Ministerie van Sociale Zaken en Werkgelegenheid

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RegardsFurther integration into the Labour Market: the economy needs everyone!
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The economy is running at full pelt and the number of vacancies is rising. Many sectors either have a shortage of employees, or a shortage is imminent. While this is a growing, serious problem for employers, it offers those looking for employment many opportunities. I have observed, however, that not everyone in our society is taking advantage of or even getting these opportunities. And that is something we cannot afford. Dutch residents with a non-Western migrant background¹ are two to three times more likely to be unemployed and 13 percent more likely to be on benefits, and they earn 4 Euros less per hour on average. Asylum status holders tend to be on benefits far too often and for far too long².

As I believe it is undesirable and unacceptable that the labour market position of these groups has barely improved over the past few years, I hereby present – also on behalf of the State Secretary of Social Affairs and Employment – the Programme for Further Integration into the Labour Market. With this programme, we aim to tackle the lagging labour market position of Dutch residents with a migrant background. We shall not realise this by introducing new laws or pampering people, but by testing innovative approaches in practice and then rolling out the most promising ideas more widely. For the plans in this letter, I have made € 10 million available within the budget of the Ministry of Social Affairs and Employment for 2018 - 2020. The programme should result in a number of approaches that demonstrably contribute more to society than they cost.

To me, paid employment is not just a ticket to economic independence, but also to integration and participation in Dutch society. Anyone who is somehow excluded from society, whether it is his or her own fault or not, may start to behave accordingly. A job is the best means to integrate, learn the Dutch language and truly participate in Dutch society.

Successful integration through participation requires two things: taking responsibility and a society that offers opportunities to everyone. The Further Integration into the Labour Market programme ties in with our broader approach, which focuses on an inclusive labour market. This inclusive labour market requires motivation to find work and stop claiming benefits, teaching the Dutch language to newcomers and a good infrastructure for employers' services.

 $^{^{1}}$ I have included both young Dutch people with a migrant background and the long-term unemployed with a migrant background – such as asylum status holders – in this target group.

² CBS, Cohort Study Asylum, custom report, dated 16/02/2018.

What is going wrong?

Of course, everyone is responsible for making sure they have an income. That principle is paramount. However, I have noticed that not everyone takes advantage of, or even gets, the opportunity to show his or her talents and develop them – and this is especially true for Dutch residents with a migrant background. This is something we cannot accept; neither from an economic point of view nor from a social point of view. Our economy and our society desperately need everyone's talents. In addition, an untapped workforce leads to pointlessly high costs for society, including social security.

Onze referentie 2018-000060616

In general, a higher level of education tends to improve the labour market position of any ethnic group. So education does play an important part. At the same time, however, the SCP (Netherlands Institute for Social Research)³ has found that, despite the increasingly better educational performance of young people with a non-Western migrant background, their disadvantages on the labour market do not decrease to the same extent. Thanks to numerous studies, we already have a good general overview of the factors that explain this lagging labour market position, so we are not starting from scratch. This overview will be the basis of the actions that will be taken to tackle these disadvantages. Where this overview is still incomplete, I will be working together with the Programme for Further Integration into the Labour Market to test a number of promising approaches in practice.

The factors that determine the lagging labour market position are partially related to the background of the population, such as age and how long the person has been living in the Netherlands. However, it is also partially related to aspects that are less easy to express in figures, such as the influence of prejudices, whether or not a person is part of a network, (language) skills and how/whether someone looks for vacancies.

There are several reasons as to why (especially young) Dutch residents with a migrant background have more trouble finding jobs. Among other things, there is the choice of a "wrong" study (nowadays a "white collar" study at secondary vocational level offers few opportunities but is more highly regarded in migrant circles than more hands-on studies); the lack of a connection between young people and employers (due to lack of a network: employers often fish in their own pond, migrants do not know where to start looking); and how so-called soft skills (the employee skills that you normally do not learn at school, but which the employer expects the employee to have) are valued differently. In addition, a large group of young people does not actually have a basic qualification. The issue is even more specific for asylum status holders. In addition to having a disadvantage where language is concerned, any courses followed in the country of origin do not always tie in with those in the Netherlands, and (re)training may be required.

The prejudices of employers, too, are an important reason for the difference in labour market position. Even though these prejudices are often subconscious, they do lead to labour market discrimination all the same. After all, prejudices cause an individual to be judged based on the (assumed) characteristics of a particular group. As a result, the competences of candidates with a non-Western migrant background may be underestimated due to the candidate's origin, age,

³ SCP (2016) Integratie in zicht? (Trends in Integration)

and/or gender without the employer being aware of this. And the fact is that those individual qualities are essential when a person wants to get and be able to take advantage of the opportunities on the labour market. However, studies have irrefutably shown that persons with a non-Western migrant background are much less likely⁴ to be invited for a job interview, even if they have the same (or better) CV as someone from a non-immigrant background. We must, therefore, look at ways to eliminate the influence of these (subconscious) prejudices.

30 March 2018

Onze referentie
2018-0000060616

This short analysis already shows that the issue is complex and diverse. To truly address the lagging labour market position of Dutch people with a migrant background, solid, long-term commitment will be required. Commitment from the Cabinet, all the stakeholders involved, and the target group itself.

The moment to take action is NOW. The economy is picking up and the transportation, logistics, construction, (installation) technology, ICT, horticulture, care, hospitality and education sectors⁵ are desperate for staff. Dutch residents with a non-Western migrant background who are now left standing by the wayside should be able to fulfil at least part of the one million vacancies, although they may need some support to achieve this. Both the potential of this group and the growth potential of companies and the economy are being restricted without reason.

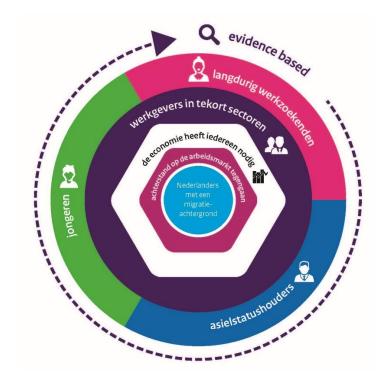
Programme for Further Integration into the Labour Market

Over the coming government term, the Programme for Further integration into the Labour Market will focus on permanently improving the labour market position of Dutch civilians with a non-Western migrant background and asylum status holders. Employment will become one of the key elements of the integration and civic integration policy. The interventions within this programme are evidence-based where possible, putting scientific findings centre stage and using independent experts. I shall ensure that all regional and local experiments are monitored and evaluated. They will be distilled down to effective elements, which can then be scaled up to become national policy. I shall set up an evaluation framework for this purpose.

Because the target group is so diverse, the programme calls for a multi-faceted approach. After all, a group that has been on benefits for a long time faces different challenges than a group of young people who have just finished secondary vocational education, or asylum status holders who recently fled their country. It is therefore necessary to implement different approaches. I will inform your House about the progress, the status of the experiments and the evaluation framework I will be setting up for the experiments no later than the fourth quarter of this year.

⁴ A study conducted by Panteia (2015) shows that in the first stage, people with a Dutch name are 60 percent more likely to receive an invitation than people with a name that does not sound Dutch.

⁵ See www.werk.nl for more information.



Onze referentie 2018-000060616

Employers

Employer commitment is of the utmost importance. Ultimately, they are the ones who can offer jobseekers a job, an apprenticeship or an internship. Investment in learning/work combinations that provide training in occupations that are in short supply in particular sectors is a matter of course in this respect. After all, a certificate or diploma offers sustainable employment opportunities. It is true that this requires involvement from the employers, but it is also in their interest. In fact, a number of employers are already focusing more on promoting cultural diversity and inclusion because they have realised that it has added value and can contribute to the performance of their company.

Actions:

- Encouraging and facilitating employers in sectors with shortages by organising meetings with employers during which examples and experiences are exchanged. The Action Programme for Working in the Care Sector (Actieprogramma Werken in de Zorg)⁶, too, can guide target groups with poor job prospects towards work in healthcare and welfare.
- 'Unburdening' employers. The Matchen op Werk programme provides coordinated employers' services in the labour market regions⁷. A solid infrastructure for employers' services on a regional level is essential to bring persons with poor job prospects (including persons with a migrant background) and jobs together. The State Secretary will also work together with employers' associations, municipalities and intermediaries to find out if it is possible to create more uniformity in the advantages and regulations that are implemented to help individuals find employment.

⁶ Parliamentary Papers 2017-2018, 29282, no. 303. This action programme was launched on 14th March 2018 on behalf of the Ministries of Health, Education, and Social Affairs and Employment.

⁷ Parliamentary Papers 2017-2018, 29544, no. 807.

- Providing employers with an insight into the cultural diversity of their workforce and that of other employers by creating a 'cultural diversity barometer' through file links. The barometer will be made more widely available if it proves successful.
- The development of HR interventions to reduce the influence of (subconscious) prejudices during recruitment and selection. We are using elements from behavioural science, such as video applications, which can introduce the employer directly to the applicant.
- Working together with employers to build knowledge about an inclusive work culture, the role of mentoring/coaching and the value of employee networks
- We will be tough on labour market discrimination. The television program Radar (29th January 2018) showed that dozens of employment agencies participate in the discrimination against temporary workers based on their origins. The State Secretary of Social Affairs and Employment will inform you on the measures both employment agencies and the Cabinet will take to tackle this undesirable behaviour in a separate letter. In addition, the Secretary of State will also send you the Action Plan on Labour Market Discrimination (Actieplan Arbeidsmarktdiscriminatie) before the start of summer. This plan will include the options for monitoring things such as discrimination during job application procedures and against pregnant women, and the firm way in which the Inspectorate SZW will be dealing with these issues.

Grid operator Liander is addressing the significant shortage of technical staff by training asylum status holders to become electricians. The training includes an eight-month internship and a job guarantee. Once the trainees get their diploma, they can start at Liander right away.

In the construction industry, Bouwmensen Rivierengebied is running a similar scheme. The sector is taking matters into its own hands by training asylum status holders and then helping them get a job with employers in the region. The 1000 jobs programme in Groningen, too, ensures that individuals get the right training to be able to work in the earthquake sector. Other sectors with potential are also involved. The local government, employers, and trainers and educators are all working closely together.

Employees

It is important, of course, that jobseekers with a migrant background are able to actually take advantage of the opportunities offered by employers. They must be equipped for this. As first and foremost this is the responsibility of the jobseekers themselves, the focus is on better preparing the target group by investing in skills that enable individuals to participate in the labour market on a sustainable basis. Municipalities, employers and educational institutions in the relevant labour market region should work together to get these people into employment as quickly and as sustainably as possible. This requires a good understanding of the options jobseekers have and creativity in the use of measures and processes, including the existing tools offered by the Participation Act (Participatiewet). After all, just like anyone else receiving benefits, Dutch residents with a migrant background must meet the obligations set out by the Participation Act. This means that they must learn the language as quickly as possible and that the local government may require compensation if working is not yet feasible.

Date30 March 2018 **Onze referentie**2018-000060616

Actions:

Long-term jobseekers

- It is important to take specific measures for vulnerable groups with complex, multiple issues, such as Somalis⁸ and the more recent group of refugees from Eritrea. In its report⁹, the SCP notes the seriousness and the nature of the problem, which is a combination of illiteracy, low educational qualifications, poverty, debts, health problems, a larger than average number of single parents, and parenting issues. It also asks the question as to whether it is possible to actually realise sufficient comprehensive support tailored to this group within the generic policy. Therefore, in a number of municipalities and the relevant communities, I shall be focusing on **more comprehensive**, **obligatory support** to address the aforementioned issues and ensure that this group can successfully find employment. This in accordance with the promise I made during the General Consultation on integration (Algemeen Overleg inburgering en integratie) of 13th December.
- Insisting that local government and labour market regions continue to pay particular attention to these vulnerable migrant groups. Both the VNG Ondersteuningsprogramma Gezondheid Statushouders (Support Programme for the Health of Status Holders) and Divosa are already encouraging municipalities and regions to pay heed to the position of asylum status holders. They realise this by sharing **effective practices** amongst municipalities and expanding their range.
- **Setting up a platform** for vulnerable non-Western immigrants together with the VNG Ondersteuningsprogramma Gezondheid Statusholder. This platform makes it possible to share knowledge between municipalities and relevant parties from the communities.

There are initiatives for the vulnerable groups too. In several District Training companies, including several in The Hague, Stichting Calibris Advies provides individuals with poor job prospects with level 1 and level 2 care training. They realise this together with municipalities, regional training centres and care organisations. During their training, participants gain work experience through an internship. This involves working in both formal care – for future employers –, and informal care – helping vulnerable residents in the district, who in their turn help the students with other matters such as language. At the end of the course, students receive a diploma and help to find a paid job.

Young people

- To help young people choose a study, there have already been a number of experiments with the improvement of work exploration (trial internships and work visits) and increasing parental involvement in their children's study selection process. The resulting insights are made available to all schools providing continuing education in the Netherlands by the Expertisecentrum Loopbaan oriëntatie en begeleiding (Centre of Expertise for career orientation and guidance (LOB)). Increasing employer commitment, expanding the professional image, and supporting schools that want to boost parental involvement in career orientation and guidance are all key in this respect.
- Supporting fifteen secondary vocational schools with their implementation of career orientation and guidance activities aimed at creating equal opportunities, learning to network and combating placement discrimination

⁸ Parliamentary Papers 2017-2018, 19637, no. 2364.

Date30 March 2018 **Onze referentie**2018-000060616

⁹ SCP (2017) Fled with little luggage.

within the LOB and Equal Opportunities (LOB en Gelijke Kansen) programme. The latter at the request of your House in close collaboration with the Minister of Education, Culture and Science (OCW)¹⁰.

Launching a pilot in three cities, which offers vulnerable young people a stepping stone to the labour market. A learning potential assessment could be used to assess which young people who are now sitting at home without basic qualifications can be prepared for (new) combinations of learning and working at their highest attainable level.

Date30 March 2018 **Onze referentie**2018-0000060616

Parents play an important role in their child's choice of study. Schools find it difficult to reach parents, however, especially parents with a migrant background. Nevertheless, schools such as the Roemer Visscher College in The Hague and the Trajectum College in Utrecht have demonstrated that it is possible. Through home assignments (conversations between parent and child at the kitchen table), interactive parents' evenings and career-focused progress meetings, almost 100% of parents are now involved in their child's study selection process.

Asylum Status Holders

- Creating an uninterrupted line from refugee centres to municipalities so the focus is on learning the Dutch language from day one and finding paid employment. Asylum seeker centres already have programmes that focus on language acquisition and volunteer work. An uninterrupted line a direct link gives municipalities the opportunity to realise pathways towards employment and/or training as soon as possible.
- Working together with municipalities on the development of a **tool** that can assess things such as learning potential, language level, health, self-reliance, skills, work experience and training at an early stage. I am thinking of a personal integration plan that gives municipalities a basis for the provision of tailored support with regard to integration, training and employment, with the ability to assess progress periodically.
- Investing in dual pathways, not just combining learning and working but also making it possible to combine work and language/integration properly.
- Solving issues in laws and regulations that obstruct participation from day one.

There are a number of good examples of municipalities that have adopted a procedure to help asylum status holders from day one. For example, the municipality of Utrecht has managed to set up a broad collaboration with 16 municipalities from the labour market region. This approach is characterised by the focus on language, the cooperation with various stakeholders, and the investment in work-experience sites and learning/working pathways. Furthermore, I have observed the emergence of interesting collaborations between private investors and the public domain – such as the Social Impact Bond in Veldhoven – who work closely together to help this particular group.

¹⁰ Algemeen Overleg Loopbaanoriëntatie en -begeleiding 7th March 2018.

Effective integration

The ability to speak the Dutch language is a key precondition for proper participation in Dutch society. That is why the government announced in its coalition agreement that integration will be intensified, and "B1 "will become the new language requirement for integration. Municipalities will get more control and are tasked with increasing the effectiveness of integration and the establishment of an activating, encouraging and alleviating system of facilities. The starting point is that everyone contributes, preferably through paid employment. And that applies to all individuals who are obliged to integrate: both men and women 11 in possession of an asylum permit or any other residence permit. This addresses the Becker¹² motion, which states that men and women should be treated equally where the encouragement to find employment is concerned. I am also concentrating on making the part of the integration exam that deals with orientation on the labour market (Oriëntatie op de Arbeidsmarkt (ONA)) more practical following the motion from Nijkerken-de Haan/Becker¹³. In addition, the language requirement of the Participation Act provides municipalities with a way to encourage those on benefits who are not integrating or those who are not required to integrate to still learn the language.

Date30 March 2018 **Onze referentie**2018-0000060616

I will work out the plans with a number of partners and develop an effective system regarding integration and employment that has widespread support. As promised in the General Consultation on integration (Algemeen Overleg inburgering en integratie) of 13th December last year, I will be sending your House a detailed plan about the changes in the integration system before summer recess.

A common interest we all share

By now, the first meeting of the Work & Integration Task Force (Taskforce Werk & Integratie) has taken place. I invited all the partners¹⁴ who are essential to making a joint, solid contribution to integration into the labour market and implementing the changes in the integration policy. I am fully aware that these issues cannot be solved overnight. In the task force I have noticed that the partners, too, feel responsible, and that they believe that this is a joint task that deserves our undivided attention.

The Minister of Social Affairs and Employment

W. Koolmees

¹¹ Parliamentary Papers 2017-2018, 32814, no. 204.

¹² Parliamentary Papers 2017-2018, 32824, no. 216.

¹³ Parliamentary Papers 2017-2018, 34775 XV no. 35.

¹⁴ SER, UAF, VWN, COA, VNG, CNV, VNO NCW / MKB-NL, FNV, UWV, Divosa, J&V, SZW, OCW, AWVN, SBB, MBO Council, Vereniging Hogescholen, ABU, Diversiteit in Bedrijf.