

The Social and Economic Council



The Social and Economic Council

A first introduction



Mission of the SER

The Social and Economic Council is an advisory and consultative body of business owners, employees and crown-appointed members. We aim to contribute to sustainable economic growth by reaching mutual consensus on national and international socio-economic issues. The SER strives for quality and support: high-quality expertise in combination with broad agreement and support in society.

Contents

What is the SER?	4
What is the reason why the SER exists?	8
Who are part of the SER?	13
What does the SER do?	15
How does the SER work?	21
Want to know more?	25
Websites	26



Video ▶

[What does the SER do?](#)

What is the SER?

In the Netherlands, we use consultations to try to reach agreement on goals and means of socio-economic policy. This happens at several levels. In companies, the works council consults with management. At branch levels, unions negotiate collective terms and conditions of employment with business organizations. And at the national level, there are the SER and the Stichting van de Arbeid (the Labour Foundation). All these forms of consultation are part of the so-called consultation economy.

The SER includes business owners, employees and independent experts (crown-appointed members). They advise cabinet and parliament on socio-economic policy. In addition, the SER has some administrative duties. The SER wants to promote trade and business to keep the public interest in mind. Therefore, the SER is involved in monitoring compliance with merger conduct rules and self-regulation in the field of consumer interests.

The SER as an advisory body

For advice on socio-economic issues, cabinet and parliament may call on the SER. In this area, the SER is the most important advisory body in the Netherlands. Solicited and unsolicited, the SER will advise cabinet and parliament on main lines of the socio-economic policy to be pursued. In doing so, the SER can fall back on their broad knowledge: after all, the SER brings together experts from science and trade and business. This enables the SER to advise on issues affecting many Dutch people, including: work, income, social security, taxes, vocational education, spatial planning, environment, healthy and safe work, participation, diversity and inclusion.



The SER can provide broad public support

The SER as a governing body

The SER also has administrative duties. The SER jointly implements some acts that are important for business, such as the Works Councils Act and the Medical Examinations Act.

The SER: legally and socially embedded

The SER performs their duties on a broad basis. This lies in society, in the background of the parties that are part of the SER: employee and business organizations with their constituencies and also crown-appointed members. The SER has its own statutory justification. The Social and Economic Council Act, formerly called the Business Organization Act, regulates what the SER is and what it does. Social support and their legal task determine the place of the SER in society.

The cabinet is not obliged to follow the SER recommendations. If business owners, workers and crown-appointed members are united, their opinion does send a powerful message to the cabinet. By convention, the cabinet will give its response within three months of the SER issuing an opinion.

Often recommendations from the opinions are adopted into cabinet policy.

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Consultation system: typically Dutch?

The consultation system is not a typical Dutch phenomenon. In other countries, too, consultations take place between business owners and workers and with the government. Many countries have collective bargaining agreements and similar institutions like the SER.

The European Union even requires a form of social dialogue (consultation between employers and employees on company policy) as a condition of entry.

Also in countries outside the EU, people see the importance of good cooperation between social partners and the government.

The Dutch consultation system is also known as the polder model.

We prefer not to use that term. It is a static concept, which our consultation system is not. Moreover, the term “model” falsely suggests that it can be adopted by any other country. But countries differ too much institutionally as well as culturally. However, interesting lessons here can inspire reforms elsewhere.

The Dutch consultation system has had periods of ups and downs. Yet the parties have always felt the need to reconnect with each other. We are interdependent to make good policies. This need is perhaps typical of the Netherlands; we have always been a country of relative minorities. Without an absolute majority, it is always necessary to form coalitions, consult and cooperate.

What is the reason why the SER exists?

The SER was established by law in 1950. This was after a long period of discussion about the social and economic order in the Netherlands. Discussions mainly about the roles that government and civil society organizations were to take. These were the years of reconstruction after World War II. The great economic crisis of the 1930s was still fresh in the mind. It was generally felt that the government should become more involved with economic growth, employment and social security. But the government could fulfill this onerous task only if it continued to involve the business community (business owners and workers) in solving these issues. This could be done by giving them more influence.

Foundation

The greater involvement of business owners and workers in socio-economic policy was laid down in the 1950 Business Organization Act. This act is now called the Social and Economic Council Act. Through this act the SER was established as a public law governing body. Through the SER organized trade and business organizations were given their advisory role. Trade and business were also given administrative powers and they gained the ability to establish product and business boards. In these boards, business owners and employees could organize the matters they deemed in the best interest of their own industry.



Three central objectives

In one of its first opinions, the SER formulated the goals for socio-economic policy. In later SER opinions they were adapted to the changed times. For any functioning consultation system, unanimity is very important. The shared principles help to agree on more concrete choices in socio-economic policy. The three objectives of the SER:

- a sustainable inclusive economy;
- maximum employment;
- reasonable income distribution.

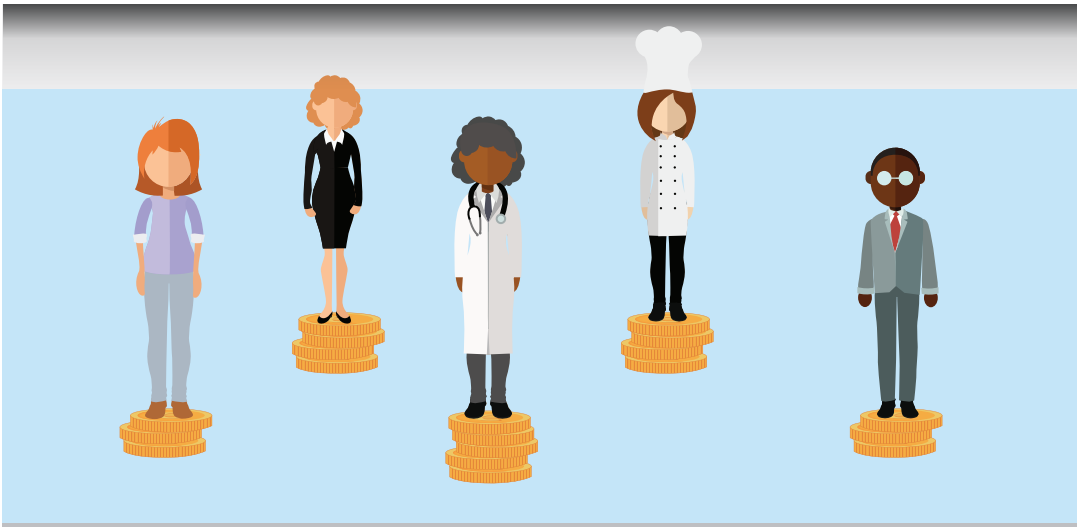
SER and the consultation system

Government and social partners each have their own roles. But parties have the opportunity to hold each other mutually accountable for the manner in which they perform their duties. That is the essence of the consultation system. In it, the SER is an important platform for coordination and consultation on important socio-economic issues. These consultations result in public opinions with analyses, reasoned opinions and recommendations.

Finance

Although established by law, the SER is not a government institution. The SER is financially independent of the government. The work of the SER costs about 21 million euros a year. That money is raised by trade and business. Since January 1, 2013 through the General Unemployment Fund, into which all companies in the Netherlands pay a levy.

So, the SER is funded by all companies in the Netherlands





STICHTING VAN DE ARBEID

Labour Foundation

In addition to the SER, there is another organization at the national level within the consultation system: the Labour Foundation. It was established in 1945, almost immediately after World War II, by the central organizations of business owners and workers. Therefore it is a private institution. Unlike the SER, the Foundation has no independent members, only the social partners. The Labour Foundation has a coordinating role by making recommendations to negotiating parties in companies and industries. From time to time, the Foundation consults with (members of) the cabinet on the policy to be pursued.



Who are part of the SER?



Three parties

There are three parties in the SER: business owners, workers and independent experts. Together they reflect the socio-economic part of the Netherlands. Workers and business owners are part of the SER through their central organizations. Together they constitute organized trade and business. The distribution of seats depends on the size of the organizations. The council currently has 33 members: 11 members representing business owners, 11 members representing employees and 11 crown-appointed members. Following a recommendation by the SER, the Council will soon be expanded by 3 seats, one for each section, in order to strengthen the position of the self-employed. Council members are appointed for a term of two years. Each member votes “without instructions or consultation” and has a deputy. The executive board of the SER is composed of these three parties.

The current seat distribution is:

A) Three central business associations and one independent:

- VNO-NCW (7 seats)
- MKB-Nederland (3 seats)
- LTO Netherlands (1 seat)
- Independent (1 seat)

B) Three central employee organizations and one independent:

- FNV (8 seats)
- CNV (2 seats)
- VCP (1 seat)
- Independent (1 seat)

The parties in the SER reflect the organized trade and business

Crown-appointed members (C) in the SER are independent experts. They are mostly professors in economic, financial, legal or social science fields. They are appointed by the King (Crown) upon nomination by the cabinet. Their task is to promote the general interest. In addition, crown-appointed members act as bridge builders when workers and business owners disagree, and they contribute expert knowledge in their fields. When appointing of crown-appointed members the balanced representation of the different disciplines is considered. Attention is also paid to the political movements in our country.

Crown-appointed members include representatives of the Dutch Central Bank and the Central Planning Office. The president of the SER is a crown-appointed member.



What does the SER do?

The Social and Economic Council Act assigns to the SER some tasks in the areas of advisory work, administrative duties and self-regulation.

Advisory task

The SER's best-known task is to advise the cabinet and parliament on main lines of socio-economic policy. The council provides both solicited and unsolicited opinions. The arguments and positions that are part of those opinions often play a role in the public debate on socio-economic issues, both in parliament and outside. SER opinions are public and will appear on the Internet. They cover a wide variety of socio-economic topics, including the following areas:

- macroeconomic policy;
- sustainable development;
- social security and pensions;
- functioning of the labour market;
- education and child care, work-life balance;
- position of young people;
- working safely and healthily;
- participation and corporate law;
- position of the consumer;
- European integration.

Broad concept of welfare

The SER has also often expressed their views on other topics that at first glance may not be part of the traditional socio-economic domain. For example, opinions on agricultural and transport policy were published as early as the 1950s. Over the years, the proportion of these opinions has increased. In particular, opinions on spatial planning and mobility, climate and energy, health care and education.

The value of SER opinions is mainly in the combination of knowledge and support

This is because policies in these areas have a major impact on general socio-economic policy. Socio-economic consequences are often far-reaching. They require an integrated analysis and assessment of developments and intentions. The cabinet is also increasingly approaching problems in an integral manner, and less from a single department. Therefore, ministers regularly submit joint requests for advice to the SER.

This development fits into the concept of “broad welfare” introduced by the SER in the early 1990s. Welfare is more than just material progress (prosperity and production growth). Welfare includes aspects of social progress (well-being and social cohesion) and a good living environment (spatial and environmental quality).

Of course, the socio-economic relevance will ultimately determine whether a topic is appropriate for the SER. After all, the SER is not an environmental council, education council, health council or planning council. We focus on the socio-economic aspects of issues surrounding these and other topics.

Value through knowledge and support

The value of SER opinions lies mainly in the combination of knowledge and support that the council can bring to the socio-economic debate. To start with knowledge: crown-appointed members and social partners bring in a lot of expertise. Crown-appointed members from their areas of expertise, social partners from their day-to-day practice in business. In the SER, this mix provides a valuable source of knowledge.

SER opinions also indicate the extent to which social partners are willing to endorse cabinet intentions or proposals. The first objective of business and employee organizations is to represent the interests of their members. Those interests are partly different and partly overlap.



SER opinions will challenge social partners to let the public interest be the starting point of their efforts and actions.

Therefore, SER opinions go beyond expressing mere views. Policy recommendations are supported by analysis and arguments. They will test whether the public interest and social welfare are served by the recommendations.

SER opinions can provide the cabinet with broad support for a particular policy proposal. If the SER are unanimous in their positive opinion on a particular issue, the government knows that it can rely on a lot of support for that policy by trade and business and a large part of Dutch society. But if an opinion is dismissive and prefers another solution, the cabinet knows that its plans lack support in a significant part of society.

Administrative duties

In addition to an advisory role, the SER also has administrative duties. One of these is the co-execution of the Works Councils Act. We call this co-execution, because this is a task of the government and the government has the SER carry out in part.

The Commission for the Promotion of Employee Participation has the task of promoting employee participation and its quality in companies. It does this in part by establishing guideline amounts for quality Works Council courses. The committee also decides on applications by companies for exemption from the statutory duty to establish a Works Council. It also advises cabinet and parliament on employee participation matters. Furthermore, the commission has established two business commissions that mediate in the event of a conflict between the Works Council and the director of a company. They also serve as a resource for questions of participation (see: www.bedrijfscommissie.nl). The SER conducts the secretariat of these business committees.

Welfare is more than material progress; it is also about well-being and a good living environment

Self-regulation

According to the Social and Economic Council Act, the SER must represent the interests of trade and business. And the SER is to stimulate trade and business to consider the public interest as a guideline for their actions. This aspect includes the following self-regulatory activities of the SER:

Merger Code of Conduct

Business owners, employees and crown-appointed members have agreed on a code of conduct in the SER to protect the interests of workers in a merger: the Merger Code of Conduct.

This provides that companies planning to merge must notify the relevant unions and the SER in a timely manner. The SER Merger Code of Conduct Disputes Committee handles complaints about violations of the Merger Code of Conduct.

General conditions for consumers

The SER helps business and consumer organizations negotiate balanced General Terms and Conditions. These include the “fine print” used by business owners when consumers purchase goods or services. In many industries, agreements on this have been made in SER context and this number is still growing.

Energy agreement for sustainable growth

In 2013, 47 parties signed the Energy Agreement for Sustainable Growth. This marked the start of an approach to accelerating the sustainability of energy supplies in the Netherlands. In 2019, the pending agreements from the Energy Agreement merged into the Climate Agreement. Herein the emphasis is on CO₂ reduction. These agreements were made with more than 100 parties, including many of those in the Energy Agreement. Until the end of 2022 the SER facilitated the Climate Agreement Progress Consultation established by the Ministry of the Interior and Kingdom Relations.



Do SER opinions have influence?

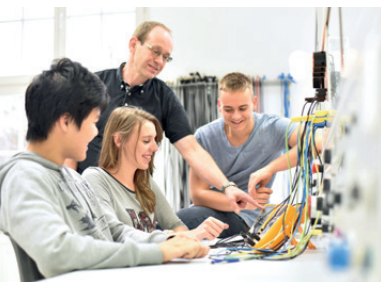
It is difficult to assess the impact of SER opinions. There is no objective way to measure the effectiveness of SER opinions by their effect in laws and regulations, as not all opinions are aimed at bringing about a legislative proposal. Just the SER response or vision to a policy paper may have effects that are manifested in future. We often see that parts of the advice are later incorporated into legislation or regulations. Moreover, policies have a delayed effect; it may take a long time for any effects of advice to become apparent.

The effectiveness of SER opinions lies not only in the concrete actions taken by the government in response to them. It is also important to stimulate discussion among business owners, employees and crown-appointed members and among their constituencies. The added value of the SER also lies in bringing parties together, creating support for policy changes and stimulating public debate on socio-economic issues. The SER does this by creating media attention for their opinions and organizing webinars and meetings.

Diversity and inclusion

The law on growth quota and target regulation is to provide a more balanced male-female ratio in top positions at large companies. The SER diversity portal helps companies with information on the law and best practices from companies, a help desk and assistance for more diversity at the top and tips for making the organization more diverse. SER Top Women includes a database of talented women and will support companies in finding women for top positions.





Lifelong development (LLO) action agenda

The SER supports a strong, positive learning culture so that people can continue to learn and develop themselves throughout life. This agenda involves the SER collecting examples of places where learning is already self-evident, advising on opportunities in laws and regulations, and identifying opportunities and problems and discussing them with representatives of national organizations and policy makers. In addition, the SER will organize meetings to connect people and exchange knowledge.



Health and Safety Platform

The SER Health and Safety Platform is the central information point of social partners on healthy and safe working. The Health and Safety Platform offers advice, knowledge exchange and inspiring examples to employers, employees and occupational health and safety experts. Businesses and employees are stimulated to ask questions about healthy and safe work practices. The objective is to work together on good working conditions. The SER has issued many opinions in the field of working conditions. They include working with a chronic illness and limits of hazardous substances in the workplace.

How does the SER work?

To carry out the tasks of the SER, the council has chosen a working method in which executive board, committees and the secretariat play an important role.

Council

In principle, the full council meets once a month. This meeting will take place in the council chamber of the SER building. The most important part of the council meeting is the consideration and adoption of opinions. These are prepared by a committee (see text box on page 24). Council meetings are generally open to the public. Interested parties need not register in advance if they wish to attend a meeting. Agendas, council meeting minutes and adopted opinions will be shown on the SER website.

Committees

The council is assisted in its work by various committees. The committees include business owners, workers and independent experts. Advisory members appointed include NGOs or other advisory councils, e.g. PBL. Most committees will prepare opinions for consideration by the plenary council. Some committees may also advise the cabinet or parliament directly. In principle, a committee is chaired by a crown-appointed member.

Involvement of other groups

For their advice, the SER will also involve groups other than workers, business owners and crown-appointed members. In this way, any advice can gain quality and support. Organizations that have a specific perspective or interest in the area in question may be involved in the preparation of an opinion by a committee.

Ways of working

There are several ways in which other groups will be involved in advisory work. The committee may invite experts or organize working visits. This occurs regularly. Committees also sometimes organize Internet consultations, where larger groups can share their views on a particular topic.



SER Youth Platform

The SER Youth Platform was established in 2015 on the initiative of former chair Mariëtte Hamer and the crown-appointed members. From a rather informal sounding board group, the platform has grown into a serious discussion partner representing more than 10 youth organizations. The SER established the Youth Platform to ask young people to provide general input on current issues on the one hand, and to contribute to specific advisory processes on the other. The platform also issues opinions independently. Either solicited or unsolicited.

The SER also involves groups other than business owners, workers and crown-appointed members in their advisory work.

Organizations can participate in committees on an ad hoc basis (for a particular consulting project). As an example, patient federation NPCF became a member of the committee that prepared the opinion on affordable care.

Companies may become members of a committee on a structural basis, which will in principle involve them in all advisory projects in the relevant policy area.

Some examples: the Consumers Union is a member of the Consumer Affairs Committee, and nature and environmental organizations are members of the Sustainable Development Committee.

Ministerial representatives

Ministerial representatives may always attend public council meetings and closed committee meetings as observers. These are officials who specialize in certain policy areas. Ministerial representatives facilitate timely and proper exchange of information between the council and its committees with the various departments.



Secretariat

The secretariat is to support the council and its committees in the preparation and execution of the various activities. This includes performing administrative tasks and supporting self-regulation. The secretariat has 150 employees and is managed by the general secretary.

How does an SER opinion come about?

- A minister or secretary of state or parliament prepares a request for advice and sends it to the SER;
- The executive board of the SER decides which committee will prepare the opinion;
- This committee will take a few meetings to prepare a draft text
- Social partner organizations will discuss the draft in their own circles and come up with a response (“constituency consultation”);
- Responses will be discussed in committee and incorporated in the draft text. The committee will seek a unanimous draft text;
- The draft opinion will be sent to the council;
- The council will discuss and adopt the draft opinion at its public meeting; The opinion will be sent to the applicant for advice.



Want to know more?

Up-to-date information on the work and composition of the SER and its committees can be found on the SER website (www.ser.nl). All opinions published since 1950 can also be found there.

SER news update

This newsletter brings the latest news from the SER. Sign up at www.ser.nl and indicate your interest(s). We will send you a news update every other week based on your area(s) of interest.

Newsletter of IMVO covenants

The SER facilitates several IMVO covenants. Stay up to date with the latest news on the IMVO covenants and subscribe to our English-language monthly newsletter at www.ser.nl.

Themed letters (also external news)

Subscribe to www.ser.nl and receive monthly relevant news, (government) information and recent books and articles on:

- Labour market and participation
- Pensions and the General Old Age Pensions Act (AOW)

SERmagazine

New articles from the online SER magazine appear weekly on the SER website. They have news and background information about the SER, the consultation system and important socio-economic developments (sign up at www.ser.nl). You can also subscribe to the paper version of SERmagazine, which is published five times a year. Subscribe for free through the website.

Websites

www.ser.nl
www.stvda.nl
www.vno-ncw.nl
www.lto.nl
www.mkb.nl
www.fnv.nl
www.cnv.nl
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www.aicesis.org

Colophon

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Social and Economic Council,
Bezuidenhoutseweg 60
PO Box 90405,
2509 LK The Hague

T 070 3499 525

E communicatie@ser.nl

www.ser.nl

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Wilmar Dik (page 23)

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Dirk Hol (pages 12 and 14)

Hollandse Hoogte (page 7)

Christiaan Krouwels (page 5)

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This brochure is intended as a first introduction to the Social and Economic Council (SER). It broadly outlines origin, composition, tasks and working methods of the SER.

The logo for the Social and Economic Council (SER) consists of the letters 'SER' in a bold, white, sans-serif font. The letters are closely spaced and have a slightly irregular, hand-drawn appearance.

SOCIAL AND ECONOMIC COUNCIL

Bezuidenhoutseweg 60

PO Box 90405

2509 LK The Hague

T + 31 (70) 3499525.

E communicatie@ser.nl

www.ser.nl

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