

Dutch Labour Foundation calls on government to take necessary measures to protect workers and employers

In the Netherlands, a Committee of “Unity and Decisiveness” with the six Presidents of the Dutch Labour Foundation (workers and employers organizations) and the Dutch Government has been set up. Yesterday, the Labour Foundation issued a joined letter to the Government in which we state a number of necessary measures. These examples will be supplemented at a later stage.

Employer and workers organizations want to work together with the government in order to do everything possible to absorb the consequences of this crisis and to keep companies and organizations functioning as well as possible.

The Labour Foundation will recommend the decentralized collective labour agreement parties and individual employers and unions:

1. Quickly discuss what actions can be taken in individual companies and sectors in order to prevent a WTV application (shortening of working hours) or to ensure the shortening of the working hours to be as small as possible.
2. Seek as much employment retention as possible from those who working on the basis of a flexible employment contract and for whom no shortening of working hours can be requested (WTV), such as on-call contracts, zero-hour contracts, temporary agency workers or freelancers.
3. To take into account the obligation to continue to pay full wages to workers for whom WTV has been requested in order to prevent negative income effects. This contributes to the necessary stability. To prevent companies from getting into liquidity problems, the Labour Foundation urges the government to make funds available from a Corona emergency fund to be set up quickly (see below).
4. Leniency regarding the application of waiting days in case of illness. If people get sick or have complaints, they should stay at home. There should be no counter-productive economic incentives to go to work.
5. To discuss at sectoral and regional level whether temporary employment elsewhere is for those who are temporarily out of work.
6. To jointly examine whether in the longer term training can be used during the WTV period (period to which the shortening of working hours regulation applies).
7. Observe normal manners in the workplace. The fear of the coronavirus must not lead to discrimination or indecent behaviour.

The Labour Foundation appreciates the rapid deployment of the WTV regulation by the government and the manner in which both the Ministry of Social Affairs and Employment and UWV (Employee Insurance Agency) are scaling up to be able to respond quickly to WTV requests.

However, the labour market has changed in structure since the last crisis. One of the consequences thereof is that a number of schemes, intended to financially support a period of forced inactivity, does not apply to large groups of workers in the flexible layer. While other measures, such as part-time unemployment benefits, cannot be used because of the changes in the applicable regulation. Hence, adjustments in the regulation and the availability of additional finances are necessary to avoid that companies and workers run into liquidity problems unnecessarily. In the case of regulation, in the short term this concerns to need to adapt the WTV scheme, the support to self-employed persons and employees with a temporary, on-call or temporary employment contract and the waiver of the high unemployment payments for sectors that temporarily have more work.

In addition, the Labour Foundation requests you to apply a number of the applicable policy rules in a flexible manner in order to ensure that these schemes apply to a larger group of affected businesses and workers at least for the duration of the corona crisis.

Specifically, the Labour Foundation requests the following:

1. Prevent that the unemployment rights of workers who use the WTV scheme are 'consumed'.
2. Adjust the WTV regulations to ensure that companies that are now facing "indirect" damages from the coronavirus, may also apply this scheme.
3. Change the BBZ (Social Assistance self-employed persons Decree), which dates from 2004, in such a way that self-employed persons are not obliged to pay, in addition to the refund, eight percent interest on the amount provided. Grant advances to self-employed workers who are in acute distress. Shorten the term in which a decision on a BBZ application is taken. Examine if an additional financial injection to the BBZ is needed in order to support viable self-employed businesses.
4. Establish a Corona Emergency Fund. Workers who are employed on a flexible contract, can temporary use this Fund. On the other hand, companies who suffer from liquidity can guarantee their permanent employees the continued payment of wages. This Corona Emergency Fund should pay out for the duration of the corona measures based on the payslips of the last three months and a message from the employer that there is no work available as a result of the corona measures. This Fund should be paid out of general resources of the national budget. The government, as a client, can also partly continue to pay suppliers and contractors of tenders for works and services from the Fund, despite the fact that there is temporarily less or no work done.
5. Adjust the WTV regulations in such a way that companies are not compensated by UWV (Employee Insurance Agency) after six weeks but after two weeks. In particular SMEs will benefit. This will prevent bankruptcies.
6. Adjust the regulations in the Wab (Balanced Labour Market Act) for the WW- premium (unemployment insurance premium) in such a way that companies, that as a result of the corona crisis have to make temporary arrangements with workers about working more, are not taxed for the high unemployment insurance premium for these workers (as a result of the rule that the paid hours must not exceed the contractual hours by more than 30 percent).
7. All sectors where people work shoulder to shoulder, where people are more at risk of becoming infected with the coronavirus deserve extra attention. We specifically name childcare, supermarket workers, labour migrants who in some cases live together in small spaces, and public transport. The government must take sufficient measures to protect these groups. Society leans on them. In addition: it is code red in the care sector. Their extra expenses - such as extra childcare (and potential) costs that cannot yet be identified - must be compensated. Extra work is not a problem but should not lead to extra costs.

The Labour Foundation is aware that it everyone's effort is required to minimize the economic impact of this crisis and would like to work together with the government. Employers and workers, united in the Labour Foundation, are committed to this together and will speak with the government in the very short term.