

The background of the entire page is a vibrant, abstract illustration of a crowd of people. The figures are represented by bold, solid-colored shapes in shades of purple, teal, yellow, pink, and dark blue, creating a sense of a diverse and energetic group. In the top left corner, there is a dark blue rectangular box containing the text 'ABU' in white.

**ABU**

**The latest facts and figures**

# **The value of temporary agency work**

**December 2019 factsheet**

# Preface

Temporary agency work has many advantages, not only for Dutch employers and the labour market, but especially for temporary agency workers themselves. This is evident from the figures that we have listed in this factsheet. It is a unique document that has been compiled based on the latest figures from the *Uitzendmonitor*, a publication published by the KBA Centre for Research in Nijmegen (KBA Nijmegen), and other relevant figures from studies conducted by SEO Amsterdam Economics Research (SEO), the Netherlands Institute for Social Research (SCP), Statistics Netherlands (CBS), Blauw Research/Muzus and the Netherlands Organisation for Applied Scientific Research (TNO). It is also a document that contributes to the discussion that will be held next year pursuant to the evaluation of how temporary employment is regulated, and the advice that the Borstlap Committee will issue on the future of our labour market. It is essential that this is done based on the right facts.

The value of temporary agency work is and remains significant. The fact is that temporary agency work offers prospects. No fewer than 834,790 temporary agency workers benefited from these prospects in 2018. The threshold to work is low if you go through a temporary employment agency, and these agencies offer work to everyone who is keen to work. It is the difference between taking part or not taking part in society. For instance, the private employment agency sector has created 16% of the jobs in the Jobs Agreement, 24% of asylum permit holders who are employed found work through a temporary employment agency, and for 32% of those on unemployment benefits, it was temporary employment agencies that gave them access to the labour market.

What is more, temporary agency work offers user companies the prospect of growing and being flexible in their approach to the labour market. That is important for our economy and our welfare. The private employment agency sector focuses strongly on the security that temporary agency workers need. Temporary agency work, for instance, is properly regulated through the new *Collective Labour Agreement for Temporary Agency Workers*, which provides for better income security. Also, more and more temporary agency workers can buy their own houses based on the Statement of Employment Prospects, and the sector is working on improving the pension scheme. It is not surprising that temporary agency work is known as the best kind of regulated external flexibility. We have worked hard to achieve this.

And we will continue to work on the standards of temporary agency work. For example, through the DOORZAAM foundation, the private employment agency sector is investing more in training temporary agency workers and we are working on sustainable employability. We are doing so because we are convinced that temporary agency work plays a crucial role, not only for all of those who want to work, but for user companies and the Dutch labour market as well. And because properly organised temporary work offers a solution to the challenges of the changing world of work.

**Jurriën Koops**  
ABU Managing Director

# The value of temporary agency work to the Netherlands

**834,790**

people were employed  
as temporary agency  
workers in 2018

# Temporary agency work is an indispensable part of the Dutch economy



**3.3%**

of the working population got their jobs through temporary agency work.

**21 billion euros**

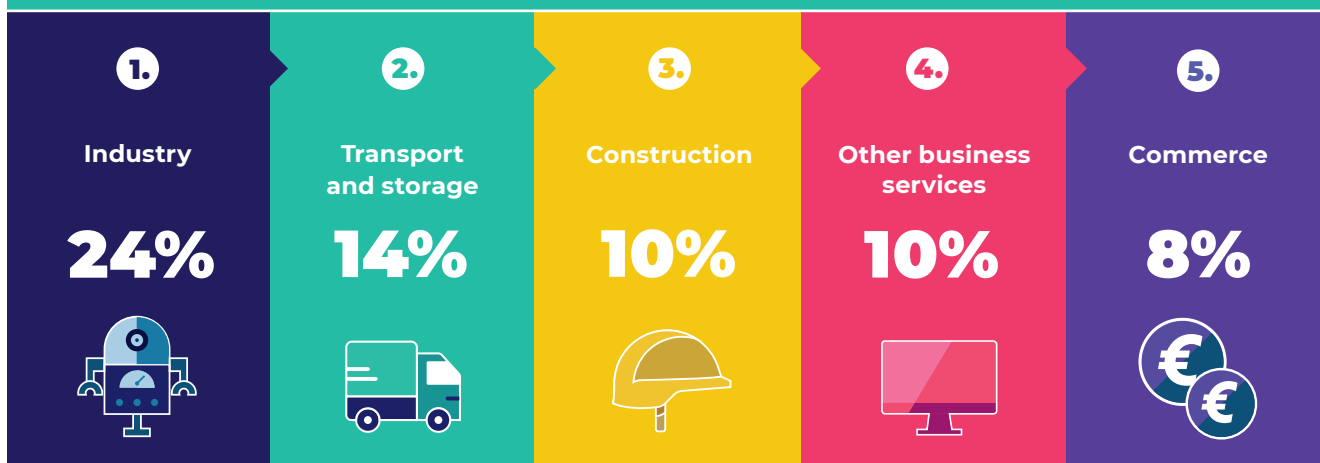
the contribution to our national income: more than 3%.

**10%**

of all jobs come through the private employment agency sector.

Source: Statistics Netherlands, SEO 2019

## Temporary agency workers in the most important sectors of the economy Top 5 sectors in 2018



Source: Labour Force Survey, Statistics Netherlands 2019, edited by KBA Nijmegen

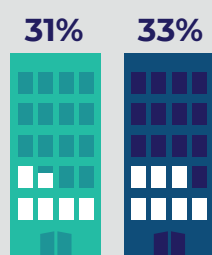
## Temporary agency workers by size of company

Temporary agency workers are growing in importance for the SME sector.

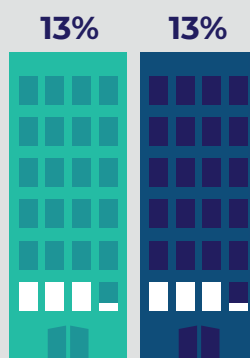
■ 2008

■ 2018

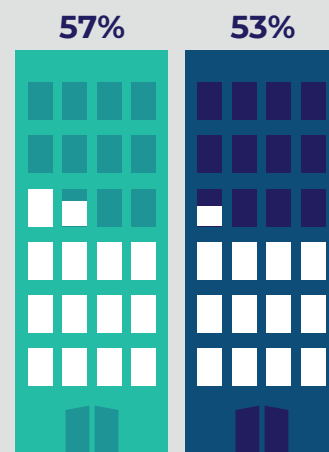
Source: Labour Force Survey, Statistics Netherlands 2019, edited by KBA Nijmegen



1 – 49 employees



50 – 99 employees



≥ 100 employees

# The Netherlands without temporary agency work?

The Dutch economy and society would be much worse off if there was no temporary agency work.



Were it not for temporary agency work, there would be

**34,000** more unemployed people.

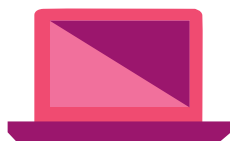


Were it not for temporary agency work, government spending on unemployment benefits would be

**206 million** higher than it is.



Were it not for temporary agency work, the national income would be **1.7 billion** lower.




Were it not for temporary agency work, **75%** of former temporary agency workers would be working in the temporary workforce, and half of them would be on unregulated contracts (the self-employed and on-call contracts).



If there was no temporary agency work, almost

**19,000** former temporary agency workers would be working in the black economy.

The background of the entire graphic is a vibrant, abstract composition of overlapping, organic shapes in various colors including teal, purple, yellow, pink, and blue. These shapes are stylized to represent the silhouettes and profiles of a diverse group of people, creating a sense of a busy, interconnected community.

# The value of temporary agency work for temporary agency workers

Almost half of  
temporary agency  
workers (48%) work

**36 hours**

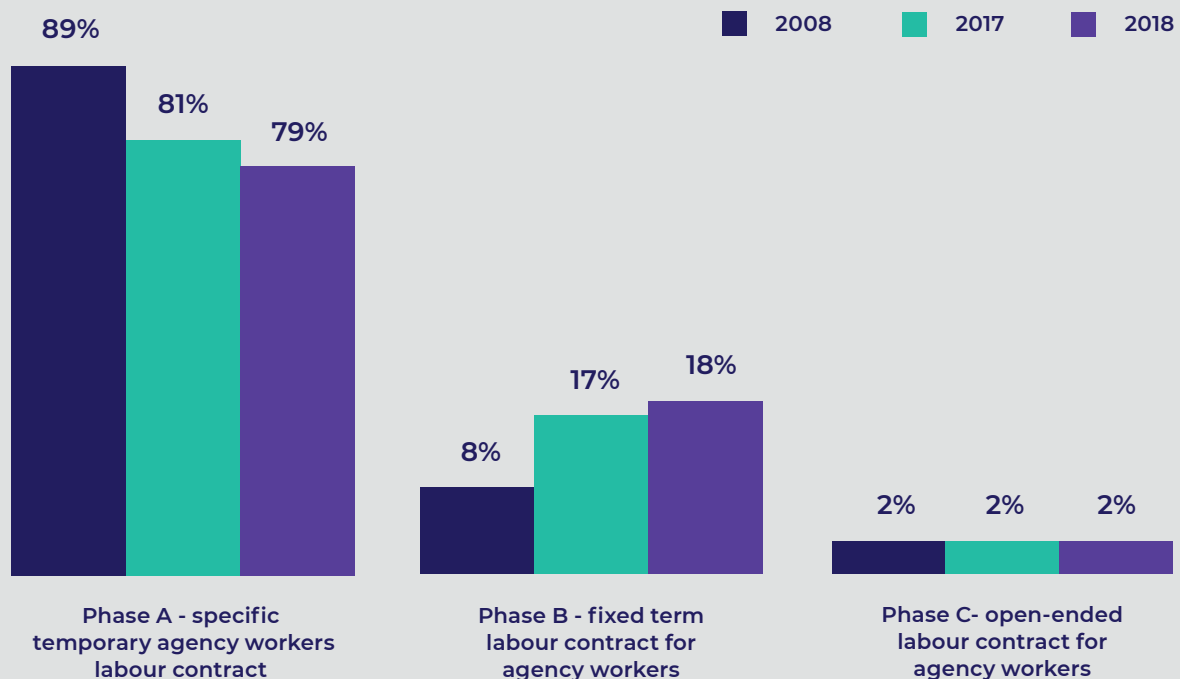
or more

# Temporary agency workers have fulfilling work



Source: Labour Force Survey, Statistics Netherlands 2018, edited by KBA Nijmegen

## Phase distribution (including pupils)



Phase unknown and chain provision (successive employment) is not included in the table.

Source: Labour Force Survey, Statistics Netherlands 2019, edited by KBA Nijmegen

## Vocational training: must improve

Number of temporary agency workers who are learning on the job



Source: Labour Force Survey, Statistics Netherlands 2019, edited by KBA Nijmegen

Of the temporary agency workers,

**73%**

is satisfied with the opportunity to learn at work.

Of all employed people in the Netherlands

**83%**

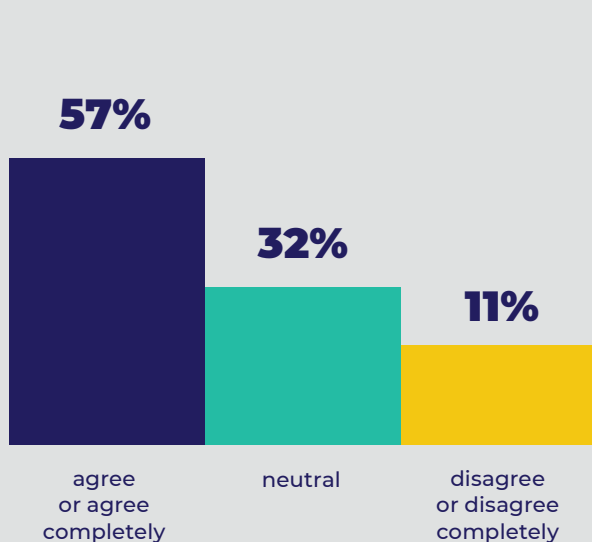
is satisfied with the learning opportunities.

Source: NEA 2018 (National Survey on Working Conditions, conducted by TNO and Statistics Netherlands)

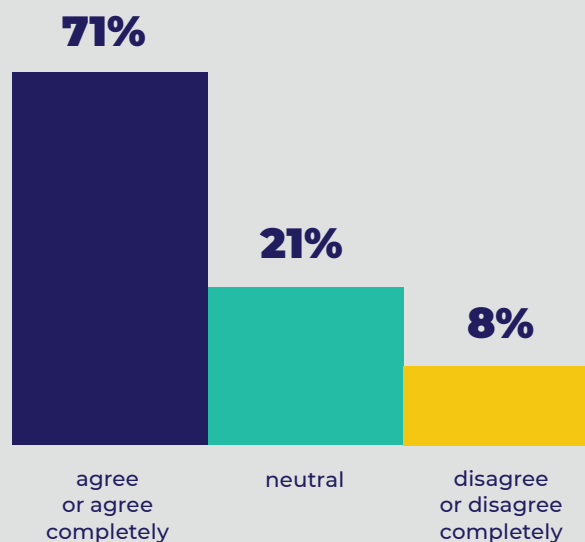
## Informal learning: an important kind of training

Temporary agency workers learn the most from working in practice.

**I am very adaptable thanks to my experience as a temporary agency worker**



**I got valuable work experience during my work as a temporary agency worker**



Source: Blauw/Muzus Research, 2019



**22%**

of temporary agency workers are pupils

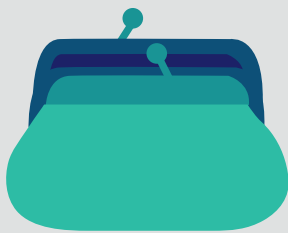


## Temporary agency workers' remuneration

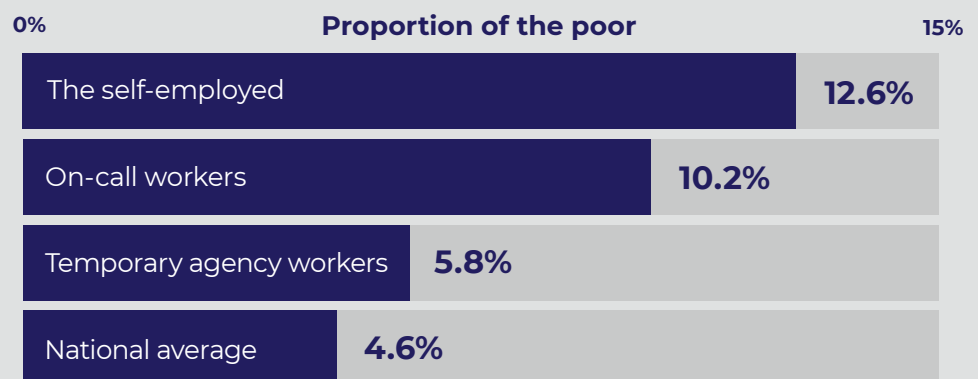
The largest group of temporary agency workers (26%) gets a basic hourly wage\* of between 1.1 and 1.3 times the statutory minimum wage. The basic hourly wage does not include exceptional remunerations, allowances and overtime pay. Nine percent have a basic hourly wage of exactly the minimum wage and 20% have a basic hourly wage of between 1.3 and 1.5 times the minimum wage. The basic hourly wage of 9% of temporary agency workers is more than twice the minimum wage.

## Poverty among employed people

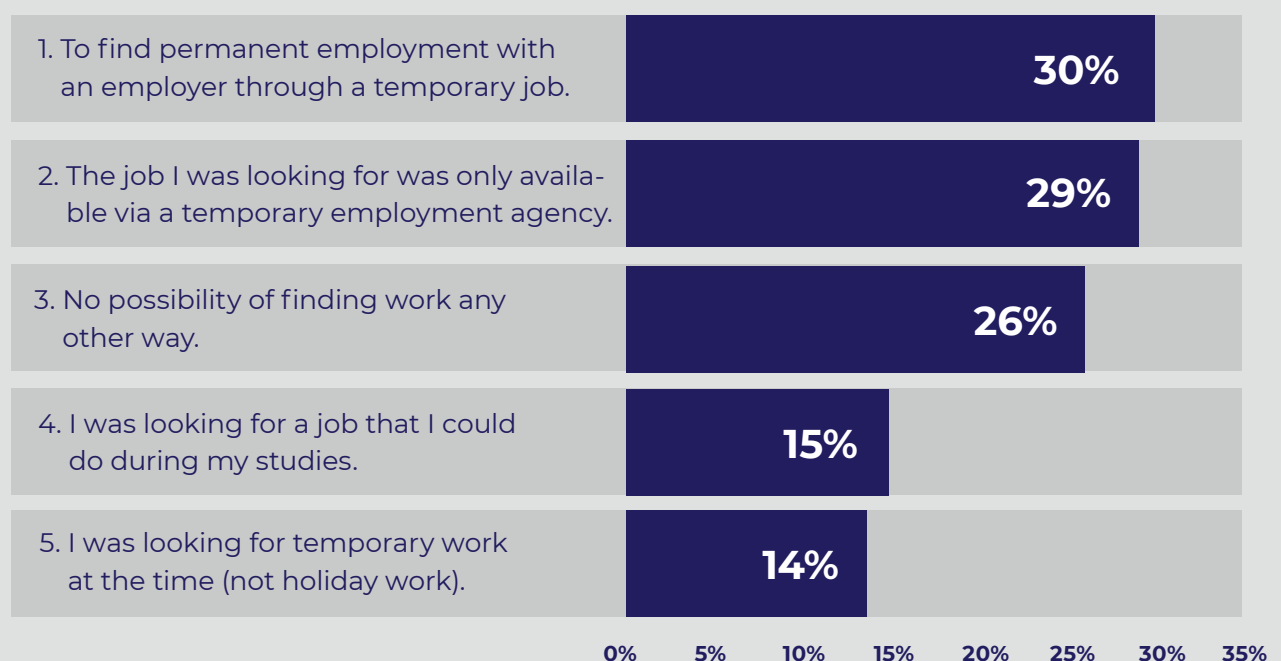
The proportion of temporary agency workers living in poverty is not that different to the national average.



Source: Netherlands  
Institute for Social  
Research, 2018



## The main reasons for working as a temporary agency worker are:

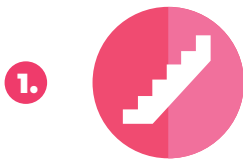


Source: Blauw Research/Muzus, 2019 (multiple answers possible, so it does not add up to 100%)

## Temporary agency workers are not all the same

The ABU commissioned a large-scale survey of motives, needs and satisfaction among 1,600 temporary agency workers. The survey shows that the value of temporary agency work for temporary agency workers is significant and varies per person.

### There are five types of temporary agency workers



1.

**57%**

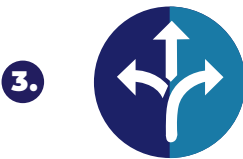
see temporary agency work as a step towards permanent work.



2.

**14%**

do temporary agency work to get the right experience for their dream job.



3.

**13%**

particularly enjoy the flexibility that temporary work offers.



4.

**9%**

see temporary agency work as an investment in the future and use it to try out various kinds of jobs.



5.

**7%**

do temporary agency work to progress or because it suits their current situation.

Source: Blauw Research/Muzus, 2019

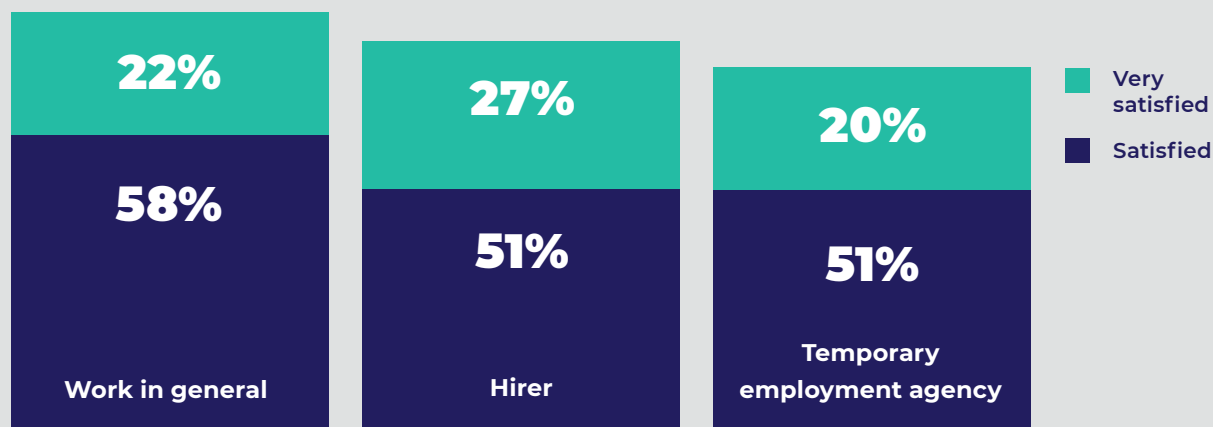
**70%**

of temporary agency workers want to continue working as a temporary agency worker in the near future.

Source: Blauw Research/Muzus, 2019

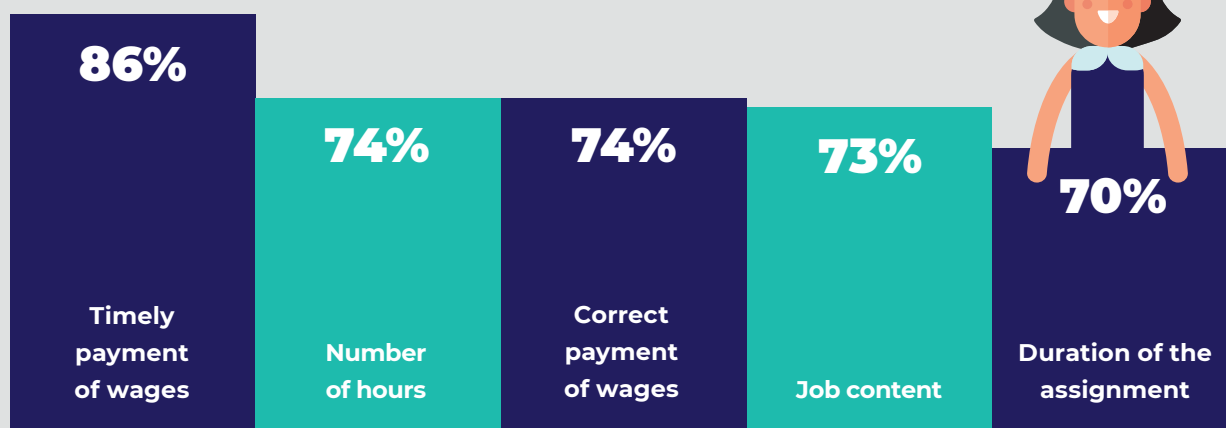
## Most temporary agency workers are satisfied with their work

Temporary agency workers are most satisfied with the following aspects of their work



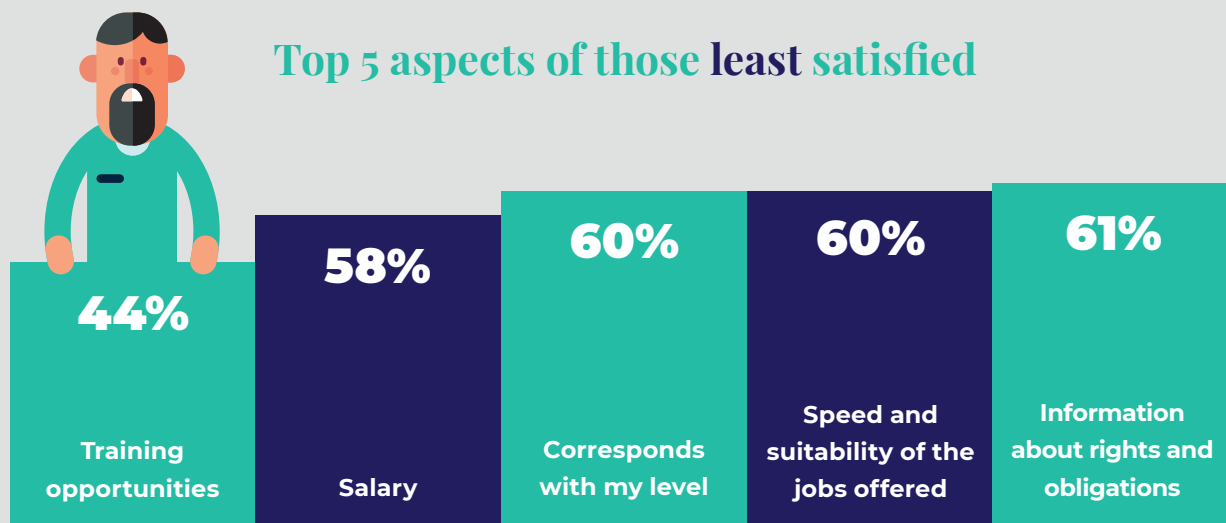
Source: Blauw Research/Muzus, 2019

### Top 5 aspects of those most satisfied



Source: Blauw Research/Muzus, 2019

### Top 5 aspects of those least satisfied



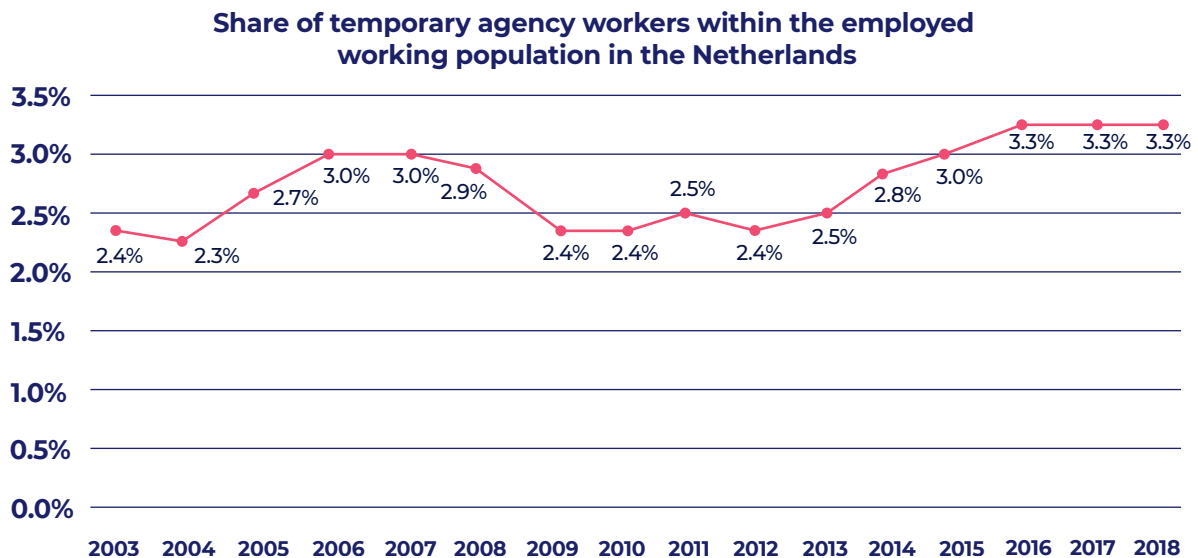
Source: Blauw Research/Muzus, 2019

# The value of temporary agency work for Dutch labour market



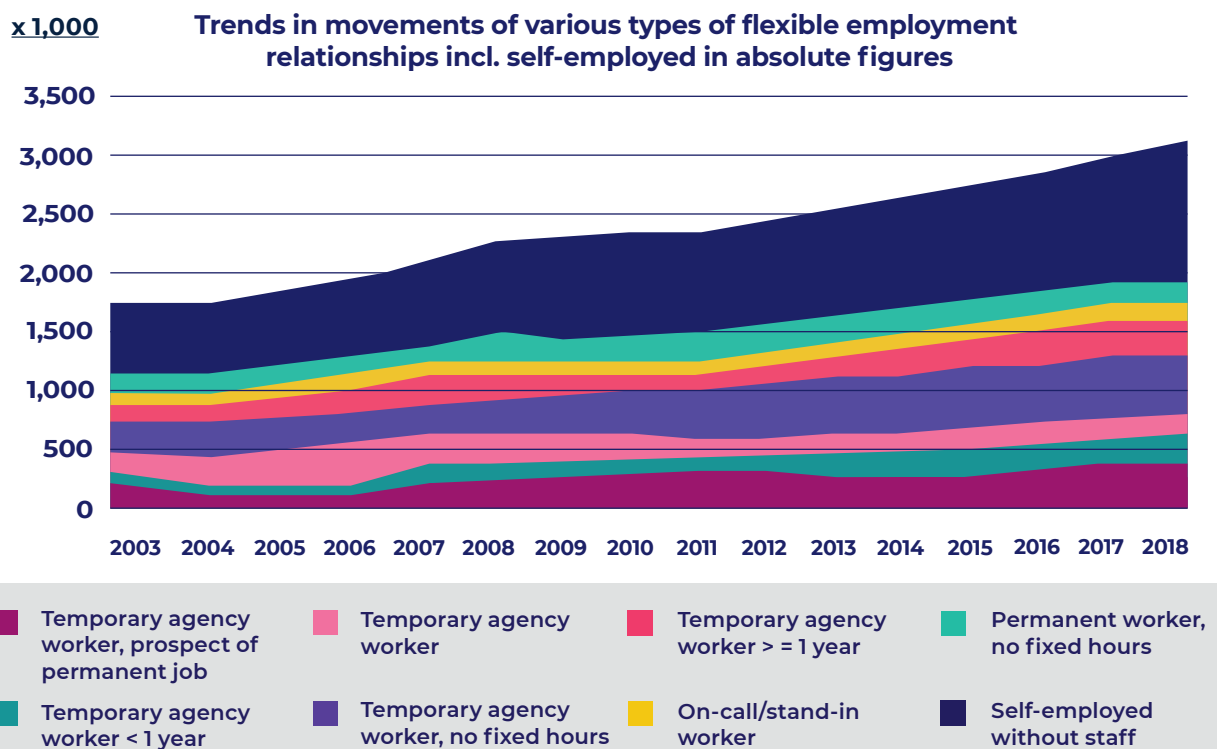
Source: Statline Statistics Netherlands; edited by KBA Nijmegen

## Temporary agency work is a stable factor on the labour market in the Netherlands



Source: Statline Statistics Netherlands; edited by KBA Nijmegen

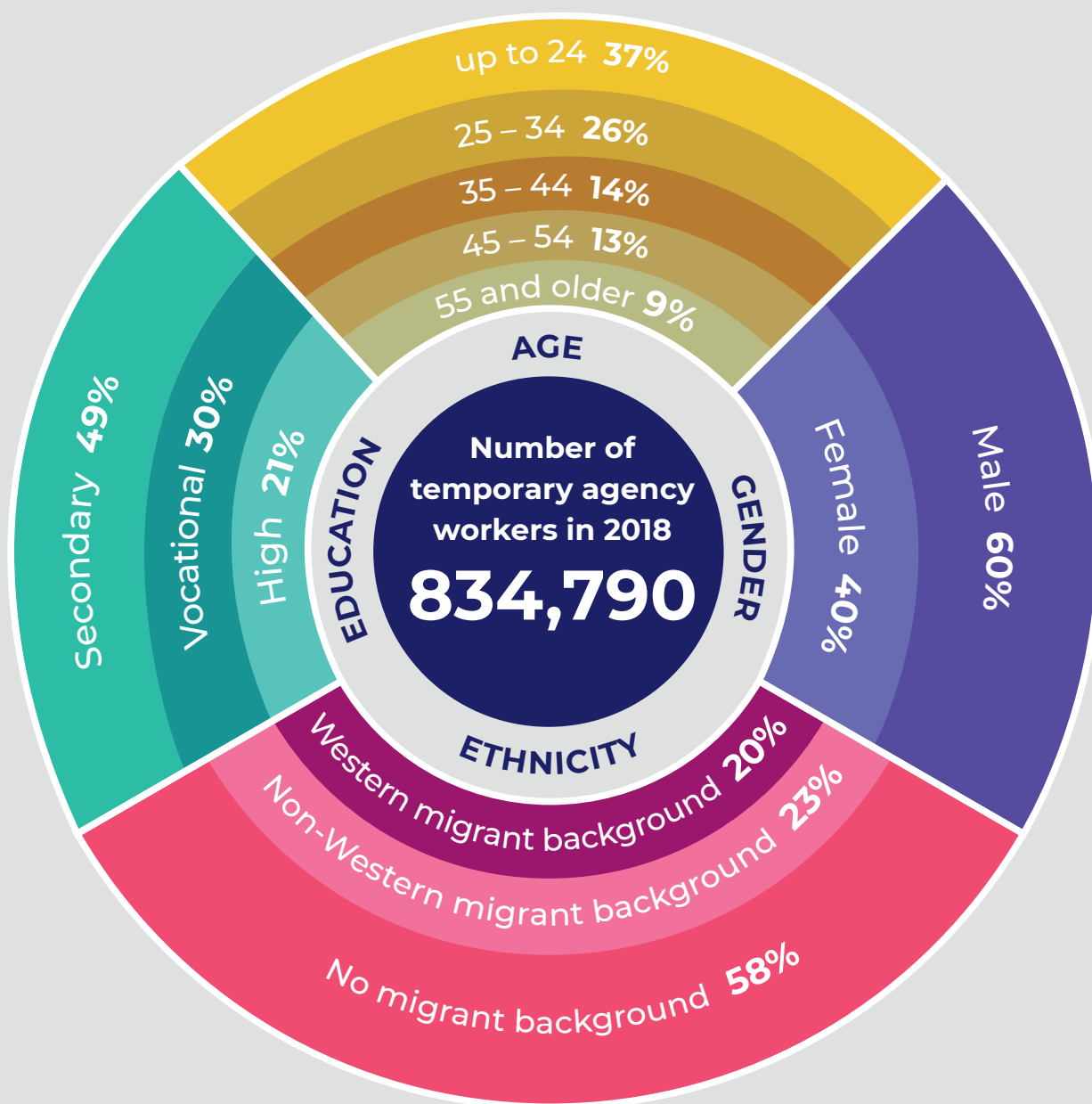
## The total share of flexible employment relationships has grown since 2007



Source: Labour Force Survey, Statistics Netherlands, 2019

# Temporary agency work contributes to an inclusive labour market

Because the threshold to temporary employment agencies is low, everyone has the opportunity to get work through temporary agency work.



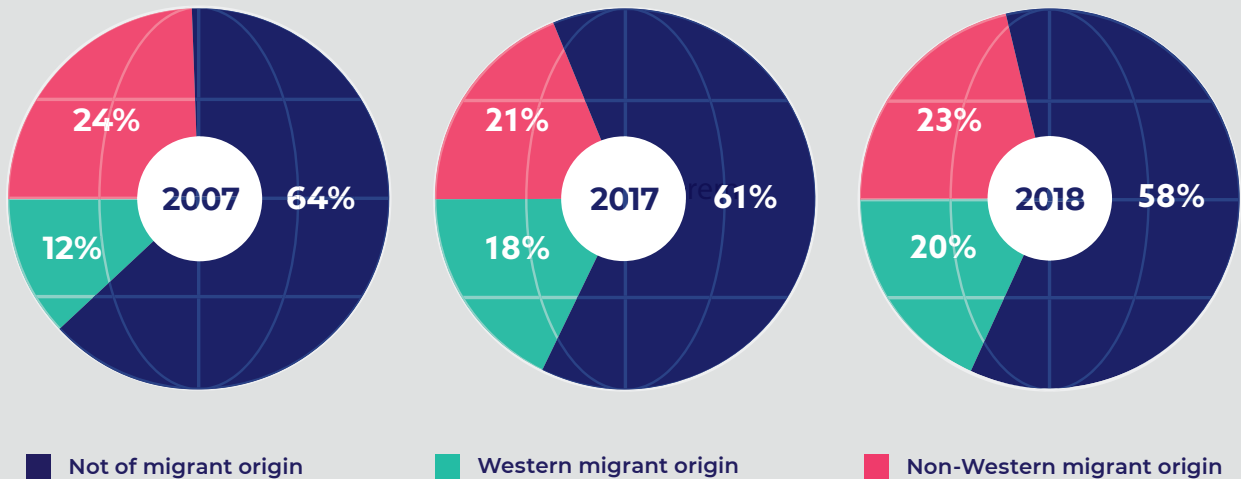
Source: Labour Force Survey, Statistics Netherlands 2018, edited by KBA Nijmegen

## Migrant workers are important for our economy and our welfare

SEO research shows that migrant workers contribute as much as 11 billion euros per annum to our national income.

### Share of temporary agency workers with a migrant background is growing

Distribution in migrant background in 2007, 2017 and 2018



Source: Policy Files 2007-2018, edited by KBA Nijmegen

### A closer examination of temporary employment migrants

		2007	2017	2018
1.	Poland 	17,774	58,454	64,544
2.	Romania 	822	6,151	9,896
3.	Bulgaria 	594	4,836	6,935
4.	Hungary 	1,205	4,032	4,309
5.	Lithuania 	221	1,827	2,499

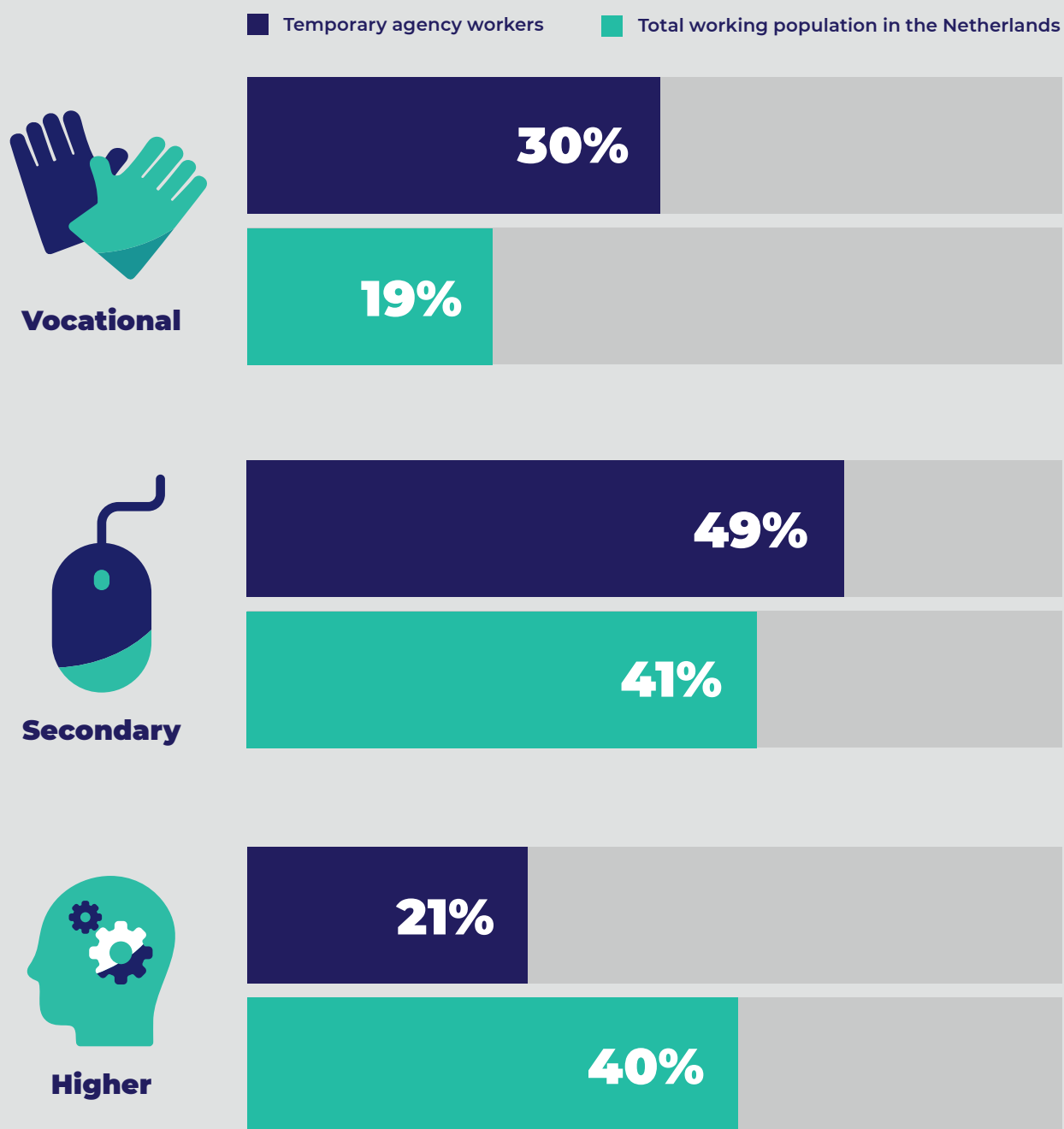
Top 5 CEE countries providing temporary migrant workers in 2007, 2017 and 2018

Source: Labour Force Survey, Statistics Netherlands 2018, edited by KBA Nijmegen

## Temporary agency work is especially important for those with a secondary education

Temporary agency work offers those with a secondary and vocational education, in particular, the opportunity to work and to develop their skills. The number of people with a vocational education in the private employment agency sector is much higher than in the working population as a whole.

### Temporary agency workers by highest level of education achieved compared to the total working population in the Netherlands

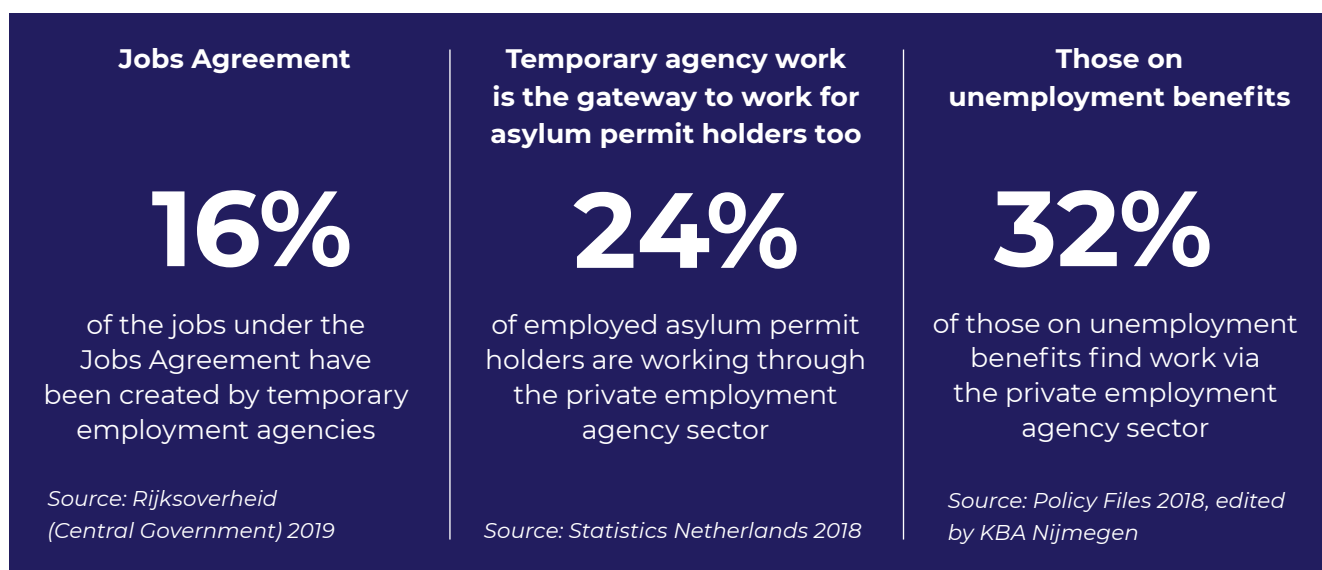


Source: Labour Force Survey, Statistics Netherlands 2019, edited by KBA Nijmegen



## For a growing number of vulnerable groups, temporary agency work is the stepping stone to work

More than a quarter of the temporary agency workers aged 50 and over return to work via temporary agency work after being on unemployment benefits.



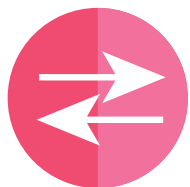
## Growth of top 5 countries for asylum permit holders

The number of asylum permit holders working via the private employment agency sector continues to rise.

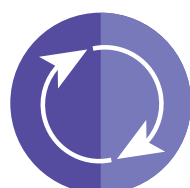
			2017	2018
1.	Syria		2,858	5,474
2.	Iraq		3,779	4,135
3.	Afghanistan		3,331	3,499
4.	Iran		2,446	2,666
5.	Eritrea		956	2,215

Source: Policy Files 2017-2018, edited by KBA Nijmegen

# Temporary agency work is invaluable for those on unemployment benefits



Temporary agency work allows more people to stop being on unemployment benefits than those starting on benefits: **32%** (after one year of being on unemployment benefits) as opposed to **29%**.



And that outflow leads to permanent work. Of those on unemployment benefits who found a temporary job, **79%** were still working three years later.

Source: Policy Files 2018, edited by KBA Nijmegen

## Temporary agency work gives those on unemployment benefits the best prospects of work

Temporary agency work offers speedy resumption of work. Almost 80% of temporary agency workers on unemployment benefits find a job within a year. Of those who were previously on a permanent contract, the percentage is 45.



Source: Policy Files 2018, edited by KBA Nijmegen

# Temporary agency work offers prospects

## Outflow after temporary job

Temporary agency work improves the chances of getting another job. For example, 68% are still working after being temporarily employed; 39% transfer to a steady job.

Source: Policy Files 2007-2017,  
edited by KBA Nijmegen

### Working

On call 7%

Temporary 23%

Permanent 16%

Temporary 22%

### No work

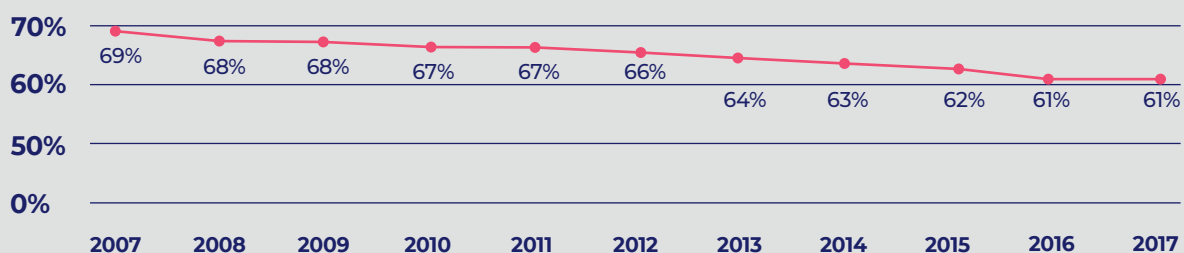
No labour market  
position 9%

On benefits 22%

## Tight labour market does not necessarily lead to permanent contract

Temporary agency work is an important stepping stone to the labour market, but does not necessarily lead to a permanent contract even when the market is tight. In 2007, the share of temporary agency workers who got a permanent job at the user company was 27%. That percentage currently stands at 16%. This is in line with the trend in the Dutch labour market.

## The total share of permanent employment relationships in the working population is shrinking



## The progression to a permanent contract is also declining



Source: Policy Files 2007-2017, edited by KBA Nijmegen

## About this factsheet

Based on new figures from the *Uitzendmonitor*, this publication sheds light on how the group of temporary agency workers is composed and into developments in temporary employment. Temporary jobs and temporary agency workers are tracked over a period of several years. Figures from Statistics Netherlands are combined with figures from the Public Employment Services' benefit entitlement database.

The statistics in the *Uitzendmonitor* 2019 concern 2018 and also outline the trends from 2007 onwards. KBA Nijmegen conducted the analyses for the *Uitzendmonitor* on behalf of the ABU.

In 2019, research agencies Blauw Research/Muzus conducted research into temporary agency workers' motives, needs and satisfaction. In total, 1,600 temporary agency workers took part in the survey. This publication discusses the key statistics as well as the most important findings from the research that SEO carried out into the social value of temporary agency work for the Dutch labour market and economy.

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