

## New pension system provides a good basis, but we still have a long way to go

“Social partners can offer workers periodic career development service. Government can coax companies to promote sustainable careers”

Casper van Ewijk, Ton Wilthagen and others (see below)

The new pension system that takes effect around 2026 is better attuned to the labor market than was previously the case. Still, lower-educated people, mothers with small jobs, migrants, people who perform repetitive tasks, and workers with physically demanding occupations are at risk. That is the conclusion of Netspar’s exploratory study for the longer run? The lack of investments in lifelong learning poses another risk. Working people often cannot bear the costs themselves or do not look that far into the future. In addition, as for employers, they might not want to invest because their employees frequently change jobs and so it brings little benefit to the employers. This market failure can be addressed by the social partners and the government.

### Principal Findings

- The entire working population, self-employed entrepreneurs and temporary workers included, should be obliged to accrue a small supplementary pension on top of the state pension (AOW).
- A ‘socially acceptable minimum supplementary pension’, abbreviated to MAP in Dutch, can be developed as a norm.
- The pension accrual can be less uniformly regulated: Young families that have just bought a home could temporarily set aside less pension contributions. People that are retraining should be given the option to continue their contribution.
- A good pension system needs good labor market policies.



Figure: In the long run, the new pension system has risks (top), but there are also a directions in which solutions can be found (bottom).  
(c) Netspar

### Key Takeaways for the Industry

- The future labor market needs a more flexible, dynamic pension scheme that takes better account of longer and diverse careers.
- It is important to invest further in career development, in skills and in sustainable employability.



Want to know more? Read the paper (in Dutch)

“Toekomst arbeidsmarkt en pensioen – Een verkenning voor de langere termijn” door Klaas Bangma (STAR, FNV), Lambrecht van Eekelen (SVB), Casper van Ewijk (Netspar, UvA), Kees Kamminga (Aegon), Ian Koetsier (Min EZK), Niels Kortleve (PGGM), Timo Lambregts (EUR), Emmie Lewin (PostNL), René Sterk (DNB), Esther Valentijn–Breedveld (PGB Pensioendiensten), Ton Wilthagen (Tiu), Alice Zulkarnain (CPB, IZA)