Outline of the changes to the Collective Agreement for Temporary Workers

As from 1 July 2023

An outline of the changes to the Collective Agreement (CA) for Temporary Workers is given in this infographic that will apply as from 1 July 2023. These changes to the CA have been agreed upon with the ABU (Dutch Federation of Private Employment Agencies), the NBBU and the FNV, CNV and De Unie trade unions. The CA is valid as from 2 January 2023 to 1 January 2024. Good employer practices, security and clarity for Temporary Workers and hirers and the improvement of the terms and conditions of employment are the determining factors within this context.

The most important changes are:

1. Incapacity to work and temporary employment clause



Phase A with a temporary employment clause

When the Temporary Worker is incapacitated to work, the Temporary Employment Contract will be deemed to have been terminated by operation of law at the request of the Client immediately after reporting sick (this will be automatic).



Phase A with a temporary employment clause

The Temporary Employment Contract will not be terminated in relation to incapacity to work, but will continue until the agreed end date.

The Client cannot retract the Contract during the incapacity to work.

The Temporary Worker is entitled to sick pay during the current employment contract.

Situation during the 17 March 2023 to 1 July 2023 period

A court case was pending about this issue at the Dutch Supreme Court. The situation March 2023 remains as it was, but now the explicit retraction by the Client is indeed required. This will therefore no longer be automatic.

2. Incapacity to work, qualifying days for sickness benefits and Dutch Sickness Benefits Act supplements during and after the duration of an employment contract



Phase A

Incapacitated to work with temporary employment clause: Employment ends immediately.

Leaving employment while sick without temporary employment clause: A former Temporary Worker receives 70% of the benefits based on the Dutch Sickness Benefits Act.

Employment contract with temporary employment clause: 2 qualifying days for sickness benefits of which 1 is compensated.



Phase A

Incapacitated to work with temporary employment clause: Continued payment of wages while sick as long as the employment contract is still applicable.

Weeks 1-52 (90%) | Weeks 53-104 (80%)

Leaving employment sick without temporary employment clause: A former Temporary Worker receives Weeks 1-52 70% + 20% Weeks 53-104 70% +10%

Employment contract with temporary employment clause:

1 qualifying day without compensation.

Qualifying days and continued payment of wages when incapacitated to work is the same for all types of employment contracts during the entire Phase A period.

3: Hirer's remuneration



10 elements

- 1. The applicable period wage in the scale that applies.
- 2. Working hour's reduction.
- 3. Specific allowances (such as shifts and irregularity).
- 4. Initial wage increase.
- Reimbursements for costs (provided that they are free from social security contributions)
- 6. Increments.
- 7. Reimbursement of travel hours.
- 8. One-off payments (not periodically recurring payments).
- 9. Homeworking allowances.
- 10. Fixed end-of-year bonuses (amount and time as determined by the Client).

Later

10 elements

- 1. The applicable period wage in the scale that applies.
- 2. Working hour's reduction.
- 3. All allowances.
- 4. Initial wage increase.
- 5. All expenses allowances.*
- 6. Increments.
- 7. Reimbursement of travel hours.
- 8. One-off payments (not periodically recurring payments).
- 9. Homeworking allowances.
- 10. Fixed end-of-year bonuses (amount and time as determined by the Client).

4: Accreditation of prior work experience redemption



If the policy of the hirer is to include experience in the starting salary. This also applies now to Temporary Workers.

Pay classification based on previous work experience upon return within twelve months at the same hirer or at another hirer with the same CA.

Later

Regardless of the policy of the hirer, the experience of the Temporary Worker must be included to determine the starting salary (scale/step).

Pay classification based on previous work experience upon return within twelve months at the same hirer or at another hirer with the same CA.

+ If a CA increase has occurred within the period of 9 months prior to the first working day, this CA increase must be applied anyway.

^{*} The user company remuneration is being expanded to include all reimbursements for costs regardless of whether they can be paid out free from wage tax and contributions in accordance with the applicable taxation legislation where the component of the reimbursement that is not targeted by legislation for exemption is paid out gross. If the work-related expenses scheme or another similar tax scheme is used by the employment agency, the gross amount that is made to fall under the work-related expenses scheme is also the net amount.

5: Increments



Regular increases are allocated in the same way as at the Client.



If the allocation of a regular increase at the Client depends on the assessment of the Temporary Worker, the following will apply:

The Temporary Worker will always be allocated a periodic increase. Except when the employment agency can show that the Temporary Worker got a negative assessment in accordance with the rules and procedures at the Client.

If <u>no</u> assessment has taken place or if it was <u>not carried out in time</u>, the Temporary Worker will also be given a periodic increase.

6: Transition payment



Former Temporary Workers can claim a possible transition payment up to three months after their last working day.



Former Temporary Workers can claim a possible transition payment up to twelve months after their last working day.

7: Other issues

When publication took place, the CA parties were providing further details in relation to the following components:

- Schemes for older workers;
- Improvement of the position of migrant workers;
- Pension for Temporary Workers;
- Control.

CONTACT