One of the most striking features of the system of wage control as it developed was the centralization of the decisions regarding wage differentials as well as general wage changes. The board of conciliators worked out shortly after the war a wage scale based upon minimum wage rates for five regions with two skill categories 10 and 20 percent above these basic rates. Individual rates were then to be adjusted according to this scale. The scale has been progressively refined in the direction of a national system of job evaluation to provide regional, occupational, and incentive standards for wage rate determination.

During the early postwar years, Dutch wage policy was dominated by the tasks of economic reconstruction. The Foundation of Labor served successfully as an institutional mechanism for focusing the efforts of labor and management on rehabilitating the productive structure of the economy. Strikes and industrial unrest were minimized despite generally stable levels of real wage rates. Wage control was directed primarily at keeping increases in money wages generally in line with cost-of-living movements as part of a thoroughgoing economic stabilization program involving extensive controls over prices, imports, and the allocation of materials. But perhaps the most remarkable achievement of the system was the settlement in March 1951. Despite the fact that the devaluation of the guilder and the Korean war boom had pushed prices up 10 percent from their September 1950 level, the unions agreed to a wage increase of only 5 percent, voluntarily (if perhaps reluctantly) accepting a decline in real wages to aid in the Government's struggle to combat inflation and correct an adverse balance of payments.

The ending of the Korean crisis and the general easing of controls brought increasing pressure for greater flexibility in wage policy and increasing demands for improvements in real wage rates. The Social and Economic Council in 1950 recommended the adoption of a "policy of margins" whereby parties at the industry or firm level would be permitted to fix wage changes within general limits established on a national basis. And a 1954 report of the Foundation of Labor, while maintaining the desirability of continuing with centralized coordination of wage policy, proposed changes which would lessen the degree of direct governmental control over wage setting.

In January 1954 a wage increase of about 8 percent intended to offset the voluntary decrease of 1951 was granted. Within the space of a few months despite the absence of marked price rises, another general increase of 6 percent was put into effect. Further general changes were forestalled during 1955 by the negotiation of holiday and fringe benefit provisions on condition that they not raise earnings by more than 3 percent nor lead to price increases. During that year, however, the most serious conflict in the history of the foundation of labor took place when the unions took issue with the Government's view that economic prospects required a check on additional wage advances. The unions' position was that the share of labor had been decreased because of lagging wage adjustments. Collapse of the whole system of wage control was avoided by a settlement providing for lump-sum payment of 3 percent of earnings for the year 1955 and other increases to be negotiated within individual industries up to a maximum of 6 percent on condition that consequent price increases not exceed 3 percent. The approval of this settlement in March 1956 represented a substantial break in wage policy in that its "permissive"