

JOB-TO-JOB GUIDANCE THE DUTCH CASE

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THIS PRESENTATION



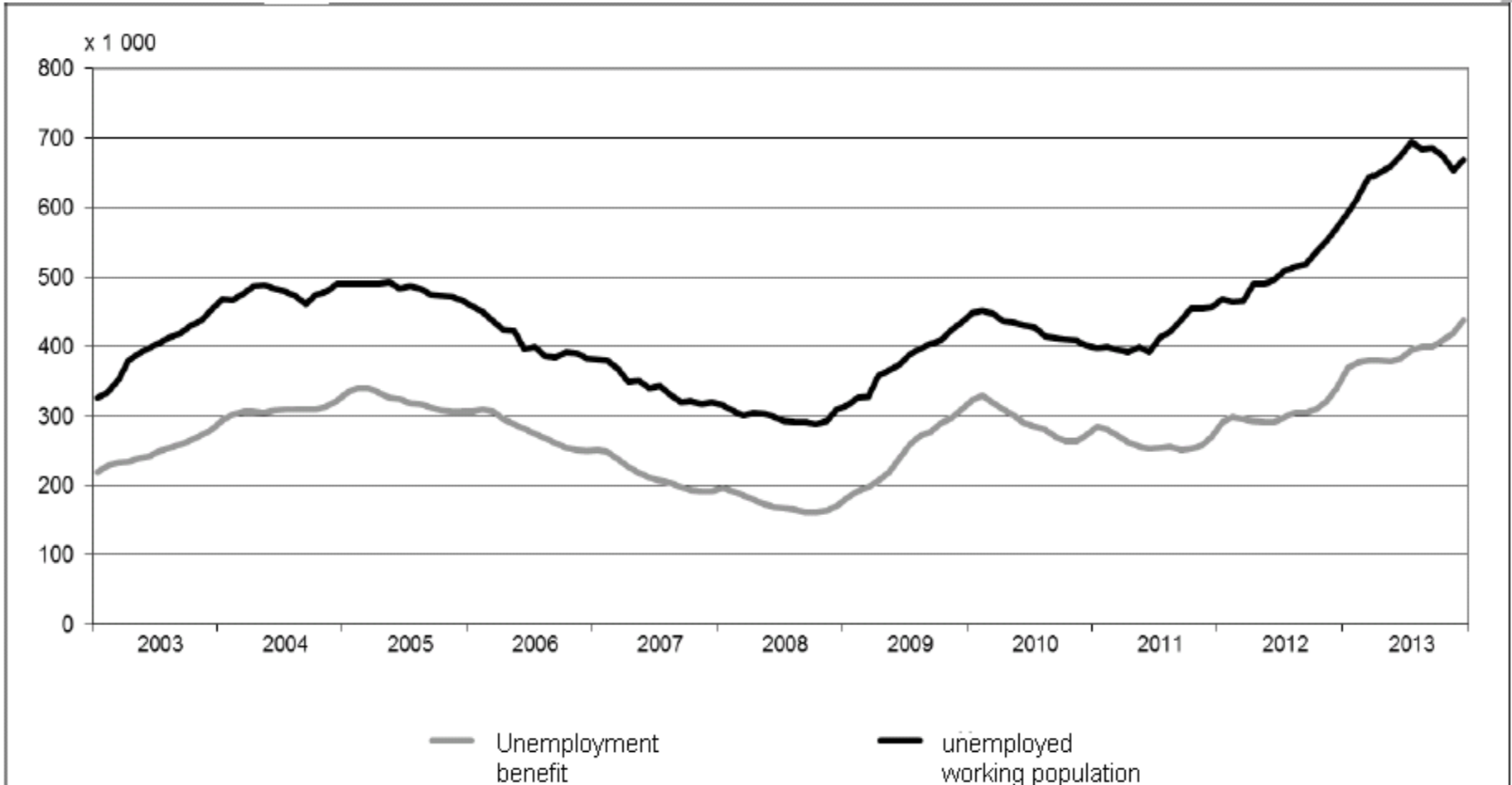
- The Netherlands in 2014
- Unemployment figures are rising
- The Dutch job-to-job transition system
- Combating the crisis: some previous examples
- Social partner agreement on job-to-job guidance
- Challenges of the Dutch model
- Conclusions

THE NETHERLANDS 2014



- Population: 16,8 million
- Working population: 8,4 million
- Participation rate: 77%
- Economic growth: 0,9%
- Unemployment rate: 8,8%
- Trade union density: 21% (1,8 million members)

UNEMPLOYED WORKING POPULATION AND UNEMPLOYMENT BENEFITS



REASONS TO STIMULATE JOB-TO-JOB TRANSITIONS



Employer

- Dismissal costs
- Level of premiums for unemployment benefits
- Image of the company
- Productivity and motivation of the workers

Employee

- Income
- The risk of not finding an other job
- Loss of knowledge and competences

THE DUTCH JOB-TO-JOB TRANSITION SYSTEM

1. Main instrument: social plan in the case of collective redundancies
2. Special programmes to combat the crisis:
 - Parttime unemployment scheme
 - The creation of mobility centres
 - Job-to-job experiences
3. The 2013 agreement

COLLECTIVE REDUNDANCIES



- Advice of the Works Council
- Employer is obliged to give reasoned notice to the trade unions
- Aim: to consider whether dismissals can be prevented or mitigated and whether a social plan can be drawn up

DEGREE TO WHICH JOB TO JOB ACTIVITIES OCCUR IN SOCIAL PLANS



Type of activity or arrangements	Number of social plans that mention this type of activity (in % of total) N=198
Severance pay	67%
Education and training	65%
Applying for jobs during working hours	62%
Incentive arrangements for redundant employees who voluntary leave the company	44%
Wage supplements	34%
Reimbursement moving expenses or increased travelling expenses	34%
Replacement arrangements	30%
Secondment	25%
Other arrangements	> 73%

JOB-TO-JOB POLICY WITHIN DUTCH COMPANIES AND ACTUAL APPLIED ACTIVITIES IN THE LAST 5 YEARS



		Job-to-job activities	Job-to-job activities
Company size/ Nr of employees	With job-to-job policy	Internal	External
5-9	9	14	8
10-19	16	24	14
20-49	22	36	22
50-99	16	52	34
100-499	45	77	57
500 >	69	86	67
Total economy	15	27	18

SUCCESS FACTORS



- Employers are willing to invest in job-to-job activities
- Employees are willing to participate in the activities
- Trade union and work councils are involved throughout the whole process
- Redundant employees should be given time to accept the new situation and to explore new opportunities
- The social plan should be tailor made
- To achieve a successful transition early information and advice should be provided

FAILURE FACTORS



- It is difficult to predict future developments
- Social plans are sometimes not connected with HRM policies
- Some employees prefer to stay as long as possible in the current job in stead of participating in long-term training programmes which might lead to little wage increase
- In most SME's HRM or personnel management does not have priority

SPECIAL TEMPORARY PROGRAMMES TO COMBAT THE CRISIS



- Part-time unemployment scheme from November 2008 to July 2011
- The creation of 33 mobility centres from 2009 to 2011
- 9 Job-to-job experiences from mid 2012 until mid 2013

LESSONS LEARNED



- Mutual trust is the basis of success!
- Active participation of existing institutions of social partners and existing networks
- Active participation of trade unions is conditional for the willingness of employees to participate
- Agreements must be formalised (binding)
- Inter sectorial co-operation between education and training funds is necessary
- Accurate labour market information is a must

THE SOCIAL AGREEMENT

APRIL 2013



SOCIAL AGREEMENT



Title

Prospects for a socially responsible and enterprising country: emerging from the crisis and getting back to work on the way to 2020

Taking and fulfilling responsibility, creating and utilising opportunities

www.stvda.nl

CONTENT IN SHORT



- Social partners taking the lead, focusing on long term reform
- Reducing recourse to flexible contracts, and tackling abuse and evasion of legal and collective agreed standards
- Dismissal protection reform per 1/1/2016, but not deregulated
- Unemployment benefits not reduced, but partly ‘given back’ to the social partners to deal with in collective agreements
- Active labour market policy together with social partners in the sectors; a government subsidy to support ‘(inter)sectoral employment plans’
- A tripartite taskforce (‘Action team’) to streamline ‘sectoral plans’ and tackle the rising unemployment

DISMISSAL PROTECTION REFORM



- Simplify procedures and increase their transparency
- Increase the system's emphasis on preventing unemployment by providing incentives to invest in employment and job-to-job programmes
- Severance payments → transition allowances
- Every employee will have the right to a transition allowance (including flex workers)
- The allowance is maximised to € 75.000,--

UNEMPLOYMENT BENEFITS: REORDERING RESPONSIBILITIES



- The public unemployment benefit is cut back from maximum of 38 month to 24 month
- Through collective bargaining agreements private supplemental insurances will keep benefits at the current level
- The government agreed on declaring these collective agreement provisions generally binding
- Time table: from January 2016

CHALLENGES

- An infrastructure for job-to-job transitions must be structurally organised
- Education and training funds will have to co-operate inter sectorial
- Temporary or flexible employees should have access to arrangements that are now only available for employees with a fix-term contract

THANK YOU FOR YOUR ATTENTION

