Sociaal Economische Raad
Social Economic Council

Draft Ordinance short term labor contracts

Advice on the Draft Ordinance on the elimination of abuse of short term labor contracts.

SER advice nr.
2012 - 01

Information

The Social Economic Council Sint Maarten ("Sociaal Economische Raad", referred to below as "SER") is an independent advisory body to the government of Sint Maarten. The SER advises upon request by one or more Ministers (solicited) or on its own initiative (unsolicited) on all important social economic issues.

The SER was established by law ("Landsverordening Sociaal- Economische Raad") in 2010.

The SER consists of representatives of employees' and employers' organizations as well as independent experts. The objective of the SER is to achieve a broad concept of wealth in Sint Maarten by offering quality advice and reaching consensus on social economic issues.

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Design and print: SER The Netherlands
Photo cover: Sociaal Economic Council Sint Maarten

Sint Maarten, Philipsburg, September 2012

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Advice

Introduction

This advice is a solicited advice at the request of the Sint Maarten parliament. The request originates with the National Alliance faction and reached the SER through the then chairlady of parliament, drs. G.R. Arrindell.

It is noteworthy that presently the SER ordinance does not explicitly provide for the SER advising on initiative draft ordinances, i.e. ordinances originating in parliament. Nevertheless, it seems suitable to proceed in the spirit of the law and honor this advice request.

The draft ordinance "Landsverordening houdende wijziging van Boek 7A van het Burgerlijk Wetboek" (Landsverordening oneigenlijk gebruik van kortlopende arbeidsovereenkomsten) or "Ordinance on the elimination of abuse of short term labor contracts" constitutes:

- The addition of a new article 1615fb, to the Sint Maarten Civil Code;
- The announcement of two decrees (LB-ham's) further elaborating the rules put forward in article 1615fb. Drafts of the applicable decrees are not included;
- A penalty clause, stipulating that transgression of article 1615fb is to be considered a crime (misdrijf) punishable by incarceration or a monetary fine;
- A clause stipulating the obligation of the Minister of Labor and Social Affairs to report to parliament annually about the execution of this law.

This initiative ordinance is part of a long-standing discussion on the topic of temporary labor contracts and the latest stage in an equally long process of rendering the labor market regulations more flexible.

It is the intention of the social economic council to follow up this advice with a broader unsolicited advice in the field of labor market regulation. Next to issues of temporary contracts, this advice will tackle the rules on dismissal and dissolution of labor contracts, the coordination of initial education, permanent education and the needs of the labor market, while at the same time addressing the job security and quality of life guarantees for employees. It will be a first contribution to a concept of 'flexicurity' on Sint Maarten.

1 Background and history

During the 1980s and 1990s the worldwide trend of 'deregulation' became prominent in the industrialized world, and reached the Netherlands Antilles as well. This trend was based on the conviction that decreasing government interference in the markets that constitute our economy would promote economic development. A more flexible approach towards labor contracts and the termination thereof was an important element of the global deregulation trend.

Concurrently, the general approach to labor relations changed during the late 20th and early 21st century. Lifelong employment with one employer is no longer the overriding goal, nor the ambition of the younger generation entering the labor market. Frequent changes of work environment and hence employment have come to be regarded as positive career attributes by employers and employees alike. The movement towards more dynamic and temporary labor relations has therefore become a permanent feature of the labor market in developed nations.

More flexible labor contracts can be seen as positive and conducive to economic development, provided this trend is accepted and carried by both sides of the labor market and the effects are fairly balanced between the two. At the same time however, there is no denying that certain advantages of permanent contracts, such as pension plans, and indirect benefits such as credit worthiness are compromised by the trend towards temporary employment. These issues will have to be addressed to ensure employees the quality of life they are entitled to and to ensure stable long-term labor relations. The recent introduction in Aruba of a compulsory pension plan for each employee, with contribution by both parties, regardless of the duration of each contract or the number of contracts an employee has during his or her career, is an example of a solution that reconciles flexibility of the labor market and long-term security for the employee.

In the 1990s in the European Union the term 'flexicurity' was coined to describe the combination of a flexible labor market and security for employees. The concept originated in Denmark and quickly became a familiar policy concept in the EU. According to the EU definition *" "Flexicurity" is the strategy which aims to simultaneously strengthen flexibility and security for the benefit of both parties in an employment relationship. (It) has been recognised as one of the key objectives for European labour markets in the context of the European Employment Strategy and the Lisbon Strategy."* [1]

1 EU 2008, p. 3

In the 1990s in the Netherlands Antilles, lack of flexibility in the labor market became recognized as one of the factors hampering economic development. Therefore a host of recommendations and advices were brought forward, entailing wider possibilities for temporary contracts, and more liberal rules for contract termination.

The report of the Inter-American Development Bank of 1997, compiled by the UK based De Montfort University, recognizes a number of key factors contributing to a rigid labor market and therefore causing unemployment.[2] First off, a large informal market without any regulations co-exists with a very rigid formal labor market. Labor and business laws are qualified as outdated. Heavy bureaucracy causes long delays in processing labor applications. A mismatch between supply and demand is caused by an inadequate education system, and is fueled by a high percentage of drop-outs. Labor productivity is low compared to the wage level. A lack of trust and a confrontational attitude exist between business, labor unions and government. In the same breath, the IADB advises the (then Netherlands Antilles) SER to take the lead in addressing these issues. Little is said about Sint Maarten specifically, apart from highlighting the lack of data and drawing attention to the large proportion of informal labor market constituted of immigrant labor. The report follows up with a host of recommendations pertaining to the flexibilisation of the labor market. In a follow up summary by the IADB it is stated that *"A key element of economic recovery will therefore require the urgent elimination of regulations and institutional mechanisms which inhibit competitive functioning of the labor market. …. The strategy should aim to forge greater consensus and/or compromise among the trade unions, Government and the private sector on the desirability of a flexible labour market as a precondition to achieving competitiveness and sustainable private sector led development."* [3] These observations, though fifteen years old now, and pertaining to the Netherlands Antilles in general, sound surprisingly current and applicable to the present day Sint Maarten situation.

1.1 SER history on the topic of temporary contracts

It is no surprise therefore that the Netherlands Antilles SER covered the temporary labor contract issue in an extensive advice as early as 1998.[4] The general tendency of this advice is to promote a flexible labor market while at the same time ensuring the legal position and long term security of employees. A more flexible approach to labor is understood to ensure the efficient allocation of available labor at the moment and in the place it is needed. This of course reduces labor costs, and increases labor productivity.

2 IADB, pages 43-45
3 IADB 1997 (2) p. 15
4 SER 1998

Economic literature on the topic of labor flexibility distinguishes primarily between internal and external flexibility.[5] Internal flexibility is defined as the optimal allocation of existing personnel within a given business. Increases in this type of flexibility imply for instance making the work times during a day, a week or a year more flexible, increasing efficiency by ensuring that the employee is deployed when work is available, decreasing idle time. Another aspect of internal flexibility consists of broadening the competencies of each employee, making him or her able to be deployed in more different tasks or positions in the organization. This usually implies additional schooling and training, and again the efficiency gain hinges on avoiding idle time or avoiding extra hands to be hired. This would require changes in the Civil Code, the Labor regulation (Arbeidsregeling) etc. External flexibility on the other hand applies to the labor relation itself, the number and the nature thereof, for instance working with more zero-hour contracts, using temp agencies, freelance contracts and the like. In the formal part of the economy, the proportion of fixed (including self-employed) to flexible labor contracts was 75-25 during the 1990s[6] , even then showing a high degree of rigidity.

To promote internal flexibility, the SER in 1998 advised to: Loosen the overtime restraints, (Arbeidsregeling 1952, since replaced in 2000) for instance by increasing the possibility for time-back instead of paying out overtime; increase the possibilities for evening and night shift labor; promote schooling of existing employees to increase the possibilities of flexible deployment throughout the company; financing of training programs through a tax levied on all companies, to finance schooling programs and promote full cooperation of all businesses. Furthermore, job mobility is advised, to promote employees changing jobs and seek for the best match between supply and demand at all times, while incentives for Antilleans to return home, reversing the current 'brain drain' are suggested as well. Finally, in 1998 the discussion was prevalent about abolishing the obligation for the employer to apply for a permit to terminate an employment contract. The majority of the SER wanted to keep this obligation in place. Without this 'preventive' dismissal permit, the only way for the employee to fight dismissal would be through the Court of Law, which was seen as insufficient protection, due to the costs of legal representation and the lengthy process involved.[7]

Furthermore, to promote external flexibility, the SER advised to first limit the possibilities for abuse of sequential temporary contracts. Limits were set to so-called 'draaideurconstructies' (revolving door arrangements). The council recommended an increase of the intermission between two temporary contracts from one to two months (this eventually became three months) in connection with the rule that every fourth

5 SER 1998, p. 5
6 SER 1998, p. 7.
7 SER 1998, p.34

temporary contract would become indefinite. Also, the suggestion to legally convert into a fixed contract any sequence of temporary contracts spanning 36 months with intermissions shorter than 3 months, made it into law. Finally, an exception is made for extension of a three year or longer contract, which can be prolonged once by maximum three months, without creating an indefinite contract.

On a related topic, the maximum timespan for a temporary worker through an agency was suggested to be increased from 6 to 12 months, which was included in the law as well.

The SER suggestion to introduce in the Civil Code a wage guarantee for all labor contracts – including zero-hour or standby contracts was not followed up on.
In the year 2000 the Labor regulation 1952 was replaced, making significant changes possible in internal flexibility of labor, by setting new rules for work hours, overtime and compensation thereof, breaks, on-call time, public holidays and youth labor.

The discussion on short-term contracts continued in the first decade of the 21st century. One of the most notable contributions was the Policy paper drafted by the Netherlands Antilles Directorate of Labor in 2007[8] . Important suggestions are the introduction of a Labor Court or Court of Arbitrage to simplify the judicial process in dismissal cases. Furthermore, there is an explicit plea for more enforcement, inspection and control. Changes in the dismissal regulations are proposed as well, although no consensus on this score was attained between employers' organizations and labor unions.

1.2 Current legal framework

As of 2012, the most applicable laws and regulations constituting the legal framework surrounding the issue of temporary contracts are the following. These are all transferred as of 10/10/10 from the Netherlands Antilles legal system. Sint Maarten as a country has introduced no new laws or amendments yet in this field.

- Civil Code, Articles 1615e – 1615x
- Landsverordening beëindiging arbeidsovereenkomsten (PB 1972, no. 111)
  - LB ham van 13 maart 1990 ter uitvoering van artikel 6 van de Landsverordening beëindiging arbeidsovereenkomsten.
- Landsverordening houdende vaststelling van nieuwe regels inzake arbeidsduur, arbeidstijden en overwerk (Arbeidsregeling 2000) (PB 2000, no 67)

8 DirAZ 2007

- Landsverordening flexibilisering arbeidswetgeving (PB 2000, no. 68)
- Landsverordening houdende regelen met betrekking tot het ter beschikking stellen van arbeidskrachten (PB 1989 No. 73)
    - LB ham van 25 oktober 1996 ter uitvoering van artikel 8 van de Landsverordening op het ter beschikking stellen arbeidskrachten

2 Extent of the temporary labor contract problem

2.1 Motives for the use of temporary contracts

According to the 2007 policy paper of the Directorate of Labor, employers are driven by a number of motives when choosing to fill vacancies temporarily[1]. The first motivator is nature of the activities involved. Large part of production is seasonal (e.g. tourism) or project oriented (e.g. construction). Moreover, products and markets change fast, so permanent production and hence employment can seldom be guaranteed. This factor is compounded by the fact that permanent contracts are unattractive due to the heavy requirements for dismissal. The second motivator is the increased cost of doing business, driving employers to risk aversion and avoidance of the possibility of having to pay permanent employees in the absence of work. The third factor mentioned is the perceived deteriorating work ethics and insufficient education or competencies. In other words, employers act cautiously, wanting to use an ample trial period before hiring an employee permanently.

2.2 Trends in the prevalence of temporary contracts as a proportion of the labor force

The drafters of the proposed ordinance pertain there is a twofold problem that needs to be addressed through this proposal. On the one hand it is stated that employers offer employees temporary contracts, where the demand for labor is in fact of a permanent nature. On the other hand, it is maintained that sequential temporary contracts are offered with breaks of more than three months, in order to avoid the conversion of the fourth contract into a permanent one. It is not made clear however, what the extent of both phenomena is, nor are any statistics or verifiable sources provided.

The most recent systematically collected data set available is the 2009 Labor force survey, compiled by the then Netherlands Antilles CBS.[2] The Antilles CBS used four sub-categories of temporary workers; those in part-time contracts, casual workers (no definite timespan), temporary contracts shorter than 6 months, and finally temporary contracts of 6 months or longer. For the sake of comparison, we add these four categories together as “temporary workers”. If we take these “temporary workers” as a proportion of the labor force, their share actually dropped from 21.4 to 19.7% from

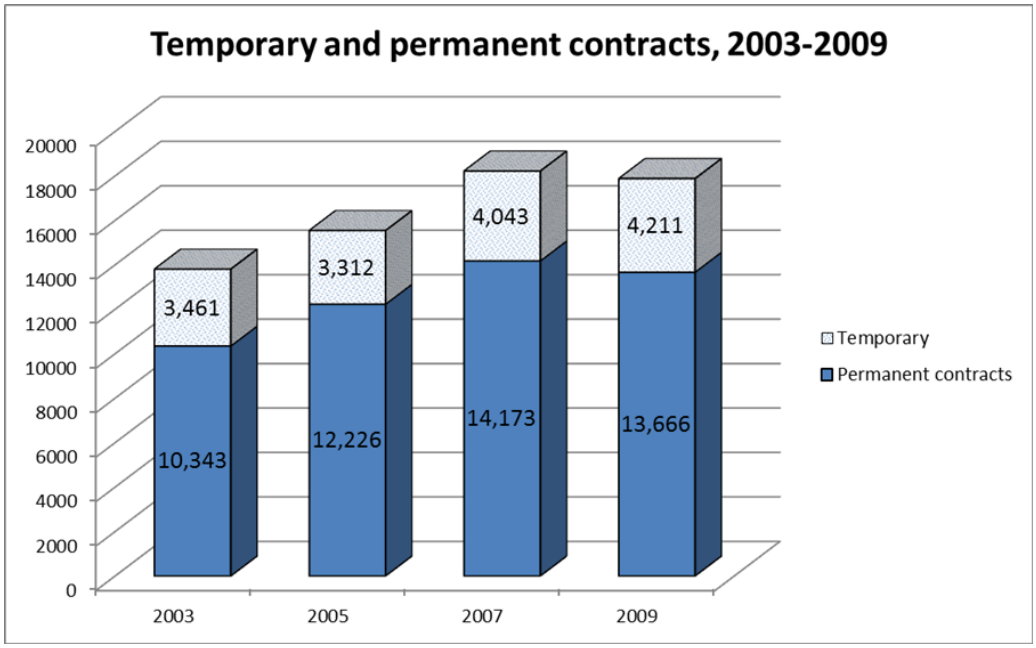
1 DirAZ 2007, p. 15, 16

2 Labour Force Survey 2009.

2003 to 2009. By contrast, the fraction of permanently employed remained stable 63.8 to 64.0% of the total labor force over the same period with larger percentages in 2005 and 2007. The remainder of the employed population consists mainly of employers and self-employed persons. Specifically, the number of employers and self-employed rose from 13.7% to 14.8% of total employed; from 2,214 to 3,145 persons, quite a dramatic increase in absolute terms.

Testing the hypothesis of a shift from permanent to temporary contracted employment, we have to ignore for a moment the self-employed, the employers and miscellaneous categories in the total workforce and focus on those in a contractual labor relationship. As a percentage of those in a contractual labor relationship, be it temporary or permanent, the permanent fraction rose from 74.9 to 76.4%, a very high percentage by any international standard. The remainder is then of course temporarily employed, dropping from 25.1 to 23.6%. The intervening years show even lower temporary percentages. This trend is illustrated in Figure 1.

Figure 1 Temporary and permanent contracted labor 2003-2009



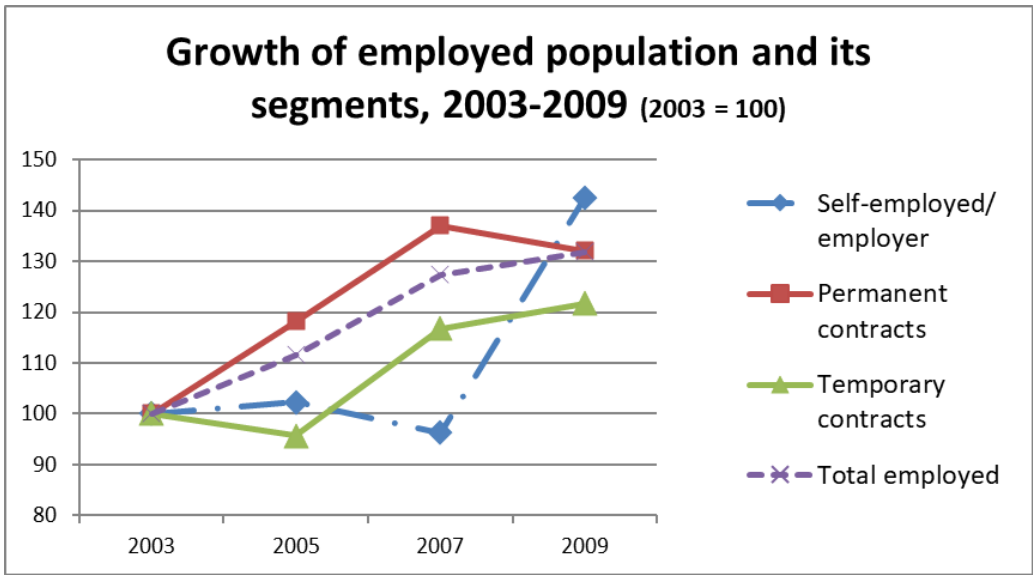
(Sources: 2005 and 2009 Labor force survey)

In terms of growth compared to the base year 2003, the self-employed/ employer category increased most (42.5%) while other relevant categories grew with equal pace or slower than the total employed population (31.8%). Notably, the temporary category increased with only 21.7%, clearly shrinking in importance, while the

permanent category grew 32.1% exceeding the growth of the overall population slightly. This development is shown in figure 2.

In conclusion, we have to observe that none of the indicators show any trend towards more use of temporary contracts, not as a percentage of the total employed population, nor as a fraction of total contracted employees. The only significant trend is towards more self-employed/ employers.

Figure 2 Indices of employed population and its segments 2003-2009



(Sources: 2005 and 2009 Labor force survey)

2.3 Abuse of temporary contracts

As to the first type of abuse of temporary contracts – as stated by the authors of the draft ordinance -, which is the hiring of employees on a temporary basis where the need for labor is permanent, it is very hard to see the basis of this abuse in the data available. With a percentage of permanent contracts as high as it is on Sint Maarten, it is difficult to see how more than the current 76% of the available positions would in actual fact have to be qualified as permanent. The abuse in question would then pertain to a fraction of the 24% who are now employed on a temporary basis. This of course does not take into account the informal part of the economy. Furthermore, this type of abuse assumes that the employee hired would indeed prefer a permanent contract over a temporary one, and that employees would by definition be disadvantaged by a temporary contract.

The second type of abuse brought forward by the drafters of this ordinance, is the hiring of employees on sequential temporary contracts, with at least one interval longer than three months. This is a specific type of evasion of the law that could certainly be qualified as abuse. For obvious reasons, it is very hard to support the occurrence of this type of abuse with quantitative data. Theoretically, a full data base of labor contracts on Sint Maarten would be needed in order to filter out the occurrence of several contracts between the same employer and employee regardless of the time past between two instances. In any case, stakeholder interviews indicate that the problem of straightforward breaking of the law is far more significant. This entails hiring the same person multiple times temporarily, with little or no interval, while ignoring the obligation to make the fourth contract permanent. Enforcement of the law seems to be the overriding issue here, not the provisions of the law itself.

A cautionary note however is required with respect to the available data. Only the formal part of the economy is measured, while it stands to reason that abuse is to be found more often in the informal part of the economy. Data from the Netherlands Antilles era suggests that the informal – hard to measure - part of the economy is relatively large in Sint Maarten, certainly the largest of the former Antilles. This would point to giving priority to 'formalizing' the economy as soon and as comprehensively as possible. Needless to say that introducing new regulations will not in itself affect the informal part of the economy, and will hence not tackle the problem at hand. Worse even, businesses in the formal part of the economy will perceive to be hit with new layers of bureaucracy, possibly eroding the existing level of compliance.

3 The draft ordinance on the "Elimination of abuse of short term labor contracts"

This chapter will deal with the content of the draft ordinance and the measures contained therein, from a socio-economic impact perspective. Purely legal considerations will only be dealt with tangentially, as they are covered by the advice of the Advisory Council.

Article I - Section 1

Section 1 of the first article of the draft ordinance entails the introduction in the Civil Code of a new article 1615fb. This article contains the obligation of any employer, prior to hiring an employee on a temporary contract, in a case where the need for labor is permanent, to request a permit for engaging in a temporary contract by the Minister of Labor and Social Affairs.

This provision raises a number of questions that are not sufficiently answered in the draft law;

- How is an employer to determine whether the position he is hiring for, is "not temporary in nature". Even the LB ham mentioned later in this ordinance, does not address this question, as the LB ham only considers the criteria based on which a permit would be granted, not the necessity to apply for a permit in the first place. As a consequence, one may assume that by default, a permit is needed for every instance where an employee is hired on a temporary basis. Such a permit requirement is currently not in existence.
- If a permit is requested for a temporary hiring, what are the eligibility criteria applied by the Minister of Labor? How does the Minister determine whether a permit will be granted? This question is addressed in the LB ham announced in article II.2. However, this LB ham has not been drafted or attached to the draft ordinance.

A blanket permit requirement for temporary hiring constitutes a sizable addition to the bureaucratic procedures employers are confronted with. Moreover, by its nature it delays the act of hiring an employee, possibly by several weeks, simultaneously harming the interest of the entrepreneur, who cannot react quickly to business opportunities, and that of the worker, who sees gainful employment and therefore income delayed for the same amount of time.

The SER is of the opinion that this section does not contribute to the solution of the problem at hand, and has important detrimental social economic side effects.

Article I - Section 2

The second section of Article I adds a provision, voiding any labor contract, concluded without the necessary permit (as per Section 1).

This provision can only be qualified as counter-productive from a social economic point of view. By voiding the contract, the employee is left in the cold, while the employer is penalized anyway by provisions later on in the law.
The SER is of the opinion that this section does not contribute to the solution of the problem at hand, and has important detrimental side effects, harming the interest of the employee.

Article I – Section 3

The third section entails an addition to the existing Article 1615fa. Article 1615fa currently states that any fourth temporary labor contract is legally converted into a permanent one, if the intervals between contracts one through four were all less than 3 months in duration. The proposed Article I section 3 effectively removes the limitation of the three months interval. As a consequence, any fourth contract between the same employer and employee becomes a permanent one.

It is hard to see why the drafters did not opt for a straightforward amendment to Article 1615fa, - removing any mention of a maximum term - and instead adding this clause in a different Article 1615fb. This was suggested already in 2007 in the policy paper of the Directorate of Labor Affairs.[1]

The effect of this section probably only tackles a marginal problem, i.e. employers going through the trouble of actually creating intermissions of more than 3 months between two contracts. The core of the abuse problem is the non-compliance with the existing contract-chain rules.

Article II – Section 1

This section announces a decree (LB ham) that would stipulate the criteria to be used by the Minister of Labor, to determine whether a temporary contract would be permitted. There is no draft decree attached to this proposed ordinance however. Without this decree (LB ham), the proposed ordinance is as good as inoperative. It

1 DirAZ 2007, p.20

will create a legal obligation for employers, without handing the Minister of Labor the tools to implement the law. Furthermore, the basic question is not answered, how to determine whether the obligation to apply for a permit does or does not exist. In other words, how is an employer to determine whether the position he/she is recruiting for is 'not of a temporary nature' (niet van tijdelijke aard).

Article II – Section 2

This section announces a decree (LB ham) that will exclude certain categories of labor contracts (assumed to be branches of industry, or types of positions) for which no more than three consecutive temporary contracts can be made regardless of the time between these contracts. As it follows from Article I that in effect any fourth contract becomes a permanent one, it is unclear what the added value of this stipulation is. An elucidation to this section of Article II is not attached to the draft ordinance.

Article III

Article III entails a penalty clause for cases in which employers do not comply with the requirements of Article I. It is assumed here, that this obligation pertains to the requirement in section 1 of Article I i.e. to apply for a permit in case of hiring an employee temporarily.

Issues of legal formalities e.g. the question whether this ordinance, not being part of the penal code, is the right place for a penalty clause, are not covered in this advice. However, the SER feels that the introduction of a penalty of this magnitude for an essentially economic transgression should be dealt with in a comprehensive way, covering the full range of issues/ trespasses pertaining to the compliance with labor laws. To address one detail out of this range separately constitutes a disproportionate measure and sends an inconsistent signal.

Furthermore, as this ordinance deals with contracts in the civil realm, a provision along the lines of the Aruban civil code article 1613x, opening the possibility for the Court to grant the employee financial compensation would seem more fitting.[2]

2 See for instance the Aruba Civil Code, quoted in DirAZ 2007, page 23

4 Alternative solutions

Focussing on the advice at hand and the perceived problems addressed therein, the SER would bring the following alternative solutions forward:

- Increase of control by the labor inspection (arbeidsinspectie) on compliance with the existing legal provisions. One of the conditions for successfully enforcing the existing rules is of course upgrading and strengthening of this part of the government organisation. This also entails the connection of databases in different government services, making them more up-to-date, accessible and fit for cross-referencing. The 2011 annual report of the Inspectorate for Labor mentions a total manpower of four, of which one is covering the entire area of labor regulations. The report does not mention violations in the field of temporary contracts as an inspection objective. Compliance with the temporary contract rules should become one of the main focal points of the labor inspection. Related to this, industries with known issues in this field should get most attention. Also, efforts should be directed towards the informal part of the economy, as opposed to increased control of known and registered companies.
- Require every labor contract to be in writing. Lack of written proof of a labor relationship makes enforcement of rules by government agencies difficult, and compromizes the position of the employee, especially in case of legal action.
- Increase the inclination towards compliance by employers by: simplifying the bureaucratic procedures where possible; dissemination of information regarding the rules and generally building a culture of compliance. This should be achieved not only by government pressure but also by self-regulation of the private sector.
- Increase the consciousness among employees with regards to their rights and entitlements. Especially among temporary employees (recent) immigrants are overrepresented, finding themselves in a by definition more vulnerable position. Awareness of one's rights as a citizen is an essential part of integration in society. Next to government the labor unions – and other NGO's - have a specific role and responsibility in this field.

5 Advice and recommendations

5.1 Advice

The unanimous advice of the SER on the different components of the proposed ordinance is as follows:
Regarding Article I, all three sections are regarded as inopportune, for reasons of undue increase in bureaucracy (section 1), counterproductive effects (section 2) and ineffectiveness regarding the problem at hand (section 3).

Regarding Article II, sections 1 and 2, the (draft) LB-hams announced are not attached to the draft ordinance. Without those however, the ordinance becomes hard to apply in any practical sense. Moreover, Article II is only relevant in relation to Article I.

Regarding Article III, the SER regards this kind of penalty applied to an economic transgression alone inadvisable. It creates a legal and economic imbalance between the handling of this particular issue and other labor related rules.

Article IV is relevant only in relation to the previous articles.

Summarizing, the SER unanimously advises not to submit the proposed ordinance in its current form.

5.2 Recommendations

To address the immediate problem(s) the draft ordinance is aimed at, the SER recommends the following:

- Strengthen enforcement of the existing rules pertaining to temporary contracts, reinforce and upgrade the labor inspection in terms of manpower, assets and organizational structure, refocus the labor inspection towards compliance with the temporary contract rules and making the informal economy visible;
- Increase knowledge of and compliance with said rules among employers;
- Encourage employees to assert their rights and entitlements under the existing rules; encourage the dissemination of standardized information on their legal rights – to be provided by government – in a language the employee commands. The responsibility to provide this information should be shared by employers, labor unions and government.

To address the more general issues related to increased flexibility of the labor market, the SER recommends the following:

- Create a set of penalties related to transgressions against all labor laws that is consistent, internally and externally proportional and conducive of compliance with the law.
- Start the design of a system of flexicurity that on the one hand recognizes the necessity and the reality of a more flexible labor market, while at the same time ensuring temporary employees a degree of long term financial and economic perspective that would be comparable to that of a permanent contract.
    - It is generally recognized that strict dismissal laws make employers reluctant to hire permanently, and opt for temporary contracts instead. Recognizing this effect, and accepting the general tendency towards more flexible labor relations, the laws on termination of labor contracts should be revised.
    - Concurrent with the revision of dismissal laws however, the legal and socio-economic position of workers on a temporary contract should be strengthened.
    - To make dynamic careers within the same company and between companies feasible, and to stimulate individual and collective socio-economic development, permanent schooling and life-long learning should be incorporated in all labor relations.

It is the intention of the social economic council to contribute to the recommendations contained in this advice, by following up with a broader unsolicited advice in the field of labor market regulation. Next to issues of temporary contracts, this advice will tackle the rules on dismissal and dissolution of labor contracts, the coordination of initial education, permanent education and the needs of the labor market, while at the same time addressing the job security and quality of life guarantees for employees. It will be a first contribution to a concept of 'flexicurity' on Sint Maarten.

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