

4.7 National report: Netherlands

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Introduction

As in many other European countries, the population in the Netherlands is ageing rapidly. It used to be common practice in the Netherlands to leave the labour market through early retirement and disability schemes. To tackle the rising economic burden that an older society may place on the working-age population, the Dutch government has passed several laws in the last ten years and implemented several policies in an attempt to increase the employment participation of older workers.

Measures are taken to discourage early retirement. For example, since 2004 employers have to pay the first two years of sickness benefits, making early retirement through disability insurance much more expensive. Since 2012 the state pension age is being gradually raised from 65 to 67 years. Meanwhile, the mean age of leaving employment increased from 60.8 in 2000 to 63.9 years in 2013.

National research on the determinants of employment participation

In general, research on employment participation of older workers in the Netherlands is well advanced compared to some other countries. Many research domains are covered well, in some domains a broad view has been applied, many scientific disciplines are involved and different research approaches have been adopted. Three cohort studies of ageing persons are available that contain data on health, work, lifestyle and social factors. Statistics Netherlands is able to provide registered data, which are very suitable for scientific analyses.

Also, it is possible for some studies to link survey data to registered data from Statistics Netherlands. In the Netherlands, research related to employment participation of-

ten focuses on “sustainable employability”, i.e. “duurzame inzetbaarheid” in Dutch. Sustainable employability is a widely supported topic, leading to many initiatives and attracting research funding.

Labour market

Many studies available, but most of them do not empirically analyse employment participation of older workers. Organisations employ significantly more older workers than ten years ago but are not necessarily more likely to recruit older workers.

Legislation and its implementation

Most major policy changes are evaluated in a systematic way, except the implementation of an age discrimination law. Research shows that policies were successfully implemented to discourage early retirement and largely disable alternative ways of early retirement either through unemployment benefits or disability insurance.

Financial factors

Several studies confirm that financial factors play a critical role in determining the employment participation of older workers. Especially low-wage earners are affected by financial factors.

Social position

Some studies exist on the relation between education (or socioeconomic status) and employment participation with mixed findings. No studies available on the influence of gender, ethnicity, income, or profession.

Domestic domain

Several studies linking domestic factors to early retirement. Spouses are very important in the decision to retire.

HRM and interventions

Comprehensive literature exists on HRM interventions, but only few studies are evidence-based.

Work factors

Several cohort studies available. Among older workers, psychosocial factors at work seem to have greater effect on employment participation than physical load. This might be due to a healthy worker effect: Those with health problems due to a high physical load already left the workforce at an earlier age.

Health and health-related behaviour

Many studies available on health and employment participation, none on health-related behaviour. In general, good health is positively associated with employment participation. However, good health may also be an incentive for early retirement.

Work ability

Some studies find a negative relation between work ability and early retirement or disability.

Motivation

Many studies exist on the relation between motivation, age and work, while there is almost no study examining motivation as a determinant for employment participation.

Conclusions for research needs in the Netherlands

Many research findings in the Netherlands are derived from cohort studies. As a consequence, determinants are measured at the personal level and are based on the individual perspective. Data on the context are lacking or less reliable, the latter because workers are not the best source to derive this information from. For example, workers seem generally unaware of company policies with regard to older workers. Research in the field of employment participation would gain from a more integral approach, in which data from employers and employees are combined, ideally also including data on the macroeconomic level.

Although the Dutch literature on human resource management (HRM) interventions aimed at employment participation of older workers is very comprehensive, only very few studies are evidence based. This might partly be due to a lack of proper methods to evaluate interventions. In the scientific literature with regard to occupational health the Randomized Controlled Trial (RCT) is the norm. However, in the common practice of HRM, it is very hard to meet the conditions required for an RCT. Therefore, it might be helpful for evaluation research, not only in the field of employment participation or HRM, to develop new methods to evaluate interventions.

In some other domains, the review sheds light on specific research gaps: No studies were found on the impact of age discrimination law on employment participation of older workers. No studies were identified on the influence of gender, ethnicity, income, or profession. There is a lack of studies with motivation as a determinant of employment participation. No studies were found on the effects of health-related behaviour on employment participation of older workers. Studies are available on the topic, but they are not age-specific.

The full version of this report is available on the project's website at:

→ www.jp-demographic.eu/about/fast-track-projects/understanding-employment

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