

# Facts, figures and the economic importance of international employees and international businesses in the Amsterdam Metropolitan Area (AMA)

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## 1. Definition of an international employee

An international employee is an economically active employee in paid employment at an organisation that is established in the Netherlands, and for whom income tax and insurance contributions have been paid to the Belastingdienst. This person is of a foreign nationality and is not a holder of Dutch citizenship.<sup>i</sup>

## 2. Facts and figures

### The number of international employees in the AMA

- 144,766 international employees in 2015<sup>i</sup> (this is the most accurate figure currently available, based on data from the Belastingdienst. New data will be released in 2019)
- Nearly 70% of all international employees are between 25-45 years of age (many new to the employment market)<sup>i</sup>
- 11,000 international students in 2017<sup>ii</sup>
- 23,750 international children<sup>i</sup>
- 74% stay longer than five years<sup>v</sup>
- 23% of the 619,642 international employees in the Netherlands work in the AMA. Of these, slightly more than half work in Amsterdam (53%)<sup>i</sup>

### Salaries

- 47% of the international employees in the AMA earn less than €25,000 per year<sup>i</sup>
- 35% of the international employees in the AMA earn between €25,000 and €50,000 per year<sup>i</sup>
- 82% of all international employees in the AMA earn less than €50,000 per year. For Amsterdam, this is 79%<sup>i</sup>

### Housing

- Less than 3% of the international employees in the AMA receive structural compensation for living expenses<sup>iii</sup>
- 74% of the international employees in the AMA receive no help with living expenses from their employer upon arrival<sup>iii</sup>
- 14% of the international employees in the AMA buy a property within their first year in the Netherlands<sup>iii</sup>

- 36% of the international employees in the AMA would like to buy a property upon arrival<sup>iii</sup>
- 75% of the international buyers in the AMA own a home with a value that is lower than €300,000<sup>i</sup>

### Education

- 45% choose international education in the AMA<sup>iv</sup>
- 55% choose bi-lingual schooling or regular Dutch education in the AMA<sup>iv</sup>
- The number of international children in the AMA will increase by 23% between 2017 and 2023<sup>iv</sup>
- 37% of children remain in school for six years or more in the AMA<sup>iv</sup>
- 72% receive no help from their employer to find a school or to pay school fees in the AMA<sup>v</sup>

### 3. The economic importance of internationals and international businesses

- International businesses comprise 30% of the Dutch economy. The majority of this share comes from foreign international companies (€113 billion, 18%), while the other part is Dutch international companies (€78 billion, 12%).<sup>vi</sup>
- 32% of all private sector jobs in the Amsterdam area are created by foreign international businesses.<sup>vii</sup>
- International businesses are good for the local economy. For example, the European Medicines Agency (EMA) has a budget of €337 million, of which around half is spent in its country of residence.<sup>viii</sup>
- Foreign international companies create a total of 470,000 jobs in the AMA (direct and indirect). On average, for every one job created by foreign businesses in the Amsterdam area for a knowledge migrant, 11 other jobs are created.<sup>ix</sup>
- The number of newly established international businesses in the AMA in the period 2012 to 2017, and the number of new jobs they created:<sup>x</sup>

	2012	2013	2014	2015	2016	2017
International businesses	126	115	139	140	157	143
Jobs	2.200	1.944	2.359	2,953	3,312	2,702

- Businesses need international employees because:
  - they have knowledge of international markets and business management;
  - they have access to cross-border networks;
  - there are shortages of talent in the local labour market, for example in IT or agriculture;

- cultural diversity on the work floor can lead to higher productivity and innovation.

## Sources

<sup>i</sup> Decisio, *Economische analyse internationale werknemers, studenten en zelfstandigen in Nederland Regiorapport Amsterdam 2017* [Decisio, Economic analysis of international employees, students and self-employed in the Netherlands – Region report Amsterdam]. This is based on data from the Belastingdienst in 2015

<sup>ii</sup> Nuffic diploma- en uitwisselingsstudenten [Nuffic diploma and exchange students] (2017)

<sup>iii</sup> ICAP, *Housing Survey 2017* (ICAP is the International Community Advisory Panel)

<sup>iv</sup> Decisio, *Update regionale vraagaanbod analyse internationaal onderwijs MRA (2018)* [Decisio, Update analysis of regional supply of international education in the AMA]

<sup>v</sup> ICAP, *The Education Survey 2017, Educating the International Community of the Netherlands*

<sup>vi</sup> CBS: <https://www.cbs.nl/nl-nl/nieuws/2018/41/multinationals-goed-voor-30-procent-economie> – International businesses in the Netherlands generated 30% of the total €635 billion of added value in 2016. The share of international businesses in the Netherlands' total production value (39%) and profit (32%) was even greater.

<sup>vii</sup> CBS: <https://www.cbs.nl/nl-nl/publicatie/2015/30/internationaliseringsmonitor-2015-derde-kwartaal>, p13

<sup>viii</sup> <https://www.relocatema.nl/het-europees-geneesmiddelen-agentschap>

<sup>ix</sup> Methodology: there are 3,300 international companies in the AMA, resulting in 235,000 jobs (source: Achilles NFIA database). This is multiplied by two (one extra indirect job for each direct job, according to CBS research: <https://www.cbs.nl/nl-nl/nieuws/2017/50/bijna-1-4-mln-voltijdbanen-door-buitenlandse-bedrijven>). This results in 470,000 jobs created by international companies in the AMA.

<sup>x</sup> amsterdam inbusiness and NFIA