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EEPO Review Spring 2015: Upskilling unemployed adults

The organisation, profiling and targeting of training provision

The Netherlands

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1 Introduction: Overview of organisation of training for unemployed adults 25-64 (funding, governance, providers)

Re-integration activities in the Netherlands are decentralised to a large extent to labour market regions and municipalities. There are two main populations of unemployed adults to be distinguished, and these groups get support for re-integration from different institutes. One group consists of those who are entitled to unemployment benefits (UB, *Werkloosheidswet*; *WW*) or disability benefit (*WIA*). UB entitlements are related to work history and the level of a person's last income, while *WIA* looks at the degree to which a person is capable to work as well as past income. The public employment service (PES) (*UWV-Werkbedrijf*) is responsible for the income provision and re-integration activities of this group. The second group consists of unemployed who receive welfare benefits and this group falls within the scope of the new Participation Act which was implemented 1 January 2015 (*Participatiewet*). Here, the municipalities are responsible for income provision and re-integration activities. There are about 400 municipalities in the Netherlands.

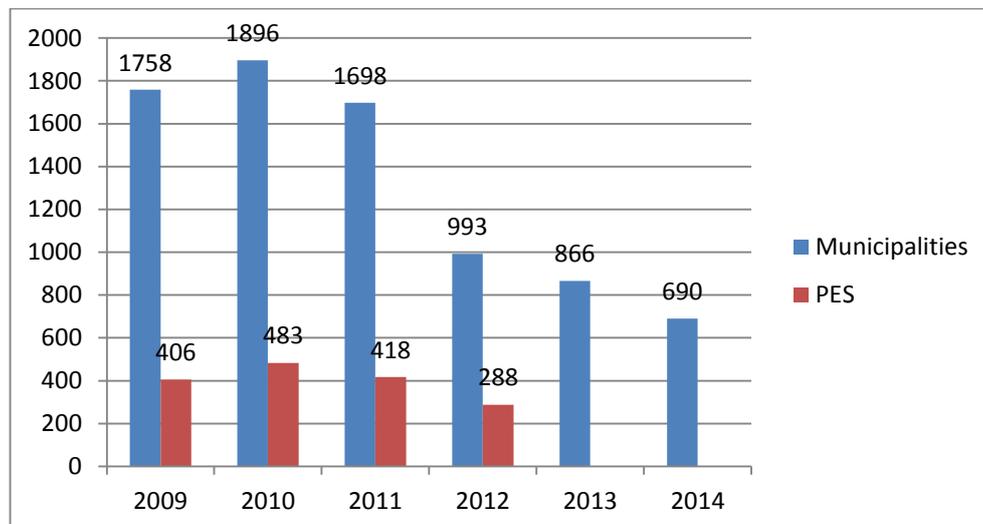
PES and municipalities cooperate within the framework of 35 labour market regions, which jointly cover the whole of the Netherlands. Within these labour market regions PES and the municipalities may cooperate to provide services to jobseekers and employers, and PES and municipalities may shape this cooperation according to their own ideas and needs. The cooperation within labour market regions is based on the Act *SUWI* (Structure Service Providers Work and Income; *Structuur Uitvoeringsorganisatie Werk en Inkomen*), which aims at creating one central desk for employers within a region, where they can turn to with questions, as well as one regional registration system for job vacancies and jobseekers. Moreover, each region creates a labour market agenda in which agreements for cooperation can be made. Mutual learning exists and best practice is shared between regional actors.

The landscape of income and re-integration provision has changed considerably over the past years, and the most relevant changes are the further decentralisation of services to the municipality level, which was codified in the recent Participation Act, and the shrinking budgets for income and re-integration provisions (see figure 1). The developments are part of the ongoing efforts to place more focus on participation and re-integration. Yet, other trends entail developing integral policies and implementation, which makes working with different arrangements for different target groups to some extent obsolete (KWI, 2013¹). This also fits the position of the Dutch government, preferring not to develop specific policies for target groups. The tendency thus is to bring all tasks and responsibilities for large groups of jobseekers to only a few service providers at the central level. As such, these service providers have to have a lot of knowledge about the re-integration options for a group of people that have very different support needs (KWI, 2013). This also means that training is not always the best intervention to help unemployed who want to return to the labour market quickly. Moreover, an intervention that lasts more than one year is not necessarily the best one. Instead, the type of intervention should be carefully matched to the individual, and at times this requires cooperation between different actors (e.g. Paantjens, 2013; Roorda, 2013). In addition, returning to work may not be the only positive result; making small steps towards becoming active within society, such as volunteering, might be a very positive outcome for some people.

¹<http://www.uwv.nl/overuwv/Images/Investeren%20in%20Participeren%20-%20KWI%20publicatie.pdf>

Figure 1 displays the quite drastic reduction of re-integration budgets both for municipalities and for PES (these budgets exclude the cost for service provision such as ICT). Also Statistics Netherlands (2013²) reports a shrink in budgets for municipalities and calculates a reduction of nearly 50 % in the total amount available for re-integration. The so-called participation budget reduced from EUR 1.9 billion in 2010 to 1.7 billion in 2011 and 1 billion in 2012. The largest part of this budget is spent on reintegration schemes: 73 % in 2012, while other parts of the budget are spent on the integration of migrants and education. Divosa (2014³; Dutch national association of managers with municipal services in the fields of work, participation, income, social welfare and social inclusion) shows that in 2013 and 2014 the total participation budget further declined to EUR 865 788 004 in 2013 and EUR 689 877 010 in 2014 (preliminary figures), also setting the integration budget for migrants at zero. Yet, education, including Dutch language courses, have become part of the Act on Education and Professional Education (Wet educatie en beroepsonderwijs⁴; *Number W10332.K-2*). These education budgets were EUR 196 million in 2009 and decreased to EUR 112 million in 2012 and will be set at EUR 53.3 million for each year between 2013 and 2018, which is a reduction of over 70 % (compare VNG, 2012⁵; Divosa, 2013⁶). The budgets are transferred from national level to municipality level and municipalities may decide rather independently how to spend this money, for instance deciding on who gets reintegration support and which reintegration instruments are included.

Figure 1. Re-integration budgets of municipalities and PES in million Euros 2009-2012



Source: The Netherlands Court of Auditors⁷ and Divosa (2014)

²<http://www.cbs.nl/en-GB/menu/themas/arbeid-sociale-zekerheid/publicaties/artikelen/archief/2013/2013-4001-wm.htm?Languageswitch=on>

³http://www.divosa.nl/sites/default/files/130708_Divosa-monitor_Factsheet_Budgetten_2013.pdf

⁴<http://www.rijksoverheid.nl/bestanden/documenten-en-publicaties/kamerstukken/2014/04/04/wetsvoorstel-specifieke-uitkering-educatie/wetsvoorstel-specifieke-uitkering-educatie.pdf>

⁵http://www.vng.nl/files/vng/vng/Documenten/actueel/brieven/kabinet/2012/20120301_educatie_CT.pdf

⁶http://www.divosa.nl/sites/default/files/20130920_Factsheet_gevolgen_Miljoenennota_2014_voor_Participatiebudget.pdf

⁷http://www.rekenkamer.nl/Publicaties/Dossiers/R/Re_integratie_van_werkzoekenden/Om_hoe_veel_geld_gaat_het

Between 2009 and 2013 the average participation budget per client decreased from EUR 5 266 per person to EUR 1 973 per person, yet per municipality and per welfare client the actual budget may vary considerably. The dwindling budgets per client are not only the result of further budget cuts, but also stem from the growing amount of people receiving welfare benefits.

The population covered by re-integration activities developed by the municipality mainly consists of welfare benefit recipients, yet at times groups who are not entitled to benefits may benefit from reintegration instruments as well. This group is rather small, however. Moreover, some of the participation budget municipalities may not only offer training, but may also develop other types of guidance that help people to make steps towards the labour market (SEO, 2010⁸). In data gathered after 2004, it is no longer possible to distinguish schooling from other reintegration instruments (SEO, 2013). Moreover, for municipalities as well as for PES there is no information available on the type of education or schooling people have received, and it is also unknown whether or not people have received a diploma.

Generally, one could argue that using re-integration instruments over the short term lead to lower labour market inflow, whereas it improves the chances to be employed in the longer run (SEO, 2013⁹; SEO, 2014). This latter is true for both UB and welfare benefit recipients. The positive effect is seen at least up to eight years after the inflow into UB or welfare. The decrease in the likelihood of finding a short-term job is related to lock-in effects, meaning that people who are busy following an intervention lower their job-searching activities. Yet, after having finished, job-searching is intensified and from that moment onwards the chances of finding employment are better than for those who did not take part in an intervention, including also schooling activities. The lock-in effect seems larger for UB recipients than for welfare benefit recipients, and UB recipients generally have higher probabilities of finding a job without assistance. This is related to a difference in population - i.e. whether or not having recent work experience and other characteristics. Also, the sustainability of jobs found is higher, after having followed an intervention. The most effective instruments appear to be job placement assistance for welfare recipients and individual budgets for UB recipients (SEO, 2013). Regarding schooling, the growth in productivity outweighs the costs of schooling for UB recipients whereas schooling for welfare recipients is only cost effective if this schooling costs less than EUR 3 770, yet the research concerns populations that have flowed into a benefit in 2003 (SEO, 2013).

2 Targeting provision to specific unemployed groups: detailed description of training provision

As there are hardly any specific target groups defined for which particular training schemes are developed, there are no detailed evaluations on this subject. Therefore, this section gives evaluation results concerning groups that are in certain schemes based on general statistics, and then looks more closely at the target groups of those who receive services via municipalities and those who receive services via PES.

This section first discusses the Participation Act (including hiring subsidy) and then discusses Unemployment Benefits (*Werkloosheidwet – WW*)

⁸<http://onderzoekwerkeninkomen.nl/rapporten/wfp678g3/kosten-en-resultaten-van-re-integratie.pdf>

⁹<http://www.rijksoverheid.nl/documenten-en-publicaties/rapporten/2014/03/17/langetermijneffecten-van-re-integratie.html>

2.1 Participation Act, including hiring subsidy

Short description and aims of the training programme: The recently implemented Participation Act (1 January 2015) merges three Acts that addressed those who are most distant from the labour market: the Act on Work and Welfare (Social Assistance; *WWB*), the Act on Income Provision and Reintegration of Young Handicapped (*WAJONG*), and the Act on Sheltered Work Places (*Wet Sociale Werkvoorziening*). The Participation Act is at the same time decentralised to the municipality level as much as possible. Part of the Act is the hiring subsidy which gives employers the opportunity to hire people who are distant from the labour market with a lower wage that matches the individual's productivity. The individual's income is supplemented by benefits. In this way the legislator hopes that vulnerable groups get better labour market opportunities.

Target group: The target group includes nearly all vulnerable groups that are distant from the labour market, including regular welfare recipients, young disabled persons and people working in sheltered work places. The Act is intended to be a **permanent** incentive.

Number of participants: The total welfare population has been growing over the past years and amounted to 377 000 in June 2014 and grew even further to 435 000 in December 2014 (CBS, 2015¹⁰). By the end of 2012, 195 000 people were included in re-integration activities via municipalities. At that time these were still under the old Act on Work and Welfare, meaning that this group consisted of people with a regular welfare benefit. The number of people in municipality re-integration schemes has been decreasing and this trend seems related to changing legislation as well as to dwindling budgets. Between 2010 and 2012 the number of people taking part in work re-integration interventions decreased by nearly 28 000 (Statistics Netherlands, 2013). Especially young people aged below 27 were included in re-integration less often, resulting from stricter eligibility criteria for young people to receive welfare income and re-integration support. Yet, although older welfare populations have better access to re-integration facilities, this group has more difficulty making the transition from welfare to work, also after having been in a re-integration programme.

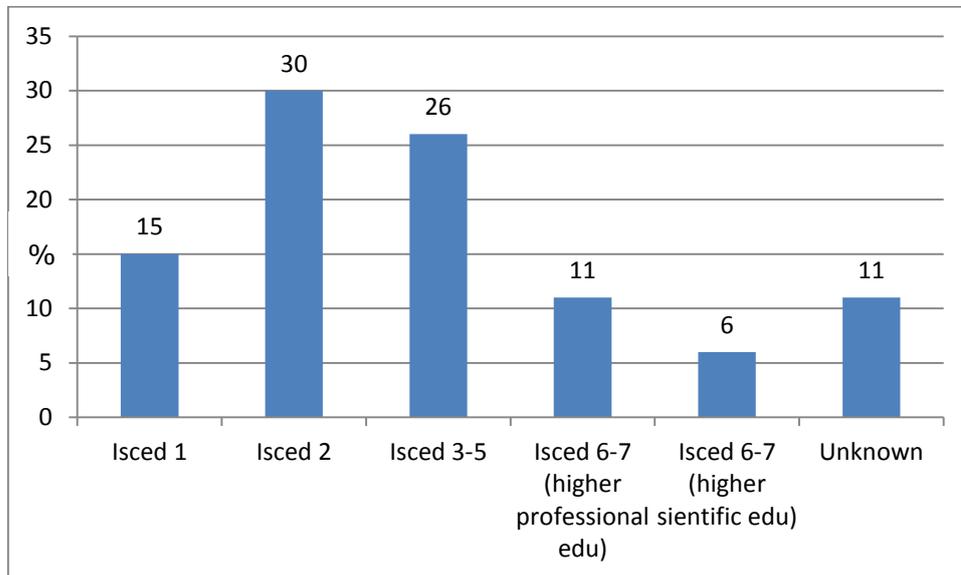
For sheltered work places, that have been integrated within the new Participation Act, the government is granting EUR 25 900 per person in 2014 and this will gradually decrease to EUR 22 700 in 2020. It is expected that there will remain 30 000 sheltered workplaces in the Netherlands in the long term.

More specific data on schooling is rather old, stemming from 2003. It means that this data does not represent the large changes in regulation since 2003, such as the implementation of the Act on Work and Welfare (2004) that entailed a more activating approach, and the more recent dwindling budgets and decentralisation. Such large changes in regulation might have led to a different set-up of re-integration and schooling. However, data is hard to find, also because after 2004 data no longer distinguishes between types of reintegration trajectories (SEO, 2013). Therefore the 2003 figures are presented nevertheless. Of the welfare recipients in 2003, 2 % progressed onto a path involving schooling, while 88 % did not flow into a progression path within 12 months after being granted welfare (SEO, 2013). Half of these people have an intermediate distance from the labour market. Moreover, the largest part of

¹⁰<http://www.cbs.nl/nl-NL/menu/themas/arbeid-sociale-zekerheid/publicaties/artikelen/archief/2015/aantal-personen-met-bijstand-gestegen-in-2014-aantal-jongeren-met-bijstand-groeit-niet.htm>

people flowing into a schooling trajectory in 2003 had a low level of education (see figure 2). So only a very small part of the welfare population received schooling.

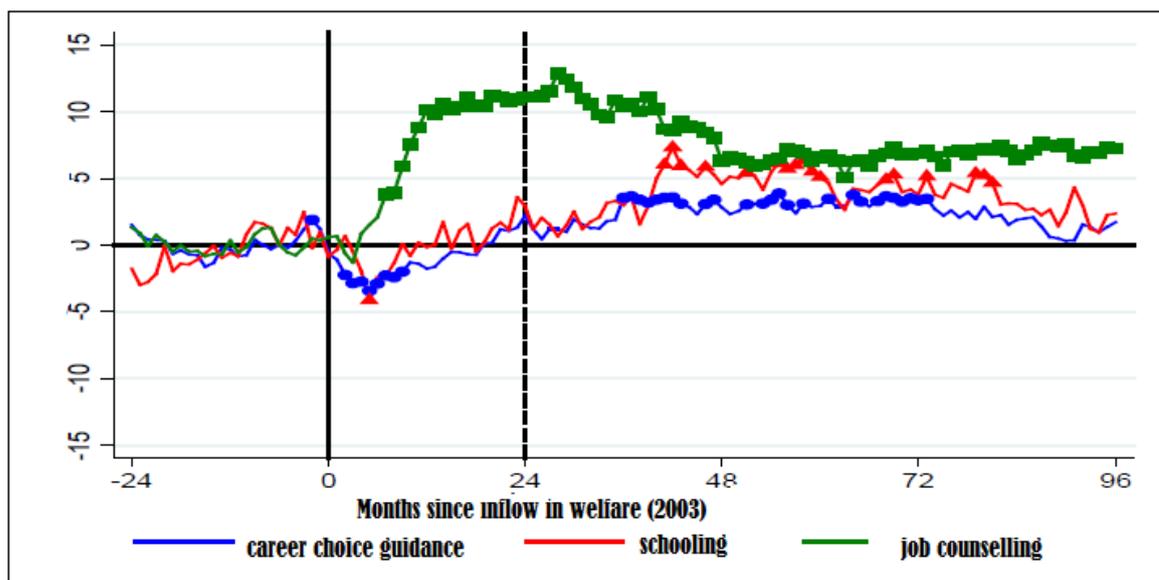
Figure 2. Inflow of welfare recipients into schooling trajectory, 2003 per ISCED level



Source: SEO, 2013

After being in one programme people are likely to flow into a second programme, and those who have followed schooling are relatively often also flowing into a new schooling programme (15 %) (SEO, 2013). Figure 3 shows that in the long term schooling improves job finding probabilities. In addition, for low-skilled welfare benefit recipients the effects of schooling are larger than for high-skilled welfare recipients, and for low-skilled schooling leads not only to a higher probability of getting a job but also to a higher probability of getting better wages (SEO, 2013).

Figure 3. Increase in probability of job inflow by type of re-integration for welfare benefit recipients, per month after inflow into benefit (2003) (participants versus non-participants)



Source: SEO, 2013

In 2008, municipalities were providing schooling pathways for around 13 400 participants, which were aimed at getting a professional qualification (SEO, 2010). That year 6 800 new places were started up, while 4 500 were ended. However, there is neither information on whether participants received a qualification nor at which level they followed schooling.

Duration of programme for the beneficiary (and amount of subsidy beneficiaries receive, if applicable): This highly depends on the municipality, the individual and the tailor-made match between the individual's prospects, needs and available training facilities. The offer, also concerning schooling, may vary from municipality to municipality and from person to person. The estimation for 2013 is that on average municipalities have a re-integration budget of EUR 1 973 per person, yet this does not necessarily need to be spent on training. Moreover, this budget has been reducing considerably over the past years (Divosa, 2014). The decreasing national budget is likely to make the role of ESF funds more important for municipalities.

Eligibility Criteria: All people who have a benefit under the new Participation Act, and at times also those who are not entitled to benefits, yet want to flow back into the labour market (e.g. inactive or female returners). The case manager makes tailor-made re-integration offers for each individual.

Funding source and total budget (share of EU funding, if applicable): The national government transfers budgets for income support and re-integration to the 400 municipalities, based on a calculation and division model. The preliminary budgets for all re-integration activities, including training, was EUR 865 788 004 in 2013 and EUR 689 877 010 in 2014 (see also Figure 1) (Divosa, 2014¹¹).

Types of skills (or qualification if relevant) delivered: There are no figures available on this. The training provision and related skills acquirement depends on the municipality and the individual to which the training is tailored.

Actors involved in the provision of training and their role: The municipalities are responsible for providing training if they find this necessary and the case manager of clients decides which type of programme fits the welfare recipient best. Municipalities may develop their own courses, yet often they cooperate with public or private education institutes, and buy-in training programmes. Before 2015, the budget that municipalities allocated to training adults in the Dutch language or mathematics needed to be spent at Regional Education Centres (ROCs) and the Ministry of Education allocated these budgets (Ministry of Social Affairs and Employment¹², 2015).

Summary of evaluation findings: There are no evaluations of the Participation Act, as the Act has been implemented as of 1 January 2015. Yet, many concerns were expressed during the drafting of the Act, especially regarding the sharp decrease in budgets for income support and re-integration. For example, Divosa (2014) questioned the scope municipalities have to make good policies, the availability of sufficient jobs and a lack of funds (Divosa, 2014). In particular, the participation budget decreased by 65 % from EUR 1.9 billion in 2010 to EUR 689 million in 2015. Yet due to the decentralisation of a number of Acts, municipalities at the same time also have larger budgets in the broader 'social domain' (also including care) and larger dossiers to administer - yet also the task to make policies more cost-effective. This

¹¹http://www.divosa.nl/sites/default/files/130708_Divosa-monitor_Factsheet_Budgetten_2013.pdf

¹²<http://www.gemeenteloket.minszw.nl/dossiers/financieel/participatiebudget/wet-participatiebudget.html>

concern about large dossiers and reduced budgets is shared by the Netherlands Court of Audits and the Netherlands Bureau for Economic Policy Analysis (Rekenkamer, 2013; CPB, 2014). Experts also wonder whether the new system for young handicapped (Wajong) will deliver good results, as the former Wajong arrangement contributed to the relatively high percentage of young handicapped with a job (Borghouts, 2014). The Court of Audits (Rekenkamer, 2013) recommended to have an extra audit in the fall of 2014 to see how the implementation and preparation at local level is developing.

Statistics Netherlands has data about people entering re-integration pathways including schooling (Tables 1 and 2), yet as stated by the SEO Institute, it is not possible to distinguish between schooling and other types of interventions. In practice, training may be one of the parts of a re-integration package, such as the provision for welfare recipients who want to become an entrepreneur, which may, depending on the individual situation, include accompanying measures such as support for writing a business plan, training, or income support (Bekker and Wilthagen, 2014). The tables below show that little over 100 000 people aged 25-64 flowed into a re-integration pathway in 2012. Most of these adults stem from the population of welfare benefit recipients. People flowing out of the re-integration pathway mostly ended up not having work, although 34 920 of the age group 25-54 did find a job and another 2 660 people aged 55-64 found employment. It is unknown whether these people followed training or whether or not they have received a diploma.

Table 1. Municipalities re-integration with schooling, inflow number of participants 2012

	Inflow from					Not entitled to benefit	Disability benefit	Employed
	Already running trajectories	Inflow	Total	UB	Welfare			
Age 25-54	151 080	93 330	80 130	5 160	66 370	5 220	500	2 890
Age 55-64	28 220	11 780	10 440	940	8 640	470	150	250

Source: Statistics Netherlands¹³, 2013

Table 2. Municipalities' reintegration with schooling, outflow number of participants 2012

	Outflow Total	Destination outflow	
		Work Total	No work Total
		Work with wage cost subsidy	
Age 25-54	102690	34920	64200
Age 55-64	16870	2660	13640

Source: Statistics Netherlands¹⁴, 2013

¹³<http://www.cbs.nl/NR/rdonlyres/FE3E3033-7CC6-4807-9864-AE369FAAE39B/0/2013labourmarketpolicydatabasepub.pdf>

There is a small qualitative study on six large municipalities, which looks at the pathways these municipalities offer to ethnic minorities with welfare benefits. Most municipalities distinguish new benefit recipients quite quickly into three categories depending on distance from the labour market: 'not that much', 'intermediate' or 'considerably' (SCP, 2014). All these three groups may, depending on the municipality and the individual, get an offer for training. For instance, Rotterdam offers to those who are relatively close to the labour market an intensive pathway of 15 weeks including training in applying for jobs. The group who is distanced a bit further from the labour market may get supplementary courses such as more intensive training to apply for jobs, or language courses, at times combined with 'increasing empowerment' (SCP, 2014). Yet, different re-integration instruments are often combined, again dependent upon the municipality and the individual. For instance, Amsterdam offers people not expected to flow into the labour market within six months employment via a re-integration company for the maximum duration of two years. Working weeks encompass 32 hours and individuals keep their benefits. This work experience scheme is supplemented by training to apply for jobs, which jointly should result in better labour market prospects. The third group of people who are most distant from the labour market often get support to become more active in society, but also to deal better with addiction or psychological problems.

The hiring subsidies, which are part of the Participation Act, have been tested in a different form within the scope of a temporary Act on Wage Dispensation (*Pilot loondispensatie*, approved on 18 May 2010). This wage dispensation aimed to increase the labour market integration of people with disabilities by enabling employers to pay less than the minimum wage for employees who have a lower productivity due to a disability. It is not a training facility per se, yet one could argue that people gain work experience, or learn on the job. These employees receive a benefit from their municipality to supplement their wages. The pilot ran in 32 municipalities and ended in 2012 (Panteia, 2013; see also Bekker and Wilthagen, 2014). The trial was part of a set of four that dealt with different aspects of labour market integration of vulnerable groups. The wage dispensation project showed that employers not only want to be compensated for the low productivity of their newly hired workers, but also want other parties to take care of guiding these workers at work, making work place adjustments, and to limit risks. They want to have a low administrative burden as well. The conclusion is that wage dispensation in its trial format is a valuable, yet complex instrument. It has therefore been incorporated in the proposals for the Participation Act, yet are now called wage cost subsidy (*Loonkostensubsidie*).

Policy lessons: Matching the correct re-integration instrument to the benefit recipient seems more relevant than schooling or training per se. Schooling is beneficial, however, especially for low-skilled, in terms of them having a higher probability to flow into a job, into a more steady job and to receive better wages.

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¹⁴<http://www.cbs.nl/NR/rdonlyres/FE3E3033-7CC6-4807-9864-AE369FAAE39B/0/2013labourmarketpolicydatabasepub.pdf>

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2.2 Unemployment Benefits - (*Werkloosheidwet – WW*)

Short description and aims of the training programme: This law aims to provide unemployment benefits (UB) to compensate for the loss of working hours and the loss of income. PES provide both income and re-integration support and this may entail training. Moreover, for those aged over 50 and who receive UB, there is a possibility to apply for a training voucher. A training voucher is a subsidy for training. The amount is up to EUR 1 000 including VAT. This amount is intended as a contribution to the cost of training.

Target group: General re-integration support: all those who are entitled to UB or disability benefits. The schooling vouchers are especially meant for UB recipients aged over 50.

Number of participants: In January 2015, 458 000 people received UB. The number of people that made use of a training voucher was 1 400 between October 2013 and mid-September 2014 (Ministry Social Affairs and Employment¹⁵, 2014).

Duration of programme for the beneficiary (and amount of subsidy beneficiaries receive, if applicable): The schooling voucher is a sum of EUR 1 000 that may be given once with the aim of paying for education/courses. The course may not last longer than one year and should lead to an officially recognised diploma/certificate.

Target group or educational level targeted: All UB/disability benefit population. Schooling voucher for UB recipient over 50 years old.

Eligibility Criteria: The eligibility criteria for the schooling voucher are:

- the training lasts up to one year;
- the eventual diploma / certificate should be one that is officially recognised;
- the application for the Training Voucher should be received by PES (UWV) no later than two weeks after the start of training;
- the person did not use this training programme previously;
- the person has one of the following reasons to get an education:
 - the program trains for jobs that are available in the area, or
 - the training increases job opportunities (on the application form applicants must indicate how it improves job opportunities better), or
 - an employer has offered the individual a job for at least three months, but demands training to be able to have this function; the employer will hire the individual for at least half of the number of hours for which he or she receives UB, but at least for 12 hours per week, or
 - the individual wants to acknowledge previously obtained skills in order to prove capability to a future employer (UWV, 2015¹⁶).

The general re-integration support offered by PES to its entire UB population is tailored to the needs of the individual.

¹⁵<http://www.rijksoverheid.nl/bestanden/documenten-en-publicaties/kamerstukken/2014/10/02/antwoorden-vragen-schriftelijk-overleg-brief-evaluatie-actieplan-uwv-55pluswerkt/antwoorden-vragen-schriftelijk-overleg-brief-evaluatie-actieplan-uwv-55pluswerkt.pdf>

¹⁶<http://www.uwv.nl/particulieren/voorzieningen/voorzieningen-werk/detail/scholingsvoucher>

Funding source and total budget (share of EU funding, if applicable): PES (UWV) gets a budget for income and re-integration from the national government. The general budget has been decreased from EUR 483 million in 2010 to EUR 288 million in 2012 (See figure 1).

The ceiling for subsidies for all schooling and placement initiatives for the population of those aged over 50 is set at EUR 42 million up to 31 October 2017 (Article 18 arrangement subsidy schooling and placement older unemployed; *Regeling subsidie scholing en plaatsing oudere werklozen*). Of this EUR 42 million, EUR 14 million is allocated to schooling. In September 2014 changes were implemented in this arrangement, entailing the lowering of the age for eligibility from 55 to 50, increasing the individual budget from EUR 750 to EUR 1 000, enlarging the overall budget from EUR 38 to EUR 42 million and prolonging the measure to 31 October 2017 rather than 31 October 2016 (Rijksoverheid, 2014¹⁷ adjustment in Act number 2014-0000131428).

Types of skills (or qualification if relevant) delivered: Depends on the needs of the participant. The final certificate or diploma needs to be acknowledged by the profession or economic sector.

Actors involved in the provision of training and their role: PES is mandated by the Minister to make decisions about the implementation of this programme.

Summary of evaluation findings: SEO (2010¹⁸) calculates that in 2008 PES started up 9 400 schooling initiatives, and in that year 5 400 schooling pathways began, while 4 600 ended. In 2008, around 14 500 persons followed a schooling trajectory via PES, yet there are no figures on the number of participants who received a qualification. Participants often belong to the age groups of 25 to 54 years.

Table 3. PES - UB recipients in reintegration with schooling Number of participants, 2012

	Status	New inflow	Inflow from UB	Outflow	Destination outflow		
					Work Total	Work with wage cost subsidy	No work Total
Age 25-54	120	20	10	2 400	1 570	10	820
Age 55-64	30	10	10	510	250	0	260

Source: Statistics Netherlands¹⁹, 2013

The following table also shows that only a minor percentage of re-integration initiatives is spent on schooling, and education is even less often offered (1.6 % of UB periods in 2008-2011) than short training initiatives (2.9 % in same period).

¹⁷ <https://zoek.officielebekendmakingen.nl/stcrt-2014-26414.html>

¹⁸ <http://www.onderzoekwerkeninkomen.nl/rapporten/wfp678g3/kosten-en-resultaten-van-re-integratie.pdf>

¹⁹ <http://www.cbs.nl/NR/rdonlyres/FE3E3033-7CC6-4807-9864-AE369FAAE39B/0/2013labourmarketpolicydatabasepub.pdf>

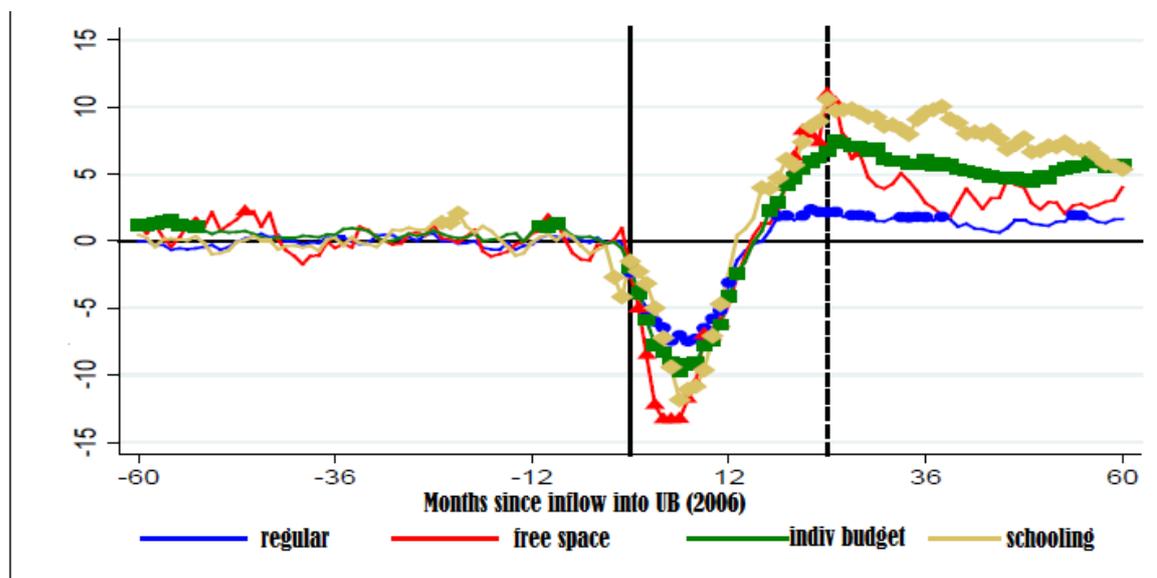
Table 4. Reintegration instruments of PES (UWV), as purchased from third parties or developed itself, new UB period April 2008-April 2011

Services Purchased from third parties		
	Number of participants	In percentage of total UB periods
Regular programs	3 946	0.60 %
Individual Reintegration Agreement (IRO)	26 654	4.00 %
Education	11 026	1.60 %
Short-term training	19 757	2.90 %
Job application letters	12 729	1.90 %
Free space	10 413	1.60 %
Jobhunting	8 593	1.30 %
Learning/working places	1 638	0.20 %
Other	5 339	0.80 %
Total actually purchased	78 984	11.80 %
Instruments developed/offered by PES		
Workshops	37 922	5.70 %
Competency Testing	27 673	4.10 %
Other testings	44 363	6.60 %
Trial period	9 170	1.40 %
Starting as an entrepreneur	8 409	1.30 %
Working as entrepreneur	7 199	1.10 %
Other instruments	101 329	15.10 %
Total instruments applied	171 665	25.60 %

Source: SEO, 2014

The following figure gives data on the effects of schooling for UB recipients, specifically the population that has entered schooling or other re-integration pathways in 2006.

Figure 4. Increase in probability of job inflow by type of re-integration for UB recipients, per month after inflow into benefit (2006) (participants versus non-participants)



Source: SEO, 2013

The figure shows that in the short-term there is indeed a lock-in effect for all types of reintegration support. Yet in the longer-run the chances of gaining employment improve. Those who have followed schooling see their chances at finding employment improve by five percent points in the long-run. Again, it is unknown what type of schooling people followed and whether or not they received a diploma. The effects of schooling are higher for low-skilled UB recipients (of group inflow in 2006) than for high-skilled, and for low-skilled result in EUR 4 300 extra income from labour four years after the inflow into UB (SEO, 2013). Yet, other reintegration instruments also improve the chances of finding a job, and this is valid for regular trajectories, which have been jointly developed by PES and the UB recipients, as well as for the individual budget, which is developed by the UB recipient and then proposed to PES. However, also trajectories developed within the 'free space' increase job-finding probabilities, and these trajectories are often targeted at specific groups and are tendered out to private re-integration companies. All these alternative trajectories may have learning or schooling elements as well.

Policy lessons: Tailor-made approaches can help match the appropriate re-integration instrument to an individual. This may not always involve training. UB can have a relatively large lock-in effect due to training, as people reduce job-searching activity while following training. Yet, in the long-run the chances of finding a job improve compared to the group that has not followed schooling.

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3 Most Significant Practice

The most significant practice is the collective of re-integration and schooling opportunities that municipalities offer. This is based on the fact that the municipalities jointly have the largest budget to develop training for adult unemployed. Yet, all available details on these initiatives have been displayed in the text above. In recent data it is not possible to distinguish schooling from other re-integration activities any longer.

For the reason that there is relatively little known about training and schooling of adult unemployed in the Netherlands, and practices are decentralised over 35 labour market regions and some 400 municipalities, it is hard to single out a best practice. Therefore, this section gives an example rather than a best practice.

College E3 a higher professional education institute, and PES in Maastricht region (south NL) have recently started a project in which unemployed people aged over 50 are retrained to become ICT professionals. There is much interest in this project and already 200 persons have signed in. This is why this project will be followed-up with a second project. PES Maastricht wishes to address two problems simultaneously with this project: to reduce the number of unemployed persons over 50 years old by training them to become an ICT professional and to make sure there will be more IT professionals available on the labour market, which is also responding to the shortage of skilled ICT personnel. Regions of Utrecht, Hilversum, Rotterdam, Apeldoorn and Friesland (mid, west and north NL) are also interested in taking over the campaign.

Another example is the municipality of Stadskanaal that developed a project offering a working/learning pathway to benefit recipients with a regular employer. The benefit recipients are coached by employers, education institutes and government and these actors cooperate within the framework of the project. Part of this initiative is the cooperation between three employers and the municipality in the Painters project, in which six motivated people learn the profession of painter in practice and are coached by an experienced painter. The aim is to offer these people a perspective on a regular job. Employers take the initiative to offer employment for a maximum of six months and also coaching (VNG, 2015).

4 Conclusion

Re-integration activities in the Netherlands are decentralised to a large extent to labour market regions and municipalities. Both PES and the municipalities are responsible for the re-integration activities of unemployed, and cater for different groups: PES work with those who receive UB or disability benefits and the municipalities work with those who receive social assistance or are in sheltered work places. Re-integration instruments are tailored to the needs and capabilities of the benefit recipient, and the best match is not always schooling. Schooling is often only a small part of the re-integration activities of both municipalities and PES.

PES and municipalities cooperate within the framework of 35 labour market regions, which jointly cover the whole of the Netherlands. Within these labour market regions PES and the municipalities may cooperate to provide services to jobseekers and employers, and PES and municipalities may shape this cooperation according to their own ideas and needs. Yet, the landscape of income and re-integration provision has changed considerably over the past years, involving decentralisation of services to the municipality level, shrinking budgets for income and re-integration provisions and developing integral policies and implementation. On the one hand this means that municipalities have developed larger and more complex tasks, while also needing to support a differentiated group with less funds. This may further endanger the role of re-integration support and schooling. Although schooling is expensive, this has lock-in effects, and is not always a best match for those who want to re-integrate into the labour market. However, the scarce evaluation studies show that schooling improves job finding chances in the long-run. Yet, other types of re-integration activities generate good results as well. This may depend on a good match between the individual needs and the type of re-integration instrument offered.

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Annex 1: Measure Description Table

Main training programmes in the NETHERLANDS

Name of training programme	LMP measure: the name and number of the relevant LMP measure, based on the list of LMP measures in the qualitative LMP report (if possible to attribute the training programme to the LMP measure)	Short description and aims of the training programme: e.g. basic skills(literacy, numeracy, ICT, other skills); general work experience and employability skills; initial vocational training oriented to a specific job; continuing training to up/re-skill in own occupation/sector; validation of prior learning and experience; tertiary education; preparation to start own business, etc.	No. of participants	Duration of programme for the beneficiary (and amount of subsidy, if applicable)	Target group or educational level targeted	Criteria for accessing the programme	Funding source and total budget	Types of skills (or qualification if relevant) delivered	Actors involved in training provision and their role	Evaluation results available (here, please provide detail on the method used, on the coverage, and on the evaluation findings)	If no evaluation is available, what is the expert's assessment of the impact of the measure?
Training as part of Participation Act	The Participation Act	Re-integration aiming at inflow into work	195 000 (all reintegration of which a small part is schooling)	Depends on individual	Nearly all vulnerable groups that are distant from the labour market, including regular welfare recipients, young disabled persons and people working in sheltered work places.	Judgement by case manager	National government The preliminary budgets for all reintegration activities, including training, is EUR 865 788 004 in 2013 and EUR 689 877 010 in 2014.	Unknown	Depending on training, either municipalities and/or education institutes (ROC) and/or Private training providers.	None Research (SEO) shows that people with training increase their chances on the labour market. However, this is true for education in general, not only for this specific training, offered by the Participation Act.	Only a small part of those in re-integration receive schooling. For this group, if the schooling is properly matched with individual needs, this might be effective. Yet, reintegration often focuses on quicker ways back into the labour market.
Training as part of UB	UB	Reintegration aiming at inflow into work	180 000 people, (all re-integration of which a small part is schooling)	Depends on individual	All those who are entitled to UB or disability benefits. The schooling vouchers are especially meant for UB recipients aged over 50 years old.	Judgement by case manager	National government; The ceiling for subsidies for all schooling and placement initiatives for the population of those aged over 50 is set at EUR 42 million up to 31 October 2017. For older unemployed, EUR 14 million EUR is allocated to	Unknown	Depends on training.	None	Only a small part of those in re-integration receive schooling. For this group, if the schooling is properly matched with individual needs, this might be effective. Yet, reintegration often focuses on quicker ways back into the labour

	schooling.	market.
Measures specifically targeting the low-skilled		
None		
Measures specifically targeting the long-term unemployed		
None		

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