

press presentation “Bridging the Gap”

Randstad Holding nv
SEO Economic Research

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press presentation “Bridging the Gap”

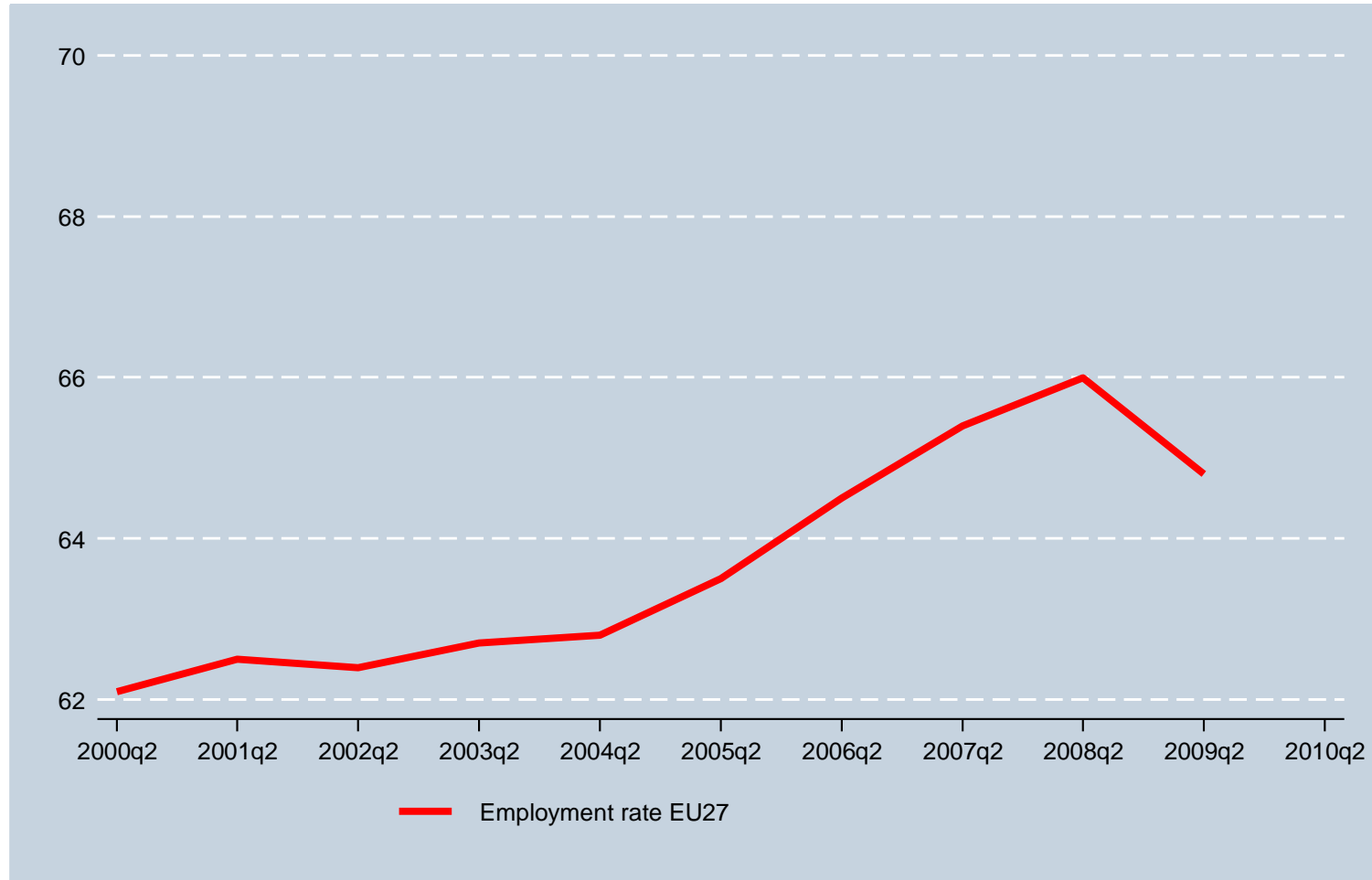
- welcome
Annemarie Muntz, director Group Public Affairs Randstad Holding
- research
Jules Theeuwes, scientific director SEO Economic Research
- present report
Ben Noteboom, CEO Randstad Holding
- response
J.P.H. Donner, Minister of Social Affairs and Employment
- Q&A

1. Lisbon targets 2010
2. trend 1 – aging
3. trend 2 – modern labor practices
4. how to raise participation?

Lisbon employment targets 2010

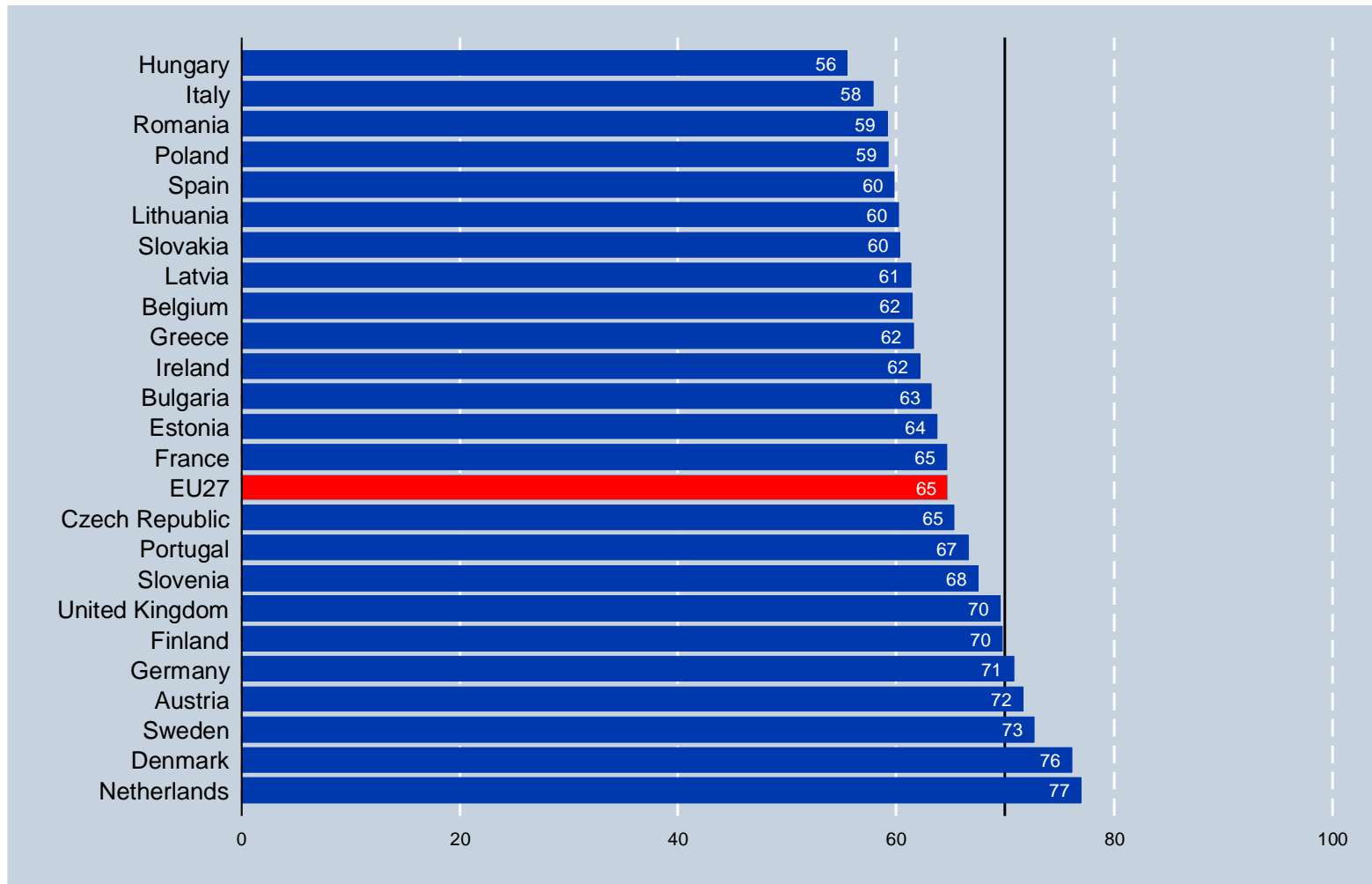
- raise participation
 - EU average 70%
 - women EU average 60%
 - older workers EU average 50%
- lower unemployment
 - EU average 4%
- none of these have been reached (EU27)

participation EU27 not 70%



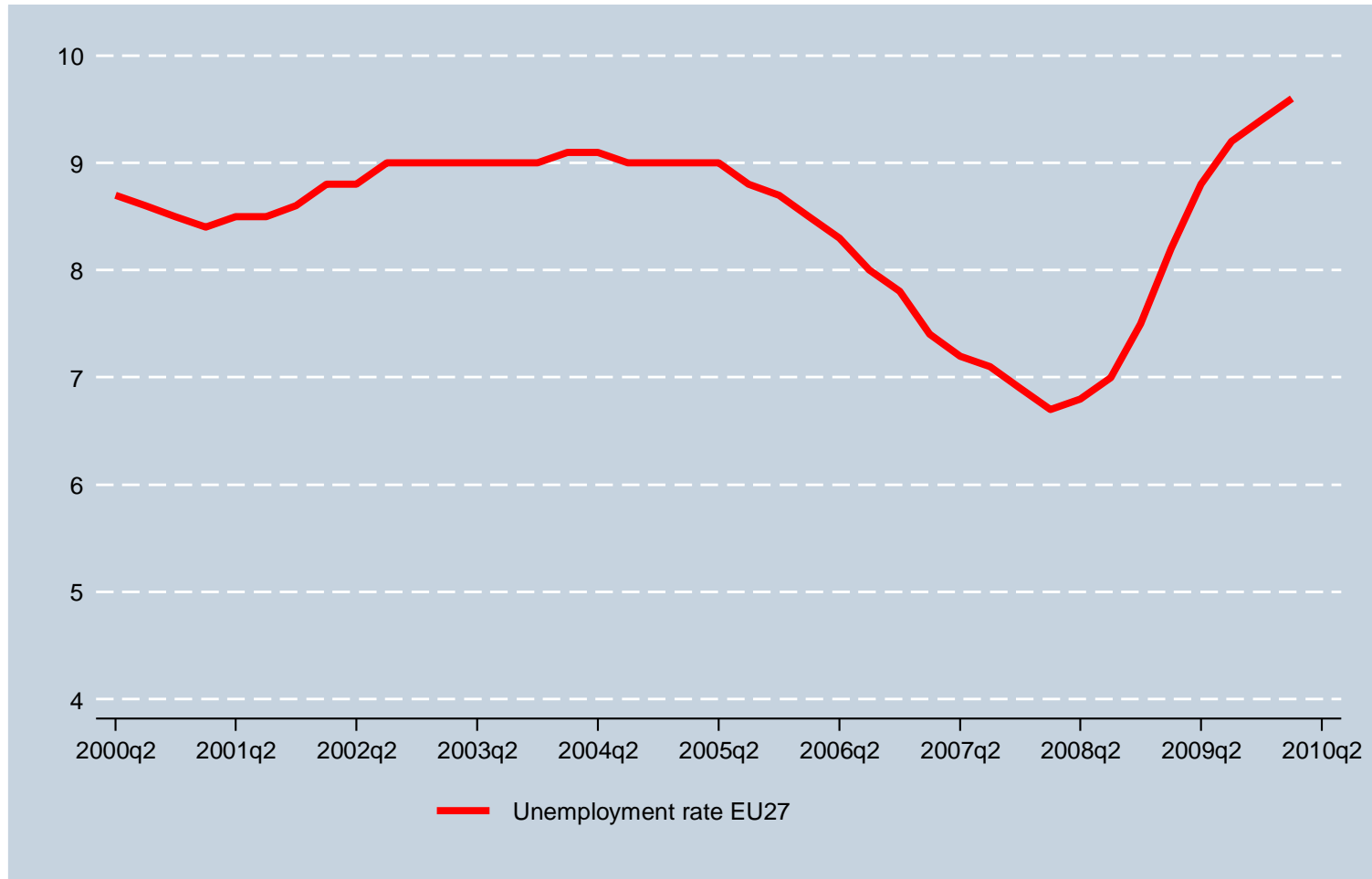
Source: Eurostat LFS

only few countries reached target (2009)



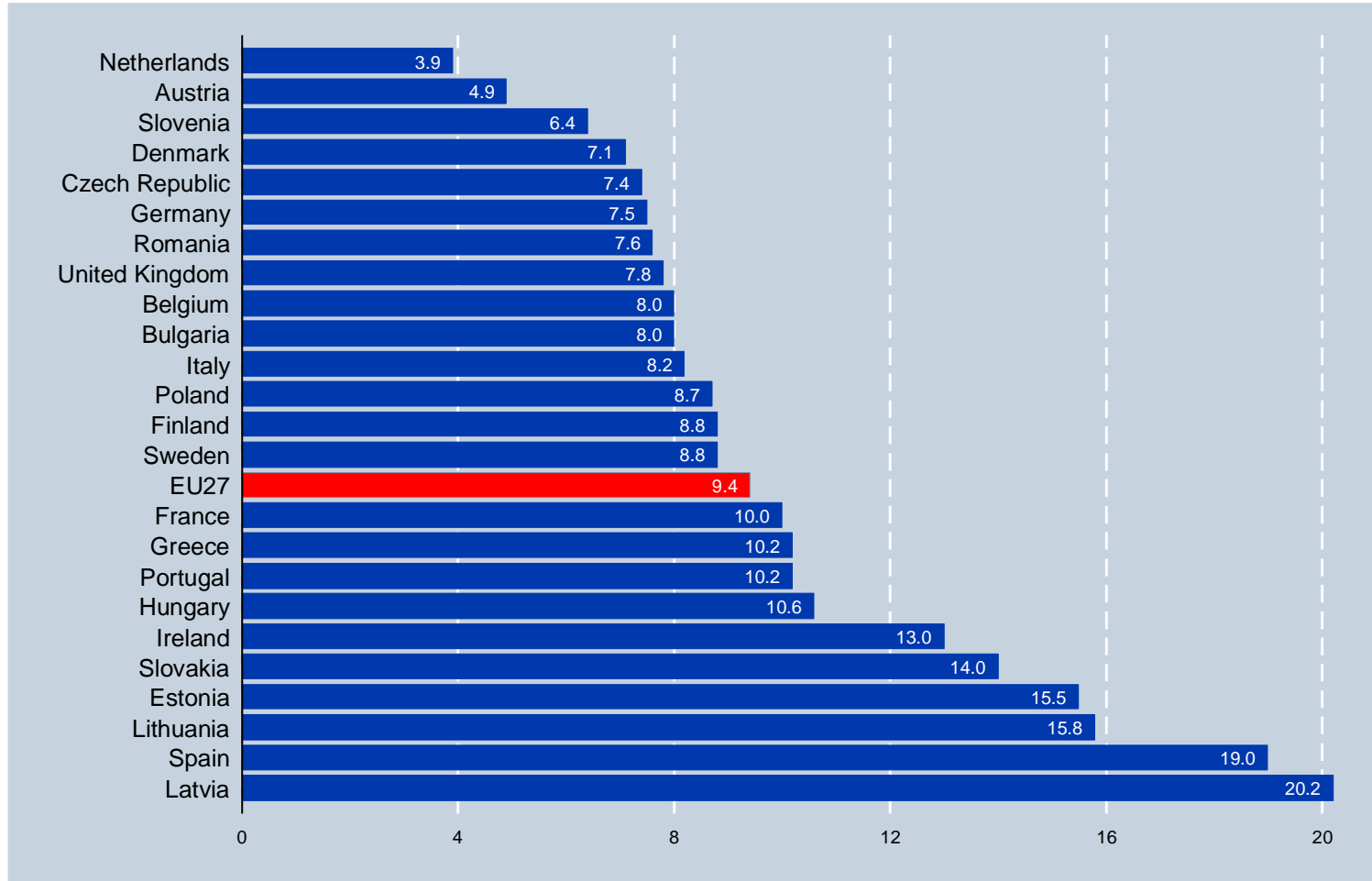
Source: Eurostat LFS

unemployment EU27 higher than ever...



Source: Eurostat LFS

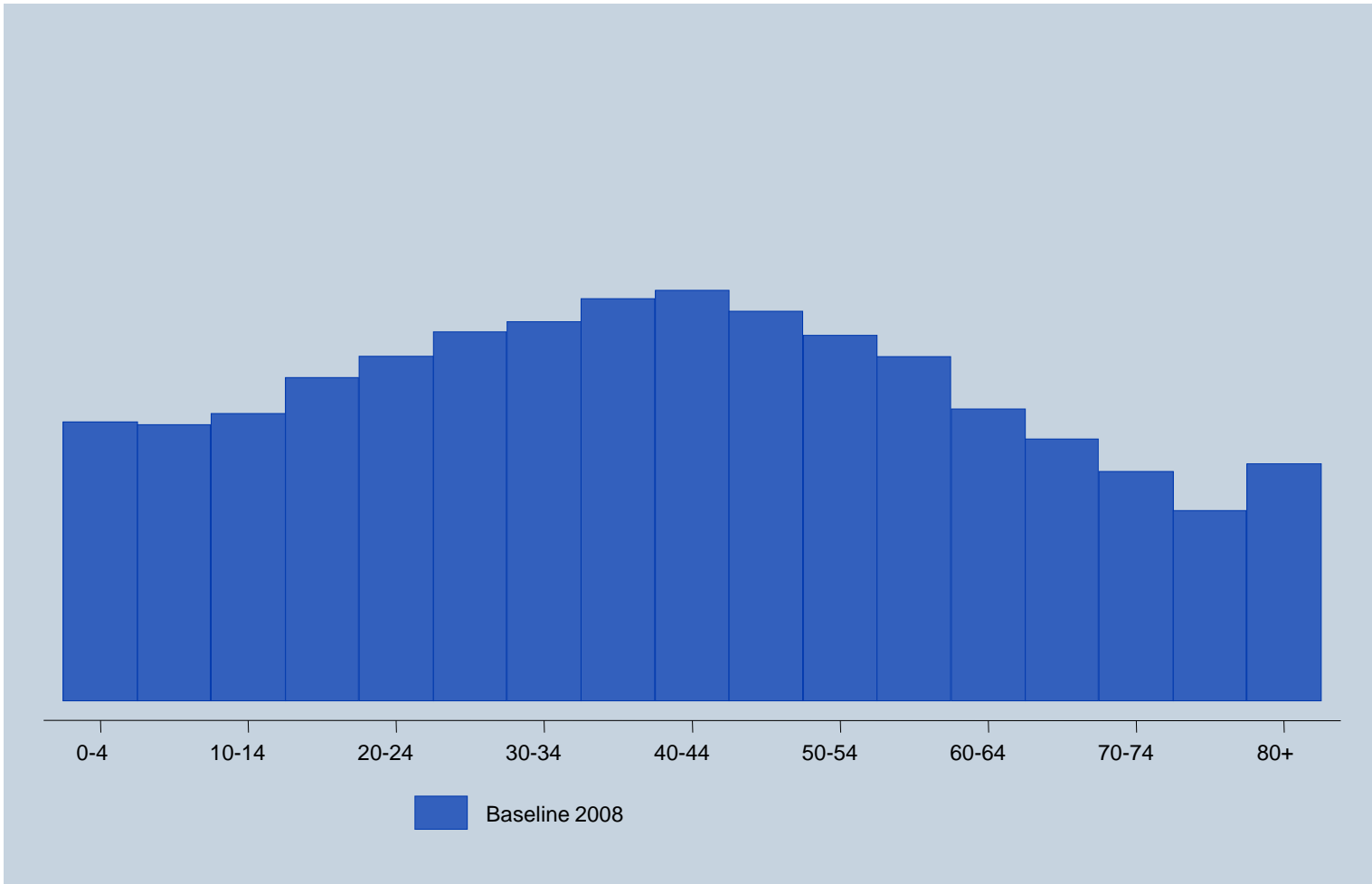
...but relatively low in for example NL (Q4, 2009)



Source: Eurostat LFS

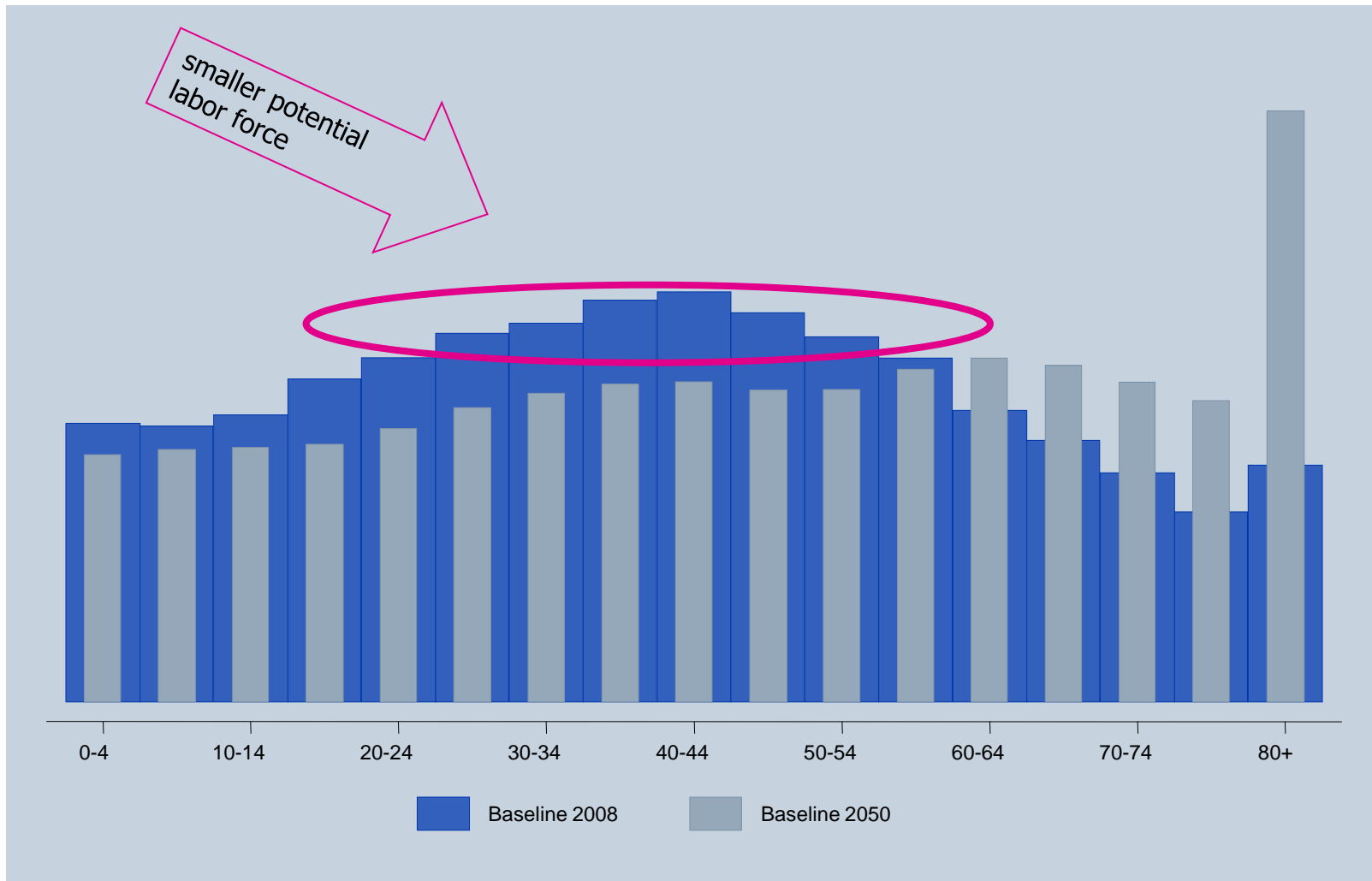
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age distribution EU27, now ...



Source: Eurostat

age distribution EU27, now and later

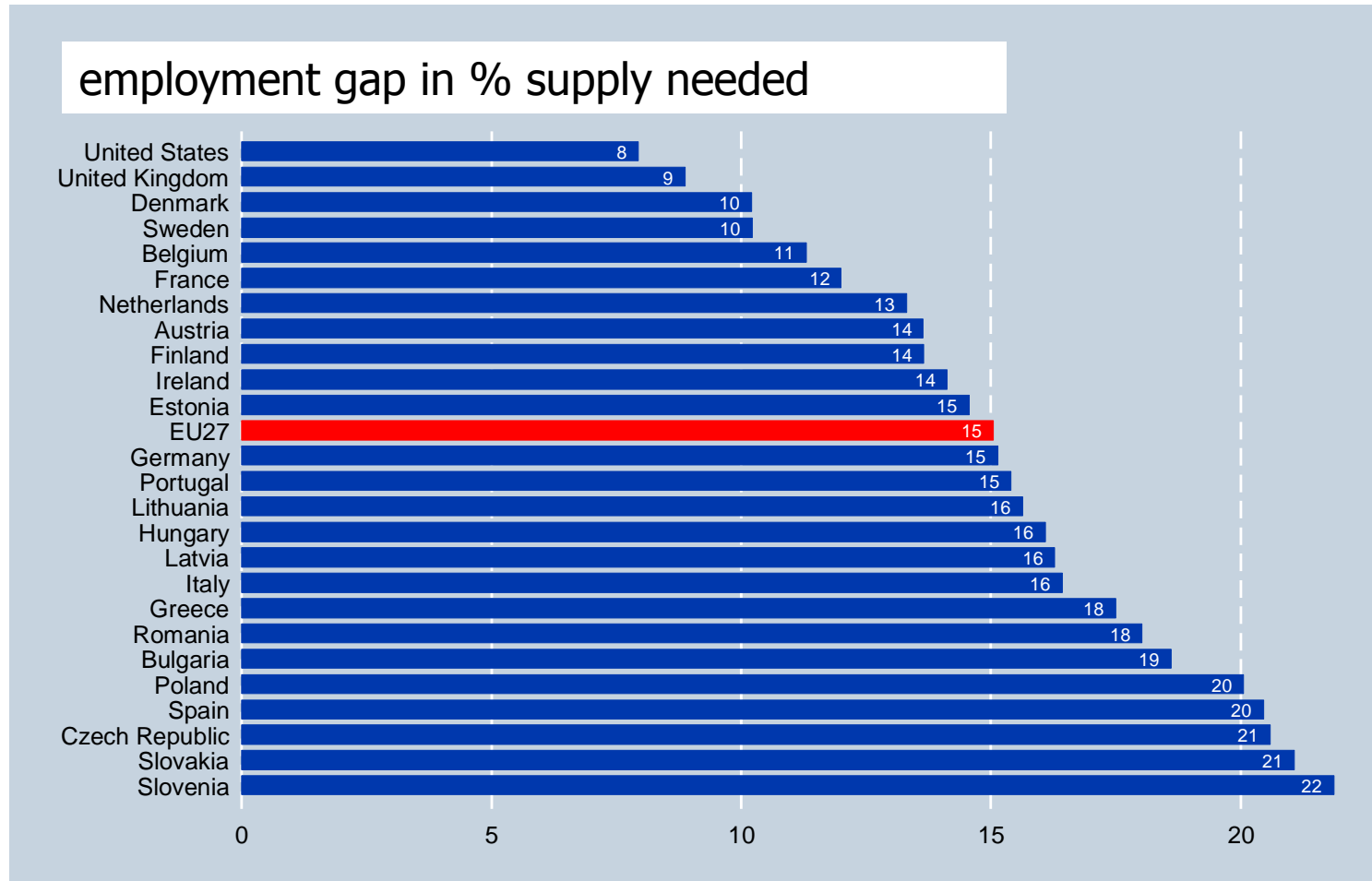


Source : Eurostat

potential 'employment gap' 2050

- indicator labor market shortage
- based on projection population (Eurostat)
- extrapolation economic situation 2008 → 2050
 - participation rate constant
- significant decline labor supply
- small increase labor demand
- result: potential shortage 35 million people in EU27

potential shortage labor force 2050



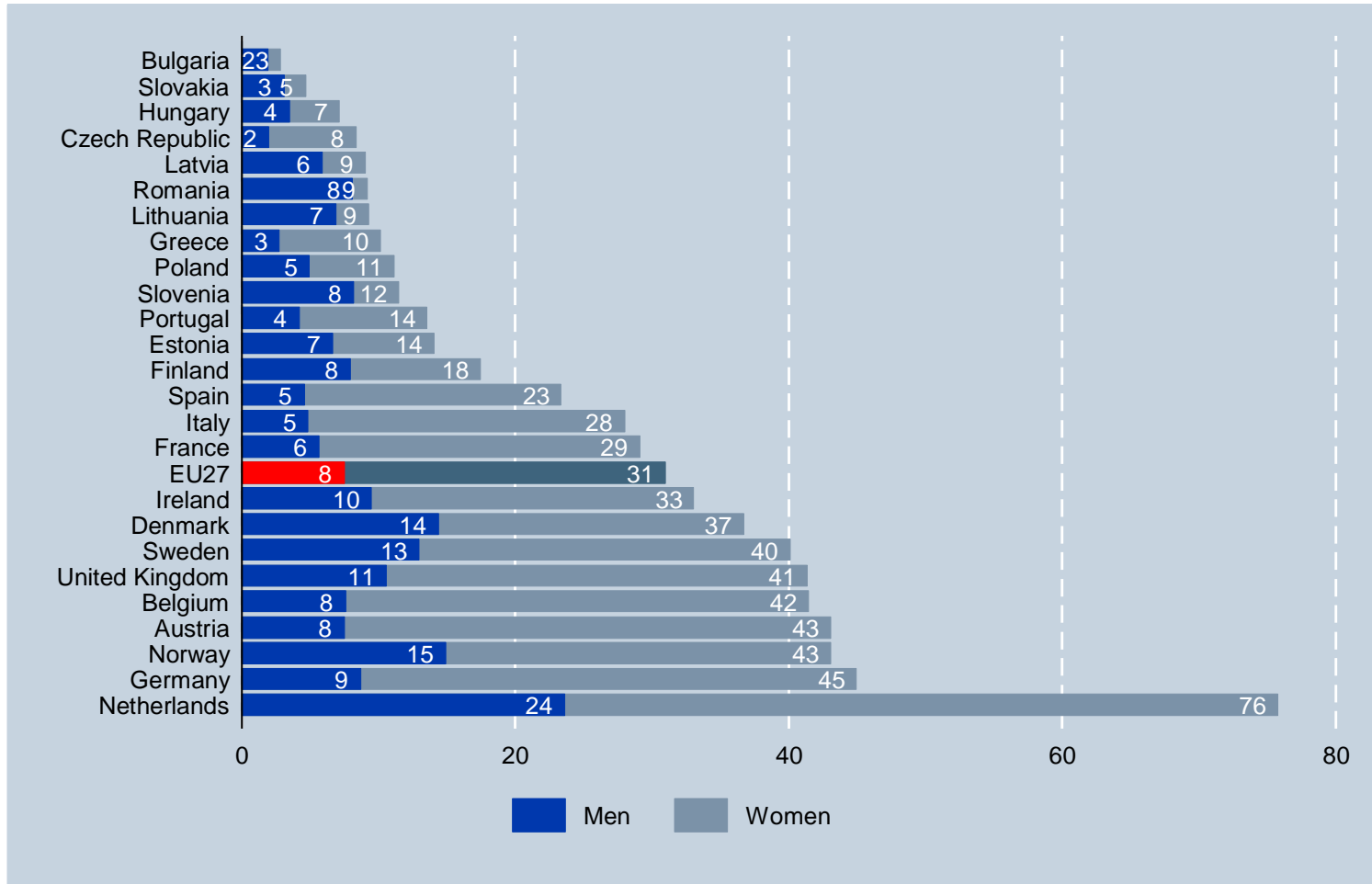
Source: SEO based on Eurostat projection

how to bridge the gap?

- less labor demand
 - increase labor productivity
 - export labor (offshoring)
 - import more goods
- increase labor supply (higher participation)
 - more people working
 - more hours/week
 - later retirement
 - part time pension
 - increase labor import (migration)

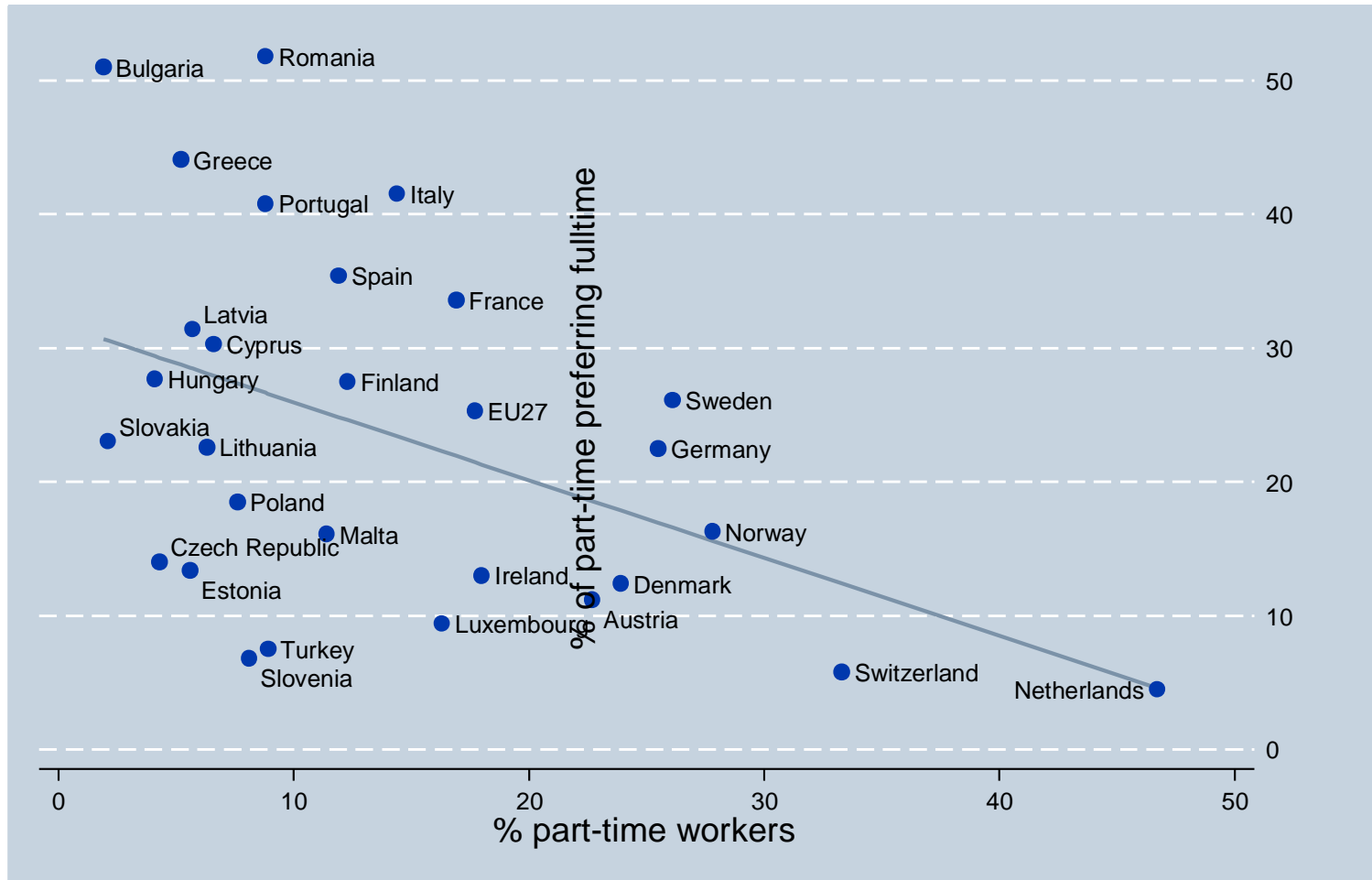
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part time mostly women (2009)



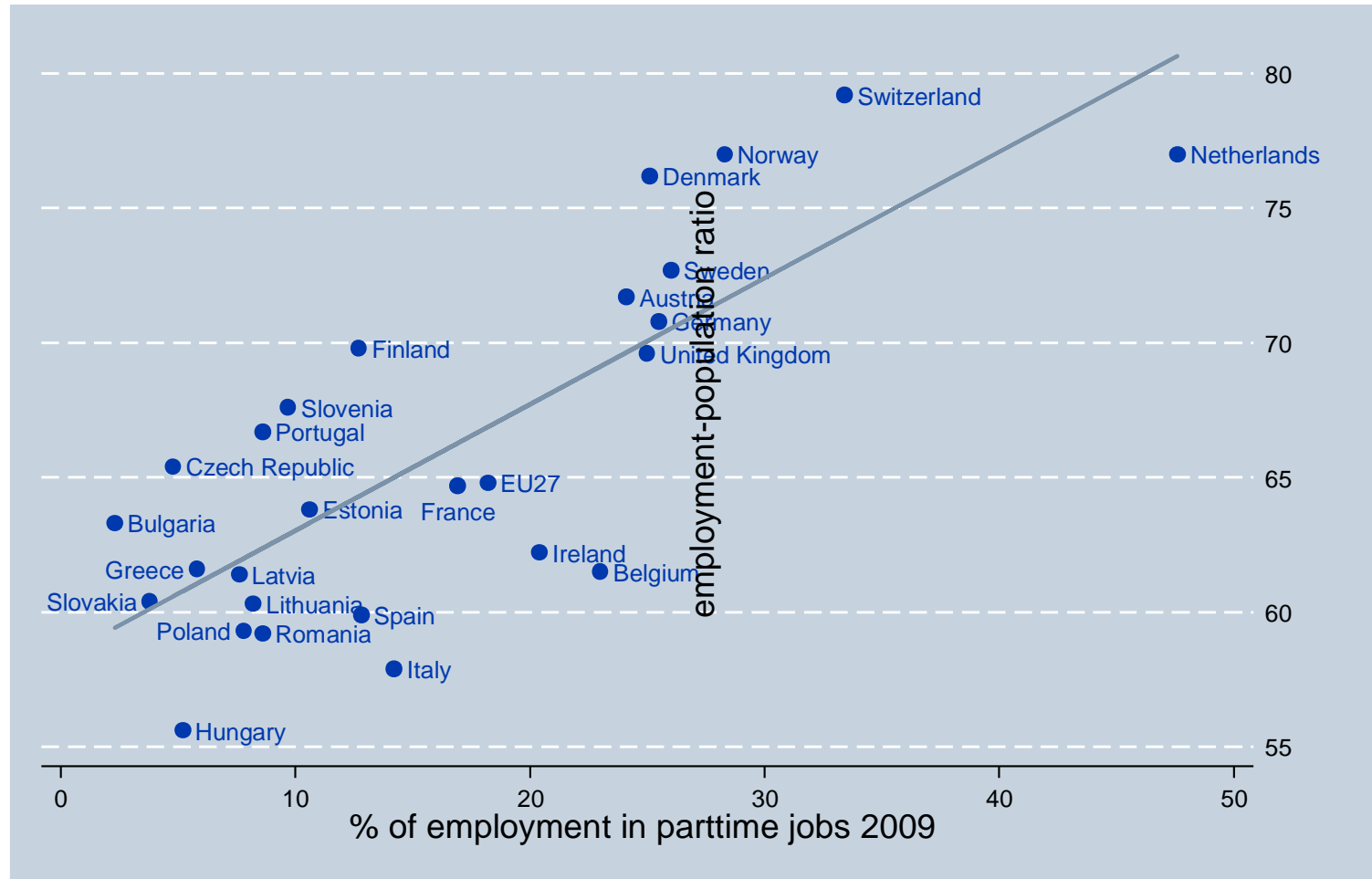
Source: Eurostat LFS

part time often choice of employee...



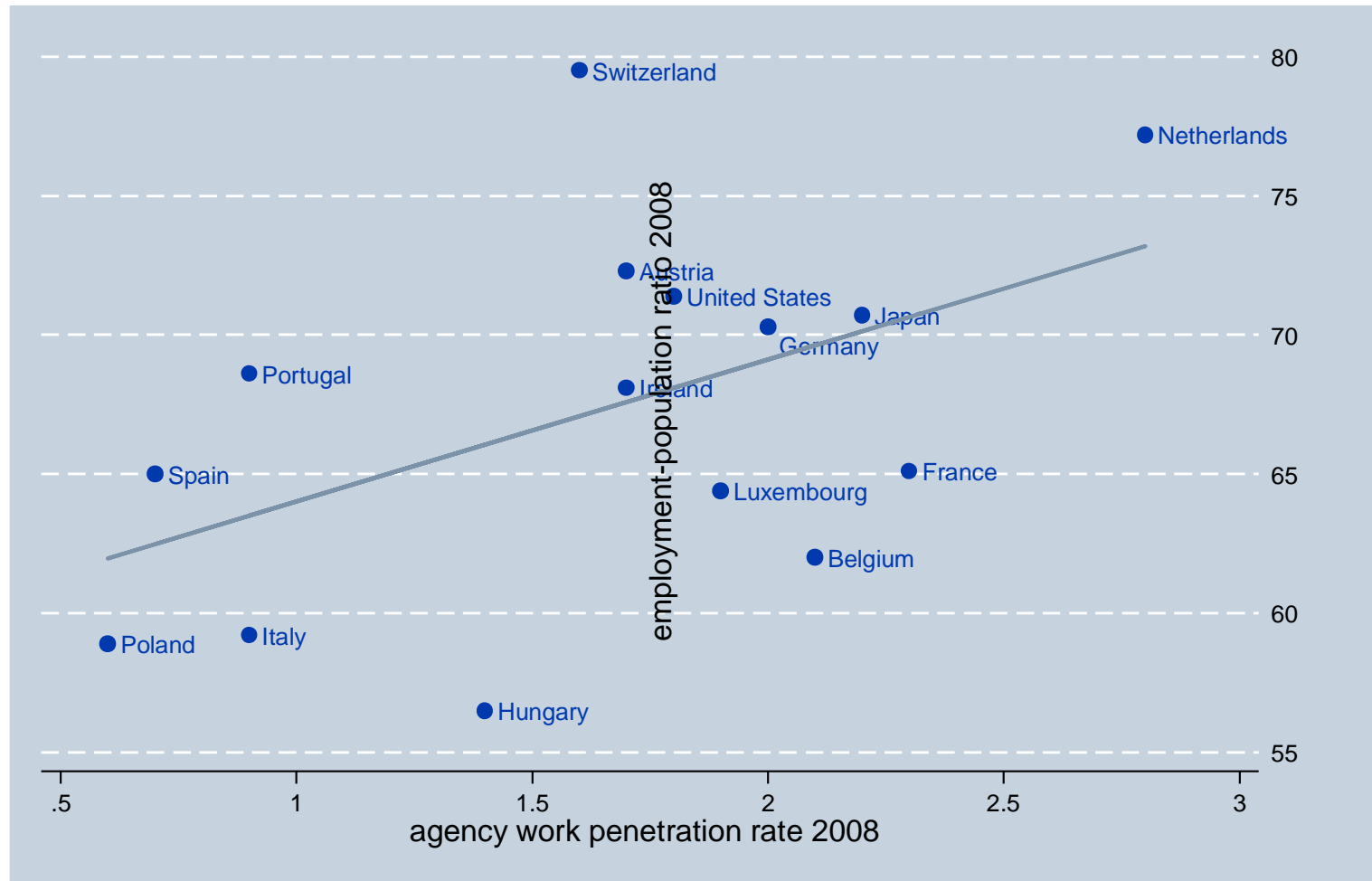
Source: Eurostat

... leading to additional participation



Source: Eurostat

also positive correlation with agency work



Source: Eurostat, CIETT.

modern labor policies in the Netherlands

- women choosing participation due to part time and/or agency work
- better work – life balance possible
- leading to (partly) increased participation
- outside North West Europe part time not yet important role

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raising participation in the Netherlands

- 'curse of the leaders'
 - participation already high
 - 'easy' cases already on labor market, rest remains
- additional attention for difficult groups
 - focus on older people, mothers, lower educated young people
 - asks for modern combinations of work – private – care
 - 'good' temporary jobs help young people: 'stepping stone' function
- beat long-term unemployment
 - quicker transition from work to work, for example via agency work or public-private partnerships
 - not job security but work security (flexicurity)
 - confront qualitative mismatch
- 'make participation pay': create the right financial incentives
 - parttime-trap, subsidies
 - duration wage allowance (WW, Wajong)



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