

## Summary

### Social state of the Netherlands

#### The Netherlands from 1990 to the present – key trends and concluding discussion

##### S.1 Dutch society has changed over the last 25 years (fuller, older, more diverse)

Changes in the size and profile of the Dutch population have consequences in a host of societal domains. The labour market is an example: who is in work? Are there barriers to labour market entry? Until what age do people continue working? Another example is care and support: how have care needs changed in the light of the increase in the number of old people, and are there enough ‘hands around the bed’ to meet those needs? What new homes need to be built to meet changing housing needs? A changing population also has consequences for societal, social and cultural participation. A wide range of societal domains are discussed in this publication. This concluding chapter presents the key findings in an overarching review of the last 25 years, starting with the demographic context in which these developments have taken place.

The Dutch population in 2017 is very different in a number of ways from the population in the 1990s. The size and profile of the population have changed. There are more than 17 million people living in the Netherlands, a rise of 13% in 25 years – though forecasts by Statistics Netherlands (CBS) suggest that this growth will stabilise over the next 20 years or so at around 18 million (CBS 2014).

Ongoing population ageing (growing share of older people) and mild dejuvenation (decreasing share of young people) means the Dutch population today is older on average than 25 years ago. The share of people aged over 65 in the population has increased over the last 25 years, from 13% in 1990 to 18% in 2017.

Cultural diversity has also increased as a result of migration and higher birth rates among people with a migration background. On 1 January 2016, 12% of Dutch residents (2.1 million people) had a non-Western background; that compares with 9% (1.1 million) 20 years earlier. Almost half of those with a non-Western background were born in the Netherlands and therefore form part of the second generation (CBS 2016).

Interestingly, the number of households has grown more rapidly than the number of people, reaching 7.7 million in 2015, an increase of 26% compared with 1990. This increase can be ascribed to the growing number of people who live alone due to the rise in the divorce rate and the fact that older people (are able to) continue living independently in the community for longer. The share of single-person households is set to increase further in the future. Divorce was the reason for almost 40% of the marriages which ended in 2015 (the

remaining 60% ended due to the death of one or both partners). This represents a rise in the divorce rate of almost 12 percentage points between 1990 (28%) and 2015 (just under 40%). The number of marriages has also been in decline over the last 25 years, though this is partially offset by an increase in the number of registered civil partnerships since 1998. All these developments reflect the changing position of marriage in Dutch society, with more and more people no longer seeing marriage as the pinnacle of a relationship, and for many married couples it is no longer an unassailable bond. Several underlying social trends are at work here. The weakened influence of norms and values (espoused by churches among others) surrounding marriage as a lifelong bond (between a man and a woman), changed views on the right of women and men to self-determination, and the resultant statutory and legal opportunities for other forms of cohabitation, parenthood and inheritance have all helped to undermine the importance of marriage.

Dutch households today have a different composition from 25 years ago. The share of single people in the 25-45 age group has risen from 13% to 20% over the period, while that of single people aged 45-65 years has grown from 11% to 17%. The share of couples with children has declined in the 25-45 age group. The share of people aged over 45 years with children also initially declined, but began rising again after 2005. Evidently, people have been deferring having children in recent years. This is also in line with the rising average age at which women have their first child (up from 27.5 years in 1990 to just under 30 in 2016).

## 5.2 The mood in the country: predominantly stable over the longer term

The most pertinent question is whether Dutch society is in a better or worse position today than 25 years ago. Let us look first at the mood in the country. Compared with the 1990s, little has changed in the way the Dutch feel about their own situation and about Dutch society. Around 85% still believe that their own family lives in prosperity; almost half think that others can generally be trusted; and more than 80% are proud to be Dutch. In fact, the concerns about norms and values and how people interact with each other were actually greater in 1993 than they are today.

Although people did take a more positive view regarding the prosperity of the Netherlands 25 years ago than today, around three-quarters of Dutch citizens still believe the country is prosperous. Most people give a positive score to the Dutch economy in 2017 – after a lengthy decline during the economic crisis period after 2008 – and expectations for the economy are also positive. Even during the crisis period, the Dutch remained relatively positive regarding their own financial situation and future, and more so than regarding the national economy.

The Dutch are slightly more satisfied with their lives in 2017 than in 2004, the first year in which they were asked about life satisfaction. The average has risen, albeit only slightly,

from a score of 7.6 out of 10 to 7.8. Interestingly, the economic crisis had no impact on people's feelings of happiness.

Over the last 25 years, more and more people have formed the view that income differentials in the Netherlands need to be reduced; the proportion holding this view has risen from 55% to 74%. These views appear to bear little correlation to actual measured income inequality, which remained fairly stable over this period. People with low and intermediate education levels, in particular, advocate smaller income differentials, but 70% of highly educated people also held this view in 2016.

Although the general picture might lead one to think otherwise, the Dutch are no more cynical about politics today than they were in the early 1990s. Trust in politics fluctuates, but there has been no rise in political cynicism over the last 25 years. While there have been some fluctuations in satisfaction with democracy, it is higher in 2017 than in 1990. Generally speaking, citizens have more trust in the courts and business than in the government and churches. Trust in churches has in fact fallen sharply since 2000, with the abuse scandals which surfaced at around that time undoubtedly playing a role here.

No major shifts have taken place since 1990 in views on moral issues, freedom of expression, the environment, the multicultural society and the European Union; there is no evidence of the frequently cited 'lurch to the right'. There have of course been some changes: support for abortion and gay marriage has increased, with 74% of Dutch citizens feeling that women should be entitled to an abortion if they so choose, for example, compared with 60% in 1992. Gay marriage is today accepted by 94% of the population, and the acceptance of euthanasia remains as high as ever at 92%.

People today take a slightly more positive standpoint of immigrants than in the early 1990s. In 1994, 49% felt that there were too many people living in the Netherlands with a non-Dutch nationality; in 2017 the figure is 31%. This may be counter-intuitive, given the greatly increased attention for this theme in the public and political debate since 2002, with the 'multicultural taboo' from the 1990s being used as a negative anchor point. Since the refugee crisis in 2015, immigration has moved high up the political agenda and there is a great deal of debate about whether or not refugees should be admitted to the Netherlands. Compared with 1994, people's reaction to the hypothetical possibility of having an asylum-seekers' reception centre in their neighbourhood remains unchanged: 34% would have no objection at all, 50% would accept it with some reservations and 16% would protest. These responses are however considerably more negative than in 2000, when 54% said they would have no objection at all. Opinions thus fluctuate considerably over time.

Support for freedom of expression has by contrast fallen: 25 years ago 81% felt that everyone should be free to say what they wished in public; that figure is now 66%. Support for EU membership is also lower in 2017 than in 1996 (58% versus 75%).

To summarise: The Dutch do not take a totally different view of politics and society in 2017 than they did in the 1990s, though there are undoubtedly movements, shifts and differences of emphasis. One thing that has changed clearly is the tone of the public debate; when using the Internet and social media, people often say exactly what they think without being concerned about niceties. The Internet has become a key forum for public debate; that was not yet the case in 1990, when the Internet mainly served as a knowledge platform for a select group of people (in 1995 only 4% had access to the Internet).

### 5.3 Objectively, people are better off in many ways today than 25 years ago...

#### Economic growth and improved purchasing power and assets

If we look not only at the mood in the country, but also at objective developments in the Netherlands in a number of key areas, we also find a generally positive picture.

The last 25 years in the Netherlands have been marked by strong economic growth and rising incomes, with the economy flourishing especially between 1990 and 2000. GDP rose by 68% between 1990 and 2016; however, because a relatively small proportion of this growth in national prosperity ended up with households, and the growth had to be distributed among more inhabitants and more smaller households, its positive effect on disposable household income was less than might be assumed at first glance. Nonetheless, virtually all groups in Dutch society saw their purchasing power improve between 1990 and 2000. People aged over 65 saw the biggest increase; 13% for those living alone and 11% for those living with a partner. Exceptions are the self-employed (gaining income from profits), who saw their purchasing power decline by 5%, and non-Western migrants, whose purchasing power fell by 6%. The position of almost all groups also improved in the period 2000-2007. Single-earners saw their purchasing power rise by 17%, double-earners with children by 19%. The increase was smaller for single-earners without children (1%) and benefit claimants (7%).

The high point in 2007 was followed by the economic crisis. Virtually all groups lost purchasing power compared with 2007, with the self-employed and single-earners particularly hard hit – both losing 14% of their purchasing power compared with 2007. Exceptions to the decline were employees (whose purchasing power remained unchanged), benefit claimants (purchasing power increase of 6%) and pensioners aged under 65 years (increase in purchasing power of 8% between 2007 and 2014).

At the top end of the income distribution, the richest 10% of the population receive more than 20% of total income. That share has remained unchanged for years; by contrast, the share of national income that goes to the richest 1% has increased, going up from just over 3% in the 1990s to almost 5% in 2014.

It is not just households' income situation, but also their asset position which determines their spending power and the general economic trend. According to the Netherlands

Bureau for Economic Policy Analysis (CPB), in an international perspective the Dutch have relatively low savings – but large home and pension assets – relative to their incomes. Many people will not realise that the average Dutch household had gross assets of 477,000 euros in 2016 and debts of 104,000 euros, in other words net assets (including pension provisions) of 373,000 euros. Between 1997 (the first year on which we are able to report) and 2008, the average net assets of Dutch households rose by 51%. This was followed by a period of relative stabilisation. Over the entire period 1997–2016, asset growth averaged 2.3% per annum (outstripping income growth). This growth was largely due to a sharp rise in the value of pension provisions and assets from home ownership.

### Increased labour participation rate

If we look at the labour market over a period of 25 years, it is notable that the labour force has increased substantially more quickly than the potential labour force (population aged 15–65 years); the population aged 15–65 years has grown by over 7% since 1990, while the labour force has increased by 33%. The growth of the labour force has however flattened off since 2009, since when it has developed in line with the population aged 15–65 years.

There has been a sharp increase in labour market participation since 1990, especially by older people and women. The labour participation rate of older people is now almost 2.3 times as high as in 1990, though the caveat needs to be applied here that the labour participation rate of this group was very low in the early 1990s. The female labour participation rate has also risen sharply since 1990, by more than 26 percentage points.

### Rise in education level

The education level of the Dutch population has been rising for some time, and has continued to improve steadily over the last 25 years. The share of low-educated 25–64 year-olds in the population fell from 45% to 23% between 1990 and 2016, while the share of those with a secondary education level increased from 37% to over 40%. The proportion with a higher education level doubled over the same period, from 18% to 36%. The positive trend among women was particularly striking. There are also differences between other population groups. For years, migrants originating from Turkey, Morocco, Suriname and the (former) Netherlands Antilles have been at an educational disadvantage. And although their education level is rising (mainly thanks to the educational participation of the second generation who were born in the Netherlands), the gap has not yet been closed. In particular, the education level of migrants from Morocco and Turkey and their descendants lags behind that of Dutch natives, despite the strides made since 2003. One of the biggest factors here is poor mastery of the Dutch language; recent research by the Netherlands Institute for Social Research (Huijnk & Andriessen, 2016) shows that Turkish families, in particular, speak relatively little Dutch.

The improving education level of the Dutch population is also reflected in the falling number of premature school-leavers (students who leave without a basic qualification at at

least the level of senior general secondary education (HAVO) pre-university education (vwo) or senior secondary vocational education (MBO level 2).

In addition to a good initial education, developments on the labour market and in society mean that Dutch citizens need to continue developing their knowledge and skills – a phenomenon referred to as ‘lifelong learning’. In 2016, almost 19% of adults in the Netherlands were taking part in a training course or programme in the month before they were surveyed. That is more than in most other countries of the European Union, where the average is just under 11%. The only part of the EU where participation in lifelong learning is higher than in the Netherlands is in the Scandinavian countries.

### Rising life expectancy

The health status of the Dutch population also improved in the period 1990-2015. Life expectancy has increased markedly and people are dying at an increasingly great age. Physical mobility has improved, especially among those of middle age and members of the older generation. This reflects the increased participation in sport by older people. Life expectancy in good health and life expectancy without physical disabilities have both increased.

Life expectancy at birth for men was just under 80 years in 2016, and just over 83 years for women. Over the 25 years covered in this report, life expectancy has extended by 4.5 years (three years for women, 5.9 years for men). This translates into an increase in life expectancy for women of an average of 1.5 months (44 days) each year, and for men of almost three months (86 days). Until the 1950s, the biggest gains in life expectancy were due to the decline in child mortality, but in recent decades they have come principally from an improvement in the survival chances in older age. Although concerns are expressed about the costs of care, more care not only means higher costs, but also health gains; a recent study of the increasing life expectancy at birth between 2000 and 2009 estimates that 47% of the extended in life expectancy of women and 30% of that of men can be attributed to higher health care spending.

### Reduction in crime

The Netherlands has also made progress on the crime front. The crime rate has reduced, not only according to police records, but also according to members of the public. This fall had not yet begun in the 1990s; it began just after the turn of the present century and continued despite the economic crisis. The decline affects all types of crime covered in this report: violent crime, crime against property and vandalism. In the last five years, only violent crime reported by members of the public has not declined, though fewer offences were recorded by the police. The fall in the number of crimes suspects has been particularly steep among young people. It may be that a reduced willingness to report crimes by victims and lower police clear-up rates have made a small contribution to these trends, but they are not enough to explain the overall fall in crime.

The police and the court system enjoy considerable support among the public, who trust these institutions more than others. Moreover, trust in the judicial system and the police has risen, as has satisfaction with the police. There are however considerable differences between population groups; highly educated people and young people have the most trust and are the most satisfied. In 2016, a minority of around 30% were satisfied or very satisfied with the functioning of the police (a slight increase compared with 2012) and a majority of some 70% felt that the courts impose overly lenient sentences.

Although the trend in feelings of safety has its own dynamic, which has little to do with the actual level of crime, we observe that both reported victimisation and recorded crime, as well as reports of feeling unsafe, have fallen over the last ten years. The number of people who believe that crime in the Netherlands is rising or who regard it as a major problem in Dutch society, is also falling steadily, down from no less than 90% in the first half of the 1990s to around 60% and 65%, respectively, today. It may be that the actual trend in crime is slowly being reflected in its perception.

#### More owner-occupied homes, stronger focus by housing associations on lower incomes

The housing market has changed radically over the last 25 years, with the number of owner-occupiers rising from 45% to 59%. Home ownership increased primarily among those on higher and middle incomes, especially in the 1990s.

In the rented sector, the percentage of housing association tenants in the lowest income quintile has risen over the last 25 years from 12% to more than 45%. In the 1990s, this process developed rapidly, and has accelerated again in the last few years. The strict housing allocation system of recent years will have played a role here: people on middle incomes rapidly find themselves earning too much to qualify for social rented housing (in line with the policy of reserving the social rented housing stock more for those on the lowest incomes).

Attention is consistently devoted to energy measures in the home. In 2015, more than half of Dutch homes had a (provisional) A, B or C energy label. This label, which has been mandatory since 2008, shows the energy performance of the home, with higher scores being achieved through the presence of wall, floor and roof insulation, replacement of single or double glazing with HR++ glazing and high-efficiency boilers and solar boilers being installed. On the other hand, the progress in making the housing stock more sustainable lags well behind the targets agreed for 2020 between housing associations, private landlords and the Ministry of the Interior and Kingdom Relations in 2012 (Covenant Energiebesparing Huursector – Rented Sector Energy-saving Covenant).

Satisfaction with owner-occupied homes is substantially higher than satisfaction with rented homes, although even there around 80% of residents are satisfied or very satisfied. The quality gap between rented and owner-occupied homes is greater than the difference in satisfaction, implying that people in rented homes are more satisfied than homeowners

given the quality of their homes. This is not expressed in perceived tensions between neighbours: just over one in ten housing association tenants say they often have problems with their neighbours; among homeowners the figure is 4%.

Housing has become more expensive over time: average housing costs rose from 360 euros per month in 1994 to 700 euros per month in 2015, an average increase of 3.2% per annum (or of 1.2% after correction for the general price trend). This increase is attributable mainly to net housing expenses; ancillary expenses (such as energy) rose less quickly. Although housing costs have risen, this does not automatically mean that households are now spending a greater proportion of their income on housing. Generally speaking, the housing costs to income ratio (the share taken by net housing costs in disposable household income), averaged out over rented and owner-occupied homes, rose until 2009, since when it has remained reasonably constant. The average housing costs to income ratio in 1994 was 24%, and 27% in 2015. People with higher education levels have lower average housing costs to income ratios: their housing costs are higher, but their incomes are higher still. To illustrate this, between 1994 and 2015, the housing costs to income ratios of people with a higher education level rose from 19% to 24%, while for those with a low education level the increase was from 25% to 32%. Up to and including 2002, older people had the highest housing costs to income ratios, whereas in recent years this applies to young people. Single persons (35% in 2015) and single-parent families (31% in 2015) have the highest housing costs to income ratios over the period as a whole. Many of the differences are related to income levels.

### Stable participation in volunteering; sharp fall in membership of churches, trade unions and political parties

There are some areas where the picture has remained stable over the last 25 years. There are for example few indications of a change in the social engagement and community involvement of the Dutch over the last 25 years.

The percentage of the Dutch population reporting that they do voluntary work has remained reasonably constant since 1990, at between around 25% and 30%. It is worth noting here that the Dutch do lots of voluntary work compared with other Europeans. The same reasonably stable picture is found for the share of the population who have become engaged over the last 25 years in a (sub)local issue (fluctuating between 15% and 25%) or a national/international issue (between 10% and 15%). No clear trends can be discerned over the last 25 years, only fluctuations.

Over the period of 25 years, total membership of the three biggest Dutch trade unions was highest in the year 2000, when there were 1.8 million members. The figure has fallen gradually since then, to just under 1.5 million in 2016. A major reason for this is the ageing of the membership.

The number of Dutch members of the five biggest churches and the Dutch Bible Society (Nederlands Bijbelgenootschap) has also fallen gradually, from 8.6 million in 1994 to just



under 6 million in 2015. Membership of the Roman Catholic Church and Protestant Church in the Netherlands have seen a particularly sharp fall in membership. There are no reliable time series for the number of people attending mosques in the Netherlands – an increasingly significant religious group. It is estimated that there are currently around one million Muslims living in the Netherlands; in 1990, again according to estimates, the figure was just under half a million. In other words, the number of Muslims in the Netherlands has doubled over the last 25 years, while the number of members of Christian churches has fallen by (over) two million (around 25%) over the same period.

A precise comparison is difficult, however, because the estimate of the number of Muslims is based on religious conviction, not membership, unlike the figures for the Christian community.

There are of course other kinds of civil-society organisations in addition to trade unions and churches, such as sports federations, consumer organisations or organisations concerned with international aid and solidarity. There are unfortunately no recent figures, but in the period 1994-2012 the number of donorships and memberships of consumer, senior, nature and environmental and sports organisations increased, while membership of broadcasting associations, health and welfare organisations, women's and civil-society organisations concerned with International aid and solidarity fell.

Finally, although membership of political parties is declining (from 325,000 in 1990 to 265,000 in 2017), there has been no decline in interest in politics: the turnout at general elections has remained reasonably constant since 1990. A change has also taken place in the way in which people volunteer for political and social causes: less in organised events, more as individuals and more focused on specific, well-defined actions and issues.

### No change in the amount of free time in 25 years, but changes in how it is spent

The picture regarding the amount of free time is also fairly stable at 47 hours per week in 2016, little different from 25 years previously. Almost three-quarters of Dutch citizens feel they have enough free time. It is not just the amount of free time, but also the way in which it is spent that shows little difference in 2016 compared with 1990. Most time is spent using media and ICT (nearly 19 hours per week) and maintaining social contacts (just under ten hours in 1990 and just over eight hours in 2016). Although the emergence of new forms of ICT and social media accounts for a sizeable slice of media usage, there is no evidence of a complete revolution: traditional forms of media are still widely used. For example, people still watch lots of television and listen to the radio frequently at the time of broadcast, while books, newspapers and magazines are still mostly read on paper. One major change has been the growth in computer ownership: in 1990 less than a third of Dutch people had a computer at home, whereas in 2013 almost everyone had one (93%). The biggest development over the period was in Internet connection; in 1995, only 4% of the Dutch population aged between 12 and 65 years had access to the Internet, while in 2013 the figure was 97%. Digitalisation has enormously increased the options and freedom

of choice of media users for obtaining information, seeking entertainment and communicating.

If we look at a few other aspects of leisure time use, we find that the Dutch play more sport in 2016 than in 1990: around half the Dutch today take part in sport once a week (compared with around 40% in 1990). The increase in the number of people aged over 65 playing sport weekly is especially striking (up from 26% in 2001 to 37% in 2016); by contrast, the proportion of people aged 12-19 years fell over the same period from 77% to 70%. The proportion of people who are members of a sports club fell until 2000, since when it has remained stable. There does appear to be a great need today to be able to take part in sport at flexible times.

Although the time people spend on social contacts fell between 1990 and 2016, the frequency of social contact remained stable. This could mean that people see or speak to each other more briefly, or that they more often combine social contacts with other activities. The trends in the reach of culture are variable. The popularity of classical music is declining steadily, while the reach of pop music has increased. After initially falling in the 1990s, the share of the population visiting a museum at least once a year increased.

The number of holidays people take has increased sharply over the last 25 years. Compared with other Europeans, a relatively high proportion of the Dutch go on holiday; in 2014, 82% of the Dutch went on holiday at least once a year, compared with an EU average of 60%. The increased prosperity has expanded many people's ability to travel.

As with free time, there have been few changes in the amount of time people spend on activities that can be collectively referred to as 'compulsory time use': paid work, care tasks and education. The amount of compulsory time use was around 45 hours per week in both 1990 and 2016. There is no difference between men and women in the total time spent on these activities, though men spend more time on paid work and less time on household tasks and caring for children or other members of the household. Although having a busy life need not in itself be a negative factor, a third of Dutch people do feel stressful at least once a week. A busy life can therefore have a negative impact on quality of life if people suffer a lot of stress and have the feeling of falling short.

### Improved general life situation over the last 25 years

Quality of life in the Netherlands – measured using the Life Situation Index – has improved over the last 25 years. Until 2010 the improvement was continuous, but this positive trend subsequently reversed as a result of the economic crisis. Quality of life deteriorated between 2010 and 2012, but the conclusion in the last edition of the *Social State of the Netherlands* was that the decline stabilised in 2014. 'The Netherlands bounces back' was the message at the time. It is now evident that there has not really been a bouncing back, but it is also clear that the deterioration is not continuing.

If we look at the differences between groups rather than at the averages, the first thing to note is that the life situation of all social groups has improved. Secondly, the differences

between social groups narrowed over the same period, except for the differences between those with a high and low education level and those with and without severe illnesses or disorders, where the differences widened.

Whilst quality of life has improved, people's happiness has not increased since 1990 and there has also been only a limited increase in life satisfaction since 2004. Happiness and life satisfaction are attracting increasing attention. The United Nations has published the *World Happiness Report* each year since 2012, ranking countries based on happiness. In the most recent report, from 2017, the Norwegians emerged as the happiest, with the Netherlands coming in sixth place. However, the differences are very small. The UN report also shows that the impact of the economic crisis varies across countries: in some countries, especially those which were hit hard economically, there was a greater impact on public happiness than in other countries. Greece, Spain and Italy have still not recovered from the crisis, and this also applies for Denmark. In the Netherlands, the economic crisis had virtually no effect on people's happiness.

#### 5.4 ... but there are also risks and threats

##### Life situation has not yet recovered completely and differences between groups are widening again

Although quality of life has improved over the last 25 years and the differences between groups in society have generally narrowed, we have seen those differences widening again for most social groups in the last few years. Whether this is a delayed effect of the economic crisis or whether it will continue remains to be seen. In addition, while quality of life has generally not declined any further in the most recent years, it has also not increased, despite a fairly sustained resumption of economic growth.

It is also notable that the life satisfaction of people with poor quality of life has declined since 2004, while that of people with good quality of life has remained unchanged.

The combination of poorer quality of life and being unhappy occurs in a group that we have termed 'deprived'. This group is characterised by an accumulation of problems in combination with few options to improve their situation on their own (in this sense they are comparable with the group described in the Social and Cultural Report 2014 (*Sociaal en Cultureel Rapport 2014*) as the 'precariat'; see Vrooman et al. 2014). The members of the deprived group are much less satisfied with the government, society and their own lives than people who have done better in life. They are also much more vulnerable in terms of resources (58% have a low income and 70% a low education level). In addition, members of this group more often live in social isolation and less often vote in elections. The concerns about this group are exacerbated further by the fact that half of them say they have little control over their own lives and see no opportunities for improving their lot. They account for approximately 5% of the adult Dutch population, a percentage which barely changed between 1990 and 2017 (though in absolute terms their number increased from

500,000 to 700,000). Members of this group often lack what we term 'modern skills', of which perceived control over one's own life is a key exponent.

### The Netherlands is a wealthy country, but there is also poverty

We saw earlier that prosperity in the Netherlands has increased, with GDP over the period studied growing by 68%. This does not mean that poverty has been eradicated in the Netherlands, however. The trend in the number of people living in poverty (according to the 'modest but adequate' criterion) shows a fluctuating pattern, but has moved upwards in the last few years and is higher in 2017 than in 1990, at 6.6% of the population compared with 5.7%. Benefit claimants (31% in 2017) and lone-parent families (22% in 2017) have been at the highest risk of poverty by a considerable margin over the last 25 years. One in five non-Western migrants live in poverty, a figure that has remained more or less constant throughout the last 25 years.

There is also poverty among employees and the self-employed, with those affected often described as the 'working poor'. The groups are not the same, however: there are considerable differences between them. The percentage of poor employees has fluctuated around 3% since 1990, while the percentage of poor self-employed workers has been around 10-11%. These percentages have remained relatively stable, despite economic fluctuations. The poverty rate among the over-65s has by contrast fallen to around 3% since 1990, less than half the current average poverty rate in the Netherlands.

Around 6% of Dutch households report that they are forced to get into debt or address savings in order to make ends meet. This figure remained reasonably constant between 1990 and 2016, fluctuating between 5% and 7% (with 2005 as a sole exception, when the figure reached 9%). The percentage is a good deal higher in some groups, however: for example, 19% of non-working breadwinners and 13% of single-parent families had difficulty making ends meet in 2016. There is more variation over time in the percentage who have no difficulty making ends meet (and actually have money left over); This applied to 44% of the Dutch population in the early 1990s, rising to 52% in 2016. This group mainly comprises highly educated people in work and couples without children.

The number of benefits paid rose between 1990 and 2016 from 3.8 million to 5.1 million. This increase can be ascribed to population ageing, policy changes and economic fluctuations; population growth has also played a role. The dependency ratio ('I/A ratio') – the ratio between the economically inactive and economically active – can be used as a sort of summarising measure for benefit dependency. This ratio gives an indication of the financial capacity to support benefit dependency. The ratio stood at 77 in 1990, fell to 62 around the turn of the century and rose again to 71 in 2016 as a result of the economic crisis. This means that there were 71 non-workers for every 100 workers, thus reflecting a clear deterioration in the financial capacity. Much of the dependency ratio is influenced by the age profile of the population; if the over-65s are left out of consideration, in 2016 100 economi-

cally active persons ‘only’ had to support 26 economically inactive persons; in 1990 the figure was higher, at 39.

### Increasingly flexible labour market

A major change on the labour market is the increased flexibility. Viewed over a period of 20 years, there has been a sharp decline in the proportion of employees with a permanent employment contract, from 71% in 1996 to 61% in 2016. The biggest shift has been towards flexible employment contracts (up from 16% in 1996 to 22% in 2016) and self-employment (8% sole traders in 1996, rising to 12% in 2016). The shift towards more flexible employment has been under way since 2005, while the move towards self-employment began a few years earlier, in 2002. The fact that this shift presents not just individual risks but also risks to society is evident among other things from the fact that, given the high costs, a fairly high proportion of self-employed workers are not insured against incapacity for work and do not have an adequate pension provision.

On the technology front, the future promises a number of potentially far-reaching developments. It is likely that increasing opportunities for automation will lead to changes in work-related tasks. And although – admittedly in the us – only around 1% of people currently derive a monthly income from an online platform (Uber, Taskrabbit, etc.), the increasing technological capabilities could lead to further growth in the ‘on-demand economy’ and therefore potentially to further growth in the number of self-employed workers responding to that demand.

### Concerns about declining (basic) skills and access to education

Despite the positive trend in the education level of the Dutch, there are concerns about (the future of) education. Whilst education levels have risen, the attainment levels of the present generation of primary and secondary school pupils are lower than 15-20 years ago, especially in mathematics and arithmetic – despite the strong focus on excellence and improving attainment. Notwithstanding the educational disadvantage policy, the opportunity gap between pupils from different socioeconomic milieus has widened in recent years. The system of early selection in the Dutch education system means that the level at which pupils enter secondary education largely determines their access to potential further education programmes. On top of this, children with highly educated parents have a substantially greater chance of going on to higher education, given equivalent performance, than pupils with less well-educated parents (according to the Dutch Inspectorate of Education they are three times as likely to go on to higher education, partly because highly educated parents try to have their children placed in the highest possible school stream immediately after primary school). This has the effect of reducing accessibility for pupils from lower socioeconomic backgrounds in particular. The image of pre-vocational and vocational education has not improved in recent decades, whereas Dutch society still needs workers who are skilled in areas such as engineering and care.

Vulnerable groups in society are at a particular disadvantage due to the accumulation of barriers as they progress through their educational careers. Children from higher socio-economic milieus are better able to circumvent these barriers and their parents are better able to stand up for their children's interests. As a result, following the gradual emancipation of children with low-educated parents, the gap between highly educated and low-educated groups is widening again.

### The Dutch are living longer, but with more (chronic) disease and risk of reduced availability of informal care

We saw earlier that life expectancy in the Netherlands has increased. At the same time, the percentage of people with one or more chronic diseases has also increased. Consequently, life expectancy without chronic disease has fallen. On the other hand, people who are slightly less elderly are healthier than earlier generations when they were the same age. One of the most striking trends is the steady increase in the number of overweight people, from 30% in 1990 to over 43% today. Overweight in itself is not a disorder, but the increase in the number of people who are overweight or obese does present a risk factor for disorders such as type II diabetes, high blood pressure, gallstones, cardiovascular disease, back and joint complaints and certain types of cancer.

The percentage of people reporting good or very good health fell slightly between 1990 and 2015, but is still around 80%.

It is often assumed that informal care is replacing formal care, but the figures on informal care presented in this report do not support this assumption. The percentage of volunteers providing help to neighbours, older persons and disabled persons is not increasing, and this could lead to problems in the not too distant future. The need for informal care and support in Dutch society is increasing, but the availability of that care is declining.

### Increase in recorded discrimination

Discrimination has a great impact on those it affects and can undermine the social cohesion of society. Police records on discrimination have been available since 2008. According to these records, the biggest reason for discrimination in 2016 was ethnic origin (39% of cases). There was a steady increase in discrimination between 2008 and 2014 when it peaked following statements by the populist political leader Geert Wilders advocating 'fewer Moroccans'. The next most common form of recorded discrimination (30%) is against LGBT persons (lesbians, gays, bisexuals and transgenders). The recorded incidence of this form of discrimination has also increased since 2008, albeit more gradually. Recorded discrimination on religious grounds was 8%; of this figure, 95% was aimed at Muslims. Some of the discrimination against Muslims – many of whom in the Netherlands are of North African or Turkish origin – will also have been recorded as discrimination on the grounds of origin. Anti-Semitism also account for 8% of recorded discrimination. Other reasons for discrimination are recorded much less often.

Although police records provide an increasingly clear picture of discrimination, that picture remains incomplete because victims or witnesses do not report every incident to the police. Antidiscrimination centres (ADVs) can often offer a low-threshold alternative, making them a supplementary source of information. One caveat here is that complaints to ADVs do not always stand up in legal proceedings. The trend in ADV reports is also dominated by the aforementioned statements by Geert Wilders in 2014, which generated a one-off influx of 9,714 complaints. The number of complaints subsequently fell in 2015 (4,561) and 2016 (4,596). Unlike the police records in 2015 and 2016, this means that the number of ADV reports is at its lowest for almost ten years.

## 5.5 Concluding discussion<sup>1</sup>

In this Social State of the Netherlands (SSN), which looks back over a period of 25 years, the picture that emerges in many areas is a reasonably positive one. Yet there are also a number of stubborn problems, issues and inequalities. To cite a few examples: the stubborn difference in life expectancy between those with a high and low education level; the differences in education level between Dutch native children and children with a migration background; the increased discrimination against LGBT persons; and the persistent poverty despite the great wealth of the Netherlands. There is also another important point: although things are objectively better in many areas than in 1990, and although the degree of life satisfaction and happiness have not reduced, there is a great deal of uncertainty in the Dutch population. The quarterly surveys carried out by SCP show time and again that a majority of Dutch citizens feel that things are moving in the wrong direction in the Netherlands. The fact that the Netherlands is actually doing better does not mean that this is felt to be the case by everyone. This is probably due to the fact that a great deal is changing in Dutch society and people are losing old certainties. The welfare state is changing, the government expects citizens to do more on their own initiative, and it is therefore not always clear what citizens can expect from the government. The world is changing, and for many people this creates feelings of uncertainty.

The last edition of the Social and Cultural Report (Van den Broek et al. 2016) outlined a picture of what the Netherlands could look like in 2050. It portrays a more dynamic, fluid society, with fewer fixed frameworks and more customisation. Life is a much more complex affair which places demands on individuals to maintain and sustain themselves and exercise much more control over their own lives. A common theme running through the Report is the possibility that new forms of social inequality and disadvantage could arise. Where in the past the greatest opposition was between groups with and without economic capital or between different education levels, in the future there will be different forms of capital which (help to) create differences in society. In the report 'Difference in the Netherlands' (*Verschil in Nederland*), SCP described a 'soft division' in society, in which the gaps between those who lag behind (the 'precariat' and 'insecure workers') and the rest are based on a combination of economic, social, cultural and person capital (Vrooman et al. 2014). The

report 'Facing up to the future' (*De toekomst tegemoet*) describes how the present societal dividing line between the *haves* and the *have-nots* changes into a dividing line between the *cans* and *cannots* (Van den Broek et al. 2016). To quote from the Social and Cultural Report (SCR) 2016: "In a demanding society in which people are expected to take control of their own lives, some will find their way better than others. People with good physical health and mental resilience, with able to cope with steep individual learning curves and with large amounts of social, cultural and economic capital will be better equipped for the changing society. What for some people means more scope for self-development, means a fight to keep up for others."

Those who are able to meet the new demands and who perceive this change more as a challenge than a threat – the *cans*, in other words – possess qualifications that will be (even) more important in the future than they are today. They include learning capacity and intelligence, talent, professionalism, creativity, flexibility and innovative capacity. The cognitive aspect is undoubtedly important, but less of a determinant of active participation and societal success than it is today. There are concerns about those who appear to be losing the battle, the *cannots*, for whom the bar may be too high.

We do not need to wait until 2050 to see some of those changes already happening. Politicians and society in general are expecting more and more from citizens. Over the last 25 years, the government has generally been in retreat mode – "from welfare state to participation in society" – and people are expected to do more for the community, for example as volunteers or informal carers. In addition, people are increasingly expected in the event of illness, disabilities or other setbacks in life, to seek more help from their social networks. The different chapters in this report have already highlighted several potential inequalities between groups which do and do not have the opportunity or capacity to keep pace in a rapidly changing and demanding society. Not everyone has a social network which is close by or able to provide rapid assistance, and the increase in the number of single-person households will make this problem more pressing in the future. There are already ample indications that there are also limits to people's willingness to provide help: stressed-out informal carers; relatives or friends who genuinely wish to help but pull back if it transpires that they will be required to provide long-term or intensive support. Being independent and participating in society is more problematic and (currently) less generally possible and automatic than the government would like. Combining paid work with care tasks also increasingly requires flexibility.

Having control over their own lives is an important quality enabling people to enjoy prosperity and well-being (in other words, quality of life). This also applies for having the basic skills to use the Internet, send and receive emails or communicate via social media. There are large groups of people in Dutch society – for example people of low literacy or people with a (mild) intellectual disability – for whom this is difficult or even impossible. Even



communication with the government can prove to be an impossible task for them. Our information society appears to be forgetting them, and a digital divide is developing.

In a rapidly changing labour market, the skills people need to have are also changing. Technological developments and increasingly flexible labour relations are moving at a rapid pace, and people need to be more independent and more enterprising in order to deal with this. That is also something which is not possible for everyone. And whilst a robot can take over simple, routine tasks, it is currently unable to engage in social interaction, which means that social and empathic skills will continue to be important on the labour market. If the flexibility of the labour market continues to increase, people will have to become more independent and more entrepreneurial in order to secure or hold onto a position on the labour market. People who are already doing work which places heavy demands on such skills, such as those working in education or the care sector, will probably be fairly well equipped to cope with any negative consequences of technological developments. Others will need to (continually) learn these skills in order not to fall behind. Not all citizens will be equally able to acquire those skills.

In education, and especially in senior secondary vocational education, 'generic skills' (such as the ability to cooperate, communicate, problem-solving ability, etc.) will be important in addition to subject knowledge in order to secure a place on the changing labour market. Our study also showed how the skills of parents can make a difference for the position of their children. Highly educated parents are better able to approach official organisations and obtain better outcomes for their children: their children are more likely to end up in higher education tracks, and these parents can exert more influence in finding appropriate education for their child.

The question for the years ahead will be how to enable as many people as possible to play a full part in this demanding society of the – possibly very near – future; how to prevent people from falling behind; and how citizens can be given sufficient and sufficiently timely support to acquire the necessary skills. This will not only demand efforts from the government and from institutions such as education, but will also have to be more broadly supported in society and will (also) require solidarity and engagement from and between citizens.

## Note

- 1 We do not have recent data for the Caribbean Netherlands, or BES Islands (Bonaire, Sint Eustatius and Saba), and we are therefore unable to devote any attention to these islands within the scope of this SSN. The conclusion from the evaluation carried out by SCP 2015 was that the social problems and poverty on these islands are stubborn and overshadow the positive changes. This heavy burden also weighs on perceived quality of life in the Caribbean Netherlands (Pommer & Bijl 2015). It is recommended that the flow of information regarding quality of life on these islands the rapidly improved, so that developments there, too, can be monitored.

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