



Measures on prevention of disability benefit dependency and activation of young persons

Netherlands: Young persons with Health Problems and Employment

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Introduction to the national report

In 2016 the Swiss Law on Invalidity Insurance (IVG) is being revised, which also involves discussions on options for revision. Regarding the growth of the proportion of young persons in the inflow in the Swiss scheme (in particular young persons with mental health related problems), some experts proposed to introduction of a higher minimum age for eligibility to invalidity pensions. But also other measures can be taken to prevent disability pension dependency and improve labour market participation of the young. E.g.: specific benefits and support programme for young persons with health restrictions or disabilities ,

The Federal Office of Social Insurance (FSIO/BSV) was very interested to know about reforms in other countries which focused on measures to prevent disability and disability pension dependency in young persons. In particular information was needed (“facts and figures”) about the backgrounds of the measures taken, how these measures have been conceptualized, what specific programmes or arrangements have been made, how they were implemented, what the reactions of different actors concerned were, and what implications the measure had. The inquiry should be mainly descriptive and not include recommendations but rather give pros and cons in a “neutral” manner and considering the national contexts.

Specific reforms have been described for in five countries, namely, Austria, Denmark, Netherlands, Sweden and the United Kingdom. The focus was on nationwide reforms, which actually have been implemented. Pilot projects and experiments fall out of the scope of the study, except when relevant as an example of “ongoing developments” after the reform described.

For each country a national expert collected literature and used – where necessary - additional sources. The project was coordinated by Rienk Prins Consultancy (Netherlands).

Depending on the national context, “evaluation culture” and implementation year of the reforms, national experts used multiple sources:

- Reports, policy papers, guidelines, etc., both official and “grey literature”;
- When available: elementary statistics on the situation before and after the reform;
- Research reports on evaluative studies carried out, position papers, etc.;
- (Telephone or face to face) interviews and email correspondence for those aspects where documentation was poor or not recent.

In its structure and terminology this national report reflects the questionnaire that has been used for each country to unify data collection. The report should be considered as a “working paper” which reflects the situation as in Summer 2016. Its content has been used for the comparative (final) report.

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Summary

The Disablement Assistance Act for Handicapped Young Persons (Wajong) is one of the income benefits offered in the Netherlands. This scheme is providing a minimum income for young people with health restrictions from the age of 18 years. Eligible are those young persons who are unfit for work because of a disability and not able to earn a minimum income are eligible for this benefit. Eligibility to Wajong is assessed by the Employee Insurance Agency UWV (social insurance agency). The new Wajong that is reported in this report was introduced in 2010. UWV provides the Wajong benefit and instruments and funding for young people with disabilities that want to work or are (partially) employed and financial support for their employers.

The predecessor of the new Wajong was introduced 1976. Discussions on the outcome of the legislation (due to increasing claims and growth) started soon after introduction, but did not lead to mayor system changes until 2010. The total number of beneficiaries went up from 40,000 in the first years to 200,000 in 2009 (cf Figure App 1). This growth was merely accounted for by the larger population of young people with disabilities reaching the age of 18 and more of them being diagnosed as having psychiatric condition or developmental disorder.

It is possible to have at the same time a Wajong benefit and be employed. In 2009 24% of Wajong recipients was (parttime) working. About 9% was working for a regular employer and 15% had a job at a social firm. It was estimated that 66% of the total Wajong population was able to do (some) work at that time or in the near future, whereas 34% was considered to be fully work incapacitated. Government convinced the social partners that estimatedly 400,000 Wajong recipients by the year 2040 if nothing would be changed. A system change was agreed on.

The New Wajong was introduced in 2010 only for the new inflow of young people with disabilities. It was primarily concerned with employing more young people with health restrictions and comprises three programmes:

1. A *benefit programme* providing a minimum income for those that are really unfit for work (not able to earn more than 35% of the statutory minimum wage);
2. An *employment programme* with the right to receive all necessary support to prepare for and find a job. The first claimant assessment is at the age of 18 years, after which the person receives intensive support and coaching in education, vocational training, job search and job retention support. The final reassessment for a Wajong disability benefit is at the age of 27 years when clients with work capacity are obliged to accept work or an education offer;
3. A *study programme* for those young persons with disabilities who still stay at school or start study after the age of 18 years; they receive income support of maximally 35% of the statutory minimum wage.

In the first year of the new Wajong 2010 the inflow rates dropped by 10%. Moreover, most of the new beneficiaries went into the employment programme (56%) and the study programme (37%). In the employment programme those with development problems as ADHD were over represented; in the study programme young persons with slight to moderate learning disabilities were overrepresented.

In 2014 there was again a growth in Wajong benefit dependency, which resulted into 66,000 beneficiaries at the end of 2014. About 183,000 people still received the old Wajong benefit, so in total there were 250,600 Wajong beneficiaries. Only about 12% of these recipients also had some partial employment (regular job), whereas 11% had a job at a social firm (sheltered employment). The numbers of new recipients that were employed or found employment dropped; those who found work had shorter employment contracts, compared with earlier years. According to the social insurance agency this had to do with the economic crisis and high youth unemployment levels at that time.

From 2010 on UWV worked hard to make agreements with municipalities, (local) employers, health and education institutions to form networks to reduce early school dropping and stimulate job creation for young people with disabilities. However, at the end of 2012 the administrators, government and social partners were convinced that the many different Wajong employment strategies would not result in more jobs for young persons with disabilities and less dependency on benefits.

The economic crisis and shrinking state budgets resulted in a change of governmental policy on how to cut spending on health services and social benefits. In 2012 neo liberal views resulted into the idea that the responsibility for health care, social welfare and benefit systems should be decentralised. This was based on the idea that the social systems should change from 'Every person has the same rights on the use of services and benefits' to 'What does an individual need to participate in society on his/her own strength?'. Decentralisation should be the cure and in 2015 municipalities received full responsibility for the youth mental health care and for the societal participation of young people with disabilities who are not fully unfit for work.

So after only five years (2015) the new Wajong changed again. From then on only the fully disabled who are permanent unfit for work receive a new Wajong 2015 benefit. In 2015 the inflow was reduced by 90% (down to 10%), but dependency on social assistance is rising.

1. Backgrounds and context

1.1 The original problem triggering the reform

The needs of young people with health problems or disabilities are addressed in the Netherlands with services and supports in health care, employment, income, transport, supported living and special education. New policies and programmes have been triggered by the alarming increase in the number of young people accessing these services and supports. In 2006 the total costs amounted to 60 billion euro a year. Most important for income support is the Disablement Assistance Act for Handicapped Young Persons (Wajong) which originates from 1976. Since 1998 programmes of vocational training and employment services were added into the Wajong Act. The total beneficiaries went up from 40,000 in the first years to 200,000 in 2009. (For details: see Appendix 1 and 4).

Wajong benefits and services are provided for by the Dutch Employee Insurance Agency UWV. This is an autonomous administrative authority (ZBO) and is commissioned by the Ministry of Social Affairs and Employment (SZW).

Until 2010 intended beneficiaries of the old Wajong income provision were people who are unfit for work on the day that they reached the age of 17 years, or who become incapacitated whilst studying, but before reaching the age of 30. The purpose was to provide a benefit for young persons with a disability who cannot earn a minimum income. They are eligible to the benefit until the age of 65 (and subsequently old-age pension). The Wajong Act described both eligibility to benefits and to receive re-integration instruments, like vocational training, job-coaching and work-adaptations for employees. For employers there were financial support tools, like placement bonuses, wage subsidies, no-risk insurance policy for sick employees and more.

Assessment disablement degree based on employee benefit system

The degree of disablement according to the Wajong Act was (and is) assessed by considering the disabled persons residual earning capacity. Capacity is defined by the residual capabilities of a person as a percentage of earnings, irrespective of one's education and work history. The degree of disablement is the complement of the residual earning capacity and defines the benefit level. The disability programme includes six disability categories: entitlement starts at a minimum degree of disability of 25 percent. The earnings base for calculating benefits is the minimum wage. Hence, the benefit at full disablement (80%-100% disabled) is 70 percent of the minimum wage (Appendix 1).

In 1976 it was expected that – with a yearly inflow of 1,600 persons – a maximum of 40,000 persons would be eligible. In 2001 the inflow was 6,200 and in 2009 a total of 16,700 Wajong-benefits were granted. One out of every 20 persons aged 18 was claiming and receiving this disability benefit (De Vos, 2011a). The total yearly cost of the Wajong benefits is well over € 2 billion and is becoming a financial burden in next years. At the same time a general trend in the Dutch labour market shows that people with a disability are less often employed.

Trends in incapacity benefits and employment rates in young people (Wajong)

The inflow of young people into the Wajong disability benefit has doubled between 2001 and 2010. Over the same period the outflow remained steady at 4,000 to 5,000 a year (cf. Table 1.1). The inflow growth was merely caused by growth of young people with non-physical disorders, like developmental disorders (attention deficit hyperactivity/ADHD, disorders in the

autism spectrum, attention deficit disorders (ADD) and psychiatric disorders (schizophrenia, personality disorder). In 2001 they comprised 72% of the inflow, in 2005 82% (cf Table Ap.1) and in 2009 85%. The percentage of inflow with physical codes went down, however the total numbers stayed more or less the same. The diagnoses mentioned here are the main (administrative) diagnoses. But 42% of the Wajong population have multiple health problems, with many persons having been labelled four or more different diagnoses. Virtually everyone (96%) in receipt of the Wajong-benefit has full disablement (80%-100% disabled), and consequently receives the full benefit.

This does not mean there is no possibility for them to work at all. Some young persons were employed when entering Wajong (8 %) and others found employment during benefit receipt. The percentage of people eligible for a Wajong benefit and with some job remained stable around the 25%. However, the proportion of people with full-time jobs fell sharply from 58% in 2001 to 45% in 2010. Research on the history of thousands of Wajong recipients concluded that in reality a much larger group had worked at least once (Jehoel-Gijsbers, 2010). It is estimated that between 2001 and 2010 40-50% of claimants have worked for some time within the first two years of receiving Wajong benefit for the first time (Table Ap.2).

1.2 Commitment: standpoints and positions before reform

In 2009 the Minister of Social Affairs and Employment Work informed parliament that it was expected, that - if policies would not be changed -, the Wajong numbers would double to 400,000 by the year 2040. The costs might rise from 2 billion to 4 billion euro a year. This was not acceptable for all political parties and the social partners (employers and labour unions) . According to estimates by the Social and Economic Council of the Netherlands (advisory body) about 50-60% of people on Wajong disability benefit still were able to do (some) work.

There were many debates in government and in society as to what caused the high inflow rates in Wajong benefits and what could stop them. Parliament, social partners, health and education professionals agreed the economic recession caused the increase of young disabled persons on benefits. Furthermore, changes in employment patterns played a role, namely new employment patterns with long working periods and more intense work are not conducive for people with health problems. There was a consensus that changes were needed at many fronts.

Table 1.1 : Number of Wajong benefits, new benefits (Inflow) and Outflow, Employment rate (Sheltered and open) of beneficiaries and fulltime employed (2001 – 2010)¹.

	2001	2003	2005	2007	2009	2010
Number Wajong benefits (x 1,000)	124	139	147	167	191	200
Wajong inflow (x 1,000)	7	8	10	15	18	17
Wajong out flow (x 1,000)	4	4	6	4	5	5
Employment rate in % of persons on Wajong benefit	26%	25%	25%	25%	26%	25%
- of whom fulltime employed	58%	55%	52%	47%	45%	45%

1.3 Main features of the legal institutional context before the reform

There are many institutions and organisations offering services to address the needs of young people with health problems or disabilities in the Netherlands. We present the most important ones:

Employee Insurance Agency UWV

Whoever is eligible for the Wajong programme is assessed by the UWV. UWV provides Wajong benefits for young disabled and provides instruments and funding for young people with disabilities (that are employed) and for their employers. Social insurance physicians and vocational experts employed by UWV determine eligibility. The insurance doctor does desk research and sets the diagnoses. On that basis the vocational expert decides on the residual earning capacity. UWV can offer re-integration facilities or buy a programme for a person on disability benefit. This can include schooling, training and job interviews.

Municipalities

Young persons (aged 18+) with health problems or disabilities not eligible for Wajong may receive social assistance from the municipality under the Work and Social Assistance Act (Until 2015 the WWB, after 2015 The Participatiewet and WMO (Annex 1). This benefit is (household) means tested.

Private and labour integration services

The market for provision of job retention programmes for the unemployed and people with disabilities was privatised in 2002. As a result private companies tender for contracts with the UWV to re-integrate benefit recipients into the labour market. This approach was introduced to tailor re-integration activities more closely to the needs and wishes of clients².

Social firms (sheltered employment)

A large proportion of young people with disabilities were employed in social firms (sheltered employment) where they could earn an income that matches the minimum income or sometimes above so they do not need Wajong³. The total number of employees (of all age groups) working in social firms was about 100.000 in 2009⁴.

Youth mental health care and organisations (Jeugd GGZ)

Parents facing moderate problems with raising children with a disability can apply for support from the Act on Youth Care (Jeugdzorg), which provides (provincially financed) care centres. These offer youth mental health care for those aged up to age 23. For children and young persons with more severe (health) problems (until 1.1. 2015) special day-care and psychotherapeutic centres (Jeugd-GGZ) were available. Most centres organise daytime activities that are targeted on inclusion in society; some are specialized in support for inclusion in the labour market.

Exceptional Medical Expenses Insurance

Exceptional medical costs for young persons (and older people) due to disabilities were covered under the Exceptional Medical Expenses Insurance Act (AWBZ)⁵. This is a public insurance for health risks that cannot be insured by an individual.

Special education and schools

There were special primary schools for young people with disabilities under the age of 12 years. Secondary schools for special education (VSO) are intended for young people with disabilities aged 12–20 years. Funds for personal support aim to help young people (aged 12–18) with disabilities in normal secondary schools. After that period there is special budget for education (for those aged 18+) and personal support financing, for instance for traveling to school.

Employers organisations and labour unions

Social policy in the Netherlands starts from the premise that matching of job seekers, jobs and employers is in the responsibility of local stakeholders. In practice only 4% of the employers show to hire a person with a Wajong benefit. Social partners who are members of advisory boards such as the SER and STAR (the Foundation for Labour, which includes social partners) recommend to make collective agreements to encourage employers to offer more jobs, apprenticeships and vocational training facilities to young people with disabilities. The proportion of all collective agreements including special programmes to employ youth with disabilities, increased from 13% in 2009 to 19% in 2010.

2. Contents and organization of reforms

2.1 Legal features of the reform

The old Wajong was replaced January 2010 by the 'new' Wajong 2010. Its main goal is to increase the labour participation of young people with disabilities. The idea behind the new programme was that most young people are still in development at the age of 18 and that "work is good for their health". The new approach included several requirements:

- A focus on what people can do, rather than on what they can't. This means to concentrate on possibilities of young people with disabilities, to function as adults in society and become productive members of the labour market; Not focusing on what young people cannot do (basis for disability pensions) but on what they bring to the labour market, including the identification of (future) work skills;
- Creation of an individual participation plan, which centers on capabilities, rights, obligations and prospects for work;
- Client obligations to accept work- or education offered;
- Stronger financial incentives for clients to take up work;
- Promotion of a better school-to-work transition and work-orientated education;
- Improving support for employers through regional public employment service centres;
- Cultural change, including changing attitudes of parents, teachers, health care workers, municipalities, employees and employers towards young people with disabilities.

Overall, the new policies, programmes and projects targeted at including more young people with disabilities in regular jobs and reducing the number entering jobs in sheltered workplaces.

2.2 Programmes and interventions provided under the New Wajong 2010

Many components of the old Wajong have been adapted. Most importantly the new Wajong 2010 has been split into three programmes:

1. A *benefit programme* providing a minimum income for those who are assessed as being really unfit for work (not able to earn more than 35% of the statutory minimum wage);
2. An *employment programme*, with the right to receive all necessary support to prepare for and find labour. Two mechanisms are available for facilitating the pathway to employment. The *participation plan* indicates what the person can do to gain employment and what help and support is required and for which supports he or she is eligible. The *employment offer* comes into play if the person him/herself does not succeed in finding employment him/herself. UWV can offer employment (a job with an employer) when there is a job available;
3. A *study programme* for those who stay at school, or start study after the age of 18 years and who receive income support (no more than 35% of the statutory minimum wage).

Target group

The target group remained almost the same. A person is eligible to Wajong 2010 benefit if he lives in the Netherlands, is aged below 65 years, and is at least 25% disabled on the date reaching the age of 17.

Degree of disablement and earning capacity (re-)assessed

As in the old Wajong degrees of disablement are assessed by considering the person's residual earning capacity. However, under the new Wajong 2010 Act, residual capabilities are to be defined on the basis of performance of *any type of work* by which any wage can be earned.

The insight that Wajong recipients are still developing their capacities when at age of 18, created a distinction in the *work programme* between a provisional assessment after the initial application, and a definitive assessment at a later point in time. From the age of 18 to 27 years (30 under the old Wajong), young people admitted to the Wajong *work programme* receive intensive assistance in finding and keeping work. The individual's remaining earning capacity (with or without labour support) is (re-)assessed at the age of 27; at that point the definitive assessment takes place with regard to permanent application of the Wajong Act.

Partial benefits when employed

Partial benefits may still be combined with labour earnings. As a new element the new Wajong 2010 Act promotes and rewards employment in (more) working hours. Those eligible for a benefit but earning less than the statutory minimum wage, can keep half of every extra earned wage. The statutory minimum wage (2010) was €1,398.60 per month, €322.75 per week and €64.55 per day for persons aged 23 and older.

New labour participation measures and programmes

The Wajong administrator UWV can offer more participation and re-integration facilities and buy (from private labour integration services) a regular support programme for a person on benefit. Two new instruments have been introduced to help a young person to find and hold a job: the *participation plan* and the *employment offer*. The participation plan indicates what the young person should be able to do - whether or not with the aid of reintegration instruments - and what support would be necessary. The *employment offer* means: if a young person in the Wajong system does not manage to find paid work with an employer, UWV can send him a job offer when a suitable position is available⁶.

The employment programme in Wajong 2010 can be combined with 'Work trials': the beneficiary may work for a maximum of three months for an employer, without being paid and still receiving a full disability benefit. One condition should be fulfilled for applying this measure: the employer should have the intention to hire the employee after the work trial shows to be successful.

Obligation to accept offer of work, sanctions.

The rights and obligations of Wajong recipients have been increased and the accompanying sanction regime has been tightened. Recipients have the obligation to accept a job offer if the work is in line with their abilities ('suitable work'). Refusing a job offer or client's failure to cooperate in the labour with reintegration process may result into termination of benefit payment.

Wage supplement

Persons who are employed, receive new Wajong 2010 benefits and who receive a wage lower than their remaining labour capacity, are entitled to a supplement to their wage (or income). This supplement can be given for four years at the maximum, and then decreases each year.

Facilities for employers

Under the new Wajong programme employers are supposed to offer more jobs to young people with disabilities. Negative financial consequences of hiring or employing young people with structural functional limitations are compensated by various provisions. UWV informed employers better on existing and new facilities. E.g. the new provision of so called *wage dispensation*. It is a kind of wage subsidy and may be applied for hiring young persons with disabilities, who - due to their disabilities - are partially capable of performing work. In addition employers are eligible for subsidies when they make adaptations at the work site of a young person with disabilities. E.g. by installing 'non-transportable facilities' – for example, elevators for wheelchairs, to enable a disabled person to work. These costs are compensated if they exceed a certain threshold.

2.3 New elements in other domains

Measures to have young people with disabilities to stay at school longer and to improve their qualifications and work skills are provided through collective policy initiatives (De Vos et al, 2011a). E.g. collective agreements are signed between schools for secondary special education, UWV, municipalities, employers' organisations and labour unions. These aim at securing a better match between education, vocational training, working skills and jobs for the next generation of young employees with disabilities.

The proportion of all collective agreements between employers organisations and labour unions including special programmes to employ youth with disabilities, increased from 9% in 2008 to 19% in 2010.⁷

Restructuring the system was considered to be of the highest priority. In addition a new policy emerged to reduce the number of institutions involved in special education, mental health care services and benefits. This resulted into a new Act on Public Support (WMO), introduced in 2013 (cf: App 2).

3. Implementation

3.1 New Wajong 2010 programme implemented

In the first year (2010) over 17,000 applications were submitted under the new Wajong⁸. Compared to the development of application numbers under the old Wajong scheme (2009), the new Wajong Act shows a lower growth rate. In 2010, 40% of applications under the new Wajong Act reaching the decision stage were rejected; this is higher compared to the old Wajong (33% in 2009). Over 10,000 people were admitted to the new Wajong system in 2010⁹.

Inflow in the various programmes in the new Wajong system

From the 10,400 young people who entered the system under the new Wajong Act in 2010, 13% entered the benefit programme, 54% qualified for the the employment or work programme and 34% entered the study programme (cf Table 3.1). Next years the percentage that entered the benefit programme (13%) stayed very low (cf Table Ap.3).

The persons entering the *work programme* can be differentiated on the basis of their participation possibilities (determined by the labour expert when the individual enters the system). In the work programme four groups can be distinguished(cf. Table 3.1):

- Persons with temporarily no employment possibilities: 20%; they are not immediately employable because receiving treatment;
- Persons employed in social firms (sheltered employment): 3%, as they only have possibilities of working in a sheltered environment/workshop;
- Persons in regular employment: 26% (on which the majority of the reintegration efforts are focussed);
- Study and education: 5%, which are persons in this educational programme not covered by study grants and loans and/or in part-time education course.

This means that when entering the Wajong system, just 29% of the total inflow is eligible for placement assistance in finding sheltered (3%) or regular (26%) employment.

Table 3.1: Inflow new Wajong 2010 by type of programme in percentages (2010)

Benefit programme	13%
Work programme, of which	54%
- temporarily no possibilities	20%
- sheltered work	3%
- regular work	26%
- study/education	5%
Study programme	34%
Total new benefits	100%

Characteristics and disorders of the Wajongers in the new programme

The average age at inflow in the new Wajong is 21 years, but the majority (62%) enters at the age of 18/19. The proportion of men (57%) shows overrepresentation.

In 2010 66% of the inflow has a developmental disorder (such as a mental impairment or autism) as primary illness (cf Table Ap.4). Just over 20% has a psychiatric illness whereas a small group (13%) has a physical ailment as primary diagnosed illness. (These percentages did not change much in 2014, cf Table Ap.1). The percentage of people in the new Wajong system with more than one illness (multimorbidity) continued to rise: from 44% in 2008 to 49% in 2010.

Regarding young persons entering in the Wajong *work programme* in 2010, 62% have a developmental disorder, 27% have been diagnosed with a mental illness and 11% have a physical illness (cf. Table Ap.4). Within the category with developmental disorders mainly persons have (very) slight mental impairments (29%), a disorder that falls within the autistic spectrum (13%), or persons with an attention deficit disorder (ADHD) (10%).

The characteristics of the four sub-groups in the work programme are clearly distinguished in a research study by UWV (Berendsen, 2012). In the group that *temporarily has no work possibilities* people with mental illnesses represent the largest proportion (48%). It is expected that a significant part of this group will ultimately be transferred to the benefit programme.

In the group *suitable for working in a social firm* a large majority (89%) has a developmental disorder. Especially individuals with slight mental impairments are over-represented. Comorbidity is also more common in comparison to the group suited to regular employment.

Most people in *the regular employment group* have a developmental disorder. These mostly are persons with a slight mental impairment (one third of the regular employment group), disorders that fall within the autistic spectrum (17%) and attention deficit disorders (13%). This group also has comparatively less comorbidity than the other groups. It appears that this group, as expected, has fewer limitations and more employment possibilities than other groups in the work programme.

The group of people in the Wajong work programme following an *educational programme* resemble in many respects the people in the Wajong study programme.

3.2 Implementation: roles and practices

Working groups under the administrator of Wajong (UWV) started to organise collaboration between departments and public institutions in social security, employment, health and education to initiate integrated employment programmes, as well as education and inclusion projects.

UWV and the social partners (members of advisory boards like Social and Economic Council of the Netherlands (SER) and the Foundation for Labour (STAR), advocated that collective agreements should be negotiated to encourage employers to offer jobs to young people with disabilities. In January 2011 employers and labour unions agreed on collective bargaining priorities for the coming years. One of the priorities was to create collective agreements that actively, and without restrictions, include groups with disabilities and chronic diseases in the labour market for open employment (cf Section 3.3).

3.3 Cooperation

At the time of implementing the new Wajong there also were major administrative system changes ongoing and a nation wide digitalisation process (cf Chapter 4). Because of problems with digitalisation the client compassion rate with UWV performance went down considerably between 2010 and 2012, but recovered partly in 2013 and 2014.

The proportion of all collective agreements between employers' organisations and labour unions which have been formulated with the inclusion of special programmes to employ youth with disabilities increased, from 19% in 2010 to 46% in 2014.

4. Impact and lessons

4.1 Impact on the target group

In 2010 10,400 young persons were granted the new Wajong-benefit: 13% permanent severely disabled young persons entered the benefit programme, 54% entered the work programme and 34% entered the study programme (cf Table 3.1).¹⁰ The next three years the percentage that entered the benefit programme stayed very low. This low percentage is assumed to be related to the fact that in case of any doubt (during eligibility assessment), the new applicant enters the work programme. It showed to be difficult to evaluate in advance that an individual is permanently disabled to do paid work.

The study programme is by definition temporary. This is reflected by the movements between the programmes. The young PWDs in the study programme include a group that permanently does not have any prospects of paid work. When they finish their study some will move to the benefit programme. During the first two years the new Wajong had been in effect, only 20% of entrants moved from the study programme to the work programme.

Growth in Wajong benefit dependency in 2014

In 2014 the growth in Wajong benefit dependency resulted into 66,000 beneficiaries in the new Wajong. Moreover, about 183,000 persons still received the old Wajong benefit, which amounted to a total of 250,600 beneficiaries. Of all recipients 12% showed to have a regular job and 11% were employed in a social firm. The numbers of inflow in the new Wajong that were employed or found employment dropped; those who found work had less long labour contracts. According UWV this trend was due to the economic crisis and high youth unemployment at that time.

In total two third (66%) of the new inflow in 2014 were persons with a developmental disorder. Thus rate is higher than in 2001 (35%) and 2005 (43%, cf Table Ap.1). This increase is assumed to be related to the rise in students in special education with development disorders, almost all of whom enter the Wajong. This group most often enters the Wajong work programme (cf Chapter 3).

Almost one out of five of the new inflow in 2014 has psychiatric illnesses. In 2005 that was two out of five. The percentage of the inflow in 2014 with physical (somatic) illnesses stayed low (15%). These numbers reverse to the first diagnoses assessed.

Employment rates in 2014

A quarter of the total Wajong (old Wajong and new Wajong 2010) population was working in 2010; in 2014 this rate was a little lower, namely 22% (cf Table Ap.3). Almost half of them worked in sheltered employment at social firms. The total numbers of Wajong recipients finding employment went up from 2,800 in 2010 to 8,000 in 2014 (cf Table Ap.3). However, most of them were from the old Wajong group. There were only a few hundred from the new Wajong 2010 work programme group that found employment. Most of them finding employment were older than 19 years. Of the people entering the new Wajong work programme at the age 18/19 almost none found work. This was very disappointing for the administrator UWV and the other parties.

Work support

In 2014 almost no new jobs were created at social firms. The 8,000 jobs created for young PWD that year were with regular employers. Most (80%) of the total Wajong population who also are in employment (working for a regular employer) is receiving additional support, often as wage dispensation and wage subsidy for the employer, as well as an additional payment for the employee. The administrator concluded that these instruments are helpful for the clients in the old Wajong scheme, however not to find jobs for young people in the new Wajong 2010 work programme.

One important explanation for the “failure” of succes in new Wajong recipients relates to the lack of job vacancies. Furthermore, when jobs were offered by employers the administrators often had problems in finding an able or suitable young person. This condition has been ascribed to the lack of information in the new administrative system (introduced at that same time). An other explanation refers to the validity of disability assessments: it is assumed that young people who are in the work programme (and who are expected to be able to work) actually are unfit for work.

Labour participation of Wajong recipients seldom shows to lead to outflow from the benefit scheme: only 0.5 per cent of the Wajong population flows out due to “recovery”. A Wajong benefit is terminated after the recipient is employed and is paid the minimum wage during a certain period and does not need work facilities. Over one in five Wajong recipients shows to be working without a benefit (14% “zero benefits”) or with a partial benefit (8%). The Wajong recipients with “zero benefit dependency” mainly are young persons working at social firms.

4.2 Impact on organization and cooperation

An important element in the new Wajong is the set of extended provisions UWV can offer, like better services and more tools for employers hiring people on disability benefit. After a slow start UWV became more generous in offering employer support like wage subsidies. Three-quarters of the employers employing a Wajonger use several provisions at the same time (wage subsidy, wage dispensation). According to half of the employers, the productivity of employees with wage subsidy placements lags behind that of their colleagues (without disabilities). However, most employers are satisfied with these placements and the role of UWV. As mentioned before, about 80% of the workers are in need of other supportive measures, such as a job coach.

Creation of Work Squares

In order to replace the old public employment offices (PES) in 35 regions so-called Work Squares (Werkpleinen) were created (2010), where demand and supply of labour should meet (better). Work squares play a central role for persons willing to work and also for those receiving a Wajong-benefit. Some Work Squares show to be more effective than others. In 2013 the labour participation of Wajongers was the highest in the Work Squares in east region called the Achterhoek (36%) and the lowest in Amsterdam (19%).

Cooperation between actors

In 2012 the newly installed Dutch government started discussions with employers and labour organisations leading to a Social agreement (2013), with plans to revise the Wajong Act and to introduce a new Participation Act (Participatiewet, 2015). Some elements in this agreement:

- Between 2016 and 2026 at least 125,000 people, assessed by UWV and having functional occupational limitations, will be employed in 'guaranteed jobs';
- In the same period the number of sheltered workplaces will be restricted, the jobs they provide will have to decrease from 100,000 jobs to less than 30,000 by 2030;
- Only young persons with severe and permanent or life time disabilities will (from the age of 18 year) receive disability benefits;
- Municipalities will become responsible for training and and job placement of young people with disabilities.

The central employers organisations promised that they would create 100,000 extra jobs for persons with disabilities in the coming 10 years. Government promised that the public sector employers would create 25,000 jobs extra. These 125,000 jobs are restricted to persons not able to earn a minimum income. So a large part is expected to be "filled" by young PWD's. This agreement was included in the Job Agreement and Work Quota for disabled Act (Wet Banenafpraak).

July 2016 initial results show to be disappointing (and "blaming and shaming" comes and goes in all directions). Whereas employers managed to create over 12,000 jobs in the first year (which is not enough but substantial), public sector employers created only a few hundred. Summer 2016 discussions started in parliament to impose a employment quota system upon most municipalities (sanction). Furthermore the the main employers organisation (VNO-NCW) made the statement that it is not possible for private employers to create sufficient jobs neither for young job seekers nor for people with disabilities. Municipalities blame UWV for not delivering the right services. UWV is blaming reorganisations and austerity measures.

Adverse developments

At the time of implementing the new Wajong (2015) there were other major changes in the administrative area. E.g. the change in the restructuring of administration of employment, benefits and income (Wijziging van de Wet SUWI and Wet werken naar vermogen, 2012) had a structural negative effect on the cooperation between UWV and municipalities. The number of UWV offices was reduced from 98 to 30 (2015). Moreover – as mentioned before - there were problems with digitalisation the UWV administration.

4.3 Evaluations and lessons learned

As a first lesson it can be noted that in the Netherlands disability insurance for young PWD long has been used in a way it was not intended to. The successive disability benefit programmes showed to support youth that do have non severe disabilities and are actually unemployed because of insufficient education and skills. The drawback of using disability benefits as an unemployment provision is that it hides the lack of targeted more cost-effective provisions and postpones their introduction. Meanwhile, huge, unfunded financial liabilities are created given the lengthy average duration of disability benefit dependency, until the age of 65 (De Vos, 2010b). The Wajong case is an illustration both of the size of such liabilities and of the governmental problems involved in changing an entitlement-oriented disability policy.

In regard to the growing numbers of youth with a disability the government took a drastic step in 2010 by introducing the work programme and postponing the age for a final decision on the right for a permanent benefit from 18 to the age of 27.

Another lesson to be drawn from the new Wajong is that the special features of the disability benefit programme also proved to have their weaknesses. Implementing the Wajong in the sixties the Dutch government chose to merge the general disability benefit programme and the (former) work injury programme. They took the more generous of the two – the work injury programme – as the model for a social insurance program that covered all disability risks, regardless of their cause and of its mental or physical origin. Applying this framework to all kinds of disability contingencies, including an increasing number of diffuse complaints like behavioural problems, made the system weak and uncontrollable. The new Wajong in 2010 wanted to cover only those youngsters (of the new inflow) that have hardly any productive capacity left. The other young PWD had to go to school or improve qualifications and find a job (or they would lose their benefit). But then again it showed that from the employers point of view the young people in the work programme selected for them had not enough capacity for the jobs that were available.

Another lesson: too many policy changes at the same time do not help. From 2010 on the administrator UWV worked hard to make agreements with municipalities, (local) employers, health care and education institutions to form bonds and networks to reduce early school drop out and stimulate job creation for young PWD. In 2013 the government and social partners were convinced that the many different employment strategies would not result in more jobs.

The financial crisis and shrinking state budgets resulted in a change of governmental policy on how to cut spending on health services and income benefits. Neo liberal views lead in 2012 to a shift of paradigm: the systems should change from 'Every person has the same rights on the use of services and benefits' to 'What does an individual need to participate in society on his/her own strength?'. Consequently, in 2015 more responsibility was given to municipalities.

In this decentralisation process UWV lost control over the networks they had invested in heavily. Municipalities were less interested while concentrating on their new obligations.

5. Outlook

5.1 National political discussions since implementation

To increase the chance of finding an ordinary job the young people with a disability must receive more support before the age of 18 (when benefits can first be claimed). Most children with a disability received special education in special schools.

This policy changed in 2015 when primary schools under an “Inclusive schools Act” were obliged to accept children with a disability and offer them adequate teaching. The future plan is that all ‘special education’ will be abolished.

It is therefore important that at a local level schools work (better) together in regional networks and with job centres, UWV, health care organisations, municipalities and employers. There must be more attention in schools for increasing prospects and providing better preparation for the labour market. Young people must be diagnosed at a younger age and helped, maybe from age five and onwards.

New principles of approach are under discussion (and some already implemented) in the Netherlands from 2015 on:

- Increase efforts on skills development, training and job placement – an integrated approach is needed to these essential steps to employment;
- After training ensure rapid placement in a real job if momentum is to be maintained and skills are to remain relevant;
- Empowering the individual to take control of their career path – individuals should be able to make real choices in this area;
- Employers need more support with the recruitment, training and retention of young people with disabilities.

5.2 Current relevant developments: New Wajong 2015

January 2015 the new Wajong 2015 has been implemented in combination with the so-called Participation Act, the Job agreement Act and the new WMO (cf. App 1). This new Wajong 2015 is different insofar that the new applicants should have proven live time loss of earning capacity.

The basic idea underlying the newest approach is that young disabled persons, who have a chance on the labour market, must not receive a benefit at the age of 18, as this might drive them out of the labour market forever. This is often the case now: the fact of receiving benefits then is in itself considered as a disadvantage for them.

Governmental expectations on further trends indicate that it is expected that the total numbers of Wajong recipients will drop in 2016 from 250,600 to 245,000 (old Wajong, new Wajong 2010 and Wajong 2015 added). In 2016 the inflow in the Wajong 2015 is 75% lower (around 4,000) and outflow 20% higher (around 7,000).

Summarising, the policy innovations started in 2015 regard:

- Further fundamental change of the Wajong disability benefit programme;
- Re-assessment of all old Wajong and new Wajong 2010 benefit recipients;
- A 70% reduction of jobs in social firms for PWD within 10 years time;
- Public and private employers are committed to create 125,000 new jobs;
- Municipalities become responsible for young people with disabilities who have working capacities.

This new policy of decentralisation means that from 2015 on the 400 municipalities are responsible for:

- Benefits for young people with disabilities who can work;
- Their education, training and employment;
- Youth mental health care provision.

The municipalities have to support these young people with disabilities and their parents with facilities as: transportation support; support in independent living; inclusive education and culture change programs.

Finally, it should be noted that (2016) municipalities have to perform additional tasks they are not prepared for. Moreover, budgets for the new responsibilities are much lower than before. Many young people with a disability that are not eligible for the New Wajong 2015 now have to be registered by UWV as member of the so-called "Target group" (Doelgroep): they will receive an offer of activation instruments, provided by the municipalities. However, it is the impression that many young people still are without any help in this first year of implementation.

More details on these changes can be found in Appendix 1.

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Appendix 1. Main features and statistics on social security and Wajong

Social security in the Netherlands

The number of inhabitants in the Netherlands is almost 17 million persons (2016).

The main social systems applicable to young persons with health restrictions or handicap for income replacement are:

- Disablement Assistance Act for Handicapped Young Persons (Wet werk en arbeidsondersteuning jonggehandicapten, Wajong)
- Act on public support (Wet Maatschappelijke Ondersteuning, Wmo) = social assistance

Total Wajong population is 250,600 (Old Wajong 183,900 and new Wajong 2010 66,700) and the total number of people receiving WMO social assistance income is 411,000 (end of 2014).

In 2010 the prevalence of mild to severe disabilities amongst people aged 16–24 years and 25–35 years was 17%, which is slightly higher than in other EU countries (De Vos, 2011a). The prevalence had increased little in the ten years before and could not explain the increase in Wajong benefits, youth numbers in health care and attending schools for special education. The system became over loaded. The growth of the many institutions dealing with youth care and health problems could not prevent that waiting lists became a severe problem. The political question was (and is): Did an affluent system profitable for many institutions created its own demand?

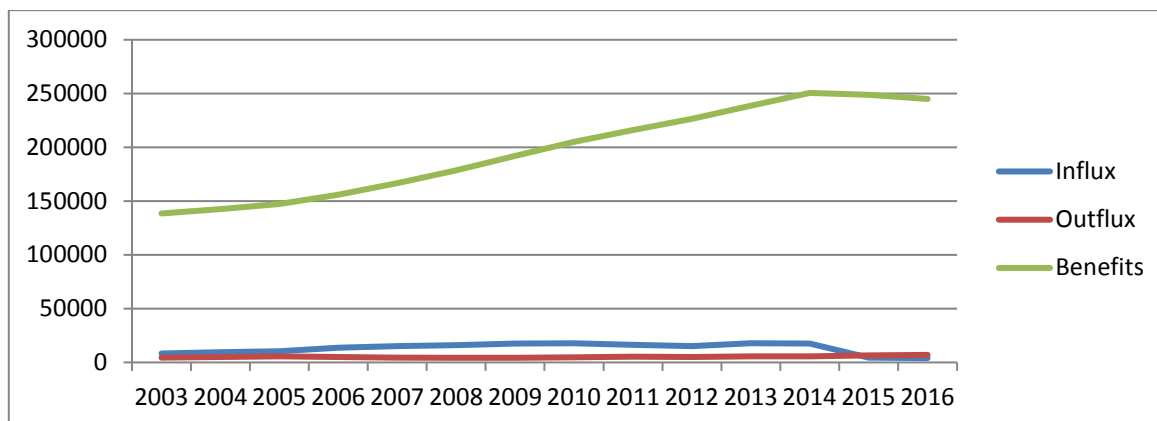
There is a direct relationship between the growing numbers of children and young people in health care services, special education and social inclusion programmes and the increase in those applying for Wajong disability benefits after they leave the education system (De Vos 2010a and Besseling, 2008). Key characteristics of the growing number of young people with disabilities receiving Wajong, special education and other services include: early school leaving with no or little education, behavioural problems and mental health difficulties.

Disability benefit programs in the Netherlands

Two separate benefit programs targeting different social groups provide compensation for loss of earning capacity due to long-term or permanent disablement.

The first, and by far the biggest, program covers employees, and awards wage-related benefits (IVA). The other one addresses those handicapped from youth. Young handicapped people (disabled before the age of 18) may receive benefits under the Wajong. This programme provides flat benefits at the social minimum level. These are financed out of general revenues. Eligible youth handicapped are entitled to a benefit from age 18 onwards. Otherwise, the design and administration of this program is the same as the wage-related program for former employees. Parts of the new Wajong Act are similar to the IVA (Full Invalidation Benefit Regulations for employees) in the WIA (Work and Income (Capacity for Work) Act).

Figure Ap.1: Inflow, outflow and stock of recipients in Wajong (2003 – 2016).



The old Wajong

The Wajong makes provisions for a minimum benefit for young handicapped people. A person was eligible for the old Wajong benefit if he lives in the Netherlands, is below the age of 65, and

- is at least 25% disabled on the date on which he reaches the age of 17, or
- becomes at least 25% occupationally disabled after this date (but before his 30th birthday) and has been a student for at least six months in the year prior to the occupational disability.

Table Ap.1: Inflow Wajong programme by (first) diagnose group (2001 – 2014) and total population (old, new and total wajong) end 2014

diagnosis group	2001	2005	2010	2014	Total Wajong population end 2014		
	Infl.	Infl.	Infl.	Infl.	Old Wajong	New Wajong 2010	Total
developmental disorders %	35	43	66	66	55	65	57
psychiatric illnesses %	37	39	21	19	20	19	20
physical illnesses %	27	18	13	15	20	13	18
Total inflow/ benefits x 1000	6,2	9,2	17,8	17,4	183,9	66,7	250,6

The Wajong benefit level is calculated based on the severeness of the disability and the statutory gross minimum (youth) wage. For fully disabled persons the benefit is 70%. The benefit is higher than the poverty allowance a household may receive when it has no income; furthermore, is not means tested and for most of the users a stable income until they are 65 years old. So it could be considered as a a very attractive alternative to working. Also because when a person is married or lives together, his/her spouse can work while he/she still receives a Wajong benefit. Although receiving a Wajong benefit, one quarter of the young disabled people have a job with a certain amount of support.

Degree of disablement

The degree of disablement is assessed by consideration of the disabled youth residual earning capacity. Capacity is defined by the residual capabilities of a person as a percentage of earnings, irrespective of one's education and work history. The degree of disablement is the complement of the residual earning capacity and defines the benefit level. The disability programme for youth handicapped has six disability categories: the entitlement starts at a degree of disability of 25 percent. The earnings base for calculating benefits is the minimum wage. Hence, the benefit at full disablement (80%-100% disabled) is 70 percent of the minimum wage.

Partial benefits

Partial benefits can granted and be combined with labour earnings. If recipients on a partial wajong benefit are unable to find gainful employment they are entitled to a partial unemployment benefit. Combination of disability and unemployment benefits never replaces more than 70 percent of earnings lost.

Employment

Virtually everyone (96%) in receipt of the Wajong benefit has been declared fully unfit for work, although this does not mean there is no possibility for them to work at all.

While the percentage of people eligible for a Wajong benefit who are employed remained stable around the 25%, the proportion of full-time jobs fell sharply from 58% to 45% (Table 1.1).

Table Ap.2: Wajong benefit inflow, labour participation rate at the moment of entering, Inflow entering without a job, percentage getting a job within 2 years after entering (2001-2006, total numbers and percentages)¹¹.

	2001	2004	2006	Total 2001-2006
Wajong inflow (x1000)	7,7	9,9	13,8	61,7
With a job %	28%	18%	17%	21%
Without a job (x1000)	5,5	8,1	11,4	48,8
- Of which having a job %	40%	31%	11%	28%

If every young person with disabilities who has had employment at some point in time had also continued to work, the 'target' of 50% in employment would have been achieved. The problem of the low employment rate among people on Wajong benefit is in finding employment as well as in holding on to it. A high proportion of those in Wajong, who find employment lose their jobs within a short time (Jehoel-Gijsbers, 2010). A few numbers and figures illustrate these problems:

- A substantial proportion of people on Wajong benefit already have a job when they apply for benefit. This proportion has, however, fallen over time, from 28% in 2001 to 17% in 2006 (table Ap.2). Within a year after they start receiving incapacity benefit, 20-30% of the group who were initially working have lost their jobs;
- Around 20% of the persons who are not working when they entered the Wajong disability benefit find a job within a year; within three years, this has risen to over 30%. Almost half of these lose their job again within one year;
- Losing their job is determined primarily by the sector in which people work. As might be expected, job loss rates are higher in the temporary employment sector: 75% lose their jobs within a year of obtaining them. The Social firms Act (WSW) offers the greatest job security: only 12% of those in social firms lose their jobs within a year;
- Of all the Wajong clients who worked at the end of 2009, 80% had long-term contracts, i.e. they had a contract for more than one year. The share of long-term work varies: for Wajongers in the social firms this is 93%, while this was 66% for Wajongers with a regular employer.
- Wajongers up to the age of 35 often work based on a temporary contract and are less likely to make the transition from a temporary to a permanent contract. This also applies for young people in the employment market in general. Wajongers up to the age of 35 are twice as likely to have no work after a year as young employees up to the age of 35.

The New Wajong, most important changes in the new 2010 Act

In order to activate the new people under the Wajong Act as much as possible, a number of components of the Wajong programme have been adapted. The most important of these are:

- The *abilities* of Wajong recipients should be leading principle. Under the old Wajong Act, 98% of Wajongers were declared fully labour incapacitated. That means that a person covered by the Wajong Act was not deemed capable of independently earning at least the statutory minimum wage (WML) in regular work. In the new Wajong, the emphasis is on what Wajongers can do rather than what they cannot do. Participation is defined as the performance of any type of work by which any wage can be earned.
- The law is divided *into three programme*. The right to labour support is the focus for young people with disabilities who have the prospect of performing paid work. They are admitted to the so-called work programme. Young people whose prospect of work cannot be ruled out are also admitted to the work programme. Young people who, as the result of illness, have no prospect whatsoever of a job, not even if provided with support, because of medical or labour reasons, continue to be entitled to an unchanged Wajong benefit in the benefit programme. For them, income protection is the focus. This part of the new Wajong Act is similar to the IVA (Full Invalidation Benefit Regulations) in the WIA (Work and Income (Capacity for Work) Act).

Table Ap.3: Inflow new Wajong 2010 by programme and Old wajong (2010-2014).

New and old Wajong	2010	2011	2012	2013	2014
New Wajong entering programme and rejected					
Benefit programme	1,500	1,300	1,300	1,300	1,000
Work programme	6,100	6,600	7,400	8,100	7,900
Study programme	2,800	5,600	5,500	5,800	5,300
Only work support	30	20	30	100	0
Rejected	7,000	8,500	9,600	10,700	11,600
Total new Wajong benefits	9,700	23,800	36,900	51,800	66,700
New and old wajong entering benefit	17,800	16,300	15,300	17,700	17,400
New and Old wajong outflow	4,600	5,200	5,100	5,500	5,700
Total Old and new benefits	205,100	216,200	226,500	238,700	250,600
Total finding employment with Wajong	2,800	6,400	7,200	6,600	8,000
Percentage employed with O&N Wajong (%)	25	25	23	22	22

Wajong recipients who fall under the study programme do study or are still in school and do not receive a full benefit. They receive 25% of the WML as a study allowance.

- *Provisional and definitive assessment.* The idea that Wajongers are still developing at the age of 18 has prompted a distinction in the work programme between a provisional assessment after the initial application and a definitive assessment at a later point in time. From the age of 18 to 27, young people admitted to the Wajong work programme receive intensive assistance in finding and keeping work. The individual's remaining earning capacity (with or without labour support) is (re-)assessed at the age of 27 and at that point the definitive assessment takes place with regard to permanent application of the Wajong Act.

- *New elements in labour support.* Two new instruments have been introduced to help individuals find and hold a job: the participation plan and the job offer. The preparation of a participation plan is a new instrument for boosting the participation of people in the Wajong work programme. The participation plan indicates what the young person should be able to do - whether or not with the

aid of reintegration instruments - and what support would be necessary. The offer of work means that if a young person in the Wajong system does not manage to find paid work with an employer, whether or not with the assistance of UWV, UWV can make him an offer for work as soon as a suitable position is available.

- *Work must pay.* The new law not only introduces new instruments, it has also been amended with regard to earnings from work in order to make work more attractive. Wajongers who work but earn less than the statutory minimum wage (WML) and more than 20% of the WML may keep half of every extra euro earned. This could make their income higher than 75% of the WML and as such working more will also be worth it.

- *Obligation to accept job offer* and sanctions. The rights of Wajongers are expanded in the new law. The obligations have also been expanded, however, and the accompanying sanction regime for people covered by the new Wajong 2010 Act has been tightened up. Under the new Wajong 2010 Act, young people have the obligation to accept an offer of work ('suitable work') if the work is in line with their abilities. A refusal of an offer of work or the failure to cooperate with reintegration could result in termination of the benefit.

Table Ap.4: New Wajong recipients by diagnostic groups (2010).

Diagnosis group	benefit programme	work programme	study programme	total
Developmental disorders	53%	62%	76%	66%
serious mental impairment	16%	0%	1%	2%
moderate mental impairment	13%	2%	8%	6%
slight mental impairment	8%	18%	26%	20%
very slight mental impairment	0%	11%	10%	9%
mental impairment, seriousness unknown	2%	1%	1%	1%
other developmental disorders	3%	7%	4%	5%
Psychiatric illnesses	35%	27%	7%	21%
personality disorders	7%	10%	2%	7%
mood disorders	6%	5%	1%	4%
schizophrenia and other psychoses	12%	4%	1%	4%
other psychological illnesses	10%	8%	3%	7%
Physical illnesses	12%	11%	17%	13%
percentage of the influx	13%	54%	34%	100%

Degree of disablement and earning capacity

The Wajong disability benefit system has six degrees of disablement that are assessed by considering the person's residual earning capacity. Capacity is defined in terms of the residual capabilities of a person as a percentage of earnings, irrespective of one's education and employment history. The degree of disablement is the complement of the residual earning capacity and defines the benefit level. The first of the six disability categories that entitles a person

to a benefit starts at a degree of disability of 25%. The earnings base for calculating benefits is the minimum wage. Hence, the benefit at full disablement (80%–100% disabled) is 75% of the statutory minimum wage. The benefit is not household means tested and for most of the recipients it is a secure income until they are 65 years old.

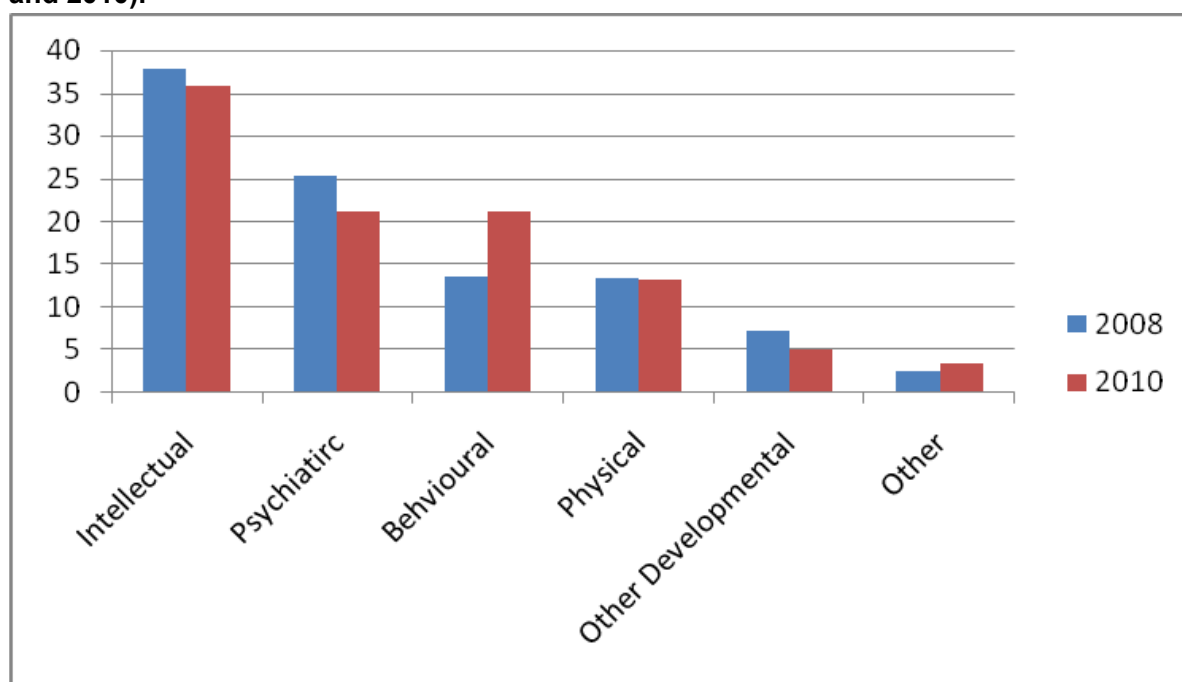
Partial benefits

Partial benefits can be combined with labour earnings. If recipients of partial benefit are unable to find gainful employment they are entitled to partial unemployment benefit as well. A combination of disability and unemployment benefits never replaces more than 70% of earnings lost.

Young people (aged 18+) with health problems or disabilities not eligible for Wajong may receive social assistance from the municipality under the Work and Social Assistance Act (WWB). This benefit is (household) means tested.

Young people may receive tax benefits to supplement income or alleviate the burden of the costs for health care (special costs of care not covered by insurance such as dental care, costs of insurance benefits, diet, transport and facilities).

Figure Ap.2: Health conditions in young persons entering the Wajong programme (2008 and 2010).



New Wajong 2015: state of affairs

The newest Wajong 2015 is a consequence of the joint agreement by the Dutch National government and social partners called the Sociale Agenda (2013). This agenda is supposed to set the agenda for an important change in national policies on health, social income and employment services. The Agenda consists of plans for 1) a Sector Plan Co-financing Scheme (EUR 1.2 billion) to support new jobs in certain sectors. 2) A new infrastructure for the labour market and social security. 3) A new balance between flexibility and security (more flexicurity for

flex workers). 4) Reorienting unemployment insurance policy conditions. 5) Reorienting pension conditions.

The neo liberal ideas behind the Sociale Agenda are based on the argument that social services to the people should be less based on 'rights' and more on 'what a person needs' in her/his personal situation. Services should centre on changing personal circumstances and empower people to be more self-responsible for their own fate. And be less reliant on health care, sheltered workshops and social benefits.

As a policy consequence health care, income support, employment and service providers are decentralized and that municipalities become more responsible for offering integrated social services on local level. Because of nationwide austerity measures, the municipalities are expected to offer better social services for less money.

Unemployment is rising in the Netherlands since 2008 (8.6% in January 2014) and is still high at this moment for young people (12% unemployment), young people from non-western origin (> 50%) and persons with disabilities in general (60-80%). The majority of people with a disability who work are employed in the (semi) private sector and in sheltered workshops (100,000 jobs). Only one percent of the people employed in the public sector are persons with a disability.

In accordance with the Sociale Agenda agreement (2013) on January 1, 2015 the new Wajong Act and the Participation Act (Participatiewet) were introduced, with major repercussions (cf Chapter 4)

In May 2015 more agreements of the Sociale Agenda became official with the Job agreement and Quota disabled employees Act. The 400 Dutch municipalities together with other public employers and the Employee Insurance Agency (UWV) and social partners are responsible for the success of the reforms. Together they have to create 125,000 new jobs for persons with a disability of which 25,000 in the public sector. This new Act states that if targets are not reached a quota regime will be imposed with fines for public and private employers who don't reach their quota.

Appendix 2. Other programmes for young people with disabilities

1. Social health care and social care needs and services

Parents have access to several means for help, depending on the severity of their child's disability and its needs. The Act on Public Support (WMO) is helpful for those dealing with less severe problems. It regulates what services municipalities have to offer. Municipalities are expected to help and support young people and their parents in preventing their condition deteriorating, providing information and advice, promoting their inclusion in society and promoting public mental health care.

With the introduction of the Participation Act (1.1. 2015) the WMO became most important for young people with disabilities who could no longer enter the Wajong (eg. 90% of the former inflow is near 13,000 persons a year) and are now depending on the municipalities (and or their families).

WMO specifies that people with disabilities can request help from the municipality in the area of housing, transport (e.g. a taxi bus), electric wheelchairs and stair lifts.

Parents facing moderate problems with raising children with a disability can apply for help under the Act on Youth Care (Jeugdzorg), which provides for care centres for juvenile mental health care for young persons aged up to age 23.

For those with more severe (health) problems there were up until 1.1. 2015 special day-care and psychotherapeutic centres for children and youngsters (GGZ). Most centres organised daytime activities that are targeted on inclusion in society and some on inclusion in the labour market.

From 1.1. 2015 the responsibilities for this younger age group went over to the municipalities (WMO).

The exceptional medical costs for youngsters (and older people) connected to disabilities were covered under the Exceptional Medical Expenses Insurance Act (AWBZ). This is a public insurance for health risks that cannot be insured by an individual. The costs for parents raising a child with a disability were covered by a special programme (TOG). Since 1.1. 2015 only the persons diagnosed as very severely disabled fall under the new Law (on the) Longtime Sick (Wet Langdurig Zieken, WLZ). All the others fall under the WMO.

2. (Special) education

There were special primary and secondary schools for young people with disabilities in the Netherlands. But since 1.1.2015 all primary schools have to accept young people with disabilities, because of 'inclusive' education aims in the national educational policy.

Secondary schools for special education (VSO) are (for the time being) intended for young people with disabilities aged 12–20 years. Personal support financing is to help young people (aged 12–18) with disabilities in normal secondary schools. After that period there is special financing for education (18+) and personal support financing. All age categories can ask for help with transport.

Special financing for education (those aged 18+) is aimed at young people who are unable to work due to disabilities and provides for several educational institutions offering a programme

lasting up to three years, to help youngsters reach an educational level they could not attain at a regular school.

3. *Personal budgets for freedom of choice and tailoring*

Personal budgets for support in education, youth care and employment help to tailor activities to the needs and wishes of young people with health problems or disabilities. They also make them more responsible for working on their own inclusion in society and, as such, are “empowering”. The so-called IRO (Individual Reintegration Agreement) and the personal support programme are important examples of this policy in the area of active inclusion in the labour market.

Individual Reintegration Agreements IRA (in Dutch: IRO) and job coaching

Persons with an IRA (provided by UWV) have the opportunity to “buy” themselves services from private jobcoach and reintegration organisations.. This includes support in vocational training and in finding an employer. After they have found a job in open employment, they may opt for the personal support programme, which finances the personal support from a job coach. The young person with disabilities in fact hires the job coach from the re-integration enterprise, while the bill is being paid by the UWV (Until 1.1. 2015).

During the first few weeks of the re-integration programme the job coach is present at the workplace two to eight hours a day, until the participant masters the skills needed. After several weeks, support can be reduced to 15% of the total work time of the young person. After one year, support normally declines to 3% of work time or less. The intention is that it is zero after three years.

The tasks of a job coach depend on the individual support needed (De Vos, 2010a).

Regular tasks include:

- intake and assessment of the young client;
- involving persons from the clients social network (parents, caretakers, doctors, psychiatrist, employer, social security employees, teachers, friends);
- teaching and advising the client on new or special work skills;
- advising the employer on possibilities and needs of the employee;
- advising the employer on behavioural problems and how to handle them;
- advising the employer on possibilities of extra financing;
- advise the management on do's and don'ts;
- advising co-workers on behavioural problems and how to deal with them;
- ensuring that the labour contract is up to date and has good standards;
- visiting parents/partners in case problems arise;
- increasing the productivity of the young person in employment.

De Jobcoach organization is part of a service chain within which the young person makes the transition from school to work with the help of many professionals. Therefore it has relationships

with many public and private service suppliers: e.g. the UWV and municipalities, schools for special education, health and care institutions and employers.

4. Social partner initiatives

An agreement was signed on April 2010 between UWV and the social partner labour organisations in education and that of employers (ACOP, CCOOP, CMHF and the VO-raad representing 600 secondary schools) to create jobs for young persons with disabilities in the schools operated by their members. The target is to create sufficient jobs for people with disabilities so that the total disabled workforce in the sector is equivalent to the number of people with disabilities in society (17%). Many more (pilot) projects and programmes started in 2010 to create thousands of special jobs for young people with disabilities in open employment, with the help of the larger companies in the Netherlands, knowledge centres, the UWV, municipalities and service supply organisations.

UWV supports these pilots and projects by schools for special education via Wajong networks and other (pilot) mechanisms such as financing apprenticeships, job coaches, a placement voucher system and (adjusted) ESF subsidies. These pilots were evaluated later on and showed to have little or no success on employing young people with disabilities.

Appendix 3. Glossary of terms

AWBZ: Algemene Wet Bijzondere Ziektekosten. Exceptional Medical Expenses Insurance Act.

IRO: Individuele Re-integratie Overeenkomst. Personal support programme. Individual Reintegration Agreement (IRA)

Jeugd GGZ: Youth Mental Health Care.

Ministerie van Sociale Zaken en Werkgelegenheid (SZW): The Department of Social Affairs and Work covers most of the policy areas in relation to income support and inclusive labour market for young people with disabilities.

PRO-Scholen

Participatie wet, Participation Act

RWI: Raad voor Werk en Inkomen, Advisory board on work and income. The board is formed by representatives of the employer and labour organisations (1999- 2014).

SER: Sociaal Economische Raad, Social and Economic Council of the Netherlands, <http://www.ser.nl/ser>

STAR: Stichting van de Arbeid, Foundation for Labour (by the three major employers organisations and three labour organisations).

UWV (Employee Insurance Agency) is an autonomous administrative authority (ZBO) and is commissioned by the Ministry of Social Affairs and Employment (SZW) to implement employee insurances and provide labour market and data services.

The Dutch employee insurances are provided for via laws such as the WW (Unemployment Insurance Act), the WIA (Work and Income according to Labour Capacity Act, which contains the IVA (Full Invalidation Benefit Regulations), WGA (Return to Work (Partially Disabled) Regulations), the Wajong (Disability Assistance Act for Handicapped Young Persons), the WAO (Invalidity Insurance Act), the WAZ (Self-employed Persons Disability Benefits Act), the Wazo (Work and Care Act) and the Sickness Benefits Act.

VSO-scholen: Voortgezet speciaal onderwijs. Secondary schools for special education.

Wajong: Disability Assistance Act for Handicapped Young Persons.

(Wet werk en arbeidsondersteuning jonggehandicapten)

Old Wajong. Until 2009

New Wajong 2010. From 2010 to 2014

New Wajong 2015. From 2015 on.

WMO Wet maatschappelijke ondersteuning, Act on social support

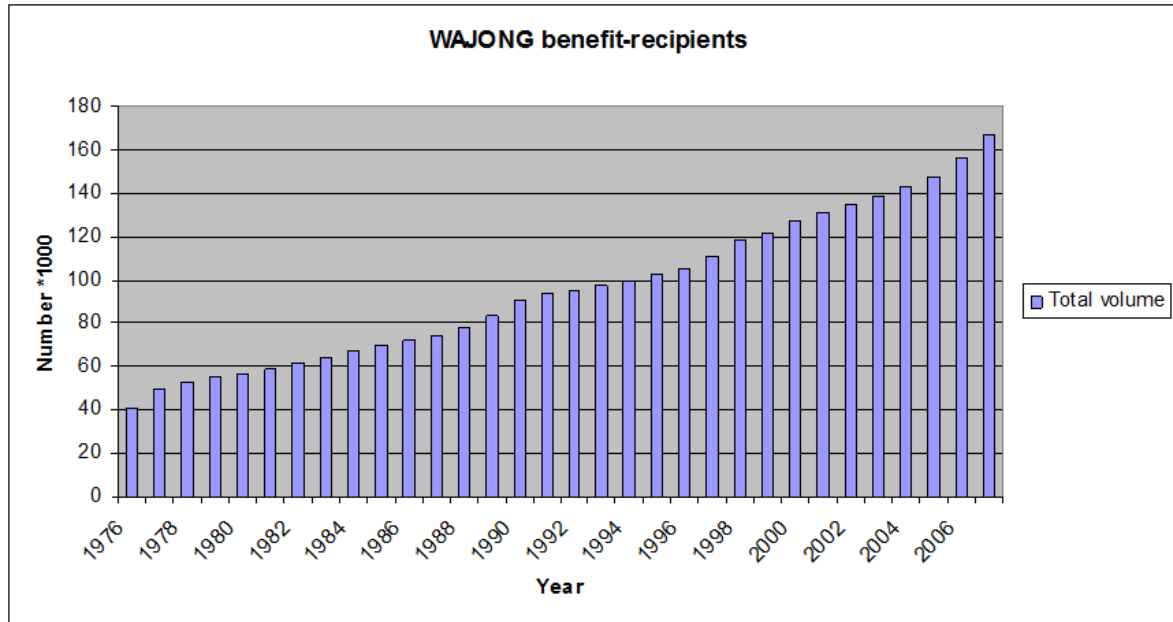
Wet WML: Wet minimumloon en minimum vakantiebijslag. Statutory minimum wage law.

Wet Werken naar vermogen

WEC-Raad: The board of the association of schools for special education.

Appendix 4. Selected statistics on Wajong recipients

Figure Ap.3: Wajong benefit recipients (1976 – 2008)



Tabel Ap.5: Working population, with a disease, work incapacitated and wajong (2000, 2005, 2009).

Number of young persons with a disability The Netherlands

Source: CBS

		Total working population 15 - 65 years	Total with a disease or illness	Work incapacitated	Not work incapacitated	Wajong
	Period					
Total working population	2000	10.728.000	2.523.000	1.464.000	1.059.000	127.350
	2005	10.940.000	2.722.000	1.764.000	959.000	147.020
	2009	11.014.000	2.559.000	1.651.000	905.000	191.700
15 - 25 years	2000	1.872.000	232.000	84.000	148.000	24.490
	2005	1.937.000	243.000	118.000	124.000	33.360
	2009	1.998.000	262.000	136.000	126.000	54.340

Endnotes

¹ UWV 2010 and De Vos 2011.

² An example is the Individual Re-integration Plans (IROs, See App. 2) that was introduced in 2004, allowing people with disabilities to design their own re-integration plan which is payed for by UWV.

³ The sheltered employment firms are independent and offer services to municipalities who are funding individual work places with money received by the government. 30% of the employees are sorced out to private companies. The cost of a sheltered job is estimated on 32.000 Euro per year for work income and providing facilities, administration and job coaching.

⁴ New inflow was practically impossible after that because budgets were frosen. In 2014 is decided that in 20 years' time they will be reduced to 30.000 employees.

⁵ The Netherlands is on historical grounds divided into 12 provinces that have an intermediate legal obligation for infra structure and social and health services.

⁶ This can be (subsidezed) jobs in the public sector and privat sector.

⁷ Ministerie van Sociale Zaken en Werkgelegenheid (2015) CAO-AFSPRAKEN 2014.

⁸ This brought the total number of new applications, including those under the old Wajong Act, to almost 18,000: an increase of over 1000 compared to 2009. The fact that there was still a small increase in 2010 was due to the fact that there were many applications under the old Wajong Act at the end of 2009 that were not processed until 2010.

⁹ The total inflow (under the old and new Wajong Act) was 17,800, a small increase compared to 2009 (17,600). Even more than is the case for the applications, this was due to the inflow of new benefit recipients under the old Wajong Act. 45% of the inflow in 2010 was inflow under the old Wajong Act.

¹⁰ Average age upon influx was 23,2 year.

¹¹ Jehoel-Gijsbers, 2010.

Appendix 5 Informants

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