

Support for continued data collection and analysis concerning mobility patterns and career paths of researchers

Country profile - Remuneration Netherlands

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1 RESEARCHER REMUNERATION IN ACADEMIA

1.0 Introduction

This is one of a series of more than 40 country profiles summarising data on the remuneration of researchers and work-related benefits in the academic sector. Data were collected for the European Commission in 2012 by an extensive network of national experts as part of the MORE 2 study. The profiles provide also complementary data from official sources.¹

A report containing a comparative analysis of the data and more qualitative information related to the remuneration of researchers will also be published as part of the MORE2 study.

The profiles are structured as follows:

- 1. Main indicators
- 2. Salaries, stipends and benefits by job position and employment contract
- Tax system
- 4. Labour legislation in the Higher Education Sector
- 5. Social security system
- 6. Quality of life
- 7. Where available: Gross annual earnings and hourly earnings of non-academic researchers
- 8. Where available: Salary data of university researchers by country A literature survey

In the first section, the main indicators on remuneration (salaries, stipends, and the degree of autonomy of universities to decide on remuneration-related aspects) are compared with the EU-average and the US. In the second section, the profiles summarise minimum, average and maximum annual gross salaries (both in national currency and in purchasing power parities) for all available job positions and employment statuses.

The following sections present an assessment of the value of the gross annual salaries. As it is very difficult to collect data on net salaries that are meaningfully comparable across countries due to very specific regulations, the country profiles include information on the dues that are typically deducted from gross salaries in order to provide an indication of the level of net salaries. Furthermore, data are also presented on the public benefits researchers receive for these deductions. It is important to note that the data provide an indication of the remuneration package and do not offer an exact, comparable measure for researcher salaries across countries.

Finally, where available the profiles also contain information on the gross annual and hourly earnings of non-academic researchers based on Eurostat's Structure of Earnings Survey, and a summary table on salary data collected in other studies.

Further information on data collection and results of the study is available in:

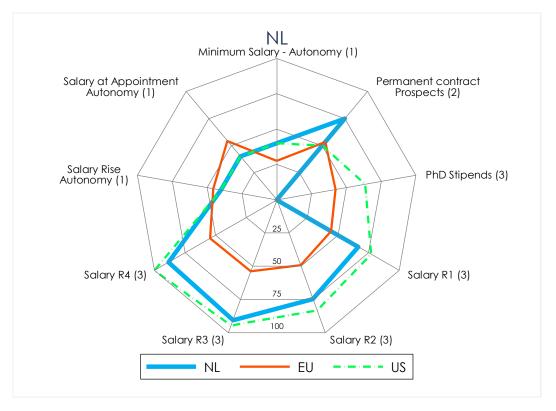
IDEA Consult et al, 2013. MORE2 - Support for continued data collection and analysis concerning mobility patterns and career paths of researchers, Remuneration Cross-Country Report (WP4). European Commission, DG Research and Innovation.

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¹ Data have been collected in 2012. If there are more recent data available, they have not been included in the country profiles but the respective sources are listed in chapter 7 of the MORE2 WP4 report (IDEA et al. 2013).



1.1 Main indicators



Source: MORE II expert survey; Spokes are normalised minimum = 0, and maximum = 100% in case of "PhD-Stipends" and "Salaries R1-R4", maximum = R1 in case of "Permanent contract", and maximum = 5 in case of "Salary rise", "Salary at appointment", and "Minimum salary". Missing values are set to zero.

- 1) **Degree of autonomy:** "Salary rise", "Salary at appointment", and "Minimum salary" based on question: "Please indicate the institutional level at which the following aspects of public university researchers are de-termined?" Scale: (1) National, (2) Regional (state), (3) Sector/collective agreements, (4) University, (5) Individual negotiation, (0) missing value;
- 2) **Prospect of a "permanent contract"** shows the lowest career stage (R1-R4) at which university researchers can obtain permanent contracts.
- 3) **Salaries:** "PhD Stipends", "Salaries R1-R4" show gross annual salaries (in PPP €) paid in the country as a percentage of the best paying country at this career stage.



1.2 Salaries, stipends and benefits by job positions and employment contract

		Type of co		Annual Gross Salary in national currency and (in PPP $\mathfrak E$)			Mandatory insurances		
Rant	_{Kent} e	Employnent status	Contract duratif	antifuti	Profes	Waythurn	Health are	Jrendownen's	Persion
R1	PhD-Candidate 1)	Stipendiary							
R1	PhD-Candidate ²⁾	Civil Servant	Fixed 2-4 years	(.) 28,500 (23,206)	(.) 32,476 (26,443)	(.) 36,453 (29,682)		x	х
R2	Post Doc ³⁾	Civil Servant	Permanent	33,200	51,280	69,360		X	X
R3	Associate Professor ⁴⁾	Civil Servant	Permanent	(27,033) 61,797 (50,318)	(41,754) 72,208 (58,795)	(56,476) 82,620 (67,273)		X	Х
R4	Professor ⁵⁾	Civil Servant	Permanent	68,510 (55,784)	94,420 (76,881)	120,330 (97.978)		Х	x

Source: MORE II - Expert Survey; National currency: EUR; Annual Gross Salary: Source: 2, 3, 4, 5) 2009; CAO salary agreement (Collective Labour Agreement); Notes: ad 3) Contracts are sometimes fixed term; ad Stipends: Currently it is legally not possible for Dutch universities to offer stipends for PhD candidates. Instead of stipends regular employment contracts have to be offered. PhD candidates from abroad can bring their own stipends according to the conditions of the awarding organisation; PPP: Salaries and Stipends in national currency are converted into PPP US-Dollar (2011) and the resulting PPPs are converted into EURO using the currency exchange rate of Eurostat 1,3920\$ = 1EURO; if the year of the salary or the stipend is not 2011, the amount was grossed up to to 2011 using the unit labour costs index of the AMECO database.



1.3 Tax System

Taxes						
Income bracket in national currency from	0	18,629	33,437	55,695		
Income bracket in national currency to	18,628	33,436	55,694	max		
Marginal Tax rate	1.9	10.8	42.0	52.0		

Tax Wedge in % of labour costs								
Single, no children (average wage)	39.17	Married couple, two children (average wage)	30.75					
Single, no children (167% of average wage)	42.50	Married couple, two children (167% of average wage)	33.70					
Married couple, no children (133% of average wage)	34.50							

Tax rate: <u>Source</u>: OECD, 2011*; Levy of income tax: <u>Source</u>: MORE II - Expert Survey based on question "Please indicate how personal income tax is usually levied?"; Tax Wedge in % of labour costs: <u>Source</u>: OECD, 2010*; <u>Note</u>: Income tax plus employee and employer contributions less cash benefits in % of the labour costs for selected personal circumstances.

* More recent data available, cf. IDEA et al. 2013, ch. 7.

1.4 Labour legislation in the Higher Education Sector

Institutional levels determining remuneration aspects									
Salary (at appointment)	Individual negotiation; Sector/collective agreements	Unemployment insurance	National; Sector/collective agreements						
Salary rise	Individual negotiation; Sector/collective agreements	Health care insurance	National; Sector/collective agreements						
Minimum salary	Sector/collective agreements	Retirement pension insurance	National; Sector/collective agreements						
Working time	Individual negotiation; Sector/collective agreements								
	_								
Relevant factors for salary rise (incl. rank)	Seniority(1); Performance(2)								

<u>Source:</u> MORE II - Expert Survey based on question "Please indicate the institutional level at which the following aspects of public university researchers are determined?"

Dismissal of University Researchers							
	9 month	s tenure	4 years ten	ure	20 years tenure		
Notice period (in months)	/ 0 Termi	ion via PES nation via urt	1 termination PES / 0 Termin via court	nation	3 termination via PES / 0 Termination via court	2008	OECD
Severance pay (in months)	/ 0 Termi	0 termination via PES 0 terminat / 0 Termination via / 6 Term court co				2008	OECD
Duration of Compensation in case of Unemployment (in Months)	38	2010	OECD				
Average Net Replacement Rate in case of Unemployment (in % of previous income for a 40 year old)							
Two-earner married couple, no child	' ' 69			-earner dren	married couple, two	68	

Dismissal of University Researcher: Note: Conversion into months if original data are listed in weeks or days: weeks/7 days * 30 days; days * 30 days; Duration of Compensation in case of Unemployment (in Months): Note: For a 40-year old (where benefits are conditional on work history, the table assumes a long and uninterrupted employment record); Average Net Replacement Rate: Source: OECD, 2010*; Note: The percentage of a worker's pre-unemployment income that is paid out by the unemployment insurance when the worker becomes unemployed in two different categories of personal circumstances.

* More recent data available, cf. IDEA et al. 2013, ch. 7.



1.5 Social Security System

GDP)	Public social spending (% of GDP)	20.08	2007*	OECD	Public health spending (% of GDP)	5.95	2007*	OECD
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Insurances usually go beyond what is mandated by law									
Additional health care insurance									
Additional health care insurance by university	Never	Do researchers usually have additional private health care insurance?	Yes						
Covered by researchers´ remuneration package (incl. mandatory insurance)	No compulsory coverage								
Additional retirement pension ins	urance								
Additional retirement pension insurance by university	Never	Do researchers usually have additional private retirement pension insurance?	No						
Additional (private) retirement pension insurance is	Not important								

Additional health care/retirement pension insurances by university: Source: MORE II - Expert Survey based on question "Do universities provide the following social security insurances for university researchers, exceeding what is mandated by law?"; Country-specific comment: The pension scheme involves a compulsory deduction for the pension fund ABP (the Civil Service Pension Fund for public employees). Employees contribute for approx. 1/3 part to the accrual of the ABP, the employer for 2/3. (Also for dependent s pension). If disabled for an extended period, employees may qualify for a WIA (Work and Income according to Labour Capacity Act) benefit. The employer pays the costs for the WIA insurance. The ABP supplements this benefit with ABP; Do researchers usually have additional private health care/retirement pension insurance? Source: MORE II - Expert Survey based on questions "Do researchers usually purchase additional health care insurance/pension funds, beyond what is already provided in the remuneration package?"; Country-specific comment: As health care insurance is not covered by the employer, researchers have to purchase this themselves individually. Universities may have a collective agreement with an insurance company in order to get a premium reduction for the employees who wish to join (this is on a voluntary basis). Additional private retirement pension insurance is not very common, but is possible on an individual basis when researchers purchase some additional premium assurance, depending on their expected life-time working. But generally the regular pension is considered adequate for the period after retirement. This involves the pension fund ABP + funds according to the Old Age Pensions ACT (AOW) as a standard amount for all citizens; Covered by researchers' remuneration package (incl. mandatory insurance): Source: MORE II - Expert Survey based on question "Please indicate the extent to which health care is compulsorily covered by researchers' remuneration packages in your country."; Additional (private) retirement pension insurance is...: Source: MORE II - Expert Survey based on question "How important is additional (private) retirement pension insurance for researchers in order to maintain their personal standard of living after retirement?"

st More recent data available, cf. IDEA et al. 2013, ch. 7.



1.6 **Quality of Life**

Income and Welfare	Governance							
GDP per capita (in PPP €)	30,771	2011	Worldbank	Voice and Accountability #	8 / 46	2011	Worldbank	
GDP per capita (in €)	35,982	2011	Worldbank	Political Stability and Absence of Violence #	10 / 46	2011	Worldbank	
Human Development Index #	4 / 46	2011*	HDI	Government Effectiveness #	7 / 46	2011	Worldbank	
Life expectancy	80.70	2011*	UNDESA	Regulatory Quality #	3 / 46	2011	Worldbank	
				Rule of Law #	5 / 46	2011	Worldbank	
				Control of Corruption #	5 / 46	2011	Worldbank	
Quality of public child care				Quality of Education				
Net childcare costs (% avg wage)	13.51	2004	OECD	Average Years of Schooling #	12 / 45	2010	OECD	
Childcare fees (% avg wage)	17.48	2004	OECD	PISA reading score #	8 / 43	2009	OECD	
Public spending on childcare and early education (% GDP)	0.72	2007*	OECD	PISA mathematic score #	9 / 43	2009	OECD	
Public spending on family benefits (% GDP)	2.84	2007*	OECD	PISA science score #	9 / 43	2009	OECD	
Public spending on pre school services (% GDP)	0.38	2007*	OECD	Public expenditures on education (% of GDP)	5.35	2009	OECD	
Ratio of child to carer	5.00	2009	OECD	Private expenditures on education (% of GDP)	0.88	2009	OECD	
Ratio of children to teaching staff	-							

[#] Ranking within countries with available data covered in this study; GDP per capita (in PPP €): Note: GDP per capita is converted into PPP US-Dollar (2011) and the resulting PPPs are converted into EURO using the currency exchange rate of Eurostat 1,3920\$ 1EURO; Life expectancy: Note: Number of years a new born infant could expect to live if prevailing patterns of age-specific mortality rates at the time of birth stay the same throughout the infant's life; Net childcare costs: Note: for a dual earner family with full-time arrangements of 167% of the average wage in % of the average wage; **Childcare fees:** Note: Childcare fees per twoyear old attending accredited early-years care and education services; Childcare fees in % of average wage; Public spending on childcare and early education: Note: Total spending in % of GDP; Public spending on family benefits: Note: Public expenditure on pre-school services in % of GDP; Public spending on pre school services: Note: Public expenditure on pre-school services, in % of GDP; Ratio of children to carers: Note: Shows the average child-to-carer/educator ratio for children not yet 4 years of age who attend licensed day care facilities; Ratio of children to teaching staff: Note: For children attending pre-school, certified teacher-to-child ratios are calculated by dividing the number of full-time equivalent children enrolled in pre-school programmes by the number of full-time equivalent teachers at that level.

* More recent data available, cf. IDEA et al. 2013, ch. 7.



1.7 Salary data of university researchers by country – A literature survey

Netherlands			
Position	Salary (Range) Currency	Reported salary Year	Source Note
Professor	4830 €	Monthly gross salary 2004	Academic Careers Observatory (ACO) minimum
Professor	8259 €	Monthly gross salary 2004	Academic Careers Observatory (ACO) maximum
Lecturer	2279 €	Monthly gross salary 2004	Academic Careers Observatory (ACO) minimum
Lecturer	5670 €	Monthly gross salary 2004	Academic Careers Observatory (ACO) maximum
Senior Lecturer	4242 €	Monthly gross salary 2004	Academic Careers Observatory (ACO) minimum
Senior Lecturer	6841 €	Monthly gross salary 2004	Academic Careers Observatory (ACO) maximum
Seniors at universities	66667 €	Annual salary 2010	Ates & Brechelmacher (2012 forthcoming) median; at adjusted CPL
Juniors at universities	44444 €	Annual salary 2010	Ates & Brechelmacher (2012 forthcoming) median; at adjusted CPL
Professor	5983 €	Median monthly salary 2008	Altbach et al. (2012) university
Lector	5864 €	Median monthly salary 2008	Altbach et al. (2012) universities of applied sciences
Associate Professor	4939 €	Median monthly salary 2008	Altbach et al. (2012) university
Assistant Professor	4011 €	Median monthly salary 2008	Altbach et al. (2012) university
Lecturer	4123 €	Median monthly salary 2008	Altbach et al. (2012) universities of applied sciences
Instructor	2888 €	Median monthly salary 2008	Altbach et al. (2012) universities of applied sciences
Doctoral candidate	2386 €	Median monthly salary 2008	Altbach et al. (2012) university
Rank 4	3472 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities
Rank 3	4775 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities
Rank 2	5880 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities
Top rank	7123 PPP US\$	Average monthly salary 2010	Altbach et al. (2012) public universities