



Industrial relations and social dialogue  
**The Netherlands: Developments  
in working life 2023**

**Authors:** Jacqueline Snijders and Thomas de Winter (Panteia)

**Research manager:** Maria Sedlakova

**Eurofound reference number:** WPEF24055

© European Foundation for the Improvement of Living and Working Conditions (Eurofound), 2024  
Reproduction is authorised provided the source is acknowledged.

For any use or reproduction of photos or other material that is not under the Eurofound copyright, permission must be sought directly from the copyright holders.

Any queries on copyright must be addressed in writing to: [copyright@eurofound.europa.eu](mailto:copyright@eurofound.europa.eu)

*Research carried out prior to the UK's withdrawal from the European Union on 31 January 2020, and published subsequently, may include data relating to the 28 EU Member States. Following this date, research only takes into account the 27 EU Member States (EU28 minus the UK), unless specified otherwise.*

The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency established in 1975. Its role is to provide knowledge in the area of social, employment and work-related policies according to Regulation (EU) 2019/127.

**European Foundation for the Improvement of Living and Working Conditions**

**Telephone:** (+353 1) 204 31 00

**Email:** [information@eurofound.europa.eu](mailto:information@eurofound.europa.eu)

**Web:** [www.eurofound.europa.eu](http://www.eurofound.europa.eu)

## Contents

<b>Introduction .....</b>	<b>1</b>
<b>Political context .....</b>	<b>2</b>
<b>Actors and institutions .....</b>	<b>3</b>
Social partners.....	3
Social dialogue bodies or frameworks .....	3
Other working life related institutions.....	3
<b>Developments in collective bargaining .....</b>	<b>4</b>
Changes to the collective bargaining structures and frameworks.....	4
Data on collective bargaining.....	4
Collectively agreed pay outcomes and wage-setting mechanism .....	4
Collective bargaining and inflation.....	5
<b>Developments in governmental responses to inflation.....</b>	<b>6</b>
<b>Labour disputes and industrial action .....</b>	<b>8</b>
Changes to the right to strike.....	8
Data on industrial action .....	8
Collective labour disputes in 2023 .....	8
<b>Developments in working time.....</b>	<b>10</b>
Changes to legislation .....	10
Bargaining outcomes .....	10
<b>Other important policy developments .....</b>	<b>12</b>
Labour market shortages and social partners.....	12
Policies to reduce the gender pay-gap.....	12
Health and safety regulations and policies .....	12
Work-life balance related policies.....	13
Life-long learning and skills development.....	14
<b>Commentary and outlook .....</b>	<b>15</b>
<b>References.....</b>	<b>16</b>

# Introduction

The Netherlands' economy recovered well after the Covid period, but in 2023 the economy contracted in all quarters and ended up in a mild recession. Falling energy prices have reduced inflationary pressures but given the volatility of the energy market, the inflation level is not considered stable. Excluding energy prices, the inflation rate is also still considered to be too high (more than 2%) which is partly caused by the high interest rates. Export is decreasing due to the contracting European economy, in particular in Germany. The number of enterprises that were declared bankrupt or that stopped their activities was larger than before.

In July 2023, the fourth Rutte government fell and although hardly any topics were declared too controversial by the house of representatives to be treated by the outgoing cabinet, this had its impact on the policy making process. In November 2023, elections were won by the Partij voor de Vrijheid (PVV, Party for Freedom) with the largest number of seats in the House of Representatives. At the time of writing of this report, the PVV, the VVD and the two relatively new parties the Boerenburgerbeweging (BBB, Farmers Party) and the Nieuw Sociaal Contract (NSC (New Social Agreement)), are trying to form a government. In December, the new House of representatives was installed.

Social dialogue is well embedded in the Dutch society and economy. As described in this report, the negotiations in 2023 found place in a difficult atmosphere. The negotiations were highly influenced by circumstances such as high absenteeism of workers, social unrest, high inflation and unclear economic developments and therefore the lead times of the collective labour agreements are relatively short. This however also means that issues such as greying of the economy, decrease of labour productivity and tight labour market were less addressed in the negotiations. Increase of wage was one of the main topics, due to the relatively high inflation rate and wish to keep the same level of purchasing power. In combination with the extreme shortages on the labour market, this led to a historically high average wage agreement of 7.1%. In total, 439 new collective labour agreements were concluded covering 3.7 million employees in 2023. A relative new development is that in one third of the agreements the wage increases differed per category of employees and the low-paid workers benefitted the most.

## Political context

On 10 January 2022, the cabinet Rutte IV was sworn in after the longest formation in Dutch history: nine months after the elections and a year after the resignation of cabinet Rutte III. The cabinet consisted of the same parties as Rutte III: VVD (centre right), D66 (liberal democrats), CDA (centrist Christian party) and CU (more conservative centrist Christian party). Given that the VVD was the largest and no other combinations were feasible, the negotiations were complicated also given that the country was facing a lot of large, complicated challenges such as climate change, energy crisis, inflation, the Russian invasion in Ukraine, migration and the required mitigation emissions of carbon, among others. An extra complicating factor was that the cabinet had a very small majority in the House of Representatives and no majority in the Senate, which means that agreements had to be made with other parties to get policies approved. Given that there are 16 parties represented in the House of Representatives and 13 in the Senate, these sessions can be time consuming and complicated.

In July 2023 cabinet Rutten IV fell. The major reason given was that after months of discussion the cabinet was not able to come to an agreement on measures to mitigate migration. The fall led to a delay in the policy process although hardly any topics were declared controversial by the House of Representatives, meaning that they could not be handled by the outgoing cabinet. In November 2023, elections were won by the PVV with the largest number of seats in House of Representatives. At time of writing of this report, the PVV, the VVD and the two relatively new parties BBB and NSC are trying to form a new government. In December, the new House of representatives was installed.

## Actors and institutions

### Social partners

The Netherlands has a long tradition of social dialogue. There are standard meetings and consultation systems in place which bring together cross-sectoral employer organisations, cross sectoral trade unions, with the Ministries of Social Affairs and Employment and for Economic Affairs and Climate. The major umbrella organisations of all employers are the VNO-NCW Association of Dutch Enterprises and the Dutch Christian Employers' Union and Small and Medium-sized Enterprises Netherlands (MKB Nederland). The major umbrella trade unions are the Federation of Dutch Trade Unions (Federatie Nederlandse Vakbeweging, FNV), and the Christian Dutch Trade Unions (Christelijke Nederlandse Vakbeweging, CNV). These partners and ministries often discuss and negotiate cross-sectoral and sectoral policy changes which relate to working life and working conditions. The Social and Economic Council (SER), set up in 1950, represents employers, employees and independent experts and advises the Dutch Government and Parliament on social and economic policy.

### Social dialogue bodies or frameworks

In 2023 there were no changes in the social dialogue framework, the bodies involved in this process or in the regulatory or legislative process.

### Other working life related institutions

In 2023, there were no major changes in the structure or tasks of other work life related institutions.

# Developments in collective bargaining

## Changes to the collective bargaining structures and frameworks

In the period 2018 to 2023, no major changes to the collective bargaining structures and frameworks have taken place.

## Data on collective bargaining

Each year, the AWWN General Employers' Association of the Netherlands makes an analysis of the collective labour agreements (CAOs) concluded, addressing the process and the agreements made. This year's negotiations took place in difficult times with among others high shortages on the labour market in all sectors, high inflation and a decreasing economic growth. In combination with high absenteeism, social unrest and unclear economic developments, this led to a hardening of the collective labour agreement process. Social partners sometimes found it difficult to reach an agreement together, which in some cases led to actions or even strikes.

Relatively more negotiations ended in a final offer of the employers that the employees representatives in the negotiations (often trade unions) sent to their members to vote. One out of five collective labour agreements concluded in 2023 was established after such a procedure (in 2018, one out of 11). The majority of collective labour agreements in 2023 were a negotiated result, meaning that employers and unions did not agree on all points but did submit the proposal to the employees they were representing.

The pressure to significantly increase wages was further supported by the increasing number of actions and strikes (or threats thereof) during the negotiation process. The number of strikes was the highest in 50 years, see below.

Despite the hardening of the negotiating climate, 439 collective labour agreements have been concluded in 2023. This is considerably more than the annual average in the years before (2018-2022, excluding Covid year 2020, the average was 373 agreements per year). This higher number can be a result of the shorter duration of the agreements: the average term of a collective labour agreement concluded in 2023 is 16 months. This is considerably lower than the long-term average of 19 months. A majority of agreements has a term of one year (56%), in 2022 this applied only to 29% of the agreements (AWVN, 2023).

## Collectively agreed pay outcomes and wage-setting mechanism

The AWWN evaluation showed that in 2023, the combination of high inflation and extreme shortages on the labour market led to an historical high average wage agreement of 7.1% on a 12-month basis. This is more than twice as high as the average wage agreement in 2022 (3.4%), while the average in 2022 was already considerably higher than the average wage agreement in 2021 (1.9%).

In 2023 there was a relatively strong emphasis on wage differentiation. One in three collective labour agreements contained a differentiated wage agreement in which employees in lower wage categories make relatively more progress than employees with higher wages. This group was hit relatively harder by high inflation. Reimbursements, such as those for travel and working from home, also increased and more and higher one-off payments were agreed.

In the first part of 2023, the average wage agreement continued to increase. The peak was reached in summer, after which wage agreements reduced slightly. One of factor that might have had an influence was that Statistics Netherlands (CBS) changed its method to measure inflation in June; the inflation rate according to the new measures was lower from November 2022 onwards (see below).

At the start of 2023, Trade Union FNV committed to automatically increasing wages in line with inflation. For the collective labour agreement year 2023, this meant 14.3 %, based on the inflation rate of October 2022. The CNV trade union started with a wage requirement of 5 to 10% but increased its commitment towards 10 % more often during year. Employer organisations emphasised that the effects of inflation and the reduction of purchasing power was noted, but that the economic development was unclear and higher wages might lead to higher selling prices (AWVN,2023).

## Collective bargaining and inflation

The high inflation rate was one the major factors influencing the wage setting in the collective agreements. In the 1970s, most collective bargaining agreements (CBAs), included a type of automatic inflation compensation (ACP), meaning that rules were included on the way in which inflation was automatically compensated. This meant that in the seventies with high inflation rates, a wage price spiral occurred with a high increase in wage costs influencing the international competitive position of the business sector. With the famous wage agreement - Akkoord van Wassenaar -in 1982, the ACP has been replaced with a labour time reduction (arbeidstijdverkorting) in the majority of the CBAs. With the high inflation rates, inclusion of APCs was again on the agenda in recent years. In 2023, APC has only been in the agreement of the Trade Union FNV itself. This APC has a lower limit of 0% and a ceiling of 5% - with a spillover mechanism of a maximum of 2% per year if inflation turns out to be higher than 5%. In addition, agreements have been made in a handful of collective labour agreements, for example to link collective labour agreement wages to inflation on a one-off basis or to provide (one-off) compensation when inflation exceeds a certain limit. (AWVN, 2023)



# Developments in governmental responses to inflation

The Netherlands economy recovered well after the Covid period, but in 2023 the economy contracted in all quarters and ended up in a mild recession. Falling energy prices have reduced inflationary pressures but given the volatility of the energy market, the inflation level is not considered stable. Excluding energy prices the inflation rate is also still considered to be too high (more than 2%) which is partly caused by the high interest rates. Export is decreasing due to the contracting European economy in particular in Germany. The number of enterprises that were declared bankrupt or that stopped the activities was larger than before (NOS, 2024a, 2024b, CBS, 2024a).

The level of the majority of social benefits are linked to the development of the minimum wage. The child allowance (kinderbijslag) is linked to development of consumer prices.

Relevant was the change made by Statistics Netherlands (CBS) in measuring inflation. In June 2023 CBS changed its method to calculate inflation in particular the easy in which energy prices were included. In the old method only energy prices of new contract that households concluded with energy suppliers while in the new method also the prices of running contract are included. The results differ, if the new method was used before the inflation before October 2022 would have been higher and from November 2022 onwards would have been lower. This led also to some confusion in the negotiations on collective bargaining agreements (CBAs) in 2023. (CBS 2023a)

One of the major causes of the inflation was the rise in energy prices which has a direct impact on the energy paid by households. A variety of measures are taken or agreed upon in 2022, which were also or became also in place on 1 January 2023.

In 2022, the VAT on gas, electricity and district heating and excise duties on petrol and diesel were temporary decreased till 1 July 2023.<sup>i</sup>

In 2022, low-income households could apply for a one-time energy allowance of €1,300 from municipalities. This allowance was extended to 2023.<sup>ii</sup>

Through the Emergency Fund vulnerable households with high energy bills can ask for a repay of part of the energy bill from October 2022 to December 2022. Last year the scheme was extended to 31 March 2023.<sup>iii</sup>

In 2021 the governments set up a scheme to support households to make their homes more sustainable. By subsidising energy-saving measures and an information campaign the government is encouraging low energy consumption. In 2023, the government accelerating the provision of €200 million to tackle energy poverty by deploying energy fixers. Energy fixers are advising vulnerable households in rented and owner-occupied houses to reduce energy consumption through energy advice and small energy-saving measures.<sup>iv</sup>

In October 2022 the Cabinet presented the price cap on electricity and gas of small consumers. This mean that from 1 January to 31 December 2023, a temporary maximum price to gas and electricity is set at average energy consumption of small consumers. When exceeding the cap, market prices were charged. The difference between the market price and the price cap were paid by the

government. The scheme holds for small consumers include households, self-employed, small businesses and associations.<sup>v</sup>

To compensate part of the energy costs of SMEs whose energy costs are more than 7% of their turnover, the government introduced the temporary Energy Cost Contribution Scheme (TEK). The scheme ran till December 2023.<sup>vi</sup>

---

<sup>i</sup> Eurofound (2023), NL-2022-14/2235 – Updated – measures in Netherlands **Reduction in VAT on energy and excise duty on petrol and diesel**, EU PolicyWatch, Dublin

<sup>ii</sup> Eurofound (2023), NL-2022-1/2221 – Updated – measures in Netherlands, **Tax reduction on energy bill and reduction of tax rate on electricity**, EU PolicyWatch, Dublin

[https://static.eurofound.europa.eu/covid19db/cases/NL-2022-1\\_2221.html](https://static.eurofound.europa.eu/covid19db/cases/NL-2022-1_2221.html)

<sup>iii</sup> Ibid.

<sup>iv</sup> Eurofound (2023), NL-2022-1/2237 – Updated – measures in Netherlands, **More money for households to take energy-saving measures**, EU PolicyWatch, Dublin,

[https://static.eurofound.europa.eu/covid19db/cases/NL-2022-1\\_2237.html](https://static.eurofound.europa.eu/covid19db/cases/NL-2022-1_2237.html)

<sup>v</sup> Eurofound (2023), NL-2023-1/2957 – Updated – measures in Netherlands, **Temporary price cap on energy** EU PolicyWatch, Dublin, [https://static.eurofound.europa.eu/covid19db/cases/NL-2023-1\\_2957.html](https://static.eurofound.europa.eu/covid19db/cases/NL-2023-1_2957.html)

<sup>vi</sup> Eurofound (2023), NL-2022-45/2959 – Updated – measures in Netherlands, **Energy Costs Contribution Scheme for energy-intensive SMEs**, EU PolicyWatch, Dublin,

[https://static.eurofound.europa.eu/covid19db/cases/NL-2022-45\\_2959.html](https://static.eurofound.europa.eu/covid19db/cases/NL-2022-45_2959.html)

## Labour disputes and industrial action

As described before, the negotiations took place in difficult times with, among others, high shortages on the labour market, high inflation and a decrease in economic growth. In combination with high absenteeism, social unrest and unclear economic developments this led to a hardening of the collective labour agreement process. Social partners sometimes found it difficult to reach an agreement together, which in some cases led to actions or even strikes.

### Changes to the right to strike

Since 2018, no changes are introduced in legislation related to the right to strike.

### Data on industrial action

Each year, Statistics Netherlands presents data on the number of strikes and the number of workers involved and working days lost. In 2023 there were 52 strikes. This number was higher than in 2022 (33) and the highest in 50 years. The number of workers involved in the strikes in 2023, at 17,400, was higher than in 2022 (16,000 workers). The number of lost working days however increased significantly from 39,000 days in 2022 to 142,100 days in 2023. Most working days (62 thousand) were lost in the transport and storage sector, but the number of strikes was highest in manufacturing (28). Also in trade there were relatively many strikes (10) (CBS, 2024c).

### Collective labour disputes in 2023

For illustration, some examples of notable collective labour disputes are presented here.

During the last years, the sectoral CBA **Passengers and baggage handling** (Passagiers- en bagageafhandeling) was already under discussion given its importance for Schiphol airport and given that baggage handling and freight companies at Schiphol allow their staff to perform too heavy work. Some of the baggage and freight porters suffer from physical problems as a result of the heavy work and the handling companies do not do enough to alleviate the heavy lifting and carrying work. Already in previous years, actions were organised by employees and conditions including labour conditions were adapted, but in 2023 the remuneration was still considered too low and new actions started in the context of the new collective agreement. The CBA Passengers and baggage handling was concluded at the end of 2023. It was agreed that the wage structure over the period 2023-2025 will increase in steps with 33% and with this, it was one of the sectors with the highest increase of wage agreed in the collective labour agreement. Personnel that will not reach the minimum salary of the then applicable wage structure will receive extra allowances (FNV, 2023a).

The **Hospital sector** is by definition one of the important sectors for the country's prosperity. The sector however is coping with, among others, a lack of personnel, personnel leaving and not enough new supply, next to relatively low wages and high workloads. It took some time before the collective labour agreement 2022 of the hospital sector was concluded. The negotiations started in September 2022 and stopped in January 2023. In March 2023 around 100,000 employees in 64 hospitals put down work, and end of March 2023 the negotiations started again. Finally it was agreed that the wages of the majority of workers would increase in 2023 and 2024 in steps with 15%, workers receive a higher travel allowance (from 8 to 16 cents per kilometre), to reduce the workload workers

get the right to be unreachable, employees are given more say in working extra hours, and interns are no longer counted in the workforce.

Workers in lower pay scales benefit the most, the staff in higher pay scales the least. The reimbursement for on-call services changed. Before, workers only received full compensation if they were actually called up and got only two euros per hour if they had to wait at home. In the new agreement, employees receive a fixed allowance or time off. Healthcare staff also get more influence over their schedule and this is a new development. They are the first to indicate which shifts they want to perform and the gaps are filled by hiring external staff. Work pressure and ever-changing schedules are the main reasons why employees leave hospitals and/or become self-employed. The agreement covers more than 200,000 employees in hospitals and rehabilitation centres. Due to this agreement, further actions of employees were cancelled (NVZ, 2023).

In March 2023, **ING bank employees** organised the first 24-hour strike ever as they were dissatisfied by the wage increase offered and the fact that profit of 3.7 billion euro for the year 2022 was not spent on the employees, but on the shareholders. The new agreement, that prohibited further strikes, includes a pay increase of 14% for the lowest salary scales and a 4% increase for the highest. The employees will also receive a one-off amount of 2,000 euros in July 2023 (ING, 2023).

Employees of the distribution centres of **Albert Heijn** took actions for 12 days, at first with a few hundred people at a time, but by the end more than 1,100 of the 6,000 distribution employees were on strike. With 35% of the market share, Albert Heijn is the largest supermarket in the country and these strikes lead to empty shelves in all supermarkets all over the country. Another impact was that for example shelf stackers (often students) were not hired and started to work for other supermarkets who had to cope with a larger demand. Due to the strikes, Albert Heijn increased its offer (among others 10% wage increase) which was accepted by the members. The agreement covers 330,000 employees. (FNV; 2023b)

In 2023, personnel of the **FNV** (largest trade union) went on strike for the first time since the union existed in its current form in 2013. The FNV personnel wanted employees to be compensated for inflation by introducing automatic price compensation (APC) in the new collective labour agreement. The employer offered a collective labour agreement for three years in which wages will increase between 3% and 7% as of 1 May 2023, depending on the employee's pay scale. In addition, the employer wanted to introduce an APC with a maximum of 5%. The wage offer was lower than the first offer FNV nationally demanded in negotiations (see before). As a result of the strike, a three year agreement was concluded which on average leads to 11,75% wage increase (depending on the wage scale). For 2024, APC is guaranteed in combination with 2,5% extra wage. From 2025 onwards, the APC is guaranteed (with a lower limit of 0 euro) and a onetime allowance of 500 euro. (FNV, 2023c)

# Developments in working time

## Changes to legislation

There have not been any changes in the legislation related to the working time duration and/or working time organisation in 2023. In 2021 and 2022 many enterprises already prepared internal rules regarding hybrid working and these are still valid in 2023.

In 2022, the House of Representatives approved the 'Law on Work where you want' (Wet werken waar je wilt). This required a change in the 'Law on Flex work' (Wet flexibel werken (Wfw)): a request of an employee to adapt the place of work should be treated in the same way as a request to change daily working hours or work duration. In practice, this meant that an employer could only reject a request to work at another place if there are compelling business or service interests. The aim of the change was to put employees in a better position to reach a better work-life balance. In September 2023 the law was not accepted by the Senate. Most political parties considered the law sympathetic but did not see it necessary, because most employers and employees "will figure it out together" and the current practice has not led to any significant lawsuits. The Senate voted narrowly against the proposal.

## Bargaining outcomes

The AAVN evaluation shows that in 74 collective labour agreements, a (new) provision has been added on working from home policy. The vast majority of agreements with a home working allowance follow the tax exemption of €2.15 for each day working from home (2023). A small part of the collective labour agreements follow the NIBUD guideline of €3 for each day working from home or contain an agreement on a monthly work from home and/or internet allowance. The agreements also include clauses on the design of the home workplace and, for example, make a budget available for the purchase of office furniture for at home.

Several agreements were concluded on working time, but mainly aimed at coping with the shortage of personnel. They include provisions in which work can be completed by the existing staff. These measures include:

- 1. Making working more hours more attractive:** for example stimulating part-time workers to work more. Only a few agreements include agreements to encourage employees to work more hours.
- 2. Dealing flexibly with working hours and using working hours efficiently:** more flexibility with working hours can make it more attractive for employees to work more hours. Options are introducing self-scheduling, adjustment of shifts or hybrid working. Most agreements include clauses on hybrid working and home working facilities. Self-scheduling is significantly and adjustments to shift times less common. Some organisations experience fluctuating demand throughout the year and can benefit from introducing an annual hours system. In such a system, employees have a fixed number of working hours per year in their contract but are scheduled based on the actual workload needed for example in peak periods. As own personnel is used, the work is usually also carried out more efficiently.
- 3. Work longer:** 117 collective labour agreements contain agreements on relief measures for older employees. An example is introducing the 80/90/100 scheme, where older employees

can work fewer hours; in this case: 80%, in return for 90% payment and 100% pension accrual. Continuing to work after reaching retirement age has the advantage for the employer that experienced employees can remain employed in the organisation for longer. The recent change in the Working After State Pension Age Act (the obligation to continue paying wages in the event of illness of employees who have passed the state pension age has been shortened from 13 to 6 weeks since July 1, 2023) also makes this option even more attractive for employers.

**4. Innovation and labour productivity:** labour productivity growth has been declining for years and an option is to investigate whether labour productivity can be increased by focusing on innovation in services or products. This has only been discussed at a few collective labour agreement tables and study agreements have been made. (AWVN, 2023)

## Other important policy developments

### Labour market shortages and social partners

As in 2022, labour shortages occurred in 2023 in almost every sector in the Netherlands although the tension is reducing. Expectations on the economic development are unclear, and the business sector faces difficulties. The Employee Insurance Agency (Uitvoeringsinstituut Werknemers verzekeringen, UWV) expects a further reduction in demand of personnel in 2024, although this will differ per sector. Demand is expected to be high in the information and communication sector, healthcare sector and in business services, but lower in manufacturing, agriculture and construction. (UWV, 2023a, CBS, 2024b))

In April 2023, the Minister presented to the House of Representatives the progress made with the labour market reform package. These reforms should contribute to reduce the excessive flexibilisation and bogus self-employment together with stimulating and keeping entrepreneurship attractive, and achieving a fair, future-proof labour market that works for everyone. The changes agreed by the social partners can be considered an historical moment in Dutch labour market policies. The plan consists of two parts. The first part, focusses on more security for employees and more protection for the self-employed and includes, for example, the abolishment of zero-hour contracts, on-call contracts become permanent basic contracts with a minimum number of hours, the introduction of a compulsory disability insurance for the self-employed etc. The second part focusses on creating more room for manoeuvre for enterprises so that enterprises remain agile to do business, invest, also by retaining talent and thus offering permanent contracts. This includes reduction of payment of wages by the employer during illness from 2 years to 1 year, reduction of payment of overtime hours etc.

### Policies to reduce the gender pay-gap

The labour force participation rate of women was 68.6% in the first quarter of 2023, compared to 68.1% in 2022. The participation rate of men increased from 76.4% to 76.7%. Financial independence is also increasing among women and men, but almost half of women are still not financially independent. To combat the pay gap, the Minister of Social Affairs and Employment is working on an early implementation of the EU Pay Transparency Directive to be sent to the House of Representatives in the second half of 2024.

To increase the financial independence of practically trained women, the government entered in 2023 into a partnership with “Financially Strong through Work”, an alliance of WOMEN Inc., Bureau Clara Wichmann and the Het Potentieel Pakken foundation. The alliance aims to increase financial independence of women, among other things, by entering into discussions with employers about better working conditions and expanding earning capacity of women. The women themselves are also supported to take action and for example trade associations in healthcare, childcare and cleaning are approached to take the interests of these women more into account. (OCW, 2023)

### Health and safety regulations and policies

On 30 October 2023, the Minister of Social Affairs and Employment presented the ‘Arbovisie 2040’. (Vision on occupational health 2040). This vision is developed in close cooperation with the

social partners. Data show that the Netherlands is doing relatively well compared to other European countries, but the number of people who become ill as a result of their work is considered unacceptably high. Absenteeism due to illness has increased from 4 to 5.7% since 2017. Data also show that absenteeism in the public and semi-public sectors is higher than in the private sectors and higher in larger enterprises than in the smaller ones. A significant part of absenteeism is work-related. In addition, there are around 100,000 accidents resulting in absenteeism every year. Approximately 4,000 people also die every year as a result of their work. Absenteeism due to illness will cost employers an estimated 17 billion euros in 2021 in continued payment of wages for the hours missed. Accidents also often lead to a decrease in income and reduced productivity and higher costs for society as a whole, due to a greater demand on social services and health care.

The mission of Arbovisie 2040 is to have zero work-related fatal accidents by year 2040. To achieve this, a package of measures is developed to secure that all employers, clients and workers comply with OSH regulations. In addition, it aims to ensure that the system is better equipped for the future and includes new developments in the labour market. For example, more and more workers no longer have a traditional job with fixed working hours, a fixed workplace and a permanent contract. Vulnerable groups have been added, such as migrant workers, platform workers and bogus self-employed. In addition, OSH policy must also be better equipped for developments such as digitalisation, robotisation and artificial intelligence (SZW, 2023).

As mentioned in last year's report, the government has appointed a government commissioner (Mariëtte Hamer) to develop a national action program against sexually transgressive behaviour and sexuality violence. In 2023, half of Dutch people (50%) indicate that they have experienced behaviour that they themselves describe as sexually inappropriate behaviour. Two third of Dutch people (68%) indicated that this behaviour should be tackled more rigorously, around half of Dutch people (46%) answered they sometimes talk to friends about sexual misconduct. In particular, young people (up to 34 years old), educated people, women, LGBTQI+ people, left-progressive voters and residents of very urban areas more often identify one of the acts presented in the study as sexually transgressive. The views of young people in particular often differ significantly from those of older people (people aged 65+). In the national action plan, six lines of actions are presented, with concrete actions. Action line two for example focusses on assuring legislation and regulations that reflect (changing) social norms and include possible actions such as introducing the legal obligation for employers to introduce a complaints procedure and exploring the possibilities to set setting preconditions for granting subsidies. Action line three, for example, focusses on improving that organisations have processes in order for prevention, detection and follow-up. Actions include, in-depth studies on factors and effectiveness in general, transgressive behaviour in the dance sector, safe and ethical sport and evaluate sports law, and investigate causes of sexual misconduct in education (Rijksoverheid 2023, I&O, 2023).

## Work-life balance related policies

In October 2022, the Ministry of Social Affairs and Employment announced a drastic reform of the childcare financing system. The aim is to simplify the system and to make it more affordable. The ambition of the cabinet was that in the new system, 96% of the maximum price will be subsidised by the government, regardless of the parents' incomes. One the major bottlenecks to arrange the reform, however, is the lack of available personnel that can cover the increased demand for childcare. In April 2023, the cabinet has postponed the introduction till 2027 (RTL, 2023).



## Life-long learning and skills development

One of the important measures to stimulate life-long learning by citizens was the STEP budget (STAP-budget) that was introduced in 2022. Under this scheme employed and people searching for work receive a grant of €1,000 to attend training activities. The number of applications was high but unfortunately, there were also indications of misuse, such as attracting participants with presents and offering non-labour market related training. In 2023 the government tried to adapt the system but that showed to be too complicated, and the scheme is abolished.

## Commentary and outlook

The Netherlands' economy recovered well after the COVID-19 pandemic, but it contracted in all four quarters of 2023 and entered a mild recession at year end. Falling energy prices reduced inflationary pressures, but given the volatility of the energy market, inflation was not considered to have stabilised. Excluding energy prices, the inflation rate was still judged to be too high (at over 2%), partly caused by the high interest rates. Exports decreased due to the contracting European economy, in particular in Germany. The number of enterprises that were declared bankrupt in 2023 was 50% higher than in 2022.

In 2022 and 2023, the government developed a large labour market reform package aimed at, among other things, making employee status more common again, reducing flexibilisation and bogus employment, and dealing with the tight labour market in the short and long run. The package also addresses digitalisation, robotisation and climate change. Various challenges and the fall of the government in July 2023 delayed approval of the package in parliament, although almost no topics were declared controversial by the House of Representatives. In November 2023, elections were won by parties on the political centre and right: the Party for Freedom (PVV), which won the largest number of seats in parliament, and two relatively new parties, the Farmer–Citizen Movement (BBB) and the New Social Contract (NSC). The new House of Representatives was installed in December.

Social dialogue is well embedded in the society and economy of the Netherlands. Negotiations took place in a difficult atmosphere, characterised by regular strikes and warnings of strikes to put pressure on employers. In 2022, the number of strikes was higher than in 2021, but the number of workers involved and working days lost were lower. Most strikes occurred in the transport and logistics sector, followed by manufacturing. Data on strikes in 2023 are expected to come available in May 2024. In 2023, relatively more negotiations ended in a final offer from employers on which the trade union members involved were asked to vote. One in 5 collective labour agreements concluded in this way (in 2019, the figure was 1 out of 10).

The General Employers' Association (AWVN) felt that negotiations were strongly influenced by factors such as high absenteeism rates, social unrest, high inflation and unclear economic developments. The duration of the agreements, therefore, is relatively short (14 to 17 months). This, however, also means that issues such as workforce ageing, falling labour productivity and the tight labour market were less often addressed. Wage increases were one of the main topics, because of the high inflation rate and the wish to maintain purchasing power. This, combined with the extreme labour shortages, led to a historically high average wage increase of 7.1% across 439 new collective labour agreements covering 3.7 million employees. In another new development, in one-third of the agreements, the wage increases differed by category of employee, and low-waged employees benefited the most.

Regarding working time, there was one unexpected change. In 2022, the House of Representatives approved the Work Where You Want bill (Wet werken waar je wilt). This amends the Flexible Working Act (Wet flexibel werken), which aims to support employees' work–life balance. The amendment would have meant that an employer could reject a request to work remotely only if there were compelling business or service interests. Against the expectations of many, the senate rejected the change.

## References

All Eurofound publications are available at [www.eurofound.europa.eu](http://www.eurofound.europa.eu)

AWVN (2023), De lange termijn is zoek, Eindevaluatie cao-jaar 2023

CBS (2024a), Inflatie in december 1,2 procent bij snelle raming; 3,4 procent exclusief energie- Via: <https://www.cbs.nl/nl-nl/nieuws/2024/01/inflatie-in-december-1-2-procent-bij-snelle-raming-3-4-procent-exclusief-energie>

CBS (2023a), CBS stapt over op nieuwe methode voor energieprijzen in de CPI Via: , <https://www.cbs.nl/nl-nl/achtergrond/2023/26/cbs-stapt-over-op-nieuwe-methode-voor-energieprijzen-in-de-cpi>

CBS (2024b), Drie kwart van de ondernemers ervaart personeelstekort. Via: <https://www.cbs.nl/nl-nl/nieuws/2023/34/drie-kwart-van-de-ondernemers-ervaart-personeelstekort>

CBS (2024c), In-2023-meeste-stakingen-in-meer-dan-halve-eeuw. Via: <https://www.cbs.nl/nl-nl/nieuws/2024/18/in-2023-meeste-stakingen-in-meer-dan-halve-eeuw>

FNV (2023a), Cao van Passagiers- en bagageafhandeling. Via: <https://www.fnv.nl/cao-sector/schiphol/afhandeling/cao-afhandeling>

FNV (2023b), Cao Supermarkten. Via: <https://www.fnv.nl/cao-sector/handel/supermarkten/cao-albert-heijn-distributiecentra>

FNV (2023c), Cao zakelijke dienstverlening. Via: <https://www.fnv.nl/cao-sector/zakelijke-dienstverlening/cao-fnv-organisaties>

ING (2023), Vooruitstrevende arbeidsvoorwaarden. Waarin zit jouw werkgeluk?.

Via: <https://www.ing.jobs/nederland/over-ing/arbeidsvoorwaarden.htm>

I&O (2023), Onderzoek seksueel grensoverschrijdend gedrag,

Ministerie Onderwijs en Wetenschappen (2023), Voortgangsrapportage Emancipatie 2022 – 2023

Ministerie van Sociale Zaken en Werkgelegenheid (2023), Arbovisie 2040: De trend gekeerd - Samenwerken aan een gezond en veilig werkend Nederland, 2023

NOS (2024 a), De helft meer bedrijven failliet, maar nog steeds minder dan voor corona. Via: <https://nos.nl/artikel/2504586-de-helft-meer-bedrijven-failliet-maar-nog-steeds-minder-dan-voor-corona>,

NOS (2024b), Inflatie blijft beperkt, prijspeil 1,2 procent hoger dan een jaar geleden. Via: <https://nos.nl/artikel/2503782-inflatie-blijft-beperkt-prijspeil-1-2-procent-hoger-dan-een-jaar-geleden>

NVZ (2023), CAO Ziekenhuizen. Via: <https://cao-ziekenhuizen.nl/>

Rijksoverheid (2023), Aanpak seksueel grensoverschrijdend gedrag en seksueel geweld. Via: <https://www.rijksoverheid.nl/onderwerpen/aanpak-seksueel-grensoverschrijdend-gedrag-en-seksueel-geweld>

RTL (2023), Kinderopvang wordt niet vanaf 2025 voor iedereen gratis, maar pas twee jaar later, Via: <https://www.rtlnieuws.nl/nieuws/nederland/artikel/5380650/gratis-kinderopvang-2025-twee-jaar-later-personeelstekorten>

UWV (2023a), Arbeidsmarkt koelt verder af in 2024, maar ook blijvende tekorten . Via: <https://www.uwv.nl/nl/nieuws/arbeidsmarkt-koelt-verder-af-in-2024-maar-ook-blijvende-tekorten>

UWV (2023b), Arbeidsmarktprognose 2023-2024: Lagere banengroei, krapte blijft. Via: <https://www.uwv.nl/nl/achtergrond/arbeidsmarktprognose-2023-2024-lagere-banengroei-krapte-blijft>

**WPEF24055**

---

**The European Foundation for the Improvement of Living and Working Conditions (Eurofound) is a tripartite European Union Agency established in 1975. Its role is to provide knowledge in the area of social, employment and work-related policies according to Regulation (EU) 2019/127.**