JUSTMIG

Sustainable and socially just transnational sectoral labour markets for temporary migrants

Background report

The Netherlands

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April 2024

Funded by the European Union, Project No. **101126535**

Introduction

Recognising the increasing importance of temporary transnational labour migration, the JUSTMIG project aims to examine trends and patterns of temporary labour mobility and employment of migrant workers on fixed-term or outsourced temporary contracts in selected manufacturing and service sectors in 6 EU countries, as well as the adaptation of industrial relations structures in the same 6 EU Member States and 3 EU Candidate Countries that are source countries for workers. The aim of this background report of the JUSTMIG project is to provide an assessment of the trends and dynamics of temporary labour migration in the Netherlands as well as an up-to-date overview of the presence and importance of migrant workers in temporary employment in the Netherlands.

The report is based on the collection and analysis of statistical data on transnational migration, analysis of relevant policies and regulation, and information gathered through desk research on key issues and challenges faced by labour market and Industrial relations institutions. This report provides a general labour market assessment and sector-specific assessment of the stocks and flows of migrant labour in the Netherlands. In line with the intervention logic of the JUSTMIG project, the report specifies the data regarding labour migration from Slovakia and Serbia whenever available.

Policies and regulations regarding migration

As an EU Member State, the main regulations regarding labour migration relate to the entrance of non-EU citizens (or third-country nationals, TCNs). Non-EU citizens need a work permit or a Single permit (combined permit for residence and work). Employers act as 'sponsors' and put in the application for a work permit with the Netherlands Employees Insurance Agency (*Uitvoeringsinstituut Werknemersverzekeringen*, UWV), and the employer or worker can put in the Single Permit application with the Immigration and Naturalisation Service (*Immigratie & Naturalisatie Dienst*, IND). Non-EU citizens can be admitted for regular paid work, for seasonal labour or work experience, intra corporate transfer[1], as essential start-up personnel, as posted workers, as highly skilled migrants, as holders of a European blue card, as (guest) lecturer, trainee doctor or as researcher[2]. It is also possible to come as self-employed. There are also regulations in which work is combined with cultural exchange, in the regulation for au-pairs or working holiday programs. If an employer is a recognised sponsor, the application procedure will be quicker, which is generally the case for highly skilled migrant workers. The Foreign Nationals Employment Act (*Wet Arbeid Vreemdelingen*, Wav) and related regulations, stipulate that work permits are subject to a so-called 'labour market test' by the UWV, which assesses whether the applicant serves 'essential interests of the Netherlands', meaning that the employer was unable to find suitable personnel in the Netherlands or elsewhere in Europe. Different categories of workers are exempted from this labour market test, following EU directives (EU blue card, intra-corporate transfer, posting of workers, and research) or resulting from a wish to support migration from particular groups of workers to the Netherlands (such as highly skilled workers). Asylum seekers

[1] Directive Intra Corporate Transferees 2014/66/EU

[2] Directive (EU) 2016/801

from Ukraine were also exempted from application of a work permit based on the Temporary Protection Directive (*Richtlijn TIjdelijke Bescherming*).

Migrants who come to the Netherlands for other purposes than employment may work in the Netherlands, with or without a work permit. A work permit is only needed for family migrants, if the main applicant also has a work permit. Family members of students are not allowed to work; students can only work a maximum of 16 hours a week without work permit. Asylum seekers do need a work permit, but the application is not subject to a labour market test.

Most permits link residency rights to the employment contract with a specific employer. This means that the migrant depends on the employer for his/her residency right and possible extension thereof, and that residency rights end when the employment contract ends. However, in the case of work as an employee, work as a highly skilled migrant and holder of a European Blue Card, a 3-month search period is granted to find work and the permit can be maintained if one finds work that meets the criteria of the residence permit. Regardless of purpose of stay, people generally become eligible for a permanent residency permit after five years of continuous legal residence in the Netherlands. From then on, all restrictions on access to the labour market are lifted.

Political initiatives and public statements

Migration is a prominent theme in Dutch public and political debate. It was the central issue in the electoral campaign for the Lower House of Parliament in late 2023. Following the public acknowledgement of the precarious position of low-waged EU migrant workers during the COVID-19-pandemic, several policy initiatives were taken to improve the position of EU migrant workers, especially those in temporary agency employment earning up to maximum 130 per cent of the statutory minimum wage. One of the policy changes is the law on decent landlordship, which we discuss below. Another initiative is the preparation of a permit system for temporary work agencies, expected to take effect in January 2026 (*Wetsvoorstel toelating terbeschikkingstelling van arbeidskrachten*).

Early 2024, the future viability of three sectors typically thriving on migrant labour was publicly challenged for adding no economic value to the Dutch economy by the president of the Dutch Central Bank (DNB) and the chairman of the State committee on demographic trends, calling for a stop of greenhouse horticulture, meat processing plants and distribution centres in the Netherlands.[3] Their calls, in fact, reiterate an earlier call of the Inspector General of the labour inspectorate in May 2022, to rethink the long-term value of sectors predominantly reliant on migrant labour (Arbeidsinspectie, 2022).

Number of EU migrant workers[4]

In 2022, 1.141 million employees in the Netherlands were foreign-born, 12.8% of the total dependent workforce of 8.899 million (Figure 5, Table 1). A little over half of this group of migrant workers, 636,000, originated from the European Union, of whom 358,000 from the Central and Eastern European (CEE) EU member states. By far the largest group of CEE migrants were Polish (207,000), followed by Romanians (61,000)

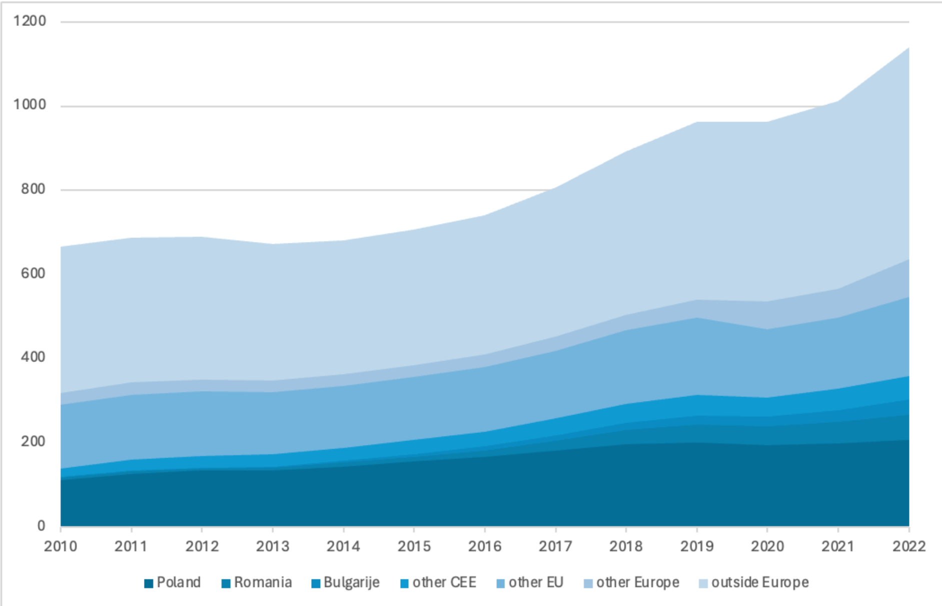
[3] https://www.volkskrant.nl/kijkverder/v/2024/de-sectoren-die-nederland-niet-meer-wil~v1016123/

[4] See the Annex for the total stock and flow of non-EU migrants based on Eurostat data.

and Bulgarians (35,000). There were around 14,000 Bosnians/Herzegovinians, 6,000 Serbians,[5] and 1,000 Estonians (these latter figures are from 2021).

The number of migrant employees has increased by 71% since 2010, whereas the Dutch workforce increased by 8%. Consequently, the share of migrant workers increased from 8.5% to 12.8%. The number of migrant workers from the CEE countries increased even stronger, from 139,000 to 358,000 (+ 158%). In 2010, almost all CEE workers (80%) were from Poland and the numbers of Romanian and Bulgarian workers were still very small.

Figure 5. Migrant workers by country of origin (x 1,000)



Source: CBS (Statline)

[5] These figures are bigger than the ones above because they refer to foreign-born workers instead of workers of foreign citizenship.

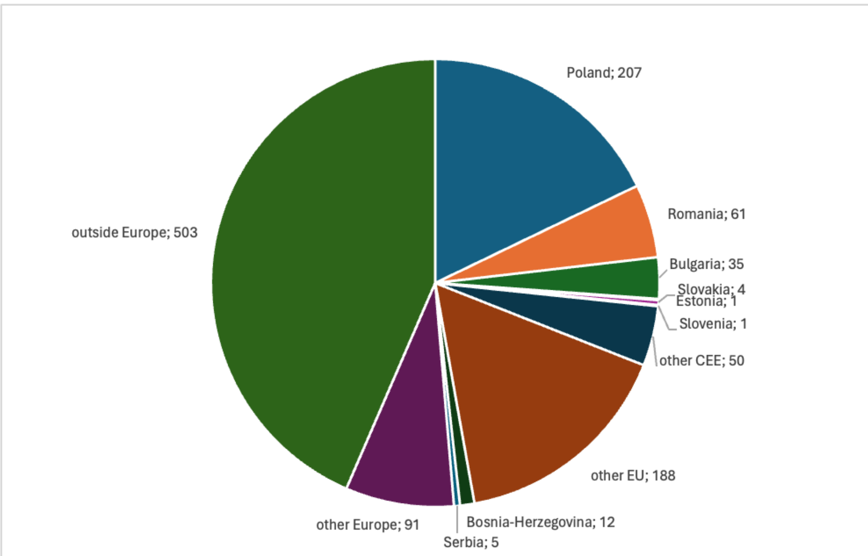
Table 1. Employees by country of birth, 2010 and 2022

	x 1,000			% of total employees in the Netherlands		
	2010	2021/ 2022	change 2010-2022 (%)	2010	2021/ 2022	change 2010-2022 (%-points)
Total	7,882	8,899	13	100,0	100.0	0.0
Netherlands	7,215	7,758	8	91.5	87.2	-4.4
foreign-born	667	1,141	71	8.5	12.8	4.4
CEE	139	358	158	1.8	4.0	2.3
Poland	111	207	86	1.4	2.3	0.9
Romania	5	61	1,057	0.1	0.7	0.6
Bulgaria	2	35	1,400	0.0	0.4	0.4
other CEE	20	56	180	0.3	0.6	0.4
Estonia		1			0.0	
Slovakia		4			0.1	
Slovenia		1			0.0	
Bosnia-Herzegovina		12			0.1	
Serbia		5			0.1	

Note: Figures refer to 2021 for Estonia, Slovakia, Slovenia, Bosnia-Herzegovina and Serbia, and to 2022 for the other countries and regions.
Source: CBS (Statline)

These figures refer only to the dependent labour force, i.e. employees. For 2021, there are also figures available of the number of self-employed workers (these figures are not fully comparable with the previous figures). In addition to the numbers mentioned above, approximately 40,000 CEE migrants worked as self-employed, half of whom were from Poland (20,000), 4,000 from Romania and 9,000 from Bulgaria (Figure 6).

Figure 6. Number of migrant workers by country of origin, 2021/2022 (x 1,000)



Note: Figures refer to 2021 for Estonia, Slovakia, Slovenia, Bosnia-Hezegovina and Serbia, and to 2022 for the other countries and regions.
Source: CBS (Statline)

Not all foreign-born workers came to the Netherlands as labour migrants, i.e. with the purpose of working in the Netherlands. Part of them came for other reasons, such as family formation or reunion or study. As a consequence of the free movement of people within the EU, the motive for intra-EU migration is not registered. In a recent study, SEO (2023) estimated the number of labour migrants by defining them as migrants with a non-Dutch nationality who started working within 120 days after first arrival in the Netherlands. These numbers are expressed in full-time equivalents, so the actual number of persons is larger. According to this definition, the number of labour migrants (in ftes) doubled from 240,000 in 2010 to 480,000 in 2022.

Reliability of data

The Dutch figures on foreign-born employees who are employed by an employer in the Netherlands are probably quite accurate, since they are based on the mandatory registration of all employees at the national Employees Insurance Administration (UWV). If employees with foreign nationality have not registered as residents of a municipality (which is mandatory after four months of stay in the Netherlands), they are also assumed to be foreign-born . The data on posted workers are probably much less reliable, since there is a substantial under-registration of posted workers. Data on self-employed foreign workers are also not very reliable, since they are only included in the statistics if they have filed a tax return in the Netherlands. As explained below, the numbers of migrant workers in various industries are significantly underestimated due to the fact that about half of CEE labour migrants are employed via temporary work agencies, and it is unknown to which sectors they are leased.

Basic information on selected industries

Table 2 presents information on three sectors, manufacturing, trade and human health and social work, and, as far as data are available, on four specific industries, viz. food processing industry, automotive industry, retail and long-term care and social work. Employment in both retail and long-term care and social work is much bigger than in food processing industry and, in particular, automotive industry, which is almost absent in the Netherlands. Retail has the highest vacancy rate, but also in manufacturing and in human health and social work the vacancy rate increased sharply in recent years. In trade, almost half of the employees have a fixed-term contract, in human health and social work this is one in four employees and in industry only one in six. In all sectors and industries, a large majority of employees work in an enterprise with at least 100 employed persons. Collective bargaining coverage is high in all selected industries. The average hourly wage in trade is significantly lower than in manufacturing and in human health and social work. In all sectors, employees with a fixed-term contract earn substantially less than the average wage, although this is partly explained by the fact that temporary workers are younger than the average employee.

Table 2. Data on selected industries

	C Manufact-uring	Food process-ing industry	Automo-tive industry	G Trade	Retail	Q Human health and social work	Long-term care and social work
Employment by industry (x 1,000)							
2010	793	115	20	1386	768	1394	868
2015	760	117	20	1408	790	1378	821
2020	801	129	25	1509	842	1536	917
2021	800	130	24	1532	854	1577	952
2022	814	131	25	1559	869	1616	974
change 2010-2022 (%)	3	14	25	12	13	16	12
Vacancy rate (per 1,000)							
2010	12			17	16	14	12
2015	14			18	17	11	9
2020	22			28	30	24	23
2021	34			40	40	29	27
2022	44			59	61	39	39
2022:							
Fixed-term contracts (% of all employees)	17			43		27	
Employment share of small enterprises (% < 10 persons)	8	8	4	7	16	4	4
Employment share of large enterprises (% >=100 persons)	61	62	74	62	60	74	85
Collective bargaining coverage (%)	78	79	92	69	86	91	96
Average hourly wage (€)	26.67			21.10		25.81	
Average hourly wage fixed-term contracts (€)	18.35			14.09		19.83	

Source: CBS (Statline)

Employment contract and industry

Temporary employment is in general quite prevalent in the Netherlands. One in three employees has a fixed-term contract (including temp agency work), which makes the Netherlands one of the EU countries with the highest share of flexible work. Almost half of migrant workers has a fixed-term contract and among CEE workers the respective share is almost two thirds (65%) (62% of Poles, 72% of Romanians and 78% of Bulgarians). The share of fixed-term contracts has declined somewhat since 2018, from 36% to 33%. Among CEE workers this share declined from 74% to 65%.

Table 3. Employees with a fixed-term contract by country of birth, 2010 and 2022

	x 1,000			% of total employees in each group		
	2010	2022	change 2010-2022 (%)	2010	2022	change 2010-2022 (%-ponts)
Total	2,190	2,934	34	27.8	33.0	5.2
Netherlands	1,913	2,378	24	26.5	30.7	4.1
foreign-born	277	556	101	41.5	48.7	7.3
of whom CEE	96	232	142	68.8	64.6	-4.1
Poland	80	127	59	71.6	61.5	-10.1
Romania	2	44	1,750	45.3	72.4	27.1
Bulgaria	1	27	2,355	47.8	78.3	30.4
other CEE	12	33	168	61.5	58.9	-2.6

Source: CBS (Statline)

Roughly half of CEE workers are employed through a temporary work agency. Available data does indicate that migrants remain in temporary agency employment for many years (SEO 2022).[6] Temporary agencies are registered as being employed in NACE industry N Administrative and support service activities (in particular. N78.2 Temporary employment agency activities), but the industry in which they are actually working is unknown. According to research[7] commissioned by the ABU and NBBU (employers associations for temporary employment agencies), the main sectors where migrant temporary agency workers are employed are logistics (37% in 2023, around 170,000 migrant workers; was 44% in 2022), horticulture (21% in 2023, around 97,000 migrant workers; was 19% in 2022), food industry (18% in 2023, around 83,000 migrant workers was 13% in 2022), and metal (8% both in 2023 and 2022, around 37,000 migrant workers).[8] In 2023, 74% of migrant temporary agency workers worked as production or logistics personnel, around 341,500 workers.[9]

Consequently, the registered numbers of CEE migrant workers employed in other industries are probably vastly underestimated (Table 4). In NACE C manufacturing, 112,000 migrant workers, including 29,000 from CEE are registered (14.4% and 3.7%, respectively, of the total number of manufacturing employees). In NACE G trade, these figures are 140,000 (9.6%) and 34,000 (2.3%), respectively. In Q human health and social work and social work the figures are 80,000 (5.5%) and 7,000 (0.5%), respectively. In manufacturing, 29% of CEE employees have a fixed-term contract (compared to 16% of all employees), in trade 41% (42% for all employees) and in human health and social work 34% (27% for all employees). We stress that the actual numbers are substantially larger, since temp agency workers are *not* included in these

[6] Many of them work in the Netherlands for more than five years, SEO (2022, 18), probably rotating between different temporary agency firms. There is no maximum duration of being employed by an agency, but after having worked for four years for the same agency, an agency worker is entitled to a permanent contract

[7] Based on a combination of registry data and survey data among temporary agency firms.

[8] https://www.abu.nl/arbeidsmigranten-in-nederland-2023/

[9] https://www.abu.nl/arbeidsmigranten-in-nederland-2023/

figures. In NACE N administrative and support service activities (incl. temp agencies) 82% of CEE workers have a fixed-term contract (65% for all employees).

Table 4. Employees by country of birth for selected industries, 2010 and 2022

	x 1,000			% of total employees in the industry		
	2010	2022	change 2010-2022 (%)	2010	2022	change 2010-2022 (%-ponts)
C Manufacturing						
Total (x 1,000; =100%)	767	779	2	100.0	100.0	0.0
foreign-born	73	112	54	9.5	14.4	4.9
of whom CEE	7	29	304	0.9	3.7	2.8
Poland	6	20	271	0.7	2.6	1.9
Romania	1	3	540	0.1	0.4	0.3
Bulgaria	0	1	500	0.0	0.2	0.1
other CEE	1	4	330	0.1	0.6	0.4
G Trade						
Total (x 1.000; =100%)	1,270	1,453	14	100.0	100.0	0.0
foreign-born	72	140	94	5.7	9.6	4.0
of whom CEE	10	34	226	0.8	2.3	1.5
Poland	8	21	175	0.6	1.5	0.9
Romania	1	4	600	0.0	0.2	0.2
Bulgaria	0	3	800	0.0	0.2	0.2
other CEE	2	6	244	0.1	0.4	0.3
Q Human health and social work						
Total (x 1.000; =100%)	1,291	1,459	13	100.0	100.0	0.0
foreign-born	73	80	11	5.6	5.5	-0.1
of whom CEE	4	7	69	0.3	0.5	0.2
Poland	2	3	48	0.2	0.2	0.1
Romania	1	1	67	0.0	0.1	0.0
Bulgaria	0	1	250	0.0	0.0	0.0
other CEE	1	2	82	0.1	0.1	0.1
N Administrative and support service						
foreign-born	840	1072	28	100.0	100.0	0.0
of whom CEE	84	208	148	10.0	19.4	9.4
Poland	73	120	66	8.6	11.2	2.6
Romania	1	39	4,713	0.1	3.6	3.5
Bulgaria	1	23	4,400	0.1	2.1	2.0
other CEE	10	26	172	1.2	2.5	1.3

Source: CBS (Statline)

Posting of workers

The majority of postings to the Netherlands are in road transportation (almost 80%); after that, it is construction (7%); industry (6%); transport and lodging (no road transport, 3%). The share of postings to the sector road freight transport is higher in the Netherlands compared to neighbouring countries Germany (52%) and Belgium (63%), where (almost) half of the postings are to other sectors of employment than road freight transport. The total number of notified posted workers to the Netherlands was 332,123 in 2020 and 375,408 in 2021 (of which 98% are employees and 2% self-employed). Of the employees, more than half are nationals from the sending Member States (54% in 2021), around one in ten is citizen of another Member State, and one third is TCN (35% in 2021; 30% in 2020), mainly from Ukraine and Belarus (sent via Poland and Lithuania) (SEO 2022: 25). The main sending Member States of posted workers to the Netherlands in all sectors of employment are Poland (37%), Lithuania (14%), Germany (9%), Spain (7%), Romania (6%), Belgium (5%), Bulgaria (3%), Portugal (3%), Hungary (2%), Slovakia (2%).

Early 2024, the Dutch Advisory Committee on Migration (2024) warned against the detrimental effects of 'competition posting' for posted workers and Dutch society, meaning that firms use the posting channel only to secure cheap labour, avoid paying workers' legal dues and conditions, and circumvent enforcement. Numbers of TCN posting are rising (four times as high as the work permits granted to TCN), mostly via Poland. The five main nationalities of TCN posted workers are: Ukraine, Belarus, Bosnia-Herzegovina, Serbia and Turkey (Adviesraad Migratie 2024: 34). In 2022, there were 240 TCN posting notifications from Slovakia (not in road freight transport), and 1,300 EU citizen postings (Staat van Migratie, J&V 2023: 58). In 2022, there were 1,220 notifications of self-employed postings from Slovakia (no nationality specified) (p. 59). According to another report, 4% of TCN postings from Poland to other sectors than road freight transport originate from Serbia, being around 300 workers (SEO 2022, p.38).

Inflow and outflow

The annual inflow of labour migrants from CEE countries[10] increased from 28,000 in 2010 to 66,000 in 2021 (Table 5). However, the inflow as a percentage of the 'stock' of CEE migrant workers declined slightly. Both in 2010 and in 2021, the inflow of Polish labour migrants was 13% of the stock (but it was 17% in 2014). The relative inflow of Romanians declined from around 50% in 2010 to 25% in 2021 (but the stock of Romanians was very small in 2010) and the relative inflow of Bulgarians decreased from around 200% in 2010 to 37% in 2021.

Table 5. Inflow of labour migrants into the Netherlands, 2010 and 2021

	x 1,000			% of stock		
	2010	2021	change 2010-2021 (%)	2010	2021	change 2010-2021 (%-points)

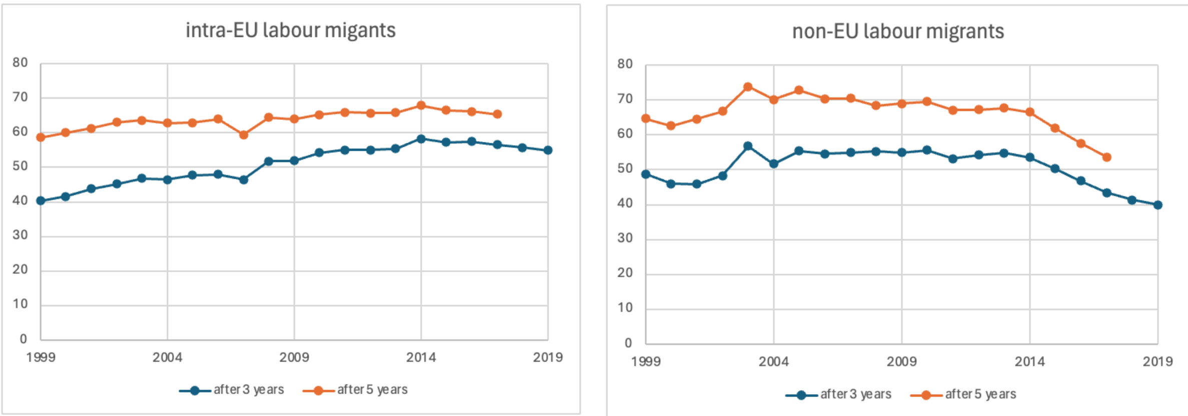
[10] Statistics Netherlands (CBS) infers the migration motive from the activity of the migrant after arrival in the Netherlands, so this a stricter definition than the one of SEO (2023).

Total non-Dutch	61	132	117	9.1	11.6	2.5
CEE	28	66	136	20.3	18.6	-1.7
Poland	14	26	81	13.0	12.7	-0.3
Romania	3	15	487	49.2	24.9	-24.2
Bulgaria	4	13	197	185.7	36.8	-148.8
Other CEE	7	14	105	34.1	24.9	-9.2

Source: CBS (Statline)

Most labour migrants stay for a relatively short period in the Netherlands. Three years after arrival, half of CEE labour migrants have left the Netherlands again (Figure 7); after five years this is 60% and after ten years 68%. These percentages increased over the past decade. Of the CEE labour migrants that arrived in 2004, 36% left within three years, 45% within five years and 55% within ten years. Polish and Bulgarian workers stay somewhat longer in the Netherlands than Romanians. Non-EU labour migrants show a different pattern over time (Figure 7). Of those who arrived before 2015 more than half left within three years, and two thirds within five years. But the more recent cohorts stay longer. Of the non-EU labour migrants that arrived in 2019 only 40% left within three years.

Figure 7. Share of labour migrants that has left the Netherlands again after 3 years and 5 years, respectively, by year of entrance to the Netherlands (%)



Source: Own calculations from CBS (Statline)

Wages

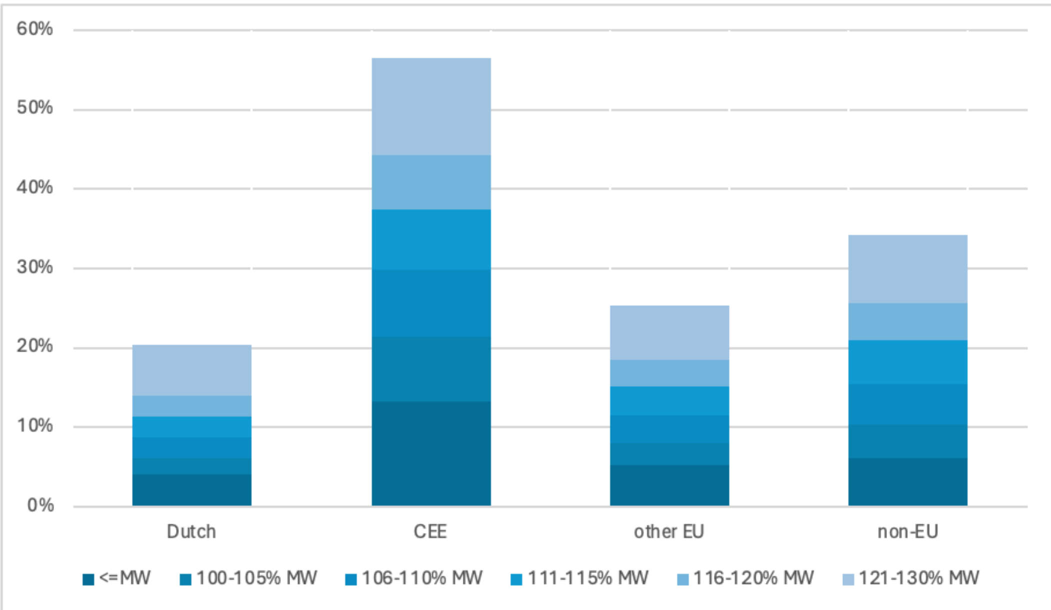
The Netherlands has a statutory minimum wage and a legal extension mechanism for industry collective bargaining agreements. The minimum hourly wage (from 21 years and older) is € 13.27 per 1 January 2024.[11] Collective bargaining agreements can be legally extended to the entire industry by government decree, resulting in a collective bargaining coverage of 71.8% of all employees in 2022. The coverage is 77.7% in manufacturing, 68.8% in trade and 90.6% in human health and social work.

[11] https://www.rijksoverheid.nl/onderwerpen/minimumloon/bedragen-minimumloon/bedragen-minimumloon-2024

Most migrant workers from CEE countries[12] are low paid. In 2022, 30% of them earned at most 10% above the statutory minimum wage (which then stood at €9.95 per hour[13]), and 57% at most 30% above the minimum wage (Figure 7). For Dutch workers these percentages are 6% and 20%, respectively. In manufacturing, 20% of CEE workers earn at most 130% of the minimum wage (16% of Dutch workers), in trade 45% (Dutch: 38%) and in human health and social work 36% (Dutch: 12%). Again, these figures exclude temp agency workers. 70% of CEE workers that are registered as working in NACE N and of whom the lion share are agency workers, earn at most 130% of the minimum wage (36% of Dutch workers). 41% of CEE workers in NACE N earn at most 110% of the minimum wage (14% of Dutch workers).

57% of CEE workers earn less than €15 per hour. For Polish workers this is 55%, for Romanians 64% and for Bulgarians 73%. (These figures are not available for Dutch workers.) 18% of CEE workers in manufacturing earn less than €15 per hour, 45% in trade and 15% in human health and social work. In NACE N, however, 93% of CEE workers earn less than €15. This share is 94% for Poles, 80% for Bulgarians and 75% for Romanians.

Figure 8. Share of employees by wage level and nationality, 2022



Note: CEE includes Cyprus and Malta.
Source: CBS (Statline)

Working and living conditions of migrant workers

After COVID-19 infection outbreaks in 2020 in the meat industry, the precarious position of EU migrant workers on temporary (agency) contracts, with stays in the Netherlands of

[12] In this section CEE includes other EU countries that accessed the EU in 2004, viz. Cyprus and Malta.

[13] Actually, there did not exist an hourly minimum wage in 2022, yet, but only a minimum wage per day or week. This hourly minimum wage is calculated from an 8-hour working day.

a maximum of five years, and who earn at most 130% of the statutory minimum wage, received political attention. A government-initiated taskforce drafted fifty policy proposals to improve the position of this group of migrant workers (Taskforce 2020). The taskforce pointed to agriculture and horticulture, food industry, logistics and distribution and construction as problematic sectors, where migrants, mostly from EU member states, work for minimum wage levels and tend to face precarious conditions. This group is most vulnerable to precarious (and exploitative) employment and living conditions. These are mostly EU citizens, who are allowed to work in the Netherlands due to the EU freedom of movement and services. Most of them work in low-skilled or unskilled jobs. Especially vulnerable within this group are those who are employed through a temporary work agency and who do not have private accommodation, and live in employer-arranged housing. This arrangement causes people to lose their accommodation as soon as their employment contract ends, and temporary agency contracts can be dissolved quickly (without notification period) in the first period of employment. This surfaced prominently during the COVID-19-pandemic. Since the Law on Decent Landlordship (*Wet goed verhuurderschap*) came into force in July 2023, work and accommodation contracts must be separated. The purpose of this act is that workers can rent accommodation through another organisation than their employers. As of yet, the old practice continues to an extent, but workers sign separate contracts for employment and housing. Also, since 2021, the collective bargaining agreement for the temporary agency sector includes a grace period of four weeks before workers need to vacate employer-arranged housing in case of contract termination. Such provisions are not, yet, included in other industry collective bargaining agreements.[14] Still, the number of homeless EU migrant workers in the Netherlands is increasing, with estimates of 2.500-3.000 people in 2021, mostly males from Poland, Latvia and Romania. According to the latest figures of Statistics Netherlands, in 2023 12,600 homeless persons were foreign-born, 42% of all homeless people (of whom 2,300 were born in Europe, up from 1,300 in 2022).[15] In 2022, a government plan was launched to target precarious homeless EU citizens.[16]

Enforcement

Enforcement is scattered across different actors: the labour inspectorate is tasked to control compliance with the labour laws, including the payment of the statutory minimum wage, compliance with the working times act, etc. The enforcement of collective bargaining agreements is the responsibility of the social partners (in practice, this means primarily the trade unions). While there is cooperation between the labour inspectorate and trade unions, labour inspectors do not enforce the CBA. The municipality is in charge of controlling housing conditions and registration. The tax authorities, employees' insurance administration UWV and Social Insurance Bank SVB check the payment of taxes and social contributions. Whereas the Dutch labour inspectorate has access to workplaces, union officials do not, except when granted by site management, or when provisions are made in the collective bargaining agreement.

[14] The CBA for the meat processing industry grants this grace period to workers only when it is the migrant's first job in the Netherlands (article 34b, sub2)

[15] https://opendata.cbs.nl/#/CBS/nl/dataset/85616NED/table?searchKeywords=daklozen

[16] https://www.rijksoverheid.nl/documenten/rapporten/2022/09/13/plan-van-aanpak-kwetsbare-dakloze-eu-burgers

The enforcement capacity of the Dutch labour inspectorate is limited, and it was only able to inspect 1% of the temporary work agencies in 2020.After an expansion in resources and staff[17], this would still be only 2% in 2023 (Aanjaagteam Bescherming Arbeidsmigranten 2020, p.22). The expansion of the capacity of the labour inspectorate has not rendered the fight against labour exploitation sufficiently effective (Algemene Rekenkamer 2021)[18] . Currently, legislation is prepared to make criminal persecution of labour abuses more effective.

Trade union presence and activities

Migrant workers are under-represented among trade union members. Trade union activities revolve largely around settling urgent disputes, such as non-payment, dismissal, loss of housing, health care access (also after workplace injuries), lack of health insurance. Individual migrants often become a member in such cases. However, there is no overview of the number of migrant trade union members, nor their length of membership.

Dutch trade unions have no legal right to access the workplace. Trade unions rely on active members at the workplace (but union activity at the workplace is not well-developed in the Netherlands), or depend on being granted access to the workplace by management. Sometimes, provisions regarding trade union access to the workplace are included in collective bargaining agreements. In the meat processing industry, the negotiation results of the bargaining process in 2024 includes a call of the employers' organisation on its members to facilitate trade union access to the cafeteria at the workplace.

There are some examples of mobilisation efforts among migrant temporary agency workers. In 2023, Polish temporary agency workers mobilised at the distribution centres of one of the major supermarket chains. The workers joined the trade union's strike call to put pressure on the collective bargaining process. Since the strikes, the number of trade union members at the distribution centres of the company doubled to 2,000, with 80% of the new members being of Polish nationality.

Employer stances

Facing rising staff shortages, especially in care, and a stagnating workforce, employers' organisations are strong proponents of continued labour migration, including active labour recruitment of specific 'shortage skills' from outside Europe (VNO-NCW 2023). In response to the public concerns regarding labour migration, the employers' organisations issued a statement early 2024 that employers are responsible for sufficient guidance, integration and housing of migrant workers to alleviate pressure on public services. They also reiterated their support for strict enforcement to curb excesses in the exploitation of migrant workers, with a particular fierce approach to rogue temporary employment

[17] With the proposed 10 million euro expansion, an extra 90 labour inspectorates could be recruited, expanding the team of labour inspectors examining temporary agency firms from 60 to 150 people (Aanjaagteam 2020: 51).

[18] Three reasons are identified for the lack of effectiveness: the laws and regulations that are currently in force complicate an effective approach to labour exploitation and serious harm; victims of labour exploitation remain too often out of sight of the Labour Inspectorate; and the Labour Inspectorate lacks proper information about persecuting labour exploitation.

agencies.[19] This reiterates the statement made by the employers' organisation of the temporary agency sector in December 2022, condoning exploitation of migrants by temporary agency firms, and calling for stricter enforcement, also from public authorities (ABU 2022).

Concluding remarks

The share of migrant workers in the Dutch labour force has increased from 8.5% in 2010 to almost 13% in 2022, with a total of 1,141,000 foreign workers. In particular, the number of CEE workers increased in the last decade, from 139,000 in 2010 to 358,000 in 2022. The main EU nationalities are Polish (207,000), Romanian (61,000) and Bulgarian (35,000). The number of Serbians (5,000) and Slovakians (4,000) working in the Netherlands are small and, as far as we know, they are not concentrated in particular sectors or branches. Most labour migrants stay for a relatively short period in the Netherlands; about half of them leave within three years after arrival. Problematic conditions of migrant workers are related to temporary agency employment, and especially concentrated in agriculture and horticulture, food industry, logistics and distribution and construction. In these sectors, migrants, mostly from EU member states, work for minimum wage levels often under precarious conditions. Following the COVID pandemic, various policy initiatives have been taken to improve the position of these groups of workers in the Dutch labour market, including the (re)instatement of a permit scheme for temporary work agencies. A recent advisory report also warns against the detrimental effects of the rise of TCN postings to the Netherlands, mostly via Poland (Adviesraad Migratie 2024).

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Annex

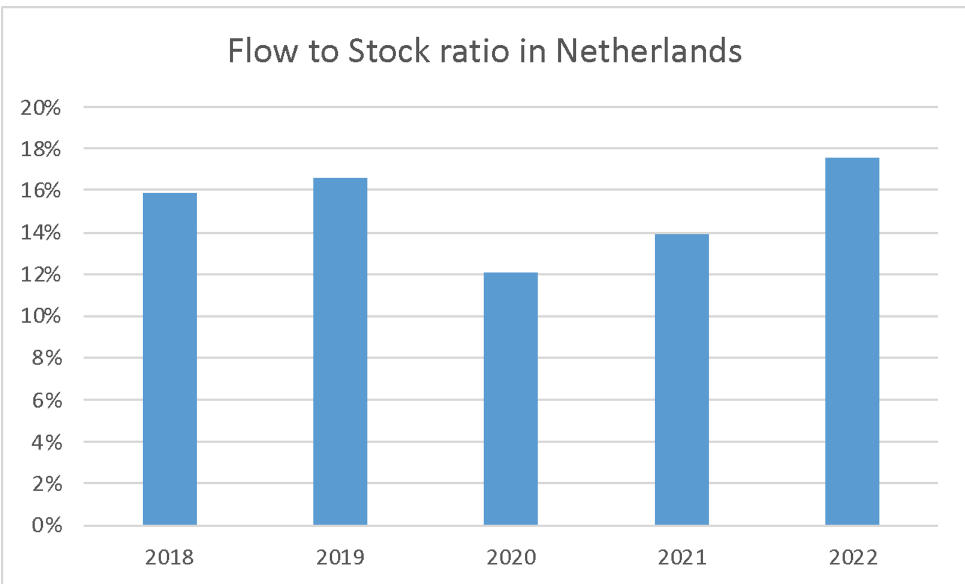
Total non-EU migrant stock

Based on the data from the Eurostat database, in 2022 the Netherlands had a total non-EU immigrant stock of 780,198. Within that number, there are 5,911 immigrants from Serbia (1%) and 2,476 from Bosnia and Herzegovina (under 0.5%). Since 2018 there has been a sharp increase in the total number of non-EU immigrants in the Netherlands (by 35%). The number of persons with valid permits increased from 577,879 in 2018 to 780,198 in 2022. At the same time, the stock of citizens of Serbia increased from 3,168 to 5,911, while the stock of citizens of Bosnia and Herzegovina decreased from 3,508 to 2,476.

Non-EU migrant inflows

In 2022 the Netherlands had about 7.8 first permits issued per thousand persons, which is an increase from 5.3 in 2018. In absolute numbers, there was an increase in the number of first-time permits from 92,068 in 2018 to 137,200 in 2022. Among those numbers in 2022, there were 612 and 164 first permits issued to citizens of Serbia and Bosnia and Herzegovina, respectively. The level and trend of the annual ratio between first permits issued and all valid permits in a country could indicate the magnitude of temporary labour migration. In relation to immigrant stock numbers, this suggests that the total immigrant inflows in the Netherlands have slightly increased from 16% to 18%, which is higher than the EU average (14%), and significantly higher than the OMS average (11%). The flow-to-stock ratios in the case of citizens of Bosnia and Herzegovina remained stable at 7%, while in the case of citizens of Serbia decreased from 14% to 10%.

Figure 1. Flow to stock ratio

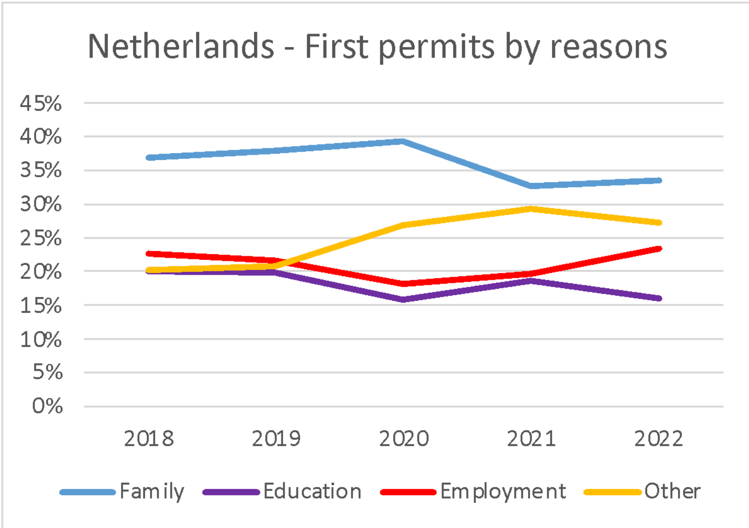


Source: Own calculations from Eurostat

Non-EU employment-related inflows

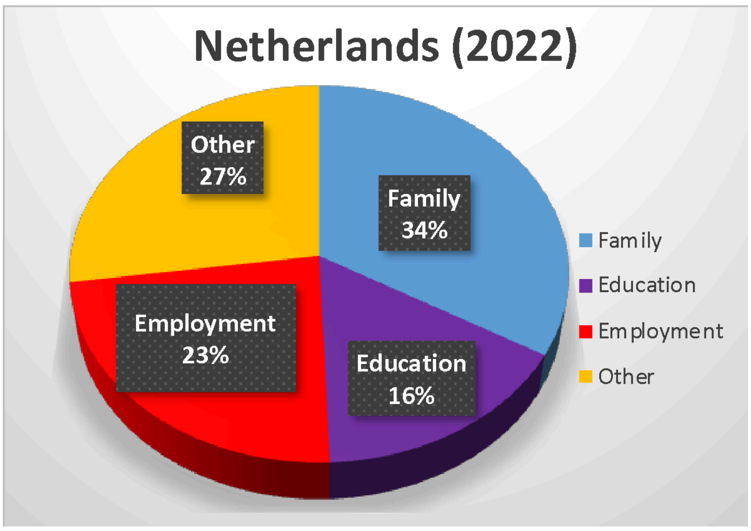
Since 2018, there has been a sharp increase in the share of first permits issued for employment reasons. In absolute terms, the number of first permits for employment reasons increased from 20,885 to 32,123. As shown in Figure 3, the share of first permits for employment reasons is about 23%, which is below the EU average (36%), but in line with the OMS average (22%). The share of first-time permits for employment reasons for both Serbian citizens and citizens of Bosnia and Herzegovina increased, from 29% to 43%, and from 11% to 24%, respectively.

Figure 2. First permits by reasons



Source: Own calculations from Eurostat

Figure 3. Structure of first permits by reasons in 2022

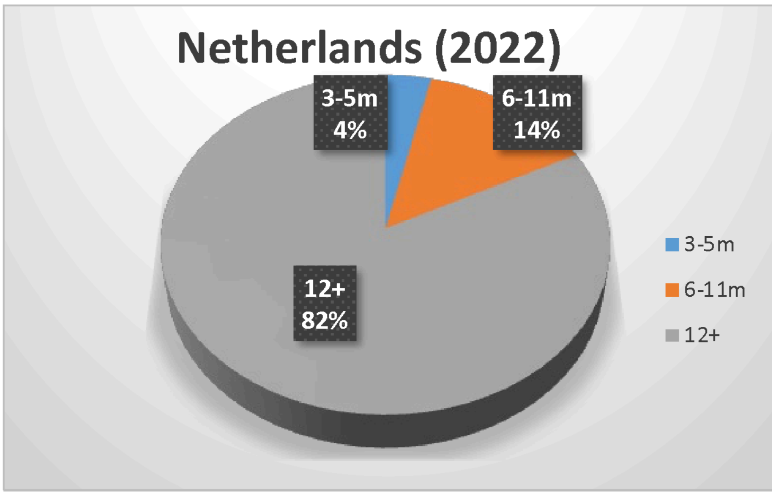


Source: Own calculations from Eurostat

Temporary non-EU labour immigration

For the purpose of this research, we approximated the temporary labour immigrants with those who have first-time residence permits for employment reasons shorter than 1 year. According to the Eurostat database, the share of temporary labour immigrants in the Netherlands remained stable at about 18%. On the other hand, the same share increased for citizens from both sending countries. The share of temporary labour immigrants from Bosnia and Herzegovina increased from 18% to 40% and from 29% to 45% in the case of Serbia.

Figure 4. First employment permits by duration



Source: Own calculations from Eurostat