



# Labour inspections in private households

### The Netherlands

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	Summary Inspections may be carried out on private homes engaged in renovation construction projects by the Netherlands Labour Authority to check whether construction/renovation activities comply with the law, for example, on fire safety, environmental safety, and working conditions. The inspections are undertaken in every sector, including private households, concerning illegal employment, underpayment, working hours, and signs of modern slavery.
Title of the practice in original language	Werkplek controles van werkzaamheden aan (privé)woningen.
Name(s) of authorities/bodies/ organisations involved	<ul> <li>Ministry of Social Affairs and Employment (het ministerie van Sociale Zaken en Werkgelegenheid);</li> <li>Netherlands Labour Authority (Nederlandse Arbeidsinspectie, NLA).</li> </ul>
Sectors	Construction and woodworking
Target groups	► Employers (private households engaging enterprises/self- employed individuals to carry out renovation, maintenance, or improvement work in their home) (directly targeted).
Purpose of measure	Deterrence: improve detection

	Aims and objectives
	Labour inspections of building and renovation work being conducted in private households help to ensure compliance with regulations. To prevent unfair competition and malpractice, the Labour Authority conducts checks on the spot in private households to ensure compliance with the regulations.
Background context	▶ In the last several years there has been an increase in demand by private homeowners for renovation and maintenance projects. This is particularly the case as a result of rising energy prices and measures concerning energy transition. The demand for companies to do this type of work has increased, and with it, there has been an increase in businesses' demand for labour to carry out this type of work;





- ► The work on homes includes, for example, installing solar panels, new window frames (double-glazing), underfloor heating, replacing gas with electricity;
- ► The Netherlands Labour Authority combats labour market fraud and malpractices in order to prevent unfair competition, and does so in private homes by on the spot compliance checks with the following regulations: Minimum Wage Act (Wet Minimumloon), Working Times Act (Arbeidstijdenwet), Foreign Nationals Employment Act (Wet Arbeid Vreemdelingen) (chain liability), Posted Workers in the European Union Act (WagWeu), The Act on Hiring Agency Workers (Wet Waadi), The Health and Safety Act (Arbeidsomstandighedenwet). Any employer who employs one or more foreign nationals without the necessary work permit risks a fine of EUR 8 000 per foreign national. Fines of up to EUR 12 000 per underpaid employee will be imposed for paying under the minimum wage and minimum holiday allowance etc;
- ▶ Labour inspectors have permission to enter all places of work, except private homes, unless they have the owner's consent or, if the latter refuses, have a written entry order granted by the Assistant District Attorney.

## Key objectives of the measure

#### **General Objective:**

► To carry out inspections of work being performed in private homes.

#### **Specific Objective:**

► To detect non-compliance with regulations/legislation.

#### **Main activities**

- ▶ Regarding construction or renovation work being carried out in a private home, there are two methods of inspection to verify that the law is not being broken, which include:
  - Inspections driven by the findings of sector analyses which may indicate the need for increased inspections in particular sectors;
  - Inspections arising from the Netherlands Labour Authority's surveillance or intelligence from citizens.
- ▶ Due to a law regulating entry into household premises the General Act on Entry into Dwellings (Algemene wet op het binnentreden, Awbi) - inspectors are not allowed to enter a privately owned home unless the owner expressly permits it.iv,v If the owner refuses to give permission, the inspector must





contact the Assistant District Attorney to ask for a written entry order;

- ▶ In order to obtain an entry order, the inspector must be able to indicate that work is being performed the inspector's observation that work is being performed is sufficient;
- ▶ The time required to issue an order depends on the location of the police station and the workload of the Assistant District Attorney. On average it takes about an hour to issue the order during which the situation is kept under control. Once issued, the order is handed over directly within minutes;
- ▶ The contact point is the District Attorney's office. Each police station has an on-duty District Attorney (a senior police officer, like a sergeant). The preference is to go to the police station to explain the reasons and legal basis for entering a property as police officers may not be fully knowledgeable about laws related to the Labour Authority;
- Once the entry order is granted, the inspection may take place. If the property owner refuses to comply, the police are asked to intervene. It is possible to arrest the owner for not complying with the official order;
- ▶ If an inspection reveals a breach of legislation, the inspector will let the owner know how to correct the issue and can also impose fines.<sup>vi</sup>

It is also important to note that under the Foreign Nationals Employment Act, chain liability is applied. This means that if a property owner hires a contractor, and the contractor employs workers illegally, the owner is subject to being fined too. The owner is responsible for the work carried out on their property and before work starts, the owner and contractor must ensure that employees are permitted to work.

## Funding/organisational resources

Funded by the Ministry of Social Affairs and Employment.



### **Outcomes**

The Netherlands Labour Authority publishes data on companies that have been inspected and violations that have been found since January 2016. While the measure is transferable to other Member States, legal frameworks to allow inspections in private households are crucial to the success of the measure as are effective enforcement mechanisms for compliance.





Achievement of objectives	Inspections are carried out in every sector concerning illegal employment, underpayment, working hours and signs of modern slavery, including in private dwellings. The ministry publishes an overview of companies that have been inspected by the Labour Inspectorate and whether or not a violation has been found since 1 January 2016 under the Minimum Wage and Holiday Allowance Act, the Foreign Nationals Employment Act and the Allocation of Workers by Intermediaries Act. At the time of writing (September 2024) a total of 6 355 inspections have been carried out to date, including inspections in private households.vii
Lessons learnt and success factors	<ul> <li>Effective enforcement mechanisms, such as sanctions proportionate to violations, are essential for ensuring compliance;</li> <li>Labour inspectors must understand their legal authority and adhere to due process, including proper identification and protocols for accessing private households.</li> </ul>
Transferability	This practice is transferable to other Member States. Legal frameworks should be established or enhanced to allow inspections in private households and enforcement mechanisms for compliance. Training for labour inspectors, development of collaboration agreements between relevant authorities, and consideration of privacy rights are essential components for successful implementation as well.

Further information	
Contact	Willem van Olderen - Mineta, Labour Inspector Netherlands Labour Authority
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Useful sources and resources	Netherlands Labour Authority website <a href="https://www.nllabourauthority.nl/">https://www.nllabourauthority.nl/</a>

<sup>&</sup>lt;sup>i</sup> For more on labour market shortages, see Annual Report Netherlands Labour Authority 2022. Available at: <a href="https://www.nllabourauthority.nl/publications/annual-reports/2023/05/19/2022-annual-report-netherlands-labour-authority">https://www.nllabourauthority.nl/publications/annual-reports/2023/05/19/2022-annual-report-netherlands-labour-authority</a>

For more information see <a href="https://www.nllabourauthority.nl/topics/labour-market-fraud-and-malpractices">https://www.nllabourauthority.nl/topics/labour-market-fraud-and-malpractices</a>





- iii See <a href="https://www.celiaalliance.com/news/netherlands-dos-and-donts-best-practice-when-dealing-with-a-visit-by-the-dutch-labour-inspectorate/">https://www.celiaalliance.com/news/netherlands-dos-and-donts-best-practice-when-dealing-with-a-visit-by-the-dutch-labour-inspectorate/</a>
- <sup>iv</sup> ILO (2013), Labour Inspection Strategies for Combating Undeclared Work in Europe: The Netherlands, Regioplan, Amsterdam.
- <sup>v</sup> For more information on the Act, see <a href="https://wetten.overheid.nl/BWBR0006763/2010-07-01">https://wetten.overheid.nl/BWBR0006763/2010-07-01</a> (accessed 3
- vi For more information see, <a href="https://business.gov.nl/regulation/inspections-government-organisations/">https://business.gov.nl/regulation/inspections-government-organisations/</a> and <a href="https://www.nllabourauthority.nl/topics/enforcement-and-penalties">https://www.nllabourauthority.nl/topics/enforcement-and-penalties</a>
- vii See Overview of inspections carried out by the Netherlands Labour Authority. Available at: <a href="https://resultaten.nlarbeidsinspectie.nl/#?currentPage=19&searchString=&sortColumn=Inspectie&sortDescending">https://resultaten.nlarbeidsinspectie.nl/#?currentPage=19&searchString=&sortColumn=Inspectie&sortDescending</a>