

***The European social dialogue and the development of the solidarity between generations of workers: focus on “over 55” and young workers in the finance sector. Sustainable Growth and generation gap - Agreement ref. VS/2018/0040***

# **The Age Management: an inescapable challenge for the labour world and for today's society**



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With UE Contribution

# A retrospective



The economic crisis has pushed European governments to adopt policies to contain the costs of welfare and public welfare, with a process of cuts and recalibrations. However, the social needs of the population have increased, driven by profound cultural, demographic and economic changes. "Gap" always wider between the needs of citizens and public sector response.

The pressure on public systems caused by the transformation of social demand is a characteristic of this historical period, so European countries are searching for solutions through complex and contrasted reform processes. Chronic diseases and sustainability of public health and welfare systems: The European network for the promotion of health in the workplace has estimated that in Europe almost 25% of the working age population suffers from chronic diseases. The projections for 2020 and 2060 of the labor market participation rate in Europe of Over 55 (more exposed to risk) show an increase of 10 and 16.7 percentage points: the risk of social exclusion generated by the same labor trends is therefore very high.



# A common awareness



“The European social partners note that measures need to be implemented, where necessary **at national, sectoral and/or company levels**, to make it **easier for older workers to actively participate and stay in the labour market** until the legal retirement age, and at the same time make sure that measures are taken in order to **ease inter-generational transitions** in the context of high youth unemployment... The social partners are aware of the fact that successfully addressing the challenges deriving from demographic **change does not depend exclusively on their action**. EU and national public authorities and other actors have responsibilities in terms of ensuring that there is a framework which encourages and promotes active ageing and the inter-generational approach.”

(EUROPEAN SOCIAL PARTNERS' AUTONOMOUS FRAMEWORK AGREEMENT ON ACTIVE AGEING AND AN INTER-GENERATIONAL APPROACH, 8 March 2017)

# Chronic diseases, labor market, work organization



**"Invisible epidemic":** in a sort of vicious circle, the same in employment, unemployment and job insecurity are direct or indirect source of chronic diseases. The economic and financial crisis has exacerbated exclusion.

**Fordist organization model.** It is a still undisputed practical postulate: rigid, standardized work organization linked to the icon of physical presence at work as a guarantee of job suitability and productivity.



Work well-being is not just the absence of chronic diseases



**“European Magna Charta”**: occupational health, understood as well-being, is one of the fundamental rights of the Union. The institutional architecture of the community is based on the 89/391 EEC Framework Directive, which imposes responsibility for employers in the organization of work aimed at "adapting work to man".

**The "right to sequela"**.

Adequate welfare levels complement the "social pact", not only between citizens and the state, but also between citizens and workers, between state and enterprises, between citizens and businesses. Social and territorial cohesion can be implemented only by "following" the person / citizen in his movements within the organization of work, throughout the working life cycle and throughout the territory of the Union. This "right" to health through work must "follow him" both where he works, when he works and when he ceases to work.

# Flexicurity as a set of services and benefits



**Provided by the State:** it is the "status" of a citizen who establishes these rights. Globalization, corporate reorganization, aging of the working age population, expulsion of workers and work, are just some of the phenomena that have affected European countries in recent decades. They have led to the emergence of new and diversified social needs, once unknown, and to which the systems of protection of the community must give answers (today "minimal" welfare, social security and care only)

**Provided by companies:** in order to improve private and working life. They range from support to family income in the event of a reduction in working time, continuous training during the life cycle, professional retraining, protection of health, and even leisure time proposals. The company scope allows to identify the needs of workers in a context of reconciliation of work and private life. The results also concern the company (reduction of absenteeism, level of engagement, prevention of chronic and disabling illnesses, identity perpetuation of corporate values, transmission of knowledge).



# The constitutional law of the Union



**The Treaty on European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU) have the same legal value, occupy the highest level in the hierarchy of sources of EU law and constitute the primary law of the Union. The TEU consists of 55 articles: the Contracting States establish the European Union, to which they attribute competences to achieve their common objectives. The TFEU organizes, in 358 articles, the functioning of the Union and determines the sectors, the delimitation and the modalities of exercise of its competences. The Charter of Fundamental Rights of the EU has binding force in the legal system of the Union and has the same legal value as the Treaties (Article 6 TEU).**



# The right to the *age managing* of work in the Union



**Respect for human dignity, freedom, democracy and equality of the rule of law and respect for human rights, including rights of persons belonging to minorities, are founding values (Article 2 TEU).**

**The Union's objective is to promote the well-being of its citizens. To this end, the Union is called to create for its citizens an area of freedom, security and justice without internal borders; to establish an internal market; to promote the sustainable development of Europe; to combat social exclusion and discrimination; to promote economic, social and territorial cohesion and solidarity among the Member States ... (Article 3 TEU).**





## Negotiation flexicurity as objective of the project



The ultimate goal of the project is to identify a "virtuous circle" of synergy between European, national, corporate and EWC trade unions in order to negotiate with the companies a customary flexicurity system for "aged" workers who will integrate the social security and welfare systems, to anticipate and manage work changes in a solid and inclusive manner. There is a right to health "in" work and "in" work. There is also a right to work "in" particular age-related health conditions: it is the "age managing".

In particular, we intend to analyze the good practices arising from the synergistic collaboration between public institutions and / or social partners, at national level, and between EWC and company unions, at a transnational level. In this meeting the workers' representatives have two tools at their disposal: the rights of information and consultation held by the EWCs (which however do not have the power of collective bargaining, lacking the "erga omnes") and the classic negotiating prerogatives, exercisable however in the "local" to define agreements.



## Constitutional foundations



- art. 21 of the Charter of Fundamental Rights and Article 19 of the TFEU prohibit any discrimination and refer to appropriate actions to combat discrimination based on several reasons, including age. Under the ordinary legislative procedure, Parliament and the Council have the power to support the action taken by individual Member States to combat discrimination.
- art. 151 highlights the EU's goal of promoting employment and combating social exclusion.
- art. 153 enumerates, among others, the objectives of improving the working environment for the protection of workers' health and safety and the integration of workers excluded from the labor market.
- art. 157 prohibits sex-based discrimination on pay for the same job or for equivalent work.
- art. 166 refers to vocational training and reintegration into the labor market.



# Constitutional foundations



## TITLE X -SOCIAL POLICY

Article 152 TFEU The Union recognizes and promotes the role of the social partners at its level, taking into account the diversity of national systems. It facilitates the dialogue between these parties, respecting their autonomy. The tripartite social summit for growth and employment contributes to social dialogue.

Article 153 TFEU The Union supports and completes the action of the Member States in the following areas:

- a) improvement, in particular, of the working environment, to protect workers' safety and health;**
  - b) working conditions;**
  - c) social security and social protection of workers;**
  - d) protection of workers in the event of termination of the employment contract;**
  - e) information and consultation of workers;**
  - f) representation and collective defense of the interests of workers and employers, including co-management, subject to paragraph 5;**
  - g) conditions of employment of third country nationals legally residing in the territory Union;**
  - h) integration of people excluded from the labor market, without prejudice to Article 166;**
  - i) equality between men and women with regard to labor market opportunities and treatment at work;**
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## Constitutional foundations



EU legislation on health and safety at work and equality at work addresses the aging of workers and issues related to age-related health. These have influenced the development of national policies and legislation regarding the aging of the workforce (EU-OSHA, 2016).

Several EU directives underline the need to take into account the worker's ability as an individual, as a personal singularity, during the planning and organization of work. The framework directive on the introduction of measures to promote the improvement of the safety and health of workers at work (Directive 89/391 EEC), focusing primarily on collective measures to protect all workers, states that work must be adapted to the skills of the individual and of the worker.

The regulatory framework also includes the need to protect "sensitive groups" from the specific risks that burden them.



# Constitutional foundations



**Directive 89/654 EEC**, concerning the minimum safety and health requirements for the workplace, includes the obligation for the employer to hire workers with disabilities. Two directives related to the world of work specifically concern the themes of our Project, or the possible requirements of an aging workforce: one is the Directive 90/269 on the management of manual loads, which states that "Individual factors such as age they should be addressed ... ". The second is **Directive 2000/78** which establishes a general framework for equal treatment in the field of employment and working conditions (on employment equality): prohibits discrimination due, inter alia, to age and disability . Employers are also required to make reasonable organizational changes in the workplace, to allow workers with disabilities to work. The "minimum rules" for employers deal with issues such as access to vocational training, employment and working conditions, including retribution and management of redundancies. In the described context, another fundamental directive is **Directive 2006/54 / EC** on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation: it guarantees the principle of "ceteris paribus", or equality in employment and working conditions, equality in social protection and defense of rights.

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# Policies and tools



## **Policies and tools**

The demographic change that occurs, with its various challenges, has long been recognized by the EU and consequently addressed in political documents at different levels. The Lisbon Conclusions of the March 2000 Presidency (EU Council) and the subsequent Stockholm 2001 Council Conclusions (Council of the European Union, 2001) address issues such as the low employment rate of "aged" workers and the need for to guarantee the long-term sustainability of the European Social Model in relation to the aging of the workforce and population. Towards work that is conducive to increasing active age in Europe: the perspective of the life cycle of work and aging in EU agencies. The Lisbon Strategy (2000) has set a target of 50% participation in employment in the population segment between 55 and 64 by 2010. However, this objective was fully achieved only one in 2014, with the 51 , 8% of older workers employed in the EU. In 2006, the Commission identified five key objectives to address the challenges of demographic change. Answers 2 and 5 directly address the topic of this report:

1. Promote demographic renewal in Europe
2. Promoting employment in Europe: more jobs and a longer lasting working life of better quality
3. Making a more productive and dynamic Europe
4. Receive and integrate migrants in Europe
5. Sustainable public finances in Europe: ensuring social security and fairness and solidarity between generations.

Current European policies follow this path.

## Europe 2020: smart, sustainable, inclusive growth



Ambition: revitalize the Community economy over a decade, in an intelligent, sustainable and supportive perspective. The issues of welfare-flexicurity state, of corporate welfare and therefore of active citizenship, are closely connected in Europe 2020. All parties involved in the market are involved: collaboration and the synergistic action of public bodies, collective institutions is required, of individual entrepreneurs and of all social partners.

"Inclusive growth means strengthening people's participation through high levels of employment, investing in skills, combating poverty and modernizing labor markets, training methods and social protection systems to help citizens prepare for change and manage and build them. a cohesive society. It is equally crucial that the benefits of economic growth extend to all parts of the Union, including the outermost regions, so as to strengthen territorial cohesion. The goal is to guarantee everyone access and opportunities throughout their lives. Europe must fully exploit the potential of its workforce to cope with an aging population and increasing global competition. Policies in favor of gender equality will be required to increase labor market participation in order to foster growth and social cohesion "



## Europe 2020: smart, sustainable, inclusive growth



The strategy does not include a specific target for older workers, but includes an integrated approach, which aims at 75% employment of people aged 20 to 64 by 2020 (European Commission, 2010a).

The same objective is included in the Council decision on the guidelines for employment policies (European Commission, 2010b) which calls for the promotion of diversity in the labor market by integrating the participation of older workers.

How can this goal be implemented? With the action of the social partners, through a reasoned and strategic use of the collective corporate and sectoral, national and transnational bargaining





# For an inclusive negotiation system



We need targeted economic incentives to support businesses, ad hoc supplementary protection and promotion measures and, above all, active retention policies and partial exit from work that are combined with welfare and state health care.

The current formal legal protections and collective bargaining are no longer enough: they are in the functional state of the prototype of a permanent subordinate worker with an indefinite term (basically male and hired by a large company), which is simply "incentivized" to leave the world of work with the approach of retirement age or a disabling event.

The intergenerational economic / normative dumping, amplified by the unequal treatment between member countries, must be fought, through a farsighted tripartite negotiation action also at the level of European multinationals: in an increasingly inclusive logic, inclusively including the workers close to the termination of the relationship work and their families.



# Towards a transnational work-health-life balance



The Community institutional architecture is based on the European Framework Directive 89/391 EEC which places precise responsibilities of the company in the organization of the work: it is necessary to "adapt the work to the man" to protect the "health of the workers in all the connected aspects with the job".

It is a conceptual and operative reference framework calibrated on the specificity of each individual person and also of every single working environment: it exceeds the abstract and standardized models of work performance assessment according to the needs (productive and organizational) of the Fordist factory.

A paradigm shift must take into account the needs of the wider territorial community of reference: it is a strategic plan of action to bring to full maturation and completion complex processes of reform of welfare systems and industrial relations now launched in Europe in a purely emergency key .

It postulates a re-orientation of public subsidies that instead of being addressed in passive policies that lead to inactivity, they must incentivize participatory corporate logics and collective bargaining actions for retraining, combating unemployment and reintegration into employment (eg Danish flex-jobs or the Dutch system).



## A homogeneous but "on a human scale" protection



The system of industrial relations would be decisive if it were implemented through collective bargaining and bilateral systems for managing the organization of work, including at European multinational level, with profound changes in work (the result of changes not only technological but also demographic and organizational).

These changes affect the concepts of "presence at work", "work performance", "exact contractual fulfillment". In the development of new generation protections it is, in other words, to interpret the great transformation of the ways of working that affects the concept of worker and of his work skills, of suitability -not abstract, but relative to the possible task-.

It is a matter of "following" the worker not only in the community territorial space, but also in the various evolutionary or even involutive phases of the careers (= in the function). To do this, the measurement techniques (and remuneration) of the value of the work must be changed.

The content of the work performance must be redesigned, in short, according to parameters that are no longer just "objective", but also "subjective". Digitization, the logic of the "cloud", that today connected to the "age managing" appear as a practical oxymoron, instead represents an extraordinary opportunity to enhance the work of the "aged"

