

Netherlands

Definition of collective dismissal

Phase	Collective Redundancy Notification Act
Native name	Wet Melding Collectief Ontslag (WMCO)
Type	Definition of collective dismissal
Added to database	08 May 2015
Access online	Click here to access online

Article

Article 3

Description

A collective dismissal according to the Collective Redundancy Notification Act (Wet melding collectief ontslag, Wmco) occurs if an employer intends to dismiss/dismisses at least 20 employees in one or more locations of the same company within one and the same region of the public employment service (there are 6 such regions in the Netherlands) within a period of three months due to reorganisation for economic reasons.

The law dictates that the employer must inform the UWV (public employment service) in advance of any collective redundancies and consult the trade unions. In the event of dismissal without mutual consent, the UWV or the collective agreement committee (cao-commissie) will assess the dismissal. Since the introduction of the Work and Security Act (Wet Werk en Zekerheid - WWZ), it is no longer possible to request the subdistrict court to dissolve the employment contract due to reorganisation for economic reasons. The employer must first submit an application for dismissal to the UWV. If the UWV refuses the dismissal, then the employer can go to the subdistrict court to request the termination of the employment contract. This is seen as an appeal against the UWV's decision. If it turns out afterwards that the employer did not comply with the obligations of the Wmco, then the court can reverse the dismissal.

With effect from 1 March 2012, employees who reach a termination agreement with their employer about ending their term of service will be included in the count to qualify for the

threshold of 20.

For example, suppose there is a dismissal involving 15 employees that followed the usual procedure, for example the employer requested a dismissal permit from the public employment service or (if relevant) a collective labour agreement committee. On top of this, two dismissals through a court procedure occurred (relevant for temporary contracts without agreed possibility of contract termination) and three termination agreements were negotiated between the employer and the employee within a period of three months following the initial dismissals. Then according to the changes from 1 March 2012, all these dismissals would add up to 20 and therefore considered as a collective dismissal, i.e. above the threshold. All dismissals that are to be counted towards the 20 employee limit that is set for the definition of collective dismissal have to occur within three months of each other.

Commentary

The definition of collective dismissal as is written in law is not politically salient in the current social dialogue. This means that in recent years there have not been any major changes to the definition or the legislation as a whole. There have not been any big issues regarding this particular WMCO act.

Additional metadata

Cost covered by	Not available
Involved actors other than national government	Public employment service
Involvement (others)	None
Thresholds	Affected employees: 20 Company size: 20 Additional information: No, applicable in all circumstances

Sources

- [Collective Redundancy Notification Act \(Dutch\)](#)~~~ Ius Laboris (2011), Individual Dismissals Across Europe, Brussels~~~ Ius Laboris (2009), Collective Redundancies Guide, Brussels~~~ Watson Wyatt (2006), Employment Terms and Conditions Report

Europe Volume I, Brussels, Belgium~~~ [Alpha Consulting \(2003\), Anticipating and Managing Change - A dynamic approach to the social aspects of corporate restructuring, Brussels, European Commission](#)~~~ [Rijksoverheid](#)~~~

Citation

Eurofound (2015), Netherlands: Definition of collective dismissal, Restructuring legislation database, Dublin