

European welfare systems in times of mobility

Scoping study – The Netherlands Unemployment

Unemployment benefits

EU migrants can receive unemployment benefits in the Netherlands, because of the European directives to free movement of workers and non-discrimination. In the Dutch system, the duration of an unemployment benefit depends on the employment history of the individual, ranging from 3 to 38 months (UWV, 2015). Depending on how many years an individual worked, he/she will receive benefits for a longer period. The level of the unemployment benefit is 75 per cent of the former salary for the first two months, thereafter 70 per cent (UWV, 2015). The maximum daily benefit is 197 euro (UWV, 2015). Apart from this, people might also be eligible for the Work and Social Assistance Act, if they have no sufficient means, which provides a minimum income to cover basic costs of living. This benefit is also dependent upon the employment history of the applicant.

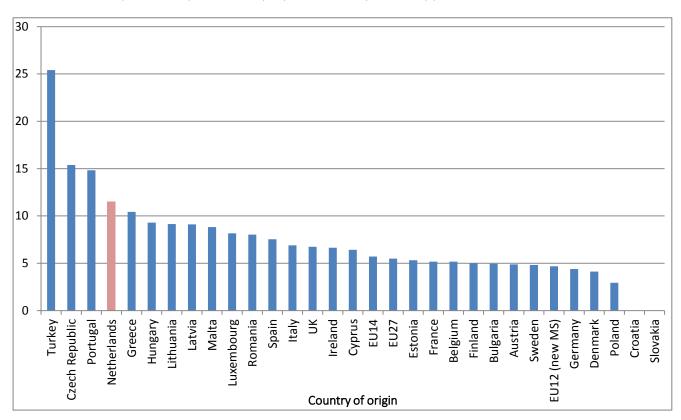


Figure 1. Individuals aged 20-65 receiving unemployment and/or related benefits in the Netherlands, proportion according to origin group, 2012.

Source: Statline, CBS, own calculations.

Note. The figure captures the proportion of individuals receiving an unemployment benefit, benefits people are entitled to when they cannot work for health reasons, as well as additional benefits when people do earn the minimum salary.

Unemployment benefits among immigrants

Considering different origins of migrants, except Turkish, Czech and Portuguese migrants, they do not relatively benefit more from unemployment benefits compared to the Dutch population. The high unemployment rate among Turkish migrants in the Netherlands is illustrative for the broader group of non-Western migrants in the Netherlands. Higher unemployment rates in this group are often attributed to the fact that they are – compared to the Dutch population – more often lowly educated, relatively young, have worse school results, live more often in urban areas and are more likely to experience unemployment multiple times (Wittebrood & Andriessen, 2014).

Welfare assistance

well.

Individuals without an employment history generally do not have access unemployment to benefits. Furthermore, unemployment benefits are limited in time in the Netherlands. When people do not receive such benefits, they can rely welfare assistance. Welfare on assistance provides individuals with a minimum income to cover their basic needs. People are entitled to welfare assistance if their total accumulated wealth is below 5,895 euro (single person) or 11,790 euro (single parent or household). Having a property is considered part of people's wealth as

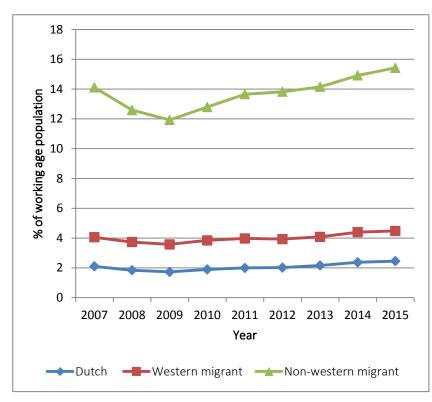


Figure 2. Share of individuals at working age relying on welfare assistance according to origin, 2007-2015

Source: Statline, own calculations

The amount of the minimum income people receive, furthermore, depends on their family situation. People living together receive 100% (together), single persons receive 70%, single parents receive 70% and the child budget. According to Statistics Netherlands, in May 2015 192,000 Dutch persons of the working age population received welfare assistance (Statline, 2015). For Western migrants, this number is 48,000, and for non-Western migrants 207,000) (Statline, 2015).

Table 1. Adults in poverty according to country of origin, 2013.

Source: SCP/CBS (2014: 70)

| Origin | | Number (x 1000) | % |
|----------------------|--|-----------------|------|
| Total | | 855 | 6.8 |
| Netherlands | | 510 | 5.1 |
| Western migrants | | 112 | 9.3 |
| | Indonesia | 22 | 6.4 |
| | EU-15, Iceland, Norway and Switzerland | 43 | 7.4 |
| | US, Canada, Australia, New Zealand and Japan | 4 | 8.0 |
| | Former Yugoslavia and Albania | 11 | 17.3 |
| | Poland | 14 | 16.4 |
| | New EU-member states, excluding Poland | 10 | 19.9 |
| | Russia and former Soviet Union | 9 | 19.1 |
| Non-Western migrants | | 234 | 19.1 |
| | Suriname | 25 | 10.3 |
| | Antilles and Aruba | 14 | 16.4 |
| | Turkey | 54 | 20.0 |
| | Morocco | 50 | 22.7 |
| | Other countries | 91 | 22.9 |

Poverty among migrants

Indeed, non-Western household have about four times more chances to end up in poverty compared to autochthonous households (SCP/CBS, 2014). Furthermore, receiving a low income over prolonged periods occurs about six times as much compared to the Dutch population (SCP/CBS, 2014). This is particularly the case for first generation migrants (SCP/CBS, 2014). Nevertheless, it has also been reported that high poverty rates also occur among migrants from Poland (16 per cent of the Polish migrant population in the Netherlands), former Yugoslavia (17 per cent), and Eastern European EU-Member States (20 per cent) (SCP/CBS, 2014). For migrants from other European member states, the poverty rate is situated around the national average (SCP/CBS, 2014).

References

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