Labour costs rose 26.5%, yet salary rarely blocks a vacancy

That is more than Germany at 23.1% and nearly double France at 14.1%.

Summary

The Dutch labour cost index went from 113.1 to 143.1 between mid-2021 and mid-2025, a rise of 26.5%. That is more than Germany at 23.1% and nearly double France at 14.1%. Yet only 39% of Dutch employers name candidate salary expectations as a reason an IT vacancy is hard to fill, below the EU average of 42%. Together those facts mean paying more does not fix a matching problem.

Two figures that sit side by side and are rarely read together. Labour costs have risen sharply. And salary is almost never the reason a vacancy goes unfilled.

More than a quarter in four years

The Eurostat labour cost index measures what an hour of work costs an employer, including employer contributions. With 2020 as the base year at 100, the Netherlands stood at 113.1 in the second quarter of 2021. Four years later, in the second quarter of 2025, the index stands at 143.1.

That is a rise of 26.5% in four years.

Compared internationally over the same period:

- Netherlands 26.5%
- Norway 23.2%
- Germany 23.1%
- Belgium 21.4%
- Finland 14.5%
- France 14.1%

The Netherlands sits at the top end. The gap with France is close to a factor of two.

The rise has not flattened either. Year on year, the second quarter of 2023 came in at 6.1%, 2024 at 4.6% and 2025 at 6.6%. The most recent year is steeper than the one before it.

Where it comes from

Labour costs are being pushed by three things at once: scarcity strengthening the bargaining position of workers, increases in the minimum wage, and collective agreements catching up with the inflation of 2022 and 2023 on a delay.

In business services that feeds into rates. Cleaning rates in 2025 averaged 7.5% above the year before. In staffing, accountancy and law they rose by close to 5%.

And still, salary is not the constraint

This is where it gets interesting. Of the Dutch companies that sought IT specialists in 2024 and found vacancies hard to fill, 39% named candidate salary expectations as a reason. That is lower than the EU average of 42%.

The reasons that come first are different: too few applications, cited by 56%, and missing skills, cited by 51%.

Put those two findings side by side and the conclusion matters for both sides of the market. The price of labour has risen sharply. The problem in filling a vacancy is nonetheless rarely the price.

What that means

For an employer: a higher offer solves a vacancy where the candidate exists, is reachable, has the right skills, and the only remaining conversation is about money. For most open vacancies that is not the situation. There, bidding higher becomes an expensive way to keep the same problem.

For an agency: this is the argument against the client who believes a higher salary closes the gap. It is simultaneously the argument for the fee, because if money does not solve it, reach and selection are what do.

For a candidate: the market has demonstrably moved further in their direction over four years than in the decade before. Anyone who has stayed in the same post since 2021 without an adjustment is probably behind the market.

Method and sources

The labour cost index comes from Eurostat, dataset lc_lci_r2_q, not seasonally adjusted, whole business economy, indexed to 2020. Comparisons are always between second quarters, so seasonal effects play no part. Sweden does not report this series in full and is therefore absent from the comparison.

The reasons IT vacancies are hard to fill come from Eurostat, dataset isoc_ske_itrcrn2, reference year 2024. The rate figures for business services come from the ING sector analysis of April 2026. AWVN publishes the average negotiated wage increase monthly, which is the most current single reading alongside this quarterly series.

Salary, Growth, All markets

Sources

- Eurostat (lc_lci_r2_q), CC BY 4.0
- Eurostat (isoc_ske_itrcrn2), CC BY 4.0
- ING sectoronderzoek
- AWVN, maandbericht loonontwikkeling
- CBS StatLine, CC BY 4.0