

Social Rights Monitor

2021

Country Monitor: The Netherlands



The outbreak of the Covid-19 pandemic has exacerbated existing inequalities and magnified the effects of the mismanagement of public funds. In the Netherlands, trust in politics and government has declined over the past year, particularly due to the toeslagenaffaire childcare allowance scandal. Some policy and legal initiatives to counter inequalities and mitigate the socio-economic impact of Covid-19 are currently being prepared, but they are still in their initial stages, and their effects cannot yet be felt or measured. Precariousness still affects too many people in the country, and there was a sharp increase in the number of flexible and self-employed workers over the last year. A deterioration of working conditions is noticeable in higher unemployment rates, especially among the young. Gender equality is far from being a reality, but some measures are being prepared to reduce gender identity discrimination. Decentralisation is increasing inequalities in areas such as access to healthcare, housing, and social protection. The shortage of affordable housing remains a major problem. Civic space in the country is open, and freedom of assembly and speech have been sufficiently promoted and protected. Nevertheless, freedom of the press is sometimes at risk and needs to be dealt with by the competent authorities.

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	2018	2019	2020	EU-27 2020
GINI index¹	27.4	26.8	27.5	30.2 (2019)
Unemployment²	3.8%	3.4%	3.8%	7.1%
Gender Equality Index³	72.9 (2017)	72.1	74.1	67.9
In-work poverty⁴	6.1%	5.4%	5.7%	9.2% (2019)
Housing Overcrowding⁵	4.1%	4.8%	4.8%	17.1% (2019)
CIVICUS Civic Space Monitor⁶	OPEN	OPEN	OPEN	N/A

Selected indicators on the state of social rights in Europe

Missing data for 2020 are not available at the time of publication of the Social Rights Monitor 2021.

Equal opportunities and access to the labour market

In the Netherlands, according to the National Strategy Group (NSG), the perspective of the majority of population on the Dutch welfare system has dramatically changed over the last year.⁷ The trigger was the allowance affair toeslagenaffaire, in which the government wrongly accused of fraud tens of thousands of people who had received allowances legitimately but then had to return them. The NSG denounces the government's efforts to fight intentional fraud, as this eventually led to systemic ethnic profiling, the violation of fundamental principles of law, and obstruction by many governmental bodies. These included the cabinet, as stated in the Ongekend Onrecht

– Unprecedented Injustice – parliamentary report published in April 2021. Ultimately, the allowance affair exposed years of systemic injustice and mismanagement of funds, leading to a strong decline in approval of the government and reduced trust in politics in general. The NSG believes that the new cabinet's priority should be to establish credibility and trustworthiness.

Another cornerstone of the Dutch welfare system – the 2015 Participatiewet (Participation Act) – has also recently fuelled further dissatisfaction with the country's welfare system. The law – which sets the eligibility requirements

1 Eurostat (2021). Gini coefficient of equivalised disposable income: http://appsso.eurostat.ec.europa.eu/nui/show.do?lang=en&-dataset=ilc_di12

2 Eurostat (2021). Unemployment by sex and age: annual data: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=une_rt_a&lang=en

3 European Institute for Gender Equality (2021). Gender Equality Index: <https://eige.europa.eu/gender-equality-index/2020/NL>

4 Eurostat (2021). In-work at-risk-of-poverty-rate: <https://ec.europa.eu/eurostat/databrowser/view/tespm070/default/table?lang=en>

5 Eurostat (2021). Overcrowding rate by age, sex and poverty status – total population: https://ec.europa.eu/eurostat/databrowser/view/ilc_lvho05a/default/table?lang=en

6 CIVICUS (2021). Civic space monitor - The Netherlands: <https://monitor.civicus.org/country/netherlands/>

7 Tweede Kamer (2020) Ongekend Onrecht / Unprecedented Injustice: https://www.tweedekamer.nl/sites/default/files/atoms/files/20201217_eindverslag_parlementaire_ondervragingscommissie_kinderopvangtoeslag.pdf

for receiving social unemployment benefits – instructs beneficiaries to communicate any circumstances that may affect their income. Therefore, any material support received on top of social benefits may alter beneficiaries' eligibility, and a failure to communicate such support could even be considered fraud. In some cases, this rule has been interpreted strictly by public authorities, hurting many people who were found guilty of receiving just small amounts of support from family and friends. Although no formal changes have yet been approved, the Dutch parliament has already proposed an amendment to the law, which would allow beneficiaries to receive additional kinds of grants. These episodes, too, were not beneficial for trust in politics during 2020. To counter these trends, Dutch municipalities are increasingly preparing to act autonomously. Nevertheless, the NSG expresses its concerns, as further decentralisation of the Dutch welfare system often reinforces inequalities across the country.

PRECARIOUSNESS

Precariousness endures as a widespread issue across the Netherlands. As reported already in the Social Rights Monitor 2019 and 2020, **vulnerable and minority groups remain overrepresented in sectors where precarious work is more common.** Youth, migrants, LGBTQI+ people, and women are frequently on flexible work contracts or self-employed, meaning they have less social protection and security. Recently published research⁸ investigating the main labour market obstacles for transgender people finds different bottlenecks in medical leave schemes. It therefore

proposes the introduction of 'transition leave' to reduce disadvantages and take the first step towards broader action needed to strengthen transgender people's roles in the labour market. Moreover, migrant seasonal workers have repeatedly been reported to be working in appalling conditions and suffering maltreatment and intimidating behaviour.⁹

Precariousness affects both workers on flexible contracts and the lone self-employed (ZZPers), which reached a combined peak of 1.166 million (more than one-eighth of the working population) in the final quarter of 2020.¹⁰ In January 2020, the Wet Arbeidsmarkt in Balans (WAB – Balanced Labour Market Act) entered into force, with the primary objective of reducing the differences in costs and risks between permanent and flexible employment contracts. The Dutch Ministry of Social Affairs and Employment was charged with assessing the act,¹¹ but it could not properly measure the effects on the labour market due to the consequences of the pandemic. However, the gap between the two types of employment contracts was confirmed by the government's response to pandemic: workers on flexible contracts, and ZZPers were not prioritised for receiving financial support. Consequently, the NSG reports that the WAB had limited effects, as major gaps persist between the contracts.

GENDER EQUALITY

Gender equality remains a major challenge for the labour market in the Netherlands. The gender gap – measured in terms (among others) of salary, employment conditions, and working time, has been shrinking in re-

8 SEOR (2021) The labour market position of transgender persons <https://www.seor.nl/de-arbeidsmarktpositie-van-transgender-personen/>

9 NOS (2021) Migranten in 'mensonterende situatie' aangetroffen op boerderij in Limburg: <https://nos.nl/artikel/2383190-migranten-in-in-mensonterende-situatie-aangetroffen-op-boerderij-in-limburg>

10 CBS (2021). Arbeidsdeelname; kerncijfers: <https://opendata.cbs.nl/statline/#/CBS/nl/dataset/82309NED/table?ts=1596637624918>

11 (2020) Kamerbrief met quickscan naar effecten Wet arbeidsmarkt in balans / Assessment of the Balanced Labour Market Act <https://www.rijksoverheid.nl/documenten/kamerstukken/2020/06/05/kamerbrief-met-quickscan-naar-effecten-wet-arbeidsmarkt-in-balans>

cent years, but at 74.1 it still remains higher than the European average of 67.9.¹² **The participation rate of women is particularly worrying: the rate of full-time equivalent (FTE) employment corresponds to 38% for women, and this figure is expected to decrease as a consequence of the Covid-19 pandemic.** In addition, women's participation remains extremely low in high-level and decision-making positions.¹³ The NSG finds that, although gender inequalities are covered by media and researchers, a silent acceptance is spreading across the country. This feeling may be fuelled by ineffective and inadequate legislation. A 30% target for the participation of women on private businesses' boards was introduced in 2013, but without proper binding targets the increase in such participation is slowing down or even coming to a standstill.¹⁴ As reported in 2020 research on the topic,¹⁵ too few companies feel the need adapt to a more inclusive approach: 90% fail to meet the target, while in 43% no woman is part of the supervisory board. This data may also reflect the fact that women in the Netherlands continue to have the main responsibility for family care, from daily housework to assistance for the elderly, people with disabilities, and children.¹⁶

Nevertheless, in 2020 some positive steps were taken in the context of work-life balance. Paid parental leave is still one week, but additional leave has been extended to five weeks. The parent on additional leave will not receive a full salary but instead a benefit not higher than 70% of their daily wage.¹⁷ Moreover, more-flexible working times and the possibility

of working from home are being implemented in national legislation and collective agreements, meaning that an increasing number of people will soon be able to benefit. Finally, the Netherlands will from 2024 pioneer the removal of gender registration ('X', 'F', 'M') from identity cards. This will help to promote equality and respect for all gender identities.

SOCIOECONOMIC IMPACT OF COVID-19

The outbreak of the Covid-19 pandemic continued to dramatically affect the Dutch economy, which experienced a contraction due to declining household and public consumption.¹⁸ **The pandemic exacerbated existing inequalities in the labour market and beyond, highlighting the need to strengthen the social security system.** Indeed, according to the Central Bureau of Statistics (CBS),¹⁹ the pandemic provoked exceptional consequences for labour and income: during 2020, unemployment increased, reaching 309,000 people in May 2021, or 3.3% of the labour force. In 2020, labour participation declined, touching 67.7% in the first quarter of the year, when 250,000 job losses were recorded. Research shows that the number of people living with social assistance benefits is increasing each year, particularly among the young: there has been a 9% increase among people aged less than 27. This is also true for municipal social benefits (bijstand), for which the majority of recipients are less than 30 years old.²⁰

12 EIGE (2021) Gender Equality Index: <https://eige.europa.eu/gender-equality-index/2020/NL>

13 EIGE 2021 Gender Equality Index finds that the share of women in regional assemblies is 33%, in boards of large companies 31%, in the central bank 15.4%, and in research funding organisations 27.8%.

14 NOS (2021) Wet voor meer vrouwen in de bedrijfstop had beperkt effect / The law for more women at high-level positions had limited effect: <https://nos.nl/artikel/2366429-wet-voor-meer-vrouwen-in-de-bedrijfstop-had-beperkt-effect>

15 Powels, B., van den Brink, M. (2020) Bedrijvenmonitor Topvrouwen 2020 <https://www.rijksoverheid.nl/documenten/kamerstukken/2021/01/29/rapport-bedrijvenmonitor-topvrouwen-2020-zonder-wet-geen-voortgang>

16 EIGE (2021) Gender Equality Index: <https://eige.europa.eu/gender-equality-index/2020/NL>

17 Rijksoverheid (2021) <https://www.rijksoverheid.nl/onderwerpen/geboorteverlof-en-partnerverlof/geboorteverlof-voor-partners>

18 CBS (2021) <https://www.cbs.nl/en-gb/dossier/coronavirus-crisis-cbs-figures/economic-impact-of-covid-19>

19 CBS (2021) <https://www.cbs.nl/en-gb/dossier/coronavirus-crisis-cbs-figures/covid-19-impact-on-labour-and-income>

20 CBS (2020) Vooral toename jongeren in de bijstand: <https://www.cbs.nl/nl-nl/nieuws/2021/22/vooral-toename-jongeren-in-de-bijstand>

This figure reflects the decline in labour market participation of this age group. However, the NSG reports that the government did not undertake any specific measure to prevent or tackle growing **youth unemployment (aged 15 to 29), which increased more than 1 percentage point from 2019 to 6.6% in 2020.**²¹ This data is alarming, as youth unemployment had been decreasing over the previous seven years. As a consequence, the NSG expects an increase in demand for youth care, and therefore calls for the development of new patterns of participation and work in the years to come. Long-term support will likely be needed for the young generation, even after they enter the labour market.

According to the NSG, some of the changes imposed by the pandemic on working conditions are here to stay. Despite initial hesitation, the possibility of creating a hybrid way of working – some days at the office, others from home – is gaining support among both employees and employers.²² It will allow people to

move further away from cities into rural areas where housing prices are more sustainable, while reducing office sizes. The NSG moreover reports that another consequence of the pandemic has been a change in the perceived societal status of some professions. Sectors that proved essential during the lockdowns to hold societies together – for instance education personnel and healthcare employees – have experienced growing public recognition and salary increases. On the other hand, workers in other sectors have faced decreases in income: 10% of workers may not receive their vakantiegeld (holiday pay) benefit in 2021,²³ twice as many as in 2020.

In 2021, the Dutch government has extended some support measures that were planned to end in 2020, by amending them for the longer term. New support packages are being prepared by the government, with an eye on the socio-economic situation over the coming year, which is still unclear.



21 Eurostat (2021) Youth unemployment rate: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=yth_empl_100&lang=en

22 TNO (2021) Bijna een kwart van de thuiswerkers wil ook na corona grotendeels thuis blijven werken / One out of four people working from home wish to continue to telework <https://www.tno.nl/nl/over-tno/nieuws/2021/2/kwart-thuiswerkers-na-corona-deels-thuis-blijven-werken/>

23 AD (2021) Miljoenen werknemers ontvangen dit jaar geen vakantiegeld / Millions of workers will not receive their holiday pay this year <https://www.ad.nl/geld/miljoenen-werknemers-ontvangen-dit-jaar-geen-vakantiegeld-a3687f72/>

Social protection and inclusion

Aside from the impact of Covid-19, the NSG reports unequal access to healthcare and social protection across the country. Constraints are partially geographical, as general practitioners tend to work in the most populated areas. But they are also financial, as people living on social benefits often cannot afford to pay for necessary medical care and treatment. This is more common among migrant workers, who usually depend on their employer and work contract for housing support and healthcare. Losing a job therefore means losing access to social protection. This is also the case with the Covid-19 vaccination scheme, for which only registered inhabitants of the Netherlands are considered eligible.²⁴

GOOD PRACTICE Diversity Day

In October 2020, more than 300 organisations, governmental institutions, and companies took part in 'Diversity Day', which aims to create a public space to share good practices for inclusion at work and beyond. The starting point was the question, "Are you yourself at work?" The main message was that talent development only happens if people have a free and safe space in which to express themselves. The initiative will be repeated in October 2021 as well.

HOUSING

Despite the economic downturn caused by the Covid-19 pandemic, housing prices continued to rise at a steady pace. Growth of 11.5% was registered from April 2020 to April 2021,²⁵ the sharpest increase in the last two decades. The NSG reports that in the Netherlands, housing is often not accessible or affordable, pointing out that it takes twice the average household income to afford average housing prices. Thus, young people and vulnerable groups – who normally have the lowest incomes – are often not able to buy. **In the rental market, inequalities and an unfair taxation system put tenants at a huge disadvantage compared to owners.** Put simply, house owners benefit from tax reductions – in the form of mortgage interest deductions, or hypotheekrente aftrek²⁶ – that tenants cannot profit from.²⁷ This causes an unfair and growing gap between owners and tenants, as tenants deal with living costs that increase every year. Social housing is available through a system of waiting lists, but it is reported²⁸ that it takes an average of seven years to reach the top of a list and be eligible for social housing. The municipality of Landsmeer has the record of a 22-year waiting list.

24 Trouw (2021) Ze lopen extra risico, maar arbeidsmigranten krijgen voorlopig niet allemaal een vaccin / They are at extra risk, but migrant workers will not receive a vaccine for the time being: <https://www.trouw.nl/binnenland/ze-lopen-extra-risico-maar-arbeidsmigranten-krijgen-voorlopig-niet-allemaal-een-vaccin~bd592a9f/?referrer=https%3A%2F%2Fwww.google.com%2F>

25 CBS (2021) <https://www.cbs.nl/en-gb/economy/construction-and-housing> , <https://www.cbs.nl/en-gb/news/2021/20/sharpest-house-price-increase-in-almost-two-decades>

26 Since 2013, in the Netherlands the interests paid on annuity or linear mortgages are deductible from people's income, when the mortgage is fully repaid within 30 years.

27 Rijksoverheid (2021) <https://www.rijksoverheid.nl/onderwerpen/huis-kopen/vraag-en-antwoord/recht-op-hypotheekrenteaftrek>

28 NOS (2021) Sociale huurwoning? In zeker een kwart van de gemeenten wacht je meer dan 7 jaar / Social housing? in one quarter of the municipalities you will wait more than 7 years: <https://nos.nl/op3/artikel/2377995-sociale-huurwoning-in-zeker-een-kwart-van-de-gemeenten-wacht-je-meer-dan-7-jaar>

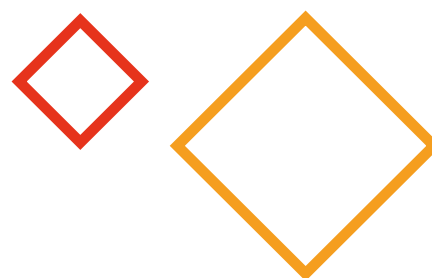
EDUCATION

Schools, universities, and providers of non-formal education were temporarily closed due to the Covid-19 pandemic, and classes and study activities were held online. Studying from home is possible when students have access to a computer and an adequate physical space. In the Netherlands, according to an OECD country note published in 2020,²⁹ these two conditions were met by a high percentage of students: 95% reported having a computer, while 97% had access to an appropriate study space at home. Therefore, the NSG reports, the number of early school leavers has dropped over the last year. Nevertheless, these conditions may have deteriorated over the course of the year, as cases were registered where both space and tools had to be shared with other members of a household. **For those students without access to adequate tools, online learning exacerbated existing inequalities. This was particularly true for people in disadvantaged socio-economic situations and for migrants in need of learning and practicing the Dutch language.** Indeed, 10% of the surveyed students declared that the language spoken at home was different from the one used for education, resulting in less support from other members of the household. Learners whose educational efforts could be assisted by parents and other household members speaking the same language as the one used in education were at an advantage. Though the long-term effects are not yet visible, increasing inequalities among students will likely have a strong impact on both personal growth and career development.

DECENTRALISATION

The NSG reports that the decentralisation of the Dutch public sector has been a catalyst for inequalities across the country. Public and social policies are managed by 12 provinces and almost 400 municipalities. Local government is responsible for youth and long-term care, mental healthcare, income support, and social assistance. **The NSG denounces the way in which decentralisation creates fragmentation and an imbalance in the treatment³⁰ of people in different areas of the country:** municipal services are better in areas where demand for support is lower and where municipalities are simply better organised.

As of January 2022, a new law on the integration of newcomers (inburgering³¹) will come into effect, changing the integration system. While newcomers have been personally responsible for the fulfilment of 'integration obligations' (mainly concerning language learning) since 2013, Dutch municipalities will now play a greater role in guiding newcomers through the integration process. They will help them to find schools, with the aim of faster integration and participation in society. This move towards a more decentralised system is likely to give newcomers better opportunities and ad-hoc solutions, but the NSG says this will lead to different treatment and chances for different newcomers.



29 OECD (2020) School education during Covid-19: were teachers and students ready? <https://www.oecd.org/education/Netherlands-coronavirus-education-country-note.pdf>

30 Trouw (2021) <https://www.trouw.nl/economie/steeds-meer-gemeenten-versoepelen-bijstand-maar-er-is-grote-willekeur-b110138e/>

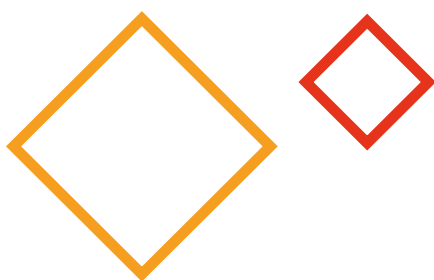
31 Rijksoverheid (2021) <https://www.rijksoverheid.nl/onderwerpen/inburgeren-in-nederland/nieuwe-wet-inburgering>

Civic space

In the Netherlands, freedom of assembly and speech are constitutionally guaranteed, and the NSG reports that despite Covid-19 measures, they have generally been respected and protected by local authorities. During 2020, the government supported the right to peacefully assemble so long as Covid-19 measures were respected. It was difficult and controversial, sometimes resulting in police violence against demonstrators, as happened in Amsterdam, Rotterdam, and The Hague during the large demonstrations for the Black Lives Matter movement. Other tensions developed at demonstrations against Covid-19 measures and at farmers' demonstrations against new nitrogen rules. The Dutch Council on Human Rights (College voor de Rechten van de Mens) therefore intervened and clarified the boundaries for demonstrations during the pandemic.³² It stated that the government must guarantee and even facilitate demonstrations, so that they are visible and audible to the targets of their protest. But the

Council also said that demonstrations that use violence or promote hatred and discriminatory messages do not fall under the freedom of demonstration and should therefore be stopped by authorities. Moreover, it made clear that Article 9 of the Dutch Constitution allows the restriction of demonstrations if this is necessary to protect public health – for example, when participants would not be able to maintain sufficient distance between each other.

On freedom of the press, the NSG expresses its concern over the frequent violence against journalists and press workers. As indicated in the 2021 World Press Index,³³ press freedom in the country has deteriorated from 2020: physical attacks on journalists increased, and the government has not improved the media's access to state-held information. (The allowances affair is one example.) In addition, mass data collection often violates journalists' privacy.



32 College voor de Rechten van de Mens (2021) an blokkades tot online demonstreren: wat mag wel en niet tijdens een demonstratie? / From blockades to online demonstrations: what is allowed and not allowed during a demonstration? <https://mensenrecht.nl/nl/toegelicht/van-blokkades-tot-online-demonstreren-wat-mag-wel-en-niet-tijdens-een-demonstratie>

33 World Press Freedom Index (2021), The Netherlands: <https://rsf.org/en/netherlands>

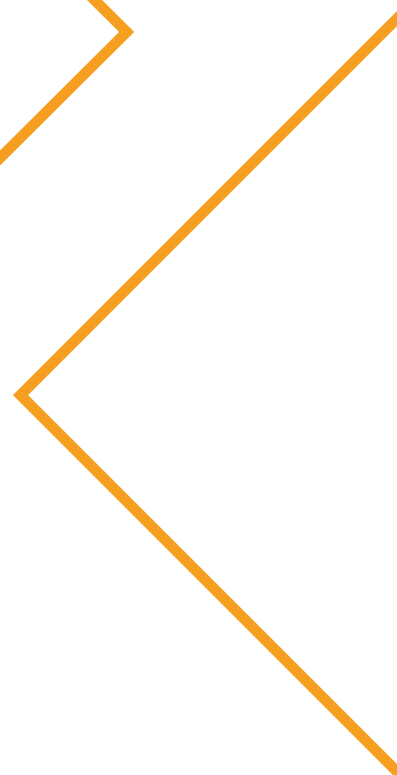
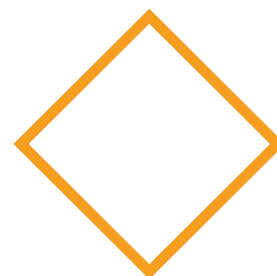


Civil dialogue on national recovery and resilience plans

The European Commission's 2020 Country Specific Recommendations touched upon two vital issues for the NSG. They recommended that the country strengthen social protection for self-employed workers and increase public investment in housing. One year later, SOLIDAR and the NSG recognise that there is still a long way to go, and that further legislative support is needed to make improvements in these areas.

After the pandemic disrupted the usual European Semester cycle, European countries were asked this year to prepare national Recovery and Resilience Plans (NRRPs), in order to benefit from the financial support of the

European Recovery and Resilience Facility. To develop fair and effective plans, the support of civil society and social partners is necessary at all stages. Member states must therefore plan consultations with stakeholders to ensure that their national plans reflect society's diverse demands and priorities. However, **the NSG judged the involvement of civil society in the development of the NRRP to be extremely limited, if not non-existent.** As the Netherlands has decided to wait until 2022 to present its NRRP, the NSG and SOLIDAR strongly call for a change of trajectory, in order immediately to include civil society in the plan's development.



SOLIDAR's Social Rights Monitor 2021 has been developed in the framework of the **Together for Social Europe** programme co-funded by the EU Programme for Employment and Social Innovation (EaSI). It provides an insight into the state of social rights in 16 European countries. The Monitor assesses the state of social Europe in terms of equality of opportunities, fair working conditions, social protection, inclusion and civic space based on the observations of Civil Society Organisations working on the ground in combination with statistical data and scientific findings. This information is provided by National Strategy Groups that are set up in each of the 16 countries by a SOLIDAR member or partner. The 2021 Monitor also analyses to which extent civil society and social partners have been involved in the design of the national Recovery and Resilience Plans, integrated in the 2021 European Semester cycle.

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SOLIDAR is a European and worldwide network of Civil Society Organisations (CSOs) working to advance social justice through a just transition in Europe and worldwide. With over 50 member organisations based in 26 countries (19 of which are EU countries), member organisations are national CSOs in Europe, as well as some non-EU and EU-wide organisations, working in one or more of our fields of activity.

This publication has been produced with the financial support of the European Union. The information contained in this publication does not necessarily reflect the position or opinion of the European Commission.

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