



21/11/2014

## **EUROPEAN SOCIAL CHARTER**

Comments by FNV on the 8<sup>th</sup> national report on the implementation of the revised European Social Charter

submitted by

## THE GOVERNMENT OF THE NETHERLANDS

(Article 7§5 for the period 01/01/2010 – 31/12/2013)

Report registered by the Secretariat on 21 November 2014

**CYCLE 2015** 

## Comment of the FNV:

Article 7

Paragraph 5 – Fair pay

The Government usually presents two reasons to justify a lower minimum wage for workers below the age of 23, despite the fact that the principle of equal remuneration for work of equal value is supported by the Government:

- 1. to prevent young people dropping out education. Young workers might be tempted to start working without a proper education and qualification to enter the labour market at a suitable level.
- 2. to prevent an increase in youth unemployment due to increased hesitations by employers to employ young people with lower productivity for a normal wage.

As already mentioned in earlier comments, the FNV finds in these two arguments no justification for the age discrimination in minimum wages. Workers who are considered to be adults at 18 in most aspects and at 21 in all aspects, should according to FNV be entitled to a wage allowing an independent economic life. FNV finds the situation for young adults of 21 and 22 particularly distressing. An 18 year old worker receives € 658,- , while the full minimum wage is € 1446,60. One third of young people between 18 and 23 years old have an independent household. Young workers in the Netherlands and young adult workers in particular are worse off than their age peers in other European countries.

No adequate and convincing research has been done to assess the impact of abolishing the lower minimum wage for young adult workers. There is no research substantiating the statement of the Government that youth unemployment will increase. The FNV finds it more likely that the number of part time jobs for students will decrease as they no longer will be less expensive than regular, older workers, while in other jobs demand for young workers will remain unchanged or even increase. We already find that in the care sector and in technical professions employers are willing to accept in the Collective Bargaining Agreement that wage scales based on the youth minimum wage are being replaced by the normal scales based on job experience. The notion that young people by definition are less productive is outdated. Young adults can be energetic and they may master new skills.

The FNV refers to its earlier comments to specifically consider the situation of workers of 21 and 22 years of age. FNV is of the view that there is no justification for the current system of minimum wage fixing for young people

As regards apprentices' remuneration FNV distinguishes two groups, proper apprentices and those who follow a so-called BBL program. The latter group is learning on the job and perform productive labour for the larger part of their work week, the first groups' activities more support their (often higher level) education. Research (National apprentices monitor 2014, Stageplaza) shows that 23,5% of the apprentices do not receive any form of remuneration. Quite a significant part of the young workers in the BBL-program do receive the appropriate minimum wage, although this is often only the case when their employer is bound by a collective labour agreement. They are also protected by the labour laws because they work under an employment contract. However, many other workers in this group receive nothing, which is particularly distressing because they are not eligible for public financing of their education. Therefore, without having income, they have to carry all costs themselves.