Social dialogue in The Netherlands after the crisis

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Institutional setting

- Labour Foundation (bipartite)
- Social and Economic Council (tripartite)

- LF: agreements -> recommendations
- SEC: advisory -> reports

- ‘Polder model’ (since 1980s), based on power relations between three parties

- Two trends: (1) decentralising/-regulating employment conditions; (2) removing SP’s from executive control of labour market/social security institutions
Labour market developments

- Financial crisis: in 2008 quick drop in vacancies; as from 2011 delayed rise from 5 to almost 8 % unemployment
- Crisis strengthened rise of flexible work; number of permanent contracts declines as from 2010
Political context

• Employers had effectively direct access to political actors
• Crisis -> threat of state deficit and debt > 3 %
• Political instability: fragile political basis of cabinets (2010-12; 2012-now)
• caused: no austerity plan before 2012
• + reason to find support of Social Partners
• Internal problems of union FNV
• Peculiar power complex; result: employers’ organizations supported Social Agreement
Agreements after crisis

• Crisis agreement (Spring 2009):
  - Short term unemployment scheme
  - Steady development of wages
  - Reopening discussion on pension age

• Pension Agreement (June 2011):
  - Gradual raising of pension age
  - Guarantees as to the level of pensions

• Social Agreement (April 2013; in law 2015):
  - SP’s regain responsibility in unemployment benefit administr.
  - Revision of dismissal law
  - Reduction of public unemployment benefit duration
  - New measures to make incentives for job-to-job transitions
  - Improvement of the legal position of flexible workers
Impact of crisis on social dialogue

- Polder model, stable basis, though dependent on political and economic conjunctural cycles
- Crisis first shifted power to employers
- Crisis strengthened interdependency of parties
- Social Agreement 2013 as result & bone of contention
- Deterioration of relation between social partners
- Although alle parties agree on contribution of s.d. to productivity and well-being
- ‘New Agenda?’
Strengths, Weaknesses, Opportunities & Threats

**S:** - stable basis of ‘polder’
  - broad support SP’s for collective agreements

**W:** - fluctuations in interdependency of parties
  - lack of support from EU

**O:** - S.D. is way to effect innovation in times of uncertainty

**T:** - representativeness (of unions)
  - lack of political support collect. agreements
  - shift of work away from ‘employment’