The current situation of gender equality in the Netherlands – Country Profile

2013



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Foreword

Dear Reader,

We are happy that we have raised your interest in the EU-Initiative EQUALITY PAYS OFF. The initiative supports large companies in successfully adapting to upcoming labour market challenges: Due to demographic change as well as a stronger focus on service and knowledge intensive industries, Europe will face a significant shortage of (qualified) skills in the next decades.

To secure qualified labour, it will be of vital importance for large companies to diversify the pool of (potential) employees by gaining better access to the female labour force. The initiative supports companies in Europe to increase female participation, to support employees that involuntarily work part-time due to family obligations, to motivate students to enter atypical fields of education and to reduce horizontal as well as vertical segregation. Consequently, the initiative contributes to a reduction of the gender pay gap in Europe.

The initiative covers all EU-28³ countries plus Turkey, the Former Yugoslav Republic of Macedonia (FYROM), Serbia, Norway, Iceland and Liechtenstein – in total 34 countries. This country report serves as background material for workshops taking place in each country in the context of EQUALITY PAYS OFF. ⁴ These workshops shall enhance knowledge exchange between business leaders and key decision-makers of participating companies. The quick and country-specific overview of the status quo will serve as a basis to explore starting points for each company to tap the female talent pool in a better way.

The country report is structured into four parts: After the management summary, Part 1 describes the status quo of gender equality in the Dutch labour market. Part 2 describes our recommended strategic approach to gain better access to female talent in the labour market and within a company. Part 3 lists initiatives of the public and private sector in the Netherlands that support companies in their ambition to enhance gender equality.

Further information on the EU-Initiative and its respective activities as well as on involved stakeholders can be found at http://ec.europa.eu/justice/equality-pays-off.

¹ Horizontal segregation refers to the under-/overrepresentation of women and men in occupations or sectors

² Vertical segregation refers to the under-/overrepresentation of women and men in hierarchical levels

³ For statistical comparability and completeness, EU-27 data is used for all statistical indicators as EU-28 data is not available yet

⁴ The information on the website has been summarised in this country report. Detailed information can be found on the website: http://ec.europa.eu/justice/equality-pays-off

Management Summary

Demographic change as well as a stronger focus on service and knowledge intensive industries will lead to a significant shortage of (qualified) skills in Europe. In order to fill the upcoming gap between labour demand and labour supply companies need to improve their access to the full talent pool by ensuring gender equality.

Five groups of indicators show the status quo in the Netherlands:

- The **employment rate** of women in the Dutch labour market (70.4%) was considerably above the EU-27 average (58.6%) in 2012. At the same time, the share of women actively looking for work in the Netherlands (5.2%) was substantially below the EU-27 average (10.6%).⁵
- The rate of **employees working part-time** was considerably above the EU-27 average. 76.9% of Dutch women are working part-time, compared to 32.1% on average in the EU-27. The average female part-time working hours in the Netherlands (20.0 hours) almost equaled the EU-27 average (20.2 hours).⁶
- **Tertiary education attainment of women** in the Netherlands has increased to 28.2% which was above the EU-27 average of 25.8% in 2012. However, the promotion of gender atypical fields of study remains a challenge.⁷
- **Horizontal segregation** in the five most popular sectors is observable. The sectorial gender segregation was higher than the EU-27 average in 2012. However, two of the five most favourite female sectors, namely "Wholesale & Retail" & "Public Administration" overlapped with the top-5 favourite male sectors. ⁸ Occupational gender segregation was less pronounced in the Netherlands than on EU-27 level but is still present. Most often, women are employed as "Professional service workers" whereas men tend to be employed as "Business and administration professionals". ⁹
- The representation of women in hierarchical levels (vertical segregation) shows a mixed picture in the Netherlands: The share of women on boards was 22.0% in 2012 and thus higher than the EU-27 average of 16%. However, the share of women in management positions was with 30% slightly below the EU-27 average of 33% in 2010.¹⁰

The **unadjusted gender pay gap** in the Netherlands was 17.9% in 2011 and exceeded the EU-27 average of 16.2% (1.7 percentage points (pp)).¹¹

⁵ Source: Eurostat Labour Force Survey (LFS) 2013 (data from 2012)

⁶ Source: Eurostat LFS 2013 (data from 2011/12)

⁷ Source: Eurostat LFS 2013 (data from 2012)

⁸ Source: Eurostat LFS 2013 (data from 2010)

 $^{^{9}}$ Source: Eurostat LFS 2013 (data from 2010/12), calculations: weighted average difference of employment per sector and by occupation by gender

¹⁰ Source: EC DG Justice; Horizontal and vertical segregation - Meta-analysis of gender and science research (2012)

Source: Eurostat LFS 2013 (data from 2011)

1. How Dutch companies access the talent pool

In the following, we give a brief overview of the current situation of employment of women and men in the Netherlands in comparison to the overall EU-27 average.

1.1 General participation of women in the labour market¹²

For both genders, the employment rate in the Netherlands is above the EU average of 58.6% for women and 69.8% for men. The Dutch female employment rate rose from 66.2% in 2002 to 70.4% in 2012 but was still 9.3 pp lower than the Dutch male employment rate of 79.7% in 2012.

The high female employment rate in the Netherlands went hand in hand with a low unemployment rate, which is below EU average. In 2012, the unemployment rate for women was about 5.2%, which indicates an increase of 2.3 pp from the level of unemployment of 2002. The unemployment rate for men showed a similar trend: It rose from 2.3% in 2002 to 5.3% in 2012. However, both values are significantly below the EU-27 averages of 10.6% and 10.5% respectively.



Figure 1: Labour market participation of women and men in the Netherlands in comparison to the EU-27

In terms of the general participation rate (the sum of employment rate and unemployment rate) the participation of women in the Netherlands amounts to 75.6%, which is 5.2 pp higher than the EU average of 69.2%. The male participation rate of 85.0% was above the EU-27 average of 80.3% (4.7 pp).

The labour market data reflects the overall inclusion of a high percentage of Dutch women into the labour market.

 $^{^{12}}$ Source for statistical data (unless stated otherwise): Eurostat Labour Force Survey LFS 2013 (data from 2011)

1.2 Part-time segregation¹³

The part-time rate in the Netherlands is the highest in Europe and for both genders far above the EU average. 76.9% of Dutch women pursued part-time work in 2012. This share has risen from 72.7% in 2002 by 4.2 pp and is considerably higher than the EU-27 average of 32.1%. The same applies to part-time working men in the Netherlands: Their share increased between 2002 and 2012 from 20.6% to 24.9% and thus is 16.5 pp above the EU-27 average of 8.4%. In terms of working hours, Dutch women work 50.6% of full-time working hours (20.0 hours), which is comparable to the EU average (20.2 hours). Part-time working Dutch men work 46.5% of full-time working hours (19.2 hours) and thus slightly more than on EU average (19.0 hours).

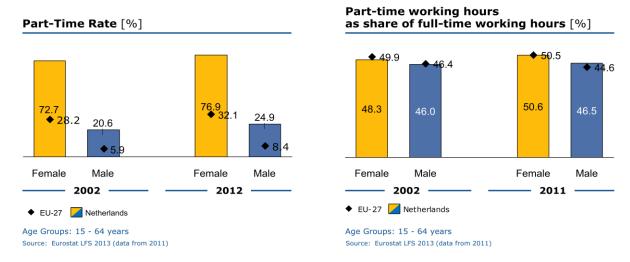


Figure 2: Part-time segregation in the Netherlands in comparison to the overall EU-27

The childcare situation in the Netherlands is doing well and goes in line with the demands of the Dutch workforce.

¹³ Source for statistical data (unless stated otherwise): Eurostat LFS 2013 (data from 2011)

52.0% of children between zero and three years receive external childcare: 46.0% of them are in childcare less than 30 hours per week and 6.0% participate for 30 or more hours per week.

Children aged from 3 years up to school age receive childcare even more often than younger children. 89.0% of children between three years and school age are enrolled in formal childcare: 76.0% receive childcare less than 30 hours per week and 13% participate for 30 hours or more per week.

Compared to the EU average, the numbers show a common trend: Children are more often in childcare when they are three years and older. But the comparison also reveals a difference: compared to the EU average more Dutch children receive childcare for less than 30 hours but less receive it for 30 hours or more. This might be due to the high part-time rate of Dutch working women and men. They need childcare for part of the day, but not for all of it.

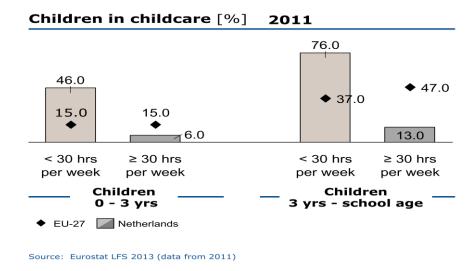


Figure 3: Childcare arrangements in the Netherlands in comparison to the EU-27

1.3 Qualification level and choice of education¹⁴

The share of women and men with secondary and tertiary education draws a fairly equal picture.

The rate of secondary education attainment in the Netherlands is for both genders slightly below EU-average. The share of Dutch women who attained secondary education developed from 62.0% in 2002 to 68.6% in 2012. For Dutch men, the share rose from 66.5% to 69.5%.

The rate of tertiary education attainment in the Netherlands is for both genders higher than on EU average. The share of Dutch women who attained tertiary education rose from 19.8% to 28.2% in 2012. For Dutch men, the share rose from 23.3% to 29.2%.

All in all, in 2012 there was only a small gender gap of around 1 pp in terms of secondary and tertiary education of women and men in the Netherlands. Further, the share of secondary education attainment was slightly lower than on EU average. This may result from a trend towards the attainment of tertiary education in the Netherlands and the development of a higher-skilled workforce.

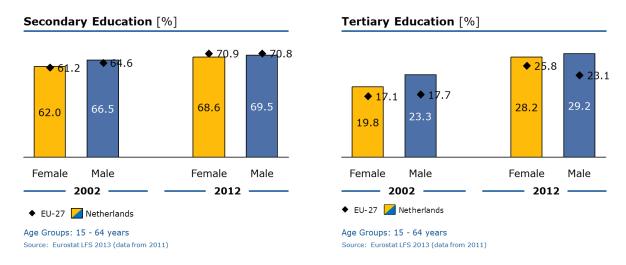


Figure 4: Education attainment in the Netherlands in comparison to the EU-27

¹⁴ Source: Eurostat Education and Training (2002, 2010, 2011)

In Regard to typical male and female studies in the Netherlands a strong gender bias becomes observable. In typical female subjects, such as "Health and Welfare" or "Teacher, Training and education science", almost ¾ of the students were female. These numbers go in line with the EU trend. In typical male fields of studies, such as "Engineering, manufacturing and construction" or "Science, maths and computing" the vast majority of students were male. The share of women lies at 18.1% and 21.6% respectively. Both subjects reveal lower numbers for participating women than on EU average. Reasons might be a higher share of women in other subjects, such as "Agriculture and veterinary". Further, it is possible that women prefer subjects where part-time-working is more easily feasible and thus chose their accompanying fields of studies.

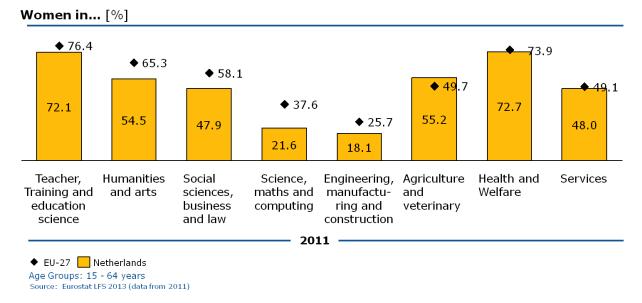


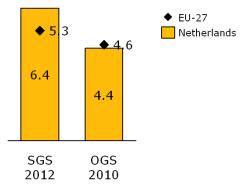
Figure 5: Share of women in different fields of education in the Netherlands in comparison to the EU-27

1.4 Under-/overrepresentation of women and men in occupations or sectors – "Horizontal segregation" ¹⁵

Horizontal segregation is pronounced in the Netherlands. This becomes evident when one compares the most popular economic sectors and occupations of men and women. In order to compare the extent of horizontal segregation in the Netherlands with the overall EU-27 average, two horizontal segregation indicators are calculated: (1) The Sectoral Gender Segregation Indicator (SGS)¹⁶ and (2) the Occupational Gender Segregation Indicator (OGS):

- In 2012 the extent of sectoral gender segregation (SGS) in the Netherlands (6.4 pp) is significantly higher than the overall SGS of the EU-27 (5.3 pp). In 2010 a different pattern can be observed in the extent of occupational gender segregation (OGS) in the Netherlands. The OGS is lower than the overall OGS of the EU-27 (4.4 pp, compared to 4.6 pp in EU-27).
- The numbers reveal that Dutch women choose rather typical sectors for their professional career but within these sectors they tend to choose gender-atypical occupations.

Horizontal Gender Segregation Indicators [pp]



Source: Eurostat LFS, RB Calculations

Figure 8: Horizontal Gender Segregation Indicators

¹⁵ Source for statistical data (unless stated otherwise): Eurostat LFS 2013

¹⁶ Comparing the share of female employees that work in one economic sector to the share of male employees that work in the respective economic sector shows the extent of gender segregation in that specific economic sector. The Sectoral Gender Segregation Indicator (SGS) reflects the weighted **average difference** in absolute percentage points (share of all male employees in an economic sector [%] *minus* share of all female employees in resp. economic sector [%]) across all economic sectors.

In the Netherlands, sectoral gender differences can be observed. 62.8% of Dutch women are working in the five most popular sectors. This number shows a higher density of women's choices compared to Dutch men, where only 49.6% work in the five most popular sectors.

"Health care and social work" is the sector with the most female employees, followed by "Wholesale & Retail". Altogether, 43% of women are employed in either of the sectors. "Manufacturing" is the most prominent sector in regard to male employees, followed by "Wholesale & Retail". The sectors incorporate 26.4% of the male workforce. Two of the five most favourite female sectors, namely "Wholesale & Retail" and "Public Administration" overlap with the Top-5 favourite male sectors. Together, those two sectors reveal the lowest gender gap and include 19.4% of women and 20.0% of men of the Dutch workforce.

% of women employed in	Nether- lands	EU-27	% of men employed in	Nether- lands	EU-27
Health care and social work	29.2	17.8	Manufacturing	13.8	20.5
Wholesale & Retail	13.8	15.3	Wholesale & Retail	12.6	13.1
Education	9.2	11.7	Construction	9.3	12.9
Public administration	5.6	7.4	Public administration	7.4	7.2
Professional, scientific and technical activities	5.0	5.1	Transportation and storage	6.5	7.3
Accumulated concentration	n 62.8	57.3	Accumulated concentra	tion 49.6	61.0

Source: Eurostat LFS 2013 (data from 2010), RB Calculations

Figure 6: Distribution of employment in the main NACE-2 digit sectors (2010)

Compared to the EU-27, the distribution of employees in the economic sectors in the Netherlands is similar to the most popular sectors in other European countries. Nonetheless, the sector "Manufacturing" reveals a lower overall participation. Only 5.0% of women and 13.8% of men are employed in this sector, whereas the EU average names 10.3% and 20.5% respectively.

Occupational gender segregation is also observable. 55.7% of Dutch women are working in their five most popular occupations. This numbers shows again a higher density women's choices compared to Dutch men, where only 37.6% work in their five most popular sectors.

"Professional service workers" is the occupation that most female employees work in, followed by "General and keyboard clerks". Altogether, 26.6% of women are employed in either of the occupations. With 8.0%, "Business and administration professional" is the most prominent occupation in regard to male employees. Two of the five most favourite female occupations, namely "Legal, social, cultural professionals" and "Business and administrations professionals" overlap with the Top-5 favourite male occupations. But still, these two sectors demonstrate a gender gap: 19.2% of women are employed in either of the occupations but only 15.8% of men are present.

% of women employed in	Nether- lands	EU-27
Personal service workers	13.9	13.4
General and keyboard clerks	12.7	12.7
Health associate professionals	9.9	5.1
Legal, social, cultural professionals	9.7	10.9
Business and administration professionals	9.5	5.6
Accumulated concentratio	n 55.7	47.7

% of men employed in	Nether- lands	EU-27
Business and administration professionals	n 8.0	4.1
Legal, social, cultural professionals	7.8	6.9
Building and related trades workers	7.7	9.9
Production and specialised services	7.1	4.1
Science and engineering professionals	7.0	5.5
Accumulated concentra	tion 37.6	30.5

Source: Eurostat LFS 2013 (data from 2010), RB Calculations

Figure 7: Distribution of employment in the main ISCO 3-digit occupations (2010)

1.5 Under-/overrepresentation of women and men in hierarchical levels – "Vertical segregation" 17

Vertical segregation, i.e. the underrepresentation of women in economic decision-making positions, shows a mixed picture in the Netherlands, compared to the EU-27 average.

In 2012, 22.0% of Dutch corporate board members were female compared to 16.0% in the EU-27. Whereas the EU-average increased by 7.0 pp between 2003 and 2012, the share of women on corporate boards in the Netherlands could pick up 14 pp in the same period.

One can observe different developments in regard to management positions in large companies and SMEs. The share of women in management positions was about 30.0% in 2010, which is below the EU-27 average (33.0%). The trend in the Netherlands between 2003 and 2010 was similar to the EU-27 average: Over 7 years, the female share of mangers increased in the EU-27 by 2 pp, in the Netherlands by 3 pp.

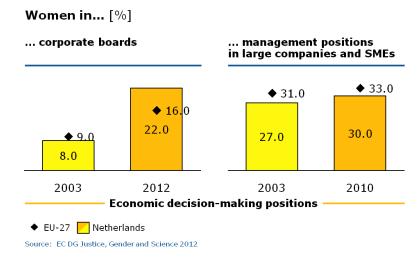


Figure 9: Women in economic decision-making positions

 $^{^{17}}$ Source for statistical data (unless stated otherwise): EC DG Justice; Horizontal and vertical segregation - Meta-analysis of gender and science research, 2010, 2012

1.6 Gender pay gap¹⁸

In the Netherlands, female employees earned in average 17.9% less than their male counterparts in 2011. In comparison to the year 2006, the gender pay gap had decreased by 5.7 pp. This positive trend corresponds to the trend of most of the EU-27. But still, the Dutch gender pay gap was above the EU-27 average of 16.2%.

Unadjusted Gender Pay Gap [%]

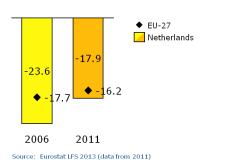


Figure 10: Unadjusted gender pay gap

2. How to gain better access to the talent pool?

More gender equality within the business sector and a reduction of the gender pay gap can only be sustainably realised if companies follow a comprehensive approach including corporate strategy, management, operational implementation by business units and HR work organisation and monitoring ("strategic pillars"):

CORPORATE STRATEGY – Establish gender equality as a part of the company's **DNA**

MANAGEMENT – Understand and position management as driver and role model

WORK ORGANISATION create the framework to enable necessary changes

MONITORING – monitor and follow up target achievement

OPERATIONAL IMPLEMENTATION – Business units and HR striving for more gender equality in daily work

Fields of action

- Raise awareness among high school graduates regarding the full spectrum of fields of education
- 2. Attract top talent irrespective of gender
- 3. Strengthen the work-life balance
- 4. Promote career advancement
- 5. Evaluate the remuneration system
- Communicate company's activities to tap the talent pool in a better way

Focusing on one pillar will lead to partial improvements only.

Corporate Strategy – Establish gender equality as part of the company's DNA

The corporate strategy sets the framework for doing business and determines the internal work culture. Experience shows that gender equality – in order to be sustainably established – has to be(come) a company rationale: The concept of gender equality has to be an integral part of the overall corporate strategy. This is the foundation for successfully addressing the gender pay gap within a company.

Management – Understand and position management as driver and role model

A management which is convinced of and fully endorses the company's strategy towards gender equality is vital to sustainably establish and live the principles of equality between women and men throughout the company and contribute to a sustainable reduction of the gender pay gap. The management is responsible for the implementation of the corporate strategy. Also, managers act as role models and multipliers within and outside the company.

Operational implementation – Business units and HR striving for more gender equality in daily work

 Business units are responsible for operationalising strategic targets regarding gender equality by actually implementing measures which have been agreed upon in their daily work, e.g. by offering internships. They contribute to a sustainable attraction, retention and development of employees. 16

• HR – as central point of contact for human resource issues of business units – offers strategic advice on how to address gender equality sustainably and provides instruments and processes to attract, retain and develop top talent, e.g. by designing regular evaluation processes.

There are six main fields of action for operational implementation:

- Raise awareness among high school graduates regarding the full spectrum
 of fields of education To enlarge the potential talent pool, companies need to
 sensitise high school graduates regarding the full spectrum of fields of education and
 hereby motivate them to also consider gender "atypical" fields of specialisation.
- Attract top talent irrespective of gender To attract top talent, companies need
 to build up a relationship with talented graduate students early on and show them
 how it is to work in their company. Additionally, they need to tap the dormant work
 force by mobilising women to start working.
- **Strengthen the work-life balance** To retain the talent pool, companies need to motivate talents to continue working, to return early from leave and to facilitate the career advancement of employees with family care obligations.
- Promote career advancement of women To promote the most qualified female employees, companies need to establish a culture and promotion process that equally honours male and female talent and institutionalise a systematic succession planning.
- Evaluate the remuneration system from a gender perspective To attract and retain female employees, companies need to evaluate and if necessary adapt their remuneration system to eliminate discriminatory practices.
- Communicate internally and externally company activities aimed at tapping the talent pool in a better way To maximise the positive impact of their efforts to champion gender equality, companies need to communicate their actions enhancing corporate gender equality internally and externally.

Work Organisation – Create the framework to enable necessary changes

Often, workflows within the company are organised in a way which does not easily allow for necessary changes towards more gender equality. This especially refers to the flexibility of the working environment. In the context of this project, flexibility comprises working hours, workplace options and work arrangements. It is therefore vital to evaluate the organisation of current business activities and requirements systematically and identify room for change in favour of employees but beneficial for both parties (employers and employees).

Monitoring - Monitor and follow-up target achievements

To ensure that gender equality is taken seriously, companies need to monitor gender equality targets in the same way as financial targets. Monitoring should include indicators that measure company-wide progress regarding corporate efforts to enhance gender equality as well as the success of individual managers in promoting gender equality in their departments/teams. Additionally, it should be part of regular feedback talks with the top management.

3. Where companies find support to gain better access to the talent pool - Examples

In order to foster a sustainable change towards accessing the labour force potential of women in a better way, a series of public and private initiatives – with legislative and non-legislative focus - have been implemented in the Netherlands. In the following we give an overview over sample initiatives:

3.1 Legislative initiatives (examples)

Year	Legislation	Website Link
1983	Constitution of the Netherlands – Last major revision	http://ec.europa.eu/justice/gender- equality/files/updatebookleteurulesongender_equa lity_en.pdf
1994	(General) Equal Treatment Act	http://ec.europa.eu/justice/gender- equality/files/updatebookleteurulesongender_equa lity_en.pdf
1994/2012	Equal Treatment Commission, predecessor of Board for the Protection of Human Rights	http://www.cgb.nl/
2001	Work and Care Act	http://ec.europa.eu/justice/gender- equality/files/updatebookleteurulesongender_equa lity_en.pdf

3.2 Public non-legislative initiatives (examples)

Name	Sponsor	Target Group	Target	Website Link
Art. 1	founded by, national, regional and local anti-discrimination offices	Every entity of the society	 Registration and monitoring of discrimination in the Netherlands Influencing politics and regulation of governmental organisations and parties Promotion of social cohesion Fostering the knowledge society 	http://www.art1.nl/
Atria	Institute on Gender Equality and Women's History	IndividualsEnterprisesOrganisations	Atria promotes gender equality by dissemination of knowledge and information, through consultancy and by stimulating the social and political debate about gender equality. The ultimate goal is equal rights for women and men.	http://www.atria- kennisinstituut.nl/atria/eng/ about_us/Organisation
Commissie gelijke behandeling (Equal Treatment Commission, succeeded by Board for Protection of Human Rights)	College voor de Rechten van de Mens	Every entity of the society	The Dutch Equal Treatment Commission is an independent organisation that was established in 1994 to promote and monitor compliance with this legislation. The Commission also gives advice and provides information about the standards that apply. Everyone in the Netherlands can ask the Commission for an opinion or advice about a specific situation concerning unequal treatment, free of charge.	http://www.cgb.nl/
Importante	Independent organisation	EnterprisesOrganisations	Independent center of experts for companies and organizations on questions concerning age and way of lives policies by supporting them in research, consulting and development of instruments.	http://www.gwi- boell.de/web/eu- laendervergleich- niederlande-369.html#6

Landelijk Expertise Centrum Diversiteit (National Center for Diversity)	Indepently funded consultancy	EnterprisesOrganisations	Promote gender- and diversity-related sensitivity in governmental organisations by offering training and advisory. Award the annual diversity prize for the Dutch government.	http://www.leeftijd.nl
Loonwijzer	VNO - NCW, MKB , FNV , CNV , MHP , Equality Commission , Dutch Association	IndividualsEnterprises		http://www.loonwijzer.nl
(WageIndicator)	for Participation , VNG , Dutch Association for Personnel Management and Organizational Development , Ministry of Social Affairs and Employment and Wage Indicator Foundation	 Organisations 		
Taskforce-Deeltijd Plus (Taskforce Part-time Plus)	The Ministry of Social Affairs and Labour	WomenCompaniesCivil society	Support women in gaining economic independence by taking jobs with more than 24h/week	www.government.nl
Taskforce - Talent Naar de Top (Taskforce - Talent to the Top)	Talent to the Top Foundation	WomenCompaniesCivil society	The Talent to the Top Foundation endeavours to offer insight regarding the impediments encountered by women on their way to the top tiers and strives to provide a platform conducive to establishing and cultivating relationships. It also seeks to encourage knowledge sharing and development. To this end, the foundation organises various events centered around the promotion of gender diversity.	http://www.talentnaardeto p.nl/

3.3 Private initiatives (examples)

Name	Sponsor	Target Gro	oup	Target	Website Link
LEEFtijd (part of Montae)	Independently funded consultancy	 Enterplace 	prises	Consultancy specialized on sustainable	http://www.leeftijd.nl/over-
		 Organ 	nisations	employability	ons