

# FACT FINDING MISSION OF THE SOCIAL ECONOMIC COUNCIL (SER) SINT MAARTEN TO THE NETHERLANDS

TOPIC: "FLEXICURITY"

DECEMBER 10 - DECEMBER 21, 2012

#### **REPORT**

The Sint Maarten social economic council (SER) paid a working visit to a number of stakeholder organizations in the Netherlands from Monday 10<sup>th</sup> to Friday 21<sup>st</sup> of December, 2012. The fact-finding mission was executed by:

• A. Alberts, senior policy advisor SER

The program of the working visit comprised visits to: SER Netherlands, FNV, CNV, VNO/NCW, the Ministry of Social Affairs and Employment, several representatives of the scientific/ academic community.

#### Objective:

- To collect information from different stakeholder organizations in the Netherlands on topics in the field of "Flexicurity" i.e. questions of:
  - Protection against dismissal, rules on firing employees in a permanent contract situation; different procedures on dismissal
  - Temporary contracts; protection and security of employees in different forms of nonpermanent employment;
  - Issues regarding social security of permanent and temporary workers; schooling, education, life-long learning, employability.
- Gathering information on the similarities and differences of the current social-economic and legislative discussions in the Netherlands and Sint Maarten.



## Monday, December 10, 2012

#### **SER Netherlands: Business lunch with:**

- Sander Tjeerds, social affairs officer
- Niels Achterberg, senior economic affairs officer

#### Topics:

- Ongoing cooperation between Dutch and Sint Maarten SER
- Contribution of Tjeerds and Achterberg to the SER Sint Maarten international symposium in April of 2013.

#### **SER Netherlands: Meeting with:**

- Anne Wouters-Megens, social affairs officer
- André de Groot, senior social affairs officer
- Anita van den Bosch, social affairs officer

- In general: state of affairs
   according to the SER on the
   political and social discussions surrounding labor laws on dismissal, temporary contracts and
   the broader topic of "flexicurity"
- Dismissal law
- Rights of temporary workers and independent contractors (zzp-ers)
- Causal relationship (or absence thereof) between slackening the dismissal laws and employment in general
- Proposals of the new Dutch government (Rutte-II) on dismissal laws and regulations
- There is much discussion in the Netherlands about several elements of flexicurity, but hardly any overarching (comprehensive) discussion about flexicurity in the sense of combining more flexibility in ending contracts with more security for employees.
- Appointment made for follow up meeting with Anne Wouters on the specifics of different forms of temporary labor contracts.
- Advice received to contact professor Ton Wilthagen of the University of Tilburg, who is another primary expert on flexicurity.





## Tuesday, December 11, 2012

## University of Amsterdam (Institute for advanced labour studies): Attended lecture on

• "Actualiteiten arbeidsrecht" by Evert Verhulp, expert member (kroonlid) of SER and professor of labor law. Post-academic lecture for practicing lawyers.

## Meeting with:

- Evert Verhulp expert member (kroonlid) of SER and professor of labor law Topics:
  - Does the trend towards a more flexible labor market really exist, or is it generated by the employers?
  - The tendency of employers to shift responsibility for social and economic (business) risks to society in general.
  - The reality of lack of security for employers with temporary contracts. It is a psychological problem rather than a material one.
  - The heavy requirements of employers towards employees in permanent employ.
  - Voluntary labor mobility or lack thereof.
  - Developments and proposals by the new cabinet Rutte-II

## Wednesday, December 12, 2012

#### **FNV: Meeting with**

- Klara Boonstra, Policy advisor on Labor law Topics:
  - Different schools of thought within the labour movement, on the topics of dismissal laws and temporary labor; regarding the role of government regulation versus collective labor agreements.



- FNV's point of view on the proposals of the new Dutch government (Rutte-II)
- The merits of the Swedish model versus the Austrian model of trade-off between security of a labor contract and guarantees for labor mobility and social security.
- The need for a more pro-active attitude by employees themselves in preparation for dismissal or voluntary movement to a next job.



#### Ministry of Social Affairs and Employment: Meeting with

Lisette de Bie, deputy director labor relations

#### Topics:

- State of affairs and trends in temporary labor contracts
- Developments around temporary labor agencies (uitzendbureaus)
- The payrolling phenomenon
- Changes in the dismissal laws; changing the procedures through UWV and district court (kantonrechter)
- Voluntary labor mobility
- Security for flex workers



# Thursday, December 13, 2012

# Hanze hogeschool, Center of Applied Research and Innovation (Labour): Meeting with

Dr. Harm van Lieshout, Associate Professor

- The place, role and history of "Centers of Applied Research and Innovation" (Kenniscentra) connected to hogescholen in Nederland.
- The possibilities for cooperation, i.e. the Kenniscentrum conducting labour related research for the Sint Maarten SER.
- Regional labor market initiatives in the North of the Netherlands.
- Measures to enhance labor mobility and to add security to the position of employees on a temporary contract.



## Friday, December 14, 2012

## **CNV: Meeting with**

- Kyra Keybets, team leader policy advice
- Martijn Hordijk, policy advisor

## Topics:

 Central question: should fixed contracts become more flexible, and should temporary contracts be more secure? The much-quoted question "is fixed



too fixed and flex too flex" is actually coined by Jaap Smit, chairman of CNV.

- Lifetime employment is outdated. Laws and regulations should be adapted to this reality, but the mentality of employees (prepared to change jobs and to anticipate job changes) and of employers (invest in development of employees) should change too.
- Flexible labor is not so much too insecure, it is too cheap. By way of temporary contracts employers present society with the bill on social and economic risks.
- Problems in the flexible shell are with the vulnerable groups, those employees who have some type of limitation or do not qualify for the labor market in all respects. Those groups should be protected.
- The so-called zzp-ers should be analyzed. This group of semi-independent workers is very heterogeneous and contains a lot of hidden poverty and lack of security.

#### University of Tilburg: Telephone interview with

Ton Wilthagen, professor of labor law

- Permanent contracts are not attractive enough for employers. Dismissal is too cumbersome, and the requirements for paying employees up to 2 years in case of sick leave is too expensive, especially for small and medium businesses
- The flexible shell in the labor market has grown relative to the fixed core. That will never change again.
- There is too much low-quality flexible employment, too little attention to get employees from one (temporary) job to the next.
- Flex workers are in a state of insecurity, caused by lack of perspective. Wilthagen quotes the Austrian model, in which each employee adds to an employability fund, that goes with the employee from one job to the next, to facilitate his/her chances to find a new job in case of dismissal/ end of temporary contract. Also the Danish model, with a weaker protection against dismissal, but more permanent efforts for employability, deserves attention.



# Monday, December 17, 2012

## **SER Netherlands: Meeting with**

• Bart van Riel, economist

#### Topics:

- Macro-economic characteristics of the St Maarten economy
- Tax reform in the Netherlands and relevance for Sint Maarten
- Pension funds and general pension scheme



## **SER Netherlands: Meeting with**

Anne Wouters-Megens, social affairs officer

#### Topics:

Follow-up meeting on different types of flexible labor in the "flexible shell"

# Wednesday, December 19, 2012

Parliament (second chamber): Meeting with

• Mrs Wassili Hachchi, Member of Parliament for D66

## Topics:

• Recent developments in Sint Maarten, role and development of the SER, points of attention in the constitutional framework of Sint Maarten.



## Thursday, December 20, 2012

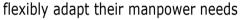
## **VNO-NCW: Meeting with**

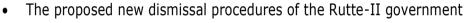
 Alfred van Delft, secretary on labor conditions and labor relations

## Topics:

- Dismissal laws and regulations
- The need for
   businesses to more

  flexibly adapt their mappey





- Transition budget after dismissal
- Employability as focal point of labor relations
- The social discussion on flexible types of contracts between labor unions and employers
- Statistical definitions of flex work, discernible trends over the past years

#### University of Amsterdam: Meeting with

 Prof I.S.A. Baud, Amsterdam Institute for Social Sciences Research, Director of the Programme on Governance and Inclusive Development

- Sint Maarten social-economic development, role of the SER
- Possibilities for cooperation between Institute of Social Sciences Research and SER Sint Maarten.

