

Long-range perspective for 2025

The Social and Economic Council of the Netherlands (SER) takes a long-range perspective on the issues that its agenda addresses (see illustration below). That perspective is multi-layered:

- At the core is the struggle by all to improve prosperity for all, and three robust, general objectives to which socio-economic policy aspires on that basis.
- Seven broad themes are grouped around this core that will be pertinent in the years ahead and require our full attention. These themes reflect and respond to current social and economic trends and developments. The seven themes are interconnected. For example, the Netherlands' future earning capacity depends, among other factors, on the process of globalisation and European integration, the dynamics of the labour market, the level of training and the state of the knowledge economy, and the degree to which we can exploit opportunities for sustainable and inclusive growth.
- In turn, these themes provide a framework for identifying and organising specific advisory report topics. Many of the SER's advisory projects will in fact address more than one of the seven core themes.

SER long-range perspective



Public prosperity as a guide

The SER advises the Dutch Government and Parliament on key points of social and economic policy and on important socio-economic legislation. Public prosperity serves as its guide in this context. Public prosperity is more than economic growth; it includes social progress and a good-quality living environment.

The struggle to promote public prosperity is embedded in the socio-economic policy objectives defined by the SER:

- Balanced economic growth within a context of sustainable development
- Largest possible employment participation rate
- Fair distribution of income

These objectives express the idea that prosperity must be increased “by all and for all”. Prosperity is something we create together; how we will do so in the years ahead is the subject of broad public discussion. Social, economic and ecological progress all make demands on our ability to adapt, but progress is impossible without a certain level of social stability and cohesion. To create public prosperity, we must seek, time and again, to strike the right balance between differing objectives and give due consideration to how we use scarce resources to achieve those objectives.

Responding to trends and developments in society

The struggle to promote public prosperity is played out in a societal context that is changing constantly. That context defines which issues arise when we put the aims of social and economic policy to the test in a practical setting. The AAVN employers’ association has identified five interrelated undercurrents that also affect the way the SER and the consultative economy function¹:

1. Diminishing authority and acceptance of institutions
2. Increasing complexity owing to more intensive interactions (thanks to IT)
3. Growing level of pluralism and the existence of multiple “truths”
4. A shift from the rational to the emotional
5. Growing uneasiness and uncertainty about stagnating prosperity

According to a study by the Netherlands Institute for Social Research (SCP), such unease and uncertainty are especially acute among the low-educated; as a result, they tend to distrust politics and feel threatened by globalisation and European integration. Various SER advisory projects address these undercurrents.

Advising in interaction; efficient methods

The SER aims to improve the quality and interactive nature of public decision-making about important socio-economic issues by organising broad consultations and dialogues, by encouraging organisations to consult and cooperate with one another, by putting new questions on the agenda, and by drawing on its own experience and support when advising the Government and Parliament.

In all these areas, it uses efficient and practical methods that concentrate existing knowledge and make good use of internal and external expert practitioners. The committees that prepare the advisory reports do their best to work quickly and efficiently. This approach, and the input provided by Crown appointees and other experts (including the ‘rank and file’) lower the demands made on the scarce capacity of unions and employers’ associations.

In a society that is not only dynamic but also “learning”, a SER advisory report is not so much a closing chapter as the halfway mark in a longstanding discussion of key socio-economic issues. In that discussion, three things prevail: knowledge acquisition, recognition of opportunities, and problem-solving. It is important to track the impact of an advisory report in the real world of economic sectors and regions, municipalities, citizens and businesses, and to also use feedback from practitioners to inform policy recommendations.

¹ Lars Doyer and Jan de Kramer, 2014, *Onderstromen in de polder*, AAVN The Hague.

Seven core themes for the coming years

The illustration above indicates which themes will be prominent on the SER's agenda in the coming years. Below we explain the themes in outline. They give us a framework for organising the topics of our advisory reports that are relevant today. The appendix provides an up-to-date list.

1. Boosting our long-term capacity for growth and employment

The financial and economic crisis has deprived our country of about 10% of its economic growth. That has led to a sharp rise in unemployment and put enormous pressure on government finances. Growth and employment are therefore top priorities in the years ahead because they form the basis for future public prosperity. The main task is to reinforce our economy's long-term capacity for growth, thereby ensuring a high level of employment.

2. Labour market dynamics

To key into externalities and optimise labour to achieve high productivity will require a new dynamic in the labour market. We have longer working lives these days, there is a greater need for freedom of choice, and business owners and employees need to anticipate and respond to changes in society and the economy. Employment relationships and economic activity are becoming more diverse, for example flexible working practices, own-account workers, and people who work multiple part-time jobs or combine paid employment with running their own business. This diversity opens up new prospects but also creates uncertainty and poses a challenge to existing institutions, for example social insurance and pensions.

3. Knowledge economy and learning in the future

If we wish to maintain public prosperity at its current level, then our future earning capacity will increasingly depend on our knowledge and our capacity to turn that knowledge into marketable products and services. It is vital to properly train tomorrow's workers and invest in our knowledge economy. But what will learning be like in the future, both in the formal setting of initial and post-initial education and in settings more closely tied to the labour process? What knowledge and skills will people need to compete in the labour market of the future?

4. Combining work and private life in the future

Paid employment is an important part of many people's lives, but there are other ways to contribute to society as well. For example, people are increasingly being asked to shoulder the burden of care. Retraining and lifelong learning also take a lot of time and energy. In addition, public prosperity depends in part on people having the opportunity to enjoy leisure time and the freedom to improve themselves. Depending on their life phase, people may emphasise different aspects of their lives: their careers, caring for children or others, training, or leisure time. How do these preferences relate to our desire to improve the employment participation rate and labour productivity? How can we combine these multiple responsibilities in a way that is satisfactory for all, given that we are all working longer than we used to (rise in the retirement age)?

5. Reform of the social system

A sound social system offers effective protection to those who require it and is attuned to the dynamic development of the economy and labour market. The pension system, social insurance system and employment law are part of this system, which also includes futureproof labour relations and training facilities. The division of responsibilities in these areas is subject to frequent scrutiny.

6. Sustainable and inclusive growth

Economic growth is not an aim in itself, but a means to generate public prosperity. The target is not maximum (GDP) growth but growth that is sustainable and beneficial for the entire population. The transition to a sustainable energy supply system and to a circular economy with closed-loop material cycles is therefore an important step. The consequences for employment and training require close attention over the longer term.

7. Sustainable globalisation and Europe

The growth of emerging economies and ongoing European integration offer the

Netherlands plenty of opportunities, if it makes effective use of its huge knowledge potential and capacity for innovation. Globalisation challenges us to work on ensuring a 'firm and flexible basis', the most important ingredients being a highly qualified workforce and a welcoming climate for foreign businesses.

In addition to advising on policy: supporting a robust business community and self-regulation

The SER's work is not limited to the seven themes described above, which primarily concern its advisory task. It also works continuously to facilitate the performance of the organised business community or on issues that the social partners have asked the SER to tackle within the context of self-regulation. The following are just a few examples:

- Promote employee participation in decision-making (and the quality of that participation), including coaching and training of works council members. Mediate in conflicts between a works council and company management through the joint sectoral committees.
- International Corporate Social Responsibility: promote and monitor sustainable cross-border value chains and identify opportunities for Dutch businesses in that context.
- Support the implementation of the Energy Agreement for Sustainable Growth, focusing on the transition to an entirely sustainable energy supply.
- Supervise and monitor compliance with the Merger Code.
- Deal with complaints about pre-appointment medical examinations via the Complaints Committee for Pre-Appointment Medical Examinations.
- Promote healthy and safe working conditions, for example by advising on occupational exposure limits (OELs) for hazardous substances and by making up-to-date information available on OELs.
- In the context of self-regulation, organise consultations on general terms and conditions of purchase for consumers. Some 50 sectors have now set up consultation groups to draft general terms and conditions and update them where necessary.