

Social Dialogue in Defence of Vulnerable Groups in Post-COVID-19 Labour Markets (VS/2021/0196)

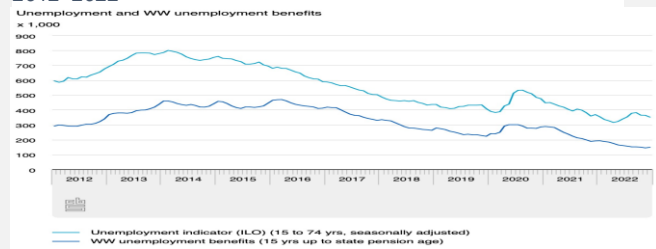


The Netherlands

COVID-19 labour market developments

- **Employment rate** faced a considerable decline in the first wave of the pandemic in 2020.
- The impacts of Covid-19 pandemic in following waves affected **different sectors of labour market** unevenly, hospitality sector, culture, sports and recreation receiving the hardest hit.
- **The financial investments of the government** to mitigate the adverse effect of the pandemic by injecting significant amounts of public money kept the economy running and made way for the social dialogue in unprecedented times.

Unemployment and unemployment benefits in the Netherlands 2012–2022



COVID-19 and vulnerable groups

- **Workers with non-standard type of labour contracts** were vulnerable due to increased flexibility and gaps in social protection.
- **Self-employed** who lacked coverage of social security.
- **People outside of the labour market and people with distance to labour market** faced difficulties due to restrictions and their access to labour market was hampered by the economic shock and the freeze of employment services.
- **Youth** with low or intermediate level of education were impacted by the stagnation of the labour market.
- **Migrants** faced vulnerability due to higher share of atypical jobs and the discontinuation of active labour market measures.
- **Workers in certain sectors**, such as culture, restaurant, and tourism, were vulnerable because of long closures.
- **Workers in health care and essential services** in consequence of infection risks and increased workload.

Social dialogue in defence of vulnerable groups

- **Support schemes** addressing both wage costs of employers and fixed cost for self-employed were introduced in early phase of the pandemic **to support employment and job retention**.
- **Support and loans** for businesses, entrepreneurs and certain sectors, such as agriculture and culture.
- **Health and safety measures** at the workplace and home **to protect workers**, in particular the workers in essential services and frontline workers
- **Measures to ensure education and training** to people who lost their jobs due to Covid-19 to help move into new work and to young people without education.

Policy relevance

- **Established patterns of social dialogue** facilitated agile and successful bargaining between the social partners in the first year of the pandemic.
- In later stage, **conflicting interests** between the social partners arose in the issue of health-related measures.
- As the Covid-19 crisis continued (and medicalised) **unilateral actions by the government** increased
- **The coordination** at the national level remained limited, and social partners at sectoral level had wished for **more steering**.
- **Social dialogue** is necessary in dealing with emerging issues of working conditions, reinforcing equality in society, and strengthening the position and social protection of the vulnerable groups in the labour market.

Further information

Please note that this is a first draft; the policy brief can be subject to change.

Project details: <https://www.helsinki.fi/en/projects/social-dialogue-defence-vulnerable-groups/about>, contact: University of Helsinki (Minna van Gerven minna.vangerven@helsinki.fi)

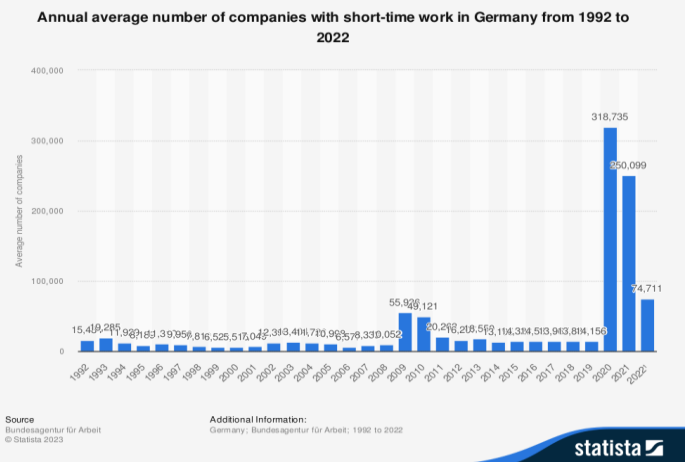
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Germany

COVID-19 labour market developments

- German’s labour market absorbed the pandemic reasonably well. The massive expansion of short-time work schemes (“Kurzarbeit”) – see figure – dampened the rise in unemployment rates (from 3 % in 2019 to 3.7% in 2020 and 2021).
- At the same time, the pandemic has exposed and accentuated the polarised character of Germany’s labour market regime. Whereas the main part of the workforce remained well protected, in several sectors economic precariousness, health hazards and social discrimination (e.g. scapegoating of COVID-19-infected) combined to bring to the fore an extensive vulnerability of workers.
- The worse than expected “post-covid-recovery” of the German economy (due to both external and internal factors) is further driving insecurities in a still robust labour market.



COVID-19 and vulnerable groups

- COVID-19 has been an accelerator of existing social inequalities and risks.
- Migrant and low skilled workers work in industries where physical presence was needed and thus the infection risk ranked high. Besides, social security schemes were less reliable in agriculture, retail, gastronomy, cleaning or transport due to widespread use of atypical employment forms.
- Young people suffered from the pandemic indirectly in that their education and vocational training was interrupted or severely restricted.
- Being among those workers whom the pandemic hit hardest in economic terms, self-employed could benefit from both non-repayable statal grants and an eased access to basic allowance (formerly Hartz 4, now “Bürgergeld”).
- Single parents were granted additional paid-time off to combine their wage labour with caring and teaching responsibilities, but were still hard-hit by the long closures of schools and kindergartens.
- Few measures were undertaken to protect especially vulnerable groups like disabled, chronically ill or aged persons at their workplaces from infection with COVID-19.

Social dialogue in defence of vulnerable groups

- At the beginning, swift and rather unilateral measures were implemented for social and economic protection.
- The progressive adjustment of these measures to better protect specific vulnerable groups largely resulted from the bottom-up pressure of stakeholders, trade unions and collective action of workers.
- In later phases of the pandemic, trade unions, welfare organizations and other stakeholders began to introduce demands for better protection of specific groups more vehemently into the established channels of policymaking. Legislation became gradually more responsive towards these demands.
- In healthcare and agriculture, trilateral formats of social dialogue were explored. In agriculture interests of seasonal workers were articulated, in healthcare diverse measures (bonus payment, better staffing, etc.) were debated.

Policy relevance

- For the most visible sectors of the labour market, the pandemic has proven that German’s system of industrial relations with sector-specific wage agreements, social partners and mechanisms of social dialogue is (still) working well.
- Too little was, however, done to counter the vulnerability of certain groups. The absence of unions, public invisibility and lack of political will meant that the impact of COVID-19 was absorbed unevenly.
- An adaption of consolidated instruments is necessary to attend the needs of a highly diverse workforce.
- One lesson of the pandemic is that novel avenues of social dialogue and regulatory attempts were undertaken in industries such as meat-processing, agriculture or healthcare. The pandemic has hence also been a laboratory of political (re-)regulation. As the case of agriculture shows, the EU can play an important role as driver of labour reforms.

Further information

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Project details: <https://www.helsinki.fi/en/projects/social-dialogue-defence-vulnerable-groups/about>, contact: University of Duisburg-Essen, Institute for Work, Skills and Training (karen.jaehrling@uni-due.de, conrad.luis@uni-due.de).

