Dutch industrial relations and the crisis

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Political background

2007-2010 CDA/PvdA/CU government
• Activation of anti-cyclical instruments (short term work schemes, training funds)
• Unemployment lowest in EU

2010-2012 VVD/CDA minority (backed up by PVV)
• Neo-liberal, austerity, ‘burden’ of business
• Xenophobic, nationalistic

2012-2014 VVD/PvdA government
• Liberal in economics
• Social in labour market – revival of social pact
Tripartite development

Bipartite pension deal (2010):
• Pension age up to 66 in 2020, 67 in 2025
• Two biggest Federations block the deal
• Interim government decides: 66 in 2019 and 67 in 2023

Social pact (2013) – easing of austerity, in exchange of:
• Intensification of active labour market policy
• Reform of dismissal procedure combined with training facilities
• Strengthening of rights for temporary workers
• Stimulus of recruitment of workers with handicaps
Labour market

Recruitment of cheap labour
- Trade unions try to monitor large sites
- First successful actions with migrants workers

Regulation of 'flexible' layer
- New law an work and security
- Joint policy against letterbox and bogus agencies

Strengthening of labour inspection through coordinated teams
Trade unions

FNV paralysed by pension quarrel
- Two federations no longer ‘trust’ board
- Joint actions lamed by controversies

Call for new structure
- 2013 introduction of ‘members’ parliament, executive of 18 representatives of the federations, new movement announced for January 2014, direct FNV-membership combined with internal collective agreement/branche substructures

Activism or ‘polderen’. Media attention for cleaning and other spectacular disputes.
Bargaining

Agreements at central sectoral level still dominant.
- Alarm bell of employers in early 2014; 3% pay demand
- Certain sectors agree on lower wage increase and go for rapid extension by law (fear of social dumping)

Wage increase on average:
• In 2011 (12 months average) 1.7%
• In 2012 1.6%
• In 2013 1.4% (however, zero in 13% of the deals)
• In 2014 (until June) 1.6%
Workplace representation

New role for works council.
- Remuneration of top executives (right to speak on this at shareholders still under consideration)
- Pension schemes: veto right over every proposed decision on second pillar pension provision

Training fund abolished
• Since early 70s right to train plus financial guarantee via levy (of the wage sum in 50+ companies)
• Guarantee still upright, however paritarian fund ended 1 January 2013
• Training of works councils collapsed (35% less training, notably situation in sme’s problematic)