European Commission

Education and Training Monitor 2013

Netherlands

Education and Training

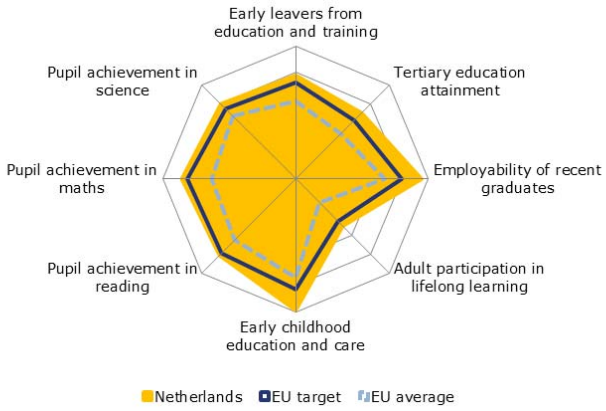
1. Key indicators and benchmarks

Europe 2020 headline targets			Netherlands 2009	Netherlands 2012	EU average 2009	EU average 2012	Europe 2020 target / Benchmark
1. Early leavers from education and training (age 18-24)			10.9%	8.8%	14.2% EU28	12.7% EU28	**EU target: 10%** National target: <8%
2. Tertiary educational attainment (age 30-34)			40.5%	42.3%	32.1% EU28	35.7% EU28	**EU target: 40%** National target: >40%
ET 2020 Benchmarks							
3. Early childhood education and care (4 years old - year before start of compulsory primary)			99.5%	99.6% 11	91.7%	93.2% 11	**95%**
4. Basic skills Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading		14.3%	:	19.6%	:	**15%**
	Mathematics		13.4%	:	22.2%	:	**15%**
	Science		13.2%	:	17.7%	:	**15%**
5. Learning mobility	Initial vocational training (IVET)	**a.** Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3	1.3%	1.3% 11	0.6%	0.7% 11	
	Higher Education	**b.** Erasmus inbound students as % of student population in host country		1.2% 11		1.1% 11	
		c. Inbound degree mobile students as % of student population in the host country		4.9% 11		7.0% 11	
6. Employment rate of graduates (age 20-34) having left education 1-3 years before reference year			92.9%	89.3%	78.3%	75.7%	**82%**
7. Adult participation in lifelong learning (age 25-64)			17.0%	16.5%	9.3%	9.0%	**15%**
Proposed ET 2020 benchmark							
8. Foreign languages skills	**a.** ISCED 2 students at proficiency level B1 or higher in first foreign language[1]		:	65.7% 11	:	43.5% 11	
	b. ISCED 2 students learning two or more foreign languages		78.4%	78.8% 11	58.6%	60.8% 10	
Other ET 2020 Indicators							
9. Investment in education and training	**a.** General government expenditure on education (% of GDP)		5.9%	5.8% 11	5.5%	5.3% 11	
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	ISCED 1-2	€ 6,794 08	€ 7,279 10	€ 5,732 08	€ 6,021 10	
		ISCED 3-4	€ 8,851 08	€ 9,048 10	€ 6,964 08	€ 7,123 10	
		ISCED 5-6	€ 13,897 08	€ 13,219 10	€ 9,309 08	€ 9,168 10	
10. Digital competences	**a.** Pupils in grade 4 (ISCED 1) using computers at school		83.2% 07	85.6% 11	60.7% 07	64.7% 11	
	b. Individuals aged 16-74 with high computer skills[2]		40.0%	30.0%	25.0%	26.0%	
11. Entrepreneurial competences	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business		47.0%	42.0%	42.3% a	42.0% a	
12. Vocational education and training	Share of vocational students at ISCED 3		67.1%	69.1% 11	49.6%	50.3% 11	
13. Skills for future labour markets Projected change in employment 2010-2020 in %	High qualification		:	22.8%	:	19.1% EU28	
	Medium qualification		:	-4.6%	:	4.6% EU28	
	Low qualification		:	-13.3%	:	-20.2% EU28	
14. Low-skilled adults	Literacy		:	11.7%	:	19.9% EU17	
	Numeracy		:	13.2%	:	23.6% EU17	
	Problem solving in technology rich environments[3]		:	19.1%	:	26.9% EU13	

Source: Cedefop: 13 / EAC: 10a,b / European Survey on Language Competences (ESLC): 8a / Eurostat (Government finance statistics): 9a / Eurostat (LFS): 1, 2, 6, 7 / Eurostat (ISS): 10b / Eurostat (UOE): 3, 8b, 9b, 10c, 12 / IEA TIMSS: 10a / Global Entrepreneurship Monitor: 11 / OECD (PIAAC): 14 / OECD (PISA): 4

Notes: 07 =2007, 08 =2008, 09 =2009, 10 =2010, 11 =2011, e= estimate, a= unweighted average b= break, p= provisional
Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27
[1]= average of skills tested in reading, listening, writing, [2]= having carried out 5-6 specific computer related activities, [3]= Results cover people with scores below level 1 as well as people who have no computer experience or failed the ICT test

Figure 1. Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). *Note:* all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

2. Main challenges

The Netherlands has a well-functioning educational system and is on track to achieving its Europe 2020 targets. This is reflected in good PISA scores, relatively high employment rates and the good international rankings of universities. But the educational system suffers from a few shortcomings. This is particularly evident in primary and secondary education where high-achieving Dutch students score somewhat lower than their international counterparts, whereas students with lower and mediums grades score better than their international peers[1].

As for higher education, it is recognised that there is a need to focus more on a comprehensive increase of excellence. The connection to the labour market is good, with the exception of science and technology graduates who are in persistent shortage. Policies are designed, and measures are planned, to enhance the knowledge and expertise of new and established teachers, strengthen core subjects, increase the hours of teaching, reinforce the focus on the acquisition of knowledge and skills, provide special facilities for high achieving pupils and students, improve the choice of course for students and increase the transparency of educational performance. The challenge is to implement these measures in the context of the budgetary adjustments proposed by the Dutch Government following the economic crisis. Consequently, in the 2013 Europe 2020 Country-Specific Recommendations, the Netherlands was called on to protect expenditure in areas directly relevant for growth such as education, to maintain what has been reached and further improve excellence.

3. Investing in skills and qualifications

Investing in education and training in a context of economic crisis

General government expenditure on education as a share of GDP was 5.8% in 2011 compared to the EU average of 5.3%, with significantly higher levels of public expenditure per student than in other EU Member States.

As regards the study support system for students, the Netherlands plans the replacement of the current partly grant-based system in tertiary education with the introduction of a loan system. Savings resulting from this measure should be re-invested, especially with a view to increase the quality of education.

Skills

Due to a lower number of high achievers in secondary education, the high average of educational performance at the secondary level does not translate into top performance at the tertiary level and the average duration of tertiary study is longer than the EU average[2].

To enhance the knowledge and expertise of teachers, the "Action Plan Teacher 2020" aims at keeping and upgrading the quality of teaching by creating positive career prospects, increasing the educational level of teachers, increasing the number of teachers holding a master degree, fostering self-commitment of teachers to constantly update their knowledge, as well as structurally introducing peer reviews. Concrete agreements have been established for 2012-2015 including, among others, scholarships for teachers and for promotion purposes[3].

1 NL SWD 2013 Van der Steeg, M., Vermeer, N. and Lanser, D. (2011). Nederlandse Onderwijsprestaties in Perspectief. CPB Policy Brief 05.
2 NL SWD 2013 : Source: OCW (2011). Key Figures 2006-2010, Education, Culture and Science.
3 *Teaching 2020* a strong profession! http://cinop.brengtlerentotleven.nl/ECBO/ReferNet/docs/11-0315_Teacher_2020.pdf

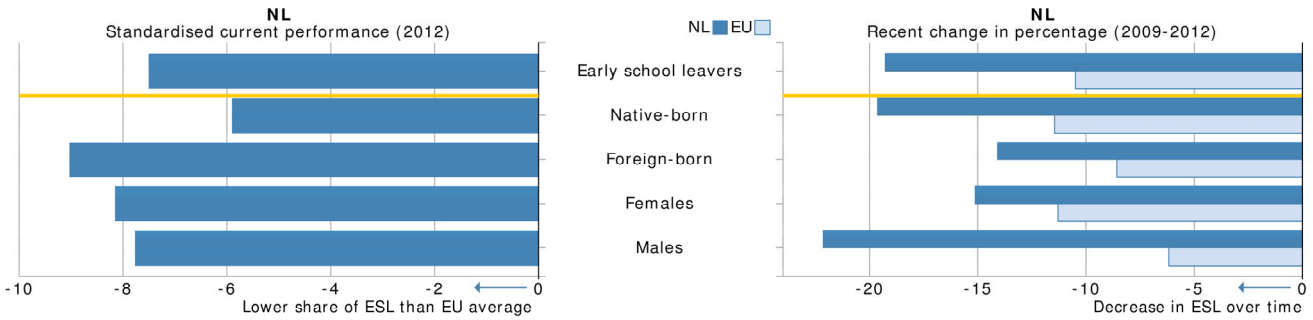
The Netherlands has a national ICT strategy covering areas such as e-Government, infrastructure and broadband connectivity, ICT Security, e-Learning and ICT in schools. One of the initiatives is 'Kennisnet', a public educational organisation creating a platform to support and inspire Dutch primary, secondary and vocational institutions in the effective use of ICT, notably by informing them of the opportunities offered by ICT. 'Kennisnet' aims at removing barriers for and between schools and at encouraging interaction within the educational sector.

The Dutch government gave its support to setting up a comprehensive qualifications framework for the Netherlands (NLQF) in September 2011. A strong emphasis on the double character of the national qualifications system – where private and public providers interact and supplement each other – is an important defining feature of the NLQF. A NLQF coordination point is now working in line with these principles and the framework can be considered as having reached an early operational stage.

4. Tackling early school leaving and raising the bar in school education

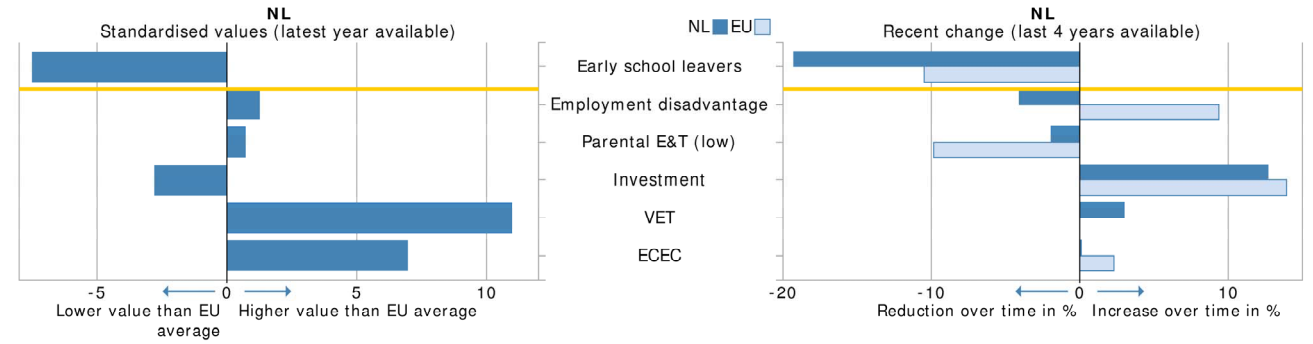
The early school leaving (ESL) rate in the Netherlands fell from 15.4% (2000) to 8.8% (2012), below the European average of 12.7%. Also pupils with a migrant background show lower drop-out rates than the EU-average. The national 2020 target of less than 8% seems realistic. Participation in early childhood education is at 99.6%.
Sub-indicators are used to shed light on the broader context of the country performance in early school leaving and tertiary education attainment and hint to policy levers that can be used to reach national targets by 2020, or to bring about change in the longer term. Particularly noteworthy for the Netherlands is that the early school leaving rate is lower than the EU average especially for foreign-born pupils.

Figure 2. Early leavers from education and training: sub-groups



Source: JRC-CRELL. *Note:* ESL = early school leaving. See Annex 2 for further information on sub-indicators.

Figure 3. Early leavers from education and training: sub-indicators



Source: JRC-CRELL. *Note:* see Annex 2 for an explanation of the sub-indicators.

Success factors of the Dutch strategy to reduce ESL are the evidence-based and comprehensive approach (realised with the help of agreements between the central government, schools and local authorities), financial incentives to reduce ESL, and strong focus on obtaining correct and timely data: detailed information helps schools, regions and the ministry to target resources aimed at reducing ESL.

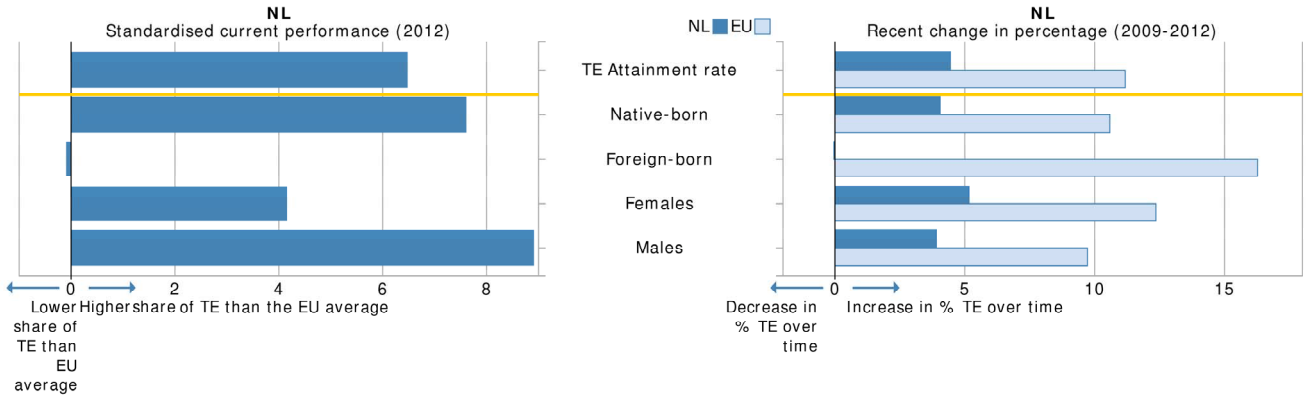
Joint action by professionals in schools in each region, municipalities and youth care workers has been vital in tackling the problem of ESL. In particular, the Netherlands has been divided into 39 Registration and Coordination Regions. These regions employ additional officers who keep in touch with 18-23 year old school leavers without a basic qualification, and try to guide them back to school. In each of these regions the national government has made agreements with schools and municipalities, based on the specific problems that occur in each region. All regions have a "contact municipality" which coordinates notification and registration of early school leavers by school and which coordinates the agreement with the national government. The current ESL approach (2012-2015) involves two kinds of funding: EUR 58 million in the form of performance-related funding for schools and EUR 56 million in funding for the regional programs to prevent pupils leaving school early, based on the regional analysis. The results of the agreements and best practices per school are published online, which

motivates and stimulates all parties involved. The regions which receive funding are also obliged to participate in monitoring and evaluation.

5. Encouraging participation in tertiary education and modernising higher education

The proportion of 30 to 34 year-olds with tertiary attainment has risen from 26.5% in 2000 to 42.3% in 2012. The increase has been achieved partly by encouraging students to complete their studies more quickly.

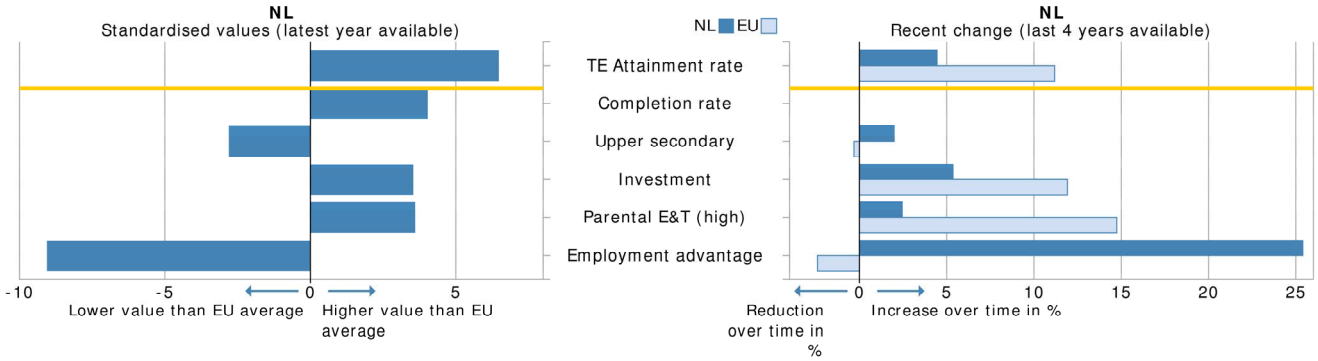
Figure 4. Tertiary education attainment: sub-groups



Source: JRC-CRELL. *Note:* TE = tertiary education. See Annex 2 for further information.

The sub-indicators show that the employment advantage for tertiary graduates is below EU average; however this is not due to a problem of performance but to the high employment rate of upper-secondary graduates.

Figure 5. Tertiary education attainment: sub-indicators



Source: JRC-CRELL. *Note:* see Annex 2 for an explanation of the sub-indicators.

With regard to the share of tertiary graduates in science and technology, the Netherlands traditionally scores below the EU average. Skill shortages, especially in engineering and technology related professions, are becoming an increasing concern and a potential bottleneck for growth. In reaction to these challenges, the government has recently announced its strategy 'Techniekpact'[4]. Concrete measures for better adapting the educational system and the labour market to the changing requirements of the technology sector are currently being developed. Effective implementation of the strategy will be important in order to preserve and enhance the innovative capacity of high-tech companies in the Netherlands.

As regards the student loan system, arguments presented by the government to introduce the new social lending system refer to better investment in education and research, sharing investments in education, accessible higher education for everyone who can and wants to study, encouragement of conscious study choice and more efficient functioning of the government administration. In the new system, students will have to fully finance their studies privately, but will be able to take loans from the government. Repayment of loans will depend on the student's income after graduation. Students with an underprivileged background (low-income groups) will be compensated by an additional grant. Moreover, the repayment conditions will be means-tested and the repayment period will take, at most, 20 years with a low interest rate. The impact on tertiary enrolment on the level of qualifications on graduation should be closely monitored[5].

4 http://www.rijksoverheid.nl/documenten-en-publicaties/convenanten/2013/05/13/nationaal-techniekpact-2020.html

5 The Netherlands Bureau for Economic Policy Analysis (CPB) did research on the possible effects of the system change. According to this research, the Ministry does not expect a major fall in attendance due to this new system (each year, 1,300 students less at higher school (HBO) and 900 college students less at the university).

The Netherlands has an "Excellence Policy" in place: "Performance Agreements" are signed with all individual higher education institutions that link additional funding to meeting targets on education quality, study success and the profiling of education and research. This means that performance agreements are concluded with practically every university and institution of professional education to improve the quality of education, to increase the completion rate among students and to promote institutional profiling and greater differentiation of teaching programmes. Meeting the performance targets has an impact on funding.

6. Facilitating the transition from education to work

Wider access to higher education requires a good match between upper secondary vocational education (MBO) and higher professional education (HBO) and a high standard of education at MBO level. The policy to improve the quality of MBO education was laid down in the action plan 'Focusing on Skills' in 2011, in which the focus is on measures to improve the quality of vocational education, reduce the number of qualifications and courses, simplify the system of vocational and adult education and improve the management and operations of schools. This action plan sets out how teachers and principals can be further 'professionalised' with a view to achieving optimum quality within the education sector as a whole. It establishes the government's objectives for the years ahead and presents a longer-term vision for the period to 2020.

The youth unemployment rate in the Netherlands is far below the European average (9.5% in 2012, compared to 22.8%). However, there was a relatively sharp increase in youth unemployment (1.9 p.p.) between 2011 and 2012, and youth unemployment is high compared to the overall unemployment rate of the working age population. The government has earmarked an additional EUR 50 million to provide a boost for regional efforts to tackle youth unemployment and has launched School Ex 2.0, a programme intended to encourage young people in MBO to continue studying longer and to choose a course with greater relevance for the labour market. These measures will build on the positive experience gained with the Youth Unemployment Action Plan in 2009 and the methods and infrastructure developed by the regions at that time. The additional funds will be used to encourage young people in the regions to be in education and to help them in their search for work. The government has chosen a regional approach, where local municipalities along with schools, knowledge centres and the UWV (*Uitvoeringsinstituut Werknemersverzekeringen*, responsible for paying out benefits to the unemployed) cooperate to create job experience schemes, internships and to match companies looking for employees with potential candidates.

The government has also called on the social partners to promote the employment of young people, for example by providing sufficient places for traineeships and work placements. The government has also announced measures to facilitate the creation of work experience places and qualification files[6], consisting of so called core tasks and work processes described in competences. From 1 January 2014, the tax credits that employers receive for providing work experience places will be replaced by a more targeted subsidy scheme, which will reduce the costs. The creation of qualification files and a number of other statutory duties of the Centres of Expertise for Vocational Education and Business will be centralised in the Foundation for Cooperation in Vocational Education, Training and the Labour Market (SBB).

7. Upgrading skills through lifelong learning

The Survey of Adult Skills (PIAAC[7]) shows that Dutch adults (aged 16-65) have literacy and numeracy skills significantly above the EU average. A large share of the population (more than 40%) shows high problem-solving skills in technology rich (ICT) environments. The youngest generation (aged 16-24) scores better than the overall population in literacy (by 10 points, i.e. equivalent to skills usually acquired with 1 to 2 years of education).

On the one hand, the share of low-skilled adults is comparatively low – below 12% for literacy and around 13% for numeracy (19% and 24% at EU level). On the other hand, the gap between native and foreign-born adults in both numeracy and literacy is large compared to the EU average (close to 50 points, i.e. equivalent to skills usually acquired with 7 years of education).

In addition, the participation rate of low-skilled adults in job-related training is one of the highest among EU countries. The difference in participation rates between the lowest- and the highest-skilled people is relatively small in the Netherlands: low-skilled people are 3 times less likely to participate in job-related learning compared to those who are high-skilled[8].

The participation of adults in lifelong learning in the Netherlands is close to double that of the current EU average (16.5% compared to 9.0% in 2012)[9]. The Adult and Vocational Education Act contains measures to bring

[6] http://www.s-bb.nl/qualifications-and-examinations.html

[7] Volume I of the Education and Training Monitor (chapter 6) provides an overview of the results of the survey. Skills levels are presented either in terms of average score points or proportion of adults at a given proficiency level in literacy or numeracy (level 1 to 5) or problem solving in technology-rich (ICT) environments (level 1 to 3 or no ICT experience).

[8] At EU level, low skilled adults are 5 times less likely to participate in job-related learning than high skilled adults.

[9] Eurostat, LFS 2012

education more in line with the world of work. The centres of expertise on vocational education, training and the labour market form the link between vocational education and the business sector organisations. Organised by sector, their managing boards comprise representatives of employers and employees, and in most cases, educational institutions. Unsurprisingly, in 2010, 79% of enterprises provided vocational training to their staff, as against an EU average of 66%[10].

Municipalities are responsible for providing courses that meet the demand for adult education. The target groups include illiterate adults, immigrants and elderly people and also specific groups such as young mothers or the long-term unemployed. The municipalities buy in courses from the ROCs (regional training centre), including literacy courses, and report to the Ministry of Education, Culture and Science on their education policy. The Adult and Vocational Education Act identifies four types of courses: adult general secondary education; courses providing a broad basic education; courses in Dutch as a second language; courses aimed at fostering self-reliance. In line with the government's intention to stimulate adults with low literacy to participate in adult education, municipalities receive a yearly budget of EUR 53 million for courses in reading, writing and math skills. Besides this, the national government spends EUR 58 million on secondary general adult education (vavo)[11].

[10] Eurostat, CVTS 2011
[11] http://www.rijksoverheid.nl/onderwerpen/volwassenenonderwijs/onderwijs-voor-volwassenen)