market policies, and modern, adequate and sustainable social protection systems.

3) Flexicurity approaches are not about one single labour market or working life model, nor about a single policy strategy: they should be tailored to the specific circumstances of each Member State. Each Member State should develop its own flexicurity arrangements. Progress should be effectively monitored.

4) Promote more open, responsive and inclusive labour markets overcoming segmentation. Support all those in employment to remain employable, progress and manage transitions both in work and between jobs.

5) Internal (work organisation, working hours within the company) as well as external flexicurity (job to job transitions, adjusting staff size) are equally important and should be promoted.

6) Support gender equality, by promoting equal access to quality employment for women and men and offering measures to reconcile work, family and private life.

7) Flexicurity requires a climate of trust and broadly-based dialogue among all stakeholders, where all are prepared to take the responsibility for change with a view to socially balanced policies.

8) Flexicurity requires a cost effective allocation of resources and should remain fully compatible with sound and financially sustainable public budgets. It should also aim at a fair distribution of costs and benefits, especially between businesses, public authorities and individuals, with particular attention to the specific situation of small and medium sized businesses (SMEs).

These principles form the basis of the European policy framework on flexicurity. This framework is furthermore supplemented by the guidelines within the European Employment Strategy, a definition of flexicurity, the four components of flexicurity, and the four flexicurity pathways. All these elements will be discussed briefly below.

3.1.1 Guidelines within the European Employment Strategy (EES)

Since 1997 the EES contains a guideline dealing with improving flexibility in combination with employment security and preventing segmentation in the labour market, in which the social partners are accorded a crucial role. In the latest version of the employment
guidelines flexicurity is mentioned as such and more guidelines are linked to the concept (especially guidelines 20 and 21). For a complete overview of the guidelines see: http://register.consilium.europa.eu/pdf/en/08/st10/st10614-re02.en08.pdf

3.1.2 A definition of flexicurity

When flexicurity is seen and implemented as a policy strategy it is often defined as an integrated policy strategy to enhance, at the same time and in a deliberate way, the flexibility of labour markets, work organisation and employment relations on the one hand, and security — employment security and income security — on the other. This definition is based on the work of Wilthagen and Rogowski. In their 2002 book, they added an extra element regarding the security-side of the balance, namely that this should hold “notably for vulnerable groups inside and outside the labour market” (Wilthagen and Rogowski 2002, p. 250). This definition has been felt to be too much targeted towards the Dutch situation and therefore an additional definition was developed, stressing flexicurity as a “certain state or condition of the labour market” (Wilthagen and Tros 2004, p. 170). This last definition is highly applicable to Denmark as it stresses a high degree of job, employment, income, and combination security facilitating transitions, participation, and social inclusion of workers while providing firms with functional and wage flexibility (Bredgaard, Larsen et al. 2008).

3.1.3 Four components of flexicurity

The European Commission has identified four components of flexicurity:

<table>
<thead>
<tr>
<th>Box 2 Components of flexicurity</th>
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<td>1. Flexible and secure contractual arrangements and work organisations, both from the perspective of the employer and the employee, through modern labour laws and modern work organisations.</td>
</tr>
<tr>
<td>2. Effective active labour Market Policies (ALMPs) which effectively help people to cope with rapid change, unemployment spells, reintegration and, importantly, transitions to new jobs — i.e. the element of transition security.</td>
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<tr>
<td>3. Reliable and responsive lifelong learning (LLL) systems to ensure the continuous adaptability and employability of all workers, and to enable firms to keep up productivity levels.</td>
</tr>
<tr>
<td>4. Modern social security systems, which provide adequate income, support and facilitate labour market mobility. They will include provisions to help people combine work with private and family responsibilities, such as childcare.</td>
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As a crucial precondition for developing flexicurity and making it work: a supportive and productive social dialogue, mutual trust and highly developed industrial relations.
3.1.4 Flexicurity ‘pathways’

Furthermore, based on the work of the European Expert Group on Flexicurity, the European Commission has developed four flexicurity pathways, which can inspire Member States to map out their own flexicurity pathways. The pathways are supported by various practical suggestions and examples.

**Box 3 Flexicurity pathways**

Pathway 1: Reduce asymmetries between non-standard and standard employment by integrating non-standard contracts fully into labour law, collective agreements, social security and life long learning, and consider making employment in standard contracts more attractive to firms.

Pathway 2: Enhance companies’ and workers’ adaptability by developing and strengthening transition security, i.e. the security to enter into employment, to remain in employment by making timely job-to-job transitions and to progress in the labour market.

Pathway 3: Address opportunity and skills gaps among the workforce by broadening and deepening investments in skills.

Pathway 4: Enhance employment opportunities for benefit recipients, prevent long-term welfare dependence, regularise informal work and build up more institutional capacity for change.

In 2008 a public initiative *Mission for Flexicurity* was launched for promoting flexicurity as an official European labour market policy. It was followed by the flexicurity-relevant communication *New Skills for New Jobs: Anticipating and matching labour market and skills needs* adopted on 9 March 2009. Recently, the European Commission confirmed in two Communications, related to the current crisis (From Financial Crisis to Recovery; A shared Commitment for Employment), that flexicurity is and should remain a main direction for European employment policy and pointed to a number of flexicurity-measures that can help combat the consequences of the crisis. Finally, flexicurity is also mentioned in the consultation paper on the post-Lisbon strategy.

3.2 The academic debate on flexicurity

In addition to the debate on flexicurity as a policy strategy, flexicurity has also been analysed and studied by academics. In addition, the policy and theoretical or analytical
approach are to some extent intertwined. It should be noted here that before the concept of flexicurity was introduced, studies on how flexibility and security in the labour market can be combined were already carried out (Keune and Jepsen 2007). After the neologism surfaced in the mid-1990’s and the use of the terms flexibility and security simultaneously in EU documents increased, the first academic publication using the term flexicurity appeared in 1998 (Wilthagen 1998). Subsequently, the term was picked up by German, Danish, and Belgian scholars (for an overview, see Keune and Jepsen 2007, p. 5). In addition, the work of Ozaki (1999) is an early attempt to define flexicurity and to figure out some broader conceptual reflections. His work has influenced and contributed to the international debate. A key force behind the formulation of a definition of flexicurity mentioned in the previous section was the analytical debate on the different characteristics of flexicurity in the Netherlands and Denmark. In the analytical debate, like in the policy field, the concept was welcomed as an alternative to the neo-liberal view in the 1980s and ’90s, mainly exemplified by the OECD jobs studies, stressing the need for deregulation and flexibilisation of the labour market (ibid. p. 6).

In the analytical approach, flexicurity can take a variety of forms. The forms are based on various combinations of types of flexibility on the one hand and security on the other. In final flexicurity outcomes, the weight of flexibility and security should be equal: flexibility is seen as a precondition for security, while security is seen as a precondition for flexibility. The various types of flexibility and security and the possibilities for positive combinations can be reflected in a ‘flexicurity-matrix’ (developed by Wilthagen and Tros 2004, see below), which can serve as a heuristic tool to analyse flexicurity policies and strategies. In this matrix, four dimensions of flexibility and four dimensions of security are put together allowing for the development of conceptual links between flexibility and security.

Table 3.1. Flexicurity matrix

<table>
<thead>
<tr>
<th>Flexibility/security</th>
<th>Job security</th>
<th>Employment security</th>
<th>Income security</th>
<th>Combination security</th>
</tr>
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<tbody>
<tr>
<td>External-numerical flexibility</td>
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<td>Internal-numerical flexibility</td>
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Because this flexicurity-matrix is taken as a starting point in many policy and academic documents, we have used it in this project to develop the flexicurity checklist. The contents of the flexicurity matrix, as well as the concepts of flexibility and security in general, are continuously scrutinised by scholars from various backgrounds. For example, Tangian (2004) has considered, “externalisation flexibility” — replacement of employment contracts by commercial contracts, derived from the work of Standing (1999). Regarding the category “combination security”, it can be argued that it reflects flexibility and not security sought by employees and could also be termed “flexibility in the interest of employees” or “time sovereignty” (Seifert 2008). Other criteria that can be added as security measures in a broad sense are working conditions, in particular occupational health provisions, rights providing protection against discrimination, and codetermination rights (COM 2003). These aspects border on the concept of “decent work”; the distinction between flexicurity and decent work can at times be blurry (Boyer 2008; Seifert 2010, Tangian 2008, Tangian 2009c).

The advantage of the flexicurity matrix is that it clearly illustrates the complex structure of flexibility and security and provides a detailed classification of policy measures. At the same time, it has some restrictions. Tros (2004) applied the flexicurity matrix to an analysis of the labour market position of aged workers. It showed that the matrix does not accommodate measures that relate solely to flexibility or solely to security, and that it is not adapted to trace flexibility-security trade-offs with corresponding compensation rates. The first restriction is however overcome in this report (Chapter 6) by adding a “no-flexibility” column for solely security measures and a “no-security” row for solely flexibility measures.

Another flexicurity matrix has been used by the ILO (Auer and Cazes 2002 and Auer 2005). The countries in Table 3.2 are classified with respect to two indicators: strictness of employment protection legislation (EPL) and level of social protection (UIB – unemployment insurance benefits) listed in table cells together with unemployment rates. Each dimension of this matrix represents grades of one criterion in contrast to Wilthagen’s matrix, whose dimensions represent several flexibility and several security criteria. In addition, the unemployment rate in the ILO matrix indirectly suggests an evaluation measure for combinations of flexibility-security indices. For instance, Denmark, where employment and social protection are indexed at 8 and 27 respectively, is ‘socially evaluated’ as having 4.4% unemployment. Instead of the unemployment rate, one could use GDP growth, job security, or some political criterion.
Table 3.2. Institutional arrangements and unemployment rate (ILO)

<table>
<thead>
<tr>
<th>Social security: UIB (unemployment insurance benefits)</th>
<th>Flexibility: strictness of EPL (employment protection legislation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Employment protection 8</td>
<td>Employment protection 21</td>
</tr>
<tr>
<td>Social protection 27</td>
<td>Social protection 20</td>
</tr>
<tr>
<td>Unemployment rate 4.4%</td>
<td>Unemployment rate 9.3%</td>
</tr>
<tr>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Denmark</td>
<td>France</td>
</tr>
<tr>
<td>Employment protection 8</td>
<td>Employment protection 21</td>
</tr>
<tr>
<td>Social protection 27</td>
<td>Social protection 20</td>
</tr>
<tr>
<td>Unemployment rate 4.4%</td>
<td>Unemployment rate 9.3%</td>
</tr>
<tr>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>USA</td>
<td>USA</td>
</tr>
<tr>
<td>Employment protection 1</td>
<td>Employment protection 14</td>
</tr>
<tr>
<td>Social protection 3</td>
<td>Social protection 4</td>
</tr>
<tr>
<td>Unemployment rate 4.0%</td>
<td>Unemployment rate 4.7%</td>
</tr>
<tr>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>USA</td>
<td>Japan</td>
</tr>
<tr>
<td>Employment protection 1</td>
<td>Employment protection 14</td>
</tr>
<tr>
<td>Social protection 3</td>
<td>Social protection 4</td>
</tr>
<tr>
<td>Unemployment rate 4.0%</td>
<td>Unemployment rate 4.7%</td>
</tr>
</tbody>
</table>

Source: Auer and Cazes (2002, p.12) and Auer (2005); see also Sperber (2005)

Unlike Wilthagen’s matrix, Table 3.2 is not appropriate for displaying several types of flexibility or security. On the other hand, the reference to ‘social evaluation’ enables tracing flexibility-security trade-offs. In the given case, the combinations of flexibility/security indicators which (approximately) result in the same unemployment rate are suggested as equivalent. (Here, it looks questionable, since it implies that the lower employment protection and the lower social protection the better, which is obviously not true for most countries; however the idea itself is noteworthy.)

Thus, Wilthagen’s matrix emphasises the many-sidedness of flexibility and security but does not present trade-offs with flexibility/security compensation rates. The ILO matrix is designed to evaluate flexibility/security interactions, but it fails to consider more than one dimension of flexibility or of security, and the given evaluation is quite tendentious.

An instrument for tracing flexicurity policies which combines the advantages of both Wilthagen and ILO-matrices has been proposed by the HBS; see Tangian (2004 and 2007). Two dimensions of Table 3.2 are converted into continuous axes and their dimensionality is extended according to the Wilthagen matrix.

The first step, the two-dimensional plane is shown in Figure 3.1. The compass at bottom-left of Figure 3.2 shows the cardinal points. The indicators of strictness of EPL and social security determine the dynamic trajectories of European countries within the policy space (here, every trajectory ends at 2003 but starts at the year explicitly indicated, depending on data availability). The flexicure countries with high flexibility and high security are located at top left (Denmark and Finland). The inflexicure countries with low flexibility and high security are located at top right (Sweden and the Netherlands). The United Kingdom with high flexibility and low security is located at bottom left and can
be called *flex-insecure*. Spain, Portugal, and the Czech Republic, which have strict employment protection and low security, are located at bottom right and can be called *inflex-insecure*. 
To speak of a trade-off, one has to assume a social utility function that takes greater values at more preferable points and remains constant at equivalent points (trade-offs). The simplest social utility function \( u = (\text{strictness of EPL} + \text{security})/2 \) is shown by diagonal indifference lines. The social preference increases ‘north-eastwards’, decreases ‘south-westwards’, and remains constant along the diagonal indifference lines. The pursuit of a flexicurity policy is reflected in a country’s trajectory moving ‘north-westwards’. It is characteristic of Denmark and Norway in the 1990s and the Netherlands in the late 1990s, when the flexicurity debate began. Since the exact slope of indifference
curves is not known, it is unclear whether the flexibility-security compensation was deliberate, but at least a flexicurity development cannot be denied.

If four types of flexibility and four types of security of Wiltgen matrix are to be considered, the axes in Figure 3.1 split into four flexibility and four security axes, respectively. The dimensionality of the space increases correspondingly, the axes in Figure 3.1 then becoming aggregates of several dimensions. The multidimensional vector representation therefore holds, although its visualisation becomes conditional.

This type of policy space has been considered in Employment in Europe 2006 by the European Commission (2006a, pp. 88 and 95). The upper plot of Figure 3.2 depicts 12 European countries located in the plane flexibility (= strictness of EPL) – subjectively perceived security. The dependence between flexibility and this subjective security is estimated by regression analysis. The conclusion is that the countries with weak employment protection well compensate it with some additional security, so that the security feeling in the society even increases. The bottom plot locates 13 European countries in the plane flexibility–social security (understood as in Table 3.2, strictness of EPL – replacement rate of unemployment benefits). It also suggests a trade off, showing how a weak employment protection is compensated by a more generous social security system. The rigour of both considerations is questionable, because the observations are too heterogeneous and too few. Nevertheless, the use of a vector space is noteworthy.

To conclude, matrix representations of flexicurity are illuminating but restrictive. They give a good idea of flexicurity but either do not accommodate all the dimensions of flexicurity, or do not reflect flexibility-security trade-offs. Vector representations are less evident but they are free from the restrictions mentioned and therefore will be used to construct the computer tool.
Figure 3.2. Flexicurity spaces from Employment in Europe 2006 by European Commission (2006a)

Sources: OECD for EPL and Postel-Vinay and Saint Martin (2004) for indicators on perceived workers' security based on ECHP

Source: European Commission (2006a, pp. 88 and 95)
As for the role of social security in the security dimension it not always exactly clear, as security provided by the social welfare system can be supplemented by company agreements. Secondly, there can be a link between employment security and income security. Income security can relate to the extent to which people are able to secure their own livelihood within employment and the extent to which supplementary transfer payments are needed. Furthermore, the level of a person’s income from employment can have an influence on their income during retirement. Finally, “employment security” encompasses employability, which is one of the fundamental pillars of the EU employment strategy.

Both in the policy and in the academic debate, the concept of flexicurity is made up of various dimensions, and discussions on the nature and content of flexicurity continue. While a wide range of topics can be interpreted in the framework of flexicurity, in this study we approach the discussions on flexicurity pragmatically. We move away from issues for discussion at an EU-or national policy-level and move towards an understanding of what flexicurity means in the daily reality in which social partners find themselves. As we look at how social partners define and implement flexicurity, we focus on content rather than wording, which can be used as a starting point to deepen the social dialogue. Before we move to the methods we have used to achieve this, we will however discuss the perspectives of the social partners regarding flexicurity.

### 3.3 Social partners’ views on flexicurity

National trade unions’ stance towards flexicurity differs from country to country. Overall it can be said that the trade unions across Europe have at times taken a sceptical stance towards the flexicurity (policy) perspective. Wilthagen and Tros (2004, p. 179) report that the 1997 Green Paper Partnership for a new organisation of work, which promoted the idea of social partnership and balancing flexibility and security, met with a very negative response from French and German trade unions because “the idea of partnership represents a threat to the independence of unions and a denial of the importance of worker's rights and positions, notably at the enterprise level” (Korver 2001, p. 6–8).

Trade unions were most critical towards adopting the flexicurity concept without a clear definition, monitoring instruments, and consultation with social partners. According to Keune (2008, p. 98) who referred to a position paper by ETUC (2007), “The European Trade Union Confederation (ETUC) … argues that business in Europe already enjoys high adaptability, that the European economy is already flexible and that job creation has
the upper hand over job destruction. Rather, the ETUC identifies the prevalence of precarious employment and excessive flexibility as key problems and puts forward the improvement of the quality of jobs as a key objective. Like the European Parliament, it argues for employment security as a complement to, rather than an alternative for, job security, for open-ended contracts as the general rule and for upgrading the rights of atypical workers. Where labour market policies are concerned, the ETUC argues for a high level of benefits combined with active labour market policies, including training, as well as for including groups presently not covered in social security schemes (ibid.). High benefits and active labour market policies, it maintains, provide security as well as being positively associated with labour market participation. Finally, the ETUC argues for the integration of flexicurity policy with growth and employment creation-oriented macro-economic policy, given that flexicurity by itself does not have employment-creating capacities”. The trade unions were also sceptical towards the Green Paper Modernising labour law to meet the challenges of the 21st century 9 years later. Trade unions have in general been more sceptical than the employers’ organisations. The main concern for trade unions is that flexicurity is rather a new label for deregulation and is thereby no more than “old wine in a fashionable new bottle” (Keune and Jepsen 2007, p. 16).

Because the concept of flexicurity can be defined in multiple ways and various combinations are possible, there is some room for various actors to define the concept in line with their understanding and preferences. In this light, some hesitance to embrace the concept without calling it into question is understandable. For instance, the European Economic and Social Committee (EESC) has emphasized that the flexicurity concept does not mean unilateral and illegitimate reduction of workers’ rights. The European social partners have been called upon Member States to review, and if necessary adjust, their design of labour laws, job protection systems and, together with the social partners, collective bargaining practice with a view, for example, to ensure an optimal balance between flexibility and security for all employment relationships, providing adequate security for workers under all forms of contracts in order to tackle segmented labour markets. EESC further stresses that flexicurity cannot be viewed separately from the challenges facing the European Union. Globalisation, the rapid development of new technologies and the demographic challenge as well as environmental challenges are changing the European labour market. Flexicurity should be a part of the response to these external and internal trends and pressures, aiming for a fair balance between workers and employers (European Economic and Social Committee 2008).

The European Trade Union Confederation (ETUC) acknowledged the initiatives of the European Commission while remaining critical and closely scrutinising the shape
the scheme would take. For their point of view also see the above cited Keune (2008, p. 98). The employers’ associations, organised in Business Europe, were more positive towards the concept from the onset. ETUC has argued in a position paper that business in Europe already enjoys high adaptability and the European economy is already flexible. Rather, ETUC identifies the prevalence of precarious employment and excessive flexibility as key problems and puts forward the improvement of the quality of jobs as a key objective. Also, like the European Parliament, it argues for employment security as a complement to, rather than an alternative for, job security, for open-ended contracts as the general rule and for upgrading the rights of atypical workers. This is in line with claims of the Council of the EU, which calls the Member States ‘to strengthen standard working relationships in accordance with their national practice and to limit their circumvention by atypical employment relationships’. Where labour market policies are concerned, ETUC argues for a high level of benefits combined with active labour market policies, including training, as well as for including groups presently not covered in social security schemes. High benefits and active labour market policies, it maintains, provide security as well as being positively associated with labour market participation. Finally, ETUC argues for the integration of flexicurity policy with growth and employment creation-oriented macro-economic policy, given that flexicurity by itself does not have employment-creating capacities. Contrary to the Commission’s claims for further flexibilisation, the Council of the EU calls the Member States ‘to strengthen standard working relationships in accordance with their national practice and to limit their circumvention by atypical employment relationships’ (Council of the European Union 2007) (Keune 2008).

On November 29th 2007 The Common Principles of Flexicurity were accepted by the European social partners in a 2007 joint analysis and declaration. The parties involved were ETUC, the European employers’ organisation Business Europe, the UEAPME for small- and medium-sized enterprises, and the European Centre of Employers and Enterprises providing Public services (CEEP). In this declaration the four parties “recognise that in today’s labour market it is necessary to improve policy measures which address both the flexibility and security dimensions for workers and employers alike”. In their analysis, European social partners agree that there is not one single model applicable to all Member States and any approach of combining flexibility and security for workers and employers needs to address all four components of flexibility and security in a holistic and balanced way. They furthermore stress that flexicurity needs to be accompanied by the provision of good working conditions and quality of jobs (ETUC/Business Europe/UEAPME/CEEP 2007, p. 53).
The European social partners earlier took up the theme of flexicurity in their joint Work Program 2006-2008. They agreed that they would undertake a joint analysis of the balance between flexibility and security discussed above, and would decide on appropriate joint recommendations and priorities (ETUC/UNICE/UEAPME/CEEP 2006). The following work program (2009-2010) contains a number of new initiatives that will be carried out by the European social partners including “jointly monitoring the implementation of the common principles of flexicurity, notably in order to evaluate the role and involvement of the social partners in the process and to draw joint lessons” (ETUC/Business Europe/UEAPME/CEEP 2009, p. 2).

In addition to these initiatives, the European employers’ association in the temporary agency work sector, EuroCiett, and the European trade union federation for services and communication Uni-Europa have drawn up “joint declarations” on flexicurity in 2001 and 2007. These social partners argue that temporary agency work can facilitate transitions into and within the labour market as well as improve work-life balance. Temporary agency work provides a large degree of flexibility, but agency workers should at the same time receive sufficient protection and employment conditions. Examples of good practices are training funds for agency workers, social funds that provide social security, and coverage by CAs (Eurociett/Uni-Europa 2007).

Other organisations that have made concrete statements about the principles or the application of flexicurity are, among others, the European Network of Heads of Public Employment Services, the International Labour Organisation (ILO), the European Social Platform and the Party of European Socialists (PES). In addition, social partners or expert bodies in individual Member States might have published opinions, statements, guidelines, policy orientations etc. on flexicurity. In the Netherlands e.g. the Social and Economic Council (SER), comprising representatives from the main trade unions, the employers’ associations and independent members appointed by the government, has recently confirmed flexicurity as a guiding principle within the Lisbon Strategy after 2010. Through the comparative country study and consultations with experts in five additional countries we set out to map similar statements in other countries.
4. Methods and work packages

4.1 Methodological considerations

In adopting an approach to evaluating CAs that is based on flexicurity criteria, this project is breaking new ground both methodologically and empirically. No comparable research has previously been carried out. By understanding what flexicurity means for social partners within collective bargaining we decided to adopt a very ‘light’ concept of flexicurity. This means that we do not engage in a theoretical discussion on what flexicurity is or should be. The aim is to understand what flexicurity means in practice from the perspective of trade unions and employers’ organisations. It is important to note here that the project looks at what is regulated in collective agreements only, and not at national-level legal regulations. Of course the themes and issues that are regulated in either of those two fields differ per country. To arrive at a demarcation of the concept of flexicurity, we use the existing documents on that have been recognised by the European social partners, i.e. mainly the common principles.

As we are looking at the practice of collective bargaining and the outcomes in CAs, it is important to recognise three issues. First of all, CAs are just one regulatory aspect of the entire field of interactions between social partners. CAs are very closely linked to the legislative regulatory level and they should be evaluated in this context. Aspects of flexibility and security can be regulated both by legislation and by CA. Evaluating CAs without this context can produce an oblique result. The two types of regulation are in some cases complementary; in other cases one can replace the other. For example, CAs can top up the payments provided for by the relevant legislation. This applies to partial retirement and short-time work allowance in Germany – in both instances statutory benefits are topped up by collectively agreed supplementary payments. Consequently, in order to achieve a more comprehensive analysis it would not only be necessary to study the relationship with other regulatory levels but also to clarify the regulatory context of collective agreements. The shortcomings of an institutional comparison only can be avoided by functional comparisons (Schregle 1981, p.23).

A second factor that needs to be taken into account is that the need for action and regulation can vary between industries and sectors. When the state regulates only a limited set of flexicurity issues, social partners need to be more actively involved. Also, different sectors have different problems, and these can have a decisive influence on the content of the agreements. For example, there are systematic differences in the sensitivity of different industries or sectors to fluctuations in the economic cycle, or to
seasonal workload fluctuations. Ideally, the different flexicurity requirements that arise from different economic contexts will have to be taken into account in a complete national and especially international comparison of sectoral CAs. The analyses undertaken in this study constitute a first step in this regard.

Finally, it is necessary to distinguish between different levels of collective agreements that are responsible for regulating different matters. In several countries such as the Netherlands and Germany, sectoral CAs allow for company-level agreements aimed to deviate from certain standards set at industry or sector-level. In the German metalworking and electrical industry alone, there are approximately 1,000 such company-level agreements that deviate from the terms of the industry-wide agreement. Consequently, studies of flexicurity in collective bargaining, should where possible, take this multi-level element into account.

4.2 The work packages

Before we turn to the six work packages that were carried out in this project, we introduce the empirical sources that were used. The main sources used within the project are the following:

(1) Policy documents and research reports on flexicurity policies and their Implementation;
(2) Various (draft) flexicurity indicators as drafted by the European Commission, EMCO and scientific authors, among which the project partners, plus analytical schemes on flexicurity as developed by project partners, i.e. Wilthagen’s flexicurity matrix and Tangian’s indicators;
(3) Studies on collective bargaining and flexicurity, or aspects of flexicurity such as employment security, as conducted e.g. by FAOS, the Dutch Labour Inspectorate (Annual reports) the Dutch Council for Work and Income (Raad voor Werk en Inkomen), the ETUI et cetera;
(4) Data sets and archives on collective labour agreements, including those of the Ministry of Social Affairs and Employment in the Netherlands, the FNV/AIAS data set DUCADAM and the German Tariff archives managed by WSI in the Hans Böckler Stiftung, containing both sector and company level agreements. The analysis concentrates on the availability of provisions and arrangements in CAs. These data sets are studied with the purpose of identifying main dimensions and sub dimensions of flexicurity within CAs (derived, as far as possible, from current flexicurity indicators,
indices, principles, components and schemes) and also to assess the scope of the relevant provisions (to which categories of workers do the arrangements apply or not apply?) and the distribution of the costs of these arrangements among the employer, the workers or other parties;

(5) Written expert assessments, drafted within the project, on the transferability and mutual learning potential of the Dutch-German-Danish findings to other EU Member States, i.e. France, Italy, Spain, Belgium and Sweden;

(6) Data from a current German survey on working-time accounts, indicating the relevance of internal flexicurity at the sector and company level;

(7) Input from meetings and consultations with Dutch, German and Danish social partners to discuss preliminary results and findings of the analysis of CAs and good practices.

The activity was divided into these six work packages that all contributed to the development of the final tools that social partners can work with to stimulate flexicurity through collective bargaining. The project partners (see appendix A) worked together as a team and have given feedback to the each other’s contributions to the final outcomes. Also, all chapters containing information on the three ‘core countries’ of the analysis, the Netherlands, Germany, and Denmark, have contributions from respectively the Reflect institute of Tilburg University, the Wirtschafts- und Sozialwissenschaftliches Institut (WSI), and FAOS, Employment Relations Research Centre. Nevertheless, some contributions were primarily made by a specific partner. Below we present the content of each package and, where relevant, which partner was mainly responsible for the contribution. Also Table 4.1 shows the distribution of work among the project partners, but based on the general activities and chapter of this report. The CAOP has handled the general management and coordination of the project and also contributed to the feedback roundtables with social partners in the Netherlands. The final report was mainly compiled by Tilburg University.
Table 4.1. Contributions of project members to particular parts of the report

<table>
<thead>
<tr>
<th></th>
<th>1 Coordination and management / drafting the final report</th>
<th>2 Review of policy documents and of opinions of social partners</th>
<th>3 Review of literature on flexicurity relevant CAs and collective bargaining</th>
<th>4 Analytical approaches to flexicurity (methodology)</th>
<th>5 Development of the checklist</th>
<th>6 Development of the computer tool</th>
<th>7 Presentations of results of analysis and of original developments to social partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAOP</td>
<td>X</td>
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<td></td>
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<tr>
<td>Tilburg University</td>
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<td>Chapter 3</td>
<td>Sect. 5.4</td>
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<tr>
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<td>Sect. 8.3</td>
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<tr>
<td>Labour Associados</td>
<td></td>
<td>Chapter 10</td>
<td></td>
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<tr>
<td>Dutch Ministry of Social Affairs and Employment</td>
<td>Participated as general supporting partner</td>
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</table>

1. The first work package entailed a deductive analysis and consists of a review of flexicurity policy documents and indicators, and literature on collective labour agreements and collective bargaining in relation to flexicurity. The outcomes are presented in chapters five and six.

2. The second work package involved an inductive analysis, in which we analysed CAs in the Netherlands, Germany and Denmark. This was done through in-depth assessment of a limited sample of recently concluded CAs. The aim of this analysis was to assess the dimensions, provisions, stipulations and topics within collective bargaining and CAs that can be considered key to the implementation of flexicurity. The outcomes are taken up in chapter six and were used to develop the flexicurity checklist and for consultations with social partners (chapter eight).

3. Thirdly, the outcomes of these deductive and inductive phases were presented to the Dutch, German, and Danish social partners (see chapter eight). The aim of this third work package was to include their views on the usefulness of the tools.

4. In the fourth work package, we identified internal flexicurity practices in CAs in Germany. This contribution was made by the WSI, and is presented in chapter nine. The focus of this part of the project is on working-time accounts; the
outcomes include an analysis of the development, practices and applicability of this type of internal flexicurity at the sector and company level within the German context, including an indication of ‘best practices’ that can be used in other countries.

5. In the fifth work package we consulted experts on labour market regulation and collective bargaining in five other Member States, all with various institutional and labour market regimes: Spain, France, Italy, Belgium and Sweden. The project partner from Labour Associates presented a draft version of the flexicurity tools based on Dutch-German-Danish findings to experts in these five countries to assess to what extent the findings can be thought relevant, useful and transferable within the context of these Member States. Their feedback took the shape of expert reports that were complied by Labour Associates into a separate chapter ten of this report.

6. Work package six of the project is the construction of the final flexicurity tools for collective bargaining. In this final phase we developed a computer-based monitoring tool and a flexicurity checklist that can serve both to evaluate, in a balanced way, existing CAs, as to be used in setting and determining the collective bargaining agenda from a flexicurity perspective. The tools are presented separately in chapters six and seven of this report. The monitoring tool was mainly developed by the WSI, while the flexicurity checklist was mainly drafted by Reflect.

4.3 Three-fold approach: top-down, bottom-up, and consultation with social partners

This project essentially adopted a three-fold approach. The first is deductive: we analysed EU-level policy documents on flexicurity to assess which elements are central to flexicurity, and then provide a translation of these policy objectives into (integrated) CA provisions. For example, a “principle of flexicurity” brought forward by the European Commission (2007) is “life-long learning strategies”. This might be translated in a provision on personal training schemes in CAs.

Secondly we carry out an inductive study on a selection of actual texts of CAs and a large dataset on CA-provisions in the Netherlands (i.e. the DUCADAM set). The aim of this study is to analyse which elements are present in CAs, and how these cluster together. In this part of the study, the difference between flexicurity as a policy strategy
and as a state of affairs comes to the fore. This entails that we both look for elements that specifically aim to balance flexibility and security, i.e. integrated measures, and elements that are not drawn up in connection to each other but in practice do constitute a ‘state of flexicurity’, i.e. single measures. The study of the CA-texts was carried out to get a sense of the variations across the three countries in how CAs and CA-provisions are structured; this would provide initial leads as to how balances between flexibility and security vary.

This project furthermore contains structured consultation and discussion with and between social partners by means of workshops and interviews/questionnaires. To make sure that we develop a tool that provides concrete value to the social partners, we presented our preliminary findings in an early stage of the project. In March-June, the prototype tools were developed and presented for feedback to the social partners in each respective country. During the workshops and/or interviews we not only asked for feedback to the tools, but also stimulated discussion between the social partners on the levels at which innovations in collective bargaining on flexicurity can be developed, and in which form. After this first stage of consultation, we revised the tool and presented it to social partners in the five other countries involved in the study. The aim was to make sure that the tool is not only valid for social partners in Northern-European countries, but also in other countries with different institutional regimes.

As a part of the first work package the project set out with a review of the relevant literature in each of the three countries; this literature-review is taken up in the next chapter below.
5. Literature review flexicurity and collective bargaining

5.1 Flexicurity and collective bargaining in academic and policy research

Studies that have set out to measure flexicurity have generally focused on national policies and labour law such as employment protection legislation, spending on active labour market policies, and economic security for wage earners (Bertozzi and Bonoli 2009, p. 9-11). There is yet very little study made of CAs as a regulatory alternative or complement to national legislation. Inclusion of social partners in flexicurity policy reforms has received some attention in analyses, but the distinct role of collective bargaining has almost not been dealt with. The scarce academic treatment of collective bargaining and agreements appears paradoxical when one considers the frequent references made to the significance of good national social dialogue between trade unions, employers associations and governments for the development of flexicurity (e.g. Wilthagen and Tros 2004; Lassnigg 2007). The focus on flexicurity has by no means been neglected by industrial relations scholars – as seen in the mutual gains enterprise, partnership and employment bargaining literature (e.g. Kochan and Osterman 1994; Sisson and Artiles 2000). However, in these studies the term is not used explicitly. A paradox thus becomes apparent. On one hand researchers that normally deal with collective bargaining (industrial relations researchers) have implicitly looked at flexicurity but without direct reference to it. On the other hand flexicurity researchers make reference to collective bargaining without systematically investigating the link to flexicurity (Ibsen and Mailand 2009, p. 13).

In this chapter we will first present the few international studies that explicitly focus on flexicurity and collective bargaining (section two); these studies are mostly carried out by researchers from institutions affiliated to the EU. In section three, four, and five we discuss studies on the topic by Danish, Dutch, and German researchers. These studies are primarily of academic origin, but when relevant policy papers were found these are included in the analysis. Section six concludes by bringing together the various perspectives taken in existing research, discussing where the various studies overlap and where they diverge, and what the main caveats for scientific research on the topic are.

5.2 International studies on flexicurity and industrial relations

Whereas also the European Commission has issued quite a few publications on flexicurity, the publications from EU affiliated institutions with a focus on collective
bargaining come primarily from the Dublin Foundation for the Improvement of Living and Working Conditions (hereafter: the Foundation). A study by Philips & Eamets (2007) of different European models and their approaches to flexicurity includes industrial relations indicators on, *inter alia*, collective bargaining coverage. The authors find no direct correlation between the industrial relations indicators and economic capital, human capital, and labour market development of the country. However, their findings indicated that income inequalities and wage distribution are more limited, that average wages, fringe benefits and training are higher and that unemployment is, on the whole, lower and less persistent in systems with high trade union density and high collective bargaining coverage.

Philips and Eamets discern various industrial relations systems and show that different flexicurity outcomes can be reached in line with variations in national industrial relation systems. Regarding flexibility, the authors take the strictness of rules on hiring and firing, the use of flexible employment, and flexible working time arrangements into account. Security is measured as employment protection legislation, social security, active labour market policies (including training), and provisions enabling a good work-life balance. The authors are less outspoken on a clear connection between flexicurity and the industrial relations indicators; notably the Netherlands, one of most frequently mentioned countries in connection to flexicurity arrangements, scores relatively low on these indicators, whereas Denmark, the other main flexicurity country, shows a high score. Regarding the link between social partners and industrial relations, the authors remain quite general when they state that “high centralisation of negotiations and more cooperative relations between the social partners have resulted in a balance between social security and labour market flexibility” (Philips and Eamets 2007, p. 32). The authors do not show how these issues are negotiated between social partners; i.e. if these issues are really traded off against each other and how trust on flexicurity issues is established.

Another report by the Foundation draws on a comparative study by the Foundation’s European Industrial Relations Observatory (EIRO). This study goes a step further than the 2007 study by Philips and Eamets and compiles national accounts on social partners’ role in developing flexicurity (Pedersini 2008). The author discerns three dimensions through which the social partners can influence the flexicurity agenda. Firstly, the political dimension, which is the social partners’ influence in the politico-administrative systems; secondly, collective bargaining and various other forms of joint regulation; thirdly, unilateral actions by each side of the bargaining table.
Although the assessment of the role of social partners with regard to flexicurity in these three dimensions maintains a degree of subjectivity as it is based on the interpretation by the author of information compiled by national experts, the results show, among other things, that collective bargaining and joint regulation play a ‘significant role’ in relation to flexicurity in half of the EU countries covered, namely in Austria, Belgium, Denmark, Finland, France, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Slovakia and Sweden. Collective bargaining therefore does not play a large role in relation to flexicurity in Germany and, from the five additional cases selected for this study also not in Spain (Pedersini 2008, p. 9).

The next step is how the social partners view flexicurity in different countries. Pedersini finds that in some cases, flexicurity is approached with scepticism and it is considered as mere rhetoric to implement flexibility measures. Not all flexicurity issues are equally controversial though; little scepticism exists regarding measures such as training policies that are generally found to lead to win-win outcomes and that are for a large part funded by public authorities (Pedersini 2008, p. 11). When this is not the case, there are two other options: On the one hand, the concept can be welcomed and social partners declare their commitment to realise flexicurity. On the other hand, when it comes to assessing specific measures, Pedersini found that social partners tend to reproduce traditional patterns, i.e. employers push for flexibility while trade unions strive to maximise security.

Pedersini then moves on to discuss some possible combinations of flexibility and security in collective bargaining, focussing specifically on agreements that simultaneously try to implement flexibility and security (ibid. p. 18). The first element is pay flexibility that, when leading to high profitability, can lead to job security. A second element is working time flexibility that increases combination security and when used for training and education, can increase employability. Training is a third element that enhances skills and therefore on the one hand productivity while on the other employability i.e. employment security. Contractual flexibility is a fourth element whereby the author notes that it is the most contentious one as social partners often have conflicting interests in this field. The win-win outcome in this respect would be flexibility for employers with increased job opportunities, i.e. employment security for workers.

Pedersini ends with stressing that in the field of industrial relations it is important to analyse provisions that simultaneously enhance flexibility and security in order to prevent a definition of flexicurity that is too broad. If this is not taken into account:
flexicurity loses its potential for clearly guiding the social partners: almost any possible topic of negotiation can be interpreted in the framework of flexicurity, from working time to wages or collective dismissals. As a consequence, it may have no real innovative impact on industrial relations and risks leading only to some new terminology. On the other hand, if taken seriously and being an inherently composite concept, flexicurity requires a great deal of mutual trust to become an effective reference for the two parties to the negotiations. (Pedersini 2008, p. 23)

A key element stressed by Pedersini is the requirement of trust between social partners. As the computer-monitoring tool is aimed at enhancing the transparency of CAs by indexing their advantages for the negotiating sides, it can contribute to the fairness of collective bargaining, thereby improving trust between social partners.

5.3 Studies on collective bargaining and flexicurity in Denmark

In accordance with the focus on national policies and labour law, Danish studies have mainly focused on macro-level indicators and economic sectors as an analytical reference point are remarkably absent. The sector is, however, a natural point of departure for studies of flexicurity. Numerous scholars have emphasised how companies belonging to a particular sector experience common pressures from changes in technology and markets (Arrowsmith and Sisson 1999; Katz and Darbishire 2000; Wilthagen and Tros 2004). Similar pressures on companies should also create similar needs for procuring flexibility and security for companies and workers in the same sectors. Andersen and Mailand (2005) outline how Danish collective agreements at sector level in numerous ways regulate items that have direct effect on the balances of flexibility and security through a dual development in recent decades. Firstly, decentralisation of wage-determination and working time arrangements has significantly increased flexibility. Secondly, inclusion of a wide range of welfare-related benefits in collective agreements has improved security in a number of ways.

Andersen (Andersen and Mailand 2005; 2007; Andersen 2007) – following Wilthagen (1998) – suggests moreover that sector level bargaining per se is conducive to balanced flexicurity in terms and conditions. Andersen’s main argument is that the decentralisation of collective bargaining combined with the enlargement of the bargaining agenda with new issues such as training, pension, leaves schemes, etc. have increased the opportunity for reaching flexicurity balances. Ibsen & Mailand (2009) have followed up on these findings in a study that compares the role of sector level negotiations in different labour markets and sectors. Their analysis covers the graphical industry and
electrical contracting in Denmark, the UK and Spain. The findings show that various bargaining processes such as conceiving package deals, joint problem solving and exchanges have led to flexicurity combinations in both sectors in all three countries. Unsurprisingly, most combinations were found in Denmark. But also in the UK, where the general environment is not friendly to collective bargaining, quite a lot of balancing of flexibility and security has taken place. Fewest combinations were found in Spain, but even here - where the room for collective bargaining is limited by extensive legislation - sector level social partners implemented flexicurity to some extent through their bargaining.

In a comparable study, Ibsen (2005) shows how variable working hours in Danish collective agreements help companies to adjust to changing business conditions without incurring higher labour costs. Working time flexibility in the private sector in Denmark is almost unlimited. Simultaneously, security for employees has increased through, e.g. a fund that secures pay during maternity/paternity leave.

A number of studies have taken an even more decentralised focus and analyse the workplace level. These studies propose a narrower focus on the specific needs for flexibility and security for employer and employees due to specific workplace situations. Ilsøe (2006) for example compares usage of working time arrangements (internal numerical flexibility) in Danish and German companies and shows how trust and local bargaining systems in Denmark to a higher extent lead to workplace flexicurity than in German counterparts. This finding is congruent with the study of Søndergård (2007) of Danish versus French manufacturing countries. Klindt and Meberg (2007) use company level data to determine uses of different forms of flexibility while holding these up against worker welfare and linking it to the system of collective bargaining in Denmark. This study too underlines that collective bargaining can devise regulation that balances flexibility with security under the right circumstances.

The Danish government and the social partners have naturally attempted to capitalise on the enormous interest in Danish flexicurity. Among other things, this has resulted in a number of publications. Very few of these, however, deal in any detail with the role of collective bargaining in flexicurity. Most details are found in a publication (in English) from the trade union bargaining cartel for the manufacturing industry, CO-industry (2006). The author makes references to the well-known OECD Employment Protection Legislation (EPL) index, which confirms that hire-and-fire flexibility is relatively high in Denmark. However, the publication also includes details on terms of dismissals - often set in collective agreements - for various groups of employees, the coverage of
collective agreements with terms of dismissal, the share of atypical employment, and an overview of different forms of security and flexibility in the Danish collective agreements. Moreover, and beyond the focus on collective bargaining, the generous welfare schemes – one of the three or four legs of the Danish flexicurity model – is seriously questioned in this study.

5.4 Studies on collective bargaining and flexicurity in the Netherlands

In the Netherlands, the Ministry of Social Affairs and Employment regularly reviews the existing CA provisions. The results of these reviews are published twice a year, in spring and autumn. CAs are analysed on five issues: wages (also wage flexibility); life-course arrangements; reintegration of employees after a period of sick leave; employability, i.e. employee training and learning, and; employment policies. In the report published in December 2008 (Ministry of Social Affairs and Employment 2008) we can see that since the end of the nineties almost every collective agreement has had one or more provisions concerning training. From time to time the Ministry also reviews collective agreements from the viewpoint of “work and family arrangements”. The research is then concentrated on provisions that are aimed at reconciling work with family responsibilities. In this case, CAs are analysed with regard to two aspects: the first one is the range of different kinds of paid and unpaid leave facilities, like pregnancy and parental leave, adoption leave, and emergency leave. The second aspect deals with flexible working hours arrangements. The Ministry only reports whether the collective agreement contains the corresponding provision without specifying the nature of the provisions or any possible trade-off that was made between social partners leading to this outcome.

The 1999 Flexibility and Security law (Wet Flexibiliteit en Zekerheid) is an important starting point for much research on collective bargaining in flexicurity. This act is seen as the Dutch example of flexicurity as it aims to establish a balance between employers’ need for external flexibility and employees’ need for employment security. The law contributes to these aims through a number of measures such as offering on-call workers and agency workers more security regarding their employment contract, but also by extending the possibilities for employers to conclude fixed-term employment contracts. This Flexibility and Security (hereafter F&S) law is only “three-quarters mandatory”, which means that by means of collective agreements it is possible to deviate from a number of the provisions laid down in the law, both to increase flexibility and/or to increase security. This is a rather unique feature of the Dutch ‘flexicurity approach’. It implies that collective bargaining plays a pivotal role in the shaping of flexicurity at the sectoral level and that the social partners can adjust the regulations in line with the specific needs in the sector.
So far the Ministry of Social Affairs and Employment has evaluated the act twice (in 2001 and 2006). The evaluations show to what extent the social partners are using the opportunity to deviate from the statutory provisions in their CAs by means of “three-quarters mandatory” law. These evaluations go further than the research on CAs mentioned above that merely count the extent to which provisions are taken up in CAs and also look at the effects of the law in practice. The second evaluation indicates that in 2006 employers were more inclined to offer employees a new fixed-term contract after the first one ended, as compared to 2001 when they were unsure about the consequences of the new law and were more likely to offer the workers an open-ended contract (Ministry of Social Affairs and Employment 2002). In 2006 the number of times that a fixed-term contract was changed to an open-ended contract almost halved. The act has also extended some protection to temporary agency, and on-call, workers, and most employers and flexible employees evaluate the F&S law positively (Knegt, Klein Hesselink et al. 2007).

In the Netherlands most research that deals with flexicurity and collective agreements is centred around the F&S law. In Hester Houwing’s dissertation (Houwing 2010 forthcoming) this act is also the starting point, from which the CA-provisions on security for fixed-term and temporary agency workers are analysed. The flexicurity balance lies in provisions on training, transitions, and restrictions for employers related to these two types of flexible work. By analysing developments within twelve sectors over time, Houwing found that the room to deviate is being used by the social partners in most cases to increase flexibility. However, the sectors vary to a large extent in how they balance flexibility and security. In an attempt to discover the most important factors explaining the variations across sectors, Houwing showed that economic factors as openness to international competition and scarcity of labour are most important, while trade unions play a minor role in security for these two types of flexible workers. In addition to these more general findings, Houwing presents qualitative case-study data on why social partners negotiated their specific set of CLA-provisions on security for flexible workers.

With Trudie Schils, Houwing was able to extend her analysis and looked at how social partners implement flexicurity in collective agreements in all sectors of the Dutch economy (Houwing and Schils 2009). The largest trade union FNV has a database containing the digital texts of all CAs that they negotiate. The database contains all texts concluded from around 1995, although the dataset is quite incomplete before 1999. It currently contains 92 percent of all CAs in the Netherlands, covering roughly 80 percent.
of the employed population. They focus on three aspects in the F&S law that are allowed to vary within collective agreements: notice periods, trial periods, and the use of fixed-term contracts. Here they also found out that the flexicurity-balance in these three aspects tilts towards the flexibility side over time. This study additionally showed that although the degree of flexibility has increased, the overall extent of deviations has decreased. This could point to a situation where social partners find the flexicurity law sufficiently in line with their needs, or rather that they are unable to reach agreement on how to deviate; these possibilities were not tested further.

Previous to her collaboration with Hester Houwing, Trudie Schils has done research on employment protection provisions (job security) in collective agreements (Schils 2007). This study, which is also based on the FNV/UvA CA-database, concludes that it is possible to regulate employment protection at a decentralised level (in CAs) that can deviate more or less from what is laid down in national law. This study contributes to the literature by investigating employment protection provisions at the sector level. CAs are analysed on a number of variables: period of notice, trial period, the maximum number and duration of temporary contracts and the existence of extra-statutory unemployment insurance.

Research has also been done on legislation and regulatory policies with respect to flexibility and security in the Dutch temporary agency work sector (Witlhagen, Houwerzijl et al. 2008). This research deals with the two CAs that are negotiated in the temporary agency sector and the legal framework for temporary agency work, notably laid down by the F&S law. It is argued that in this case the ‘flexicurity deal’ represents a trade-off between enhanced external-numerical flexibility on the one hand, notably flexibility in hiring and firing, and enhanced employment and income security for temporary agency workers on the other.

5.5 Studies on collective bargaining and flexicurity in Germany

There is no literature on flexicurity and CAs in Germany – which is not surprising, given that the term “flexicurity” has so far never been explicitly mentioned in collective/company agreements. What is more, parties to CAs tend to have reservations about the term. The situation is different, however, if one examines the contents of agreements that can be classified as related to the concept of flexicurity or contain core elements of it. Here you can find CAs that were concluded long before the concept of flexicurity was ever created or people became aware of the term. There is also often a reciprocal relationship between the individual aspects of flexicurity. Thus, the measures in a collective agreement geared towards securing employment may only have been accepted in
exchange for concessions on flexibility with regard to working time or aspects of pay (Seifert/Massa-Wirth 2005). This quod-pro-quo-principle applies, in general, for all collective agreements on competitiveness and employment. Even now, when CAs and related company agreements are extended, renewed or concluded for the first time, people tend to use traditional terms dating from the time before the word “flexicurity” was coined. In other words, the term has not yet entered the vocabulary of German collective bargaining policy, even though agreements may contain important elements of flexicurity.

This German literature review is based on the indicators used by Keller/Seifert (2008), while noting that CAs do not cover all the dimension while noting that CAs do not cover all the dimensions of the table but they can complement legal regulations in the mentioned fields. The contents of company-level agreements are less well documented and analysed than those of sector-level agreements. Yet precisely this decentralized level has been growing in importance ever since the mid 1990s. Sectoral agreements increasingly only set out a general framework, which then has to be fleshed out during the course of company-level negotiations. In addition, some agreements contain “opening” or “differentiation” clauses offering the negotiating parties scope to deviate from the standards laid down in the agreement, even in core areas such as wages and working time. In the past, provisions on wages and working time were not the subject of company-level agreements unless they offered employees more favourable conditions than were laid down in the sectoral agreement (principle of advantage).

A number of areas of relevance for flexicurity have been included in collective bargaining in Germany since the mid 1990s – mainly issues such as flexibilisation of remuneration and working time (time sovereignty included), safeguarding employment, and further training designed to encourage lifelong learning. The remainder of this section provides the available empirical data on these flexicurity areas in CAs. The issue of working time will only be touched upon briefly as it is further developed in the case study chapter 9 on working time accounts in Germany. Working time flexibility can take four forms:

A) Permanent extensions of regular working time for particular groups of employees;
B) Permanent deviations from the collectively agreed standard working time for individual groups of employees or entire workforces within a certain corridor;
C) Variable distribution of collectively agreed standard working time with the help of working time accounts.
D) Temporary reductions in collectively agreed standard working time, in some cases linked to agreements on safeguarding employment.
In return for variation in the amount of work over the working week, a number of CAs contain an element of employment security; for the duration of the agreement’s validity those employees affected cannot be made redundant for operational reasons. Other CAs contain a partial wage adjustment to allow for the reduction in working time. In other cases the arrangement is that additional payments (vacation or Christmas bonuses) are transferred to ensure that any reduction in monthly pay is kept to a minimum or avoided completely.

Flexibility in remuneration, the second issue in flexibility, can be found in the core sectors of the German economy; in recent years company agreements have created the possibility to deviate from collectively agreed standards (Bispinck 2005), though the scope for such pay corridors varies considerably. Pay-related agreements include both collectively agreed benefits and provisions that go beyond the agreed standard scenario. Some affect all workers; others affect only certain segments of the workforce. The areas covered include suspension of pay increases granted in the sectoral agreement, reduction and differentiation of collectively agreed pay and the introduction of entry-level pay scales for specific groups of workers.

The third issue is further training, which can aim to increase functional flexibility and job/employment security. Both collective and company agreements on vocational further training have been subject to extensive analysis and evaluation. Generally speaking, it can be said that vocational further training is not regulated across the entire range of sectors; there is also wide variation in the provisions for the various sectors. It is possible to differentiate between two generations of regulations on vocational further training. Older CAs – in some cases dating back to the 1960s – dealt with further training not in the context of separate training and qualification targets but rather together with other issues, primarily agreements on protection against rationalization, promotion of women’s employment etc. (Bispinck 2000; Busse and Heidemann 2005). Since roughly the end of the 1990s, a new generation of CAs can be observed that focus on further training as a separate issue, thereby upgrading its status. CAs on further training cover only parts of all industries and companies. Agreements on further training exist in only about one third of all companies with a works council; the share in the total number of companies is unclear. Nevertheless, some company agreements provide for the setting up of parity-based committees to monitor planning and implementation of in-company training activities.

A recent analysis of the most important sectoral and selected company agreements (Busse and Seifert 2009), found that, despite their heterogeneous nature, the agreements examined tend to overlap in terms of goals. The main focus is on
economic goals – further training is envisaged as helping to improve competitiveness, safeguard jobs or maintain the quality of products and services by retaining employees and upgrading their qualifications and employability. Further training is thus regarded as an investment in the future and, as such, is not just a matter for the employer but also puts some responsibility on the shoulders of the employees: Individual provisions even oblige employees to actively participate in further training (and its planning) and encourages them to invest their free time and, in some cases, even their own money in the process. Consequently these new agreements – in contrast to the first generation of agreements, which mainly focused on a specific context (protection from rationalization measures, promotion of women etc.) – do not make participation in further training measures dependent on specific problems. Instead the particular needs of the company become the main point of orientation. For this reason it is not surprising that identification of training needs looms large in some sectoral agreements (metalworking sector, chemical sector).

The main issue regarding flexicurity in collective bargaining in Germany is safeguarding employment. The clauses on hardship cases, restructuring and opening that have been included in CAs since the mid 1990s paved the way for the creation of so-called "employment pacts" at company level. These offer companies additional flexibility and, in return, give employees short-term employment guarantees (no redundancies for operational reasons), as well as an undertaking to maintain or invest in particular sites. An overview of the distribution, contents and utilisation of such opening and differentiation clauses is offered by Bispinck (2005).

The data on the use of opening clauses has been regularly updated on the basis of surveys of works councils carried out by the WSI. A number of studies (Seifert 1999; Mauer and Seifert 2001; Seifert and Massa-Wirth 2005; Massa-Wirth 2007) describe the contents of these agreements at both sectoral and company level. Using data from representative surveys of companies (Berthold, Brischke et al. 2003; Ellguth and Kohaut 2008) or works councils, they also analyse and evaluate the use of such agreements aimed at safeguarding employment. Empirical evidence shows that the concessionary agreements on the basis of opening clauses can be interpreted as the outcome of strategic bargaining between management and works councils that leads to an increase in internal monetary, numerical as well as organisational flexibility while at the same time external flexibility is reduced (Massa-Wirth and Seifert 2005).
5.6 Conclusions of the literature overview - what caveats remain?

Most available studies on flexicurity and collective bargaining have a national-level focus. Other recent studies point at the importance of the role of social partners and how they have contributed to a flexicurity balance in national-level policy. One study discusses the actual content of CAs. In this overview we have complemented this available literature with the studies that have been carried out in Denmark, the Netherlands, and Germany. We have found that flexicurity is often not an explicit issue in CA, though CAs in all three countries contain central components of flexicurity. The social partners in the three countries pursue different approaches.

In accordance with the focus on national policies and labour law, in Germany internal forms (pay and working time) of flexibility play a major role. In return the employees receive employment security. Danish studies mainly centre on macro-level indicators while economic sectors as an analytical reference point are often absent. There are however some studies available. Andersen and Mailand (2005) outline how Danish collective agreements at sector level in numerous ways regulate items that have direct effect on the balances of flexibility and security. Andersen suggests moreover that the decentralisation of collective bargaining combined with the enlargement of the bargaining agenda with new issues such as training, pension, leaves schemes, etc. have increased the opportunity for reaching flexicurity balances. Ibsen & Mailand (2009) have followed up on these findings in a study comparing the role of sector level negotiations in Denmark, the UK and Spain. In a comparable study, Ibsen (2005) shows how Danish collective agreements on variable working hours in collective agreements help companies to adjust to changing business conditions without incurring higher labour costs. A number of studies (e.g. Ilsøe 2006, Søndergård 2007, and Klindt and Møberg 2007) have taken an even more decentralised focus and analyse the workplace level. These studies propose a narrower focus on the specific needs for flexibility and security for employer and employees due to specific workplace situations. Finally, a detailed study on the role of collective bargaining in flexicurity was carried out by the trade union bargaining cartel for the manufacturing industry, CO-industri (2006). Based on the OECD Employment Protection Legislation (EPL) index, the publication includes details on terms of dismissals in CLAs.

In the Netherlands, the Ministry of Social Affairs and Employment regularly reviews the existing CA provisions on ‘flexicurity issues’ such as training and the reconciliation of work with family responsibilities. These studies however do not show the possible trade-offs between social partners leading to certain outcomes. The 1999 F&S law is an important starting point for much research on collective bargaining and
flexicurity in the Netherlands. This law is “three-quarters mandatory”, which means that within CAs it is possible to deviate from a number of the provisions laid down in the law, both to increase flexibility and/or to increase security. Evaluations of the law by the Ministry of Social Affairs and Employment show that there is a decrease in the extent to which fixed-term contracts are followed by open-ended contracts indicating an increase in flexibility rather than security.

In Houwing (2010 forthcoming) the F&S law is also the starting point. She analyses CA-provisions on security for fixed-term and temporary agency workers and reveals that the social partners use the room to deviate mostly to increase flexibility. Houwing and Schils (2009) have extended this study to all sectors of the Dutch economy, looking at three “three-quarters mandatory” aspects: notice periods, trial periods, and the use of fixed-term contracts. The authors here too found out that over time the flexicurity-balance in these three aspects tilts towards the flexibility side. They additionally show that, although the degree of flexibility has increased, the overall extent of deviations has decreased. Schils (2007) has also done research on employment protection provisions (job security) in CAs that deviate from what is laid down in national law by looking at provisions regarding notice periods, trial periods, the maximum number and duration of fixed-term contracts and the existence of extra-statutory unemployment insurance. Finally research has been done on the case of the CAS in the Dutch temporary agency work sector (Wilthagen et al. 2008). This ‘flexicurity deal’ represents a trade-off between enhanced external-numerical flexibility on the one hand, notably flexibility in hiring and firing, and enhanced employment and income security for temporary agency workers on the other.

There is no literature on flexicurity and CAs in Germany, which is mainly caused by the fact that the term has so far never been explicitly mentioned in CAs. The situation is different, however, if one examines the contents of agreements that can be classified as related to the concept of flexicurity or contain core elements of it. The German literature review was therefore based on the ‘flexicurity matrix’ while noting that CAs do not cover all the dimensions of the matrix. A number of areas to relevance for flexicurity have been included in collective bargaining in Germany since the mid 1990s – mainly issues such as 1) flexibilisation of remuneration and working time, 2) safeguarding employment, and 3) further training contributing to lifelong learning.

The above sections provide an overview of the studies on flexicurity and CAs that are available. In these studies, which are mostly found in Denmark, flexicurity elements are discerned. The starting point has however mostly been a specific topic, e.g. life-long
learning, on the basis of which CAs have then been analysed. In the current study a different approach is taken. Although a part of this study also starts from specific topics, we aim to be as comprehensive as possible, not excluding any topic for collective bargaining from the onset. One should hereby note that the range of issues that is taken up in a CA differs per country; the largest range can be found in Denmark. An even more important innovative feature of the current project is that the main focus is on what social partners themselves indicate as core flexicurity-provisions in CAs. This is a bottom-up approach that we complement by delineating possible useful CA-provisions from a flexicurity perspective. These CA-provisions are then discussed with social partners. The approach reveals the core assumption in this project: flexicurity CA-provisions that are useful for social partners have to be developed in close collaboration with social partners to ensure that they are indeed useful and valuable for them.
6. The flexicurity checklist

In addition to the development of the monitoring tool based on coded texts of a large number of CAs, we also developed a flexicurity checklist that can be used during the process of collective bargaining. The checklist is taken up in the final section of this chapter; in the following sections we present the steps we took before arriving at the checklist in its current form. The checklist can however be adjusted at all times in line with social partners views, e.g. if certain issues are more or less relevant in a particular country, sector or company. Also, the checklist should be considered work in progress. The final version taken up in this chapter has not been discussed with social partners.

The checklist is based on a top-down as well as a bottom up approach: we started from the European flexicurity policy framework and derived a number of themes that can, or by their nature are particularly suitable to be, addressed in CAs. Table 6.1 below contains these themes (left column) connected to the goals of flexicurity as formulated in the European policy documents (right column). In the middle column we gathered illustrative examples from CAs – provisions, stipulations - that foster flexicurity themes. These could be either integrated flexicurity-provisions, i.e. that deliberately combine elements of both flexibility and security, or single flexicurity-provisions that increase either flexibility or security but do contribute to a balance. Section 6.1 contains the analysis of the CAs that provided the input for the middle column. This analysis was carried out for Germany, Denmark, and the Netherlands.

Table 6.1 constitutes the very first version of the checklist. To gain insight into the views of social partners regarding the contents and set-up of the flexicurity checklist, we asked them for input on this table. Before the consultation, illustrative CA-provisions per country, outlined in section 6.2 below, were added. Details on how we collected the views of social partners and the outcomes of these consultations are presented in the next chapter eight. In our final version of the checklist (at this stage), taken up in section 6.2, the views of the social partners have been incorporated in the sense that the view that hiring and firing regulations are a barrier to employment is reformulated. Also, most social partners indicated that certain issues were not relevant within their institutional setting. However, as this can vary substantially from one country to the next, we have chosen to retain all the elements of the checklist while stressing that some issues are more and others less relevant depending on the country.
Table 6.1: Input for consultations on the checklist: flexicurity themes, goals, and illustrative CA provisions

Overarching goal: strengthening adaptability of people and firms and increasing societal wellbeing

<table>
<thead>
<tr>
<th>Flexicurity-themes/ Forms or modalities of flexibility and security</th>
<th>Illustrative CA-provisions (integrated and single)</th>
<th>Goals of flexicurity</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Transition security: timely supporting of transitions between jobs, aimed at preventing unemployment – by offering a search period, temporary wage supplements, reimbursement of travel and moving expenses, timely job search possibilities during working time, help in setting up own business. ☐ Preference of transition security over traditional financial compensation in the form of severance payment. ☐ Hiring and firing regulations. ☐ Provisions of employment security.</td>
<td>[TO BE ADDED PER COUNTRY]</td>
<td>Creating more and better jobs</td>
</tr>
<tr>
<td>Flexicurity-themes/ Forms or modalities of flexibility and security</td>
<td>Illustrative CA-provisions (integrated and single)</td>
<td>Goals of flexicurity</td>
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<td>---------------------------------------------------------------</td>
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</tr>
<tr>
<td>◑ Improvement of equal access to employment for all.</td>
<td>[TO BE ADDED PER COUNTRY]</td>
<td>Preventing segmented labour market and informal employment</td>
</tr>
<tr>
<td>◑ Equal treatment of atypical workers, no exemptions from provisions and enabling them to progress within a firm.</td>
<td></td>
<td>Development of human capital</td>
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<tr>
<td>◑ Facilitation of life long learning, anticipation of skills needed in the future, possibly related to the introduction of new technologies.</td>
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<tr>
<td>◑ Increase of employability, where needed to increase availability for another position, sector or profession. More attention for more general skills. Creation of education possibilities, not merely company or sector specific training.</td>
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<tr>
<td>◑ Creation of individual budgets and trajectories for education and training.</td>
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<tr>
<td>◑ Development and implementation of national/standardised qualification- and validation systems, also to identify skills previously acquired (accreditation of prior learning).</td>
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<tr>
<td>◑ Conclusion of agreements on training and education at the start of an employment contract.</td>
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<tr>
<td>Flexicurity-themes/ Forms or modalities of flexibility and security</td>
<td>Illustrative CA-provisions (integrated and single)</td>
<td>Goals of flexicurity</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
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</tr>
<tr>
<td>◗ Link between wage development and the economic cycle/productivity growth. ◗ Variable pay schemes based on fair and transparent monitor- and appraisal systems. ◗ Making use of lowest wage scales in remuneration schemes when this has an employment-enhancing effect. ◗ Correction of unequal remuneration of men and women.</td>
<td>[TO BE ADDED PER COUNTRY]</td>
<td>Increase of cost-effectiveness Strengthening competitiveness Increase of productivity</td>
</tr>
<tr>
<td>◗ Availability of various leave schemes, such as types of parental leave. ◗ Working time arrangements that facilitate the combination of work and care while stimulating labour market participation and being responsive to market demand and the position of the firm.</td>
<td>[TO BE ADDED PER COUNTRY]</td>
<td>Active promotion of gender equality Facilitating life courses and personal choices of people, including combination and balance between work and care</td>
</tr>
</tbody>
</table>
6.1 Input for the checklist: flexicurity provisions in collective agreements

To gather examples of CA-provisions that could be relevant for flexicurity for the discussion we social partners, we analysed the texts of three sector-level CAs in Germany, Denmark and the Netherlands. From these CA-texts we distilled exemplary CA-provisions that we could include in our table when presenting it to the social partners for consultation; this allowed us to get even more concrete feedback. We selected three sectors that would provide sufficient diversity concerning public/private and skill-levels: the manufacturing sector, the care sector, and the financial sector. The main tool we used to discern the relevant provisions was the flexicurity matrix as outlined in chapter three. The approach was slightly different per country: The Danish, and even more so the German, analyses include more single flexicurity CA-provisions whereas in the Dutch analysis the focus was more on integrated flexicurity CA-provisions. As a result, pension provisions, health provisions, special leave schemes, and stipulations on the use of fixed-term contracts are not taken up in the Dutch case, and the number of Dutch provisions is therefore lower.

Each section begins with general information on the CAs in the three countries. The selected CA-provisions are reflected in the tables 6.2-6.4 below. Note that some of the provisions could be classified as related to more than one form of flexibility or security. It is not always possible to assign individual provisions unequivocally to one or other of the flexibility and security elements. There is in addition often a reciprocal relationship between the individual aspects of flexicurity. Thus, the measures in a CA geared towards securing employment may only have been accepted in exchange for concessions on flexibility or other aspects.

6.1.1 Manufacturing sector

In all three countries, manufacturing CAs are mainly framework agreements that can be fleshed out by workplace/company level agreements. In Germany, the regulatory framework for the manufacturing industry is complex, and therefore not all of the CAs in force in the three sectors have been included. That is because agreements on the company level are not regarded in this study. For example: the regional collective agreements for the Nordwürttemberg/Nordbaden region have been used as the basis for the metalworking and electrical industry. This region’s CAs have on many occasions in the past acted as a blueprint for metalworking industry collective agreements in other parts of the country, where they have been adopted to a greater or lesser extent and
sometimes at a later point in time. As a result, there are only marginal differences in the key provisions of the different regional collective agreements.

In the Netherlands, works councils exist alongside trade unions, and are often the main negotiating parties within firms, as unions are not allowed to operate in the firms. Apart from the CA, white-collar workers in Denmark are also covered by legislation that lays down a three month notice period for workers. The Danish CA includes several possibilities for flexible working time arrangements tailored to the firm level, but this is conditioned on local agreements with a shop steward, notification and compensation. Also, the placement of working time is agreed with the individual or the group of workers, and the working week should be averaged at 37 hours after 12 months (reference period). Furthermore, in the Danish CA minimum wage rates are topped up on workplace level. There are extensive possibilities for supplementary local wage systems based on skills, performance, experience, results or piece-rate either individually or collectively negotiated. In sum, wage formation is highly flexible, albeit with minimum wage levels to ensure a floor under income. There are also extensive leave schemes for maternity/paternity leave and sickness leave. Since 1991, the industrial agreement has contained an occupational pension scheme into which employers contribute two thirds and employees the last third. As of 2009 the contribution amounts to 12 % of earnings.

Some provisions such as extra vacation days, rights to skill development, and sick pay only apply for employees with at least 9 months seniority. Special provisions for temp workers establish similar treatment and right to accumulate seniority provided the period between jobs does not last more than 6 months. The Danish manufacturing CA furthermore contains rights to two weeks paid vocational education and training without regard to production, but with relevance for the sector/company. Additional funds for education and training can be obtained by individuals through the skills development foundation. In sum, skills development has been given a boost with extra rights for paid education/training. Finally, external numerical flexibility is rather high due to short notice periods and few requirements connected to termination of jobs if this is done in accordance with general dismissal/redundancy procedures stated in legislation.

The Danish CA is slightly more encompassing than the Dutch one and contains additional provisions on e.g. ‘local agreements’ and, relevant for the analysis in this project, ‘continuous vocational education and training’. The Dutch CA however contains provisions on the take up of free scheduled hours, which are in most cases negotiated between the employer and employee/works council. In general employers are required to reduce overtime where possible, and the employer should negotiate with the employees’ representatives on overtime, shift work, and on-call duty, and takes the preferred free
days of the employee on the basis of religious grounds into account. Overtime is compensated by extra wage or the right to free hours at another time, to be determined by the employer after consulting the employee. Training provisions are less elaborate than in the Danish CA: an employee is entitled to one training day in 2009, and two in 2010. Training days increase with seniority; content and timing of training is discussed with the employer.

The Dutch CA contains a time saving scheme based on negotiations between employees’ representatives and the employer, and above-legally specified holiday days can be saved for time or money. Regarding atypical work, the wages and premiums laid down in the Dutch CA also apply to agency workers. Finally, when an employer in the manufacturing sector wishes to downsize the labour force, he or she will take measures to improve replacement of workers (taken up in a ‘Social Plan’). This includes looking into possibilities for training.

The table below provides an overview of the flexicurity provisions in the Danish and Dutch CAs.
<table>
<thead>
<tr>
<th>Security</th>
<th>Flexibility</th>
<th>Job</th>
<th>Employment</th>
<th>Income</th>
<th>Continuation</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexicurity</td>
<td>DK: No notice period is fixed 6 months of employment 6 months + 14 days notice, up to 8 years + 10 days notice not to go up to 10 years, employees. Longer notice periods for salaried workers in the sector.</td>
<td>DK: Only workers with 9 months seniority entitled to VET NL: In case of diversification requirement to take measures to improve replacement of workers, including retraining. NL: Wages and premiums also apply to agency workers.</td>
<td>DK: Occupational pension scheme only applies to employees with 9 months seniority.</td>
<td>DK: Leave schemes, sick pay, vacation days only applies to employees with 3 months seniority.</td>
<td>DK: Minimum duration for use of schemes cannot be specified. 40 months. Contracts may be renewed up to a maximum of 5 times.</td>
<td></td>
</tr>
<tr>
<td>Working time</td>
<td>NL: Financial compensation or free time for overtime</td>
<td>DK: Flexible working time account individual account enabling working time to be adapted to personal circumstances. Proportional rights to be established at company level. Compulsory accident insurance for over 300 hrs. credit.</td>
<td>DK: Enrolment possibilities in part-time working time according to employers and employee demand within hours.</td>
<td>DK: Leave for sick children (1 day)</td>
<td>DK: Maternity leave</td>
<td></td>
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<tr>
<td>Parity</td>
<td>DK: Recommendation is</td>
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</tr>
<tr>
<td>Functional</td>
<td>DE: Individual entitlement to annual personal development leave for further training measures required by changes in an employee's job or for the employee's own personal development. Only co-venturers are entitled to receive these measures.</td>
<td>DK: VET rights, and recommendation to establish educational councils and plans.</td>
<td>NL: Provisions for training (e.g. right to training for 1 day per 200) and (2019). Content and timing of training is discussed with the employer.</td>
<td>DK: Employees entitled to part-time work and subsequently return to full-time work. Long-term working time accounts to be negotiated by company agreements, with a view to improving work-life balance. Training and further education agreements to be negotiated at company level.</td>
<td>DK: Employed for a maximum period of 3 years. Overtime insurance starting at 1 hours credit. Collectives agreement on flexible transition to retirement. Employees over the age of 57 who have been employed and paid social insurance contributions for a minimum of 500 calendar days in the last 5 years can reach agreement with their employer to take an employer. Employees eligibility for semi-retirement are eligible to a top-up payment to earning their test monthly salary during semi-retirement up to at least 52% of their basic salary.</td>
<td></td>
</tr>
<tr>
<td>Wage</td>
<td>DE: Agreement on wage plans. Provides the option of temporarily deviating from minimum standards in collective agreements, e.g. cutting services, adjustment of payments</td>
<td>DE: Variable components of monthly salary: performance-related or dependent on hours worked; DK: Minimum-wage system with extension possibility for a minimum of 0 changes.</td>
<td>DK: Occupational pension scheme</td>
<td>DK: Performance-related or dependent on hours worked.</td>
<td>DE: Variable components of monthly salary: performance-related or dependent on hours worked.</td>
<td></td>
</tr>
</tbody>
</table>
6.1.2 Banking sector

Both the Danish and Dutch CAs in the banking sector are not applied to certain groups of workers. The Dutch CA explicitly excludes managers and higher-level professionals, employees with wages above a certain threshold, holiday workers, and interns. The Danish CA does not apply to employees engaged in temp work for less than a month and employees working less than 8 hours per week. In Germany, the collective agreement for the banking sector covers all private lenders and financial institutions. In Denmark, all employees covered by the agreement are also covered by the Danish Salaried Employees Act – this implies, inter alia, a minimum of 3 month terms of notice after a three month trial period. The Dutch CA, and also to some extent the Danish CA, is a ‘framework-CA’. It should be seen as a guideline that sets the conditions to find ‘tailor-made’ solutions, and to find the optimal balance between flexibility and legal security. The implementation of the provisions should take place between employers and employees at firm level. The size of both CAs is comparable, although the Danish CA has a very elaborate set of annexes including protocols.

In terms of the range of provisions taken up, the Danish and German CAs include several opportunities for working time flexibility. In Denmark the 37 hours average has to be reached within a four week period. Overtime and work besides normal working hours includes bonuses. Changes in working hours are subject to a four week notice. In the German CA, weekly working hours may be distributed unevenly within any 6-month period, with a maximum of 45 hours a week. In addition, there are options to regulate flexitime or variable working time by means of company-based agreements, and the CA has regulations on long-term working accounts. For older workers the German CA also contains provisions for semi- and early retirement.

The pay system in the Danish CA is basically seniority based, includes a minimum-wage and allows for bonuses. Wage flexibility seems to be limited, although it opens up for some forms of flexibility. The Danish CA includes a list of provisions that temp workers (up to 12 months of employment) are not covered by. These include clauses regarding education and training; salary during of absence; leave in relation to sick relatives; etc. The Danish CA furthermore provides employees with a right for ‘relevant’ further training up to bachelor/diploma degree, and rights to be trained in English or another language relevant for the job. In sum, the CA is rather developed on further training, but do not explicitly say that employees get paid during their training periods.
Employees have the right to five care days a year, but they have to be taken at a time it ‘is convenient for the employer’. The care days can be exchanged for extra pay. There are also rights to take leave in special circumstances, e.g. part-time work for seniors. In addition, there are provisions on procedures in case of unfair dismissals and remunerations based on seniority and age. These ‘social provisions’ are rather extensive for a private sector agreement, also in a Danish context. Remuneration, for instance, is only seen in very few Danish CAs. All employees covered by the CA are also covered by a health insurance, an protocols on pension issues and insurances.

In the Dutch CA the working week is on average 36 hours; individual working times are determined through negotiations between the employer and the individual employee, whereby in principle the employee's preference is dominant. Longer working hours should be established after consultation with the works council. Overtime hours are compensated by extra wage, extra days off, pension contribution, or contribution for a life course scheme. Employees’ requests to work less hours by law, with additional elements: a) applies to all functions; b) equal legal security for part time and full time employees; c) equal career opportunities.

The German CA contains a provision stating that the employer is required to assess whether redundancy or lowering of pay can be prevented in cases where firms have to reorganise. When this is the case, employees are entitled to paid training for suitable jobs. In contrast, the Dutch CA provides for continuous training and the issue of employability is taken up in separate a chapter. In this chapter, the mutual benefit and the responsibility of both the employee and the employer is stressed. Costs are paid by the employer, training takes place for the large part during working time, and employers draw up a training plan. Employees have an individual right to training and employee’s preferences are guiding for these training plans, but not taking up this right can lead to consequences such as placement outside the firm. It is stressed that optimal employability of a worker is based on a good work-life balance. The goal should therefore be to increase this through a life-phase-conscious HRM-policy based on education, flexible working time, special leave etc. There will be a study to investigate how the existing provisions on employability and work-life balance can be brought back to life, and used towards specific suggestions and improvements. Finally, provisions to reduce negative effects of reorganisations on employment are laid down in a Social Plan, the content of which is discussed with the employees’ organisations.
Table 6.3 Flexicurity elements in banking sector CA

<table>
<thead>
<tr>
<th>Security Flexibility</th>
<th>Job</th>
<th>Employment</th>
<th>Income</th>
<th>Combination</th>
<th>No security</th>
</tr>
</thead>
<tbody>
<tr>
<td>External numerical</td>
<td>DK: After 3 months trial period employees have 3 months terms of notice (max. 6 months)(legislation)</td>
<td>DK: Temp worker &lt; 1 month not covered by rights for VET</td>
<td>DK: Temp workers &lt; 1 month not covered by pensions schemes</td>
<td>DK: Temp workers &lt; 1 month not covered by several social benefits</td>
<td></td>
</tr>
<tr>
<td></td>
<td>DK: Temp worker &lt; 1 month not covered by min 3 month terms of notice</td>
<td>NL: Negotiations on a Social Plan for reorganisation to prevent unemployment. Discussion with employees’ representatives</td>
<td>DK: Remuneration pay for employees +40 with 12 years seniority</td>
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</tr>
</tbody>
</table>

| Working time | DE: Reduction in working week from 39 to 31 hrs. Working time up to 12 hrs. a day where 24/7 shift pattern in place. Weekly working hours may be distributed unevenly within any 6-month period, but may not exceed 45 hrs. a week. Flexitime/variable working time to be regulated by internal agreements. Long-term working time accounts: Employees may save financial or time credits; Rules on use of time credits for retirement, in-service training, sabbaticals, etc to be regulated by company agreements. Semi-retirement contracts can be signed at company level allowing for individual forms of working time to safeguard jobs. Collective agreement on early retirement: 1-2 years before statutory pension for Employees who have been with the company for at least 10-20 years. First 3 months paid at 75% of gross monthly salary, thereafter 70%. | NL: Compensation for overtime, work on Saturdays and for longer working week than 40 hours/2080 p/year: compensation can be extra premium, contribution to pension, or life-course scheme. DK: similar provisions as the above in the Netherlands exist in Denmark. | DK: Working time mostly in normal hours, but some flex incl. 4 hours. DE: Reduction in working week from 39 to 31 hrs. Working time up to 12 hrs. a day where 24/7 shift pattern in place. Weekly working hours may be distributed unevenly within any 6-month period, but may not exceed 45 hrs. a week. Flexitime/variable working time to be regulated by internal agreements. Long-term working time accounts: Employees may save financial or time credits; Rules on use of time credits for retirement, in-service training, sabbaticals, etc to be regulated by company agreements. Semi-retirement contracts can be signed at company level allowing for individual forms of working time to safeguard jobs. Collective agreement on early retirement: 1-2 years before statutory pension for Employees who have been with the company for at least 10-20 years. First 3 months paid at 75% of gross monthly salary, thereafter 70%. | NL: Additional to legal right for employee to shorter working hours: a) applies to all functions; b) equal legal security; c) equal career opportunities Working times are negotiated: employees’ preference dominant. Possibility for variable working hours within limits |
| Functional | DE: In the event of rationalisation measures, employer required to assess whether redundancy or lowering of pay grade can be prevented by retraining or continuing professional development. Employees entitled to paid training for suitable jobs.  
N.B. also employment security! | DK: Rights to education plans; Rights to VET  
NL: Paragraph on 'employability' specifically relating employment security to functional flexibility: a) employers are required to draw up personal development plans  
b) employee has right to training but should show initiative and willingness. | NL: “life-phase-conscious HR-policy” to combine functional flexibility with combination security |
| Wage | DE: Company agreements may be signed to reduce the working week from 39 to 31 hrs. with a 20% wage cut; in exchange, there shall be no redundancies for economic reasons | DK: Seniority-based pay systems w. minimum wage, limited flex | DE: Variable performance-related or success-related pay regulated by company agreements; max. variable component of 8% |
| No flexibility | DK: Psychological assistance  
DE: Employees >50 with the company >10 years may only be made redundant on serious grounds. | DK: Occupational pension schemes, health insurance  
DE: Continued payment of wages/sickness benefit top-up payment up to 20% to a maximum of 100% of the employee’s salary |  |
6.1.3 Health/Nursing sector

In Denmark the wages and working conditions of nurses are regulated by a ‘targeted’ CA covering nurses and other non-management personnel in the health sector and by a number of protocols and framework agreements for local government employees. Much of these are only setting the regulatory framework, leaving the more specific issues to be agreed upon at the workplace level. In sum, the regulation is more complex than in the two previous cases. The very large number of TAW nurses is not covered by this agreement, but by a separate one: the Association of Nurse Temp Agencies (acronym FASID) negotiates its own CAs with trade unions. Just as in the banking sector all nurses covered by the agreement are also covered by the Danish Salaried Employees Act implying a 3-month notice-period after a 3-month trial period. The Dutch CA applies to the employment contracts for nurses, employees in care homes, and people supplying home care services. When employees are already covered by another CA, e.g. for agency workers or specifically for home care workers, the current CA can not be applied. The CA is explicitly not a framework agreement and all provisions should be applied.

The care sector in Germany is highly fragmented, with some services provided by the public sector, some by the private sector, and the Catholic and Protestant churches also playing a significant role. Furthermore, only certain parts of this sector are regulated by collective agreements. Consequently, more comprehensive studies will be needed before a detailed analysis of the care sector can be presented. The collective agreements evaluated for the purpose of this study are restricted to the public sector and the special section on hospitals in the public sector collective agreement that has been in force since 1st October 2005.

All three CAs contain noticeable elements from a flexicurity perspective that are to some extent in the same range, namely work-life balance. The German CA contains an option of negotiating agreements for working time accounts. When such agreements are agreed on, employees decide on the hours that can be credited to the account. The Danish CA contains provisions in leave schemes related to education, adoption, and illness of a child for up to two days. Parents have in total right to 28 weeks of paid leave – however, the two first weeks after the birth of the child is obligatory for a mother and cannot be transferred to the father. In sum, the family related leave – that applied for all employees in the regions and the municipalities – are extensive. it is important to note that statutory regulation give the opportunity to longer leave, but on the lower unemployment benefit level, not paid by the employer and therefore not included in the
CA. This is an opportunity in all sectors. There is also a specific section entitled reemployment conditions for salaried workers. In addition, the Danish CA contains a protocol including several advisory models on working time arrangements, including flex time and time saving banks. Regarding the position of temporary workers, the Danish CA contains a framework agreement stating that temp workers employed for less than one month are not covered by the rule of non-discrimination.

Another element of the Danish CA is a framework agreement on senior policy with ‘senior-jobs’ (part-time work with full pension earnings) and a ‘senior-bonus’. In addition, there is an agreement on competence-development (VET) that provides all employees with a right to an ‘individual development agreement’. Finally, there are procedures to offer protected jobs (i.e. permanent jobs on reduced hours with or without public funded wage-subsidy) to unemployed people, who seek employment at the workplace, or to people already employed in the workplace, whose work-capacity have been reduced. Moreover, the social chapter includes preventive measures to avoid employees from being worn out. And prevent stress.

The Dutch CA contains a specific section on work and private life, and a section titled ‘multiple-choice system of employment conditions’. The CA contains the intention to carry out studies in the areas of a) performance-related pay, and for which employees this should be introduced first; b) flexibility and security for nurses working in maternity provision. The aim is to increase legal security and work-life balance; c) a good balance for employees and the production process in the organisation of working time and hours. This last study will be carried out by an independent party. Also, employees can choose to compensate inconvenient hours and overtime work by means of extra time or rather financial compensation.

Related to training, the Dutch CA contains a provision entitling people in a training trajectory that work 36 hours a week to 4 hours a week leave for training purposes. The German CA contains more elaborate provisions in this respect. German care workers are entitled to annual assessment of individual training needs, and may be offered retraining courses, refresher courses, and training for people returning to work after a long period of absence. The training required for the current job is paid for by the employer; the employee is required to contribute when this is agreed on. This contribution is then either financial or paid out in the form of working time.
<table>
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<tr>
<th>Security Flexibility</th>
<th>Job</th>
<th>Employment</th>
<th>Income</th>
<th>Combination</th>
<th>No Security</th>
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<td></td>
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</tr>
<tr>
<td>DK: After 3 month trial period employees have 3 months terms of notice (max. 6 months)</td>
<td>DK: Temp worker &lt; 1 month not covered by rights for VET</td>
<td>DK: Temp workers &lt; 1 month not covered by pensions schemes</td>
<td>DK: Temp workers &lt; 1 month not covered by several social benefits</td>
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</tr>
<tr>
<td>DK: Temp worker &lt; 1 month not covered by rights for VET</td>
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<tr>
<td>DK: Employees on fixed-term contracts shall be given precedence when it comes to hiring for permanent positions; Contracts without a specific reason must have a minimum duration of six months and employees with these contracts should be employed for at least twelve months.</td>
<td>DK: Temp workers &lt; 1 month not covered by pensions schemes</td>
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<tr>
<td>DK: Temp workers &lt; 1 month not covered by several social benefits</td>
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<td></td>
</tr>
</tbody>
</table>
| Working time | NL: financial compensation for inconvenient hours (sat, sun, and mo-fri between 20.00 and 07.00 hours) (40 percent of hourly wage) | DK: Care days 
Paid maternity/paternity leave 
Leave on child’s 1st & 2nd day of sickness | DK: Possibilities for working time 
flex close to unlimited, average working week 37 hours 
DK: Part-time + shiftwork possible and very widespread 
DE: Option of negotiating agreements for working time accounts and rules for how the accounts will be managed. Employees decide on the hours that can be credited to the account. Employees who are on call can have their daily working hours extended beyond 8 hrs. as per Working Time Act, depending on the category of on-call service and up to a max. of 24 hrs. 	
NL: studies into 1) ‘flexibility and security’ for maternity employees: combination security and legal security 
2) balancing of working time and working hours for all employees |

| Functional | DK: Yearly individual development plans Right for 2 weeks of VET  
DE: Entitlement to annual assessment of individual training needs. Training measures may include: refresher courses and training for people returning to work after a long absence. In-service training required by the employer paid by the employer; employee contribution and repayment liability by agreement. Employee contribution financial or in the form of working time. |  |  |
|------------|-------------------------------------------------------------------------------------------------|  |  |
| Wage       | DK: Pay-scale based wage-system, dominated by education level/job-functions and seniority.       |  | NL: aim to do a pilot result-related pay |
| No flexibility | DK: Health and wellbeing agreement  
DK: Social chapter  
DK: Senior policy |  |  |
6.1.4 Conclusions of the pilot study: similarities and differences in CA-provisions

Starting from a comparison of the structure of the CAs in various countries, we see that Dutch CAs are much shorter than Danish ones. This is an interesting finding in light of Andersen’s claim (2005) that when a collective agreement contains a broader range of issues, there are more opportunities for exchange, and therefore for combinations of flexibility and security.

Regarding the content it shows that the issues that are regulated by law differ across countries. This is important to keep in mind when comparing countries and analysing the possibilities to combine flexibility and security in the framework of collective bargaining. In Denmark for example, salaried workers in all three sectors are covered by the Salaried Workers Agreement, which follows statutory provisions in Salaried Workers Act – this implies, inter alia, a minimum of 3 month notice after a three month trial period. Manual workers are not covered by this Act.

In all three countries, the flexicurity-relevant issues that are regulated most in the CAs relate to working time flexibility/combination security and training provisions that can increase functional flexibility and often also job or employment security. Income security while out of work is on the other hand generally regulated by law. Also, it is not quite clear how wage flexibility such as performance related pay can be linked to income security in a straightforward way. As mentioned in the introduction to this section, the focus in the Dutch analysis was stricter on provisions that combine flexibility and security in a deliberate and synchronised way. The Danish and German analyses are broader and include pension provisions, health provisions, and regulations on fixed-term contracts. Many CAs are focused only on single issues, but companies and works councils are free to combine different single-issue agreements to complex packages as they do with the agreements on employment and competitiveness (Seifert/Massa-with 2005). Collective bargaining is a dynamic process in which various routes can be taken.

The majority of the German CAs examined deal with aspects of flexibility – above all internal, numerical and monetary flexibility – and social security separately. In some cases they complement the statutory provisions. Both elements of flexicurity are to some extent dealt with independently but to some extent also in close connection with one another. Such a contextual link exists above all in the case of agreements on securing and creating jobs (metalworking industry) and release clauses in the banking sector. These can be regarded as genuine examples of flexicurity, whereas the other provisions
can only be interpreted as flexicurity provisions, as they have no direct reciprocal links. Probably because of the way they came into existence, such provisions only deal with individual aspects of either flexibility or social security but do not refer to each other. However in combination they extend the scope for flexicurity, irrespective of whether this was the intention when the negotiating parties signed the agreements. In conclusion, the agreements examined demonstrate that aspects of flexibility are explicitly regulated both from the point of view of the companies and their employees. This inks up to a final important point: the analysis of the Dutch banking CA shows that the issue of training is taken up in the chapter on employability in which it is explicitly related to mutual benefits and functional flexibility. In the metal sector CA on the other hand, training is included in the chapter on ‘working time’. These outcomes show that similar provisions, when they are framed differently, can be related to different issues, and can be more or less explicitly related to flexicurity goals.

6.2 The flexicurity checklist

This checklist is designed as a tool for social partners within the framework of collective bargaining. The check-list is equally relevant for firm-level, sector-level, and inter-sectoral level, though the most salient issues are likely to vary per level. Also, the relevance of issues will vary per country as national law regulates (clusters of) provisions to a greater or lesser extent. The checklist draws attention to clusters of themes that might be important from a flexicurity point of view and that could be discussed and considered, both within the bargaining process or in evaluating existing CAs. The checklist thereby acknowledges the autonomy and key responsibility that social partners have in the area of collective bargaining and social dialogue. The checklist is subdivided into seven clusters initially derived from the major EU flexicurity policy framework as was developed for the table 6.1. The feedback from social partners was used to further develop the clusters, and the Dutch social partners gave a suggestion for a CA that they considered exemplary from a flexicurity perspective. The checklist contains a few examples of interesting and relevant provisions in collective agreements in Germany, Denmark and the Netherlands. When using the checklist, social partners can include more, or according to the setting the most relevant, examples. The checklist is taken up below; the feedback from social partners is taken up in the following chapter eight.
1.1.1 1. Employee selection and contracting, and right to training

1.1.2 Contributes to transition security: attracting more people in employment and supporting mobility

Consider provisions that:

- Prevent unemployment by supporting transitions between jobs, possibly with the same employer, by offering a search period, temporary wage supplements, timely job search possibilities during working time, help in setting up own business, etc.
- Match the right people with the right jobs, by offering cross-sectoral training to workers that need to be replaced, and reimbursement of travel and moving expenses to stimulate mobility from shrinking regions to booming regions.
- Attract new groups into the labour market through employment-friendly hiring and firing regulations.
- Stimulate disadvantaged groups (e.g. women, minorities) to make transitions to higher-level jobs, e.g. through selection procedures that stress the value of diversity in the workforce.

Exemplary CA-provision: German Banking CA
Agreement on protection against rationalisation
In the event of rationalisation measures, the employer is required to assess whether redundancy or lowering of pay can be prevented by retraining or continuing professional development. Employees are entitled to paid training for suitable jobs.

Derived from common principles no. 1,2,4,5, and 6, EES employment guidelines no. 20 and 21, flexicurity components no. 1 and 2, and flexicurity pathways no. 2 and 4.

2. Employment contracting, pensions, training, social security and minimum wages

1.1.3 Combining external flexibility with fighting segmentation

Consider provisions that:

- Ensure equal treatment of atypical workers regarding wages, premiums, training, promotions etc.
- Facilitate the use of temporary workers while enabling them to accumulate seniority and to progress within a firm.
- Prevent in-work poverty by minimum wage levels.
- Entitle all workers to pensions schemes and social security if not provided by legislation.

Exemplary CA-provision: Danish Manufacturing CA
Special clauses on temp agency workers on non-discrimination and accumulation of seniority

Exemplary CA-provision: Danish Nursing CA
- Possibilities for working time flexibility close to unlimited, though the average working week should be 37 hours
- Part-time work and shiftwork possible and very widespread

Derived from common principles no. 1,2,4, and 5, EES employment guideline no. 21, flexicurity component no. 1, and flexicurity pathway no. 1.

3. Training and education, employability
7. A computer monitoring tool for social partners

7.1 Model overview
The monitoring tool operates on the Dutch computer archive of collective agreements ‘DUCADAM’, which is set up by the largest trade union in the Netherlands (FNV) and the University of Amsterdam. This computer tool is aimed at monitoring flexicurity principles in CAs, both stored in the archive as well as in incoming ones. It is done by estimating the degree of flexibility and security in the CAs.

It is assumed that a fair agreement should have 0-balance of flexibility and security, by analogy with credit–debit 0-balance in finances. Since the flexibility and security indices are expressed in different scales (‘in different currencies’), the substitution rate (‘exchange rate’) should be determined. This is done by regression analysis of flexicurity-relevant agreements from the past practice. For a given CA, a positive deviation from the flexibility–security 0-balance means that flexibilisation issues and security measures are well balanced (better than average). A deviation below 0 means that flexibility prevails over security; a deviation above 0 means that security is larger than flexibility.

7.2 Indices of flexibility and security for collective agreements
The Dutch computer archive of CAs (Schreuder and Tijdens 2004) can be imagined as a large table with 5383 rows for 5383 CAs (observations) and 1216 columns for their specifications (variables). Most of them extensively deal with employment security and social security, but only 3483 of them explicitly include flexibilization issues. The latter are regarded as flexicurity-relevant and only they are considered in the model.

The archive is built upon 649 numerical variables with which the CAs are comprehensively characterized. The numerical specifications include the year of agreement, code of industry branch, 1–0 codes for Yes/No answers to numerous questions, and decimal figures like the length of holidays in days, percentages of salary increases, maximal limits for using TWA workers, etc.

Most of other variables are text comments to numerical variables. A few variables contain general descriptions of CAs, names of negotiators, etc. We omit some numerical variables by different reasons as well as all the text variables which cannot be used in the model. Some numerical variables are aggregated. For instance, 98 variables with the length of holidays for each year of age 16–64 expressed both in days and in working hours are aggregated into three variables for three age groups. Finally 356 numeric
variables are selected. In spite of a seemingly important reduction, all the flexicurity-relevant information of the data set is represented in the model.

Table 7.1. Data structure for constructing composite indicators of flexibility and of security in collective labour agreements (CAs); question marks ? show the aggregation of the composite indicators

<table>
<thead>
<tr>
<th>CA No. in archive</th>
<th>Classifiers</th>
<th>Flexibility</th>
<th>Security</th>
<th>Partial indices</th>
<th>Aggregate indices</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>3</td>
<td>2.5</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>4</td>
<td>?</td>
</tr>
</tbody>
</table>

Source: Tangian (2009a, p. 12)

The data structure after the omission of irrelevant CAs and variables is illustrated by Table 7.1. It represents 3483 flexicurity-relevant CAs, each occupying one row of the table. The selected 356 flexicurity-relevant numerical variables are grouped in several sections.

The first two variables, year and the code of industry, called "Classifiers" are not used for indexing the CAs but are necessary to group CAs for analysis by year and by industry.

The following columns of the table contain 354 variables which are grouped into two main sections, Flexibility and Security, which in turn fall into five and nine subsections, respectively (for the full list of variables see Annex 2):

Flexibility (21 variables)
1. External flexibility: acceptability of seasonal/temporary contracts (3 variables)
2. Internal flexibility: adjustable working hours (7 variables)
3. Functional flexibility: acceptability of variable tasks (2 variables)
4. Wage flexibility: acceptability of variable pay (4 variables)
5. Externalization flexibility: use of external workforce (5 variables)

Security (333 variables)
6. Labour rights: equality of atypical workers with normally employed workers (13 variables)
7. In-work income: salaries, overtime payments, etc. (75 variables)
8. Out-of-work income: disability insurance, pensions, etc. (69 variables)
9. Job security: adaptability of working conditions to aged persons, after a sickness, in reintegration (12 variables)
10. Employability: education, training, etc. (30 variables)
11. Employment security: security of remaining at work, also with another employer (3 variables)
12. Social security; provisions for child care, parental leave, etc. (25 variables)
13. Social dialogue: provisions for works councils (9 variables)
14. Work-life balance: different types of leave — Labour Time Reduction Days, leaves for marriages, etc. (98 variables)

It is often argued that flexibility can be desired not only by employers but by employees as well. To avoid ambiguity, 'Flexibility' in our model contains the factors which are desired by employers and are not desired by employees. The flexibility forms which can be desired by employees are included into the security indicator 14. Work-life balance (combinatorial security).

The next to last section of Table 7.1 contains 14 partial indicators — five of flexibility, and nine of security. The last section of the table contains both total indices of flexibility and of security.

In Table 7.1 the partial flexibility and security indices are obtained by taking the mean codes of related questions along the horizontal dimension of the table. The summation is performed with no weights, except for implicit equalizing weights imposed by standardization; for details see Tangian (2009a).

7.3 Analysis of Dutch collective agreements
Figure 7.1 displays the flexibility and security indicators of the flexicurity-relevant CAs averaged on year. These indicators are obtained for normalized variables, flexibility indices are shown by blue bars, and security by red. The dynamical trend of the indicators is shown by the regression lines fitted to 13 yearly indices.
- **Security decline**: The descending red regression line, fitted to security indices, shows a decrease in security. The high $R^2 = 0.6609$ (above the upper plot) confirms a good linear fit, and the negligible significance $P_F = 0.0007$ means that the decrease is statistically certain.

- **Abrupt drop of flexibility in 2004–2006**: The flexibility indices of the years 2004–2006 are visibly lower than that of other years. Indeed, the corresponding CAs lack 6 of 21 flexibility variables. Maybe this is caused by coding errors or a re-coding of certain provisions; we do not have this information as of yet.

*Figure 7.1. Flexibility and security indices for 3483 flexicurity-relevant CAs from totally 5383 by year (normalized variables)*

Regression on 13 security indices: SLOPE = -0.47 $R^2 = 0.6609$ $P_F = 0.0007$

Regression on 13 flexibility indices: SLOPE = -0.39 $R^2 = 0.1237$ $P_F = 0.2386$

Source: Tangian (2009a, p. 18)
Figure 7.2. Flexibility and security indices for 2372 flexicurity-relevant CAs from totally 3878 with no years 2004—2006 (normalized variables)

Regression on 10 security indices: SLOPE = -0.68  $R^2 = 0.8636$  $P_s = 0.0001$
Regression on 10 flexibility indices: SLOPE = 0.36  $R^2 = 0.6863$  $P_f = 0.0031$

Source: Tangian (2009a, p. 19)

Figure 7.3. Flexibility and security indices for all 5383 CAs from the Dutch database by year (normalized variables)

Regression on 13 security indices: SLOPE = -0.41  $R^2 = 0.5910$  $P_s = 0.0021$
Regression on 13 flexibility indices: SLOPE = 0.26  $R^2 = 0.0770$  $P_f = 0.3587$

Source: Tangian (2009a, p. 21)
**Unclear flexibility trend:** The blue regression line, fitted to flexibility indices, is also descending. However, low $R^2 = 0.1237$ and high $P_F = 0.2386$ confirm no statistically significant decrease. Eliminating the questionable years 2004–2006, we obtain quite a different picture. Now the flexibility line in Figure 7.2 is no longer descending but ascending. The statistical goodness is much higher ($R^2 = 0.8636$, 0.6863 instead of 0.6609 and 0.1237, and $P_F = 0.0001$, 0.0031), meaning statistically significant trends. All of these indicate that the data from 2004–2006 are not quite reliable, and that flexibility likely grows rather than decreases.

**Flexibility expansion:** Figure 7.3 shows how the situation looks like if all the 5383 CAs of the Dutch archive are considered. The most surprising is that the flexibility in Figure 7.3 grows, whereas it decreases in Figure 7.1. How can it be, that adding the CAs dealing exclusively with security drastically changes the behaviour of flexibility indicators without much affecting the security? The answer follows from Figure 7.4 which shows that the share of flexibility-relevant CAs among all CAs is increasing more rapidly than the flexibility decreases within the former. The effect is that the 'total' flexibility grows, although the 'specific flexibility' in flexicurity-relevant CAs is decreasing.
7.4 Flexicurity balance

Figure 7.5 shows a flexibility–security plane (negotiation space) with the flexicurity compass and the ascending regression line fitted to grey stars * which denote 3483 flexicurity-relevant CAs. The line with the slope 0.17 (see top of the plot) shows that a unit of additional flexibility is on the average balanced by 0.17 units of additional security. Therefore, the regression line is interpreted as the flexicurity 0-balance.

The vertical and horizontal lines in Figure 7.5 show the mean values of flexibility and security indicators of the 3483 CAs, respectively. They visualize the location of CAs in the negotiation space. The asymmetry of location of the CAs with respect to the line intersection says that the majority of CAs has (relatively) low flexibility and low security. The indices of these CAs are however close to the mean values. Much fewer CAs have flexibility and security indices above average, and their deviation from the mean is visibly larger. A plot for standardized variables is somewhat different but exhibits similar properties; see Tangian (2009a).

Figure 7.5 contains a sample CA 555 (the number of the CA in the computer archive) with flexibility and security indices 22.36 and 21.64, respectively. The flexicurity balance of CA 555 is the vertical distance to the line of flexicurity 0-balance. The distance –1.53 means that flexibility prevails over security, so that security is under-balanced by 1.53 units. For a given CA, a positive deviation from the flexicurity 0-balance means that security outweighs flexibility. Here, the "negative" and "positive" balance is regarded from the viewpoint of employees. From the viewpoint of employers it would be regarded conversely.
Figure 7.5. Negotiation space with flexicurity compass and flexicurity 0-balance computed for 3483 flexicurity-relevant Dutch CAs (shown by grey stars *) from totally 5383. Flexicurity balance of a sample CA 555 and of the flexicurity-best CA 4219—with a positive flexicurity balance and highest flexibility (for normalized variables)

Regression on 3483 CAs: SLOPE = 0.17  \( R^2 = 0.0815 \)  \( P_F = 0.0000 \)

Source: Tangian (2009a, p. 26)

According to the European Commission's conception, the best flexicurity practices are the cases of high flexibility fairly compensated by security, that is, located on the right-hand side of Figure 7.5 above the line of flexicurity 0-balance, where the flexicurity balance is positive. In our case, the best flexicurity collective agreement is CA
with the number 4219 in the DUCADAM set. In spite of a higher flexibility than that of CA 555 it has a positive flexicurity balance = +1.05.

7.5 Main output of the computer tool
Here we present two main outputs of the tool that can be useful for social partners to assess the flexicurity balance in a given CA (existing or new) and to develop strategies how to increase in flexicurity.

Figure 7.5 shows the location of the sample CA 555 relative to min–max and mean values of flexibility and security observed, that is, relative to the coordinate axes and relative to the horizontal and vertical mean lines as well as relative to the flexicurity 0-balance (the diagonal line). It may be important to know the location of a CA relative to partial axes of flexibility and security (for instance, relative to axes of external flexibility and work-life balance), as well as relative to partial flexicurity 0-balance for these two partial axes. Additionally, the indices can be computed with different scaling methods, normalization (considered up till now) and standardization.

Instead of making numerous graphs for pairs of partial indicators of flexibility and security, we collect the information of interest in two graphs. The "descriptive" Figure 7.6 shows the position of the sample CA 555 relative to min–max and mean values of partial indices of flexibility and security. Drawing analogy to Figure 7.5, it describes the CA position relative to the coordinate axes and the horizontal and vertical mean lines.

The "analytical" Figure 7.7 shows the position of the sample CA 555 relative to the partial flexicurity 0-balances. Drawing analogy to Figure 7.5, it describes the CA position relative to the diagonal line.

Consider Figure 7.6 with four plots labelled A–D which show the indicators of CA 555. The plots differ in the set of CAs used: plot A is computed for all the 3483 flexicurity-relevant CAs, plot B — for the flexicurity-relevant CAs of the given year, plot C — for the flexicurity-relevant CAs of the same industry branch, and plot D — for the flexicurity-relevant CAs of the same industry branch in the same year. The indices are given in two versions: for normalized and standardized variables shown by coupled bars.

Since the indicator values of the CA 555 are same throughout all the four sheets of the table, they are printed in the first plot only. The visual range of all the indicators is unified, although the actual values are, of course, all different. Thereby the relative location of the CA 555 in the negotiation space is shown without overburdening the plots with numerous indices.

For instance, CA 555 has low (below average) indices of External flexibility, but relatively high indices of Wage flexibility and Externalization flexibility. CA 555 is
disadvantageous for trade unions with regard to *in-work income, Job security, and Social dialogue* which are visibly below the average.

The colours indicate the gains of either employers (more flexibility less security), or of trade unions (less flexibility, more security). The bars marked by blue show the gain for employers, the bars marked by red correspond to the gain of trade unions. The predominance of one colour over another is a visual indication of an outbalanced CA.
Figure 7.6. Description of location of CA relative to other CAs

<table>
<thead>
<tr>
<th></th>
<th>A. In all flexibility-relevant CAs</th>
<th>B. In flexibility-relevant CAs of the year</th>
<th>C. In flexibility-relevant CAs of the branch</th>
<th>D. In flexibility-relevant CAs of the year and of the branch</th>
</tr>
</thead>
<tbody>
<tr>
<td>External flexibility</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Internal flexibility</td>
<td>20</td>
<td>56</td>
<td>56</td>
<td>56</td>
</tr>
<tr>
<td>Functional flexibility</td>
<td>Missed</td>
<td>Missed</td>
<td>Missed</td>
<td>Missed</td>
</tr>
<tr>
<td>Wage flexibility</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Externalization flexibility</td>
<td>44</td>
<td>172</td>
<td>172</td>
<td>172</td>
</tr>
<tr>
<td>Labour rights</td>
<td>31</td>
<td>18</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>In-work income</td>
<td>-3</td>
<td>-116</td>
<td>-116</td>
<td>-116</td>
</tr>
<tr>
<td>Out-of-work income</td>
<td>14</td>
<td>151</td>
<td>151</td>
<td>151</td>
</tr>
<tr>
<td>Job security</td>
<td>0</td>
<td>-61</td>
<td>-61</td>
<td>-61</td>
</tr>
<tr>
<td>Employability</td>
<td>11</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Employment security</td>
<td>Missed</td>
<td>Missed</td>
<td>Missed</td>
<td>Missed</td>
</tr>
<tr>
<td>Social security</td>
<td>35</td>
<td>128</td>
<td>128</td>
<td>128</td>
</tr>
<tr>
<td>Social dialogue</td>
<td>0</td>
<td>-73</td>
<td>-73</td>
<td>-73</td>
</tr>
<tr>
<td>Work-life balance</td>
<td>50</td>
<td>62</td>
<td>62</td>
<td>62</td>
</tr>
<tr>
<td>Aggregate flexibility</td>
<td>22</td>
<td>266</td>
<td>266</td>
<td>266</td>
</tr>
<tr>
<td>Aggregate security</td>
<td>22</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Flexicurity balance</td>
<td>1.53</td>
<td>-66.66</td>
<td>-114.34</td>
<td>-73.36</td>
</tr>
</tbody>
</table>

Source: Tangian (2009a, p. 37)
The "analytical" Figure 7.7 shows the flexicurity balance of the sample CA 555 for all combinations of sub-indicators of flexibility and security. The aggregate flexicurity balance of the CA for both types of scaling, −1.53 and −66.66 are in the top-left corner of the plot. This CA has no agreements on *Functional flexibility* and *Employment security* as measured in this version of the tool. That is why it is indicated in the corresponding column and row that the data are missing.

Other balances in this CA show the compensation of particular types of flexibility by particular types of security. All the aspects of flexibility are combined with high levels of:

1. *Out-of-work income*: disability insurance, pensions, etc.,
2. *Social security*: provisions for child care, parental leave, etc., and
3. *Work-life balance*: different types of leave — Labour Time Reduction Days, leaves for marriages, etc.

On the other hand, this CA 555 shows that there is relatively lower degree of the following types of security:

1. *Labour rights*: equality of atypical workers with normally employed workers,
2. *In-work income*: salaries, overtime payments, etc.,
3. *Job security*: adaptability of working conditions to aged persons, after a sickness, in reintegration,
4. *Employability*: education, training, etc., and
5. *Social dialogue*: provisions for works councils.

Similarly to Figure 7.6 the colours emphasize the gains of either employers, or of trade unions. However, unlike Figure 7.6, which is focused on the relative position of a given CA in the mainstream CA practice, Figure 7.7 provides a detailed evaluation of how well flexibility and security issues are balanced. For instance, a CA with a strong deviation from the mainstream can get however a good evaluation from the flexicurity viewpoint.
Figure 7.7 Analysis of flexicurity balance of CA based on aggregate and partial indicators of flexibility and security

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Aggregate Security</th>
<th>External Flexibility</th>
<th>Internal Flexibility</th>
<th>Functional Flexibility</th>
<th>Wage Flexibility</th>
<th>Externalization Flexibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>For normalized variables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative flexicurity balance</td>
<td>-1.53</td>
<td>0.66</td>
<td>18.49</td>
<td>23.04</td>
<td>57.21</td>
<td>17.21</td>
</tr>
<tr>
<td>Positive flexicurity balance</td>
<td>-66.66</td>
<td>24.93</td>
<td>56.21</td>
<td>72.48</td>
<td>53.33</td>
<td></td>
</tr>
<tr>
<td>For standardized variables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labour rights</td>
<td>-5.80</td>
<td>-3.15</td>
<td>-5.71</td>
<td>-3.82</td>
<td>-4.05</td>
<td>-4.05</td>
</tr>
<tr>
<td>In-work income</td>
<td>-11.00</td>
<td>-8.72</td>
<td>-10.54</td>
<td>-10.29</td>
<td>-11.46</td>
<td>-131.56</td>
</tr>
<tr>
<td>Employability</td>
<td>-3.68</td>
<td>-0.89</td>
<td>-2.79</td>
<td>-2.23</td>
<td>-4.30</td>
<td>-28.39</td>
</tr>
<tr>
<td>Employment security</td>
<td>Missed</td>
<td>Missed</td>
<td>Missed</td>
<td>Missed</td>
<td>Missed</td>
<td>Missed</td>
</tr>
<tr>
<td>Social security</td>
<td>8.47</td>
<td>10.97</td>
<td>8.94</td>
<td>9.45</td>
<td>9.49</td>
<td>9.49</td>
</tr>
<tr>
<td>Work-life balance</td>
<td>22.90</td>
<td>16.08</td>
<td>18.49</td>
<td>23.04</td>
<td>17.21</td>
<td>53.33</td>
</tr>
</tbody>
</table>

Source: Tangian (2009a, p. 41)
8. Consultation with social partners in Denmark, Germany and the Netherlands

The social partners in the three core countries as well as the five additional country cases were asked to give their opinion on the very first draft of the checklist. In addition, they were asked to reflect on the computer tool.

8.1 Germany

8.1.1 Consultations with trade unions

Consultations with two German trade unionists, one from the central body of the Confederation of German Trade Unions DGB (*Deutsche Gewerkschaftsbund*) and the other from the second largest trade union organizing workers in services, Ver.Di (*Vereinte Dienstleistungsgewerkschaft*), revealed that the trade unions are little informed about flexicurity. At present, flexicurity is not on the agenda of German trade unions and the concept is regarded as little relevant to the German case. Nevertheless, German employment relations are getting more flexible, and trade unions have to react correspondingly. In particular, it was discussed whether the European flexicurity strategy can be used as a framework to improve the position of trade unions.

As for the monitoring tool, the reaction was positive but there were numerous remarks about limitations of the computer approach. The most critical bottle-neck was considered the gap between the text of a collective agreement and its implementation in practice. Since the model was based on evaluating texts, the most important implementation aspect remained beyond the scope of the model. Nevertheless, both trade unionists agreed that the approach had to be developed further. The perspective of computer-aided collective bargaining could justify the expenses for a German computer archive of collective agreements. Such a coded dataset does not exist yet in Germany, but trade unions denied its usefulness with regard to costs.

After consultations with two responsible representatives of the largest German trade union IG Metall in October 2010, the German team received written comments on the European Commission’s concept of flexicurity and the project developments. IG Metall shares the critical position of the EMB about the Commission’s concept of flexicurity which looks as emphasizing flexibility at the price of underestimating security of
employees. Besides, the idea of flexibility is reduced to the needs of enterprises but not of the employees, e.g. in the form of time sovereignty.

The IG Metall shares the viewpoint of the EMB’s draft position paper on flexicurity dated 20.02.2008 that the flexicurity agenda of the European Commission must be reoriented with a stronger focus on the quality of jobs and reliable contractual arrangements. Since permanent contracts should remain to be the norm, labor market segmentation should be reduced by improving the position and rights of affected workers and by promoting stable employment relations. This must be accompanied by measures for good working conditions and quality jobs. These include:
- Development of skills and competencies (lifelong learning, rights for professional training)
- Maintaining and promoting the health and welfare of workers
- Ensuring employment and social security
- Right of employees on flexible work arrangements, such as switching between part-time and full-time
- Reconciliation of work and leisure

Labor and social protection should play a central role in building a society that welcomes continuing structural changes rather than blocking them. Workers need security in the process of change.

As for the EU project “National implementation of flexicurity pathways in consensus with the social partners and supported by monitoring tools and empirical feedback”, it demonstrates that joining flexibility and security in collective agreements cannot be attained by purely mathematical or statistical methods. Statistical tools do not reflect appropriate the peculiarity of single collective agreement with its relevance, unique structure, and content.

8.1.2 Consultations with employers’ organisations

To gain insight into the view of employers, consultations were held with the umbrella organization of German employer’s, BDA Bundesvereinigung der Deutschen Arbeitgeberverbände, and the association of employers in the metal and electric industry, Gesamtmetall.

The BDA representatives emphasized that flexicurity is a pure qualitative concept which does not need any quantifying which is inevitably too specific and reduces the
The flexicurity approach attempts to shape the social security system to meet the labour market functionality at the policy-making level. The representatives of the BDA confirm that the approach of the Mission Flexicurity is on the right track and should be continued. According to the opinion of the BDA representatives, best-practice examples in an international comparison are valuable, but neither new indicators, nor new monitoring instruments are needed. Standard data like employment and unemployment rates, GDP growth, etc., are sufficient. Moreover, separation of flexibility and security is not always possible, because flexibility can imply security. A check-list can be useful but without any use of quantitative specifications, numerical targets etc. The role of the check-list is only to keep an eye on different aspects of flexibility-security nexus as options for collective bargaining; it should not imply any evaluation. The BDA representatives expressed no interest in getting acquainted with the monitoring tool.

The representatives of Gesamtmetall expressed the same opinion about the concept of flexicurity as the BDA representatives. They regarded the check-list as a kind of menu, which contains options for flexibilization of employment relations. As for the monitoring tool, it was perceived as a theoretic development and discussed from a general viewpoint. Different legislative norms in European countries and different interactions between legislation and collective agreements make international applications of any practical tool impossible, because of the lack of a common basis. Even if restricted to collective agreements, no monitoring tool can capture the specificity of particular industries, because the demand for social security and safeguarding jobs can vary. Due to this fact, the assessment of collective agreements needs to include the economic and social background, which does not seem feasible. It was said that a statistics-based approach could not be relevant to practical collective bargaining, because of the uniqueness of each collective agreement and the unique weighting of factors in it. There was however some interest in possibilities of measuring the progress in flexibilization of employment relations in general.

8.2 Netherlands

8.2.1 Introduction

The consultation with the Dutch social partners took place in a half-day workshop (spoken in Dutch), held on the seventh of July 2009. For the workshop we organised a group of seven participants representing both employers and trade unions. These participants were selected on the basis of their willingness to engage in an open-minded
discussion on flexicurity and collective bargaining, i.e. not in direct relation to the interests of the organisation they represent. The participants were representatives of:
- A large employers’ organisation for furniture retail firms
- The main trade union for retail trade (profit-sector)
- The main trade union confederation (International Affairs Department)
- A professional and sector organisation for pharmacies (employers’ organisation)
- An advice agency for the social partners in the manufacturing, agrarian, and food sectors, mostly SMEs (this is a for-profit agency that can be hired by social partners)
- The largest temporary work agency
- The main trade union for health care and education (public sector)

Before the workshop a seven-page document (in Dutch) was sent around to all participants containing background information on, as well as the actual, flexicurity table as developed in the project meeting of the 22nd of June. The table contained examples in the middle column of exemplary CA-provisions developed in the inductive CA-analysis carried out in Denmark and the Netherlands. The meeting started with a brief presentation by Ton Wilthagen based on the document further explaining the table and asking the social partners to engage in discussion with each other, mainly regarding the examples given of CA-provisions that are relevant for flexicurity. The ensuing discussion is here presented based on the main themes that emerged.

Because this was the first session of consultations with social partners the results of the discussion were used to improve the flexicurity table that served as the main input for the discussions with social partners in the other countries in the project.

8.2.2 Flexicurity in light of the economic crisis

Various of the Dutch social partners emphasized the impact of the economic crisis and its relation to flexicurity. The trade unions argue that in times of crisis flexicurity cannot be put on the agenda. The trade unions argue that for them the focus now is on security, mainly income security. Employers stress that the emphasis should be rather on employment security. A flexicurity measure related to the crisis is the Dutch part time unemployment benefit scheme. This scheme entitles companies to offer a part of their workforce partial unemployment benefits for a limited duration when they expect that these employees will be needed again after the crisis. It is explicitly not aimed at postponing lay-offs, and during the time that they are not working employees should be enrolled in training programmes. The trade unions respond that there is little employment
security at the moment because there are not enough jobs and they argue that it is unclear for them whether small, short-term flexible jobs, for example an on-call contract or an agency work contract, constitutes employment security.

Regarding the element of training, the trade unions argue that they are undertaking attempts but that it is very difficult to realize inter-sectoral training. Employers' representatives agree that more needs to be done in this field and costs and benefits should be well-arranged.

8.2.3 Limitations of CA-analysis

All social partners stress that CAs do not reflect the whole story of what happens in sectors and firms as many issues are regulated by law, and informal labour is by definition not covered by the CA. Also the question should be asked what happens when CA-provisions are translated into practice. This related to possible gaps that can arise between availability, i.e. it is laid down in a CA, the take-up rate, i.e. which elements of a CA are used and which are not used by firms, and finally actual behaviour of firms and workers. The employers argue that most CAs are minimum-CAs. This means that social partners can flesh out the contents of the CA within the firms. Therefore: what happens in practice can be quite different. To get a complete picture of all that is arranged in a sector one should also map which funds relate to a CA.

8.2.4 The flexicurity table

The social partners are not entirely satisfied with all labels used in the flexicurity table to denote flexicurity themes and goals. The wording of some themes should be adjusted to make them more neutral. The trade unions suggested to replace: ‘barriers for hiring and firing’ with ‘regulations on hiring and firing’. Also some discussion arose on the notion of ‘decent work’ that was taken up in the table in relation to the goal: ‘more and better jobs’. What is the link with flexicurity and should it be taken up here? Based on this discussion the table was adjusted for the consultations in the other countries. The trade unions argue that the systematic of flexicurity themes in the deductive table is not always found in the CA. For example: Life-long learning is not taken up in CAs but in sectoral funds, and equal treatment between men and women is in the Netherlands taken up in national law. This should be kept in mind when consulting social partners, although it is likely to vary across countries.
8.2.5 The monitoring tool

The social partners found it difficult to respond to the outcomes of the inductive monitoring tool because they have no insight into how flexibility and security is measured. The overview of 354 variables proved not very useful to engage in a discussion on which CA-provisions should be selected to measure the extent of flexibility and security. The social partners indicated that they have to know what constitutes flexibility and security to determine if the output is valuable for them. It is stressed several times that it is very important that before social partners can work with such a tool they both have to agree on the measures of flexibility and security. Also here they see a problem, because the most CA’s are minimum-CA’s. The “score” that would come out, would in that case not be representative for what happens in practice.

The tool could however, be very helpful because it can help to quickly gain insight into the state of affairs of ‘how a CA is doing’, and ideas on how to develop better flexicurity in the CA, e.g. by giving examples of CA-provisions from other sectors. So, for the monitoring tool to be useful, there should also be a possibility of insight in the content of CAs. The mere fact that a certain CA scores high or low would not be enough, they need to know why. The social partners would then be able to look into a CA with a high score and maybe find useful ideas. It would also be good to link this with other data on labour markets trends in the sector because every sector is different (e.g. the share of flexible workers). The link with general trends is useful to gain insight into future trends, and possible future growth in employment, also in other sectors. In that case the monitoring tool could help the social partners in making more long term agreements.

8.2.6 Exemplary flexicurity collective agreement

The CA-provisions that were taken up in the preparatory document were all considered useful by the social partners. In response to our requests for further examples of good ‘flexicurity-CA’s’, the social partners mentioned the IKEA CA. This CA contains provisions that apply to all workers, regardless of age and the number of hours they work. These provisions deal with employability, also outside of IKEA. People can work till they are 67 if they want to, and from the age of 55 there are special programs to decrease the workload, and to for example use older workers to train and guide younger workers. This CA shows that here various provisions are already referred to combination with one another, i.e. in an integrated manner.
Based on this suggestion, we analysed the IKEA CA and developed the following box containing the main CA-elements.

**Box 5 Exemplary CA according to Dutch social partners: IKEA CA**
CA-provisions fostering flexibility and security (excerpts, translated from Dutch, in order of relevance according to Dutch social partners and Dutch research team)

**Employability** (article 24)
- the aim is to increase employment security, primarily within, but also outside of, IKEA.
- employability is shaped by 1) mobility; 2) expertise and experience; 3) flexibility; 4) pro-activity
- the goal is to increase employability across different departments within IKEA. For managers the changing of positions is part of their career development.
- employees are required to participate in the courses for their current position and for other positions in the firm. Other courses will be stimulated, but not obliged, by the employer
- employees and managers are required to be geographically mobile. Employees can be hired out to another establishment that is a maximum of 60 km away under special circumstances. Managers should be willing to work in other establishments, though this can never be mandatory, and should always be based on consensus between employer and manager. When managers wish to work in another establishment, the employer will help the employee find housing and reimburse some moving costs.

**Education and training possibilities** (article 33)
- IKEA assumes every employee wishes to develop him/herself and offers opportunities to this end.
- the employer will invest in employees that are insufficiently trained/educated
- training/education is based on ‘training programmes’ per position, ‘career support agreements’, and training specifically requested by the employer or employee (on the basis of article 35 CA)
- an employee can individually request a personal employability exam

**Policy for older workers (aged 55 and over)** (article 45)
- Not requirement to work 1) more than contracted hours; 2) between 21.30 and 06.00; 3) more than one evening a week, and when requested no evenings, granted when not conflicting with major company interests.
- When requested, can undergo an annual medical examination
- a request to work less hours is always granted

**Options to use premiums for flexible/inconvenient hours** (article 21 sub D and 22 sub C)
Once a year (for flexible hours twice a year) the employee has three options: 1) payment; 2) time off; 3) life-course scheme (levensloop)
8.3 Denmark

8.3.1 Introduction

To get the feedback from the social partners, we interviewed the same three trade unions and three employers’ organizations that we had focused on in the material for the pilot study of CAs, taken up in section 6.1., i.e. in the manufacturing industry, the financial sector and health (nurses). We have chosen to focus on the sector-level, since the peak-level organizations merely coordinate rather than take part in bargaining. The representatives were each interviewed for approximately 30 minutes by telephone. The exception was the nurses’ trade unions – here we talked to two representatives at the same time, face-to-face for approximately 45 minutes. All interviewees had received the project description beforehand.

8.3.2 Feedback from the manufacturing industry

The employer’s organization (The Confederation of Danish Industry, DI)

The interviewee is Head of Social Affairs. DI organizes firms within industry and service and is by far the largest Danish employers’ federation.

The monitoring tool

It is difficult to see the usefulness of the monitoring tool for the social partners – but it might be interesting for researchers. However, the indicators as they are listed are all relevant according to the interviewee.

The flexicurity table

The themes in the left column are in general fine. Regarding education, the manufacturing industry established education funds in the last CA round. Regarding leaves: As it is formulated in the scheme is a bit difficult to understand. The role of the manufacturing sector CA in this regard is limited. Other leave schemes than paternity/maternity leave are not included. But in the manufacturing industry there are paternity/maternity leave funds financing wages during leave and there is paid leave during the child’s first day of sickness. However, many especially larger firms have local agreements that include different leave schemes. The smaller firms do most likely also have additional agreements, but they are not writing them down.

The right column about flexicurity goals: These points are in general relevant. ‘Developing of human capital’ sounds a bit strange though, but it is ok. ‘Reducing segmentation on the labour market in relation to unequal access to education’ is not relevant. ‘Equal wage between gender’ is maybe not really a flexicurity aim - it is difficult
to see the connection to flexicurity here. Something is missing about hiring-and-firing – that is one of the main flexicurity parameters in a Danish context. It is important to be aware of the very high degree of flexibility in the manufacturing industry.

Other
The interviewee did not come up with any examples of innovative agreements for the future. DI has no publications on flexicurity – they mainly refer and use the term when contacted by foreign organizations, foreign researchers etc. DI is not preoccupied with flexicurity as a term, but focus a lot on making the CAs as flexible as possible. The term ‘the Danish model’ is often used synonymously with the term ‘flexicurity’ even though this is not fully correct.

The trade unions (Nordic IN / CO-industri)
The interviewee was selected for us by CO-industri, the trade union bargaining cartel for the manufacturing industry. He is now General Secretary in Nordic IN, which is a federation of 22 affiliated unions in Sweden, Denmark, Finland, Norway and Iceland, but worked until recently in CO-industri in Denmark. The interviewee is the author of the pamphlet from CO-industri about flexicurity found in the literature review.

The monitoring tool
A consultant from CO-industri answered the questions regarding the Dudacam data. CO-industri initially expressed interest in the database, but after having consulted their Dutch counterpart, the consultant concluded that the benefits of the database would not be worth the effort it would take to set it up. Moreover, the interviewee from Nordic IN made a remark that the CAs in Denmark are considered confidential documents and has until recently been for the organisations’ members only, which might create some problems in relation to setting up a database.

The flexicurity table
Regarding the table, it looks like a Dane did not write it. Moreover, flexicurity cannot be evaluated only by looking at the CAs - you also have to look at the interplay with legislation. Regarding education, it doesn’t matter if rights for education and educational funds are present if there are not enough public sources for education. On the metal workers congress this year the chief executive argued that the unemployment benefits compensation rates are too low and that the low compensation rates, if not increased, might lead to demands for more job security,
The column on flexicurity themes does more or less cover the flexicurity elements in CAs, but one thing is missing: hire-and-fire rules including terms of notice. Hire-and-fire rules are also relevant for atypical employment. The liberal Danish rules, however, make it less urgent for employers to use atypical employees. In 2006-08 there have been many temporary labour migrants— however, the number is most likely decreasing now. CO-industry will address the ‘double trial period problem’, so that a temp workers’ trial period count as a trial period if he or she is later employed on an ordinary contract.

The middle column: Again, the terms-of-notice and the like are missing. The same is the case with occupational pensions, which is also relevant for flexicurity. Wage during illness is another element that creates security. Yet a missing element is the right to education when an employee is laid off – this should make it easier for the employees to get a new job – the employees decide themselves on the content of the education/training. The right to education at lay-off is an important element that entered the manufacturing industry agreement during the last bargaining round. Apart from this, individual social packages in case of redundancies are not used as much in Denmark as in other countries.

There is also a ‘trial experimental framework agreement’ in the CA that opens up for experimental agreement at firm level, if agreement between shop stewards and management can be reached. This trial agreement can be used in many regards, but have often been used in relation to working time.

Regarding the right column on flexicurity goals: most goals are relevant, but it is not certain that flexicurity increases competitiveness. However, it might increase productivity. The minimum level of income is not in itself a goal, but an aim – it should be in the middle couple only. Functional flexibility might lead to more efficient companies. One of the present problems in the crisis is that the companies cannot be certain that the employees and their qualifications might come back to the firm when they are needed again. Competitiveness and working time could easily be seen as a demand for working longer – something that CO-industri does not like. Regarding the atypical employees, it is also an important goal that pay is on the same level as pay for employees on open-ended contracts.

Regarding innovative agreements nothing new seems to be coming up, but it was something innovative when VET came into the CA in the last bargaining round. However, there might be opportunities to introduce new agreements in relation to the transition from temp work to open-ended contracts (see above).
The term flexicurity has in CO-industri mostly been used in international forums. The pamphlet written by CO-industri was mainly targeted towards international counterparts, but at the metal workers congress it became very explicitly used in a national context, as described above. In general, the term has previously not been used a lot by CO-industri, but the balance between flexibility and security has been discussed using other terms since the 1980s.

8.3.3 Feedback from the financial sector

The employer’s organization (Danish Employers’ Association for the Financial Sector, FA)

FA organizes employers in the financial sector. The interviewee is Head of Unit with responsibilities of, inter alia, CAs.

The monitoring tool

The database is interesting and could deliver some inspiration in that it would be visible what is going on in other sectors and countries. Some of this information is however already accessible from the Nordic and European organizations in the sector. The indicators in the database are fine and would not be too complex as they are, though ‘out of work income’ is a bit special. Maybe the list of indicators could be reduced somewhat. FA could use the base as measuring against other sectors. Because the financial sector provides a high level of benefits compared to the other sectors (see presentation to the 9 June meeting for a confirmation of this), FA could use such a list actively to position themselves. Regarding the themes missing, there should be something on firing and remuneration pay/termination of employment. This is especially important in times of recession and is something included in the financial sector agreements. It would be possible in this sector to establish consensus with the trade unions on the database.

The flexicurity table

In the left column on flexicurity themes social issues are missing. Leave schemes is not a theme in itself, but part of this overall theme. Regarding seniority policy: The sector-agreement includes a possibility for above 58-year-olds to reduce their working time - their pay will be reduced but not their pensions. ‘Atypical employees’: This is a term that is not used often in the sector – but it is relevant to include it. ‘Special groups of employees’ would be better. Regarding education: Individual learning accounts is not something that is wanted, because not all groups of employees have the same need for
education. In the sector it is possible to obtain education that is not only relevant for the specific job: the individual education plans. Regarding innovative agreements the agreement on telework could be extended. In the column on flexicurity goals all elements are relevant and nothing is missing. In sum, it is an interesting initiative. There are no publications, guidelines or other things regarding flexicurity in the sector.

Feedback from the trade union (Financial Services Union)
The Financial Services Union organizes workers in the financial sector. The interviewee is the deputy chairman of the union.

The monitoring tool
The database is interesting for comparing countries and sectors, but it would not be anything the union would use. It would not be possible to use it actively in bargaining. Many of the indicators on the security side are delivered through legislation, probably more so in Denmark than in Holland. 'In-between-jobs' are not so much a competence for the firms or the social partners in Denmark. In relation to the specific indicators it seems that terms of notice, remuneration-pay and the like are missing in relation to a Danish context. It seems a bit odd that 'social dialogue' should be a security indicator. Of course (European) work councils could be seen as contributing indirectly to flexicurity. But that would probably not be a factor that it possible to measure very precisely.

It would be good if it was possible to make a ‘value-setting’ of flexicurity as it has been attempted here. What can be worrying is an exclusive focus on CAs – flexicurity is connected to legislation. The index should include both areas, in that case it could be very interesting, if such an index could be show how the individual factor could affect the whole balance. For instance if you at local level agree on one more month terms of notice and can see what this means for the competitiveness of the company.

The flexicurity table
Regarding the scheme, the most important thing missing is the hiring-and-firing again. In the financial sector hire-and-fire rules are made up of a combination of the Law of Salaried works and the remuneration pay that the CB delivers. The health dimension is also missing. The health dimension is related both to employers/flexibility and employees/security. Health insurances have been introduced in the financial sector CA. These insurances get the employee faster through the hospitals and back to the job to secure production – at the same time the employee avoids the risk of being fired.
Regarding the column on goals, education/competence development is also about producing more complex products. Employment friendly wage-systems and equal wages are relevant. Regarding wages: Minimum-wages seems a bit strange in this connection. The real minimum wage (unemployment benefit related to the wage) is an important parameter. Unemployment benefits are in general a very important factor.

Other
During the negotiations, the financial sector trade union looks at increases of competences and the increase in flexibility and what the value of this for the increases in labour should be. They called it their ‘flexicurity balances’.

The union has started a ‘life-phase project’ that is related to flexicurity, or more precisely to the flexibility that can be of benefit for both the employees and the employers. The project can be accessed from the union’s web-page: http://www.finansforbundet.dk/default.asp?mId=3252.

8.3.4 Feedback from the health sector (nurses)

The employers’ organization (Danish Regions)
Danish Regions organizes – as the name indicates – the Danish regions. These are responsible for the hospitals and thereby a great share of the health sector. They bargain with the sector-wide Health Cartel and, in relation to the nurses, with the Danish Nurses Organization. The interviewee (Head of Unit in the Department for Wage and collective Agreements) did not found herself to be in a position to answer all the questions. She reported that thorough responses to the questions would require an internal consultation process with the individual Danish regions.

The monitoring tool
It is difficult to relate to the Dudacam data-base. It would not be a priority of the Danish Regions to have a database like that. It could be used to compare flexicurity in Denmark with flexicurity in other countries, as well as flexicurity in the health sector with flexicurity in other sectors, but that would not be something Danish Regions would give priority to. It might be interesting for researchers though. Furthermore, the complexity of CAs in the health sector/for nurses (see also 6.2) with several hundred pages of text – spread, inter alia, on general agreements for all employees in regions and specific agreements for nurses – would make it were difficult to classify and measure the agreements as proposed in the Dudacam database. Moreover, security is mostly about unemployment
benefits, something that is not provided by collective agreements, but by legislation. Likewise, the questions about terms of notice and other features related to numerical flexibility is – in the case of this sector – exclusively regulated by legislation.

The flexicurity table
It is difficult to relate to the scheme, which was said to have a strong private sector bias both in the content and in the wording (‘companies’, ‘branches’). If it were to be useful it would require a substantial reformulation so it would be more adaptable to the public sector/health sector. For instance, the connection between economic conjunctures and wages are not so relevant – it is more the demographic development and the health development that are important. In the health sector, a lot of attention is paid to wage-systems and flexibility. But other challenges than the economic crisis are important. The dimensions in focus in the health sector are labour shortages and competence need, recruitment, work retrenchment, etc. Regarding education: there are no education funds in the public sector, like the sector-based funds in the private sector. However, the bargaining round in 2008 provided substantial financial resources for competence-development and further training. Regarding wages: There are no ‘minimum-wages’ – but ‘basic-wages’ with bonuses/extras. Regarding working hours: de facto there is total flexibility. A new feature in the last CA is ‘right to fulltime work’ in some circumstances. The elements mentioned in connection to leave are more relevant. The scheme mentions pay during paternity/maternity leave, seniority policies, care days – but there are also leave during relatives sickness/death etc. Regarding atypical employment: the regions have focused on diminishing the substantial expenses used on temp workers. An agreement has been made with the Health Cartel. Temporary workers are normally not considered as atypical employees in the health sector. Most of them come from the ‘internal TWAs’ at the individual hospitals.

The trade unions (Danish Nurses’ Organization, DSR)
The two interviewees were chief negotiators for nurses in the private and public sector health care, respectively.

The monitoring tool
It can be feared that the database could be used a political tool to pressure social partners into agreeing to regulation that would be contrary to the interest of trade unions. Flexicurity is a shared responsibility of social partners and the government and therefore
indicators should also apply to regulation that is not the responsibility of social partners, i.e. legislation and social security systems. The database on collective agreements should not be on its own. It is the interplay between regulation forms that is interesting, not collective agreements and statutory regulation separately. Corollary, there will be a problem of comparability in the database as some countries regulate through legislation whereas other regulate through collective agreements, like Denmark. The interplay with legislation is very clear when politicians try to cut on security in legislation while at the same time request more flexibility in the collective agreements. The balance between the two systems is vital, especially when security in legislation changes. This way the weighting of indicators becomes problematic if you don’t take legislation and the big picture into account. How do you include this in the database?

The flexicurity table

Overall, the table reflects the themes of flexibility and security well; however, it is eschewed towards employers’ interest and flexibility concerns and with a strong private sector bias. Employee interests and specifically a category on recruitment and retention are missing. This is in the case of nurses extremely salient at the moment – even though that it is slightly off the usual definition of flexicurity.

Sick pay and subsidization of this should also be an issue – especially in relation to temporary agency nurses who sometimes fall outside the system due to problems with accumulating seniority. Also, job clauses that restrict employment – regulated by law in Denmark – should be included in flexicurity, which is mostly a concern for employees wanting to be mobile flexible.

As with the database, the table might not reflect reality very well if the legislative elements were excluded. Legislative elements had to be seen in relation to collective agreements. Furthermore, pension – which to a large extent is a voluntary question in Denmark – should be included in talks about flexicurity.

Concerning wage, the nurses’ organization is very concerned about the link between skills development and wage supplements for this in sectoral agreements - it being a security element. Nurses fund their skills development individually in many instances, and this should be rewarded. In this regard, an educational leave system is a security element that could be included.

Softer security elements for temporary agency nurses who might fall outside the system are salient – this applies to sick pay and maternity leave where they are dependent on the subsidized insurance system or private insurance. It is estimated that
approximately 1500 full time positions are taken by agency nurses, although most of them are part-time.

Working time in the health sector is a matter of flexibility to work more – so called plus time – which is included in an agreement that allows for 42 hours/week over the year, compensated with more pension contribution. Moreover, nurses can now work extra shifts outside the 42 hours – again to increase labour supply – with pecuniary rewards. Concerning work-life balance, a key determinant is individual agreement on the planning of working time – this right is inscribed in the sectoral collective agreement. Shop stewards can control, but not determine, working time planning to ensure that no breaches of agreements have been made. But also child care facilities to allow for working time flexibility could be included in flexicurity. This seems like a win-win theme and might be something that employers might consider offering to their employees.

In private sector health care, one demand in the coming bargaining round will perhaps be extension of notice periods – but this has not yet been decided. In relation to flexicurity goals, a public sector focus on creating ‘attractive jobs’ for recruitment and retention, which are not necessarily highly paid, could be a goal, that goes further.

8.4 Conclusions

The feedback from the social partners in Germany, the Netherlands and Denmark is mixed but also shows some recurring aspects. Almost all partners in all three countries emphasize that CAs are not the whole story and the relationship to law, actual implementation and sector-level factors are needed to obtain a full picture of flexicurity. Secondly, a recurring aspect is a hesitation towards over-quantifying what social partners negotiate among themselves and a fear of losing autonomy.

In contrast to their counterparts in the Netherlands and Denmark, the German trade unions argue that flexicurity is regarded as little relevant to the German case. They have more reservations concerning the concept. Regarding the monitoring tool, the Dutch social partners are overall more positive than the German and Danish social partners. For Denmark this was specifically related to the voluntarist nature of collective bargaining and the high level of autonomy of Danish trade unions within firms. The Danish employers’ organisation from the manufacturing industry was most sceptical of the usefulness of the initiative, while the employers’ organizations from the financial sector were the most positive; out of a six respondents, only this representative found that the database was something the organization would like to get involved in. This representative explained his attitude by pointing to the possibility to use the database
proactively to market the sector. The German employers expressed a reservation for quantification inherent in the monitoring tool, while trade unions were generally positive, though hesitant regarding costs of setting up a CA-database.

The German employers appreciated the best-practice examples in an international comparison taken up in the flexicurity checklist, though neither new quantitative indicators, numerical targets or monitoring instruments are needed. The check-list is useful to keep an eye on different aspects of the flexibility-security nexus as options for collective bargaining; it should not imply any evaluation. The Dutch trade union pointed to the phrasing of some flexicurity themes, and generally accepted the usefulness of the table – this might reflect the fact that the table was mainly drafted by the Dutch deductive team. The Danish health sector organisations indicated that they felt there was a private sector bias. Several Danish respondents felt that job security and numerical flexibility elements were missing in the flexicurity checklist. This critique reflects the Danish context in which notice periods and severance pay are crucial elements that have become even more critical during the crisis.

In all three countries and regarding both the monitoring tool and the flexicurity table, the point was made of the connection to on the one hand national legislation and on the other implementation in practice. Almost all respondents argue that flexicurity needs to take all levels into account – it is the interplay between CAs and legislation and practice that is important. This discussion furthermore pointed to the differences that exist between countries in which issues are regulated at which level and by whom. As a Danish respondent said: this table could not have been written by a Dane. A crucial step is to create tools for social partners that are European in nature and not embedded in one specific national context. To this end, similar but more brief consultations were additionally held with experts from five European countries. The outcomes of these consultations will give more insight in the transferability of the flexicurity tools for social partners; they are presented in chapter ten.
9. Working Time Accounts in Germany – Extending Flexibility and Improving Social Security

9.1 Introduction
In this chapter we make an ‘excursion’ into working time accounts (WTAs) in Germany. WTAs provide an interesting case to look at more in depth because they can serve both employees and employers by widening the scope for internal numerical flexibility as well as for flexibility in the interest of employees (time sovereignty). In times of declining demand they can also help to safeguard jobs and increase employment security. WTAs can therefore be regarded as an important means of increasing flexicurity levels. Clearly the realization of these multiple aims represents a theoretical ideal. To balance these different aims is a difficult task. Success depends in large parts on the relationship and relative strength of the social partners at both the establishment and the sectoral level.

Ideally, both sides of industry stand to gain, even where work organisation is arranged flexibly, decision-making processes are partially autonomous and hierarchies are flat. Employees can ‘free up’ small amounts of time for various commitments outside of the workplace. Companies gain more leeway for reacting to short-term fluctuations in the demand for labour, without having to abide by the procedures required for overtime (co-determination by the works council) or pay financial supplements. The new types of working time accounts – and especially long-term accounts – go well beyond the confines of flexitime. The time perspective involved can even extend over a person’s entire working life in extreme cases such as lifelong working time accounts.

In Germany, WTAs have altered dramatically over the past two decades. WTAs are taking over from the traditional model of uniformly distributed working time with more or less fixed working hours. The introduction of WTAs enables companies and employees to distribute the average working time - set individually or by collective agreement - in unequal portions across the time spectrum. The change in working time patterns presupposes a simultaneous change in procedures. Standard, uniform working time was regulated not at company level but by sectoral collective agreements applying across the board to the entire sphere of regulation, normally a sector of industry. By contrast, flexible working time patterns based on time accounts require greater room for manoeuvre at company level (Seifert 2008).

The new forms of working time flexibility are demonstrably organised according to regulatory parameters laid down by collective agreement and at company level. The intensity of regulation has even increased compared to the standard model of working
time. This changed working time model can be described as ‘regulated flexibility’ (Seifert 2001). Time management has become a new area of negotiation for workplace representation bodies. These days, collective agreements establish only a framework for working time schedules, leaving it up to the players at company level – management and workplace representatives – to negotiate and fully utilise the room for manoeuvre.

This chapter begins by presenting some data on the prevalence of time accounts (section 2) before figuring out the objectives WTAs should fulfil (section 3). The following section 4 lines out the regulatory framework of WTAs. Section 5 addresses the question of whether working time flexibility can provide employees with greater time sovereignty. Some first conclusions will be drawn in section 6 before section 7 outlines the findings of two case studies on the practise of WTAs. Section 8 contains a resumé of the argument.

9.2 Prevalence

Nearly half of all employees have by now switched over their organisation of working time to time accounts (Groß and Schwarz 2008). The prevalence of WTAs correlates with company size. Smaller companies use WTAs less frequently, but this doesn’t mean that they have less scope for introducing flexible working time management. Smaller companies often do without formal regulations and practise time flexibility on an informal basis. This has much to do with the fact that small companies often do not have works councils that would otherwise call for formalised arrangements and insist on their introduction.

The prevalence also varies considerably from one branch of industry to another as some earlier surveys show: the highest concentration is to be found in the capital goods sector (85%), whereas accounts are still not very widespread in the wholesale trade, at just below 50% (Dercks and Heikaus 2005). Moreover, a company’s human capital intensity (in-house continuing training and the proportion of skilled staff), along with the existence of a works council, has a positive influence on the establishment of time accounts (Ludewig 2001).
Time accounts are used in several different ways. Short-term accounts (flexi-time accounts, overtime accounts etc.), where the account balance is equalised over a one-year period, are still the most prevalent. Some 6% of all workers have established long-term accounts (Groß and Schwarz 2008). These are likely to gain ground in the future, since the metalworking industry has followed the lead of the chemical sector and approved long-term accounts in its collective agreement, thereby allowing for time schedules to be laid down in company agreements. Long-term accounts are found more often in bigger companies as well as in companies who are faced with strong market fluctuations (Hildebrandt, Wotschak et al. 2009). While small- and medium-sized companies use this type of WTA to bridge phases of low demand employees in bigger establishments use them to retire earlier.

Companies have been tentative in their use of such arrangements so far. There is a pressing need for clarification as to how time credits would be safeguarded if the company were to become insolvent. Another obstacle is the lack of experience on the part of employees and their superiors in handling substantial time credits (Hildebrandt and Wotschak 2006). With the “Law on improving the framework for protecting flexible working time arrangements” (Flexi II Law), which came into force in 2009, the statutory regulations for protecting lifetime WTA against the risk of insolvency have been tightened, and companies are now obliged to take out insurance cover. The regulations do not apply to accounts that serve to flexibly balance daily or weekly working times or production or working time cycles. Long-term accounts must be held in monetary form as
credit balances based on the gross salary payable for the time units saved, including the entire social security contribution and can only be set up on the basis of an individual agreement between employer and employee (incl. marginal employees). Credit balances including contributions above a reference monthly level (2009 in Western Germany - € 2,520 and in Eastern Germany € 2,135) must be completely insured against insolvency. The scheme must, on principle, be run by a third party. The parties to the agreement can, however, agree on an equivalent method for securing the balance (e.g. through pledges). If an employer does not take out insolvency insurance, the employee has the right to terminate the agreement without notice.

Trust-based management of working time has been introduced in more than 9% of companies (Groß and Schwarz 2006), yet this applies only to a small segment of a company’s workforce: mainly highly skilled white-collar workers. This form of working time management is used in particular by small and medium-sized firms not covered by a collective agreement operating in the business services, social services and distribution sectors.

9.3 Objectives

Collective agreements and company based agreements alike usually express that WTAs should fulfil two main goals. They should provide companies with greater scope of internal flexibility and to enhance the degree of time sovereignty of workers. From the viewpoint of companies, the main function of time accounts is compared to the model of standard working time that they enlarge the room for manoeuvre in respect of human resources. As the demand for labour input varies, companies are more able to determine the deployment of labour by adjusting working time rather than staff numbers (external numerical flexibility). The use of WTAs can replace means of external flexibility like temporary agency work or fixed-term employment. But WTAs also can be used complementary to forms of external flexibility.

From an employers’ perspective, the benefits of WTAs can be largely subdivided in two categories. Time accounts can firstly serve to synchronize labour deployment with a volatile demand for labour, so as to avoid overtime and the additional pay (premium) it entails, bring down storage costs, reduce idle times and boost the intensity of work and productivity. Secondly, WTAs can ride out seasonal and cyclical fluctuations in demand without altering the number of employees, which would incur costs (hiring and firing
costs) and diminish productivity (preservation of experienced work teams and company-specific human capital).

From an employees’ viewpoint, time accounts can enhance their degree of time sovereignty and improve the prerequisites for a good work-life-balance. They can help to:

1. satisfy a sudden need for time to attend to matters outside of the workplace,
2. organize longer work breaks (sabbaticals),
3. avoid redundancies in the event of seasonal and cyclical fluctuations in demand,
4. extend and organize periods of continuous training, and
5. enable older employees to retire early.

These aims are more or less explicitly mentioned in sectoral and company agreements, with differing degrees of emphasis. In particular the aim of taking early retirement plays an important role, but so do further training, work-life balance and better adjustment to fluctuating demand.

Under favourable organizational circumstances both parties can gain from WTA compared to standard working time arrangements. Partially autonomous work structures, flat hierarchies and a broad employee skills base improve the prerequisites for time management which allows for a certain balance between the time demands of the workplace and the employees’ time requirements outside of work. Empirical findings also show that the right of co-determination over the organization of working time and work itself also has a positive effect on the degree of time sovereignty (Groß 2008).

The above issues constitute important framework conditions for balancing divergent goals with as little conflict as possible in workplace practice. But even under the most favourable conditions the possibility of conflicts over time cannot be totally excluded. Due to different demands on their time employees and management may have contrary expectations as to the day-to-day organisation of working time. Employees might clash over who gets to work fewer hours on particular days, or when they get to have days off. They might have competing views on the use of time credits, especially those accrued in long-term accounts. Thus saving for early retirement effectively precludes additionally taking longer periods of sabbatical. Similarly, the frequent use of time credits in short terms accounts for taking days off means there is little prospect of developing substantial amounts of time in long term accounts. Hence time scheduling as well as procedures for managing disputes over time are required.
9.4 Regulatory framework

In Germany, collective agreements on the industry level establish a framework for working time schedules, leaving it up to the players at company level – management and workplace representatives – to negotiate and fully utilize the room for manœuvre. The interplay between the two levels of regulation makes it possible to tailor the regulatory intensity of a WTA more precisely to a company’s need. The contents of collective agreements on WTA vary considerably. They also do not cover all areas. Where regulations do exist, they tend to cover the following aspects of short-term accounts (Bispinck 2005), with long-term accounts being dealt with separately in collective agreements – and in the following description:

- Time recording and sources for collecting time credits
- Upper and lower limits for time credits/debits
- Timescale for equalisation of accounts and methods of handling accounts

Time recording and sources

Usually, the deviations of actual individual working hours from collectively agreed hours are recorded, as in the case, for example, of Deutsche Bahn AG, the confectionery industry, the wood-processing industry in Westfalen-Lippe, the textile industry in Baden-Württemberg East, the clothing industry in Western Germany and the construction industry. In the case of Deutsche Post AG, all deviations from the duty roster are recorded. In addition, in some areas (if so desired) working-time-related bonuses and premiums can also be credited to the WTA. In the metalworking industry in Nordwürttemberg-Nordbaden it is up to the parties involved to sign voluntary company agreements regulating the system for accumulating and drawing time credits.

Limits for time credits and debits

Some sectors with regulations on working time accounts lay down explicit upper and lower limits for the maximum working time credit/debit. Examples are:

- Banking +/- 45 hrs.
- Construction +150 hrs./ - 30 hrs.
- West German iron and steel industry +/- 192 hrs.
- Energy sector in Northrhine-Westfalia + 200 hrs.
- Wood and plastics processing sector in Westfalen-Lippe + 100 hrs., - 50 hrs.
- Confectionery industry max. 3 months collectively-agreed working time
**Timescale for equalisation of accounts and methods of account management**

For managing working time accounts it is important to know what the permitted timescale is and in what steps credit balances can – or must – be drawn on. Explicit arrangements regarding the timescale are found, for example, in the following sectors:

- Hotel and catering sector in Bavaria: 6 months,
- Energy sector in Nordrhein-Westfalen (NRW): up to 52 weeks,
- Iron and steel industry: 24 months.

In most sectors, working time credits are drawn on in the form of compensatory free time on a half-day or whole-day basis. Occasionally arrangements also allow for hours off on individual days or block time off. In the case of the “traffic-light account” at Deutsche Post AG, there is a system of green, amber and red areas. Employees are usually not free to decide for themselves when the compensatory free time is taken – company requirements must be taken into account throughout. In the energy sector in NRW, for example, the period of notice required depends on the length of time-off being applied for. Occasionally the details of how time-off can be claimed have to be regulated in a company agreement. In the metalworking industry in Nordwürttemberg-Nordbaden, when time credits exceed 300 hours, regulations have to be created governing how these can be drawn on.

**Long-term accounts**

In some sectors the players have agreed on arrangements for long-term accounts. In the chemical industry these can be set up on the basis of voluntary company agreements. Sources can include time credits according to collectively agreed regulations, overtime and bonuses, semi-retirement time credits, bonuses and premiums and vacation entitlement going beyond the statutory entitlement. These credits can be used, amongst other things, for undergoing training or to obtain release prior to retirement.

In the iron and steel industry in NRW a maximum of 169 hours per year and a maximum of 15/20% of an individual's gross annual salary prior to/after the age of 45 can be saved on a long-term account. In addition to overtime payments, other remuneration elements (including special payments, capital formation payments, components of the monthly wage) can also be saved. Temporary time off or early retirement at the end of an individual's working life is possible.

In the metalworking industry in the important state of Nordwürttemberg/Nordbaden time credits and bonuses can be saved to a long-term account and used to finance semi-retirement. In addition, voluntary company agreements can be signed.
regulating long-term working time accounts that enable individuals to plan their lifetime working time. For this purpose only working hours for which there is a claim to reimbursement can be used. The maximum volume is limited to 152 hrs. in 12 months.

In the hard coal mining sector employees can apply to collect free shifts, overtime and Sunday/public holiday working and put these credits towards early retirement. Finally, in the banking sector a maximum of 175 hours per year drawn from paid working hours and/or entitlement to time off (not vacation) can be saved to a long-term account. All these collective agreements on long-term accounts contain (more or less detailed) regulations on insolvency protection. It is up to company-based agreements to decide how to organise insolvency protection.

Company based regulations

Collective agreements create a framework which is then fleshed out in various very different ways by company agreements. Companies have scope that they have to use according to their time requirements or, depending on the balance of power, have to negotiate with the works council and workforce. Empirical findings show that such formal rules on working time accounts are more common where works councils exist: they afford employees a secure basis on which to claim, and use, the agreed time schedules and – if in doubt – even to sue for them before the labour courts. The rules relate to the following time parameters:

1. **Sources of time credits**: Overtime constitutes the commonest source (86%) of time credits saved, followed by flexitime accounts (70%) and accounts linked to contractual time corridor arrangements (35%). Other time sources, such as leave periods or supplements for shift work and night work, play a minor role. Certain wage components (special payments, bonuses etc.) may also sometimes be paid in.

2. **Equalisation periods**: The average equalisation period in 2007 was 38 weeks (Gross/Schwarz 2008). This finding is not surprising in view of the high proportion of overtime and flexitime accounts, which as a rule prescribe an early date for equalisation.

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(3) **Upper limits for account balances:** Just under four fifths of all time accounts limit the accumulation of time credits, and a slightly higher proportion (84%) that of time debts. The regulatory asymmetry is even more marked in respect of the average limit values: just over 100 hours for time credits; around 60 hours for time debts on average (Groß and Schwarz 2008). These relatively narrow average margins for time credits or debts represent another indication that the function of time accounts is overwhelmingly to achieve short-term flexibility. The average margins equal around 10% of the average individual yearly working time volume. During the current economic crisis companies and employees alike use these margins to reduce labour input and to safeguard threatened jobs.

(4) **Usage of time:** Apart from short spells away from work in the form of days off, the possibility of taking a longer break from work for no specific reason is predominant (63% of companies with working time accounts). Educational time accounts are set up more rarely (15% of companies), and even then mainly as an option. In 14% of companies (with time accounts and a works council), employees can save up working time in order to take early retirement.

(5) **Method of regulation:** In the overwhelming majority of companies with a works council, the withdrawal of time credits from working time accounts (Seifert 2003) occurs by arrangement with an employee’s superiors (67%) or work colleagues (30%). Superiors seldom have prime responsibility for determining the withdrawal of time (4%); more commonly the account is exclusively at the disposal of the employees themselves (20%).

(6) **Expire:** Not all time accounts guarantee that work performed and credited to an account will be recompensed either monetarily or in the form of compensatory free time. According to the works councillors, in one in every five (21%) private sector companies time credits lapse if the limits of the equalisation periods are exceeded. This happens particularly often in the case of flexitime accounts, which give employees more ample opportunity to determine their own time than do other working time accounts. The price to be paid for this is evidently the high risk of expiry. As a recent investigation (Groß and Schwarz 2006) has shown, the incidence of lapsed accounts has declined somewhat in the past few years. To what extent this development is attributable to intervention by workplace representation bodies cannot yet be ascertained.

### 9.5 Quality of regulation and time sovereignty

Empirical studies have looked at the functioning of WTAs (Groß and Schwarz 2008), using three variables as indicators: (i) the maximum number of plus hours, (ii) of minus
hours and (iii) the length of the period for equalisation. A WTA model is regarded as completely regulated, when all three elements are defined; and conversely it is unregulated if none of these variables is specified. As Figure 9.2 shows, the quality of regulation has increased in recent years – in more than three quarters of companies that have introduced WTAs, the system can be classified as being well regulated. The situation has improved in companies of all sizes – clearly learning processes have taken place. For regulation to function properly, it is important that there is employee representation in the company. Thus the proportion of companies with regulations categorised as “good”, is 87% when there is a works council, and a mere 34.5% in companies without employee representation (Groß and Schwarz 2008, p. 80).

Figure 9.2 Regulation of WTA 2001 -2007

Before describing and analyzing regulations providing greater scope of time sovereignty it is necessary to define sovereignty in the context of working time. Ideally, time sovereignty can be taken to mean an opportunity to organize one’s working time with a minimum of interference from other people or institutions/companies. In circumstances of paid employment and work organization based on the division of labour such freedom can only ever exist to a limited extent (Trinczek 2005). Laws, collective agreements and company agreements define the framework and procedures for organizing the timing of the working day. And the room for manoeuvre accorded to individual company players in the management of their working time is dependent on the relative balance of power. The right to manage the time theoretically stretches along a continuum: at one end lies the
employer’s sole right to time management; at the other end lies that of employees or their representatives.

In practice, company agreements usually contain a general clause prioritizing the requirements of the company, thereby restricting from the outset the scope for time sovereignty of benefit to the workforce. An evaluation of 286 company agreements shows that employees have scope to organise their working time according to their interests – provided ‘the interests of the company’ do not prevent this (Hamm 2008). None of the agreements examined offered employees the right to organise their working time as they liked.

This widespread provision that flexible organisation of working time should take into account the interests of the company can also be interpreted as extending the obligations of the employees. “No longer are they just required to work their hours – they now also have to ensure that they are working at the right times” (Hamm 2008, p. 129). Greater freedom regarding working hours is linked to greater responsibility.

The scope is rather different when it comes to long-term accounts. An evaluation of 64 company agreements on long-term working time accounts identified two ways of accessing time credits. Firstly there are employee-oriented arrangements “which give the employee exclusive control over the WTA” (Böker 2007, p. 97). And then there are arrangements that have to be seen as more company-oriented, as they use long-term accounts primarily for storing up working time during periods of weak demand.

Given the greater organizational freedom inherent in them by comparison with standardized normal working time (a ‘golden cage’), time accounts have both advantages and drawbacks. They entail risks as well as opportunities for employees, who, by contrast with uniform normal working time, gain leeway to better adapt the duration and timing of their daily working hours to their time demands outside of the workplace. By the same token, the exact opposite may be the case if companies use working time accounts to synchronize their deployment of labour more closely with volatile market demand. Ultimately the question of time management has to be judged by looking at what actually goes on in companies.

9.6 Interim result

WTAs are now well established, and any objections on principle from employers (WTAs are difficult to organise) and trade unions (danger of increasing reliance on company time requirements) have now been largely swept aside. As far as some first empirical findings show, WTA can provide gains in time use for both sides. Employers can use working
time more efficient and employees can gain at bit more room to reconcile the needs of private time with the demand of working time. This applies at least for the majority of employees. It is therefore not surprising that the scope for varying working time using WTAs has gradually expanded. Particularly in the current crisis, companies are using working time accounts to maintain levels of employment. Working time credits are terminated and in some cases employees, with the agreement of the company, are even accumulating time debits. Current data on the development of time credits and debits is not available, which makes it impossible to estimate the extent to which WTAs have managed to save jobs that were under threat. A current survey estimates that time accounts play a more important role in safeguarding threatened jobs than the publicly financed instrument of short time compensation (Sachverständigenrat 2009).

9.7 Working time accounts – two best practice case studies

Methodology
Before looking at examples of best practice in the regulation of WTAs, the following issues regarding content and methodology need to be clarified.

(1) What criteria are used to identify best practice?

(2) Both companies and employees can have different ideas as to what best practice models should look like, because of the different expectations they have of working time flexibility.

On (1): The focus here is on two aspects: firstly, the degree of flexibility offered by WTAs for adjustment to company requirements; secondly, what possibilities WTAs offer employees to achieve a better balance between their own requirements and those of the company. However the extent to which both requirements are compatible or incompatible can only be measured to a limited extent by looking at collectively agreed/company regulations. These only offer an indication – what is important is what actually goes on in the company in reality.

On (2): As the need for flexibility varies from one company to another, individual companies will have different ideas as to what an optimum model of WTA should look.
like. Is it a question of seasonal fluctuations that are relatively predictable and occur according to a regular annual rhythm, or do fluctuations in demand happen erratically and without warning? To what extent can companies respond to the economic cycle? Similarly, employees will also assess WTA models differently according to their personal requirements. Employees with families will have different requirements to those who are single, women will have different needs from men, younger employees different expectations from elderly ones etc. Examples of best practice therefore can only be seen in context and are not necessarily transferable.

On (3): Different working time account models usually coexist parallel to each other in companies. Often they are linked and offer scope for transferring time elements between the models – in other words from short term or overtime accounts to long-term accounts. For this report, two models are of particular interest: flexitime or short-term accounts with an equalisation period of up to one year, and long-term accounts.

On (4): The selection of best practice examples assumes transparency with regard to regulations and the practical application of WTAs. However, a comprehensive register of company regulations that would allow a systematic assessment and selection of regulations according to define criteria does not yet exist. The Hans-Böckler-Foundation has started to build up a collection of company agreements which may not meet the criterion of representativity, but – with considerably more than 900 company agreements on flexible working time models – currently offers the biggest choice of schemes. Partial assessments are available (Böker 2007; Hamm 2008). Such regulations can be categorised to some extent if one compares them with the results of representative studies and information about the range of WTA models and their application in companies. The literature also offers a number of case studies on WTAs (Lindecke 2008), whose results have also been taken into account.

Finally, the description below is also based on information from trade unionists on agreements that are regarded as good compromises. The following findings are based on interviews with works councils which were conducted on guided lists. The interviews took place in the offices of the works councils. Additionally the survey is based on the evaluation of company-based agreements.

Example 1

Company
The company belongs to a major automotive group and currently (July 2009) has a workforce of 6500 manufacturing automotive components (gearboxes, axles). It is heavily
dependent on demand for passenger cars and commercial vehicles, which is subject to seasonal and, of course also cyclical fluctuation. Working time accounts offer some scope for coping with fluctuations in demand without varying employee deployment by resorting to the external labour market. The need for flexibility is about 15% to 20% of staff capacity.

**Time models**
The company operates both short term and long-term working time accounts. Short term accounts were introduced in connection with reducing of working time in the 1980s. The current regulation dates from the end of 2007. The collectively agreed weekly working time is 35 hours.

The aim of the WTAs is to encourage flexibilisation of working time by both the company and the employees. The idea is “to improve the work-life balance taking into account company needs and the requirements of external and internal customers, as well as to improve efficiency and make the company more competitive.” The approach taken is based on the idea of “getting away from a time-based approach and moving towards a task-based one” – in other words “individuals largely being responsible for completing tasks independently with a large degree of freedom within the team and the process chain; in other words, an entrepreneurial approach.” This new approach to time organisation also required a new approach to work organisation. Group work was combined with task-based time management.

To achieve these aims, a package consisting of various different elements of flexible time management is available.

1. Flexible approach to shift work: the shop floor works on a three-shift basis, but a regulation on flexibility enables employees to vary their working time within a corridor of 30 minutes from the start and end of the shift, the timing of the handover from one shift to the next being coordinated by the employees concerned – in some cases entire teams and in others, individual employees. This flexible system has proved a success.

2. A working time account offers the possibility of saving up to 300 hours of time credits, or amassing up to 200 hours of debits. The decision to amass credits or debits can come from the line manager or from the employee. Once certain thresholds (+200/-100) are exceeded, steps have to be taken with regard to management of the account.
(3) Long term accounts: The long-term account can be used to transfer up to 150 hours per year from the short-term account or from overtime working. The idea of long-term accounts is to offer employees a smooth transition into retirement, or make it possible for them to undergo training or take longer periods of time off. The latter requires a long period of notice and has to be coordinated with the line manager. Hitherto, time off of up to two months as predominated. In individual cases larger time credits have also been used for phases of further training.

The accounts are kept in time rather than in monetary values and are protected against insolvency.

**Time management and representation**
A steering group consisting of representatives of the company and the works council monitors the application of all the regulations on working time. The group meets on a monthly basis and also discusses measures for covering capacity in critical areas.

**Internal flexibility during the crisis**
During the 2008/09 crisis the system of time credits has acted as a buffer against redundancies. Not only have the time credits been drastically reduced, time debits have also been accumulated to a level of up to 50 hours per employee. The company has also shortened the working week for some of its workforce by three hours or 8.75%, and for another section of the workforce has introduced short time working.

The termination of time credits created certain problems. As the individual time credits differ in size, it is difficult to organise collective reductions in working time. In January 2009 the average number of credits on employees’ accounts was 127 hours – in some areas the average was 250 hours and in others less than 20. Coordination is very important. The discrepancy between individual time management and collective time requirements can be mitigated by allowing those accounts with only a small number of credits to go into the red. When credits are used to bridge periods of low demand, the employees have little scope for managing their working time according to their personal needs. But against this disadvantage one should not forget that the main purpose is to secure employment.

*Example 2*

*Company*
The company in this case study is a municipal services company that provides waste collection and street cleaning services. The company is covered by the public sector collective agreement. 87% of the 5,300 employees are male, and two thirds are either unskilled or semi-skilled workers. There are pronounced seasonal fluctuations in the street cleaning workload, which is higher in winter than in summer owing to the weather. This meant that before working time accounts were brought, in workers did a lot of overtime. The introduction of working time accounts allowed the number of overtime hours payable at a higher rate to be reduced and labour costs to be cut, ultimately enabling the company to ward off the threat of privatisation. The abolition of overtime rates meant that the introduction of working time accounts was not initially welcomed by the street cleaning staff. However, the WTAs made it possible to take on an additional 200 workers owing to the fact that they led to a reduction of actual working time.

**Time management systems**

Working time accounts were introduced through a public service agreement. According to the agreement's preamble, they were aimed at “promoting flexible working hours in order to take into account the requirements of internal and external customers as well as the personal working time management wishes of employees”. The WTAs were also intended to prevent overtime from being required.

A “working time corridor” allows the 39 hour working week stipulated in the collective agreement to be extended up to 43 hours without higher overtime rates being payable for the additional hours. The following standard practices were also agreed on in conjunction with the WTAs:

*Agreement on time required to perform tasks:* Management and employees come together to decide how long is needed to perform all the relevant tasks to the required standard and within the required deadline. They also agree on the size of the work parties. The work parties then discuss and decide on exactly when each individual is required to attend work. The work scheduling procedure needs to take the following requirements into account: it needs to ensure that customer response times are met, establish the size of the work parties at different times, and ensure that work arrangements, including the rules on replacing people who are off work, take the company's interests into account. Decisions on these matters are taken jointly by management and at least 2/3 of the affected employees.
Standard working hours in single-shift and multiple-shift patterns: Blue-collar workers (street cleaners, waste collectors) have fixed working hours with flexible start and finish times.

Both working time models are based on an annual working time account and have operated without any major disputes. Management of working time is predominantly decentralised to the work parties. The accounts operate a traffic light system. Workers can have up to 80 hours of time credits or debits in their account at any given time. Workers with no more than +40 or -40 hours get a green light, and their superiors do not intervene in how they manage their account. If their account balance is between +40/-40 and +60/-60 hours they get an amber light, and need to agree on organisational measures with their superiors in order to get their account balance back ‘into the green’ by taking time off work. In the case of workers with a red light (more than +60/-60 hours), management has the sole responsibility for reducing their credit or debit balance.

Since 2007, it has been possible to voluntarily open a long-term or lifelong working time account, both of which operate on a monetary basis. The annual interest rate is 3%, and it is important to understand that the sums deposited in the account are calculated on a gross basis, i.e. tax and social insurance contributions are not deducted. Communication problems mainly at middle management level have meant that so far only some 6% of the workforce have taken advantage of this opportunity, most of them white-collar workers. Long-term working time accounts are not yet an established concept in the minds of all employees. In addition, shift workers have only limited opportunities to save large amounts of time credits.

Long-term working time accounts are designed to enable people to take longer blocks of time off work of at least 15 working days, and to offer an alternative to the provisions of the Partial Retirement Act for those employees wishing to retire early. At least two months’ notice needs to be given prior to a worker using time credits to take time off work, however a shorter notice period can be agreed between the employee and his or her superior. The long-term working time account can be used to save holidays over and above the statutory annual 24 working days’ holiday, up to a total of 156 hours a year, arising from a higher planned working time. It can also be used to save remuneration components.

Lifelong working time account:
As well as a long-term working time account, employees can also opt for a lifelong working time account. The time credits saved in these accounts can be used to take paid
leave immediately before reaching the statutory retirement age. They thus differ from the long-term working time accounts in that the credits have to be used for a specific purpose. Time credits saved in a long-term working time account can be transferred to a lifelong working time account, but the reverse is not possible.

9.8 Résumé

The various different forms of working time accounts offer companies greater scope for adjusting deployment of the workforce to fluctuating demand without any need for overtime. Whether the employees themselves have gained additional room to manoeuvre is more difficult to answer as they could not be asked directly. According to the works councils, though, it can be assumed that they have also gained a degree of greater control over their working time, though this assessment has to be tempered in view of the crisis situation during the first half of 2009. The aim of protecting jobs – which is also a fundamental interest to the employees – has to have priority. And the use of WTA explains a great part of the current so-called German employment miracle.
10. Wider application of the flexicurity tool: France, Italy, Spain, Belgium and Sweden

10.1 Introduction

One of the stages of the project consisted in obtaining a preliminary assessment of how well the monitoring tool and the checklist could be applied in collective bargaining systems that are different to those in the three core countries in the project. To this end, the project has counted on the collaboration of five experts in industrial relations, social dialogue and collective bargaining in France, Spain, Italy, Sweden and Belgium. This selection illustrates different systems, procedures, traditions and cultures regarding collective bargaining and complements the analysis carried out in Denmark, Germany and the Netherlands. This analysis of additional cases has allowed us to:

- Make a general assessment of the potential of flexicurity as an element to be applied in collective agreements (CAs) in each country.
- Collect practices of implementation of flexicurity measures in CAs related with the overall topics assessed (flexicurity check-list) in the study.
- Test the opinion on the potential transfer of a computer-aided tool for the evaluation and monitoring of collective bargaining and CA provisions concerning flexicurity measures.

The following aspects have then been analysed specifically in each country selected:

- Context regarding the relationship between flexicurity and collective bargaining in every country analysed, including debates on flexicurity, if they exist and the relevant positions of the social partners
- Information on the national systems to register CA
- Assessing the different forms or modalities of flexibility and security that can be adopted in CAs. To this aim, a list of 22 modalities were put forward, grouped according to 10 general policy objectives established in the Lisbon Strategy (see Annex A.3).
- Examples potentially good, i.e. significantly developed and/or innovative, practices of flexicurity in CAs.

The analysis undertaken is limited, a simple test aimed to explore an approximation to the level of reception of flexicurity as defined in the European framework. Our intention is
not to extrapolate the results nor to extract definitive conclusions, but to obtain a first impression on the evolution of flexicure practices in CA in several countries.

As regards the work method used, the assessment is based on the analysis of experts on collective bargaining who have worked on the texts of the agreements selected. In the case of Spain, CA-databases have been used to identify and analyse flexicurity clauses, which appear in more than 50 agreements. Due to the particular system of collective bargaining present in Sweden, interviews have been carried out with representatives of the social partners besides studying the texts available. Specifically, more than 15 CAs with different rank and scope have been analysed. The following categories were studied:

<table>
<thead>
<tr>
<th>Countries</th>
<th>National</th>
<th>Industry</th>
<th>Company</th>
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</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Italy</td>
<td></td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Spain</td>
<td>1</td>
<td>Several*</td>
<td>Several</td>
</tr>
<tr>
<td>Sweden**</td>
<td></td>
<td></td>
<td>4</td>
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* Including other territorial levels: provincial or local

** The agreements analysed in Sweden are all at national level, although they are classified as industry level or per category (blue collar or white collar)

The results of this contrast analysis are shown below. Given the diversity in the answers obtained, derived from the specific nature of collective bargaining systems in each country, carrying out a comparative analysis of these results would be a complex task which, moreover, would not contribute relevant information to the study. However, some of the common elements can be highlighted and commented.

We shall start by briefly summarising the main aspects of the system of industrial relations in every country and, in particular, the structure and relevant characteristics of collective bargaining (section 2). This is followed by the opinion of national experts as regards the reception of flexicurity in CAs. The incorporation of flexicurity-related clauses in several CAs will then be analysed, selected due to their relative originality, or because they are recent and they fit in with the approach to flexicurity promoted by the EU. We
shall then comment on the response obtained with regard to the possibility of establishing a digital database to monitor flexicurity elements in CAs. Finally, we shall try to reach general conclusions on the results obtained in this analysis.

10.2 The institutional collective bargaining regime and recent tendencies

It is essential to understand the relationship between legislation, social partners and their autonomy, tradition and national practices, in order to understand the system of collective bargaining and, hence, the possibility to include new elements. Certain aspects of industrial relations, such as social partners, the types of undertaking or worker representation will not be developed in depth here, in the understanding that there is sufficient literature on these topics which may be easily consulted.²

Belgium

Belgium has a high coverage of CAs estimated at about 96% of all workers. This is largely due to the fact that this Member State has a system of declaring CAs universally applicable by Royal Decree. All CAs concluded in the National Labour Council or in Joint Committees are declared universally applicable. The general rule is that a CA is applicable to whoever is employed by a bound employer. Trade union membership is thus not required in order to be able to be covered by a collective bargaining agreement. National social partners make central interprofessional agreements every two years, on the basis of a negotiation period, usually starting in autumn.³ Such central agreements serve as a main reference point and a basis for the subsequent collective bargaining at sector level. Besides this rather informal system of negotiations, directed towards social and economic policy, the national trade unions and employers organisations are also engaged in collective bargaining at the national level in a more formal way. CAs are concluded at various levels of industrial relations:

a) At the national inter-industry level in the National Labour Council, a body composed of employers’ and employees’ representatives. These agreements are almost always

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²Amongst others, the different reports from the Dublin Foundation and the European Commission, including the latest report on “Employee representatives in an enlarged Europe”. DG Employment, Social Affairs and Equal Opportunities. 2009, covering 32 European countries.

³For example, in autumn 2008, a new round of talks was made in order to reach a new central agreement for the years 2009-2010.
rendered binding by Royal Decree and then become applicable to all employers and employees in the private sector.

b) Sector level collective bargaining takes place in the ‘joint committees’ of industry set up per sector of industry. Mostly these joint committees are set up separately for blue and white-collar workers, so that bargaining for the two kinds of workers often takes place separately.

c) One more level below is the level of the company. It should be taken into account that lower level CAs can only run against the content of higher-level CAs when they contain conditions and benefits that are more advantageous to the employee.

France

Collective bargaining in France can take place at a minimum of three levels:

a) National and cross industries agreements for the whole economy. These often provide a framework for some major area of policy, and are sometimes followed by legislation to give legal force to what has been concluded. The position of national level bargaining has been enhanced by new legislation, passed in 2007, which commits the government to attempt to get a national level CA before introducing legislation in the area of employment.

b) Industry level bargaining is the most important level for collective bargaining, in terms of numbers covered. For unions and employers’ organisations that have already signed an agreement on pay there is an obligation to negotiate annually on pay rates, and every five years on job classifications. However, some of the agreements signed have only limited importance in determining pay as many of the rates set are below the national minimum wage, which then supersedes them. Once signed, the terms of the agreements are binding for members of the employers’ federations that signed the agreements, and must be applied to all employees.

c) At company level there is also a requirement for the employer to negotiate annually on pay, working time and working conditions, and in contrast to the obligation at industry level, this is backed up by penalties in case of non-compliance. However,
there is no obligation to reach an agreement, and often the employer will listen to the unions’ demands and then fix pay and conditions unilaterally.

Overall, the obligation to negotiate and the fact that government very often extends the terms of industry level agreements to all employers mean that formal collective bargaining coverage is very high.

The impact of recent reforms on Collective Bargaining in France

Legislation introduced in 2004 made important changes to the rules for bargaining, particularly at company level. Unions and employers at industry level can now agree negotiating mechanisms for small and medium-sized companies without union delegates signing for the agreement to be valid. At national level, agreements can be blocked if three of the five confederations object. At industry or company levels, there are two possibilities. The first is where the unions in the industry agree that a specific set of rules should apply to determine whether an agreement has majority support. To be valid, this procedural agreement must be signed by unions representing a majority of employees in the industry, either on the basis of their support in the last works council election or on the basis of a specific industry vote. The second possibility, which applies where there is no procedural agreement, is that the blocking procedure applies: the agreement is not valid if a majority of unions in the industry object to it.

At company level, the starting point again is an industry level agreement, which fixes the rules. Two options are possible. Under option one, in order to be valid an agreement must be signed by one or more unions which received a majority of votes in the most recent works council or employee delegate elections. And if no union has this majority, the agreement must be supported by a majority of employees voting in a ballot. Under option two, an agreement is valid provided unions representing a majority of employees, based on the results of the latest elections for the works council or employees’ delegates, do not object. If there is no industry level agreement on the rules, option two applies.

In July 2008, the French Parliament adopted a law on ‘social democracy and working time reform’, which will radically change the rules regarding trade unions. By 2012, the majority rule will be abolished, and – as set out in the social partners’ ‘common position’ adopted in April 2010 – in order for a trade union to be representative and participate in company-level bargaining, it must obtain at least 10% of the votes in workplace elections. This threshold is
set at 8% for bargaining at sectoral and national levels. In addition, CAs will be valid only if they have been concluded by one or several trade unions that have obtained at least 30% of the votes at workplace elections and without objection from trade unions that have obtained a majority of the votes. In companies with fewer than 200 employees and no trade union representative, employers will be able to negotiate with non-union employee representatives. Due to the new legislation, it is now easier for company agreements to diverge from industry level agreements. In the past, company level agreements could only improve on the industry level agreement by which the company was covered. The new legislation also makes it more difficult for an agreement to be signed by one union in the face of opposition from the others.

**Italy**

The Italian system of industrial relations is based on a dual bargaining structure⁴, articulated between a national level of industry-wide CAs and decentralised collective bargaining at the company level or, alternatively, territorial level. National industry-wide CAs establish minimum rights and standards for the whole workforce, giving social partners the possibility to improve pay and working conditions through a second level of collective bargaining. On the matter of pay, such co-ordination implies that company-level CAs can only deal with different issues to those already dealt with by the national contract.

1. Between 1993 and 2009, there are two types of national industry-wide agreements regarding contents and duration⁵:
   a) Every four years about either pay and “normative” clauses (union rights, employment relations, hiring and firing, working time, holidays, job grade, health and safety, etc...),
   b) Every two years about pay, in order to adjust in the mid-term of two years the growth in salaries to the real inflation rate and so maintaining the purchasing power of the salaries.

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⁴ Until 2009 it has been based in the “Protocol of 23 July 1993”, a peak level tripartite agreement, establishing a new institutional framework for income policy, collective bargaining, workers/unions representation at the workplace level, active labour market policies and measures to support the production system.

⁵ After the recent reform in 2009 (see below), the duration will be the same every three years.
Collective bargaining coverage is rather high, estimated at around 80% of the entire employed workforce. It’s worthy to underline that this high share is reached without any formal administrative procedure of extension of the industry-wide agreements\(^6\).

2. Further bargaining over variable pay and working conditions takes place at company-level or, alternatively, at territorial level. Each company-level CA lasts for four years, during which the parties provide information and consultation and check up on the contract’s regulations with particular emphasis on aspects connected to the company investments and strategies (mergers and acquisitions), restructuring processes, employment prospects, technological and organisational innovations, work environment, vocational training.

It’s worthy to stress that the second level of collective bargaining is not compulsory. In practice, it can be made executive by the workers’ union force, according to the concrete power relations established in each company or firm. According to different sources, the second level covers approximately 38% of the whole workforce.

<table>
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<tr>
<th>Debate on new framework collective bargaining agreement in Italy</th>
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<td>A wide number of social partners associations, under the impulse of the government, have subscribed on January 22 2009 to a new framework agreement. The largest trade union confederation, the CGIL, refused to sign, and concluded their own agreement. This was a deliberate objective of the centre-right government, which aimed to isolate and exclude the most representative trade union organisation. The main measures contained in the new agreement are the following:</td>
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<td>- The dual collective bargaining structure, based on sectoral and decentralised agreements, is confirmed.</td>
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<td>- The duration of industry-wide agreements will be set at three years.</td>
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<tr>
<td>- Industry-wide agreements will continue to set common economic and normative protections for workers in all sectors nationwide.</td>
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<tr>
<td>- The protection of real wages will be pursued by way of a new indicator, which will replace the old “planned inflation rate”. The new indicator will be calculated by a third party and will</td>
</tr>
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</table>

\(^6\) The relatively high rate of density of the social partners organisations, jointly with the attitude of the Courts to assume the national collective agreements as the national minimum standards for pay and working conditions (as evoked into the Constitutional Law), provides de facto these CAs – subscribed by the most representative social parties – of erga omnes effects.
be based on the “European Harmonised Consumer Prices Index” (HCPI), excluding imported energy costs.
- The significance of the difference between the indicator and the actual inflation rate, calculated in the same manner, will be assessed at inter-sectoral level and not, as in the past, at sectoral level.
- New rules on the renewal of CAs will be introduced, including the possibility to resort to the intersectoral level for mediation and the strengthening of clauses on conflict-free periods.
- Decentralised CAs will last three years and will cover topics defined by sectoral agreements or legislation and which do not concern those already regulated at other bargaining levels. The agreement contains a specific request for the introduction of structural economic incentives, such as tax and social security relief, for decentralised bargaining on performance-related pay.
- The possibility to introduce ‘opening clauses’, to cope with restructuring or to foster economic growth and employment creation is allowed. Not only, as it was in the past, in local contexts affected by serious crisis, but also in case of start-up of new business activities.
- The objective will be introduced to simplify and reduce the number of industry-wide agreements, which at present amounts to more than 400 agreements.

Spain

Collective bargaining in Spain is a constitutional right. Spanish legislation and courts recognize three types of CAs:

a) **Statutory collective agreement** which fulfils all formal and procedural requirements demanded by the Statute of Workers’ Rights (Estatuto de los Trabajadores). It is legally binding and applies to all employers and employees included within their scope, whether or not they are affiliated to the organisations that sign the agreements.

b) **Extra-statutory collective Pact Agreement** which is concluded between the workers’ representatives and the employer, but do not satisfy or cover all the requirements necessary to be classified as a statutory CA --for example, sufficient legal status of the signatories. This agreement is also legally binding, but only applies
to workers and employers affiliated to the organisations that concluded the agreement.

c) **Inter-professional agreements** are subscribed between the main representative trade unions and employers’ associations of the State -or Autonomous Communities- and will be subject to the arrangements laid down for statutory CAs. There are two different types:

- structural agreements which establish the framework of collective negotiation, as well as lay down the rules for resolving conflicts between agreements from different areas; always under the assumption outlined above that those matters cannot be negotiated at a lower level;
- agreements regulating the working conditions, or other labour matters.

From the 1994 Labour Reform, the process of decentralisation as regards collective bargaining has given rise to the progressive appearance of **company agreements**, the role of which is to complete the CA at this level, to adapt it or to conclude the consultation processes with workers’ representatives. Their conclusion involves fewer formalities and procedural requirements and they are legally binding and applied to all the workers of the undertaking.

This labour reform also modified the relationship between law and CA, with the former influencing the latter to a great extent. From this moment onwards, a setback in legal intervention took place, leaving much more space to the collective regulation. So the areas in which the law determines the minimum regulations liable to improvement by collective bargaining have gradually been reduced and, consequently, there has been an important increase in the number of fields where the only regulation comes from collective bargaining.

**Sweden**

In Sweden, industrial relations have traditionally been highly centralized with strong, nation-wide, high-density associations for both employers and employees, covering all sectors of the economy. The rules in Swedish labour law are often discretionary, and may therefore be negotiated in CAs. These agreed rules can only set higher standards than the law, are legally binding, and can only be changed in new negotiations.
As for the representativeness and hierarchy of the social partners, these follow the social partner organisations, which may all negotiate at the level where they perform. In first instance, the employer associations and the central trade unions bargain for the national/sector wage agreements. The negotiations start at the national level and are then followed by local employers bargaining with local trade unions for local pay. The local bargaining may give better results in certain companies, in others they just follow the “frames” set at the sector level.

Sweden has no system for the extension of CAs. Nevertheless the coverage rate is 90% on average. The main reasons are the high membership rate of trade unions. and the custom that local agreements cover all employees in a certain workplace. Employees who are not a member of a trade union receive the same pay, at least representing the minimum level of the CA, as those who are members. This applies especially in the public sector, where the agreement coverage is 100 percent. Another important feature is the close relationship between the central and the local levels of the organizations, and as a consequence, between different bargaining levels. Swedish trade unions negotiate wages and (negotiable) working conditions directly at shop-floor level within the frameworks set by industry- and nation-wide agreements.

10.3 Summary of current debates on flexicurity and collective bargaining

The issue of flexicurity receives a fair dose of scepticism in Belgium. This is related to both the scientific as well as the divergent social partner attitude towards the concept. In the Belgian government, there is an interest in the topic. It is currently under research to what extent flexicurity implies a need to revise Belgian labour law. Trade unions and employers have quite different views on the various policies that are usually considered to contribute to flexicurity. For instance, trade unions are quite reluctant to measures concerning the activation of job seekers while employers are very much in favour. With regard to the regulation of the ‘time credits’ (career interruption) systems, trade unions demand extended career interruption systems to presently excluded workers (such as supervisory staff) as well as an obligation for employers to replace workers on leave. On the other hand, the employers have argued for more limitations on the use of ‘time credits’.7

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In France, flexicurity is not an object of explicit negotiation, but part of a more general background linked to the European debate. It is neither present as such in the national political agenda nor in the agenda of the social partners. In the current collective bargaining system the main issue concerns securing career paths and can be considered as a kind of flexicurity “à la française” since it tries to ensure flexibility of the work force by promoting training and skills improvement in order to enable a better adaptation of the labour force to the requirements of the companies while at the same time securing employment security of the employee. As such it reaches a win-win compromise.

Moreover, behind the concept of flexicurity, we also find the notion of trade off regarding collective bargaining at company level. As mentioned above, a clear trend toward decentralisation of collective bargaining at company level has been emerging since 1982. Progressively, several laws have allowed social partners at company level to deviate from labour standards set out at a higher level, i.e. in compulsory laws and collective agreements at sectoral level. This decentralisation has mainly aimed at giving companies possibilities to adjust labour standards to requirements of their businesses. In that respect, decentralisation of collective bargaining in France reflects a trend to foster more flexibility of labour standards, especially on issues related to working time and its organisation. In that case, conclusion of CAs at company level has governed and still governs the possibility to deviate from upper standards. In this context, a trend toward negotiation of trade offs has been emerging at company level.

In Italy, the notion of “flexicurity” has recently become commonly used by scholars, policy makers and the mass media. It is normally invoked or stigmatised negatively, in the public discourse about the need to “recast” the Italian welfare state and labour law.

Up to now, flexicurity hasn’t been very explicitly mentioned in relation to collective bargaining. Flexicurity normally provokes strong “ideological” reactions, between the neo-liberals in favour and the traditional left against. The Confederation of Italian Industry (Confindustria) fully approved the contents of the European Commission’s Communication on flexicurity and agreed that flexibility in the organisation of work and a modern social security system are two components that are fundamental for the “modernisation” of labour markets. The largest confederation, CGIL explicitly rejects the concept what is considered the “philosophy” underlying it. CISL and UIL are instead more open to the concept and put it consequently in practice. Where all unions seem more or less to agree is in refusing the idea – erroneously co-related to flexicurity – of a mere
“exchange” between job security and employability or income security, considered too vague and dangerous.

The debate on flexicurity in Spain started after the Commission published its Green Paper on «Modernising labour law to meet the challenges of the 21st century». The trade unions’ stance is strongly opposed to flexicurity as a model apparently inspired in Denmark and unaware of the high rate of temporary employment contracts (flexibility) in Spain. For unions, employers had already obtained high levels of flexibility through collective bargaining and through the use of new forms of work organisation (productive decentralisation). At the same time, they severely criticised the Commission’s reflections on open-ended contracts and/or the possible “substitutions” of security in contracts with security based on public benefits, which entails transferring costs from employers’ to the public budget. The main employers’ organisation, CEOE, seemed to take on the European employers’ position, welcoming the modernisation of this debate, although questioning the competence of the Union on some of these aspects.

Nevertheless, despite rejection from trade union organisations to the incorporation of flexicurity, voiced to greater or lesser extent, a precedent exists in the 2002 Interprofessional Agreement on Collective Bargaining at national (confederate) level which included a section on the need for a “Balance between flexibility and security to defend employment and avoid the traumatic adjustments thereof”. Since then, several references on internal flexibility have been included in the several two-year extension of this agreement and have given rise to an enrichment of contents, although at a slow pace. This is mainly because multi-annual agreements (three and four years) have dominated in the last few years, slowing down the modernisation process of collective bargaining.

According to Pedersini (2008), in Sweden, the debate on flexicurity centres on the assessment of the Danish model and comparisons with the situation in the two neighbouring countries. The employers underline the rigidities in the Swedish regulation of dismissals regarding the identification of workers to be involved in collective layoffs. The trade unions focus their attention on Active Labour Market Policies, especially for

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young people, and criticise the recent reform of the unemployment benefit schemes, as they believe that it reduced workers’ security.

The overview of flexicurity measures is quite brief. In the area of active labour market policies, Sweden has a well-developed and long-established system of policies. The involvement of the social partners in the policymaking process and their role in administering parts of the social security system, like the unemployment funds, are relevant. Social partners also actively support the provision of services, notably through the unemployment funds and within the implementation of the redundancy programmes (Pedersini 2008, p. 57).

10.4 Analysis of flexicurity provisions in collective agreements

The assessment on the level of penetration of flexicurity elements in CAs has been carried out in relation to the elements of the flexicurity checklist (see chapter six). Examples of these measures have been found in specific clauses in CAs at company level, or treated generally in framework agreements at national level or in Industry Agreements, although unevenly. In general, aspects related to work time management can be found in the CAs of every country, particularly at undertaking level, as a result of older trends of decentralisation towards the level of the undertaking.

An issue to be highlighted is the collective measures agreed as a result of the current recession and which are aimed at the use of temporary suspension of employment contracts combined with social protection measures – unemployment benefit- and training for the workers affected. This type of agreements, which in theory seek to increase functional flexibility, have been adopted under pressure, involuntarily, and hence we believe that they should not be considered as representative of a positive approach to promote flexicurity. For this reason, they will not be analysed in this chapter, except two cases in Belgium and France, which we consider relevant precisely due to their exceptional nature.

We shall briefly describe below some of the measures identified in CAs; we are aware that some of the clauses or measures agreed could fit into more than one group, depending on the CA, its structure and the aim sought. This is especially applicable to the category of CAs with a national (framework agreements) or sectoral scope, which intend to cover different measures with a common denominator (for instance, equal opportunities). Moreover, several measures interact because they have the same aim,
and hence it is complex to isolate the “package” in which they are included. At the end of each section analysing flexicure clauses, a table has been added that summarises the main points of interest; the results help to visualise the classification of measures.


In Belgium, the industry-level CA for the Non-ferrous Metals Industry (2009-2010) establishes that companies are not entitled to proceed with a collective dismissal until all measures intended to safeguard employment have been exhausted. The employees undertake to discuss and accept possible changes to their terms and conditions of employment. At company level, various arrangements can be made to increase the employees’ geographical, functional and organisational mobility. In the event of a dismissal for economic reasons, the employer undertakes to offer outplacement, regardless of the employee’s age.

The CA has been declared generally binding, which means it is binding on all employers and white-collar employees in the non-ferrous metals industry. Also in Belgium, the generally binding CA at industry-level for Mortgage Lenders, Savings Banks and Investment companies (2009-2010), establishes that employees who have been dismissed are automatically entitled to outplacement. The terms and conditions for outplacement will be determined at sector level.

In Italy, the Food and Beverage industry-wide CA introduced a right to precedence for seasonal or fixed-term workers (employed since 6 months at least) in case of hiring open-end contract workers.

In France, the cross sectoral agreement on modernisation of labour market (January 2008) illustrates the role of social partners, institutionally recognised since 2007, in the development of labour market regulation. As such, some of its provisions were to be implemented through legislative measures. As regards the content, this national agreement:

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9 This agreement has been signed between three employers’ organisations (MEDEF; UPA; CGPME) and four representative union confederation at national level out of five (CFDT; CFE CGC; CFTC; FO).
a) Planned a new form of termination of employment contracts, i.e. the termination of open-ended contracts by negotiated agreement, which is neither a dismissal nor a resignation. A procedure for ratification of the agreement by public authorities (director of labour, employment and vocational training at local level) in order to terminate the employment contract between the two parties is necessary. These provisions aim at facilitating termination of the contract for the employer (no need to comply with laws covering dismissals) but employees are in this case entitled to benefits from specific payment as well as from unemployment benefits, which is new in France.

b) Create, on an experimental basis, a new form of fixed term contract (named “contrat de projet”). The latter may apply only to engineers and managerial staff. This contract may be signed for carrying out a precise project and comes to an end when the project is completed. However, the minimum duration of the contract is 18 months (maximum 36 months). When the contract comes to an end, the employee is entitled to receive a special compensation and has a priority to get an open ended contract in the company. Sectoral CAs must allow the use of this kind of contract.

c) Establish new provisions related to the duration of probationary periods. Maximum durations depending on the employee’s status (blue collar, clerk, and managerial staff) are planned. Generally speaking, a lower skill level corresponds to a shorter probationary period. In addition, notice periods in case of dismissal during the probationary period are planned: 48 hours during the first month; 2 weeks after 1 month; 1 month after three months.

Also in France, a national agreement regarding Emergency Measures to Support Employment in the Metal Sector (May 2009) has been signed in the context of the financial, economic and social crisis and aims at proposing solutions in order to save employment. This CA provides a system of non profit work force lease that enables companies facing economic difficulties to lease one’s workforce to another company, avoiding consequences of reduced working time or of lay offs. This can also improve skills and employability of the employee. The company leasing one’s workforce can maintain the skills of the employees concerned; the company receiving the workforce gains new skills and operational employees. The employment contract is legally maintained with the employing company, employees are lent out on a non profit basis,
and the representatives of the employees of both companies have to be informed. No trial period but a probationary period can be proposed especially when one essential element of the contract is changed, which has to be first agreed upon with the employee. If an employee refuses the workforce lease, it cannot be considered as a reason for sanction or lay off.

Concerning the employment of young people, social partners emphasise the importance of work contracts alternating training and work especially for the least qualified young people, efforts are made to help young graduates from problem areas to enter the labour market. Companies should employ at least 3% of their workforce with an apprenticeship (contrat de professionnalisation); non-compliance is sanctioned with a financial penalty (+20% of the apprenticeship tax).

Finally, also in France, the company CA in Rhodia foresees external mobility in case risks of job losses exist: if redeployment within the group is not possible, the employee is entitled to benefits to organise external mobility. If the employee gets a new job, the company may, under certain conditions and for a limited period of time, contribute to maintain his/her former wage (“allocation temporaire dégressive”). Moreover, employees accepting a new job before any economic redundancy is decided by the company are entitled to receive an additional grant from the company (corresponding to a maximum of 4 months wages). Lastly, employees planning to create their own company are entitled to specific support, mainly to draw up their business plan and better know public aids available.

**Temporary agency work**

The treatment of employment security within flexicurity in one of the most flexible sectors as regards hiring and firing, such as temporary agency work, is interesting. Thus, in **Italy** the largest majority of agency workers are hired with fixed-term contracts by their employer agencies. The last national industry-wide CA on Temporary Agency Work (July 2008) intends to enhance job security: in case agency workers have been working in user-firms for at least 42 months, summing-up all the single missions for the same agency, they will be hired by that agency with an open-end contract (art. 43). There are also limitations to individual dismissals before the contract’s end for fixed-term agency workers. As regards income security, for the periods in which the agency worker is not hired by any user-company, agency worker will receive the so called “indemnity of
availability” of € 700 per month. In case such a situation should protract for too long, the worker can be fired by the agency, receiving 700 euro (539 euro net) per month for a duration of six months (seven if the worker is over 50). 60% of this indemnity will be paid by the agency and 40% by the bilateral fund (called Ebitemp), which is jointly managed by the sectoral social parties.

In Sweden, agency workers are nowadays covered by an agreement¹⁰, in all operations where these companies are active. It is probably the widest applicable agreement in the EU and thus interesting in a flexicurity perspective. All employees connected to a temporary agency have employment contracts with the same agency and are thus guaranteed a certain pay, no matter if they are actually working at another firm or not. It is up to the agency to make sure that the employee gets a reasonable living, not to the user company that needs staffing. Therefore, it is not possible for the agency to use ‘wage flexibility’ (i.e. lower pay) as a means to compete with other enterprises with a permanent staff in the same business. Employment security (but perhaps not job security) is about as strong as for any employee in the private sector.

Outside this sector, although with the same intention to favour open-ended contracts, the high rate of fixed-term employment in Spain since the mid-eighties has led to clauses in several CAs regarding the conversion of fixed-term contracts into open-ended contracts. In many of these cases, this regulation is a mere reiteration of the possibilities opened up by legislation (legal reform of 2006) – for instance, the provincial CA in Avila (Iron and Steel Industry or the Bakery sector) or the provincial CA for the road transport of goods in A Coruña, 2008. However, original elements exist in other cases, e.g. the 2009 agreement in the Road Passenger Transport Sector in the province of Badajoz establishes: “When workers with fixed-term contracts have been hired for two consecutive years or four alternate years in the same undertaking, the undertakings commit to hire them with open-ended contracts”. In this field, other conventional clauses could be highlighted that give preference to hiring temporary employees who have previously rendered services in the undertaking or that tend to promote training for collectives in a worse situation in the labour market.

¹⁰ Agreement settled between their special employers’ association, Bemanningsföretagen and the unions affiliated to the LO
Concerning the use of positive flexicurity measures addressed to hiring and firing, there are few good practices, and these are generally linked to restructuring processes in which negotiation processes usually take place (legally compulsory): that is, in collective redundancies, or in processes that affect global sectors—the textile industry. The use of outplacement undertakings (which is still not regulated in Spain) in social plans is still a very limited practice. Furthermore, although seemingly paradoxical, a clear example of the balance between flexibility and security can be found in forced retirement clauses in some agreements: for instance, the forced retirement of a worker at the age of sixty-five must be accompanied by making a temporary worker permanent or a part-time contract full-time.

In the same sense as with atypical workers in Spain, in Belgium CAs at industry-level for the Chemicals Industry and for the Non-ferrous Metals Industry, both enforced during 2009-2010, establish that after successive fixed-term employment contracts, an employee is directly employed in the same position under an open-ended employment contract, without an interruption of more than four weeks, there is no need for a new trial period and the seniority acquired under the fixed-term contracts is carried over.

In Sweden, hiring and firing is regulated in the Codetermination Act and the Employment Security Act. The most important clause regards short fixed-term contracts. According to the agreement, an employer can hire a person for a period of between one and twelve months without first consultation with or authorisation of the local union branch. The individual employment contract must however be notified to the union. A short-term contract can further be prolonged to a total of three years, if it is supported by a local agreement with the trade union—or if there is no local union branch present at the workplace. The employers are also allowed to hire students and retired people for shorter periods than one month without consulting the union. Yet the trade union can force an employer to renegotiations if it suspects the employer for ‘abuse’ of the clause, for example using extraordinary short-term contracts to avoid standard employer obligations.

The CA for the blue-collar workers in the municipality sector (July 2007 - March 2010) contains a principle for layoffs for employees with comparable jobs, that is, key workers have in practice both stronger job and employment protection than easily replaced workers. Fired workers do, with some exceptions, for a period of normally a year have precedence to new positions in case of new appointments at the same operation.
Another measure established in the same agreement and which affects numerical flexibility refers to part-time workers who shall as far as possible be offered at least 20 hours per week. Before new labour is hired, part-timers shall first, if the work tasks are not beyond her/his competence, get the opportunity to longer working hours. Because of the many different occupations covered by the agreement, that is, more or less all blue-collar occupations, some clauses are rather ‘open’ and should be seen more as guidelines for local-level negotiations.

According to the CA for white-collar workers in the private sector (April 2007 - March 2010)\textsuperscript{11}, fired employees have precedence to new positions in case of new appointments at the same operation. This is under the preconditions that the employee have been employed at least twelve months during the previous three years and that s/he makes the claim within nine months of the firing date.

Table 10.1. Transition security: hiring and firing regulations. Employment security

<table>
<thead>
<tr>
<th>Member States</th>
<th>Flexicurity elements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employment security</td>
</tr>
<tr>
<td>Belgium</td>
<td>CA 2009 for the mortgage loans and savings: outplacement for dismissed employees</td>
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<tr>
<td></td>
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\textsuperscript{11} CA between Teknikarbetsgivarna on the one hand and Sif Sveriges Ingenjörer and Ledarna on the other. The Union, which is the second largest Swedish union, was formed on 1 January 2008 with the merger of the two formerly biggest unions, for salaried employees Sif (manufacturing) and HTF (trade in the private sector). Since both Sif and HTF had existing industry-wide agreements at the time, agreements that have still not expired, both have been scrutinized in search for flexicurity.
<table>
<thead>
<tr>
<th>Country</th>
<th>Description</th>
</tr>
</thead>
</table>
| **France** | CA on Emergency Measures to Support Employment in the Metal Sector: non profit work force lease  
CA Rhodia: specific support to organise external mobility (training and other serves). If the employee gets a job, the company may contribute to maintain his/her former wage under certain conditions and for a limited period of time.  
CA on modernisation of labour market:  
- new form of termination of employment contract  
- “contrat de projet”  
- new provisions related to the duration of probationary periods  
CA on Emergency Measures to Support Employment in the Metal Sector:  
- Companies should employ at least 3% of their work force with apprenticeships (contrat de professionalisation) |
| **Italy** | Food and beverage industry-wide CA: a right to precedence for seasonal workers or fixed-term workers (employed since 6 months at least) in case of hiring open-end contract workers  
Temporary Work Agencies (TWA) industry-wide CA: unemployment benefit, partially financed by the bilateral fund  
CA on Temporary Agency Work:  
- “allowance for availability” during the non working periods of agency workers.  
- agency workers will be hired by the agency with an open-end contract if they have 42 months of “seniority” in user-firms, summing-up all the single missions for the same agency  
Non-ferrous Metals Industry: conversion of fixed-term contracts into open-ended contracts: no need for a new trial period; seniority acquired under the fixed-term contracts is carried over. |
| **Spain** | CA for Property Management and Mediation Undertakings  
- conversion of fixed-term contracts into open-ended contracts  
- hiring temporary employees who have previously rendered services in the undertaking  
- the forced retirement must be accompanied by making a temporary worker permanent or a part-time contract full-time  
CA for white-collar workers in the private sector and quite similar in the blue-collar in the municipality sector:  
- certain “right” to precedence to be hired in the same firm for employees having work in at least 12 months in the previous 3 years, if the firm decides to recruit labour within 9 months after the employee got fired.  
- Before new labour is hired, part-timers shall first get the opportunity to longer working hours |
| **Sweden** | TWA CA: temporary agency workers have employment contracts with the agency.  
CA for Property Management and Mediation Undertakings  
- conversion of fixed-term contracts into open-ended contracts  
- hiring temporary employees who have previously rendered services in the undertaking  
- the forced retirement must be accompanied by making a temporary worker permanent or a part-time contract full-time  
CA for white-collar workers in the private sector and quite similar in the blue-collar in the municipality sector:  
- certain “right” to precedence to be hired in the same firm for employees having work in at least 12 months in the previous 3 years, if the firm decides to recruit labour within 9 months after the employee got fired.  
- Before new labour is hired, part-timers shall first get the opportunity to longer working hours |
10.4.2 Combining external flexibility with fighting segmentation. Improvement of equal access to employment for all. Equal treatment of atypical workers.

In Belgium, the generally binding CA at industry-level for Mortgage Lenders, Savings Banks and Investment companies for 2009-2010 with the exception of a number of provisions which have been entered into for an indefinite period, establishes different clauses related to the so-called Solidarity Pact. Labour and management will set up a working group to investigate whether it is necessary to propose a number of models to create ‘final jobs’ (landingsbanen) for employees with little seniority who are above the age of 55. Furthermore, labour and management undertake measures to ensure greater diversity in the workforce, i.e. stronger involvement of disabled employees, employees with little education, older employees and foreign-born residents, and to create equal opportunities for men and women. Moreover, labour and management will prepare a non-discrimination policy and work to ensure equal education and training opportunities and increased recruitment from risk groups.

In France, the Electricity and Gas Industry CA (2008) aims at promoting equal access to employment for men and women as well as active gender equality.

The following measures addressed to promote equal opportunities in the companies of the sector have been agreed:

- Information and communication about the jobs proposed in the sector especially towards young female students,
- Encouraging companies to recruit women corresponding to the ratio of female graduates in the fields the companies are interested, writing precise job announcement aiming at not reinforcing stereotypes
- Surveys on diversity of the jobs accompanied by internal communication should help attract women in male jobs and to promote internal mobility
- Training actions on jobs considered to be rather “male” jobs to attract women
- In order to enable women to change jobs, companies will favour work experience accreditation towards a qualification (VAE)

12 The Act of 23 December 2005 on solidarity between generations promotes, amongst other things, the development of initiatives for older workers when setting up a training program, the development of initiatives to anticipate and fill potential vacancies and new techniques to encourage life-long learning.
- Surveys on the identification of the least female jobs and the least male jobs, on the analysis of stereotype
- Internal communication on the jobs to attract women
- Adapted working conditions.

Another example in France can be found in the national CA on pay in the banking sector (November 2008). As regards equal opportunities between men and women the following issues have been agreed:
- Efforts have to be made so that 40% of women reach managerial functions
- Gaps in the professional promotion and in the wages between men and women must be reduced.
- Eliminate any unjustified wage gap between men and women by the end of 2010. A diagnosis of the wage situation has to be made by staff representative organisations.

The influence of law to mobilise collective bargaining

As in Spain, promoting equal access to employment for men and women as well as active gender equality in the French context may first appear as a way to create new rights for women rather than as a flexicurity agreement. The law of 10 February 2000 incited a field of collective bargaining on the issue of equal opportunities concerning all industry policies. This is a good example of the strong influence of the law on collective bargaining, which determines the issues to be dealt with by the social partners. Since 2007 it is compulsory by law in Spain to negotiate an Equality Plan between Women and Men in large undertakings, including several measures to stimulate equal opportunities of women, both quantitatively and qualitatively. Many large undertakings have already adopted this plan, especially those where women are largely present (retail, department stores, banking and finance). The plans are included directly in the CAs of El Corte Inglés, Endesa, Banesto, Elcogas, and others. There are also clauses in some CAs that implement positive discrimination, as in the case of the General Agreement of the Chemical Industry sector of 2007 or the state level CA of administrative agencies of 2006.

In Spain, successive inter-professional agreements on collective bargaining at national level (AINC in the Spanish abbreviation) have extended the practice of including clauses
banning any type of discrimination based on gender –mentioned the most -, disability, nationality, or age. According to official statistics at state level, this figure has increased, reaching almost 25% in 2007, and is especially important amongst sectoral agreements, since these affect more than 50% of the waged population covered by an agreement. For instance, within the large array of this type of agreement, the CA for Banking of August 2007 can be mentioned: it establishes up to four general declarations on gender equality.

The last AINC for 2007, extended to 2008, recommended bargaining of the following topics:

- The adoption of explicit anti-discrimination clauses that may be included as a general principle or in particular within specific sections of the agreement.
- Making the content of CAs suitable to current legislation or, given the case, improving on legislation, eliminating clauses that have been surpassed by legislative amendments as regards non-discrimination and the acknowledgement of equal treatment. This suitability extends also to contents regarding occupational risk prevention for maternity, lactation and reproduction, as well as the treatment of sexual harassment.
- Implementing the same working conditions to immigrants than to other workers as regards the form and type of hiring, wages, prevention and safety, classification and promotion, training and the right to social benefits, taking into consideration with sufficient flexibility those specific and exceptional situations that may arise as a result of the application of the permits scheme for family events when these entail the need for long-distance travel.
- Avoid the discrimination of older workers in accessing and maintaining employment.
- Contribute to establishing an equal framework for the development of the working conditions of men and women, promoting activities that eliminate obstacles towards equality and, given the case, including positive actions when the existence of starting inequality situations linked to working conditions is proven.
- Equal rights between workers hired part-time and with fixed-term contracts and workers hired full-time and with open-ended contracts.

**Equal treatment of temporary agency workers**

Apparently, where social dialogue has concentrated the most has been in the negotiation of employment conditions of temporary agency workers. This proves the qualitative relevance of this new labour relationship. Experiences have been varied. Perhaps in this
case, the path of collective bargaining has played an essential role by reaching agreements for workers in this sector\(^{13}\), levelling their employment conditions with those of the employees of the main undertaking.

In **Belgium**, according to the 2009-2010 industry-level CA for the Chemicals Industry (2009), the employer must pay a contribution to the Industry Training Fund equal to 0.20% of the blue-collar employee’s salary. These contributions are used to provide training for groups at risk of unemployment.

In **Italy**, starting from 2011 the Food and Beverage industry-wide CA has set up an integrative health fund for workers with open-end contracts and fixed-term if with a seniority of 9 months at least. It is financed by the companies with 10 euro monthly for 12 months. Starting in January 2013 the fund will be increased with a fee of 2 euro monthly in charge of the workers, after expressed request form him/her.

In **Spain**, this type of clause is starting to be included in some agreements – provincial CA of the supermarkets and self-service food sector in Barcelona for the years 2009-2013 -, although in some cases a legal dispute has been started.

In **Sweden**, equal access to employment is largely left to civil rights legislation. Since the late 1980s and early 1990s, there has been a move from regulating unfair treatment by collective agreements towards a civil law regulation. From the early 1990s, all forms of labour market discrimination have little by little been incorporated into civil law. This is thus now largely a legal matter, but it also seems that some is left to be done in practice, and that collective bargaining may still be a means for making this happen. In particular, ‘equal access’ was stressed by some journalists, both in Swedish TV and newspapers, who demonstrated discriminatory practices by sending in similar applications for jobs in different names: one in a typically Swedish name and one in typically ‘Arab’ or ‘African’ names. As a consequence the trade unions began to urge for application processes where names were not shown.

\(^{13}\) See “The impact of new forms of labour on industrial relations and the evolution of labour law in the European Union”. European Parliament. 2008
Table 10.2. Combining external flexibility with fighting segmentation

<table>
<thead>
<tr>
<th>Member States</th>
<th>Flexicurity elements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>CA for the mortgage loans and savings: diversity, CA for the chemical industry: salary guarantee for pregnant employees</td>
</tr>
<tr>
<td>France</td>
<td>Electricity and gas CA on equal opportunities (several integrated provisions)</td>
</tr>
<tr>
<td>Italy</td>
<td>Food and beverage industry-wide CA has set up an integrative health fund for workers with open-end contracts and fixed-term under certain conditions (seniority of 9 months at least)</td>
</tr>
<tr>
<td>Spain</td>
<td>CA for Banking on gender equality 2007 National cross-industry agreement (AINC) recommendations on equality Different CA include Equality Plans between Women and Men in large undertakings 2007 National cross-industry agreement: equal rights between workers hired part-time and with temporary contracts and workers hired full-time and with open-ended contracts. Provincial CA of the supermarkets and self-service food sector in Barcelona</td>
</tr>
<tr>
<td>Sweden</td>
<td>Labour market non discrimination incorporated into civil law.</td>
</tr>
</tbody>
</table>

10.4.3 Facilitation of life long learning, anticipation of skills needed in the future. Increase of employability. Creation of individual budgets and trajectories for education and training.

In Belgium we find an example of combination of income and job security (during the career break, the employee receives unemployment benefits) with working time and functional flexibility in the generally binding CA No. 77bis on time credit (career interruption)\(^\text{14}\). It provides for certain minimum requirements, meaning more advantageous provisions can apply at industry level and is applicable to both blue-collar and white-collar employees.

\(^{14}\) The agreement was entered into force on January 2002 and has been revised on several occasions, the last one date from 20 February 2009 (CA No. 77quinquies).
CA No. 77bis on time credit in Belgium

The time-credit entails that employees can temporarily stop working, in whole or in part, for a certain period of time. A full suspension is only possible if the employee has worked for at least 12 months in the 15–month period prior to submission of the request for leave. Moreover, a partial suspension is only possible if the employee works at least ¾’s time. Employees must take their leave in blocks of 3 months to one year. A CA at industry or company level can extend the total length of the time-credit to 5 years over the employee’s entire career. The time-credit scheme covers two different kinds of leave: leave without a particular reason - intended to prevent burn-out and early retirement - and leave for a specific purpose which includes three different types: parental leave, leave to provide palliative care, and leave to care for a family member. In short, the reason for the career break may differ, but the overall purpose of the system is to improve the work-life balance. The scheme can also be used for life-long learning purposes. During the period of suspension, the employer does not have to pay the employee’s salary; a special allowance is paid by the National Employment Office. This allowance will only be paid for a period of up to 12 month throughout the employee’s career.

There is no automatic right to a career break. For employees in undertakings with less than 10 employees, a time credit can only be taken with the employer’s consent. In undertakings with more than 10 employees, no more than 5 % of the total workforce can benefit from a career interruption at any given time.15 Under certain circumstances, employees can reduce their working time by 20 % for up to 5 years (and at least 6 months). Specific rules apply for employees 50 years of age or older. Older employees are entitled to reduce their working hours, by one fifth or one half, over an unlimited period of time. Furthermore, employees above the age of 50 have the right to a reduction in working time. While on leave, the employee is protected against dismissal, meaning the employee cannot be dismissed for reasons related to the career interruption.

15 A collective bargaining agreement at industry or company level can provide for a deviation from these limits. If more than 5 % of the workforce benefits simultaneously from a time credit, a planning mechanism shall be put in place in order to guarantee the continuity of work within the company. The employer can postpone the start of a time credit by up to 6 months if it has serious internal or external reasons for doing so (e.g., organisational needs, continuity issues, etc.).
In the industry-level CA for the Non-ferrous Metals Industry (2009-2010) in Belgium, employees are entitled to take a time-credit of up to three years during the course of their career. However, no more than 5% of the total workforce can benefit from a time-credit at the same time. Ailing companies or those which are restructuring can deviate from this threshold with the approval of the competent joint committee.

In France, the cross sectoral agreement on modernisation of labour market (January 2008) already mentioned above established two main measures on this issue:

a) Lifelong learning and employment security
   - The agreement improves the “individual right to training” (*droit individuel de formation*, DIF), a right which was created in 2003 through another important cross sectoral agreement on lifelong learning. The main issue related to this individual right was related to its transferability in case the employee loses his/her job. Employees losing their job and covered by the unemployment insurance scheme may use the number of training hours accumulated in the framework of the DIF while being unemployed. In case the employee gets a job in another company, he or she may also use the training hours accumulated in the new company.

   - The agreement creates a new tool to foster employability and securing career paths of employees: a periodic occupational assessment. This assessment aims at regularly listing in a forward-looking way employees’ skills in order to enable them to assess their own needs and make them known to their employer.

b) Skills anticipation through human resources planning (*gestion prévisionnelle des emplois et des compétences*). This approach aims at fostering anticipation of economic change and their consequences on skills and employment. In 2005, law introduced a three-yearly obligation to negotiate such an overall forward looking approach in companies with more than 300 employees. The agreement aims at stressing the objectives of this approach (in brief, making career paths secure) and at fostering the development of the latter. In respect to this, the agreement appears to be an educational tool.

At company level, the Rhodia CA implemented the above mentioned 2005 Labour law very soon on forward looking employment and skills management (March 2007). The
agreement covers all subsidiary companies composing the group in France; it is partly a framework agreement as subsidiaries or units covered may adjust some of its provisions through local negotiations. It refers to two main aspects:

**a) Tools for human resources and skills management:**

- The Rhodia agreement plans the setting up of a strategic dialogue body *(instance de dialogue stratégique).* This body aims at allowing a permanent exchange between management and employees’ representatives on strategic orientations of the group. On employees’ side, this body put together representatives from unions in the group as well as the secretary of the group works council and the secretary of the European Works council.

- In addition, the group is committed to present its overall strategy every three year to employees ‘representatives within the group (group works council but also works councils in the different subsidiaries).

- In each unit of the group, manager has to draw up yearly a diagnosis about employment and skills trends. The diagnosis has to identify elements which may impact employment (from both quantitative and qualitative points of views) at short and mid term, analysing both “strategic jobs” *(métiers stratégiques)* and “threatened jobs” *(métiers critiques).*

- On the basis of the diagnosis, collective and individual action plans in each unit are to be planned (including for instance training actions). Specific individual action plans focused on certain categories of employees *(called “employés les plus exposés”)* have to be drawn up. These plans are focused on low skilled workers, older workers, employees whose jobs are identified as threatened ones. A yearly follow up of these provisions is planned.

**b) Internal and external mobility / training.** The agreement set up specific tools to foster mobility within the group. It’s especially the case of employment individual passport *(“passeport individuel de potentiel d’emploi”).* These passports aim at summarizing
career path of employees within the group (jobs within the group, trainings achieved, skills) in order to facilitate internal mobility.

- Internal mobility in case skills shortages are foreseeable: employees have a priority to get jobs available in the group. In order to get an available job, they are entitled to request individual training actions from the management. In addition, training plans at company level are to focus on trainings necessary to address foreseeable risks of skills shortages.

- Internal mobility in case risks of job losses exist: specific bodies to support internal mobility of employees are planned. In case of threats on specific jobs are identified through the annual diagnosis, employees affected may be supported to prepare their mobility within the group: identification of jobs available within the group; definition of a career plan. When an opportunity for internal mobility is identified, a detailed recruitment procedure has to be followed. In this framework, employee is to benefit from different measures to test his new job but also to be well integrated.

Agreements on internal flexibility in Italy and Sweden: management of time banks

In Italy, the negotiation policy of trade unions is to exchange higher flexibility of working hours with an increase of paid leave. There is a “time bank”, in which excess hours can be compensated either with time off or with training. The Pirelli Tyres CA has implemented the time bank account in 2000 offering the possibility to exchange full and non-negotiated working hour flexibility with salary increases. In Sweden, the average weekly working hours may not exceed 48 hours in one calendar year (normal working hours = 40 h/week). If both parties agree, it is however possible to modify this and other limitations apply to shift work. Each week time is ‘transferred’ to a time bank for each fulltime employee.

These time banks are very important for internal numerical (working time) flexibility. An employer has a strong prerogative regarding the use of overtime. If the employees are given notice ‘in due time’ (not specified), a worker must show special reasons for not accepting to work overtime. The total use of overtime is limited to 50 hours per month and 150 hours per year, but even this might be exceeded if both parties agree at local/firm level. In return the individual worker has a great say on the use of the time bank. S/he can ‘withdraw’ invested time either as paid vacation or in cash, or use it for pension funds. Employers do not have to
accept paid leave if there is a too strong risk for a negative impact on the company's performance, but still the time bank is a means for the employees to counter negative personal effects of internal numerical flexibility and also to facilitate a positive work-life-balance.

Training clauses are relatively frequent in Spanish CA (more than 40%), most frequently training plans, aids for workers to study and paid leaves of absence. However, moving from the quantitative to the qualitative plane, experts are quite critical with the conventional regulation of training, especially as regards provincial sectoral agreements –the most widespread in the Spanish system-, especially in small and medium-sized enterprises. Moreover, the treatment thereof is excessively general and is not linked to the development of future lines of activity, innovation and/or the implementation of new technologies in the undertaking. Only in the case of some larger undertakings are mere general commitments exceeded – for instance, the CA in Alstom Transportes of August 2006 -.

Agreements reached on training and professional career development are also infrequent. However, this topic is contained quite frequently within the codes of conduct of large undertakings, especially those in technological sectors, perhaps because this subject is still considered to be within the realm of business management.

The CA for the blue-collar workers in the municipality sector (July 2007 - March 2010) in Sweden establishes that employees who take part in courses, conferences etc. shall keep their pay during that time. If the education/training takes place outside the normal working time, the employee shall be compensated with one free, fully paid hour per hour spent on the education/training.
The CA for white-collar workers in the private sector (April 2007 - March 2010)\textsuperscript{16} establishes the same right to get an individual time bank gets which each employee disposes after agreement with the employer. Concerning skills and competence, the same agreement establishes that each enterprise has a basic responsibility to provide for the employees’ need to further their competence, but the obligation is mutual, and the employee must do the best to meet the company’s competence needs. The need and definition of ‘competence’ shall draw on the enterprise’s business idea and long-term operations.

Table 10.3. Increase of employability

<table>
<thead>
<tr>
<th>Member States</th>
<th>Flexicurity elements</th>
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<tbody>
<tr>
<td></td>
<td>Life long learning</td>
</tr>
<tr>
<td></td>
<td>CA 2009 for the mortgage loans and savings: pressure of work and stress, enduring undertaking: creation of ‘landing jobs’</td>
</tr>
<tr>
<td></td>
<td>CA 2009 for the chemical industry: Industry formation Fund</td>
</tr>
</tbody>
</table>

\textsuperscript{16} CA between Teknikarbetsgivarna on the one hand and Sif, Sveriges Ingenjörer and Ledarna on the other. The Union, which is the second largest Swedish union, was formed on 1 January 2008 with the merger of the two formerly biggest unions, for salaried employees Sif (manufacturing) and HTF (trade in the private sector). Since both Sif and HTF had existing industry-wide agreements at the time, agreements that have still not expired, both have been scrutinized in search for flexicurity.
### France

<table>
<thead>
<tr>
<th>Rhodia company agreement</th>
<th>support for internal and external mobility</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANI 2008</td>
<td>periodic occupational assessment (art.6)</td>
</tr>
<tr>
<td>Metal industry CA:</td>
<td>tutorial system for young people to gain minimum industrial skills (art.20)</td>
</tr>
<tr>
<td></td>
<td>organisation of training programmes (art.19)</td>
</tr>
<tr>
<td>ANI January 11 2008 : Transferability of individual right to training (art.14)</td>
<td></td>
</tr>
<tr>
<td>Rhodia company agreement:</td>
<td>individual employment passport (art.16) / support for internal mobility (art. 17. to article 23)</td>
</tr>
<tr>
<td></td>
<td>Banking sector CA: Training bonus for life long learning (art.3)</td>
</tr>
<tr>
<td>Promotion of VAE (accreditation of work experience towards qualification):</td>
<td>- Metal industry CA (art.6)</td>
</tr>
<tr>
<td></td>
<td>- Gas and electricity CA (art. 2.2)</td>
</tr>
<tr>
<td>ANI 2008 : human resources planning and skills management (art.9)</td>
<td></td>
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<tr>
<td>Rhodia company agreement: human resources planning and skills management (tools: yearly diagnosis on skills and employment evolution, etc.)</td>
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</table>

### Italy

| Pirelli Tyres CA | time-bank available |

### Spain

| 10.4.4 Enhancing functional flexibility combined with employment security. In the case of partial unemployment for a limited duration, enable income and job security combined with training to enhance employability. |

We shall analyse two CAs in this section which were reached in France and Belgium in the context of the current economic recession, the bargaining of which was aimed specifically at adopting measures to this end. The clauses established combine elements of internal flexibility (working time) with job security (temporary suspension of contract with guaranteed return to activity), as well as flexibility in wages, with added State financing in the form of social protection.

On 19 June 2009, Belgium adopted an act which allows struggling companies to temporarily underutilize workers in order to prevent structural dismissals insofar as possible. These measures, depending on the state of the economy and possible harmonisation of the status of blue-collar and white-collar employees, include: (i) a
temporary collective reduction in working time and (ii) temporary crisis measures with a view to adapting the volume of work through a temporary reduction in individual working time (crisis time-credit) or through a temporary collective suspension of employment contracts (crisis unemployment). The system of temporary unemployment, which is normally reserved for blue-collar employees, has been extended to white-collar employees for a fixed period of time, in accordance with the terms and conditions of the act.

CA of 30 June 2009 on a temporary collective reduction in working time or full or partial suspension of employment contracts was entered into within the framework of this act. In this exceptional context derived from economic recession, the agreement establishes the following measures that may be considered to be relevant from a wide flexicurity perspective:

- Partial or full suspension of employment contracts (‘crisis unemployment’): in the event of a shortage of work due to economic circumstances, the employment contracts of white-collar employees can be suspended in part with at least a two-day work week. The employer can also opt for a total suspension of up to 16 weeks or a partial suspension of up to 26 weeks. The employee will receive unemployment benefits from the National Unemployment Office. The employer should pay a supplementary allowance per employee, equal to its contribution for a blue-collar employee on unemployment benefits.

- Temporary decrease in working time (‘crisis time-credit’): a temporary reduction in individual working time of 1/5 or 1/2 can be applied to one or more employees within the company with the express consent of the employees concerned, for one to six months. Within certain limits, the employee will receive a monthly allowance from the Unemployment Office to make up for the reduction in working time.

The Act of 30 December 2009 has prolonged the measures until 30 June 2010\(^\text{17}\).

In France, the already mentioned national agreement regarding Emergency Measures to Support Employment in the Metal Sector (May 2009) has been signed in the context of

\(^{17}\text{Belgian State Gazette, 31 December 2010.}\)
the financial, economic and social crisis. The background of the agreement is how to use this period of crisis in order to develop skills and qualifications of the employees so that companies can overcome the crisis and be ready when the economic situation recovers by maintaining their innovation and adaptation capacities. The following measures can be highlighted:

- Reduced working hours have to be implemented in the framework of an agreement between the State and UNEDIC (organisation managing unemployment insurance) and should aim at guaranteeing the labour contract and ensuring a better reduced working hours benefits (75% of the gross hourly salary) thus reducing the cost of this measure for the companies. This period of reduced working hours should be accompanied by training actions.

- Training and reduced working hours aimed at maintaining and developing employees' skills and qualifications necessary for the companies. Every existing training programme (individual right to training, training plan etc) should be used to reinforce employees' employability. The training actions can take place during or out of the working time.

  i) Provision 5 emphasises the prevention measures of reduced working time: a company agreement should be signed to enable employees to use their individual right to training during the working time. This provision is valid if an agreement is signed between the employer and the employee by June 30, 2010. Employees’ representatives have to be informed. This also applies for small companies. The joint training body managing mutual training budget of the metal industry will have to pay for a part of the salary of the employee attending a training action.

  ii) Provision 6 points out the need to implement training during a period of reduced working hours in the form of training action plan, skills evaluation, accreditation of work experience towards qualification, individual right to training. Public authorities will finance a part of the salary of the employee attending such a training during the period he/she is not working in order to reduce the cost for the employers and to develop skills and qualifications. The financial support of the
employee (reduced working hours allowance + training allowance) should not be higher than the salary of the employee.

Table 10.4. Enhancing functional flexibility combined with employment security. In the case of partial unemployment for a limited duration, enable income and job security combined with training to enhance employability

<table>
<thead>
<tr>
<th>MS</th>
<th>Flexicurity elements</th>
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</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>CA 2009 on a temporary collective reduction in working time or full or partial suspension of employment</td>
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<tr>
<td></td>
<td>CA 2009 for the paper and the cardboard industry: crisis time credit and crisis unemployment</td>
</tr>
<tr>
<td>France</td>
<td>Emergency Measures to Support Employment in the Metal Sector (May 2009): reduced working hours and training</td>
</tr>
</tbody>
</table>

10.4.5 Working time arrangements conducive to firms´ and workers´ demands. Availability of various leave schemes. Active promotion of gender equality.

In Belgium, we can quote the above detailed mechanism established in the CA No. 77bis on time credit for a specific purpose (see 5.3).

In France, the Electricity and Gas CA has developed an approach of promotion of career paths with the following topics:
- To give women access to functions with high responsibilities
- By organising training in order to help women change jobs and / or actions of accreditation of work experience to obtain a qualification. Therefore training sessions have to be adapted: decentralised, short and based on units. Access to training is made easier by part V aiming at balancing work and family life
- Parental leave within a limit of 3 years will be taken into account to calculate seniority.
- During parental leave, companies commit themselves to help the person maintain a link with one's working team in order to facilitate the return to work on the basis of interviews before the leave, interviews to prepare the return, professional evaluation.
- In order to facilitate equal opportunities companies have to define a work organisation better adapted to part time work which is not discriminating in the career path management.

As regards the balance between work and family life, the agreement proposes the companies to redefine
- their work organisation by using new technologies to enable employees to attend meetings or trainings without moving, meetings have to be organised during the working time and not after
- some measures to manage paternity such as co-financing child care systems, provisions allowing parents to be absent when the child is sick is open to all fathers, the conditions of father leave (full paid between 11 and 18 days) have to be reminded to all new fathers.

Finally, as regards salary equality some calculation methods have to be implemented in order to measure the salary gaps between men and women whatever the type of salary (main salary, variable salary etc) could be. It was stressed that maternity leave should not be a handicap for the salary evolution. This measure has been agreed according to the law of March 23 2006

In Spain, a large proportion of the aforementioned Equality Plans, which large undertakings are required to negotiate, incorporate measures aimed at conciliating personal and professional life. The most representative trade unions and employers’ organisations have also recommended as much in a joint document. However, the experts point out that the complex Spanish bargaining system, with more than 5,000 agreements enforced, will entail an unequal degree of incorporation of this topic and of legal rights on this subject. The following examples may be mentioned: the CA in the undertaking Buhler, S.A and, similarly, the regional CA for Accommodation in the Region of Madrid in 2008, create a Conciliation Council to assess the impact on undertakings of a reduction in weekly and annual working times, as well as their distribution to promote the conciliation of personal and professional lives of workers in the sector.

The greatest concern to this regard, which entails greater development and protection, appears in the sphere of Public Administration – the Plan for Gender Equality in the General State Administration of 2005.

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18 “General considerations and best practices on equal opportunities in Collective Bargaining”, approved by the Monitoring Committee of the Collective Bargaining Agreement 2003


20 Several Authors, Analysis of collective bargaining in the Region of Madrid from a Gender perspective. Review. (coord. D. De la Fuente) pg. 182
Table 10.5. Working time arrangements conducive to firms’ and workers’ demands. Availability of various leave schemes. Active promotion of gender equality

<table>
<thead>
<tr>
<th>Member States</th>
<th>Flexicurity elements</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Leave schemes and combination work and care</td>
</tr>
<tr>
<td>Belgium</td>
<td>2009 (CA No. 77quinquies) on time-credit CA 2009 for the non-ferrous metallurgy industry: time credit for older employees CA 2009 for the chemical industry: time credit, national CA No. 77bis on time credit</td>
</tr>
<tr>
<td>France</td>
<td>Gas and electricity industry CA: approach of promotion of career paths through active gender equality and some measures on combination of work and care</td>
</tr>
<tr>
<td>Italy</td>
<td>Equality Plans negotiated and agreed in large undertakings incorporate measures aimed at conciliating personal and professional life as well as promotion of gender equality</td>
</tr>
<tr>
<td>Spain</td>
<td>Sweden</td>
</tr>
</tbody>
</table>

10.4.6 Development of business potential. Promoting job quality, including health and safety and representation security, and innovative work practices/social innovation.

Promoting job quality

Job quality is related to collective rights. Workers representatives and unions within the undertaking positively influence the quality or working conditions, as different studies suggest. As example, in Italy, agency workers have now the right to elect their own delegates at three different levels:

- national (for agencies with offices spread around the country),
- territorial (nominated in this case by the external unions),
- workplace.

At workplace level, agency workers have the right to elect one delegate when the company-user hires more than 30 agency workers for more than 3 months. These delegates normally act beside the standard workers union representation of the company-user.
In the controversial issue of contracting and subcontracting in Spain, resulting from the promotion thereof provided by the 2006 legal amendment (art. 42 ET), clauses have been included in CA which acknowledge the rights of workers’ representatives in the main undertaking, by means even of establishing *intercontract councils*: for instance, the 2nd Interprofessional Agreement of Catalonia 2005-2007; the Agreement creating the Intercontract Safety and Health Committee at the Repsol Industrial Estate in Puertollano21 or the CA in Telefónica 2008, within the article on occupational safety and health for contract workers.

With regard to the incorporation of telework as a new form of work organisation, its entry in collective bargaining in Spain has been minimal after the passing of the European Agreement. However, in the last few months, a greater interest on this topic has taken place in CAs: for instance, the industry CA of the Chemical sector, and the CA at undertaking level in Telefónica.

**Social and economic innovation**

In Belgium, the generally binding industry-level CA for the chemicals industry 2009-2010 for all employers and blue-collar employees in the chemicals industry, i.e. those that fall under Joint Committee No. 116, establishes the payment with *eco-vouchers*.

Companies which are not bound by a CA at company level that provides for an increase in purchasing power are entitled to grant eco-vouchers to their blue-collar employees as from 1 January 2010. According to national CA No. 98 of 20 February 2009, eco-vouchers can be used solely to purchase ecological products and services. They are an employee incentive, similar to meal vouchers, and are therefore exempt from social security contributions and taxes. This initiative not only increases employees’ purchasing power but is also intended to increase environmental awareness in this target group. According to the CA of 1 April 2009, the maximum value per voucher is EUR 250. Part-time employees are entitled to eco-vouchers under the same conditions as full-time employees.

**Decent work**

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21 Javier Calvo in "Amendments in the legal scheme of subcontracting " in Several Authors, The 2006 Labour Reform Lex Nova, pg. 134 and following
In **Belgium**, the CA at industry-level for Mortgage Lenders, Savings Banks and Investment companies in Belgium, labour and management undertake to invest only in ethical funds, i.e. funds that do not violate the ILO principles.

In **Spain**, the promotion of decent work related to contracting and subcontracting labour has been developed firstly through Social Responsibility, by means of codes of conduct approved unilaterally by the undertaking which sometimes include certain rights, especially with regard to the work of young persons or work safety and health. This trend has also transferred to collective bargaining in some cases: for instance, State CA for Daily Press.

**Appropriate management of labour migration**

In **Spain**, the access or not to employment by non-European Union foreign nationals is regulated by State legislation. Collective bargaining may include, at most, clauses that ban the discrimination of migrants due to nationality; or, on the other hand, that regulate the transport and accommodation conditions thereof (especially in the agricultural and cattle-raising sector)\(^\text{22}\), explicitly mentioned with regard to training or occupational risk prevention processes: for instance, the provincial CA for the Public Construction and Works sector in Tarragona, 2005-06; or, also, that try to adapt holidays and rest periods to the religious needs of some of these collectives: for instance, the provincial CA for the Agricultural and Cattle-raising sector in Almería, or CA of the same sector in the autonomous cities of Ceuta and Melilla.

**Table 10.6. Promoting job quality and innovative work practices/social innovation**

<table>
<thead>
<tr>
<th>Member States</th>
<th>Flexicurity elements</th>
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<tbody>
<tr>
<td>Belgium</td>
<td>CA 2009 for the mortgage loans and savings: pressure of work and stress, enduring undertaking</td>
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<tr>
<td>France</td>
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<tr>
<td>Italy</td>
<td></td>
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<tr>
<td>Spain</td>
<td>Subcontracting: rights of workers’ representatives in the main undertaking (cross-industry CA in Catalonia)</td>
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<tr>
<td>Sweden</td>
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</tbody>
</table>

\(^{22}\) Art. 48 of the aforementioned CA for Agriculture and Cattle-raising in Almería.
10.4.7 Allocating resources cost effectively while relating pay and performance in a fair and transparent way. Strengthening competitiveness. Increase of productivity link between wage development and the economic cycle/productivity growth. Variable pay schemes.

In Italy, Pirelli Tyres CA signed in 2005 and confirmed even after, introduced the concept of performance-related pay. The criterion is the following: 42% is related to the volume produced, a further 42% to the quality and the remaining 16% to presence. The social partners have agreed to meet on a monthly basis to assess the agreed parameters after having verified the following:

a) expected result trends,

b) the definition of new targets and related parameters.

In Spain, the conclusion reached from statistical data —not always reliable in this case due to terminological confusion and the lack of exhaustive control on the information supplied- and studies on this subject is that sectoral bargaining largely maintains a traditional concept of wage. Original techniques or instruments are only included on rare occasions and there is a prominence of traditional schemes in which fixed wages prevail.

All in all, a progressive trend to develop wage systems based on worker productivity (industrial activities, in general) can be observed in undertakings, although in most cases they are the result of agreements or pacts at undertaking level that are not reflected in official statistics. The establishment of wage systems linked to an assessment of performance or compensation based on competences or results entails a parallel process of individualisation with regard to wages, which means a different treatment of workers and hence the breaking up of the collective. Objective-based wage systems are relatively normal —especially so-called “bonuses”- compared to formulae such as stock options which are less frequent.

Neither is it rare to create a specific professional group or category for workers that have recently entered the company, with a lower wage.

In Sweden, most clauses on wage formation principles of the engineering Industry CA that in some sense address flexicurity emanate from a vivid debate on decentralization
and flexibility in the early 1990s. The agreement states that even though remuneration is individual within the frames of the agreement, the wage setting principles must be transparent for the individual worker and so must also the principles for how s/he can increase the pay. The same clause states that wage discrimination is not acceptable. This statement is made to strengthen the existing legislation by pressing for local analyses, jointly undertaken by employers and trade unionists. Pay formation in practice emphasizes the flexicurity perspective: a decent income should be granted by a monthly remuneration to guarantee ‘wage security’, including detailed norms for minimum wages etc., while complementary bonuses etc. might be added to promote employer demands on productivity growth and competitiveness.

Furthermore, the already mentioned above CA for white-collar workers in the private sector establishes that wage setting shall be differentiated on individual or other bases. Continuous validation of both jobs and employees is ‘a good ground’ for pay setting. Minimum salaries and also minimum salary increases are decided by the agreement. Yet there is plenty of room for local or firm level systems for individual distribution.

Table 10.7. Increase of productivity link between wage development and the economic cycle/productivity growth. Variable pay schemes

<table>
<thead>
<tr>
<th>Member States</th>
<th>Flexicurity elements</th>
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<tbody>
<tr>
<td></td>
<td>Variable pay schemes</td>
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<tr>
<td></td>
<td>Lower pay</td>
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<tr>
<td>Belgium</td>
<td></td>
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<tr>
<td>France</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>Pirelli Tyres CA 2005 introduced the concept of performance-related pay</td>
</tr>
<tr>
<td>Spain</td>
<td>Usual in CA at company level</td>
</tr>
<tr>
<td>Sweden</td>
<td>Engineering Industry CA: though remuneration is individual, wage setting principles must be transparent. Wage discrimination is not acceptable CA for white-collar workers in the private sector: wage setting shall be differentiated on individual or other bases</td>
</tr>
<tr>
<td></td>
<td>Existing clauses in several CA with lower wage specific professional group or category for workers that have recently entered the company</td>
</tr>
</tbody>
</table>
10.5 Information on the recording system of CA at national level and assessing other tools

Belgium

All CAs concluded in the National Labour Council (national level bargaining agreements) and practically all CAs concluded in Joint Committees (sector-level) are published in the Belgian state gazette (Belgisch Staatsblad / Moniteur Belge) and in this way become public and official.

Company-level CAs are not officially published but they are registered. In order to receive the official legal status of a CA (as recognized under the 1968 Act), this must be filed and registered at the Office of the Clerk of the Service for Collective Labour Relations of the Ministry of Employment, Labour and Social Dialogue. The deposit is undertaken by one of the parties. Only third-parties that show a relevant interest and pay a fee can ask a copy of a filed enterprise-level collective bargaining agreement.

The Federal Ministry of Employment has taken the initiative to publish on their website the CAs concluded at sectoral level.

France

All CAs have to be registered at the Ministry of Labour: industry and cross industries agreements at the Ministry headquarters (Direction Générale du Travail), company level agreements at the Ministry territorial units (DDTEFP). The ministry issues yearly a balance of collective bargaining (Bilan annuel de la négociation collective). An advisory council, called National Commission for collective bargaining, has a say in that balance.

Industry levels agreement and computerized data base. At national level, there is a central and computerized data base which registers and analyses around 1000 agreements yearly at both cross industry and industry levels. The role of this data base consists only in collecting and disseminating information about CAs. It is neither an assessment tool nor a measure of enforcement. This data base offers basic key information for each CA and brief contents analysis. It is not accessible by a broad public (which can consult CAs through official Bulletin and a legal website called Legifrance). The computerized data base is not used as a monitoring tool. Furthermore there is no item “flexicurity” in the data base.
Company levels agreements. Registered by the territorial units of the Ministry, they do not belong to a computerized data. Information available is very basic: number, dates and topics covered. Qualitative – and sometimes quantitative studies- are carried out but not on a systematic basis.

**Italy**
The National Archive of the decentralised CAs is the most important CA-database, organised and hosted by the tripartite *National Council for Labor and Economy* – CNEL. This Archive is articulated in two different levels: a) *current*, containing all the CAs still in force, b) *historical*, containing the CAs of the past. The texts of the CAs are sent to the Archive by the social partners and are transferred into an electronic (computerised) database, according to a common frame and code of classification, agreed with the experts of the Ministry of Labor. With regard to the decentralised CAs of the private sector, the CNEL’s database is composed by a statistically meaningful sample organised by sectors, size and territory. The sample doesn’t pretend to be entirely representative of the national situation, being limited to the companies who bargain only.

Other relevant databases are:

CGIL’s database of company level CA contains more than 6,600 texts, distributed according to their date of stipulation during the decade 1996-2006. The CAs are archived using a code of 70 different items, grouped in 13 chapters. It is computerised and can be consulted on-line (www.cgil.it).

IRES Emilia Romagna ([www.ireser.it](http://www.ireser.it)) was created in 1994 and collects and monitors CA texts signed by the workplace reps in the region’s undertakings of the private sector.\(^{23}\)

**Spain**
All Spanish Statutory CAs at sector or undertaking level must be registered at the corresponding regional or state labour authority accompanied by a statistical record which includes information regarding both the scope of implementation, the bargaining

\(^{23}\) The last report includes the collective bargaining in the 15 years period between 1991-2005. Today the IRES CA-database consists 11,647 texts, signed at regional level during these years.
parties and contents\textsuperscript{24}. In turn, these records are included in a computer system and several of the variables are published either in the Annual Labour Statistics Report or the CAs Statistics which are published digitally on a monthly and annual basis. Both reports are published by the Ministry of Labour. It must be pointed out that the figures are provided by the bargaining parties and are not reviewed by the administrative bodies; this gives rise to doubts with regard to certain figures on occasion, especially in certain sectors such as the agriculture and livestock sector. Other paid –WESTLAW- and free private databases exist. However, the problem lies in unpublished agreement texts.

Other institutions (e.g., the National Consultative Committee on CAs) and the social partners usually carry out general, sectoral and transversal studies or surveys on the collective bargaining process, as well as on specific issues such as. Autonomous Communities, or Regions, have progressively paid attention to the study of collective bargaining processes that have taken place in their territory since the nineties. In this field, the Andalusian Council on Labour Relations has carried out studies through a series of records on collective bargaining which were incorporated in digital format since the mid nineties. Since 2002 this record is carried out by civil servants, as opposed to the abovementioned records, using the agreement text as basis –hence, the information is contrasted- and investigates more than one thousand three hundred issues covering all aspects that are usually regulated in CAs.

**Sweden**

There are no ‘CA-databases’ in Sweden. Nor are CAs collected at any cross-sectoral level by trade union or employer confederations. Industry-wide agreements are however normally printed, which means that they are, according to Swedish law, collected by the National Library of Sweden, Stockholm.

Each trade union member or individual employer who is covered by a CA has access to the full content of both the national, sectoral agreement and complementary firm-level ones, either as a printed booklet or on Inter-/intranet – or in many cases both. Yet neither employers’ associations nor trade unions are keen to spread the content of the agreement more than necessary.

\textsuperscript{24} The content of these records –different for agreements at undertaking and sector levels- may be consulted in the Ministry of Labour and Immigration website: \url{http://www.mtas.es/es/empleo/hojas_convenios/indice.htm}
10.6 Final remarks

The general discussion on flexicurity and its dissemination

Apparently, a comprehensive in-depth debate on the incorporation of flexicurity is still pending in the countries analysed. What does seem evident, however, is that the implementation of flexicurity has been a top-down approach, not connected to the theoretical approaches from social partners in the countries analysed. In the general debate, trade unions in the countries analysed are quite reluctant to the flexicurity approach. The abovementioned top-down approach, *imposed by Brussels*, probably influences these perceptions. The positions\(^25\) at national level vary from complete rejection or mistrust in writing to more moderate views regarding the development of the approach in practice and the measures it entails\(^26\). As regards the influence of collective bargaining, it is apparently considered to be minimum or non-existing.

Although this is an approach approved by the Council, the dissemination of flexicurity in practice has been uneven until now. Some significant examples would be the measures adopted in certain countries over the last few years that could be included within flexicurity and which are mainly related to professional career management (employment security and labour transitions), labour market activation for certain collectives (older workers) and others. These measures were mostly taken prior to the start of recession, by means of legislation (usually agreed with social partners) in the context of national labour market policies. The influence of the European Employment Strategy and the Lisbon Strategy can be assumed in the background, mainly through the National Reform Plans, although this influence is difficult to confirm.

The effects of recession have meant that the flexicurity approach has been placed *de facto* in the answers provided at national level. The use of working time short-term arrangements combined with social protection measures (temporary unemployment benefits and other variations) has been the most widely used approach, both in practice

\(^{25}\) Many of these positions in writing were provided as a response to the Commission’s Green Paper

\(^{26}\) However, social partners at European level – ETUC and BUSINESSEROP – have been dealing with this issue in their joint Work Programmes 2004-2008 and 2008-2010, in which they furthermore agreed to monitor the development of flexicurity in Europe. Furthermore, they have developed ideas on the importance and the application of flexicurity in a 2007 joint analysis and declaration.
at undertakings as an instrument for restructuring or reorganisation and as a legislative measure. Indeed, the recession has been a conditioning factor in the implementation of flexicurity: on the one hand, given the urgency related to problems in undertakings, it blocks any theoretical debate on alternatives; on the other, the tendency in practice is to agree to measures that fit perfectly with some of the flexicurity components. In fact, internal flexibility is being widely used in this period.

**Flexicurity and CAs**

The countries chosen have solid systems of industrial relations that are a representation of the functioning of their collective bargaining. Although similarities may exist between certain systems (France and Spain), nuances and their application in practice make their differences stand out. All of them have social partners that play a role in collective bargaining, although the way in which they are organised, their interests and even their number vary considerably.

The relationship between collective bargaining and flexicurity is strongly influenced by the institutional framework and nature of the system of industrial relations in each country. Also, the role that the State plays and the structure of the economy in the country are crucial factors. In all the countries analysed, flexicurity is not a topic that is explicitly shown or negotiated in the CA. Certainly, collective bargaining establishes a set of elements that are directly related with economic, social and even territorial aspects, in which it is difficult to isolate a specific topic or factor. The result of a CA is a balance of forces, in which specific measures can be detected, albeit within a general framework of autonomous regulation which, on the other hand, also includes external contents imposed by State legislation.

Decentralising trends in collective bargaining in most European countries, and in the countries analysed herein existed before the appearance of flexicurity. With a varying degree, the trend towards increasing flexibilisation towards the company level can be clearly observed, although the reasons behind this trend and its evolution may be different in each country. Individualisation of working conditions, including wages, is a clear example of this decentralising trend, although it does not necessarily follow that the
process has become de-unionised; depending on the system of representation, it may be observed that this process is in many cases controlled by the trade unions.

As a reaction to this trend, to face new forms of labour (as in the case of temporary agency work), or due to inherent national reasons, the introduction of flexicurity provisions in agreements can be detected. In general, bargaining to obtain balanced agreements that compensate flexibility and security can be said to be ever present in CAs, even when the bargaining parties do not call it so. Collective bargaining is expressed in texts that include measures, some of which may fit in with the different components of flexicurity. In fact, this aspect is to a certain extent the cause for permanent internal tension in a CA, although as we have seen, it goes beyond this and includes other elements besides the mere exchange between flexibility and security.

Any collective bargaining could be said to contain elements of flexicurity, but also elements of a State legislative order and, obviously, autonomous elements that belong to a private contract between the parties. In this sense, it is difficult to isolate the flexicurity variable within the bargaining tradition in a specific country. Moreover, the inclusion of flexicure clauses can be influenced by factors external to the autonomy of the parties, as in the case of specific legislation on a certain topic. In other cases, the creation of external tools by the parties (e.g. training Funds) which support the implementation of flexicure measures in collective bargaining is clearer.

What does seem clear is that certain countries are testing their own approximation to flexicurity by means of legislation and/or the application of measures aimed at promoting certain aspects thereof. This is clear in the case of France or Belgium for instance. It also has to be highlighted that collective bargaining as an institution is slow in reflecting the introduction of innovations: in certain countries, agreements maintain their clauses for 3 or 4 years. Detecting innovative trends in the use of flexicurity as an approach or as specific measures, may not be an automatic exercise over time.

**Analysis of flexicure contents in CAs**

All the experts consulted in the selected countries considered that the vast majority the modalities of flexicurity that were sent to them could potentially be included or even exist at present in CA. Certainly, the recession has increased the number of agreements based on internal flexibility and, especially, as regards working time organisation and
management (accounts), combined with job security. However, they also considered that some of them would be difficult to negotiate, namely, those forms of flexicurity that are associated with state intervention through legislation (setting minimums), or non-negotiable due to being general principles (non-discrimination) or due to the difficult positions of the parties as a result of the negotiation structure (wages).

For some years now, contents geared towards flexicurity principles have been negotiated in collective bargaining at undertakings, and even sectors, in the countries analysed. Analysing these contents in isolation could be risky as agreements are a “negotiation package” and all their contents work in balance, in such a way that the signing parties consider the agreement to be a positive exchange (win-win situation). Moreover, certain reasons specifically influence the incorporation of a given provision in an agreement at a given time (recession or reorganisation within the company, the enforcement of a new law, etc.). Hence, the variety in the types of agreement determines the avoidance to extract definitive conclusions. Nonetheless, a description can be made of those elements found in relevant agreements in each country which can be classified as a component of flexicurity.

Certainly, the flexicure clauses that have been identified in the different CA do not intend to be representative of the state of collective bargaining, nor do they imply that other innovative or suitable clauses do not exist in other CA. However, the clauses presented are significant to the aims of our research, especially identified and analysed to this aim. We can state that “the clauses included exist, but not all clauses that exist have been included”.

Elements related to hiring and firing can be found unevenly amongst the countries. The reasons for this lay, on the one hand, in the strong influence of national legislation which prevents or limits the margins for bargaining on this topic; and, on the other, in the fact that this topic (external numerical flexibility) is a highly sensitive issue, especially amongst trade unions and workers’ representatives. However, certain illustrative trends can be found in representative CAs and sectors e.g. temporary agency work.

Measures affecting different forms of training –vocational training, lifelong learning– are present in CA, although with different levels of ambition. Thus, for instance, “time bank” measures or measures truly focused towards favouring lifelong learning are rarely
present in Spain, although there is access to sectoral funds that are partially co-financed by the social partners. In France, on the other hand, the general transferability of training rights constitutes a significant advance towards the objective of flexicurity, pursuant to the national perspective thereof: moving from a job security approach towards building employment security based on the promotion of professional careers and favouring occupational transitions.

However, provisions regarding the bargaining of innovating forms of work organisation are difficult to find, without prejudice to certain forms existing in different national approaches in CA: forms of team work, influence of workers’ representatives in the improvement of production models, etc.

The appearance of pay schemes linked to results or other variables is also a controversial issue as it is considered to be at the heart of collective bargaining. These formulae have existed for some time in all countries and systems—the relationship of wage increases with productivity is commonplace and the trend seems to be increasing—although it depends on the predominant level of the agreement (national, sectoral or company).

Measures regarding working time aimed to conciliate professional and personal life, in particular—though perhaps with a reductionist approach— to childcare, are starting to be included in collective bargaining, albeit quite slowly. Technology or the need to save mobility costs, as well as the demands from certain workers, constitute a factor for advancing in this type of agreements. Sectors can be a good vehicle to adopt general guidelines or to transpose the rights established in legislation, although the undertaking or workplace seems the ideal place for specific implementation thereof.

Finally, measures concerning equal opportunities have been developed to a great extent in collective bargaining in countries such as France and Spain as a result of legislative influence (which usually establishes the duty to negotiate agreements in the corresponding collective bargaining level), although minimum requirements are covered in all countries through legislation, usually originated in the Union. According to our experts, a different issue altogether would be if there is still work to be done in complying effectively with these provisions in practice.

Innovations found in CAs
Prior to recession, the bargaining parties of CA in some sectors had found formulae that allowed the incorporation of flexicurity elements. The requirement for undertakings to become more competitive, a greater presence of the services sector in the economy and labour market evolution towards the segmentation in employment and workers are pressure factors that have been answered in collective bargaining.

Overall, the agreements reached in all the countries analysed in the temporary agency work sector, a sector which is typically the object of flexibility, can be mentioned as containing innovative measures within the principle of flexicurity. In several countries, collective bargaining has found solutions that have combined the flexibility needs of agencies –and user undertakings- with requirements for greater security (numerical flexibility).

**System to record and disseminate CA**

There are differences with regard to the systems through which CA are recorded and analysed from country to country. The southern countries, France, Spain and Italy, have compulsory recording systems at national level, as does Belgium, although in the case of the latter, this only applies to national agreements. In the former three countries, there are databases available with the CA at sectoral level, together with other prestigious data bases of a regional nature or run by private institutions. Different studies are carried out with regard to this information, both at official level and by academic teams. These studies are published regularly.

However, in Sweden, agreements reached are considered to be private contracts, and hence no recording system or data base exists with this information: agreements are accessible in hard copies, as they are made available by the parties to their members.

**Transfer of a computer tool to measure and monitor flexicurity in CA**

Due to the national idiosyncrasies of the system of collective bargaining in each country, the experts consulted state their scepticism with regard to the ability to transfer this type of tool. Flexicurity is an approach that is not perceived as part of the *acquis* of CAs in each country. As mentioned above, the availability of data bases, except in Sweden, which are accessed regularly by the social partners, researchers and other interested parties, contributes to reinforcing the notion that establishing or using another different computer tool data base to measure and monitor flexicurity in CA would be unsuitable.
However, given the initial stage of the proposal, these experts wouldn’t reject analysing a more perfected development of this tool that presented its advantages. Rejection to this idea was probably greater in Sweden, where the representatives of the social partners were consulted directly, due to the strong sense of autonomy and ownership of the signing parties of the agreements reached.
11. Conclusion and follow-up

11.1 Main findings of the study

This project has attempted to develop tools that social partners can use to create a balance between flexibility and security, i.e. flexicurity, in collective agreements (CAs). Because these tools should relate to the actual practice of collective bargaining in countries across Europe we selected a set of countries. Three countries, Germany, Denmark and the Netherlands, were the ‘core cases’ that were analysed in-depth. In addition, we selected five additional cases to ‘test’ the applicability of the tools in other countries. To gain insight into flexicurity and collective bargaining we first made an inventory of the development of the concept of flexicurity in the policy as well as the academic field. We then took stock of the available literature on flexicurity and collective bargaining. Based on an analysis of policy documents and texts of collective agreements in the three ‘core countries’, we then developed two different tools for flexicurity in collective bargaining: a checklist that can be used when engaging in collective bargaining and a monitoring tool to scrutinise existing arrangements. The tools were then presented to social partners in all eight selected countries to gain feedback on their usefulness. Some adjustments were made regarding the checklist though most feedback entail important issues that should be taken into account when using the checklist. Nevertheless these tools are a first attempt and should be considered as work in progress.

The checklist is on the one hand based on an analysis of the available EU-level policy documents that are backed by the European Social Partners: the flexicurity common principles, the flexicurity components and the flexicurity pathways, combined with the guidelines no. 20 and 21 in the European Employment Strategy. This entails a top-down analysis from EU-level principles to concrete provisions in CAs. The checklist furthermore contains CA-provisions from selected texts in the three countries that could contribute to flexicurity, i.e. a bottom-up perspective. The second tool we developed is a computer monitoring tool that shows the possibilities of scrutinising the flexicurity balance in existing CAs using a national database of coded CAs. As such a database exists in the Netherlands we devised a way to evaluate these coded CAs according to a set of flexibility and security indicators. The selection of indicators made here is flexible enough to be changed and adjusted in line with the ideas and demands of social partners. It is important to note here that any tool is only as good as the data available in a coded
dataset of CAs. The Dutch database does not code all elements of a CA (e.g. provisions on flexible contracts, see Houwing and Schils 2009), and therefore some elements relevant for flexicurity might be missing. Nevertheless it provides a useful starting point to highlight the possibilities of a coded data-set. As of yet, the monitoring tool cannot be directly used by social partners and needs further development, but we hope we have given social partners a sense of the opportunities of such a monitoring tool.

When asked for feedback on these tools, two main issues were most salient for social partners across the eight countries. Firstly, social partners in all countries stressed the fact that CAs do not provide the whole picture on flexicurity as it does not show how the CA works out in practice. In addition to what is taken up in CAs one should ideally also include the take-up rate of CA-provisions, and furthermore actual behaviour of individuals. The project is in that sense indeed limited but has from the onset aimed only to analyse collective bargaining and collective agreements. Acknowledging that the results do not provide the full picture of flexicurity in firms, we assert that the tools could serve as a useful tool to develop a framework for flexicurity in collective bargaining.

The second issue that social partners pointed out was that not all flexicurity issues in the checklist are regulated at CA-level. Some issues that are relevant for flexicurity, such as for example equal treatment of part-time and full-time workers, or access to unemployment benefits, are regulated by national law rather than via CAs. This can however vary quite significantly across countries. We therefore aimed to keep the flexicurity checklist as complete as possible, including all relevant elements from a EU-policy perspective. In concrete bargaining settings, the checklist can then be adjusted in line with the issues that are regulated by CA in a specific country, sector, and firm.

Between the feedback from the three core countries and the five additional cases we have made an excursion into a German practice. We found that in Germany there is widespread use of ‘internal flexicurity’ in working time accounts. This practice is considered useful by both employers and workers to balance flexibility and security. We therefore chose to include a chapter on these accounts to provide the reader with an in-depth view of how this practice is developed and negotiated in Germany. While this is an insightful example of flexicurity in the German context, there is a large range of other possible flexicurity practices and combinations.
11.2 Suggestions for follow-up

As one of our main conclusions shows, the social partners consulted in the framework of this project, emphasized that to analyse the implementation of flexicurity, one should also take the level of firm practices into account. This is an essential next step that should be taken to fully assess flexicurity in practice. An intermediate step between what is laid down in CAs and what happens in practice is the HR-policy within firms. In these policies, firms can further flesh out what the CAs enable, and focus more or less on creating a balance between flexibility and security. This is especially relevant in cases such as Germany and the Netherlands, where many CAs are ‘minimal-CAs’ or ‘framework-CAs’ leave room to further flesh out CA-provisions at firm-level. The German employers association proposed to identify examples of best practices.

We aim to undertake several activities to disseminate and present the outcomes of this project to a larger audience, including other Member States and national social partner organisations, as well as European social partners. These activities may serve, as a next step, to explore the possibilities of making the collective bargaining evaluation and monitoring tools transferable to more/all EU Member States and increase mutual learning. If this is thought appropriate and feasible the flexicurity checklist could also be made available in an electronic format, using websites and other channels from the European Commission and/or the European Social Partners.

Finally, this project has shown the possibilities when a CA-database is available. In the Netherlands, such a database currently exists. In Denmark on the other hand there is no comparable dataset available, and while sectoral collective agreements have long been systematically archived and evaluated in Germany\(^\text{27}\), the collection of data on company agreements is still in its infancy and a comprehensive overview is not yet available. There is no register of company agreements similar to the one that exists for sectoral agreements. For some years now the Hans-Böckler-Foundation has been putting together an archive of company agreements on various subjects, but this only covers a small proportion of agreements and cannot be regarded as representative. To compare CAs in other countries, such databases provide a wide range of possibilities. At a European level, one could even conceive of a European archive of collective agreements.

\(^{27}\) Collective agreements are archived by the Federal Ministry of Labour and Social Affairs, the Federal Confederation of German Employers’ Associations and the Institute of Economic and Social Research (WSI) of the Hans-Böckler-Foundation and provide a rich source of material for analysis.
Appendices:

A.1. Project Team

The following partners were involved in the activity:

1. CAOP, Centre for Labour Relations in the Public Sector, the Netherlands (main applicant)
2. Tilburg University, Faculty of Law, Tilburg Flexicurity Research Programme, the Netherlands
3. Ministry of Social Affairs and Employment (ministerie van Sociale Zaken en Werkgelegenheid), the Netherlands
4. Wirtschafts- und Sozialwissenschaftliches Institut (WSI) in der Hans-Böckler-Stiftung, Germany
5. FAOS, Employment Relations Research Centre, Denmark
6. Labour Associates, Spain/Belgium

A.2. Full list of flexibility and security variables for the computer monitoring tool

Flexibility

- External flexibility (3 variables)
  1. tijd17 Peak-slum/seasonal work, Y/N
  2. cont1 Flexible contracts: Temporary contracts, Y/N
  3. cont3 Flexible contracts: Temporary help contracts, Y/N

- Internal flexibility (7 variables)
  4. tijd23 Increase in part-time jobs, in %
  5. tijd31-tijd30 Min–max contracts: Working time bandwidth (max–min), hours per week
  6. tijd64 Non-standard regulation of working time schedules, Y/N
  7. tijd65 Regulation of working time schedules upon consultation, Y/N
  8. cont2 Flexible contracts: 0-hours contracts (on-call), Y/N
9. cont4 Flexible contracts: min–max contracts (variable hours within min–max limits), Y/N
10. cont14 Special regulation of work on holidays, Y/N

- **Functional flexibility (2 variables)**
  11. cont5 Flexible contracts: Regulation of (variable) tasks, Y/N
  12. cont6 Flexible contracts: Contracts for travelling, Y/N

- **Wage flexibility (4 variables)**
  13. inko70 Profit share scheme, Y/N
  14. inko81 Function CAssification system: setting-up variable wage, Y/N
  15. inko82 Function CAssification system: variable wage according to evaluation, Y/N
  16. tijd35 Vari-time: Salary based on the time actually worked, Y/N

- **Externalization flexibility (5 variables)**
  17. cont7 Agreement on using TWA, Y/N
  18. cont8 Temporary work only through TWA, Y/N
  19. cont11 Maximal % of personnel from TWA, %
  20. cont13 Temporary agency work: SMU-provisions (Stichting Meldingsbureau Uitzendbranche), Y/N
  21. cont15 Special conditions for contracting self-employed, Y/N

**Security**

- **Labour rights (13 variables)**
  22. inko56 Equal allowance for part-timers, Y/N
  23. inko57 Equal allowance for temporary workers, Y/N
  24. inko58 Equal allowance for holiday workers, Y/N
  25. tijd18 Right to part-time, Y/N
<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>26.</td>
<td>tijd24 Part-time work: Min working time for eligibility for training, early retirement, etc., hours per week</td>
</tr>
<tr>
<td>27.</td>
<td>tijd25 Legal position part-time = full-time, Y/N</td>
</tr>
<tr>
<td>28.</td>
<td>tijd26 Overtime allowance for part time as for full time, Y/N</td>
</tr>
<tr>
<td>29.</td>
<td>tijd39 Standard working time (as in CA), gross hours per week</td>
</tr>
<tr>
<td>30.</td>
<td>tijd40 Labour Time Reduction days, in days per year</td>
</tr>
<tr>
<td>31.</td>
<td>tijd43 Labour Time Reduction days for part-timers, Y/N</td>
</tr>
<tr>
<td>32.</td>
<td>tijd63 Working time schedules in-line with law (standard), Y/N</td>
</tr>
<tr>
<td>33.</td>
<td>wepr12 Birth leave for fathers in line with Law on Work and Care, Y/N</td>
</tr>
<tr>
<td>34.</td>
<td>wepr229 Regulation of leave savings, Y/N</td>
</tr>
<tr>
<td>35.</td>
<td>inko1 1st structural wage increase in %</td>
</tr>
<tr>
<td>36.</td>
<td>inko3 2nd structural wage increase in %</td>
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<tr>
<td>37.</td>
<td>inko5 3rd structural wage increase in %</td>
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<td>38.</td>
<td>inko7 4th structural wage increase in %</td>
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<td>39.</td>
<td>inko9 5th structural wage increase in %</td>
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<td>40.</td>
<td>inko11 6th structural wage increase in %</td>
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<tr>
<td>41.</td>
<td>inko13 7th structural wage increase in %</td>
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<tr>
<td>42.</td>
<td>inko15 8th structural wage increase in %</td>
</tr>
<tr>
<td>43.</td>
<td>inko17 One-off wage increase in %</td>
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<tr>
<td>44.</td>
<td>inko26 Allowance for day–evening shift standard in %</td>
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<tr>
<td>45.</td>
<td>inko29 Allowance for day–evening–night shift standard in %</td>
</tr>
<tr>
<td>46.</td>
<td>inko32 Allowance for continuous shift standard (33.6 hours/week) in %</td>
</tr>
<tr>
<td>47.</td>
<td>inko34 Allowance for Mo-Fr standby/on-call readiness in %</td>
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<tr>
<td>48.</td>
<td>inko36 Allowance for Saturday standby/on-call readiness in %</td>
</tr>
<tr>
<td>49.</td>
<td>inko38 Allowance for Sunday standby/on-call readiness in %</td>
</tr>
<tr>
<td>50.</td>
<td>inko40 Allowance for holiday standby/on-call readiness in %</td>
</tr>
<tr>
<td>51.</td>
<td>inko42 Allowance for a scheduled day standby/on-call readiness in %</td>
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<tr>
<td>52.</td>
<td>inko45 Allowance for holiday work in %</td>
</tr>
<tr>
<td>53.</td>
<td>inko48 Allowance for holiday shift work in %</td>
</tr>
</tbody>
</table>
54. inko51 Allowance for evening shifts in %
55. inko54 Allowance for night shifts in %
56. inko62 Vacation allowance in %
57. inko73 13th-month salary, Y/N
58. inko76 End-of-year benefit in % to monthly earnings
59. inko78 14th-period salary, Y/N
60. inko88 Overtime allowance Mon–Fra in %
61. inko91 Overtime allowance on Sat in %
62. inko94 Overtime allowance on Sun in %
63. inko97 Overtime allowance on holidays in %
64. inko100 Overtime allowance on scheduled day in %
65. inko103 Overtime: time-for-time payment, Y/N
66. inko105 Overtime: time-for-time payment with %, %
67. inko106 Overtime: hourly payment, Y/N
68. inko107 Overtime: hourly payment + allowance, Y/N
69. inko108 Overtime: payment type on one’s choice, Y/N
70. inko109 Overtime: possibility for savings, Y/N
71. inko103-inko108 Overtime: Ways of payment, in ranks
72. inko110 Overtime: allowance for part-timers, Y/N
73. inko112 Travel expenses: public transportation arrangement, Y/N
74. inko113 Travel expenses: standard legal km-arrangement, Y/N
75. inko114 Travel expenses: additional to standard legal km-arrangement, Y/N
76. inko115 Travel expenses: car pool arrangement, Y/N
77. inko116 Special allowances: for cruise ships, Y/N
78. inko117 Special allowances: for cargo ships, Y/N
79. inko118 Special allowances: for maritime towing service, Y/N
80. inko119 Special allowances: for diploma, Y/N
81. inko120 Special allowances: for tanker ships, Y/N
82. tijd26 Overtime allowance for part time as for full time, Y/N
83. tijd34 Vari-time: Salary based on standard time
84. tijd36 Vari-time: Provisions on vari-time
85. wepr137 Paid leave for marriage of the employee, number of days
86. wepr138 Paid leave for marriage of a relative of the employee, number of days
87. wepr139 Paid leave in case of death of a relative of 1st degree of the employee, number of days
88. wepr140 Paid leave for arrangements (of funerals) of a relative of 1st degree of the employee, number of days
89. wepr141 Short leave in case of death of a relative of 2nd degree of the employee, number of days
90. wepr144 Paid sabbatical leave (with no specific reason), Y/N
91. wepr165 Seniority: no obligatory overtime, min age in years
92. wepr166 Seniority: no obligatory shift work, min age in years
93. wepr167 Seniority: right to stop shift work, min age in years
94. wepr172 Pregnancy and birth leave: leave beyond legal duration, number of weeks
95. wepr176 Calamity leave: continued payment, Y/N
96. wepr177 Calamity leave: continued payment, % of earnings
97. wepr178 Calamity leave: limited duration of leave, Y/N
98. wepr179 Calamity leave: max duration, days
99. wepr180 Calamity leave: subsidies from CA fund, Y/N
100. wepr189 Short care leave: continued payment, Y/N
101. wepr190 Short care leave: continued payment, % of earnings
102. wepr191 Short care leave: subsidies from CA fund, Y/N
103. wepr202 Long care leave: continued pay, Y/N
104. wepr203 Long care leave: continued payment, % of earnings
105. wepr204 Long care leave: subsidies from CA fund, Y/N
106. wepr205 Long care leave: employer's contribution to UVI-benefits, Y/N
107. wepr226 Leave saving scheme: Bonus of employer, Y/N
108. jong3 Youth: Bonus for diploma, EUR
109. cont52 Layered CAs: saving arrangements, Y/N
• Out-of-work income  (69 variables)
  
110. tijd24 Part-time work: Min hours a week to be eligible for training, early retirement, etc.
  
111. wepr224 Accumulation of benefits during leave saving scheme, Y/N
  
112. socze6 Additional disability insurance beyond WAO benefits (Invalidity Insurance Act), Y/N
  
113. socze7 Additional disability insurance beyond WAO benefits (Invalidity Insurance Act): employer’s contribution in the current year, % of salaries
  
114. socze8 Additional disability insurance beyond WAO benefits (Invalidity Insurance Act): employer’s contribution in the next year, % of salaries
  
115. socze9 Additional disability insurance beyond WAO benefits (Invalidity Insurance Act): employee’s contribution in the current year, % of salaries
  
116. socze10 Additional disability insurance beyond WAO benefits (Invalidity Insurance Act): employee’s contribution in the next year, % of salaries
  
117. socze11 Additional disability collective (reduced) insurance beyond WAO benefits (Invalidity Insurance Act), Y/N
  
118. socze12 Additional disability voluntary insurance beyond WAO benefits (Invalidity Insurance Act), Y/N
  
119. socze13 Additional disability voluntary insurance beyond WAO benefits restricted to 70% of income (Invalidity Insurance Act), Y/N
  
120. socze14 Additional disability insurance beyond WAO benefits restricted to 70% of income (Invalidity Insurance Act), % of coverage
  
121. socze15 Additional disability insurance beyond WAO benefits (Invalidity Insurance Act): tax-free yearly payments by employees EUR
  
122. socze16 Additional disability voluntary insurance beyond WAO benefits (Invalidity Insurance Act): age dependence, Y/N
  
123. socze17 Additional disability insurance beyond WAO benefits (Invalidity Insurance Act): contributions up to age limit age in years
  
124. socze21 Additional disability voluntary insurance beyond WAO benefits (Invalidity Insurance Act): general extension requested, Y/N
125. socze22 General ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): ZW-benefit with guaranteed % of earnings, Duration in months
126. socze23 General ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): ZW-benefit with guaranteed % of earnings, % of salary
127. socze24 General ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): WAO-benefit, Duration under WAO, months
128. socze25 General ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): WAO-benefit, % of salary
129. socze26 General ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): WAO-benefit, Duration in months
130. socze27 General ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): WAO-benefit, % of salary
131. socze28 General ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): Reduction of benefits over time, Y/N
132. socze29 General ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): Compensation of holidays, Y/N
133. socze30 General ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): Waiting days, Y/N
134. socze31 General ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): Growth of benefits over time, Y/N
135. socze32 Old workers’ ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): Min age limit, years of age
136. socze33 Old workers’ ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): ZW-benefit with guaranteed % of earnings, Duration in months
137. socze34 Old workers’ ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): ZW-benefit with guaranteed % of earnings, % of salary
138. socze35 Old workers’ ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): WAO-benefit, Duration under WAO, months
139. socze36 Old workers’ ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): WAO-benefit, % of salary
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<tr>
<td>140. socze37</td>
<td>Old workers’ ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): WAO-benefit, Duration in months</td>
</tr>
<tr>
<td>141. socze38</td>
<td>Old workers’ ZW/WAO insurance (Sickness Benefits Act/Invalidity Insurance Act): WAO-benefit, % of salary</td>
</tr>
<tr>
<td>142. socze39</td>
<td>WAO (Invalidity Insurance Act) incapacity benefit table for variable benefits, supplement 1, for partial disability up to certain %, % of disability</td>
</tr>
<tr>
<td>143. socze40</td>
<td>WAO (Invalidity Insurance Act) incapacity benefit table for variable benefits, supplement 1, for partial disability up to certain %, additional benefit in % to basic benefit</td>
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<tr>
<td>144. socze41</td>
<td>WAO (Invalidity Insurance Act) incapacity benefit table for variable benefits, supplement 2, for partial disability up to certain %, % of disability</td>
</tr>
<tr>
<td>145. socze42</td>
<td>WAO (Invalidity Insurance Act) incapacity benefit table for variable benefits, supplement 2, for partial disability up to certain %, additional benefit in % to basic benefit</td>
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<tr>
<td>146. socze43</td>
<td>WAO (Invalidity Insurance Act) incapacity benefit table for variable benefits, supplement 3, for partial disability up to certain %, % of disability</td>
</tr>
<tr>
<td>147. socze44</td>
<td>WAO (Invalidity Insurance Act) incapacity benefit table for variable benefits, supplement 3, for partial disability up to certain %, additional benefit in % to basic benefit</td>
</tr>
<tr>
<td>148. socze45</td>
<td>WAO (Invalidity Insurance Act) incapacity benefit table for variable benefits, supplement 4, for partial disability up to certain %, % of disability</td>
</tr>
<tr>
<td>149. socze46</td>
<td>WAO (Invalidity Insurance Act) incapacity benefit table for variable benefits, supplement 4, for partial disability up to certain %, additional benefit in % to basic benefit</td>
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<tr>
<td>150. socze47</td>
<td>WAO (Invalidity Insurance Act) incapacity benefit table for variable benefits, supplement 5, for partial disability up to certain %, % of disability</td>
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<tr>
<td>151. socze48</td>
<td>WAO (Invalidity Insurance Act) incapacity benefit table for variable benefits, supplement 5, for partial disability up to certain %, additional benefit in % to basic benefit</td>
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</tbody>
</table>
variable benefits, supplement 5, for partial disability up to certain %, additional benefit in % to basic benefit

152. tijd24 Part-time work: Min hours a week to be eligible for training, early retirement, etc. hours

153. oud1 Early retirement, min age

154. oud2 Early retirement, min number of service years

155. oud3 Early retirement, one-time, min age

156. oud4 Early retirement, one-time, min number of service years

157. oud5 Early retirement with 40 years of service, Y/N

158. oud8 Early retirement premium is paid completely by employer, Y/N

159. oud9 Early retirement premium in the current calendar year: employer’s contribution, in % of salary

160. oud10 Early retirement premium in the next calendar year: employer’s contribution, in % of salary

161. oud11 Early retirement premium in the current calendar year: employee’s contribution, in % of salary

162. oud12 Early retirement premium in the next calendar year: employee’s contribution, in % of salary

163. oud13 Early retirement, min age for part-timers in years

164. oud14 Early retirement for part-timers, Y/N

165. oud22 Pension premium paid completely by employer, Y/N

166. oud23 Pension premium in the current calendar year: employer’s contribution, in % of salary

167. oud24 Pension premium in the next calendar year: employer’s contribution, in % of salary

168. oud25 Pension premium in the current calendar year: employee’s contribution, in % of salary

169. oud26 Pension premium in the next calendar year: employee’s contribution, in % of salary

170. oud28 Partner pension, Y/N

171. oud29 Pension ANW-gap insurance, Y/N

172. oud30 Pension ANW-gap insurance obligatory (collective), Y/N
| 173. oud31 | Pension ANW-gap insurance voluntary (individual), Y/N |
| 174. oud32 | Build-up pension arrangement, % per year |
| 175. wepr25 | Pension premium during parental leave (employee’s contribution), Y/N |
| 176. wepr26 | Pension premium during parental leave (employer’s contribution), Y/N |
| 177. wepr27 | Pension premium during parental leave (CA fund contribution), Y/N |
| 178. wepr223 | Continuation of pension building during the leave savings, Y/N |

- **Job security** (12 variables)

| 179. wepr168 | Seniority: arrangements for changing the occupation (e.g. training), Y/N |
| 180. wepr169 | Plan-based approach, Y/N |
| 181. wepr170 | Arrangements for seniority policy, Y/N |
| 182. arbo1 | Loads of sick/disabled employees as prescribed by law with respect to physical working conditions, Y/N |
| 183. arbo3 | Loads of sick/disabled employees as prescribed by law with respect to organisational circumstances, Y/N |
| 184. arbo5 | Policy on sickness absence: Actual sickness absence, % in one year |
| 185. arbo6 | Loads of sick employees as prescribed by the Policy on Sickness Absence, Y/N |
| 186. arbo8 | Reintegration after long sickness: Loads in line with WAO (Invalidity Insurance Act) with respect to internal redeployment, Y/N |
| 187. arbo12 | Reintegration after long sickness: Involvement of an expert service, Y/N |
| 188. arbo14 | Study on workload strains, Y/N |
| 189. arbo15 | Loads with respect to workload strains, Y/N |
| 190. cont9 | Possibility to convert TWA work into permanent employment |
Employability (30 variables)

191. tijd24 Part-time work: Min working hours for eligibility for training, early retirement, etc., hours per week
192. jong4 Youth: Provisions for internship in the Netherlands, Y/N
193. jong5 Youth: Provisions for internship abroad, Y/N
194. jong6 Youth: Study grants, Y/N
195. jong7 Youth: Continued pay-offs for days in education/training, Y/N
196. jong8 Special provisions for young people for work on holidays, Y/N
197. arbmk1 Provisions for working and learning schemes, Y/N
198. arbmk2 Reintegration jobs (after unemployment), number of jobs
199. arbmk3 Reintegration jobs (after unemployment): employer’s share, in EUR
200. arbmk4 Company-level or sector-level training plan, Y/N
201. arbmk5 One-time training plan, Y/N
202. arbmk6 Individual training plans (POP), Y/N
203. arbmk7 General training (not function-specific), Y/N
204. arbmk8 Outplacement training (in another enterprise), Y/N
205. arbmk9 Personal training budget, % to salary
206. arbmk10 Personal training budget, EUR
207. arbmk11 Training fund, Y/N
208. arbmk12 Training fund: employer’s contribution, % to salary
209. arbmk16 Labour market project: Target figures, Y/N
210. arbmk17 Labour market project: Number of jobs, number of jobs
211. arbmk19 Labour market project: Target groups, Y/N
212. arbmk21 Labour market project: Budget in EUR, EUR
213. arbmk22 Labour market project: Link to public employment service, Y/N
214. arbmk23 Provisions for work-training schemes, Y/N
215. socze1 Health care provisions, Y/N
216. socze2 Health care: employer’s contribution in the current year, % of salaries
217. socze3 Health care: employer’s contribution in the next year, % of salaries
218. socze4 Health care: employee’s contribution in the current year, % of salaries
219. socze5 Health care: employee's contribution in the next year, % of salaries
220. cont12 Training TWA personnel, Y/N

- Employment security (3 variables)
  221. arbo10 Reintegration after long sickness: Loads in line with WAO — Invalidity Insurance Act with respect to external placement, Y/N
  222. arbo16 Reintegration after long sickness: Obligation to employ a disable worker in other enterprise, if necessary, Y/N
  223. arbo17 Reintegration after long sickness: Cooperation with public employment offices, Y/N

- Social security (24 variables)
  224. wepr1 Child care provisions, Y/N
  225. wepr2-wepr3 Childcare provisions, in grades
  226. wepr6 Child care: max age of children, in years
  227. wepr7 Child care: CA-fund, Y/N
  228. wepr8 Child care: employer’s contribution maximized, Y/N
  229. wepr11 Birth leave for fathers, Y/N
  230. wepr13 Birth leave for fathers on weekdays, days per week
  231. wepr14 Birth leave for fathers on weekdays, hours per week
  232. wepr16 Birth leave for fathers: continued payments, in % to earnings
  233. wepr17 Birth leave for fathers: CA-fund, Y/N
  234. wepr18 Birth leave for male partners, Y/N
  235. wepr19 Parental leave: compensation for a leave beyond the legal duration of leave, Y/N
  236. wepr20 Parental leave: compensation for a leave beyond the legal duration of leave, in weeks
237. wepr21 Parental leave: compensation for non-worked hours, Y/N
238. wepr22 Parental leave: compensation for non-worked hours, in % of earnings
239. wepr23 Parental leave: obligation to work min hours, Y/N
240. wepr24 Parental leave: obligation to work min hours, hours per week
241. wepr28 Parental leave supported by CA fund, Y/N
242. wepr29 Parental leave: max age of children, years
243. wepr30 Parental leave: max age of child for (partial) pay-offs, years
244. wepr32 Parental leave: possibility to divide, Y/N
245. wepr37-wepr53 Average length of holidays, in days
246. wepr55-wepr115 Average length of holidays, in days
247. wepr117-wepr133 Average length of holidays, in days

• Social dialogue (9 variables)
248. zeg1 Works councils: publicity rights, Y/N
249. zeg2 Works councils: right to use working time for general issues, Y/N
250. zeg3 Works councils: availability of meeting facilities (room), Y/N
251. zeg4 Works councils: rights to attend co-determination training, Y/N
252. zeg5 Works councils: regulation in line with the Law on Works Councils, Y/N
253. zeg6 Works councils: rights to work on collective labour agreements during working hours, Y/N
254. int8 Agreement at the European level, Y/N
255. int9 Agreement at the world level, Y/N
256. int10 Agreement at the concern level, Y/N

• Work-life balance (98 variables)
257. tijd1 Standard day and evening shifts: gross hours per week
258. tijd2 Standard day and evening shifts: Compensation by Labour Time Reduction Days, in days per year
259. tijd3 Standard day and evening shifts: Compensation by Labour Time Reduction Days, in hours per year
260. tijd4 Standard day and evening shifts: Duration of holidays (if not standard), in days per year
261. tijd5 Standard day and evening shifts: Duration of holidays (if not standard), in hours per year
262. tijd6 Standard day, evening, and night shifts: gross hours per week
263. tijd7 Standard day, evening, and night shifts: Compensation by Labour Time Reduction Days, in days per year
264. tijd8 Standard day, evening, and night shifts: Compensation by Labour Time Reduction Days, in hours per year
265. tijd9 Standard day, evening, and night shifts: Duration of holidays (if not standard), in days per year
266. tijd10 Standard day, evening, and night shifts: Duration of holidays (if not standard), in hours per year
267. tijd11 Standard continuous shifts (33.6 hours a week): gross hours per week
268. tijd12 Standard continuous shifts (33.6 hours a week): Compensation by Labour Time Reduction Days, in days per year
269. tijd13 Standard continuous shifts (33.6 hours a week): Compensation by Labour Time Reduction Days, in hours per year
270. tijd14 Standard continuous shifts (33.6 hours a week): Duration of holidays (if not standard), in days per year
271. tijd15 Standard continuous shifts (33.6 hours a week): Duration of holidays (if not standard), in hours per year
272. tijd16 Standard continuous shifts (33.6 hours a week): Presence days in a year
273. tijd20 Part-time work: Obligation to work min number of hours, Y/N
274. tijd21 Part-time work: Min obligatory working time, hours per week
275. tijd27 Workers involvement for scheduling part-time work
276. tijd28 Possibility to save for time-offs for part-timers
277. tijd29 Possibility to extend hours for part-time work
278. tijd33 Validity time of overtime hours for take-offs, in number of weeks
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<td>wepr143 Short leave provision: unpaid leave (with no specific reason), max number of days</td>
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<td>wepr181 Calamity leave: subtraction from Labour Time Reduction days, Y/N</td>
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<td>284</td>
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<td>285</td>
<td>wepr183 Calamity leave: subtraction from holidays, Y/N</td>
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<td>286</td>
<td>wepr184 Calamity leave: subtraction from holidays, %</td>
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<td>wepr193 Short care leave: permission of employer required, Y/N</td>
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<td>292</td>
<td>wepr194 Short care leave: subtraction from Labour Time Reduction days, Y/N</td>
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<td>293</td>
<td>wepr195 Short care leave: subtraction from holidays, Y/N</td>
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<td>wepr197 Short care leave: permitted for non-residents, Y/N</td>
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<td>wepr198 Short care leave: permitted for relatives of 1st degree, Y/N</td>
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<td>300</td>
<td>wepr206 Long care leave limited to lifethreatening/terminal deseases, Y/N</td>
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<td>301</td>
<td>wepr207 Long care leave: permission of employer required, Y/N</td>
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<td>wepr208 Long care leave: permitted for residents, Y/N</td>
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<td>304</td>
<td>wepr210 Long care leave: permitted for relatives of 1st degree, Y/N</td>
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305. wepr211 Long care leave: permitted for relatives of 2nd degree, Y/N
306. wepr212 Long care leave: permitted for partner, Y/N
307. wepr213 Mourning leave provisions, Y/N
308. wepr214 Leave saving scheme: from gross wage, Y/N
309. wepr225 Leave saving scheme: taking the leave on one’s choice, Y/N
310. wepr227 Leave saving scheme: other provisions, Y/N
311. wepr228 Leave saving scheme: leave ‘basket’ — cumulation with other leaves, Y/N
312. wepr230 Compensation of sailing days (particularly for a holiday): min sailing days to get the benefit number of days
313. wepr231 Compensation of sailing days (particularly for a holiday), gain of days of leave, number of days
314. wepr232 Compensation of sailing days (particularly for second holiday): min sailing days to get the benefit number of days
315. wepr233 Compensation of sailing days (particularly for second holiday), gain of days of leave, number of days
316. wepr234 Compensation of sailing days (particularly for third holiday): min sailing days to get the benefit number of days
317. wepr235 Compensation of sailing days (particularly for third holiday), gain of days of leave, number of days
318. wepr22 Leave saving scheme: provisions for, Y/N
319. cont16 CA à la carte
320. cont17 CA à la carte (benefits to exchange): Holiday days beyond the legal number, Y/N
321. cont18 CA à la carte (benefits to exchange): scheduled free days or Labour Reduction days, Y/N
322. cont19 CA à la carte (benefits to exchange): Overtime compensable by time, Y/N
323. cont20 CA à la carte (benefits to exchange): Overtime compensable by money, Y/N
324. cont21 CA à la carte (benefits to exchange): Consignment compensable
by time, Y/N

325. cont22 CA à la carte (benefits to exchange): Consignment compensable by money, Y/N
326. cont23 CA à la carte (benefits to exchange): Seniority days, Y/N
327. cont24 CA à la carte (benefits to exchange): Time savings, Y/N
328. cont25 CA à la carte (benefits to exchange): End-of-year payment, Y/N
329. cont26 CA à la carte (benefits to exchange): Premiums, Y/N
330. cont27 CA à la carte (benefits to exchange): Profit share payments, Y/N
331. cont28 CA à la carte (benefits to exchange): Contractual savings, Y/N
332. cont29 CA à la carte (benefits to exchange): On-time reward elements, Y/N
333. cont30 CA à la carte (benefits to exchange): Premium contractual savings, Y/N
334. cont31 CA à la carte (benefits to exchange): Extra leave days, Y/N
335. cont32 CA à la carte (benefits to gain): Extra leave days, Y/N
336. cont33 CA à la carte (benefits to gain): Continued pay for career break, Y/N
337. cont34 CA à la carte (benefits to gain): Continued pay for extra parental leave, Y/N
338. cont35 CA à la carte (benefits to gain): Extra education leave, Y/N
339. cont36 CA à la carte (benefits to gain): Reimbursement of study costs, Y/N
340. cont37 CA à la carte (benefits to gain): Savings for early retirement, Y/N
341. cont38 CA à la carte (benefits to gain): Increase in the pre-pension, Y/N
342. cont39 CA à la carte (benefits to gain): Additional health insurance, Y/N
343. cont40 CA à la carte (benefits to gain): Fill in the disability benefits gap, Y/N
344. cont41 CA à la carte (benefits to gain): Fill in the pension gap for surviving relative, Y/N
345. cont42 CA à la carte (benefits to gain): Reduction of own contribution to the lease car, Y/N
346. cont43 CA à la carte (benefits to gain): Reduction of own contribution to child care, Y/N
347. cont44 CA à la carte (benefits to gain): Reduction of own contribution for
using telephone, Y/N

348. cont45 CA à la carte (benefits to gain): Share plan, Y/N

349. cont46 CA à la carte (benefits to gain): Earnings in kind, Y/N

350. cont47 CA à la carte (benefits to gain): Reduction of own contribution for the private PC, Y/N

351. cont48 CA à la carte (benefits to gain): Compensation of holidays in money, Y/N

352. cont49 Layered CAs: decentralized agreements

353. cont50 Layered CAs: working time / schedules

354. cont51 Layered CAs: leave arrangements
### A.3. List of flexicurity themes and goals distributed to experts for additional country cases

<table>
<thead>
<tr>
<th>Flexicurity-themes/Forms or modalities of flexibility and security</th>
<th>Goals of flexicurity</th>
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<tbody>
<tr>
<td>1. Transition security: timely supporting of transitions between jobs, aimed at preventing unemployment – by offering a search period, temporary wage supplements, reimbursement of travel and moving expenses, timely job search possibilities during working time, help in setting up own business.</td>
<td>1. Creating more and better jobs</td>
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<tr>
<td>2. Preference of transition security over traditional financial compensation in the form of severance payment.</td>
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<tr>
<td>3. Hiring and firing regulations.</td>
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<tr>
<td>1. Improvement of equal access to employment for all.</td>
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<tr>
<td>2. Equal treatment of atypical workers, no exemptions from provisions and enabling them to progress within a firm.</td>
<td>1. Preventing segmented labour market and informal employment</td>
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<tr>
<td>3. Facilitation of life long learning, anticipation of skills needed in the future, possibly related to the introduction of new technologies.</td>
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<tr>
<td>4. Increase of employability, where needed to increase availability for another position, sector or profession. More attention for more general skills.</td>
<td>2. Development of human capital</td>
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<tr>
<td>5. Creation of education possibilities, not merely company or sector specific training.</td>
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<tr>
<td>6. Creation of individual budgets and trajectories for education and training.</td>
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<tr>
<td>7. Development and implementation of national/standardised qualification- and validation systems, also to identify skills previously acquired (accreditation of prior learning).</td>
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<tr>
<td>8. Conclusion of agreements on training and education at the start of an employment contract.</td>
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<tr>
<td>1. Link between wage development and the economic cycle/productivity growth.</td>
<td>1. Increase of cost-effectiveness</td>
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<tr>
<td>2. Variable pay schemes based on fair and transparent monitor- and appraisal systems.</td>
<td>2. Strengthening competitiveness</td>
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<tr>
<td>3. Employment-enhancing remuneration schemes (making use of lowest wage scales).</td>
<td>3. Increase of productivity</td>
</tr>
</tbody>
</table>
1. Availability of various leave schemes, such as types of parental leave.
2. Working time arrangements that facilitate the combination of work and care while stimulating labour market participation and being responsive to market demand and the position of the firm.

1. Active promotion of gender equality
2. Facilitating life courses and personal choices of people, including combination and balance between work and care

1. Promotion of good or “decent work”, incl. health and safety and representation security.
2. Development of innovative forms of work/social innovation.
3. Fostering functional flexibility, i.e. the capacity of workers to perform different tasks or jobs within a firm.

1. Development of business potential
10 Improved matches in the labour market

A.4. List of consulted experts in additional countries

Javier Calvo (Spain), Christer Thörnqvist (Sweden), Salvo Leonardi (Italy), Frank Hendrickx and Nathalie Betsch (Belgium), Claude Emmanuel Triomphe, Christophe Teissier and Rachel Guyet (France)
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