



THE NETHERLANDS

State of Play – Winter 2018



MACROECONOMIC SITUATION

- Robust economic growth, mainly driven by domestic demand and net exports
- High employment rate and steadily declining rate of unemployment
- Investment rate has returned to its long-term average
- Wage growth moderate despite tightening labour market

Imbalances (in-depth review):

- Large current account surplus
- High household debt



PROGRESS ON COUNTRY-SPECIFIC RECOMMENDATIONS

Substantial progress

- in using fiscal policies to support potential growth and domestic demand

Some progress

- in increasing investment in research and development
- in reducing distortions in the housing market

Limited progress

- in tackling labour market segmentation
- in addressing the high increase in the self-employed without employees
- in promoting higher real wage growth

No progress

- in reforming the second pillar of the pension system



FISCAL SITUATION

- No excessive deficit
- Public debt, at 57.7% in 2017, is now below the 60% of GDP reference value and is decreasing
- Draft Budgetary Plan 2018 compliant with the rules of the Stability and Growth Pact



SOCIAL SITUATION

- The potential segmentation of the labour market remains a concern
- Poverty and social exclusion risks are among the lowest in the EU, but are higher for those born outside of the EU
- Access to the labour market of those born outside the EU remains challenging
- Paternity leave is among the shortest in the EU, but the new government has decided on substantial increases to address the situation



POLICY HIGHLIGHT

The public procurement expertise centre provides information and advice to government organisations on purchasing and tendering to improve the government's procurement processes and compliance with domestic and EU procurement rules.