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7. Flexibility and security for older workers: HRM-arrangements in four European countries

Frank Tros

ABSTRACT

National policies in Belgium, Denmark, Germany and the Netherlands show policy shifts towards active ageing and to improving flexibility and security in the labour market. The main question relates to practice and introduction of these macro policies at workplace level. This chapter presents the findings of a survey in workplaces in four countries in four sectors of industry (n=3 085). A flexicurity approach for senior workers is most visible in the Dutch and Danish workplaces because of a broader range of facilities such as phased retirement, flexible working hours, education and training, and internal and external job-job transitions. A flexicurity approach is used far less in Belgian and German workplaces. The cross-national differences are visible in all four sectors. Examining usage rates, the survey shows different strategies addressing the issue of older workers. The Belgians aim for flexibility in working hours. The Dutch are still focused on a 'relief' strategy (adapting workload, tasks and working hours), while the Danish favour an employability policy. German workplaces show passivity in all items. Further, the investigations reveal cross-sectoral differences. Cross-national differences in motivating those behind flexible arrangements for senior workers at the workplace can play a role in explaining the observed variance.

7.1. Introduction

This chapter presents comparative workplace level data on senior policies in Belgium, Denmark, Germany and the Netherlands (¹). Against the background of the European debate on promoting longer working careers,

(¹) These four countries have been selected because of the methodological idea of 'most-similar system' design (Przeworski and Teune, 1970). The argument here is that policy-makers can better learn from good practices in countries which have institutions that are not so much different from their own institutions.

the main goal of this survey is to investigate to what extent companies have used flexible measures that can improve the job and employment security for senior employees.

Important questions in this chapter are:

- (a) are there significant cross-national variances in the volume and the characteristics of arrangements for employees aged 50+ in the companies?
- (b) do we see a different human resources management (HRM) approach in terms of flexicurity and do we observe cross-national variances in the different forms of flexibility and different kinds of security for the senior workers at workplace level?
- (c) to what extent do the older workers use the facilities at the workplace?
- (d) are there cross-sectoral variations in the provision and use of flexicurity-arrangements? How are these related to the cross-national variances?
- (e) can the variations in HRM-practices be explained by differences in the national policy environments?

This chapter concludes that Dutch and Danish companies have used more and broader HRM-policies that provide flexibility for the company and at the same time job/work security for older workers. This may explain the higher and faster increasing employment rates among the 50+ workers in these countries. This chapter identifies a narrower approach and lower levels of use of 'flexicurity'-arrangements in Belgium. In Germany, however, the gap between the national policy intentions to prolong working careers and the passive practices of companies, is clearly the most noticeable. As well as these cross-national differences we see, especially in the Dutch case, rather large cross-sectoral variations in the intensity and characteristics of flexicurity facilities.

In Section 7.2 the concept of flexicurity is discussed in the context of the active ageing debate. Section 7.3 describes the institutional contexts and the national policies for older workers in the four Member States. The findings of the survey are presented in the two following sections. First, the availability of flexicurity arrangements in the companies and the distribution of the facilities among different countries and sectors of industry are analysed in Section 7.4. Then Section 7.5 analyses the degree to which these arrangements are used among older workers in the countries. The conclusions are discussed in Section 7.6.

7.2. Flexicurity and older workers

Flexicurity can be defined as ‘a policy strategy that attempts, synchronically and deliberately, to improve the flexibility of labour markets, work organisation and labour relations, and to improve security – employment security and social security – notably for the weaker groups in and outside the labour market’ (Wilthagen and Tros, 2004; Wilthagen and Rogowski, 2002). Others define flexicurity less as a deliberate strategy, but more as a certain state of affairs in the labour market, such as Danish academics when they refer to the Danish ‘golden triangle of flexicurity’ (Madsen 2004; Bredgaard et al., 2005). The fundamental idea of the flexicurity concept is that flexibility and security are not contradictory, but mutually supportive and complementary. The main hypothesis is that labour-market flexibility cannot live without certain levels of security for the workers. And security can not be produced without flexibility in the workplace or in the labour market. Further, the flexicurity concept stresses the importance of new forms of security in labour markets; not only job and income security, but increasingly employment security and combination security. These are forms of security that can be better combined with productive transitions in the labour market from job to job and from unemployment to work. The ‘new’ psychological contract that seems to emerge in western societies between employer and employee (Marsden, 2004) is less focused on long-term (or even life-time) commitment from the worker to the specific company, but more on the provision of continuing employability in the labour market.

In contrast to the traditional capital-labour nexus, the new flexibility-security nexus suggests that flexibility is not the monopoly of employers, while security is not the monopoly of employees. Employers might be realising that they have an interest in stable employment relations and in retaining employees who are loyal, well-qualified and productive (Auer, 2006). For their part, employees might realise that – to be able to adjust their work life to more individual preferences – they too have an interest in more flexible ways of organising work and employment relations, for example to balance work and family life (Wilthagen and Tros, 2004). However, we should not be blind to the possible ideological (mis)use of the concept of flexicurity, which only goes to sell the message of further flexibilisation and deregulation of labour markets in the interest of certain socioeconomic groups. That is exactly why we need empirical research on the flexibility-security nexus.

Older workers might be a test case for these assumptions. Flexicurity can promote a shift towards more activating policies for older workers. In striving for longer working careers, more flexibility is needed in the recruitment, employability, and retirement patterns of senior employees. At the same time, there is a strong demand for security among older workers; not only for job and income security, but also for employment security to remain active in the labour market and combination security to reach a good work-life balance. However, the simultaneous demand for flexibility and security for senior workers is a challenge because of organisational changes in work organisations, the relatively low levels of education and training investments in senior employees, and their difficulties in finding new jobs. Empirical research has documented that human resources managers, executives and colleagues regard older employees as less adaptable to new technologies (Warr and Pennington, 1993; Remery et al., 2003). One of the main barriers to employability is the concentration of experiences during the working career in a small working field (Thijssen and Van der Velde, 2003). Qualitative research in Dutch workplaces shows little attention from managers for the development of their older subordinates and narrow and specialised developments of older workers (Leisink et al., 2004). Dutch employers give priority to other staffing instruments than prolonging working careers in times of scarcity in the labour market (Van Dalen et al., 2007). An interesting question is whether the current prejudices and passive approach to older workers are only the result of the massive practice of early retirement of the (recent) past?

Table 7:1 gives a brief overview of the changing problem definition with older workers in Europe. It contains a ‘question mark’ because the discussions continue and traditional policies have not been dropped.

Table 7:1 A changing policy agenda on older workers?

	Traditional problem definition	New problem definition?
Governments	Early retirement as a (fair) generational distribution of work and a way to reduce labour supply and youth unemployment	Early retirement leading to insufficient labour supply. Therefore, a need to increase the effective retirement age and employment rates of older workers
Trade unions	Early retirement as a (well-deserved) right and social obligation	Still sceptical towards reforms of early retirement schemes
Employers	Older workers as unproductive, inflexible and expensive labour. Early retirement as instrument for workforce redundancies.	Increasingly realising the positive potential of older workers in terms of loyalty, experience, collective memory, etc., and creating policies to recruit and retain older workers
Older workers	Work as disutility. Early retirement culture.	Work as utility. Preference for gradual and flexible retirement

Source: Author.

Public debate in Europe implies a fundamental shift in policy on older workers. New policies have to be more flexible, more preventive and more activating. However, we will not argue that the 'old' policies on older workers were not flexible or not giving security. Arrangements for early retirement exit served in many respects as actual flexicurity devices by creating external-numerical flexibility for the enterprises in redundancy periods and by providing income security for older workers who lost their jobs, despite the fact that it was not intended as such (Maltby et al., 2004). But demographic changes and increasing diversity in the labour market mean that this flexicurity is no longer preferable, or has, at least, to be supplemented by more activating combinations of flexibility and security. New policies are needed to compensate workers for the loss of income security (because of less generous early retirement arrangements) by improving their job and employment security. Following the main ideas underlying the flexicurity concept, we expect that an increase in job/employment security will have more success when it is combined with more flexibility among older workers in work organisations and in the labour market.

Because of the new policy agenda on older workers, and the idea that flexibility and security can go hand-in-hand, a new arrangement of interests might be emerging. We think that the flexicurity concept can promote the willingness of actors in the industrial relations systems to restructure the traditional labour-markets institutions considering older workers and broaden the scope of the bargaining parties. Employers might be willing to support new facilities for older workers if these increase the flexibility of the labour market and workplaces. The emerging awareness that senior workers make positive contributions in terms of commitment, experience, loyalty and security of human capital might also explain increased attention for policies aimed at retaining and recruiting older workers. Trade unions and workers will be more ready to accept greater flexibility for older workers if security is ensured. A possible strategy for the trade unions is to accept some loss of income security (by reducing the benefits for inactive older workers or by hindering or postponing the admittance of early exit pathways) but to compensate this by increasing employment security for older workers.

Table 7:2 shows main strategies and arrangements in which forms of flexibility and security of older workers might be simultaneously enhanced. The table follows the matrix that is used in other flexibility literature (Atkinson, 1985; Van Schilfgaarde and Cornelissen, 1988) and flexicurity literature (Wilthagen and Tros, 2004).

Four different types of flexibility are usually identified:

- (a) numerical flexibility concerns ease of hire and fire;
- (b) internal numerical flexibility refers to working time;
- (c) internal functional flexibility concerns jobs and tasks;
- (d) wage flexibility refers to labour costs.

These different types of flexibility can be combined and balanced with four types of security:

- (a) income or social security;
- (b) job security;
- (c) employment security (referring to the security to have paid work, but then in another job in the external labour market);
- (d) combination security that concerns a good work-life balance.

We want to stress here that this figure is not exhaustive. Although we will sometimes use the term ‘flexicurity-arrangements’, we are aware of the fact that these arrangements do not automatically lead to well-balanced production of flexibility and security. The arrangements in practice ultimately determine whether these opportunities have the desired effects.

Some cells in the figure above stay empty, some combinations of forms of flexibility and security are contradictory to each other, and other combinations can be mutually supportive. For instance, part-time retirement aids organisational flexibility in working hours, enables a better work life balance (Eurofound, 2007) and supports longer working lives (Fouarge et al., 2004; Kantarci and Van Soest, 2008). Support for senior workers to outplace them with other employers or to start as self-employed

Table 7:2 Opportunities to combine flexibility and security for older workers in workplaces and labour markets (not exhaustive)

	Income security	Job security	Employment security	Combination security
Numerical external flex (hire and fire)	Early retirement benefits		Outplacement; Self-employment; Recruitment older workers	
Numerical internal flex (working time)		Part-time retirement; Reduced working hours		Part-time work; Flexible working hours
Functional internal flex		Relieve working conditions; Task rotation; Retraining	Internal job mobility; Education; Senior jobs	
Wage flex		Flexible pay	Demotion	

Source: Author.

workers can enhance organisational flexibility in the outflow of workers, as well as improving individual security to stay active in the labour market. Further, we can expect that programmes for training and education of older workers increase their employability; the functional internal flexibility as well as job or employment security for these workers. A recent empirical study confirms that more training towards the end of the career leads to later labour market exit (Fouarge and Schils, 2007). The employability of workers can also be increased by internal or external job mobility during the career. A well-known barrier to the employability of workers as they get older is that their competences concentrate increasingly on a specialised field of work. Demotion to a lower paid job can be a way to retain a senior worker in the labour market, who appears to be too costly, while this also gives options for wage flexibility for the employer.

7.3. Policies and institutional contexts in the four countries

Before presenting the findings of the survey, we will briefly discuss differences and similarities in the degree of policies that impact on older workers in our four case countries, and show that there are persistent differences in the focus on types of flexibility and security in the four countries.

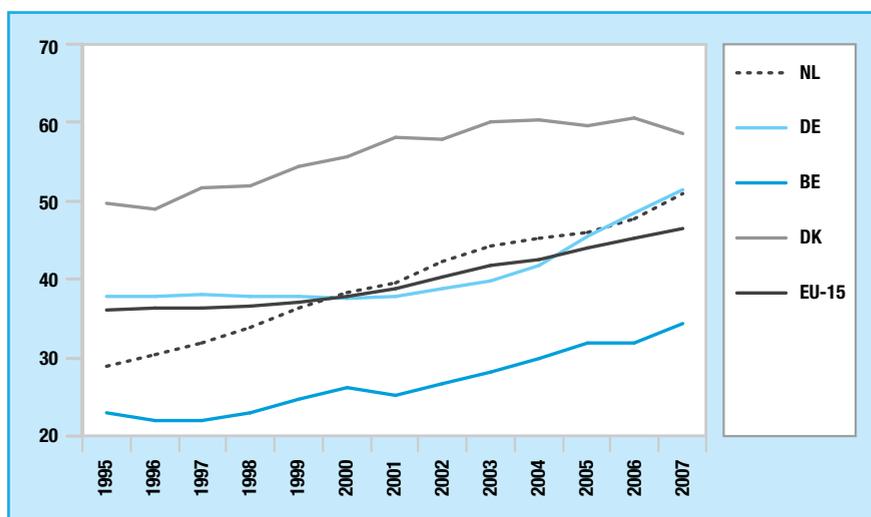
In Stockholm in 2001, the EU formulated the objective of increasing the employment rate of workers aged 55-64 to 50 % in 2010. The four countries in our study are shown in Figure 7:1; the EU-objective is not yet reached in Belgium. The figure also shows that employment rates for older workers have been increasing in the last 10 years, especially in the Netherlands. In all four countries, we see that employment rates of workers aged 55-64 have increased relatively more than for workers aged 15-54 (Table 7:3). But Table 7:3 also shows that the employment ratios for older workers are still far below the ratios in the age group 25-54 years. This gap is extremely high in the Belgian labour market.

7.3.1. Denmark

Compared to other EU-countries, problems with ageing and employment of older workers are much smaller in Denmark: the employment rate is by far the highest of the four (Figure 7:1). Van Oorschot and Jensen (2009) compared the Danish situation to the Dutch one and concluded that the higher employment rate in Denmark is due to the fact that older workers are

more employable because of their higher educational levels and that the incentive structure for early retirement is less generous. Also Schils (2005) concludes that Danish early retirement schemes are less generous than those in Belgium, Germany and the Netherlands, although the Danish schemes are more flexible. Further, it seems that there is less age discrimination in Denmark and that Danish workers experience more job satisfaction than their Dutch colleagues (Van Oorschot and Jensen, 2009).

Figure 7:1 Employment rates of workers aged 55-64 in the four Member States, 1995-2007 (%)



Source: Eurostat, labour force survey 2008.

Table 7:3 Employment ratios of workers aged 55-64 and 25-54 in the four Member States, 1994 and 2007

	Employment ratio 1994		Employment ratio 2007	
	25-54 years	54-64 years	25-54 years	54-64 years
Netherlands	73.7	29.0	83.6	50.1
Germany	76.2	35.9	80.2	52.0
Belgium	73.1	22.4	79.3	33.8
Denmark	80.5	50.2	86.1	58.7
EU-15	72.7	36.1	79.1	45.8

Source: OECD, 2008, p. 339-341.

The relatively high employment and participation rates have not created a lesser sense of urgency, as policy discussions take place from a rather ethnocentric position without much comparative evidence of the problem structure and magnitude (Bredgaard and Larsen, 2005).

The Danish labour market – including the position of older workers – is characterised by high levels of external job mobility, low levels of job protection and high levels of income security. This state of affairs is labelled ‘the golden triangle of flexicurity’: a combination of a flexible labour market, a generous welfare system and an active labour-market policy (Madsen, 2004; Bredgaard et al., 2005). Compared to the other three countries studied here, average job tenure is lower (Eurofound, 2006). Also, unemployed older workers are obliged to participate in activating and reintegration measures. The low dismissal protection and high numerical flexibility, however, affects different groups in the labour market differently. It might benefit (high-skilled) young people and women, which is indicated by low youth unemployment and high participation and employment rates for women.

For older workers the effects are more complex. There is no additional dismissal protection, and almost no extra costs associated with dismissing ordinary older workers. If older workers lose their job, it is much harder for them to find a new one, which may also be linked to the fact that they tend to get less adult vocational training than prime age workers (Bredgaard and Larsen 2005) and are partly discriminated against by employers (Jensen, 2004) ^(?). While low job protection probably tends to increase the hire volume, it also increases the number of dismissals, which may be to the disadvantage of both older and unskilled workers. Alternatively, if there are high costs associated with firing older workers, employers may be more inclined to retain them until retirement; and may not be as concerned about hiring older workers, even though they are harder to fire, as they are already close to retirement.

The Danish version of flexicurity is the outcome of a long historical process involving a series of compromises between the social partners and the evolution of a universal welfare state. The liberal regime of employment protection means that employers in Danish firms have a high degree of

(?) A European survey on working conditions from 2000, which asked workers 50+ if they had, during the previous 12 months, either personally experienced age discrimination or witnessed it occurring at the workplace, only found 1 % occurrence of age discrimination among Danish workers; this compared to around 4 % on average (10 % in the Netherlands, 6 % in Germany, and 3 % in Belgium) (OECD, 2006, p. 67).

autonomy in personnel decisions because of liberal recruitment and lay-off procedures. Older workers are instead compensated by a well-developed state-financed system of unemployment compensation and employment security. The gap between younger and older workers in training participation is not as high as in other EU Member States and, compared to the other three countries in this study, older worker participation in education is much higher (OECD, 2007).

As in other countries, if older workers become unemployed, they have greater difficulty in returning to employment. So, the Danish case is challenged to prevent older workers being placed outside the 'golden triangle' of flexicurity.

The Danish government has changed the financial attractiveness of the early retirement scheme. The 1999 reform made it more economically attractive to stay in the labour market after the age of 60: this did not ease the pressure for early retirement reform and, recently, a new political agreement has been reached. In 2006, the liberal-conservative government concluded a 'welfare reform' with, among others, the social-democrats. The main result has been to push the early retirement age from 60 years to 62 years, and the official pension age from 65 years to 67 years. These changes will not take full effect before 2022. However, from that time there will be an automatic indexation of retirement ages in relation to average life expectancy for people at 60 years. As life expectancy is increasing rapidly, this might, in the long term, mean abolishing the voluntary early retirement pension scheme. The government has recently proposed a host of different measures further increasing effective labour supply, including an in-work subsidy for older workers who continuously remain full-time employed between from age 60 to 64 (DKK 100 000; around EUR 130 000).

A remarkable characteristic of Denmark is the relatively low activity in creating national policies for older workers. Using soft coordination, the Danish government attempts to persuade firms to develop more training and educational activities for senior workers or to create age-related personnel policies. But, following the tradition of the Danish industrial relations system, the terms and conditions of work are left to the labour-market parties themselves. It might be questioned if soft State regulation will be effective. In contrast to the Netherlands, policies on seniors do not figure prominently in collective bargaining (Bredgaard and Larsen, 2005).

7.3.2. The Netherlands

In the Netherlands, employment growth among the 55+ has been relatively high since 1995 (Figure 7:1). While the rate was just 29 % in 1994, in 2007 it had climbed to 50 %, above the EU-15 average.

It seems that part-time retirement has had a positive effect on longer working careers (Fouarge et al., 2004). Further, the participation of older workers in training and education programmes increased in the 1990s (Muffels, 2003) but, compared to other countries, the figures are relatively low (OECD, 2007). A core problem facing older workers is that once they become unemployed, it is difficult to find a new job.

Compared to the other three countries, modernisation of early retirement schemes in the Netherlands proved far-reaching. These schemes are regulated and negotiated by the social partners in collective agreements⁽³⁾; trade unions seem to be less rigid in their approach to reforming the early retirement schemes than their colleagues in Germany and Belgium (Naegele, 2002; Van Ruysseveldt, 2005). Since the mid-1990s Dutch trade unions have supported a shift to individualisation in retirement financing and to the creation of individual *à la carte* retirement age options and part-time retirement. Since 2006, fiscal facilities for early retirement schemes have been abolished for all workers under 55. For the 55+ employees there is a transitional arrangement. This measure is partly compensated by legal facilities for individual workers to save part of their wage during the career to make it possible to retire before the legal pension age of 65. The time-credit system can also be used for study, parental or sabbatical leave. This *levensloopregeling* can be seen as a Dutch example of flexicurity, in a life-cycle perspective. There has been criticism of the limited take-up of the facility and the low opportunities for low paid workers to save salary. At the same time that fiscal facilities for early retirement schemes have been abolished, the obligation for the social partners to offer part-time pension to the workers has been introduced.

Compared to Denmark, older workers in the Netherlands have more job protection. Alongside the employers' obligation to apply for dismissal permits at the employment office⁽⁴⁾, older workers were protected by legislation by the principle of 'last-in-first-out' in case of collective dismissals. Since March 2006 this principle has been changed into the principle that the dismissed workers are spread across different age categories (*afspiegelingsbeginsel*). This change will reduce the extra job protection

⁽³⁾ Around 80 % of the workforce are covered by sectoral agreements, 10 % are under company agreements (and there is no multilevel system) and 10 % have no collective agreement.

⁽⁴⁾ In firing workers, there is an alternative route for employers to go to court, but this is more costly.

for older workers and increase the protection for younger employees. Recently, social partners and politicians have started a discussion to make the regulation on dismissals more flexible and to limit compensation in case of dismissal.

Since the beginning of the 1990s – early compared to the other three countries – the social partners at national level (in the Foundation of Labour) have recommended activating arrangements for older workers. In 2002/03 ‘age aware personnel policies’ were an issue in 30-40 % of the negotiations (AWVN, 2003). In collective agreements, as well as in human-resources policies, the focus is on a relief-strategy for the senior workers, and, therefore, on ‘passive’ job security, such as arrangements for reduction of working hours/work load, extra holidays and leave (Tros, 2005). There is no convincing evidence of an increasing active approach in the Dutch collective labour agreements (SZW, 2007).

7.3.3. Germany

In recent years employment of older workers in Germany increased from around 40 % in 2003 to more than 48 % in 2006 (Figure 7:1).

Wilthagen et al. (2004) argue that the security factor is prominent in the labour market and that it has proved difficult to introduce new forms of flexibility and security. Older workers confirm this picture. In the system there is additional legal protection against dismissals for older workers and there is extra job protection for them in case of operational dismissals or in the *Sozialplan* (Teipen and Kohli, 2004; Klammer, 2004). Further, collective agreements contain special provisions for older workers in case of dismissal, remuneration (for white collar workers in particular), working hours and work organisation (Bispinck, 2002; Funk, 2004; Klammer, 2004). In practice, this job security is often exchanged for income: deviation from the protection rules against dismissals can take place with financial compensation and older workers can be selected more often in the *Sozialplan* in case of operational dismissals (Teipen and Kohli, 2004). In contrast to the Dutch practice, there is more conflict between social partners on the process of dismantling early retirement schemes and the introduction of new age-related policies in collective labour agreements. In 2000 just 4 % of firms saw the age structure of their workforce as a problem for their personnel policy in the next few years (Schömann, 2006). Participation rates of older workers in education and training are very low compared to Denmark, as in Belgium and the Netherlands (OECD, 2007).

In the 1990s, government policy response to ageing and low employment of older workers was focused on restructuring the retirement and pension systems.

Step-by-step, retirement ages have been increased and pensions have been reduced: the processes are continuing. The aim of the *Altersteilzeitgesetz* (1996) is to assist part-time retirement. Employees aged 55+ are allowed to halve their working time. The employer has to top up the wage to at least 70 % and pays pension contributions at a level of 90 % of the former wage. If the firm employs an unemployed person or trainee to cover the full amount of working time lost, the employer's 'top up' is refunded by the Federal Employment Service. However, this measure has not been effective in extending working careers. The law offers an alternative with a so called *blockzeitmodell* in which the worker continues to work full-time and retire fully at an earlier age. Of firms in the private sector, 47 % offered only this block model to their workers. Many employers did not want the part-time retirement option because work organisation does not allow for this (Klammer, 2003).

Since 2002, there has been a trend towards a more activating labour-market policy for older workers (Bosch and Schief, 2005). Among other measures, the Federal Employment Service started a '50 plus' campaign and subsidies were created for 100 firms to train older workers. As one of the measures in the Hartz reforms, older workers accepting lower paid jobs are compensated in a new law on modern labour-market services. Nevertheless, use of this facility has been limited and not very successful (Brussig et al., 2006; Leschke et al., 2006). To promote recruitment of older workers, legislators have eased restrictions on the employers to use fixed-term contracts with employees above a certain age. But, as Mangold Arrest showed in 2005, the European Court has forbidden this arrangement because of age discrimination. This arrangement is contrary to the European guideline 2000/78/art.6 because it does not guarantee the protection of older workers in the labour market. Further, there are more and more initiatives in Germany to make workplaces healthier for the older employees to keep them longer in their jobs.

7.3.4. Belgium

Employment of older workers in Belgium is far below the EU-15 average: less than one third of people aged 55-64 years are in employment (Figure 7:1) and the participation rate is only around one third for people aged 55-64 (Table 7:2). Employment is especially low for women aged 55-64 (23 % in 2006). This is linked to the tradition of early withdrawal, which began before the employment policy of the 1970s (Merla, 2004). Literature suggests explanations in terms of the industrial characteristics of the economy and high pressure of work in compressed working careers (Tielens, 2004; Merla, 2004).

In general, Belgium is still characterised by what could be labelled 'Fordist production', a traditional balance between income security and internal-numerical flexibility (hours) (Sels and Van Hootegem, 2001). The strategy to activate older workers also focuses on the management of working hours. The government programme of 1999 and the intersectoral agreement of 2001-02 aimed towards making working hours more flexible and shorter. A system of part-time, end-of-career jobs is seen as a way of gradually leaving the labour market. Further, the government created facilities for the 55+ and extra bonuses for the 60+ to reduce working time without financial loss. In the time-credit system, workers over 50 with 20 years in work have special rights to a reduction in working hours.

The labour market for older workers is still characterised by early exit. In general, the collectively agreed bridge pensions allow retirement at 58 years, but for enterprises acknowledged to be in financial difficulties or undergoing restructuring, there are exemptions lowering the entry age to 50 years. The pressure imposed by employers seems an important factor in early exit: of all people aged 45-65 who stopped working, 43 % were forced (Elchardus and Cohen, 2003; Tielens, 2004). For employers the bridging schemes are still a financially interesting and socially acceptable way of cutting back on staff in the context of rationalisations or reorganisations, as shown in cases such as telecom provider Belgacom, the federal and Flemish administration, postal services and carmaker Ford (Tielens, 2004). In the negotiations over a new national intersectoral agreement for 2005-06, the unions unanimously defended early retirement (Van Ruysseveldt, 2005). The trade unions find it difficult to try putting older workers (back) into employment, particularly as they think that such measures could weaken the position of older workers even further. Also, collective agreements contain advantages for older people in terms of wages, working conditions and protection against lay-offs. Wage flexibility is relatively low. Salaries, especially in white-collar pay-scales, are strongly linked to seniority and based on the model of lifelong full-time careers, whereby periodic salary increases are linked to age (OECD, 2006).

There has also been a policy shift since 2000. The age of entry to the unemployment scheme for older workers has been gradually increased from 50 years in 2001 to 58 years in 2004. Policies targeting prevention of early exit by improving working conditions and job quality, and policies on the reintegration of the unemployed 50+ in connection with the introduction of the obligation to look for jobs, have been introduced (Merla, 2004). In 2002 the right of workers aged 45+ to an outplacement

procedure in cases of dismissal was introduced. In Belgium there is a right to validate achieved competences of workers, which is important for older workers in the labour market. The national action plan 2005-08 contains various measures to promote employment participation of older workers. In 2008 bridge pensions will only allow labour-market exit at or after the age of 60 and the government announced several financial incentives to promote longer working careers and financial disincentives for early exit arrangements. Older workers have the right to regular career-check-ups and the unemployed 50+ have rights to participate in education and mediation towards jobs. It seems that the passivity of the social partners is compensated by a relatively active government in active ageing policy.

7.3.5. Summary

In all four cases the balance of flexibility and security as provided by early labour-market exit arrangements during the last decades of the 20th century is gradually fading away, or is at least under increasing discussion. In the four countries discussed there is a clear policy shift towards more activating forms of flexibility and security in the labour market for older workers. In the Netherlands, the national actors and sectoral bargaining parties seem the most active – and started earlier – in searching for preventive policies about early labour-market drop outs. There are some differences in focus. Belgium focuses most on working-time flexibility at the end of careers. The Netherlands looks for functional flexibility combined with job security (relieving the workplaces to prevent early exit), while Germany introduces measures to aid transitions of seniors towards other or new flexible jobs. The Danish government attempts to stimulate local senior policies by soft coordination and recommendations towards the bargaining parties at local level: the question is whether the workplaces adopt these guidelines. Our survey will give more insights into this.

We can conclude that in none of the countries is there a ‘grand design’ of ageing strategies, integrated to the underlying concept of flexicurity.

Finally, policy approaches to older workers are similar to industrial relations traditions and labour-market policies in other domains. This reflects the active role of the social partners in the Netherlands in making collective bargaining and governmental policies both innovative and of value (Wilthagen et al., 2004), the more focused approach of the Belgians towards working time issues (Sels and Van Hoetegem, 2001) and the low involvement of the Danish State in the self-regulation of the social partners (Bredgaard et al., 2005).

7.4. Arrangements for 50+ workers in workplaces

7.4.1. The survey

Human resources managers ⁽⁵⁾ in Belgium, Denmark, Germany (the *Länder* in West-Germany, the former BRD) and the Netherlands responded to our survey. They were interviewed via telephone in 2006. We used the same questionnaire in all four countries.

In each country, the sample is stratified in four sectors of industry and in two size categories (50-99 employees and 100+ employees). The four sectors of industry are:

- (a) metal and electro-technical industry;
- (b) transport;
- (c) education;
- (d) public administration.

We selected two private and two public sectors to compare private and public. Within the private sector one represents industry and the other is the service sector.

Restrictions in the budget prevented us from making representative national samples. Therefore, we preferred to have representative data for the selected sectors in two size categories (50-100 and 100+ employees) to allow cross national analyses at sectoral level. The data presented by country are the (weighted) sum of the four sectors of industry and, therefore, not representative. For the national figures we weighted the data to reflect better the actual workplace structure over the four sectors and two size-categories in the four countries. For Belgium the data have also been stratified and weighted by the two regions: Flanders and Wallonia.

The net response rates were 22 % in Germany, 29 % in the Netherlands, Denmark and Flanders (BE) and 39 % in Wallonia (BE) ⁽⁶⁾.

To identify alternatives to early retirement exit at company level we asked the respondents two types of questions: whether the workplaces had a range of different types of arrangements and facilities for workers aged 50+ and how often they were used among 50+ workers. First, we look at availability (Section 7.4.3). Then we include the extent to which these facilities were used in practice (Section 7.4.4).

⁽⁵⁾ If there was no human resources manager, the director of management was interviewed.

⁽⁶⁾ This does not mean that non-response only occurs because of refusals from (representatives of) the workplaces: there were also appointments not carried out. The degrees of refusals were 42 % in Denmark, 44 % in Wallonia, 52 % in Germany, 57 % in Flanders and 60 % in the Netherlands.

Before discussing our main findings on the availability of arrangements, we briefly present some findings to describe actual personnel management practices in terms of recruiting, dismissing and retaining older workers (Section 7.4.2).

7.4.2. Recruiting, dismissing, retaining older workers

Of the sample companies, 43 % recruited older workers (aged 50+) within the last year. Almost twice as many companies in Denmark recruited one or more older workers, compared to Belgian ones. According to the respondents, the most important reasons for recruiting older workers is for specialised tasks (53 %) or to recruit an adequate number of employees (14 %): they are recruited for their individual competences and qualifications, and irrespective of age. Older worker loyalty and commitment to the workplace, as argued in general public debates, does not receive much support from the respondents (4 %); neither does the assertion that they perform better than younger workers (3 %) nor that they stay longer in the workplace (1 %).

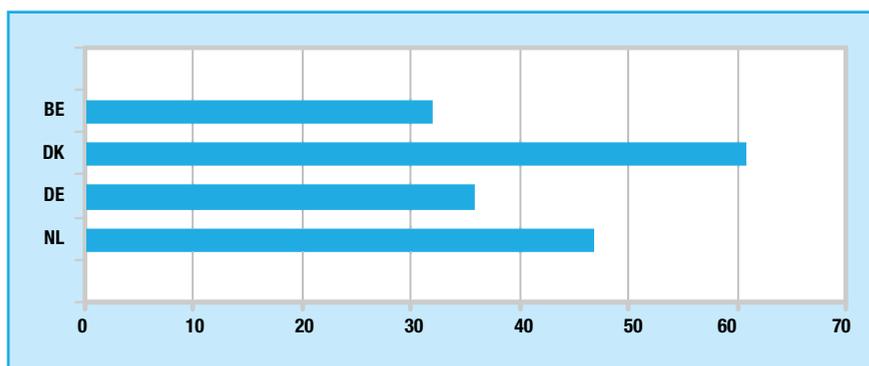
Of the sample companies, 55 % did not recruit older workers within the last year. The most important reasons given are that the workplace did not recruit any new workers and that the company did not receive any applications from candidates over 50.

Another important aspect is the criteria used for collective dismissals. If older workers are truly treated as any other employee group, we would expect the sample companies to reply that the primary criteria for collective dismissals were the 'qualifications and competences of the individual worker'. This principle is only the main principle in Danish firms and reflects the limited dismissal protection of older workers in Denmark. The workplaces in the Netherlands seem to apply more old-fashioned dismissal criteria; 22 % of the companies use 'last in-first out' (as regulated by law until March 2006 and from then on changed into the principle that dismissals have to be spread out over different age categories (*afspiegelingsbeginssel*)), and 19 % of the Dutch workplaces use 'natural resignation', which means that older workers who are willing, are dismissed first. In Germany different criteria have the same impact, although 21 % of the German workplaces dismiss according to the worker's private life. This result reflects the German legislation in which the employer who dismisses a group of workers has to follow legislative procedures in which more than one criterion plays a role.

On average, one third of the sample has a specific 'senior policy' in their HRM. However, there are some interesting national differences; from 61 % in Denmark and 49 % in the Netherlands to 18 % in Belgium and 9 % in

Germany. Among the workplaces having senior policies, the most important objectives are to make work and working conditions more suited to older workers and to retain older workers (both 35 %). Making older workers more employable is less important (12 %). Although aiding early retirement does not gain much support across the board (6 % of all respondents), it is clearly an important objective in Belgium (16 %), and to some extent in Germany (12 %). In all four countries senior policies are not used to recruit older workers (only 1 % of all respondents). Finally, retaining older workers is an important objective in Denmark (53 %). We have to consider the social desirability of this question. Thijssen and Van der Velde (2003) even call it a paradox in the practice of senior policies: the most desirable policies are the less applied ones. The fact that early retirement is less desirable these days can go hand-in-hand with a high level of practice.

Figure 7:2 **Percentage of workplaces that recruited 50+ workers in 2005, by country**



NB: n=3085.

Source: HSI (Hugo Sinzheimer Institute), University of Amsterdam, 2006.

7.4.3. The availability of specific arrangements in workplaces

The focus in our survey is on specific instruments that can combine forms of flexibility and security. These can be specifically aimed at the senior workers, but can also be general facilities for the whole workforce in the workplace, which includes the 50+ employees.

As seen in Table 7:4, the facilities most available in the firms surveyed are those that create internal numerical flexibility (working time flexibility) and can simultaneously support a longer stay in the job: part-time retirement

and reduced working hours. Nevertheless, these arrangements are clearly less available in Germany. This is remarkable given the *Altersteilzeitgesetz*, introduced in 1996 by the German government to aid part-time retirement and longer working careers. But many firms did not use this model because many employers complained their work organisations did not allow for it (Klammer, 2003; Lindecke et al., 2007). Further, many trade unions defended their strategy to continue the practice of full time retirement at an earlier age.

Table 7:4 The availability of facilities for 50+ workers by specific arrangements and country, in percentages of the firms

	NL n=750	DE n=716	DK n=730	BE n=889	Total n=3085
Internal numerical flexibility					
Part-time retirement	68	33	78	57	59
Part-time contracts	55	46	83	67	63
Reduced working hours	72	29	68	69	60
Dispensation inconvenient working hours	48	26	45	15	33
Functional flexibility					
Plans/programmes for education	41	26	48	29	36
Job rotation/horizontal career movements (internal job mobility)	44	39	84	25	47
Specific senior jobs	19	7	15	10	13
Adaptation tasks to relieve workload	64	30	34	26	38
External numerical flexibility					
Support outplacement (external job mobility)	27	4	4	11	12
Support self-employment	9	3	4	2	4
Wage flexibility					
Flexible pay	18	26	30	5	19
Demotion towards less paid jobs	22	2	1	4	7

Source: HSI, University of Amsterdam, 2006.

Arrangements and facilities creating functional flexibility and improving the employability of older workers are widespread in the four countries, though German and Belgian workplaces have fewer, compared to the Dutch and Danish firms. The option of changing jobs within the company or to other establishments in the organisation is available in 47 % of the sample companies, but cross-country differences are large: 84 % of the Danish sample companies compared to only one quarter of the Belgian sample companies. The option of adaptation of tasks or task rotation to relieve the workload of older workers is available in one third of the workplaces in the four countries, but in almost two thirds of Dutch sample companies. In one third of the sample companies plans, programmes or agreements

for the education of older workers are available: again we find higher scores in Denmark and the Netherlands and lower scores in Germany and Belgium. The creation or reservation of specific workplaces or tasks for older workers appears not so popular. Some large companies say that these facilities have decreased since the 1990s because of outsourcing non-core activities such as cleaning, security, restaurants, etc.

An important finding is that arrangements creating external-numerical flexibility for the organisation are less available in the sample companies, even if it can be argued that these facilities are increasingly needed when the importance of the internal labour-markets decline. Mediation or other support for older workers towards jobs with other employers is a facility used only in 12 % of the sample companies, although this option is available in one fourth of the Dutch sample. Support for self-employment of older workers appears even less popular.

Most human resources managers in establishments with more than 50 workers responded that their organisation did not recruit any 50+ workers in the year 2005. Danish workplaces recruited relatively more 50+ workers. The OECD (2006) also concluded that, in some countries, hiring of older workers is particularly low, including the Netherlands and Belgium, while it is higher in Denmark.

Finally, there is also a low availability of arrangements creating wage flexibility in the sampled companies. Around one fifth use flexible pay, such as merit rating or profit sharing, for older workers, though only 5 % in Belgium. Only 7 % has a facility or arrangement for demotion towards lesser paid jobs for older workers, although more than one fifth of Dutch workplaces have this facility.

The picture that emerges from these data is that Dutch and Danish firms have clearly more facilities than German and Belgian firms in enabling flexibility and job/employment security for 50+ employees. The HRM policies in these two countries seem to be of a more preventive (especially in the Netherlands), as well a more active (especially in Denmark) approach towards older workers than the HRM policies used in German and Belgian firms.

There is just one exception to this picture: the high scores on the reduction of working hours in Belgian workplaces. This can be explained by the fact that the Belgian government created policies which enable the 55+ – and 60+ – workers to reduce working time without any financial losses. Further, in the Belgian time-credit system the 50+ workers who can demonstrate 20 years of work have special rights to reduce working hours. This specific policy for older workers strengthens the more general

picture that Belgium is still characterised by what could be labelled ‘Fordist production’, a traditional balance between income security and internal-numerical flexibility (working hours) (Wilthagen and Tros, 2004).

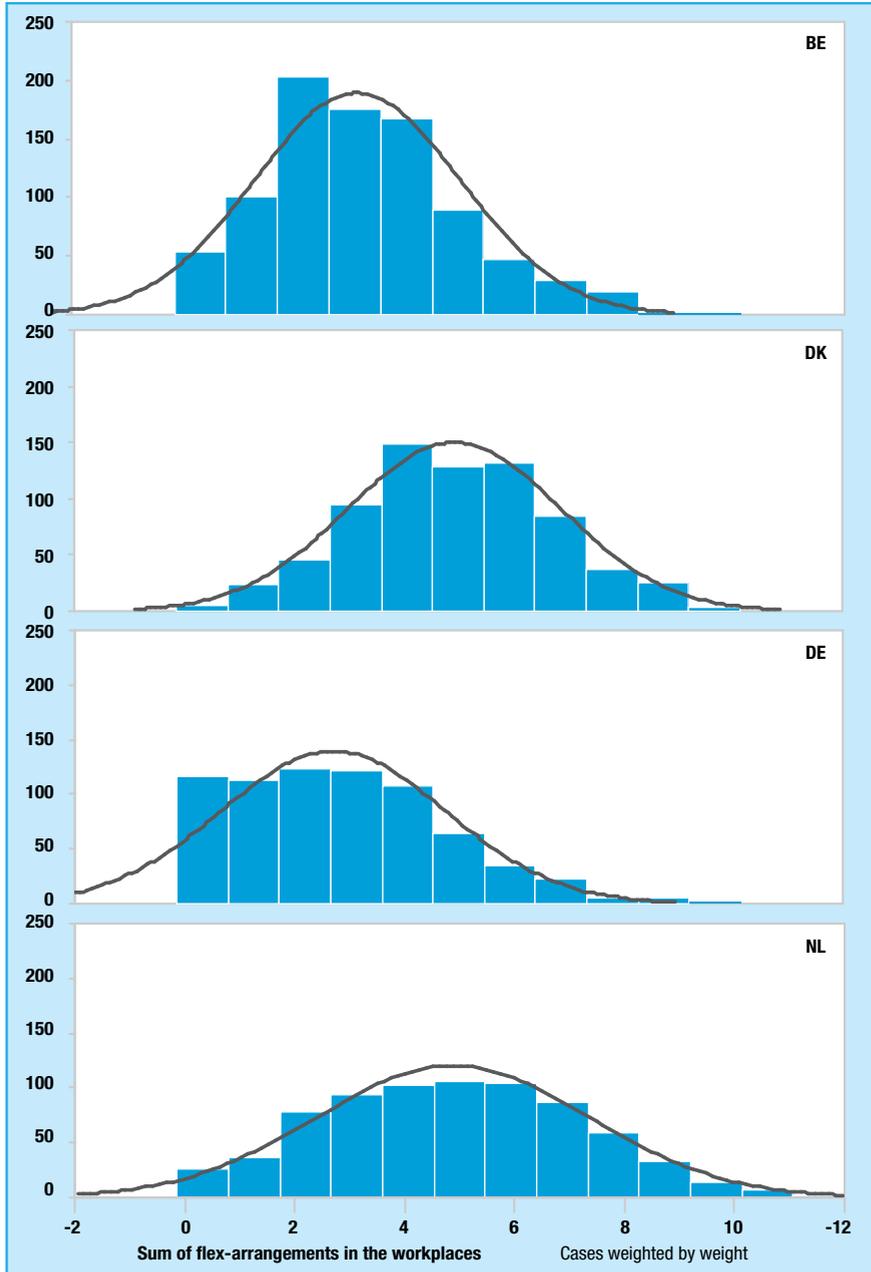
Figure 7:3 helps increase understanding of the distribution of the arrangements across companies. Most of the workplaces (70 %) have between two and six arrangements. Just 15 % have one or no arrangements at all. Another 15 % have seven to 12 arrangements. Nevertheless, we see country differences. In the German sample many companies have no or only one arrangement (the average is 2.7). In the Belgian sample many workplaces have two, three or four facilities (the average is 3.9). Compared to the Danish sample, the Dutch one shows more inequality as a substantial part of companies have either no or one arrangement, or more than seven facilities (while the average number of arrangements is the same in these two countries at 4.9).

7.4.4. Backgrounds to arrangements for older workers

The respondents were aware of creating arrangements and strategies that aid both flexibility and security. When asked to evaluate their human resources strategy and arrangements for older workers, around 70 % of them replied that they should create flexibility and security to the same level (15 % favour flexibility for the organisation, 9 % favour security for the workers). The country differences are small, although slightly more Dutch respondents favour flexibility above security. This should not be interpreted as an endorsement of flexicurity as a deliberate policy strategy for HRM, but rather as an indication that flexibility for the organisation can be combined with security for older workers. The desirability of a win-win approach in flexibility and security seems to be confirmed by the finding that around 60 % of the respondents partly or fully disagree that to create more flexibility among older workers, their income and job security must be restricted. Only 24 % fully or partly agree with this statement.

Further, we asked the respondents which type of security they find most important. In all countries, ‘combination security’ scores the highest: 44 % of the human resources managers find in relation to the human resources strategy and arrangements that it is most important that older workers are able to combine work with private life. This does not mean that the senior policies always consider the different characteristics of male and female senior workers. This is only done in 24 % of the workplaces in the four countries: from 17 % in Denmark to 32 % in Germany. In the firms that differentiate between older men and older women, the respondents say

Figure 7:3 Histogram of distribution of the companies with 0 to 12 flexicurity arrangements by country



Source: HSI, University of Amsterdam, 2006.

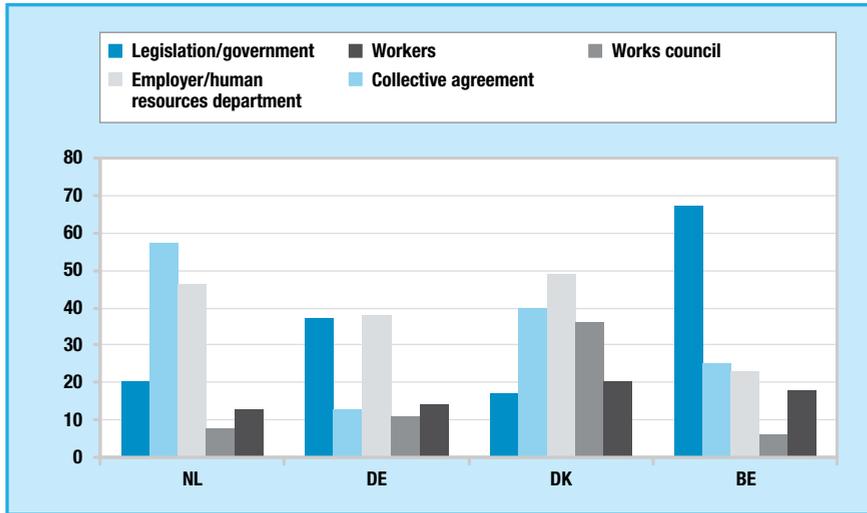
that they do this because of their different needs and, to a lesser extent, because of differences in the jobs they perform. The second most important type of security is 'employment security'; that older workers remain active in the labour market, not necessarily in the same job (19 %).

An interesting question is who took the initiative to create these policies and arrangements for older workers: there are clear country differences. In the Netherlands collective agreements play a much more prominent role than in the other three countries (Figure 7:4), especially through large sectoral agreements. In Denmark the actors at company level play a more important role. The employer/human resources department acts as an initiator most often, but also collective agreements – which are mostly organised at sectoral and company levels – and the works council/workers' representative in the workplaces are important. In contrast to the Netherlands and Denmark, the main initiator of facilities for senior employees in Belgium is the legislator/government (67 %). Human resources managers in Germany see the legislator/government and the employer/human resources department as important actors in the creation of facilities for senior workers. More than one third of the German human resources managers think that national legislation is a barrier to the recruitment and the retention of older workers (39 % in German workplaces, compared to 8 % in Denmark, 15 % in Belgium and 24 % in the Netherlands).

7.4.5. Sectoral and workplace differences

To measure the total activity of companies in providing flexibility arrangements for the senior workers, we have constructed an additive index, including the 12 facilities as per Table 7:4. Figure 7:5 shows the average number of arrangements in the workplace by country and sector of industry. First, we see in all four sectors that Belgian and German workplaces have far fewer flexible arrangements. The sector with the lowest scores in the Netherlands and in Denmark (transport sector) is higher than the sector with the highest scores in Germany and Belgium (education sector). Second, the figure shows sectoral differences in all four countries: workplaces in the two public sectors have more facilities than the companies in the two private sectors. A third conclusion is that these cross-sectoral differences are more significant in some countries than in others. Especially in the Netherlands the variance between the four sectors is high. In Denmark and Belgium the arrangements are spread out more equally over the sectors.

Figure 7:4 Initiators of policies and arrangements for older workers, in %, by country



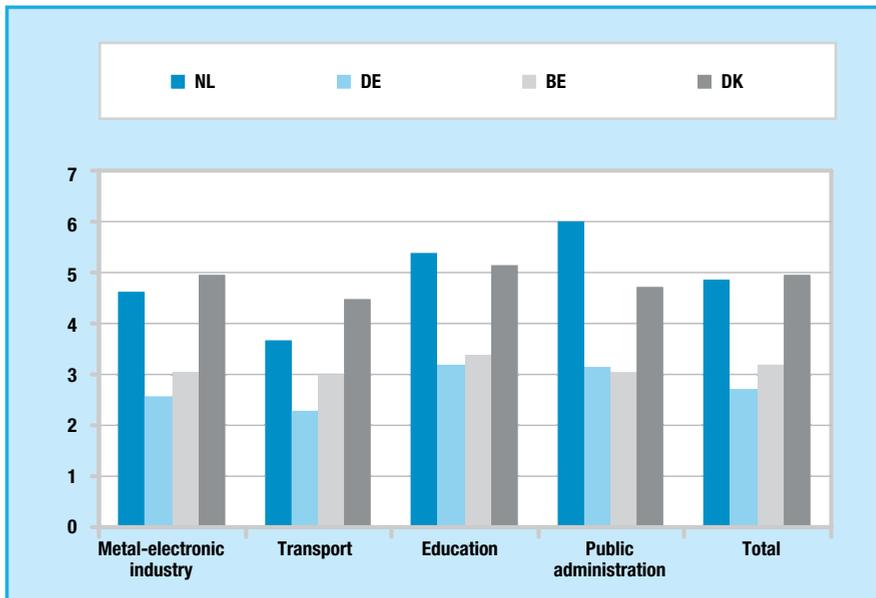
NB: • n=3085
 • the percentages for one country do not add up to 100 because of the option in the questionnaire to mention more than one initiator).

Source: HSI, University of Amsterdam, 2006.

To test the solidity of the emerging cross-country and cross-sectoral variances, we used multiple-regression analyses on the number of available arrangements for older workers. In the model of explaining variables we have added workplace characteristics (Table 7:5). Literature shows that some company characteristics are important in organising flexibility at company level: company size, the proportion of older workers and the proportion of female workers (Chung, 2007; Chung et al., 2007; Leber and Wagner, 2007). Further, institutional factors such as collective bargaining, works councils and a specialised human resources department, have been added in the regression model for their relevance in initiating senior policies (Jepsen et al., 2002). First, we see high coefficients of the country-dummies in the explanation of the intensity of arrangements in the workplaces (Table 7:5), confirming that national institutional factors are important. Second, the sector also appears to be an important explaining variable, although this variable has more explanatory power in the Dutch sample than in the others. Third, we see positive correlations between, on the one hand, the size of the workplace, the existence of collective agreements, works councils/

human resources department and the proportion of 50+ employees in the company and, on the other hand, the number of flexicurity-arrangements. The proportion of female employees in the older workforce does not seem to play a significant role. We see that the workplace characteristics play different roles in the individual countries. There is high variance in the explanatory power of the regression model in the individual countries. This can be explained by the different degrees of the distributions of the arrangements among the workplaces in the countries but it seems that other workplace characteristics, not included in the regression model, also play a role in the explanation of the availability of arrangements for senior employees. The conclusion is that the influence of sectoral and workplace characteristics on the availability of arrangements is dependent on the country. Further research of the database is needed.

Figure 7:5 **Average number of flexible arrangements for older workers (maximum 12) in workplaces, by country and sector**



NB: n=3085 workplaces.
Source: HSI, University of Amsterdam, 2006.

Table 7.5 Output multiple regression analysis with ‘number of arrangements’ as dependent variable

Adjusted R Square → Independent variables:	Total 4 countries .243	NL .198	DE .041	DK .126	BE .084
Netherlands	.256**				
Germany	-.083**				
Denmark	.299**				
Metal-electronic industry	-.045*	-.149**	-.076	-.051	-.074
Transport sector	-.088**	-.224**	-.101*	-.120*	-.008
Education sector	.057**	-.117*	.014	.033	.046
Size of workplace (4 categories)	.115**	.179**	.142**	.013	.114**
Collective labour agreements	.076**	.101**	.045	-.059	.192**
Works council (or comparable)	.050**	.151**	.024	.008	.099**
HRM department	.070**	.071	-.029	.319**	.089*
Share 50+ (4 categories)	.037*	.065	.052	-.001	.070
Share female in 50+ staff	-.013	.044	.053	-.187**	.091*

NB: n=3085.

* significant on 5 % level.

** significant on 10 % level.

Source: HSI, University of Amsterdam, 2006.

7.5. The use of arrangements

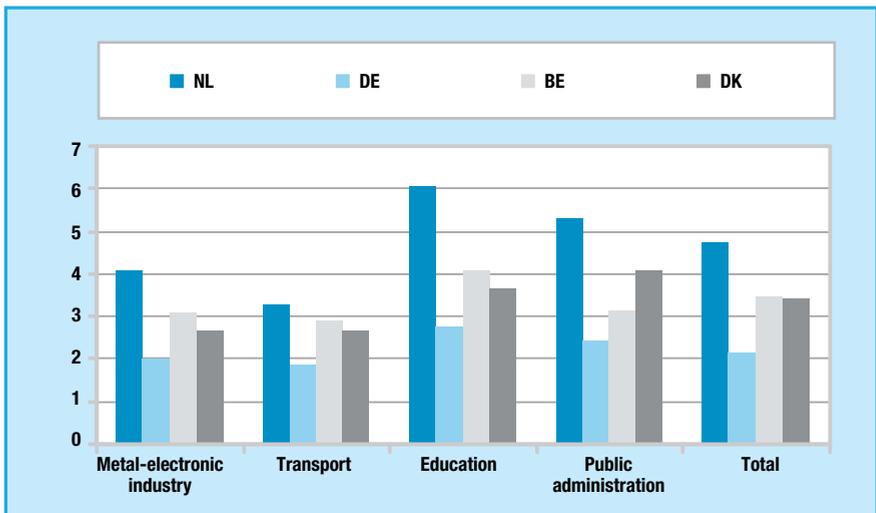
As well as asking about the availability of arrangements and facilities for older workers in the workplace, we asked the respondents how often these were used. The existence of facilities does not automatically imply that these facilities are applied in the workplace.

Some facilities appear to be used often. For example, most of the workplaces with a facility for flexible pay use this often/always among the 50+ workers. High use rates are also observed for facilities such as reduced working hours and education: 40-50 % of the workplaces with such arrangements use these facilities often or always among their senior employees. However, we found very low use of arrangements such as internal job mobility, outplacement, demotion and support for self-employment, even when there are facilities for such instruments. These four facilities are used often or always in less than 10 % of the workplaces with such facilities. We can conclude that older employees make low transitions in the internal and external labour market in all countries studied, even when arrangements for these are available in the workplace.

To measure the degree to which the arrangements are used among the 50+ workers in the workplaces, we defined an index using the facilities as mentioned in Table 7:4. If there is a facility, but it is seldom or never used, the score is 0. When it is sometimes used, we give 1 point. The maximum of 2 points is when a facility is available and often or always used. In doing so, the maximum score for a workplace is 24 points. In this case all 12 arrangements are often or always used among the 50+ workers.

Figure 7:6 shows the scores on the additive index by country and sector of industry, measuring the degree to which flexible arrangements are used in workplaces. First, we see again high cross-national differences, with higher use in the Netherlands and low use in Germany. Controlled for sector, the figure shows that the index in the sector with the lowest scores in the Netherlands (transport sector) is higher than the index in the sector with the highest scores in Germany (education sector).

Figure 7:6 **The intensity of use of flexible arrangements among 50+ workers in workplaces, by country and sector**



NB: n=3085 workplaces.
Source: HSI, University of Amsterdam, 2006.

There is an interesting difference in the ranking of the four countries between availability of arrangements and intensity of use. Danish workplaces use the available facilities significantly less than Dutch ones.

After correction of arrangements that are never or seldom used in the workplaces, the Danish scores are much lower than the Dutch ones. Together with the finding that in Belgium the flexible working hours arrangements are significantly more often used, Denmark and Belgium are similar on average with respect to implementing flexible working practices.

Second, we see cross-sectoral differences. There is more activity in the two public sectors, compared to the two private ones. The scores in the transport sectors are the lowest compared to the other three. Looking at the specific arrangements, it appears that transport organisations have very low activity on part-time retirement and on education programmes for the 50+ employees: two to three times lower than workplaces in the two public sectors.

Table 7:6 presents the average scores on every single facility by country. Here we see large variation between countries and between specific arrangements. It seems that firms follow several types of strategy to different degrees. Notable is the intensive practice in Belgium around working hours flexibility. The scores on part-time retirement and part-time contracts are even higher than in the Netherlands. Practice in Dutch workplaces can be labelled 'relief strategy' towards the senior workers for their relatively high scores on reduced working hours, dispensation from inconvenient working hours and lowering the workload. The Danish practice is clearly more focused on an activating strategy: see the relatively high scores on plans for education, internal change of jobs and flexible pay. This more active approach in Denmark is confirmed by the results of two other survey questions: the Danish firms have recruited more 50+ workers (Figure 7:2) and the 50+ workers in Danish workplaces have received more formal training (7).

(7) In 27 % of Danish workplaces the majority of the older workforce received formal training or education in 2005, while this percentage is just 11 % for German workplaces (20 and 22 % in Dutch and Belgian workplaces).

Table 7:6 The degree of the use of flexible arrangements for the 50+ workers by specific arrangements and country, mean values in range 0-2

	NL	DE	DK	BE
Part-time retirement	.53	.23	.46	.58
Part-time contracts	.51	.34	.42	.77
Reduced working time	1.02	.20	.42	.90
Dispensation from inconvenient working hours	.58	.24	.24	.17
Plans, programmes or agreements for education	.49	.34	.69	.37
Internal change of jobs	.28	.21	.34	.15
Reservation of creation of specific workplaces, tasks or jobs	.15	.06	.14	.09
Relieve the workload	.75	.19	.31	.25
Mediation to jobs with other employers (outplacement)	.10	.02	.01	.07
Support for self-employment	.04	.01	.01	.01
Internal demotion towards lesser paid jobs	.08	.00	.00	.02
Flexible pay	.24	.32	.40	.06
Total 'flexicurity index'	4.75	2.16	3.42	3.46

NB: n=3085

Source: HSI, University of Amsterdam, 2006.

7.6. Conclusions

In European welfare States the opportunities for early retirement are decreasing, or at least are becoming less attractive and more costly for workers and employers. Therefore, activating forms of flexibility and security are needed in the labour market. This chapter has shown that national actors are searching for more preventing and activating policies. Because national policies are limited to just supporting measures or recommendations to actors at local level, it is interesting to examine activities in the workplace.

The survey shows that, overall in the four countries, those arrangements that provide working time flexibility and (to a lesser extent) internal functional flexibility are available in more than one third of the sample companies. Facilities creating external flexibility or wage flexibility among older workers are only available in a minority of workplaces. Another conclusion, valid in all selected countries, is that, even when available, many arrangements for senior workers are seldom used.

The survey results reveal large cross-country differences. Looking at the availability of arrangements, we see that Dutch and Danish companies support longer working careers to a greater extent than German and Belgian

firms. The survey results show in all four selected sectors the same gap between the Netherlands/Denmark and Belgium/Germany. The intensity of use of these arrangements varies: some in Danish workplaces are little used, while the Belgian ones are used more often. We also see differences in the forms of flexibility and security that are enforced. Danish companies follow far more a route towards activation, development and employability (education, job mobility, recruitment). In Dutch workplaces there is a 'relief strategy' (reducing working hours and workloads). In Belgian practice, older workers are largely outside the active labour market, although a strategy to make working hours flexible aims to promote longer working careers. German firms appear to be the most passive in their policies towards senior employees: this is surprising in view of the increasing employment rates among older workers in Germany but less remarkable when we know that the actors in the industrial relations system also have difficulties in other labour-market policy fields balancing security and flexibility issues.

Regression analyses show that as well as the country, sectoral and workplace characteristics play a role in the distribution of flexicurity-arrangements for senior employees. Further analyses are needed to explain why the explanatory power of these characteristics seems to be dependent on the country.

The survey results illustrate substantial variation in the initiating capacities of the actors in the industrial relations systems in this policy domain. In Denmark, local actors are relatively effective in implementing flexible arrangements for older workers (human resources departments, works councils and trade unions in decentralised collective bargaining). In the Netherlands, however, the employers' organisations and trade unions in sectoral agreements appear to be important in initiating senior policies. The Belgian and German companies in the sample show lower autonomous power in initiating flexible arrangements for their senior employees. In contrast to the German companies, Belgian firms use government facilities on flexible working hours and flexible retirement a good deal. These findings on policies for older workers seem to confirm the impression that a flexible multilevel system of industrial relations such as that in Denmark (Due et al., 1994; Wilthagen et al., 2004; Andersen and Mailand, 2005) is a better condition for creating flexicurity strategies than a system as in Germany in which the actors in the industrial relations system work more autonomously on separate levels (Klammer, 2004; Lindecke et al., 2007; Naegele, 2002; Wilthagen et al., 2004).

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