



EMCC

European Monitoring Centre on Change

Netherlands: Redundant employees entitlement to public support

[Go to list page](#)

Netherlands

Phase:

Management

Type:

Redundant employees entitlement to public support

Last modified: 10 December, 2021

Native name:

Wet structuur uitvoering wet en inkomen (SUWI); Werkloosheidswet

English name:

Act on the structure of implementation of work and income (SUWI act); Law on unemployment

Article

Chapter 5 of Act on the structure of implementation of work and income; Law on unemployment (mainly chapters 1, 2 and 6)

Description

Public employment service

The act on the structure of implementation of work and income is the umbrella legislation on employees' benefits and reintegration. Chapter 5 deals with the tasks of the public employment service (UWV). According to article 30a, the task of the UWV is to stimulate labour market participation of the unemployed, employees with disabilities, and employees who are threatened with unemployment in the foreseeable future (four months). This should be done by registering people with the service and flagging vacancies to them. UWV can work together with clients to develop a reintegration plan if circumstances are deemed by UWV to justify this, with regular monitoring of the progress. The service is based on a personalised, targeted approach for those who need it, where the job market position of the unemployed is the main factor in the analysis of opportunities to get a job. UWV determines the labour market position using the Work Explorer (an online questionnaire). The Work Explorer predicts the probability of job resumption within one year after the onset of unemployment. On the basis of the outcome, jobseekers receive tailored services. People receiving an unemployment benefit and having less than 50% of job recruitment opportunity within one year are invited to a personal job orientation interview. The content of the reintegration plan depends on the specific situation and circumstances, and usually consists of training programmes and forms of coaching. These tasks of UWV apply to all unemployed or disabled employees, with some exceptions. In case of major restructuring, UWV and other parties concerned (local or regional authorities, unions, employer organisations) may establish a special task force. However, there is no specific legislation for this purpose.

Unemployment benefits

People that have been employed for at least 26 weeks in the last 36 weeks that become (partially) unemployed through no fault of their own, lose at least five hours of work, are directly available for another job. Those who have registered as jobseekers at the public employment service are entitled to an unemployment benefit that equals 75% of their previous income for the first two months and 70% for at least three months. The size of the benefit has an absolute cap that is determined separately for each year by the Ministry of Social Affairs based on factors including average wage development and inflation. The size of the benefit amounts to €223.40 per day per day, or €4,858.95 per month as of June 2021, which could mean that high-wage workers may experience a lower replacement rate.

The duration of the benefit is calculated using a so-called working life indicator, based on actual and fictional work history. The actual work history is constituted by the years which the employees worked, from 1998 to the year in which they became unemployed. From 1 January 2013, a calendar year counts if one has received a salary for 208 or more hours in that year.

If one year does not meet these conditions, that year may sometimes count (in part) if one has taken care of a child younger than 5 years old (care plan) or of someone who is ill or disabled (mantelzorgforfait); was on unpaid leave; received a full disability benefit; or worked in other countries.

The fictional 'working life' consists of the years from one's 18th birthday up to 1997 (relevant only for people aged 18 or older in 1997). It does not matter whether one worked or did not work during that period.

The sum of the actual and fictional 'working life' is the total 'working life'. This determines the duration of the benefit:

- 10 years or less: for each year one is entitled to 1 month over 10 years;
- For all full calendar years of employment before 1 January 2016, one is entitled to 1 month; and

- For all 'working life' years from 1 January 2016, one is entitled to 0.5 month of unemployment benefits (WW uitkering).

Unemployed people are entitled to unemployment benefits for 3 months or more. The exact duration of the unemployment benefits depends on their total employment history and on when they became unemployed. The maximum duration of the unemployment benefits is 24 months. If a person has worked longer than 10 years or is covered by a collective agreement, the unemployment benefits can be extended to a maximum of 38 months.

For the duration of the benefits, unemployed people are obliged to cooperate with the public employment service to help their own reintegration into the labour force. This obligation entails applying for jobs at least four times a month and accepting suitable work. Almost all work is deemed suitable by the public employment service if a person has received unemployment benefit for six months or more, so job offers for employment with long travel time or significantly lower pay also have to be accepted.

Unemployment benefits also apply, if a person earns less than 87.5% of the amount that they previously earned, with no fault of their own (partial unemployment). In this case, the benefit supplements are up to 87.5% of previously earned income.

The unemployment benefits are paid from a fund to which all employers contribute (obligated premiums).

Article 130gg and article 130hh provide for the continuity of unemployment benefits for British citizens whose right to unemployment arose before Brexit and who still meet the other eligibility conditions.

Comments

Unemployment and the number of unemployment benefits increased in 2020 as a result of the COVID-19 crisis, but not to the extent in which that was expected last year on the basis of the seriousness of the situation. Just before the outbreak of the pandemic, unemployment was at an all-time low: 2.9% of the labour force was unemployed in March 2020. Then, the unemployment rate increased and peaked at 4.6% in August 2020, after which it started declining again. On average, the unemployment rate in 2020 was 3.8%. In March 2021, the Netherlands Bureau for Economic Policy Analysis (CPB) expected the unemployment rate to rise to 4.4% in 2021, yet it has been declining for months in a row.

The number of people receiving unemployment benefits rose sharply, especially in April 2020. The number of people receiving unemployment benefits reached the highest point in May 2020, with more than 301,000 people receiving unemployment benefits and remained at that level for another two months. From August till December 2020, the number decreased. In the last month of 2020, the number of people receiving unemployment benefits increased again, reaching almost 286,000 people receiving unemployment benefits at the end of 2020. Based on the most recent estimates by the CPB, the UWV expected the number of unemployment benefits to be around 300,000 at the end of 2021. However, the number of people receiving unemployment benefits has been falling for three months in a row. By the end of April 2021, UWV had registered more than 266,000 people receiving unemployment benefits.

Cost covered by

Employer
National government







Involved actors other than national government

Public employment service

Thresholds

No, applicable in all circumstances

Sources

-  [Wet structuur werk en inkomen \(SUWI\), chapter 5](#)
-  [Law on unemployment \(Werkloosheidswet\) \(Dutch\)](#)
-  [Labour market forecast 2021-2022 \(Dutch\)](#)
-  [When am I entitled to unemployment benefits? \(Dutch\)](#)
-  [What is the duration of my unemployment benefits \(Dutch\)](#)
-  [UWV - Current unemployment benefit amounts](#)

Useful? Interesting? Tell us what you think. 

Eurofound welcomes feedback and updates on this regulation

Your name *

E-mail *

More information?

Homepage

Subject

Comment *

Save

Preview

European Monitoring Centre on Change - EMCC

[About EMCC](#)

European Restructuring Monitor

- › [About the European Restructuring Monitor](#)
- › [Restructuring events database](#)
- › [Restructuring support instruments](#)
- › [Restructuring related legislation](#)
- › [Restructuring case studies](#)
- › [ERM publications](#)

European Jobs Monitor

Labour market research

Case studies

Future of Manufacturing in Europe (FOME)

European Observatory on Quality of Life - EurLIFE

European Observatory of Working Life - EurWORK

Quick links

- Legal information
- Data protection
- Environmental policy
- Cookies
- Subscriptions
- Multilingualism
- Templates for Eurofound reports
- Eurofound style guide
- Management Board extranet
- Map - how to get to Eurofound
- FAQ
- Sitemap



Contact us

Eurofound, Wyattville Road, Loughlinstown, Co. Dublin, D18 KP65, Ireland

Phone: (00) 353 1 2043100

E-Mail: information@eurofound.europa.eu

Press: media@eurofound.europa.eu



MEMBER OF THE NETWORK OF EU AGENCIES



EUROFOUND ACHIEVES EMAS REGISTRATION



EUROFOUND IS AN AGENCY OF THE EUROPEAN UNION



[Access to internal documents](#) | [Financial information](#) | [Archives](#) | [Information centre](#) | [RSS feeds](#)

© EUROFOUND 2023

