

Dutch initiatives to prevent and tackle youth unemployment

Introduction

In order to combat youth unemployment in Europe, the European Commission made a proposal in December 2012 for a recommendation of the Council regarding the introduction of a youth guarantee. The European Council followed the European recommendation on 22 April 2013. The recommendation implies that member states 'guarantee that each *young person up to the age of 25 will receive a proper offer for a job within four months after he/she became unemployed or ended his/her formal education, that is to say: secondary education, a place in the apprenticeship system or a work placement*'. The Dutch government supports the objective of the youth guarantee. The government regards the youth guarantee as a best efforts obligation for member states to take measures to tackle and prevent youth unemployment.

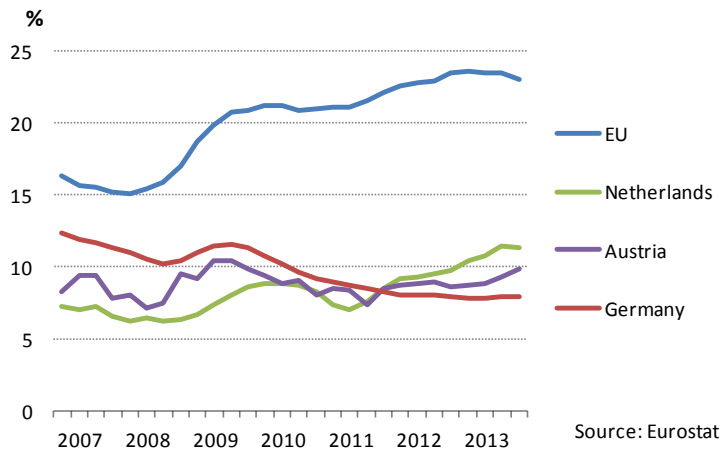
The member states hereby remain completely free to apply their national policy to the youth guarantee and include the own responsibility of young people, the regional/local freedom of policy with regard to implementing the youth unemployment approach and the already implemented policies. The European Commission requested all member states to submit a youth guarantee implementation plan. The Netherlands is also pleased to comply with this request and wants to inform the Commission about the Dutch youth unemployment approach through this document, and about the policy measures it takes and how the Netherlands implements the recommendation for a youth guarantee through this approach.

1. Context/Rationale

Current situation

In recent years youth unemployment in the Netherlands has increased. Compared to the unemployment among the total professional population the development of youth unemployment is not unexpected. Youth unemployment in the Netherlands is still relatively low in an international context. Youth unemployment is only lower in Germany and Austria. In the fourth quarter of 2013 youth unemployment in the Netherlands was 11.4% compared to 23.1% in the entire euro zone (seasonally adjusted). The increasing youth unemployment in the Netherlands is a point of concern, even though the percentage is below the EU average (see figure 1). In particular the high unemployment among young people with a non-western background and young people without proper qualifications requires much attention.

Figure 1. Youth unemployment 15-24 years, seasonally adjusted



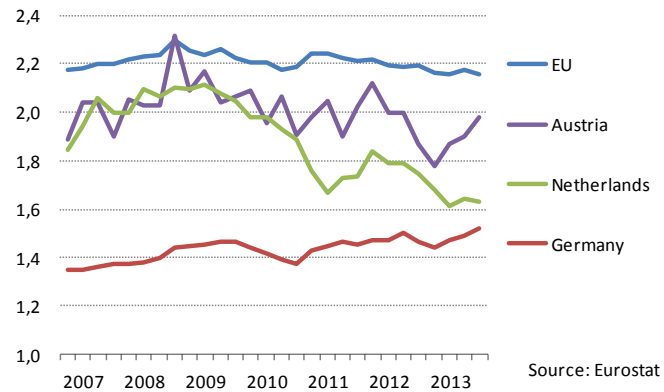
Position of migrants

The Netherlands Institute for Social Research (SCP) has established that migrant groups are pre-eminently sensitive to economic developments. Despite a structural increase of the gross labour market participation in the past 10 years, and substantial progress in their educational attainment, unemployment among migrants has sharply increased in comparison with native Dutch young people. In the 4th quarter of 2013 it is 23.9% and 8.9% respectively. Their relative disadvantaged position didn't change much the last couple of years. In the period 2008-2013 the unemployment of young people with a non-western background, is 2 to 3 times higher as of native Dutch young people.

Relative position in Europe

The Netherlands performs best within the euro zone with regard to the ratio between youth unemployment and the total unemployment, that is to say after Germany. In the 4th quarter of 2013 it was 1.6 for the Netherlands and 1.5 for Germany (see figure 2).

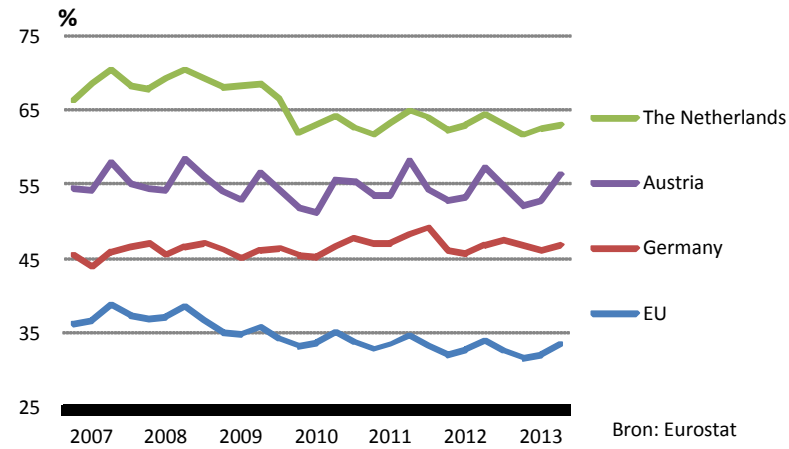
Figure 2. Ratio between youth unemployment and the total unemployment



The development of the youth unemployment ratio was relatively favourable in the Netherlands, also in the period as from 2012, in which youth unemployment in the Netherlands increased more on average than in the EU. Between the 4th quarter of 2011 and the 4th quarter of 2013 the youth unemployment ratio in the Netherlands dropped by 0.11, compared to a decrease in the EU by 0.05. This means that although youth unemployment in the Netherlands had increased more strongly in the past two years than on average in the EU, it had developed more favourably relatively, that is to say compared to the unemployment 25 - 64 in the own region.

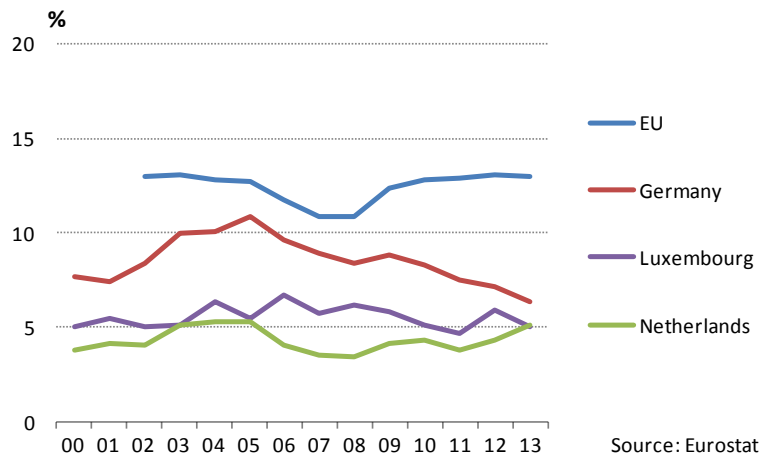
In the Netherlands the net employment rate of young people is the highest in the EU. In the 4th quarter of 2013 it was 61.8% in the Netherlands and 32.3% in the EU (see figure 3). The youth employment rate in the Netherlands in relation to the EU average was about 31 to 33 percentage points higher until 2010. After this the difference remained quite stable with 30 percentage points.

Figure 3. Net labour participation 15-24 year



Until 2013 the NEET rate 15-24 years (percentage of youth not in employment, education or training) was lowest in the Netherlands (see figure 4). In 2013 Luxembourg has the lowest NEET rate (5.0%), with Netherlands in second position (5.1%) against an EU-average of 13.0%.

Figure 4. NEET rate 15-24 years, 2000-2013



Causes

Unemployment among young people (11.4%) is always higher than the average unemployment (between the age of 15 and 65). The average unemployment 15-64 was 7.0 % in the fourth quarter of 2013 in the Netherlands. The reasons for this are, amongst others, the annual influx of (unemployed) school leavers, the fact that young people usually work on the basis of a temporary contract, have less firm specific knowledge, and the sensitivity to cyclical movements of the sectors in which in particular young people are employed (that is to say, the temporary employment agency sector, retail trade, hotel and catering industry, ICT). All this implies that when the demand for labour decreases, unemployment first increases among young people, and vice versa: when the labour market picks up again, young people are also the first to profit from the economic recovery. As shown in figure 2 the gap between youth unemployment and total unemployment has narrowed more in the Netherlands than on average in the EU.

The Netherlands Institute for Social Research (SCP) draws the conclusion that differences between native Dutch people and migrants before they enter the labour market (pre-entry) can partially be explained through general, objective characteristics such as differences in educational attainment. Nevertheless, compared to native Dutch people with comparable qualifications, migrants are unemployed more often. The SCP states that the possible reason for the higher unemployment is a difference in intensity and effectiveness of the job search behaviour of migrants, their limited network and discrimination.

According to the CPB, the Netherlands Bureau for Economic Policy Analysis (2012), there is a causal link between the relative low youth unemployment rate in The Netherlands and the way in which the minimum youth wages are designed. Relatively low minimum wages make it more attractive to attend school and help to prevent drop outs. A higher educational level also means a higher labour participation later. The relatively high degree of participation of young people compared with other countries is in particular the result of jobs on the side. Many young people have a job on the side, besides school, to earn something extra. In addition, they gain employee expertise and skills (soft skills), which may come in handy during their working life. This is good for their job perspectives. Young people also gain work experience in professional education in the form of work placements.

According to a European study of McKinsey, there is a gap between the demand of companies and the availability of job-seeking young people.¹ The education and skills of young people does not completely match the needs of employers. This is also the case in the Netherlands. A mismatch (both qualitative and quantitative) on the labour market is one of the reasons of the youth unemployment. To some extent, young people also choose studies that do not offer a good perspective for a job. Almost one in five students regret their study choice. Much of the dropout rate in education is the result of a wrong study choice.² When a young person drops out from education without a basic qualification, the chance that he/she will be unemployed is twice as high. Besides a wrong study choice, an insufficient command of skills may also be a reason for the mismatch on the labour market.

Approach

The Netherlands is concerned about the increasing youth unemployment. The labour market reacts with a delay to economic developments. This is one reason why it is expected that unemployment will slightly increase in 2014, despite the fact that the economic growth in the Netherlands and in Europe is improving. Nonetheless, there are also some positive signals on the labour market. In a limited number of sectors in the Netherlands the demand for personnel is increasing. The Public Employment Service (UWV) expects an increase in the number of vacancies in 2014.

Together with social partners the government has made arrangements about labour market reforms and strengthening the economy (Social Agreement, 11 April 2013). These measures also benefit the position of young people.

The government focuses on a comprehensive approach to tackle youth unemployment, to be carried out with all the relevant stakeholders, on regional and sectoral level. The approach is based on the premise of shared responsibility of the stakeholders: young people themselves, public authorities (at all levels), social partners and educational institutions. These measures build on the positive experience gained with the 'Action Plan youth unemployment' in 2009 and the methods and infrastructure developed by the regions at that time. Furthermore, policies are implemented to prevent youth unemployment, by further reducing the number of early school leavers and strengthening the links between education and the labour market.

The government advocates a comprehensive approach in which disadvantages and problems among migrants are considered within the generic employment approach. Through the youth unemployment approach there is a commitment to also reach migrant youths and also align education more to the labour market for these young people. There is an extra focus on the problems which migrant youths encounter more (frequently), such as a poor job image, a limited network, insufficient soft skills and finding a work placement. Municipalities in different regions, started for example initiatives to reach young people with migrant background in an early stage of orientation on education, or to get acquainted with specific sectors, or to find apprenticeships, to improve their employers skills and their network. In these approaches the youngsters participate actively.

It is also necessary to see to it that young people have a good chance on the labour market from the very start. This is why the quality of education is essential as a prevention of youth unemployment. The government make efforts to improve the quality of education and by providing education that meets the actual needs of the labour market. It gives also priority in providing information in time about the possible study choice and the study perspective makes young people more aware about their choices and the consequences of these choices. In addition, the government is committed to prevent early school leaving, in order to protect young people against the increased risk of unemployment. With a basic qualification young people have

¹ McKinsey, Education to employment: Getting Europe's youth into work, 2013

² ECBO, Leren kiezen, een onmisbare competentie, oktober 2012; ROA, Zonder diploma: Aanleiding, Kansen en Toekomstintenties, 2009 (ECBO, Learning to choose, an essential competence, October 2012; ROA, Without a diploma: Reasons, Opportunities and Future intentions, 2009)

twice as much chance of finding a job. The government has also adopted measures to improve the links between education and the labour market on a national level.

2. Implementing the Youth Guarantee Scheme on a national level

2.1 Formulation of the Dutch initiatives to prevent and tackle youth unemployment.

The Netherlands considers the recommendation of the European Commission as an effort to give young people a good start on the labour market and to tackle the current youth unemployment through different measures. The Netherlands intends to give young people a fair start to participate in society and in the labour market. This starting point means good education and obtaining a basis qualification. As mentioned above, the government makes efforts to improve the quality of education and to take measures to improve the link between education and the labour market. So it is focused on early career orientation on primary schools and better information about education choices. The Dutch government also focused on combating the problem of pupils leaving school early. The concrete activation and guidance of young people to further education or work find place in the regions. That is the level where municipalities and their stakeholders with knowledge of the local and regional situation can give youth an effective support. The activation policy is based on the principle of applying a tailor-made approach to an individual situation. For possible individual impediments to enter the labour market, such as inadequate education or personal issues, municipalities can offer assistance. The fact is that municipalities know the local players, such as employers or educational institutions to cooperate with.

This means that all young people will have the chance to participate at school, at work, in a work placement or at a work experience place. In order to give a boost to this approach, the government presented the 'Youth Unemployment Approach' in March 2013, in addition to the already existing generic policy, as an extra crisis measure against the further increase of youth unemployment.

2.2 Partnership approaches

The Ministry of Education Culture and Science (OCW) is responsible to ensure that everyone has good education. The educational institutions have their responsibility to offer good quality education.

Tackling the problem of pupils leaving school early is one of the priorities of the Dutch government implemented by the 'Drive to Reduce Drop-out Rates' approach. The Early school leavers approach is concentrated in the 39 regions of the Regional Reporting and Coordination Centres (RMC). Each region has a contact-municipality who coordinates the reports and registrations of early school leavers. The centres have also the responsibility to refer and replace the early school leavers back in education.

The Ministry of Social Affairs and Employment (SZW) is responsible for the generic system concerning the reintegration of (young) unemployed people into the labour market, the social security and the policies of the labour market. In the Netherlands the reintegration policy is carried out in a decentralised way. The government establishes the frameworks and makes funds available to municipalities and the Public Employment Service (UWV) to implement the policies concerning the reintegration into work and the unemployed benefits.

Municipalities are mainly responsible for labour market policies and the reintegration into the labour market of unemployed. On this level the responsibility is to support unemployed people, when needed, to find work or education or training with custom-made approaches. In this way the approaches link up well with the need of the people and the opportunities of the region. In the Netherlands we created 35 labour market regions across the country, from where the reintegration policies of the more than 400 municipalities are coordinate. The region is the place where municipalities and their local or regional partners (including employers, sectors, educational institutes, RMC's and the Public Employment Service / UWV), are well informed

about local labour market circumstances and are able to provide, if necessary, custom-made support to (young) unemployed people. The Employee Insurance Agency including the Public Employment Service (UWV) is responsible for the provision of workers insurances (like WW, WIA (IVA en WGA), Wajong, WAO, WAZ, Wazo en Ziektewet), the reintegration into work of unemployed people with unemployment insurance, the registration of unemployed people and the digital services. The UWV and municipalities work together concerning their responsibility to issues about the regional labour market. The Netherlands counts 30 UWV offices.

The services given to the unemployed people and the employers by the UWV are primarily digital. For customers who aren't able to work with computers and jobseekers with a large distance to the labour market, like disability beneficiaries, face-to-face service is provided.

The government has made extra funds available for municipalities (labour market regions) for the years 2013-2015 to tackle youth unemployment on a local level. The municipalities provided therefore regional action plans. Part of the ESF resources will also be devoted to tackle youth unemployment.

The government also made arrangements in 2013 with social partners in a social agreement. The social agreement consists of concrete measures that tackle unemployment in the short term and a broad range of reforms that reinforce the functioning of the labour market and hence also reinforce the Dutch economy in a structural way. In the social agreement it has been agreed that sectors make arrangements through sector plans to tackle specific labour market bottlenecks in sectors. The government co-finances this and has made € 600 million available during in total 2 years. In the budget agreements for 2014 it has been agreed that at least one third of the budget must be allocated to the sector plans in order to combat and prevent youth unemployment.

Finally, a national ambassador has been appointed for the youth unemployment approach for the period of two years (April 2013-2015). The ambassador is responsible that the regional and sectoral approach of youth unemployment reinforce each other. It is also her task to see to it that youth unemployment is high on the agenda of all parties involved – education, authorities and the business sector. Hereby the ambassador gives special attention to young people who are hit relatively hard by unemployment, for example young people who are seeking a work placement or a work-study job, to young people without a basic qualification and young people with a non-western background.

Youth unemployment is therefore tackled comprehensively by departments of the Ministries of Education, Culture and Science and Social Affairs and Employment, together with the municipalities, employers, unions and educational institutes.

Table 2.2: Key organisations that will support and deliver the Youth Guarantee scheme

| Name of key organisations | Type of organisation | Level of responsibility | Role in implementing the Youth Guarantee scheme | Ensuring the success of partnerships |
|---|-----------------------------|--------------------------------|---|--|
| Ministry of Social Affairs and Employment | Public authority | National | -Establishing the frameworks of the re-integration policy. Then making resources available to implementing authorities of municipalities and the Public Employment Service (UWV) for the mediation of jobseekers. - Monitoring the development of unemployment and takes fitting policy measures on this basis. The leading institution for youth employment. | -Covenants with aldermen of central municipalities. -Arrangements with Social Partners regarding social plans. -Co-financing |

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| | | | <p>-Legislation and regulations, for example regarding the employment law, the Assistance Act.</p> <p>-Supporting role for municipalities in the regions, employers</p> | |
| Ministry of Education | Public authority | National | <ol style="list-style-type: none"> 1. Early school leaving approach. Approach focuses on preventing school leaving. 2. Providing good-quality education that matches the needs of the labour market 3. Intensifying the offensive for work placements and apprenticeship jobs | <p>Ad 1. The Ministry of Education, Culture and Science (OCW) has concluded covenants with all contact municipalities and with all secondary education institutes and senior secondary vocational education institutes (mbo) of the 39 RMC regions. Six account managers of the ministry activate and support the regions when cooperating and implementing measures. Performance subsidy activates results</p> <p>Ad 2. Focusing on quality improvement through Focus on Workmanship. Concentrates on macro-efficient range of trainings.</p> <p>Ad 3. Largely focusing on sufficient work placements and apprenticeship jobs with regional consultants, geared to the regional labour market.</p> |
| Social Partners | Social Partner | Sectoral | <p>Employers create extra work placements and apprenticeship jobs for young people.</p> <p>Sustainable deployability, also vulnerable young people.</p> | Arrangements and co-financing |
| Municipalities Central municipalities of the 35 labour market regions | Partnerships | Regional and local | <ul style="list-style-type: none"> - Supporting jobseeker (including young people) towards a training or job. -Supporting employers to make a good match. Implementing body Compulsory Education (place of residence) monitors leavers until the age of 18. | Co-responsibility |
| Schools | | Local | Good education | See description above (with Ministry of Education). Educational institutes have their own responsibility to assist young people towards a good-quality diploma. |

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|--|------------------|-----------------------|---|--|
| | | | | Schools must offer trainings that match the demand of the labour market. |
| Compulsory education | Public Authority | Local | Young people up to the age of 18 years without a basic qualification are obliged to follow education. Municipalities take all young people up to the age of 18 years in for questioning, who are absent from school without permission. | All municipalities report every year to the Ministry of OCW. The Ministry of Security and Justice (V&J) can impose a fine on parents and/or young people in the event of a long-term absence without permission. The report on early school leaving also includes the results of this approach. |
| RMC (Regional Reporting and Coordination Centre) | Public authority | Regional | The RMC for early school leavers (RMC-vsv) follows school leavers between the age of 18 and 23 until they have obtained their basic qualification. Or it provides an apprenticeship action plan. | The 39 contact municipalities report every year to the Ministry of OCW. The report on early school leaving also includes the results of this approach |
| Public Employment Service (UWV) | Public authority | Labour market regions | <i>General digital services</i> for all youngsters: Supporting jobseekers when they draw up their CV, list of vacancies, tips for finding work, labour market information, competence tests, digital game to improve access to the labour market <i>Personal digital services</i> for unemployment beneficiaries: personal job plan for work resumption <i>Intensive face to face services</i> for youngsters with a disability benefit <i>National coordination and regional partner of helpdesk</i> for learning, working and apprenticeships | |
| Campaign team Crisis management | Partnership | National | Coordinating the youth employment approach and elderly employment approach and establishing sectoral initiatives to have an effective approach. Special focus on unemployed migrant youths. | |

2.3 Early intervention and activation

In the Netherlands part of the youth unemployment is caused by a mismatch on the labour market. With a basic qualification a young person has a better starting position on the labour market. When the training and skills of young people are also in line with the requirements of employers, the opportunities on the labour market will also improve later on for these young people.

At school

The Dutch education policy has an obligation that young people up to the age of 18 obtain a basic qualification. Young people who have not completed their education have a weak position on the labour market. They often become unemployed. The most recent figures concerning young people who did not finish their education in the school year 2010/2011 show that 72% of the young people with a basic qualification have found work after one year, while this was only 41% for young people without a basic qualification. This is why young people who have not a basic educational qualification (at least on an mbo-2 level (mbo: senior secondary vocational education) or a diploma for senior general secondary education (havo) or pre-university education (vwo), are assisted by the compulsory education department of the municipality of residence if they are below the age of 18. They must guide young persons back to education, until a basic qualification has been obtained or until they have reached the age of 18.

Young people between the age of 18 and 23 are assisted by the Regional Reporting and Coordination Centre (RMC) for early school leavers. The contact - municipality of a RMC-region sees to it that young people are monitored until they have obtained a basic qualification.

All pupils have been allocated a personal education number, which makes it possible to track them. Each pupil at a publicly funded secondary or secondary vocational school is registered in BRON (Basic Records Database for Education) with a unique number, name, address, date of birth, school, and school type. All schools have been obliged by law to register school absenteeism via the Digital Absence Portal [*Digitaal verzuimloket*]. This has greatly improved the registration of school absenteeism and early school leavers. This measuring system means that no early school leaver remain unregistered any longer.

The Netherlands strives for as much as possible young people will obtain a basic qualification, for the reasons named above. Therefore is tackling the problem of pupils leaving school early, one of the priorities of the Dutch government since 2007. The Netherlands wants to reduce the number of early school leavers to maximum of 25,000 per year in 2016. The Netherlands has set an objective for itself in a European context to reduce the number of early school leavers to 8% in 2020. In 2012 the percentage of early school leavers was 8.8% in the Netherlands. The European average was 13.7%. The Netherlands is successful in reducing the number of early school leavers between the age of and 25 within the European Union (EU).

For long-term success it demands a long-term perspective, systematic efforts and resources, an integrated approach focusing on prevention, and tight organization at regional level. All the various links in the chain – education, the labour market, and care – need to form a good basis for preventing young people dropping out of school. Example of such an approach is Top 600 of the city of Amsterdam, where a special team works with 600 young criminal offenders, and the approach of the city of Rotterdam-South, where secondary vocational schools, local authorities and local employers made arrangements for training and work possibilities.

It is also important that young people receive good education, with a focus on the actual practice. The Ministry of Education Culture and Science focuses on improving the quality of education. Quality arrangements are made with individual senior secondary vocational education (mbo) institutes. These arrangements are an additional instrument through which institutes are supported to raise quality to an even higher level. Sufficient work placements and apprenticeships must be available and the educational sector must offer courses that are in line with the demand of the greatly changing labour market.

The government also takes measures to align senior secondary vocational education to the labour market in a better way. For example, the business sector and senior secondary vocational education (mbo) work together to align education better with the actual practice. Educational institutes are expected to organise the range of courses with each other and with the business sector in such a way that they match the demand of the labour market and there is a balanced spread of courses in the region. The legislative proposal regarding macro effectiveness supports this. The Ministry of Education Culture and Science wants to discuss all this with the business sector and stimulate them to let young employees without a basic qualification go to school one day in the week.

With the curriculum School Ex2.0 the government also stimulates young people in senior secondary vocational education (mbo) to follow extra courses for a longer period and choose an education that has a greater relevance on the labour market. This programme was also part of the action plan for youth unemployment in 2009.

Moreover, the Ministry of Education Culture and Science and the various education umbrella organisations also invest in improving the provision of information to students by developing study information leaflets. The educational sector will focus more on preparing young people for their working life through active career orientation and assistance.

Investments in education result in an active and innovative professional population. This is in the interest of young people, employers and of the entire Dutch economy. With the National Education Agreement, the teacher's agenda, the autumn agreement and the measures from the Focus on Workmanship Campaign Plan a great effort is made to improve the educational quality. A sum of in total €600 million is set aside for this.

Also the care structure at schools has been strengthened. The gap between local education and local care has become smaller in recent years, with improving the coordination between the two.

An example of this approach is the Plus Programme (funding for secondary education and vocational education). Since 2009 schools within an RMC-regions (Regional and Reporting and Coordination Centre) have the possibility to set up "Plus Programmes" for overburdened young people between the ages of 12 and 23. These programs are a tailor-made combination of care, social work, education and job placement that gives young people a structure and emphasizes solidarity with them.

The Plus Programme is intended for young people who are cognitively capable of obtaining a basic qualification but who face different problems – no learning problems– that make it impossible for them to complete their education in a regular study programme or to function normally in society. This programme initiates a process intended to remove obstacles and impediments, so that young people can focus on their education and, eventually, obtain a basic qualification. Such programmes will require a great deal of local and individual effort.

Another example is the Special Needs Provision at school. The government wants all pupils who needs one-to-one counseling should receive it. This means good cooperation between all partners in the local care sector. Schools play a central role in this approach: schools are often the place where dropping out occurs, and the place where it can be tackled. For this reason, Special Needs Advisory Teams are already in place at many schools. The professionals in the teams are able to identify risk for dropping out in an early stage and take appropriate action. The direct contact with Youth Services, social workers, the police and judicial authorities, prevents young people from dropping out. The exchange of information between all parties involved has being improved.

Finishing school

Most of the young persons who finish school will start working. Others who haven't find yet work, will register as jobseeker by Public Employment Service (UWV). Some of them will apply for social assistance benefits by the department of Work and Income of the municipality of residence.

Young people who apply for a social assistance benefits will have to register at the Public Employment Service (UWV). Their application for social assistance benefits will then be assigned and turn to the municipal authorities. Young people up to the age of 27 who are seeking work and request social assistance fall within a special regime in the Work and Social Assistance Act (WWB). The Work and Social Assistance Act has always had a strong focus on participation in to the labour market. For young unemployed persons does this mean that they have the obligation to look for work, education or training opportunities for a period of four weeks before their application for social assistance benefits will be taken into consideration. This is the so called four weeks search period. The four weeks search period is an incentive for young people to search for work, education and training opportunities or possibilities to go back to school. This regime was implemented after withdrawing the Investment in Youth Act (Wet investeren in jongeren) in 2012, with the goal to call upon the responsibility of the young people (school leavers and unemployed) themselves. During the four weeks search period the own responsibility of these young people is of prime importance. The idea behind this is that the search for training and work can only be successful when the young person is committed and takes initiative. Provisional results show that the applications for social assistance benefits of young people up to the age of 27 have decreased by about one third since the introduction of the four weeks search period. The analyses of municipalities, based on their own statistical data, show that this is in particular the case because young people are successful in finding a job or follow educational or training programs.

The Public Employment Service (UWV) is responsible for the communication towards young people on their duties and responsibilities during this search period. The young people are encouraged to use the general services of the UWV. Like list of vacancies, support for draw up CV, tips for finding work, competence tests and access to the game to improve the access to the labour market.

If the young person has not found work or can't follow educational or training programs after these four weeks, he can formally apply for a social assistance benefit and request assistance from the municipal authorities in his search for work. It is the municipality that examines and decides if the person has made enough efforts in finding work, educational or training opportunities or possibilities to go back to school. When assigning the social assistance benefits, the municipalities examine if a person needs specific costume-made support in getting work. Also they draw up a an action plan, in which the arrangements (support by the municipality and duties of the youngster himself to find work) are laid down to find work as quickly as possible. The municipality assists the young persons with the implementation of the action plan and evaluates the action plan periodically together with them and adapts it, if necessary. The Work and Social Assistance Act offers a broad range of instruments to municipalities to support and assist young people with finding work or following education or training after these four weeks. Examples of this are mediation for regular work (job hunting & matching) as well as participating in compulsory work activity programmes (f.e. Work First), reinforcement and vocational education.

The young persons who will not register, and don't work or are involved in any compulsory work activity programme or following any education or training are not direct visible for the authorities. Some of the municipalities are concerned about this group of youngsters, especially the young people who have been suspected of a crime. Some municipalities make local policies to track and support theme, dependent on how the local problems with this group are experienced. Mostly the approach is focused on mapping the problem groups or the problem itself. Best known local approaches are *Youth Work* to get directly in contact with youth who hang around and Coaching programmes, where young people coach other young people and try to encourage them to participate in education or to find work. Other local approaches to get in contact with youth and support theme, are visits at home and youth community work.

Table 2.3: Key reforms and initiatives to ensure early intervention and activation

| Name of the reform/initiative | Key objective(s) | Target group, including number of people covered (if available) | Scale | Name and role of organisation in the lead and cooperating partners | Timetable for implementation | Implementation cost, if applicable |
|--|--|---|------------------------------|--|------------------------------|------------------------------------|
| Planned reforms | | | | | | |
| 1. Legislative proposal macro-efficiency | Reinforcing the alignment between the senior secondary vocational education (mbo) and the labour market | Young people in senior secondary vocational education (mbo) | National | Ministry of Education, Culture and Science (legislative procedure) | 2014 | |
| Planned initiatives | | | | | | |
| Approach Early school leavers www.aanvalopschooluitval.nl/english Early School Leaving approach | Passing basic qualification | Early school leavers | National, regional and local | Educational institutes, municipalities and assistance | Current 2010-2016 | €114 million each year |
| 3. Macro efficiency in senior secondary vocational education (mbo) | Course programmes that match the labour market better | Senior secondary vocational educational institutes (mbo) | National | State government | 1-1-2015 | €200 million each year |
| 4. Programme School Ex 2.0 | Stimulating young people to choose courses with more opportunities (Technology) or following extra courses | Starting young people and young people in senior secondary vocational education (mbo), last phase of education with little chance of finding work | National | Senior secondary vocational education (mbo) schools | 2013-2014 and 2014-2015 | €25 million |

| | | | | | | |
|---|--|---|----------|---|------------|---------------------|
| 5. Subsidy scheme practice-based learning | Employers offer trainee workshops | Young people who seek work placement or workshop | National | Business sector | 2014- | €204 million a year |
| 6. Regional investment fund senior secondary vocational education (mbo) | Alignment education-business sector | Employers, senior secondary vocational education (mbo) | Regional | Education and business sector | 2014-2017 | €100 million |
| 7. Study information leaflet for senior secondary vocational educational institutes | Better information to students | Future senior secondary vocational education (mbo) and higher vocational (hbo) students | National | Educational institutes | Start 2014 | |
| 8. Technology pact | Greater intake in technology jobs with greater opportunities | -Future students -Students Technology -Employees in Technology | National | Government, Business sector and Education | 2013-2020 | |

2.4 Supportive measures for labour market integration

As described in section 2.2, young people who have not obtained a proper qualification are more likely to be unemployed. Therefore the Dutch government strives for as much as possible young people obtaining a basic qualification and preventing that pupils drop early out of school without a basic qualification. The government has also adopted measures to improve the links between education and the labour market on a national level. For specific examples we like referring to section 2.2.

As described in section 2.3, municipalities are mainly responsible for labour market policies and the reintegration of unemployed people in the Netherlands. Regional and local stakeholders are well informed about local labour market circumstances and are able to provide, if necessary, custom-made support to unemployed young people in finding opportunities for work, education or work experience places. For specific examples we like referring to that section.

The government takes also action to restore the balance between temporary and permanent contracts, to prevent that young people remain stuck in temporary contracts. The government puts ambitious targets for labour market reforms to foster labour market transitions and address labour market rigidities. These plans include reforming employment protection legislation and the unemployment benefit system with a stronger focus on the prevention of unemployment. Two legislative proposals are currently debated.

- *Participation Act*. The government wants that as much persons as possible participate in society. With the Participation Act there will be one act for people who need sustainment to participate in to the labour market. This legislative proposal brings the WWB, the WSW and part of the Wajong in one act. With the Participation Act the government wants to create more opportunities to help people find work, also (young) people with an occupational impairment. This legislative proposal is one of the different decentralisations which the government wants to realise during this government period. The aim of the decentralisations is to create a greater coherence in the field of participation, support, supervision and (youth) care. The intended result is a comprehensive service for citizens.
- *Work and Security*. Young people are relatively often employed through a flexible labour contract. The government wants to create a better balance between permanent and flexible terms of employment through the legislative proposal Work and Security. With this legislative proposal employees with flexible contracts will have more security and can move on to a regular contract more easily. Both regular and temporary employees will receive a transition fee under certain conditions in the event of dismissal, and the unemployment benefit focuses more on the resumption of work.

Besides the above-mentioned measures the government also takes a number of additional measures to tackle youth unemployment. The extra measures which the Netherlands takes as part of the Youth unemployment approach for 2013-2015 regarding the integration on the labour market includes the following pillars.

Regional youth unemployment approach. The government has given an impulse in the 35 labour market regions regarding the youth unemployment approach and made funds available for this. This involves co-financing: the regions themselves pay at least 50%.

Concrete examples of activities that regions have undertaken are traineeships, apprenticeships, youth coaching programmes, the 'Startersbeurs' (an initiative for creating work experience places), Youth-for-youth programmes and the 'Jongerenloket' (local offices where young people can get advice and support on educations and opportunities for work and jobs).

- *Sectoral youth unemployment approach.* The regional youth unemployment approach is supported by a sectoral approach. Different sectors have yet presented their plans. At the moment the sectors will provide in about 5800 work experience places /traineeships for young people.
- *Ambassador youth unemployment approach.* A youth unemployment ambassador has been appointed for the period April 2013-April 2015 to see to it that the regional and sectoral youth unemployment approach reinforce each other, and to place the youth unemployment approach high on the agenda of all parties involved. Herby the ambassador focuses in particular on young people who are hit relatively hard by unemployment, for example young people who are seeking a work placement or traineeships , young people without a basic qualification and young people with a non-western background. The activities of the ambassador are focused on the themes: traineeships and apprenticeships, work, entrepreneurship, school and future, coaching and the young people move.
- *Premium discount for young persons entitled to a benefit.* With the Budget Agreements for 2014, employers who employ young persons who are entitled to a benefit in 2014 or 2015 will receive a premium discount of € 3,500 per year, with a maximum of two years. This makes it more attractive for employers from a financial viewpoint to employ a young person.

Table 2.4: Key reforms and initiatives to enable labour market integration

| Name of the reform/initiative | Key objective(s) | Target group, including no of people covered (if available) | Scale | Name and role of organisation in the lead and cooperating partners | Timetable for implementation | Implementation cost, if applicable |
|---|--|--|----------------|--|--|--|
| Planned reforms | | | | | | |
| 1. Legislative proposal Participation Act | Activation of the unemployed | Persons entitled to social assistance possibly with a work handicap and Persons not entitled to benefits | National | Ministry of Social Affairs and Employment (legislative procedure) | Law was approved by the Lower House in March 2014, will enter into force in 2015. | |
| 2. Legislative proposal Work and Security | Restoring the balance between regular and flexible labour and stronger focus on work for persons entitled to unemployment benefits | Professional population | National | Ministry of Social Affairs and Employment (legislative procedure) | Law was approved by the Lower House in February 2014, it will become effective in 2015 and 2016. | |
| Planned initiatives | | | | | | |
| 1. Regional approach | Promoting cooperation | Youths | Local/regional | Municipalities | 2013-2015 | € 25 + € 30 million |
| 2. Sectoral plans | Maintaining the labour market and extra apprenticeships | Including young people | Sectoral | Employers and social partners | 2013-2015 | € 600,000 million, of which at least € 200,000 million for measures for young people |
| Ambassador Youth Unemployment | Reinforcing regional and sectoral approach | Employers, social partners and municipalities | National | Ministry of Social Affairs and Employment | 2013-2015 | |
| 4. Premium discount for employers | Tax measure | Employers and unemployed young people | National | Ministry of Social Affairs and Employment; Tax Authority | 2014-2015 | In total € 300 million |
| 5. Vacancies | Vacancies specifically for young people | Youth | National | Employee Insurance Agency (UWV) | 2014-2016 | |

| | | | | | | |
|------------------------------|--|----------|----------------|---|--|--|
| 6. Annual report Integration | Creating opportunities for equal participation of migrant young people | Migrants | National/local | Ministry of Social Affairs and Employment, municipalities, business sector and youth organisations. | | |
|------------------------------|--|----------|----------------|---|--|--|

3. Funding the Dutch initiatives to prevent and tackle Youth unemployment

The Netherlands will apply about 70% of the ESF funds for the theme "active inclusion" in the period 2014-2020: this involves reintegration of people with a distance to the labour market. Combating youth unemployment is part of this.

Apart from these funds and the budget that municipalities receive every year for the reintegration of jobseekers, the government has also set aside extra funds for the Youth unemployment approach for the years 2013-2015. The regional approach is the outcome of a process that already had started in 2009 to create cooperation structures of stakeholders at the regional level in order to address unemployment issues.

Table3 Funding the Dutch initiatives to prevent and tackle Youth unemployment

| Name of reform/initiative | Years for which funding is planned | Sources & levels of funding | | | | | No. of beneficiaries planned (when applicable) | | | Cost per beneficiary (when applicable) |
|----------------------------------|------------------------------------|-----------------------------|--|----------------------------|----------------|------------------------|--|--------|---------|--|
| | | EU/ESF/YEI | National Funds, including co-funding | Regional/Local Funds | Employer Funds | Other (please specify) | Male | Female | Total | |
| PLANNED INITIATIVES | | | | | | | | | | |
| 1.Premium discount for employers | 2014-2015 | | 2014: EUR 100 million 2015: EUR 200 million | | | | | | | |
| 2.Regional approach | 2013 - 2015 | ESF 36 million | EUR 25 million | EUR 25 million co-financed | | | | | | |
| 3.Sectoral plans | 2013-2014 | | 600 million | | | 600 million EUR co- | | | Minimum | |

| Name of reform/initiative | Years for which funding is planned | Sources & levels of funding | | | | | No. of beneficiaries planned (when applicable) | | | Cost per beneficiary (when applicable) |
|---------------------------|------------------------------------|-----------------------------|--------------------------------------|----------------------|----------------|------------------------|--|--------|------------------|--|
| | | EU/ESF/YEI | National Funds, including co-funding | Regional/Local Funds | Employer Funds | Other (please specify) | Male | Female | Total | |
| | | | EUR | | | financed by sectors | | | of 1/3 for youth | |
| 4.Program School EX 2.0 | | | 25 million EUR | | | | | | | |

4. Assessment and continuous improvement of schemes

The Regional Approach Youth Unemployment will be monitored twice a year (spring 2014, autumn 2014 and spring 2015), with support of the labour market regions. This monitor will give information about the implementation of the plans, the results and the activities developed by the labour market regions.

The accounting of the subsidy for the Sector Plans will consist of a combination of incurred costs and results. The results of the sector plans will be monitored. Limited objective and verifiable data are requested from the parties who submit the sector plans for monitoring. In 2016 there will be an independent evaluation of the temporary scheme for co-financing sector plans.

The monitoring of 'Early School Leavers' has taken place every year since 2008. The most recent figures of school year 2012-2013 can be found on www.aanvalopschooluitval.nl/english

Every month the municipalities and educational institutes receive the figures with regard to young people who left school without a basic qualification. For this the data are used for funding education by the government.

The first results of the monitoring of SchoolEx 2.0, where young people are coached to choose successful courses or follow extra courses for jobs with greater opportunities are expected in the spring of 2014.

The youth employment policy is monthly monitored by the Enquete Beroepsbevolking (Labour Force Survey) of the CBS. The CBS uses the standard labour market indicators (unemployment, NEET ratio, employment rate).

Municipalities and UWV have their own statistical data. Most of the municipalities participate in benchmarks.

Table 4.1: Planned assessments for the (non-financial aspects of) structural reforms

| Name of the reform | Expected change | Means through which change will be measured | Source of information / planned evaluations |
|---|---------------------------------|---|---|
| 1) Legislative proposal Participation Act (Participatiewet) | Activation of unemployed people | | Planned evaluation in 2019 |

Table 4.2: Planned assessments of the initiatives and of the financial aspects of reforms

| Name of the initiative / reform | Target population (or equivalent) | Population (or equivalent) actually reached | Outcome for population | Sources of information |
|---|--|---|------------------------|--|
| 1) Early School Leavers | Reducing number of young people in age 18-24 that leave school without basis qualification to 25,000 in 2016 | | | BRON: Registration of all young people in the Netherlands who attend a publicly funded school |
| 2) SchoolEX 2.0 | Starting young people and young people in last stage of secondary vocational education (MBO) | | | Evaluation of School-Ex2.0 Programme, Researchcentre for Education and the Labour Market, Maastricht University. |
| 3) Regional Approach Youth Unemployment | Targeted by the 35 regions | Young people up to 27 year | Targeted by regions | Regional data |
| 4) Sectoral Plans | 1/3 of the plans is target to youth | | | |