Non paper of the Netherlands on the export of unemployment benefits (regulation 883/2004)

EP AMENDMENT

The EP proposes to prolong the basic export period for Unemployment Benefits (UB) from three to six months (amendment 95).

ASSESSMENT

1. The chances of finding a job in the Netherlands are considerably higher than finding a job by exporting an UB from the Netherlands.
2. An extension of the basic export period to six months therefore, leads to an unnecessary and undesired prolongation of the unemployment duration for unemployed persons who export their benefit from the Netherlands. It also leads to an increased probability of people becoming long term unemployed
3. An extension to an export period of six months contradicts aims set in both primary and secondary EU-law.

For many MS the situation will be similar to the one in the Netherlands. For some MS, the situation could be mirrored (chances of work resumption bigger by exporting UB than by staying in MS of last employment).

CONCLUSION

- The best solution would be to have a customized approach, where MS have the flexibility to decide whether or not extend the basic export period (i.e. the council position) instead of a compulsory prolongation of the export period to 6 months for all Member States.
AD 1.
The latest empirical data show that 1 in 10 unemployed persons that export their UB found work abroad (11%) and that this rate varies markedly among Member States. The report shows the following:¹

• Only 0,5% of the people that export their UB from the Netherlands to another EU MS find a job during the export period of three months;
• The Netherlands issued U2 PD’s to 4462 persons in 2016. Of these, 21 persons found a job;
• The national success rate in the Netherlands of job resumption for people with an UB is approximately 46%² within three months and 67%³ within six months;
• If these 4462 people had stayed in the Netherlands 2052 of them would have probably found a job within three months and 2989 within six months.

AD 2.
Statistics show that the longer people stay unemployed the more difficult it becomes to return to the labour market. For the Netherlands the chances of finding a job do not increase anymore after six months.⁴

AD 3.
Article 3 of the EU treaty states that the Union should aim at full employment and social progress. The amendment will do the opposite. A prolongation of the export period to six month leads to lower employment rates and less social progress. Moreover, an extension of the export period contradicts with EU policies regarding unemployed persons that aim at an as-swift-as possible return to the labour market. It is also detrimental to two of the five goals the European Council set in its Agenda 2020 (participation rate of 75%, reduction people in or at risk at poverty and social exclusion).

https://ec.europa.eu/social/BlobServlet?docId=19041&langId=en
³ “twee derde van de WW’ers is kort na uitstroom uit de WW aan het werk”, UWV Arbeidsmarktinformatie en –advies, juni 2018