

Social and Cultural Report 2002 (Summary)

Social and Cultural Report 2002:

The Quality of the Public Sector

(Summary)

Carlo van Praag



Social and Cultural Planning Office of the Netherlands
The Hague, October 2002

Social and Cultural Planning Office

As referred to in Article 9 of Royal Decree no. 175 of 30 March 1973.

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- a to carry out research designed to produce a coherent picture of the status of social and cultural welfare in the Netherlands and of likely developments in this area;
- b to contribute to the appropriate selection of policy objectives and to provide an assessment of the advantages and disadvantages of the various means of achieving those ends;
- c to gather information on the way in which interdepartmental policy on social and cultural welfare is implemented, with a view to assessing that implementation.

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Contents

1.	Introduction	7
2.	Political and social developments	9
3.	Ageing of the population	15
4.	The economy and the public sector	17
5.	The labour market in the public sector	22
6.	Healthcare	27
7.	Education	31
8.	Justice	36
9.	Social security	41
10.	Housing	47
11.	Leisure, media and culture	51
12.	Conclusion: The public sector and public opinion	56
	Appendix	59
	(Lucas Harms)	
	English publications by the SCP of the Netherlands	65

1 Introduction

There has been a growing feeling in recent years that public services in the Netherlands are in crisis. The public sector, it is said, is confronted with staff shortages; the quality of the workforce is falling; budgetary constraints are jeopardising the quality of the provisions; there are waiting lists in the healthcare sector, etc. This Report looks at this issue for a number of policy sectors. The starting point is an inventory of frequently heard problems and complaints. To compile this inventory, information is drawn from the serious newspapers and professional journals for specific sectors. The Report then uses empirical material in an attempt to formulate statements on the true situation regarding the provision of public services. Part of this empirical material takes the form of performance indicators at macro-level in the policy system (system quality); the remainder is drawn from the opinions of clients who use the services concerned (perceived quality). This distinction is reflected in the sectoral division of the chapters. Each chapter begins with a very concise substantive analysis of media reports, which serves both as an introduction and as a problem definition. The sectors addressed by this exercise are healthcare, social security, housing, education, leisure/media/culture and justice.

First, however, there are several general chapters. The Report opens with the chapter 'The public sector at a glance', which reviews a number of key figures relating mainly to the development of the *production volume* and productivity of the public sector. This is followed by a chapter dealing with the characteristics of the labour market in the public sector. The remaining two general chapters are respectively devoted to trends in public administration and the social and political participation of the population.

The definition adopted here for the term 'public sector' is the same as that used in the memorandum on the public sector (*Memorandum quartaire sector 2002-2006*) published by the Social and Cultural Planning Office, though it is acknowledged that other approaches to the concept are possible. In all welfare states there is a large category of goods and services which are either provided by the government or in whose provision the government has a major involvement. These include collective goods such as the public administration and national defence, but also goods and services with individual users. The use of these goods and services has such major consequences for both the users and society as a whole that the government involves itself in their provision; hence the use of terms such as *merit goods*. The government assumes that the free market will not produce the desired result in terms of the consumption and distribution of these goods and services.

The public sector comprises different types of service-providers: the government itself, other public-law organisations, private non-profit organisations and commercial service-providers which play a role in the distribution of the goods and services concerned. Certain members of the 'liberal professions', such as doctors, also belong to the public sector.

The purely collective goods produced by the public sector, such as defence and the physical infrastructure of the country, are left out of consideration in this Report. It was also decided that public transport, though it meets the chosen definition of the public sector, would not be discussed in this Report. It is a topic which falls to only a very limited extent within the remit of the SCP, and is also not mentioned in preceding editions of the Social and Cultural Report. Subsequently, however, it was decided to supplement this separate edition of the Summary with certain information regarding the service provided by Netherlands Railways NS and by the urban and regional bus, tram and metro service. This information can be found in the Appendix.

'Quality' is a concept for which a plethora of definitions exists, none of which covers every conceivable aspect on its own, including in this Report. A distinction has already been made in this Introduction between *system quality* and *perceived quality*. When looking at system quality it is often useful to make a further distinction between the quality of the input, the quality of the output and the quality of the process. In contrast to the delivery of commercial goods and services, in the public sector we are not interested only in the end product, but also in the production process. We are after all not just consumers of the services, but as citizens are also involved in monitoring their production. A similar distinction between product quality and process quality can be applied for perceived quality, with the process quality representing the way in which the provider of the service approaches the client. This quality is sometimes referred to in this Report as *peripheral quality* in order to distinguish it from the 'core quality' of the product offered.

This Summary sticks closely to the content of the chapters in the Report. Rather than simply presenting extracts from the text of the Report, the Summary also gives space to the extensive series of tables and graphs – at least in abridged form – with the Social and Cultural Report is so richly provided. The sources cited beneath the tables and figures in this Summary refer to the chapters from which they are taken. This is done for the benefit of readers wanting more detail. For the same reason, an index of keywords is this time also included in the Report.

The Report concludes with an epilogue written by the Director of the SCP. This epilogue is further removed from the text than the Summary and can be seen as a more or less subjective interpretation of the main findings as set out in the Report.

This *Social and Cultural Report 2002* is the first in this series of reports to be based entirely around a single central theme, and in this respect it differs from previous editions, which were based to only a limited extent around a single, binding theme. The new formula for the Report is intended to increase the cohesion of the text, but this by definition takes place at the expense of the scope of the Report. Although the Report runs to more than 700 pages, many important policy issues could not be discussed,

or only in passing. For example, only oblique reference is made to certain undoubtedly important policy topics, such as the aliens policy, the integration policy for members of ethnic minorities and the policy on the major cities. The SCP does however devote regular attention to these topics in separate publications.

2 Political and social developments

During the writing of this Report, the Netherlands underwent a political shock which, while it does not form the subject of this Report, can hardly be ignored in a Report which discusses the social situation of the country.

The decade which has just passed brought a remarkable combination of prosperity and unpleasantness. The Dutch economy grew vigorously by European standards; employment increased so rapidly that there are now staff shortages in major sectors of the economy; the budget deficit was turned into a surplus; households saw their income increase; poverty became rarer and the social security system took a smaller slice of the national income. According to *The Economist*, more successful companies have been set up during the last fifteen years, relatively speaking, in the *Randstad* – the densely populated western region of the Netherlands incorporating the major cities of Amsterdam, Rotterdam, The Hague and Utrecht – than in Silicon Valley. The Netherlands is home to a large number of multinational companies and is one of the largest foreign investors in the United States. Although the government is not responsible for all these blessings, it has certainly contributed to them.

Many people looking back on this past decade, however, will not be filled so much with satisfaction at what has been achieved, as with memories of an impressive series of fiascos as a litany of disasters, epidemics and administrative incidents plagued the country. Examples include the Bijlmer disaster in 1992, when an El Al-jet crashed into a residential district of Amsterdam, the floods in the provinces of Limburg, Brabant and Gelderland in 1993 and 1995, swine fever, BSE, the Hercules disaster in 1996 at Eindhoven airport, the scandal surrounding the Social Insurance Supervisory Board (the ‘Ctsv affair’) in 1996, the financial scandal affecting Ceteco and the Province of Zuid-Holland (the ‘Ceteco affair’) in 1999, the Legionnaire’s Disease crisis in 1999, the firework disaster in Enschede in 2001, the fire in a bar in Volendam on New Year’s Eve 2001, the foot-and-mouth disease crisis in 2001, the fraud in the higher professional education sector, deals struck between justice officials and lawbreakers, fraud in the construction industry, doubts about the integrity of civil servants, or at least about the care with which they carry out their work, and the spending of European subsidies (ESF). In the background were murmurs of discontent regarding the performance of the public sector in the Netherlands: service delivery in the healthcare system, in education, justice, public transport, integration of ethnic minorities, and so on. The political scientist Van Gunsteren has used the term ‘feast of failure’ (*faalfestijn*).

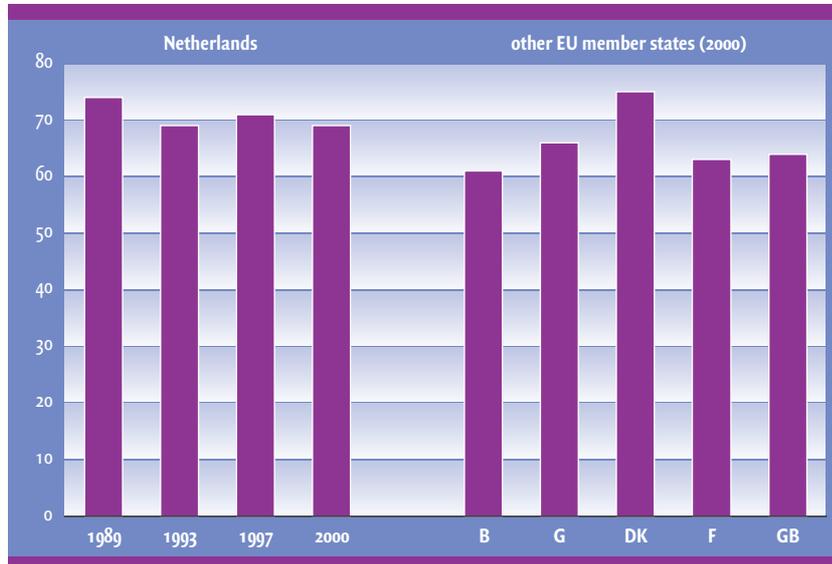
Our selective memory naturally plays a role in this view of reality. Disasters and scandals receive more attention in the media and stick in the memory more easily than successful projects. The fact that the Netherlands successfully dealt with the Millennium Bug, switched *en masse* to the use of electronic tax returns and introduced the euro virtually without a hiccup seem hardly worthy of a mention any more. In the article cited above in *The Economist*, the authors express their surprise at the low self-esteem displayed by the Netherlands. Compared with the British, the authors believe that the Dutch have little to complain about as regards the functioning of the healthcare system, education, social security and public transport.

And yet in the view of many commentators, the political discontent which came to light rather spectacularly during the Dutch general election in 2002 is interwoven with the dissatisfaction of the population regarding public services. Healthcare waiting lists, the unrest in the education system and the powerlessness of the police and justice officials were undeniably issues in the election campaign. This begs the question of the extent to which the discontent concerning public services actually played a part in the election result.

Other commentators, such as the 11 political scientists writing in the monthly magazine *M* published by the newspaper *NRC Handelsblad*, attribute the problems to deficiencies in the democratic system in the Netherlands. They argue that the political arena is a playing field which is closed to the general public and which is the sole reserve of a political-administrative elite within which the desirable posts are rotated among the members of that elite, without any possibility of intervention by the electorate. This problem was also without doubt an election issue, and here again the question arises as to how troubled the public really was by any such democratic shortcomings.

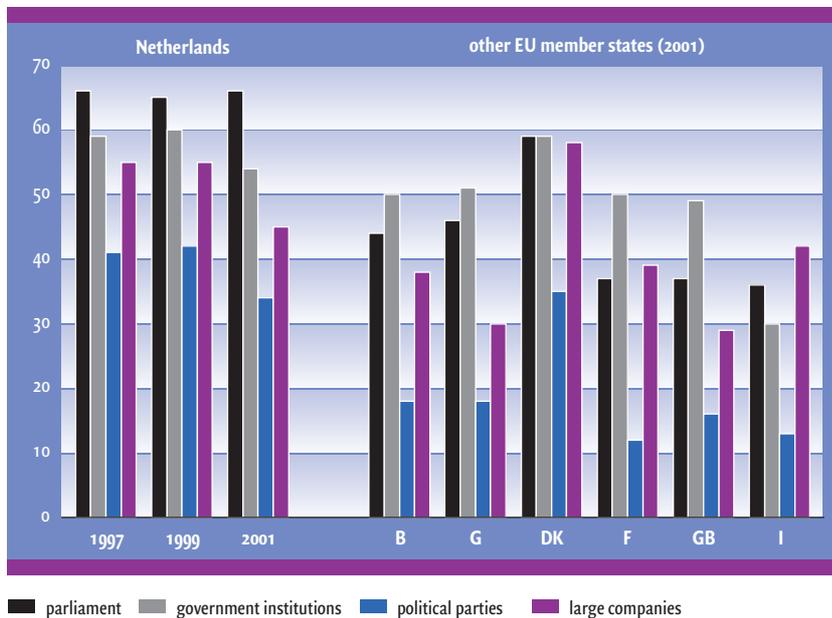
Had the usual indicators of social and political discontent already moved 'into the red' in the last years before the election? In short, was the election result within the bounds of reasonable expectation? See figures S1 and S2.

Figure S1 Satisfaction with the way in which democracy operates in the Netherlands (1989-2000) and some other EU member states (2000) (% very of fairly satisfied)



Source: Table 5.1 from the SCR 2002

Figure S2 Confidence in institutions in the Netherlands (1997-2001) and some other EU member states (2001) (proportion of population having confidence, in percent)



Source: Table 5.2 from the SCR 2002

The conclusion must be that this was not really the case at all. Satisfaction with the way in which democracy functioned did not suddenly collapse, and the Dutch were largely satisfied with its functioning at least until 2000/2001, including in comparison with other countries of the European Union (EU). The amount of trust in Parliament was stable between 1997 and 2001. The trust placed in government institutions and political parties did fall somewhat, but the trust in large companies fell even more sharply. The feeling of political powerlessness increased only slightly in the second half of the 1990s, but by 2000 was no stronger than, say, in the 1980s (see chapter 5, Figure 5.2).

The vast majority of the population were still content with their lives in 2001: 95% were very or fairly content and 89% felt that their personal situation had improved or at least remained the same compared with five years earlier (chapter 5, Table 5.3). Only 8% expected this situation to deteriorate in the coming five years. Against this, public confidence in the economy fell drastically at the end of 2000 and ebbed away further in the following years (see figure S5). Many people evidently expected their financial situation to deteriorate in the short term.

Later in the Report it will become apparent that opinions regarding the delivery of public services were fairly mixed, but that there was no question of the onset of sudden mass dissatisfaction.

Remains the question of what factors underlay the unusually heavy election defeat of the government coalition parties. A second explanation places the emphasis on specific grievances among the electorate. This argument posits that the electorate was by no means dissatisfied across the board, but that voters were unhappy about certain issues such as immigration (which did indeed reach record levels in the 1990s), a lack of resolution in tackling crime, and lack of safety. This explanation is solidly supported by research findings. Although there was no overall increase in crime levels in the 1990s, crime remains – as Boutelier puts it – ‘a richly flowing source for the development of discontent and a concomitant need for safety’. In particular violent crime, which according to police records did increase in the 1990s, is argued to be a contributory factor. It was observed in an SCP publication on the social situation in the Netherlands (*De sociale staat van Nederland*), which was published last year, that fighting crime and maintaining public order were among the highest priorities for the Dutch population, and that moreover the importance attached to them increased in the second half of the 1990s.

Finally, it is also possible that people are in fact relatively content, but had simply become fed up with the ruling parties and were looking for a bit of sparkle, something which could be provided by at least one of the candidates (i.e. Mr. Fortuyn as the leader of a new political party) taking part in the election. The impatient consumer,

whose every whim is increasingly served by the media, and especially television, has now also emerged as a political phenomenon, it is argued. Events of the last year have then not only increased people's feelings of unsafety, but have also contributed to the 'virtualisation' of politics. According to this viewpoint, electors are no longer driven by their own, objectively determined interest, and not even by a subjective view of that interest, but by identification with the main characters in a 'narrative'. Boutelier refers in this connection to the sense of solidarity aroused by the victims of violence; this solidarity has also led to unexpectedly strong if short-lived protest movements in the last decade in connection with other violent events. 'The victim has become the gatekeeper of public morals', and those morals are manifesting themselves explosively.

The explanations offered here are not mutually exclusive. There is no such thing as an average voter who is driven by one single motive. Different motivations will have been active in 'cocktails' of different composition among the different sections of the population.

Whatever the precise background to the recent political seismic shift, it fits in with a society that has for some time been undergoing a process of individualisation. This process permeates social development in many diverse ways, but one of these is undoubtedly the individualisation of morals. The Social and Cultural Reports of 1994 and 1998 already made mention of the changing nature of social connections, which are of course still entered into, but which are no longer perceived as lifelong commitments. Loyalty to any and all of these connections, even to one's own family, is a choice which is constantly remade. But whereas connections in the personal arena are of vital importance for the individual and decisions on them often mark a life crisis, the establishment or breaking of a loyalty in a broader social context has for many become a trifling matter. As a consequence, the moral grip exercised on their members by the subjects of that loyalty – the Church, political parties, trade unions, voluntary organisations – has also become less powerful. The process of disintegration began in the 1960s, but may now have begun accelerating again.

It is striking in this connection that 'optional loyalty' need not lead to a reduced number of memberships. Single-theme community-based organisations, such as the Dutch Consumer Association, patient associations, environmental movements and pressure groups for international solidarity, attracted so many new members in the 1990s that it more than offset the simultaneous loss of members of the Church (see chapter 5, Table 5.15). This is not to say that these memberships are phenomena of the same order. Generally, representatives of the organisations concerned report a lower level of commitment among the rank-and-file members. Broadly speaking, the identification of members/donors with the organisation concerned has weakened; these members are less inclined to visit meetings and gatherings arranged by the organisation, they are less enthusiastic recruiters of other members, are less idealistic and are more

strongly focused on their own interests. In particular, forms of participation which require an investment of time appear to be losing popularity (Table S1). Financial donations and declarations of solidarity are easier. The work that has to be done to keep the organisation running is increasingly being placed in the hands of professionals.

Table S1 Participation in types of voluntary work and care-provision, 1990-2000 (in percent)

	1990	1995	2000
unpaid work			
childcare, crèche, playgroup	3	4	2
youth and youth club work	5	5	3
help at school, parent's committee, school board	10	11	6
organised care-provision	4	3	3
total unpaid work	17	20	12
active membership			
sport	10	13	8
cultural activities and hobbies	14	18	8
religion and ideology	9	10	6
women's organisation	3	2	1
total active membership	27	31	21
active citizenship			
political and idealistic aims	5	6	4
professional organisation, trade union, etc.	3	4	2
total active citizenship	8	9	5
total voluntary work	38	44	31
help for neighbours, the elderly, the disabled	13	13	7

Source: Table 5.14 from the SCR 2002

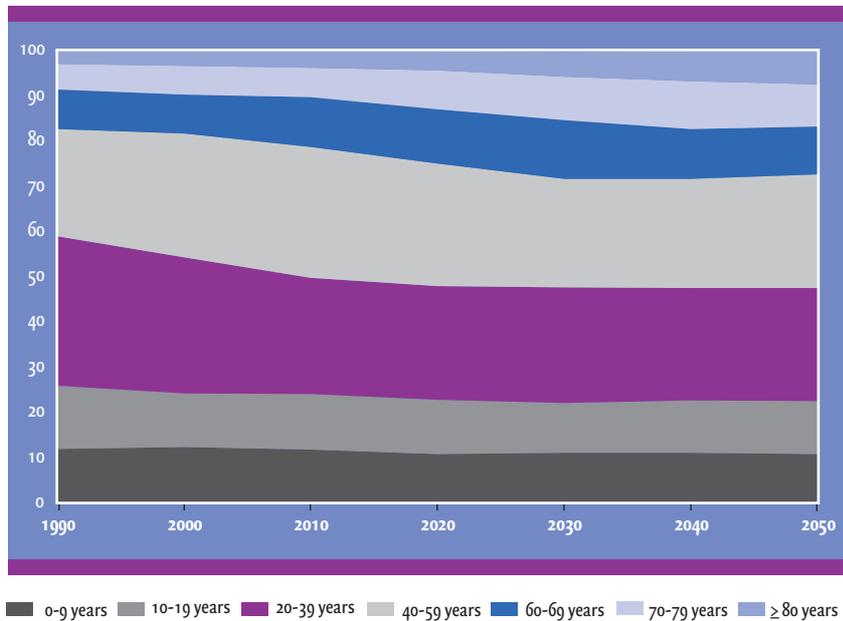
Ideological convergence is another social trend which helped pave the way for unpredictable electoral behaviour in the 1990s. The ideological playing field has become so narrow that it is increasingly easy to cross it. Thus it was possible for the Netherlands to be governed for eight years by a coalition dominated by two parties which in the past represented opposite poles of the political continuum. Such a blurring of oppositions probably corresponds with declining socio-economic differentials in society, so that other issues such as safety, retention of national identity, family values and inadequate health and education services are more able to manifest themselves politically.

As stated, the quality of the public sector is the central theme of this Report. This quality has already been mentioned as a possible source of discontent. In the remainder of this Report, this central theme is discussed separately for each individual sector. At the end of the Summary a brief conclusion will be drawn from the findings.

3 Ageing of the population

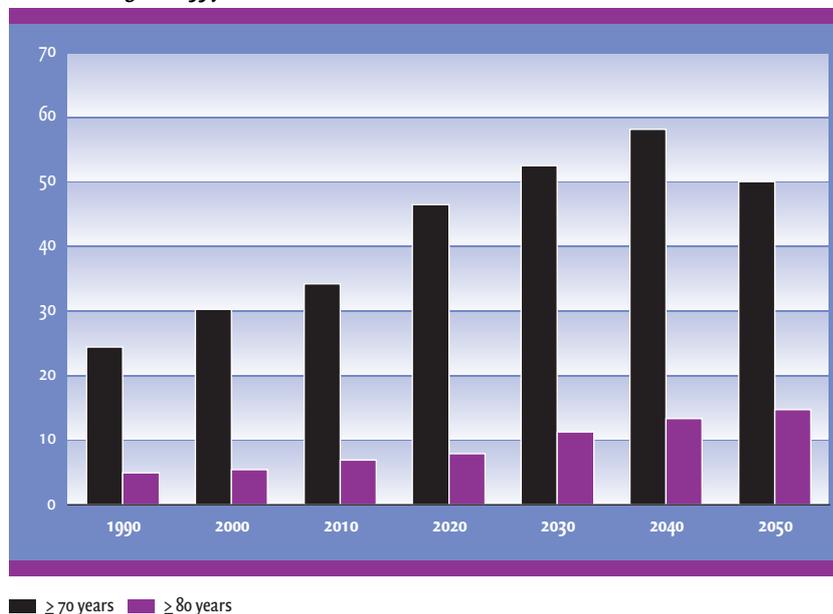
Apart from these cultural developments the Netherlands, like all European countries, has an ageing population, and this places an extra burden on the public sector. The number of over-60s in the population grew between 1990 and 2000 from 17.2% to 18.1%; it will reach 21.2% as early as 2010, and will then continue to increase (Figure S3). In 1990, there were 24.4 people aged over 70 for every 100 20-59 year-olds (the age category which corresponds most closely with the actual labour force); in 2000 the figure was 30.3 and in 2010 it will be 34.2. Taking only the over-80s, the figures are 5.0, 5.5 and 6.9, respectively. These figures will increase further in the future (Figure S4). This means there will be fewer and fewer potential carers for those potentially in need of care.

Figure S3 Age profile of the population 1990-2050



Source: CBS (Statline)

Figure S4 The population aged 70+ and 80+, respectively, as a percentage of the population aged 20-59 years



Source: CBS (Statline)

The healthcare sector will face the brunt of the ageing of the population. Demand for other public services will however also increase for demographic reasons, due not so much to population ageing as to population growth (especially through immigration). Between 1990 and 2010 the take-up of public services is likely to increase by nearly 20% (Table S2), while in the same period the 20-59 age group, which has to provide these services, declines by 4%. This situation is only likely to improve in the very long term.

Table S2 Take-up of public services based on demographic trends, 1990-2030
(index figures, 1990 = 100)

	1990	2000	2010	2020	2030
healthcare	100	112	122	133	148
education	100	106	111	109	108
justice and police	100	115	119	121	123
welfare and asylum	100	237	240	239	243
public transport	100	120	125	129	131
total public sector	100	111	119	124	130

Source: SCP (2002)

4 The economy and the public sector

Tabel S3 Economic key figures

	1990	1995	2000	2001	2002
GDP per capita in euros (1995 levels)	18,001	19,551	22,736	22,820	22,908
ditto in index figures (1990 = 100)	100	108.6	126.3	126.8	127.3
average purchasing power (1990 = 100)	100	101.7	104.5	111.3	112.7
employment in employment years (x 1,000)	5,203	5,663	6,469	6,594	6,621
unemployment (as % of the labour force)	7.0	7.8	3.6	3.3	3.8
vacancies (x 1,000)	115	55	188	182	.

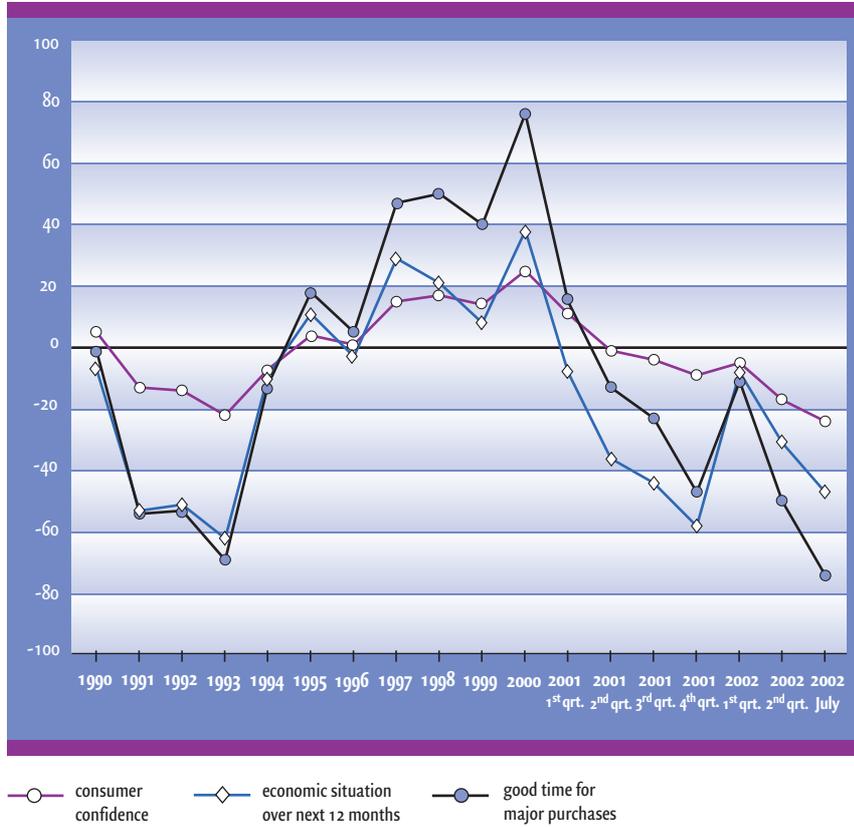
Source: SZW (2002: 19) and CPB (2001)

The excellent growth figures recorded by the Dutch economy in the second half of the 1990s came to an end in the last quarter of 2000. Economic growth was only around 1% in both 2001 and 2002. Corporate investments fell sharply, as did household consumer spending. Explanations for this downturn can be found in falling world trade and the deteriorating competitiveness of Dutch business, the result of a relatively sharp rise in labour costs in recent years. For the years ahead the Netherlands Bureau for Economic Policy Analysis (CPB) is projecting an economic revival, partly driven by anticipated growth in private consumption. Consumers themselves, however, remain wary at present (Figure S5).

CPB is forecasting economic growth of 2.5% per annum in the period 2003-2006. The purchasing power of the average employee will increase by 1.25% in the same period, leaving aside one-off pay increases. Growth in employment, which averaged 2.8% per annum between 1996 and 1999, was only 1.6% in the period 2000-2002, and will fall below 1% in 2003-2006. The labour supply is also growing more slowly than in the past, though unemployment will still rise from 3.8% in 2002 to 4.75% in 2006. With unchanged policy, the burden placed on GDP by the public sector will fall slightly in the coming years, giving a slight positive boost to the budget. In 2002 this burden was -0.3%; this could rise to 0.6% in 2006.*

* Since this Report went to press, these figures have deteriorated again.

Figure S5 Consumer confidence 1990-2002 (balance of optimistic over pessimistic statements)



Source: CBS (Statline)

Total government spending in the Netherlands accounted for 46% of GDP in 2000, considerably less than the 58% in 1983. More than three-quarters of this spending (36% of GDP) went on public services, and this proportion remained fairly stable throughout the 1990s. Large items in this total are health and welfare (10.3%), the civil service (10%), and education and research (5.2%). Public services are not paid for entirely from the public purse (tax and social insurance contributions); only 60% of the services are funded in this way; the remainder are funded by financially autonomous or commercial providers. In the fields of housing and environmental services, in particular, the proportion of private funding is high, and this also applies for leisure, media and culture. This could be an argument for placing them outside the public sector, but the decision to adopt a wide, functional definition of the public sector justifies their inclusion. Commercial providers, for example members of the liberal professions, also play a major role in services which are overwhelmingly publicly financed; health and welfare is a good example of this.

The public sector is responsible for 1.8 million employment years, equivalent to 28% of total employment, and this figure too remained virtually stable throughout the 1990s. The vast majority of this employment is in health and welfare (doctors and nurses), the civil service (public administration, police, justice) and education (teachers).

Public services are generally not traded on the free market, and their value can therefore not be expressed directly in monetary terms. This makes it difficult to say anything about production and about derived concepts such as productivity, labour productivity and efficiency. In order to describe the public sector on the basis of these criteria, chapter 2 uses the concept of *production volume*, i.e. the number of clients served. In order to present as true picture as possible of the production, allowance is made where possible for the qualitative aspects of the care or service needed by clients. Provisions where no individual clients can be identified, such as defence and public administration, are left out of consideration. The final (point of delivery) services considered account for approximately half the public sector in terms of costs. The results of the exercise relate to the 1990s; it is found that the production of the public sector increased in that decade by an average of 1.4% per annum, while the private sector recorded an increase of 2.8% per year (Table S4).

Table S4 Production volume of point of delivery services, public sector and private sector, 1990-2000 (index figures and percent)

	index figure 2000 (1990 = 100)	average annual percentage growth 1990-2000
education and research		
primary education	111	1.0
special education	113	1.2
secondary education	96	-0.4
vocational/adult education	90	-1.1
higher professional education	128	2.5
university education	95	-0.5
scientific research	125	2.3
healthcare		
hospitals and specialists	113	1.3
extramural care	114	1.3
mental health care	125	2.2
nursing homes	117	1.6
care homes	82	-1.9
home-care	129	2.6
care for the disabled	118	1.6
issuing of drugs/aids	201	7.2
police and justice		
police	91	-0.9
fire service	113	1.2
administration of justice	111	1.1
prisons	179	6.0
other		
tax service	146	3.8
social security	91	-0.9
asylum policy	804	23.2
childcare	312	12.1
welfare	117	1.6
culture	95	-0.5
sport	108	0.7
public transport	120	1.8
subtotal education/research	107	0.7
subtotal healthcare	120	1.8
subtotal police and justice	102	0.2
subtotal other	120	1.8
total public sector	115	1.4
total private sector	132	2.8

Source: Table 2.3 from the SCR 2002

The figures on education mainly reflect demographic trends in the period reviewed. The volume of healthcare services is also largely determined by a demographic trend – the ageing population – though, as in the sector ‘justice’, other social trends also play a role, as does the policy. The rapid volume increases in distribution of drugs and medical aids, prisons and childcare are striking. A few other provisions, mainly residential care homes and the police, show a reduction in volume. The explosive growth in the production volume in granting asylum is of course the result of the strong rise in the number of asylum-seekers in the 1990s – a trend which more recently shows signs of reversing.

While production in the public sector rose by 15%, the number of employment years increased by just under 10%. This means that labour productivity improved. Nonetheless, the costs (adjusted for inflation) rose by no less than 35%. This is because of increased staff costs (higher salaries) and the deployment of more material resources (high-grade technology and better accommodation). Compared with the private sector, the public sector became markedly more expensive in the period reviewed. According to Baumol’s law, this is to be expected because service-provision in the public sector is more labour-intensive and pay levels tend to track those in the private sector. Compared with the private sector, the costs of the public sector rose by an additional 1.6% per year. The relative increase was particularly marked for the police and justice (4.5% per year) and in education (2.1% per year). The relative cost increase in the health-care sector was more modest, at 1.2%.

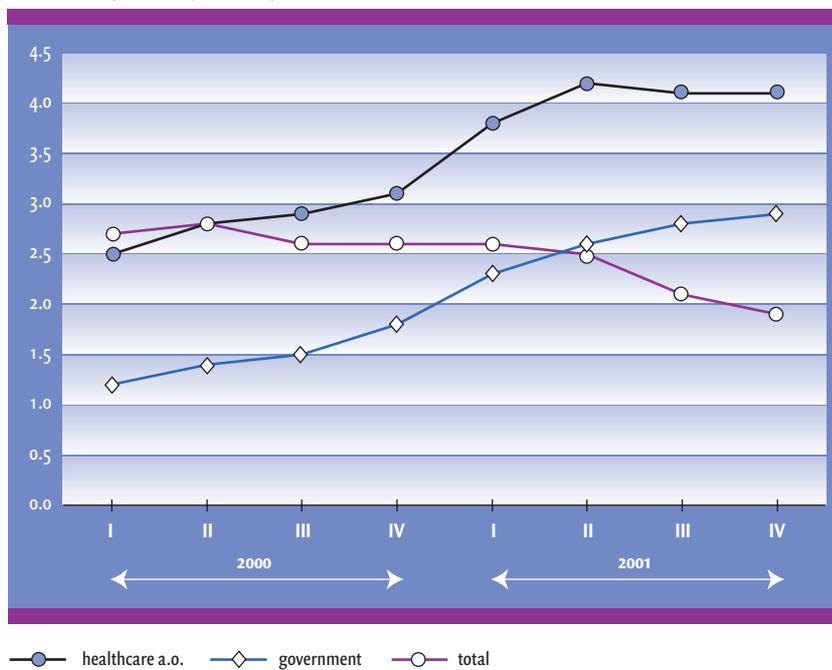
As stated, the fact that the public sector became more expensive than the private sector in the 1990s has to do with the less rapid rise in labour productivity and a sharper rise in pay in parts of the sector. The latter trend meant that the public sector regained some of the ground it had lost in the 1980s, when it was the private sector which saw a relatively steep rise in pay levels. A more expensive public sector need not mean that it gives less value for money: the deployment of better qualified staff may mean that the quality of service improved. The fact that the public sector became relatively more expensive ultimately also has to do with accelerating material costs, largely because of new technology – computerisation, medical equipment, computers in schools – and improvements in accommodation (better buildings, smaller class sizes, fewer patients per ward).

The developments outlined run only until the year 2000 and do not include the additional funding which has been pumped into the public sector in the last two years. Based on provisional data (see chapter 2, Table 2.6), it is likely that this extra funding has not generally led to significant growth in production, but rather to improvements in the material provisions and the employment position of staff.

5 The labour market in the public sector

The assumption is that the quality of service in the public sector is adversely affected by staff shortages: there are too few nurses, too few policemen on the streets and lessons are being cancelled due to a lack of teachers. In an economy which sucked up as much of the labour supply as the Dutch economy in the 1990s, such a shortage is not surprising; many companies in the private sector are also having difficulty finding staff. On top of this, the work in many parts of the public sector is heavy and the career prospects limited. The Van Rijn committee, which identified the problems at the request of the Ministry of the Interior and Kingdom Relations (BZK), accordingly produced a recommendation in 2001 that employment in the public sector be made more attractive.

Figure S6 Employment volume, by sector (changes compared with corresponding period in previous year) (in percent)



Source: CBS (2002: p.31)

Employment in the public sector grew less quickly in the 1990s than in the commercial services sector, but this changed at the end of the decade, with many jobs being created in healthcare, in particular, in the latter years. At a time when economic growth was coming to a halt, this employment growth in the public sector offered some compensation for the stagnating growth in the private sector. However, it remains to be seen whether the public sector manages to attract sufficient staff. As stated, the ageing of

the population will lead to a sharp increase in demand for public services in the coming decades; the staff in the sector are of course also affected by this ageing, and in fact this process is already considerably more advanced in the public sector than in other sections of the economy (Table S5).

Table S5 Ageing of the workforce in the public sector (in percent and index figures, 1990 = 100)

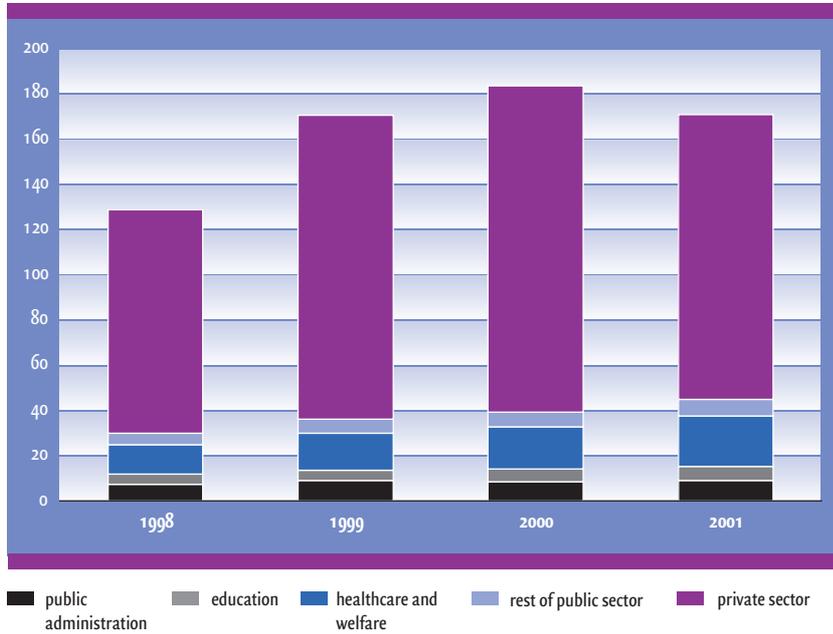
	proportion of over-45s in 2000	increase in proportion of over-45s in the period 1990-2000
public administration	38	158
education	47	157
healthcare	33	206
social services	33	132
culture, sport, recreation	32	139
total public sector	37	154
private sector	27	113

Source: Table 3.1 from the SCR 2002

The public sector will continue to show an overrepresentation of older employees in the short term. In the somewhat longer term, this will lead to a mass exodus – and thus a rapidly growing need for replacement – which will only increase the pressure on those working in the sector. This could make a career in the public sector seem even less attractive. The ageing is partly the result of the fact that many public sector employees were recruited in the period before budgetary constraints; as a result, the younger age groups are less well represented. Another factor are the high education standards, which many young people are unable to meet; no fewer than 44% of public sector employees have a higher professional or university education, compared with 18% in the private sector.

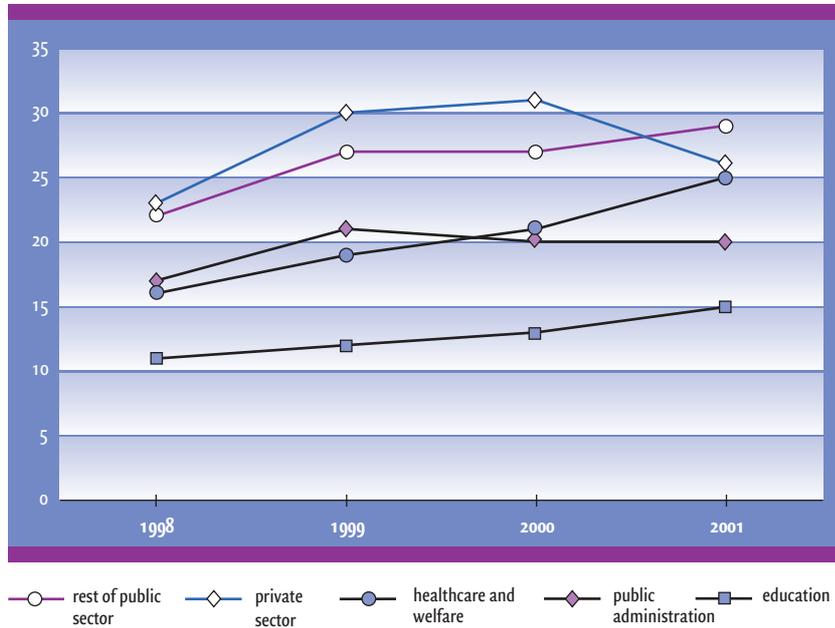
As in the private sector, the number of vacancies in the public sector increased rapidly at the end of the 1990s. However, whereas this trend reversed in the private sector in 2001, it continued in the public sector (Figure S7a). In relative terms, the number of vacancies in the private sector is however still slightly greater than in the public sector, though in parts of the public sector, including healthcare, the relative number of vacancies is already at the same level or higher than in the private sector (Figure S7b).

Figure S7a Vacancies per sector, 1998-2001 (in absolute figures x 1,000)



Source: Table 3.5 from the SCR 2002

Figure S7b Vacancies per 1,000 jobs, 1998-2001



Source: Table 3.5 from the SCR 2002

While the number of vacancies in the public sector is no higher than elsewhere, then, the existence of those vacancies can still have serious consequences. Clients in the public sector are generally more dependent on the delivery of services than clients in the private sector; these are often vital services for which there is no substitute. The Public Sector Quality Survey showed that public sector employees were much more inclined to foresee negative repercussions for the quality of service than their counterparts in the private sector.

High pressure of work can lead to sickness absence, in turn increasing the pressure of work even further. As far as can be ascertained, the rate of sickness absence in the public sector is indeed relatively high, with percentages of 7-8% in the healthcare sector, for example, compared with rates of below 5% in the commercial services sector (see Table 3.7).

Large parts of the public sector are 'career-specific'. Many of these careers require specific training, which largely precludes transfers between different parts of the sector and makes it difficult to accommodate a shortage in a given subsector by drawing labour from elsewhere in the sector. The advantage of this is that there are many employees whose career matches their education and training. On the downside, however, there are relatively few career prospects. This applies particularly for a subsector such as education and, to a lesser extent, healthcare. In other parts of the sector, by contrast, such as the public administration, the opportunities for career mobility are high.

Compared with the private sector, actual staff turnover in the public sector is low, with the exception of the healthcare sector, where the numbers leaving are higher. There is no evidence of an exodus from the public to the private sector; in large parts of the public sector, the flow in the opposite direction is in fact larger.

Public sector employees, then, are not especially unhappy with their work. Taking everything together, positive views dominate, both within and outside the sector. According to the employees themselves, they have varied activities, sufficient opportunities for development, a good working environment and no excessively stressful physical working conditions. Many of them are occasionally confronted with high pressure of work, but not so often that it undermines their job satisfaction. Despite this generally favourable picture, there are two areas of the public sector which score less well on some points: education and healthcare. In addition to the physically stressful activities which occur relatively frequently in the healthcare sector, employees in these two subsectors feel they have few opportunities for organising their own work. Their degree of control is limited, and in combination with the high pressure on their time, this puts them under a considerable strain. This manifests itself in a relatively large number of employees who find their work emotionally exhausting. The risk of burnout is high for this group.

Stereotypically, the public sector is characterised by low pay and high job security. Empirical research, however, shows this picture to be too simple (Table S6).

Table S6 Hourly pay differentials^a between the public and private sectors, total and by education level, 1997

	total	elementary	primary	secondary	higher	university
public	-/0	+	+	+	-	-
public administration	+	+	+	+	+/0	+/0
defence and police	+	+	+	+	+	+
education	-	-/0	-	-	-	-
healthcare	-	-/0	-/0	-/0	-	-

a + : hourly rate in public sector (segment) is higher than in the private sector; - : lower hourly rate in public sector (segment), 0: no difference.

Source: Table 3.16 from the SCR 2002

In the public sector as a whole, average hourly pay rates for employees with a higher professional or university background are lower than in the private sector. In terms of pay, they would be better off moving to the private sector. This does not apply for people with elementary, primary and secondary education backgrounds; their average hourly pay is higher than in the private sector.

There are wide differences between the different subsectors of the public sector. Average hourly pay in healthcare and education is lower than in the private sector. This applies for all education categories, though those with a lower education level tend to have a smaller pay disadvantage than employees with a higher professional or university education (not shown in table). In the public administration and in defence and the police, by contrast, average pay levels are higher across the board than in the private sector. In the public administration, these positive pay differentials are most marked for employees with primary and secondary education backgrounds; employees with a higher professional or university education also compare favourably with their counterparts in the private sector, but here the differences are small.

In the period 1996-2000, pay in the public administration and healthcare increased faster than private sector pay, while pay levels in education lagged behind. Public sector employees depend mainly on generic pay increases, while for employees in the commercial services sector incidental pay increases based on promotion, extra increments and bonuses are relatively more important.

When it comes to fringe benefits, public sector employees enjoy a number of key advantages over private sector employees. They enjoy better employer-provided childcare facilities and have much better parental and maternity leave arrangements. This applies particularly for government employees, and to a lesser extent for those working in healthcare. In the education sector, these facilities are hardly any better developed than those in the private sector. On the other hand, the public sector is less generous when it comes to bonuses and company cars.

6 Healthcare

The healthcare system has been the subject of criticism not so much because doctors, nurses and other carers do not do their work adequately, but because patients have to wait too long for the care they need. Several explanations are put forward to explain the problem of the waiting lists: a shortage of financial resources, the supply-driven approach of the sector which is not designed to match the system to the needs of its users, and a surfeit of rules surrounding this supply-driven approach. In addition to these system-related obstacles, social developments are also cited: the ageing of the population is leading to a rapid increase in demand for medical treatment and general care; then there are developments in medical technology; and a final factor is the widened definition of illness and a more demanding attitude by consumers.

The supply-led approach and the resultant scarcity are an inheritance from the 1970s, when the government sought to make an end to the rapid rise in healthcare costs. In the 1990s, however, the financial position sector improved. The per capita costs of healthcare rose by 70% in this period, though half of this increase was due to inflation. This increase – not inconsiderable even in real terms – was however only partly reflected in increased production volume – i.e. the number of patients treated. Table 2.3 shows that the production gains for the sector as a whole were well below 35%, with the segment ‘drugs’ being the only clear exception. The number of service-providers did increase (there was an increase in employment of 30% in employment years), and salaries also rose more rapidly in healthcare than in the rest of the public sector and in the private sector (see Table 3.15). The increase in the number of care-providers, and their improved pay, may not so much have raised the quantity of the services provided as their quality.

Waiting lists are an undeniable problem. At the end of 2001 there were 160,000 patients waiting for a hospital operation, of whom almost a third had been waiting longer than three months, while the sector’s own targets are to treat 80% of patients within one month. It has to be said that in most specialisms this target is achieved; but the waiting times for plastic surgery, eye surgery and orthopaedic surgery are very long, and the same applies to a lesser extent for general surgery and ear, nose and throat surgery. At the same time, there are 77,000 people waiting for admission to a residential care

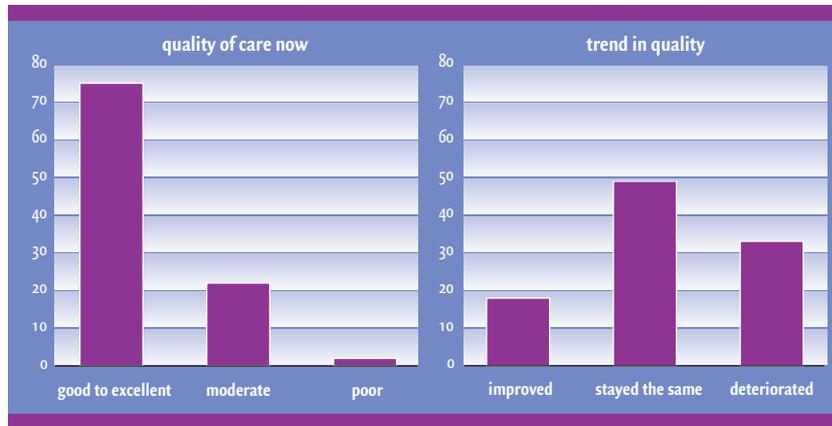
or nursing home, 80% of whom have been waiting longer than three months. The figure for home-care services is 40,000, 58% of whom have been waiting for more than three months.

This is an alarming picture, but when judging the healthcare sector it is advisable to take other findings into account as well. For example, a large proportion of those on the waiting lists receive the help they need within a period which both they and the carers concerned regard as acceptable. This applies in particular for medical services; the situation is different for those waiting for admission to an institution or for other long-term care, but it has to be borne in mind here that in many cases an interim form of care is provided. Not all those registered for a residential care home are in any event in need of urgent admission; they are often registered as a precaution. Finally, it is also worth mentioning that the waiting list problem has not only arisen in recent years. It existed ten years ago as well, but was at that time regarded as a normal consequence of the budgetary constraints imposed on the healthcare system. This tolerance has reduced today, partly because of the lengthening of the waiting lists and partly because of the increase in prosperity in the recent period. The need to pursue an austere health policy has eased somewhat, as borne out by the amounts that have been ploughed into the sector in recent years. Moreover, the prosperous citizen is no longer prepared simply to accept waiting lists for any kind of consumption. Where possible they seek to speed up their treatment by exploiting personal contacts with healthcare professionals or looking to other countries. In a tight labour market, employers are also becoming increasingly impatient regarding the recovery of sick personnel, and they too are not prepared to accept long waiting lists for medical provisions.

All in all, it can be said that the healthcare system currently still has its shortcomings and that, with a few exceptions, the extra money has not led to an obvious reduction in waiting lists. It may be that further gains can be made from deregulation and improved efficiency (see § 6.4.2), but this applies mainly for the *cure* sector; the situation is much more difficult in the *care* sector.

The fact that the system is in crisis is partly confirmed by the public. When asked, a third of the Dutch population feel that medical care has deteriorated in the last five years, while only a fifth believe there has been progress. The rest feel that the quality has remained unchanged. The balance is thus tilting in a negative direction. For other forms of care such as care for the elderly, care for the disabled and mental healthcare, the views are even more negative. On the other hand, three-quarters of those interviewed regard the current quality of medical care as good to excellent; 22% score it as moderate and only 2% label it as 'poor' (Figure S8). How are these differences to be reconciled?

Figure S8 Opinions on the quality of medical care and the trend in that quality in the last five years, population aged 25 and older, 2002 (in percent)



Source: SCP (KQS 2002)

One explanation could be that generally speaking people have had reasonably positive personal experiences with medical care, but have become convinced by the media that there is something wrong with the system. The less able people are to answer questions from personal experience, the less favourable are their opinions. This explanation is supported by another result from the same survey, which finds that people express a much more negative opinion about care for the elderly, care for the disabled and mental healthcare than about medical care. While many of them have personal and recent experience of medical care, this is much less the case with the other three forms of care. When answering questions on these less familiar forms of care, they therefore fall back on a stereotype of the healthcare system in general, and this just happens to be unfavourable: long waiting lists, high pressure of work, low salaries.

In another survey containing more specific questions on people's experiences with various aspects of medical care, patients expressed their satisfaction with the expertise and client-friendliness of doctors and nurses. They were less happy with the information received about their treatment and decidedly unhappy about the continuity of service. A treatment is often a lengthy process involving a large number of service-providers. All sorts of things can go wrong in the coordination of the various services, and according to clients, they do. Clients would also like more certainty about what to do in an emergency (see Table 6.8).

Users of care provisions have other priorities; for them, the way they feel they are treated in the institution is crucial, and they are generally satisfied with their experience in this regard. On the other hand, they are less positive regarding the timing of the care-provision; the help is often not available when they need it, or at least not

immediately. These clients therefore feel that their personal autonomy has been undermined (see Table 6.9). The importance of this is shown by the success of a provision such as the client-linked budget which enables clients who continue to live in their own home to put together their own care package.

The shortcomings in the quality of healthcare in the Netherlands are not so great that people are willing to pay large amounts from their own pockets for a better service. The same applies for other EU countries, with the exception of United Kingdom. In the Netherlands 59% are not willing to pay anything at all, and a further 31% are willing to pay a maximum of EUR 22 per month. Only 3% are willing to pay more than EUR 45 per month for a better quality service, and even in the highest income category this figure does not rise above 7% (see Table 6.10). And if healthcare has to become more expensive, the vast majority believe that the way to fund it is through higher health insurance premiums. The Dutch have little interest in private purchasing of healthcare facilities. Evidently such a solution does not fit in with their feeling of social justice.

The quality of care is not so much wanting that patients seek recourse to complaints procedures *EN MASSE*, even though they have the opportunity to do so: since 1995 all care-providers have had to have a complaints procedure in place. Only 0.4% of care-users lodge a formal complaint to the appropriate committee. Three-quarters of institutional care-providers receive no more than 15 complaints each year.

In qualifying the crisis in healthcare in this way, it must of course be borne in mind that one aspect of quality, namely the medical quality of the treatment, overshadows all other aspects. This quality is also the aspect which is the most difficult to assess. The predominantly positive view of patients regarding the expertise of medical staff cannot serve as a yardstick here, because as lay people they have virtually no insight into that expertise. At best they have an opinion on the extent to which the treatment has improved their quality of life, though that improvement of course also depends on other factors (the nature of the complaint, the treatment possibilities, the characteristics of the patient). The quality of medical treatments can only be judged by experts. In recent decades, healthcare professionals have worked hard to introduce quality standards and quality control systems for medical treatments. Two studies have found that doctors meet these standards reasonably well (§ 3.3). Despite this, alarming noises to the contrary are occasionally heard; a number of studies have found evidence of uncoordinated and incorrect handling of prescriptions, and the risk of post-operative wound infections was found to vary so greatly from one hospital to another that the situation across the board could hardly be described as ideal.

Medical practitioners and healthcare institutions also differ in the degree to which they pursue an explicit quality policy. Given the relatively good performance by institutions where quality policy is well entrenched, it would seem that there are gains to be made here, too.

Unless they have access to inside information, users of medical care have little insight into the quality of the provisions. This means that the quality impulse which can come from the presence of critical consumers is absent in this sector. On the other hand, given the vital interest which clients have in receiving the best possible medical treatment, access to that kind of information could have a disruptive effect on the system; in the first instance, it would probably lead to an increase in waiting lists as queues formed at the doors of the service-providers with the highest quality scores.

7 Education

The shortage of teachers is the most frequently cited problem in education, and primary school heads believe it is undermining the quality of education. In secondary schools, it has long been common practice to drop lessons for the same reason, that this is now also happening in primary schools. There is a fairly general feeling that too little money is invested in the Dutch education system – less than in most other countries in the OECD and also relatively less than in the past. A separate problem is segregation in education which has led to schools in the large cities with a pupil population consisting almost entirely of members of ethnic minorities. The media also frequently refers to the bureaucratisation of education as a problem; Schools receive ministry circulars literally every day, and other agencies such as the Education Inspectorate, local authorities and health and safety at work services also contribute to the administrative burden. The increase in scale which has taken place in education in recent decades is also seen by many as a threat to its quality. Although a minimum school size is necessary for achieving good quality, above a certain maximum there is a danger of that quality becoming lost in a fog of anonymity.

Despite all the criticism in the media, the Dutch population still has a predominantly positive view of the education system (Table S7).

Table S7 Opinions on the quality of education, population aged 25 and older, 2002 (good or very good, in percent)

	primary education	secondary education	vocational education	university education
with children there	79	65	.	.
without children there	64	63	.	.
total	67	63	70	66

Source: Table Bg.1 from the SCR 2002

Those with a lower opinion of the education system only rarely have a pronounced negative opinion; most of them apply the term 'moderate'. It is striking that parents with children at primary school have a significantly more positive opinion than other adults. In the case of secondary education there is no difference.

A less favourable opinion emerges when people are asked about the development of education over the last five years; the balance then tilts in almost every case towards the negative side (Table S8).

Table S8 Opinions on the development in the quality of education in the last five years, population aged 25 and older, 2002 (in percent)

	deteriorated	stayed the same	improved
primary education			
with children there	26	51	28
without children there	36	54	10
secondary education			
with children there	46	40	14
without children there	37	55	9
vocational education	26	63	11
university education	19	70	11

Source: Table Bg.2 from the SCR 2002

Here again, the parents of children in primary schools are less dissatisfied than the rest. This does not apply in secondary education; in fact, parents who have actual experience of it take a more negative view

This ambivalence of parents, a large majority of whom are satisfied with their children's education but who believe that the situation has deteriorated in recent years, corresponds nicely with indicators at macro-level which also point in different directions. In international comparative tests, Dutch young people score relatively well for key skills such as reading, mathematics and scientific knowledge. The Dutch central written examination results showed that the achievement level of pupils – at least of indigenous students – deteriorated slightly in the second half of the 1990s. However, this fall was not continued in the most recently known results, for the 1998/99 and 2000/01 school years.

In spite of this, the views of the Education Inspectorate are not uniformly positive. The Inspectorate applies a system of 13 quality features, which comprise more than 100 indicators for both the teaching process and the results achieved. Among other things, the Inspectorate observes that there are many gaps in the knowledge of primary school pupils; that staff shortages are leading to loss of effective teaching time; and

that there is too little supervision of problem pupils. Lesson cancellations are also a growing problem in secondary schools. The teaching and didactic qualities of teachers came out fairly well in the Inspectorate's report, with the qualification that these teachers often fail to respond adequately to differences in ability between pupils in a class; 4% of teachers in primary schools were labelled as 'very weak' by the Inspectorate in this regard. Many such schools are found in the four major cities. 4% of secondary schools were also labelled 'very weak'; these include a relatively high proportion of pre-vocational secondary schools, and again schools in the large cities are overrepresented.

Another source of worry is the declining interest in science and technology subjects, especially in senior secondary vocational education. Although the student intake for science subjects at university has not reduced as such, student preferences are shifting towards the relatively 'softer' courses within those disciplines.

Education not only focuses on the cognitive development of pupils, but also on their social development, and has a responsibility for cohesion in society. To what extent members of the public and policy implementers give the education system a genuine mandate for this is an open question. There is also some resistance to a moralising approach and to a 'nanny state'. To what extent education actually contributes to social cohesion is also difficult to measure. At most, something can be said about the extent to which education fails to achieve the envisaged cohesion by reaffirming or even accentuating social divisions. For example, the minimum initial qualification for the labour market was raised in the 1990s to a level which is beyond that of pre-vocational or junior general secondary education, with the result that a quarter of young people ultimately fail to achieve this qualification. The situation in other European countries is incidentally no different. Many of these young people do currently find work; however, a third of them have to manage without any diploma at all, which makes finding work extremely difficult.

It may be assumed that one risk to social cohesion lies in the segregation within education system itself. The segregation between indigenous and non-indigenous residents in local neighbourhoods is reinforced in schools. In Amsterdam and Rotterdam, more than half the primary schools have an ethnic minority population exceeding 60%. Non-indigenous pupils, especially Turks and Moroccans, still face educational disadvantage. They are underrepresented in senior secondary education, drop out prematurely more often than indigenous pupils and take longer to complete their school careers. And yet there are also clear signs of progress in these groups. This Social and Cultural Report does not go into this in any further depth; interested readers are referred to the biennial *Reports on Minorities* published by SCP, the most recent edition of which appeared in 2001.

The shortage of teachers is regarded as the greatest threat to education in all quarters. This shortage has increased rapidly in recent years, and the future also looks sombre. The ageing of the teacher population will lead to a high replacement need, while the number of new entrants to teaching is stagnating. In a period when people can find work elsewhere on the labour market, usually with a higher salary and longer career line in prospect, there is little enthusiasm for teaching. Added to this is the poor image of the profession, particularly in secondary schools. Of those graduating from teacher training programmes, only half are still working in secondary education 18 months after qualifying. Secondary school pupils have a reputation for being difficult and the pressure of work is high. Many of those who have nonetheless opted for a career in education are inclined to leave it again. The rapid succession of changes and the lack of building maintenance are cited by teachers themselves as factors which harm their working environment. Many teachers are tempted to turn their back on education and look elsewhere or take early retirement. Teachers staying within the system show a preference for the more attractive schools, thus exacerbating the problems faced by inner-city schools with large numbers of disadvantaged pupils.

The shortage of teachers is felt in all forms of education mentioned here, and eventually filters through to higher education as well (Table S9).

Table S9 Trend in the number of unfilled vacancies at the start of the school year compared with the total number of vacancies (in percent)

	1998	1999	2000
primary education	7.3	8.1	10.4
special education	14.0	13.1	18.0
secondary education	7.8	10.1	13.3
special secondary education	12.3	10.2	21.1
vocational and adult education	12.0	17.2	19.4

Source: Table 9.2 from the SCR 2002

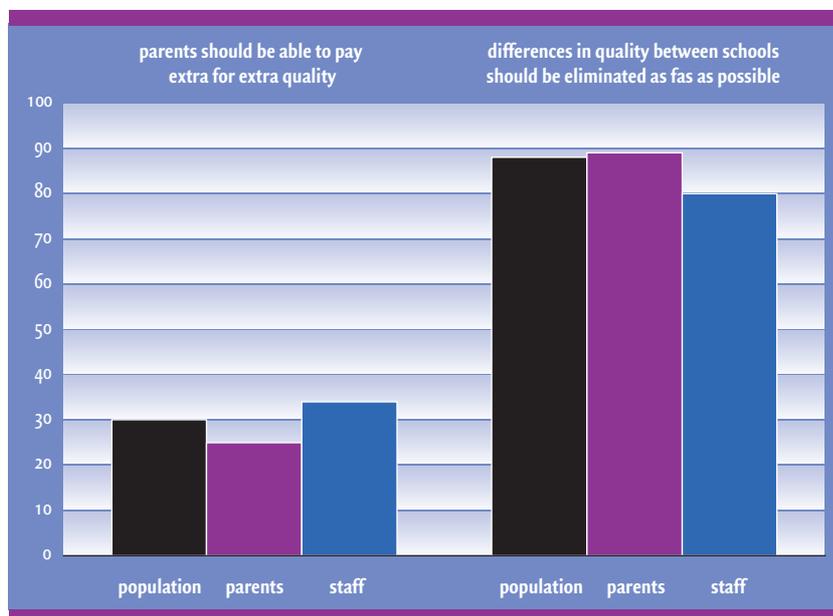
Spending on education rose by 13% in real terms in the 1990s and thus lagged behind economic growth over the same period. The portion of GDP devoted to education fell from 5.5% in 1990 to 4.6% in 1998, taking it below the European Union average of 5.4%. This shortfall arose mainly because of a fall in investment in vocational and higher education; spending in secondary education matched the growth in the economy, and spending in primary schools exceeded it – the result of a catching-up exercise in the latter part of the 1990s. Much of this investment was devoted to reducing class sizes.

All in all, the research on the quality of education produces paradoxical results. The media are dominated by dissatisfaction with the present situation, and this picture is largely endorsed by teachers. Opinion surveys show that the public at large also feel that education has deteriorated in the last five years. On the other hand, that same public also feels that the present quality of education is good. A large majority of parents of pupils are satisfied with the school attended by their children. Pupils and students in vocational and a university education are also satisfied. If there is dissatisfaction, it relates less to the quality of the education than to the maintenance of buildings or the supervision of problem pupils.

The effectiveness of Dutch education, measured by the education level and cognitive skills of those leaving the system, is still high in international perspective, even though investments have fallen behind. This does not mean that the media are sounding a false alarm, however: the shortage of teachers is a major problem which at the very least threatens the future quality of education, and the many recent reforms accompanied by an increase in the range of subjects taught have caused confusion among both teachers and pupils. These circumstances have done nothing to improve the conditions for the delivery of quality. In order to make teaching more attractive as a profession, teachers' pay will have to rise. Money is also needed to provide better equipped schools.

As in every policy domain, the idea is sometimes mooted of introducing market forces into education to generate additional funds. Parents could be offered higher quality in return for an increase in their contribution. As in the other policy domains, however, the Dutch population is not exactly enthusiastic about this idea (Figure S9). There is much more enthusiasm for greater openness by schools regarding the results they achieve with their pupils. More than three-quarters of the population, parents and staff believe that this kind of information should be in the public domain.

Figure 5g Opinions on the operation of market forces in education (share of the category agreeing with the statement, in percent)



Source: Table B9.3 from the SCR 2002

8 Justice

The fight against crime is a high priority for the Dutch population and was an important issue in the recent general election. Given that the crime rate was already beginning to rise sharply in the 1970s and 80s, it is somewhat surprising that the commotion surrounding this phenomenon should figure so prominently in public opinion precisely now, following a fairly long period of stabilisation. On the other hand, a stable but still high level of crime is of course a real problem for many people. Roughly a quarter of the population aged 15 years and older are victims of crime each year.

Crime is a daily recurring topic in the media. The discussion in chapter 11 of this Report offers a brief and necessarily incomplete summary of cases which have made the status of 'issues' in recent years. Concerns about the increasing violence in society are not new, but a number of incidents which can be ascribed to the category 'senseless violence' have aroused great indignation. In addition, the media have devoted much attention to the drugs problem and the leading role played by the Netherlands in the international drugs trade. The fairly extensive and open transport of cocaine to the Netherlands by 'drugs mules' has also received wide attention. The Dutch policy of tolerance towards soft drugs features in the news regularly, mainly when other countries

are troubled by it or, by contrast, wish to adopt it. On top of this, the high proportion of certain ethnic groups involved in crime has been a fairly regular topic of discussion recently.

Infringement of people's feelings of justice and public unrest are of course inherent aspects of crime, but these emotions are considerably reinforced by the powerlessness of the judicial authorities to identify and punish the perpetrators. In this connection the falling clear-up rate – now down to 15% – is a stumbling block. All manner of things can also go wrong in the later phases of the administration of justice: technical errors leading to acquittal; excessively light sentences; premature release because of cell shortages, etc. Here, too, there has been no shortage of incidents.

The quality of the police and judicial system is naturally judged by the degree to which it is able to eliminate crime from society. Both police records and victim surveys would seem to suggest that crime has roughly stabilised over last decade (Table S10). According to police records a shift has also taken place from crimes against property to crimes of violence, though this is not confirmed in the victim survey statistics. The two sources are therefore not easily comparable because the police can only record reported crimes, while interviewees in victim surveys can also mention crimes that have not been reported to the police. In addition, crime against businesses and public property is not mentioned in individual victim surveys. Finally, the category 'crimes of violence' is fairly heterogeneous, and only partly relates to violence against people. Here again, the victim surveys do not show a rising trend, at least not in the 1990s.

Table S10 Offences against members of the public in the Netherlands, 1992-2000
(in numbers x 1,000)

	1992	1993	1994	1995	1996	1997	1998	1999	2000
total according to victim surveys	4,460	4,439	4,533	4,506	4,006	4,544	4,691	4,781	4,674
of which violent offences	972	849	866	842	722	860	954	998	896
of which offences against property	1,895	1,819	1,874	1,980	1,673	1,853	1,812	1,703	1,791
of which vandalism	1,408	1,609	1,559	1,496	1,447	1,656	1,759	1,887	1,796
total according to police records	1,268	1,272	1,314	1,227	1,189	1,226	1,224	1,284	1,306
of which violent offences	59	62	67	65	68	75	77	87	91
of which offences against property	950	956	978	905	834	846	842	872	888
of which vandalism and public order offences	155	151	156	153	171	180	179	188	190

Source: Table 11.1 en tabel B11.2 from the SCR 2002

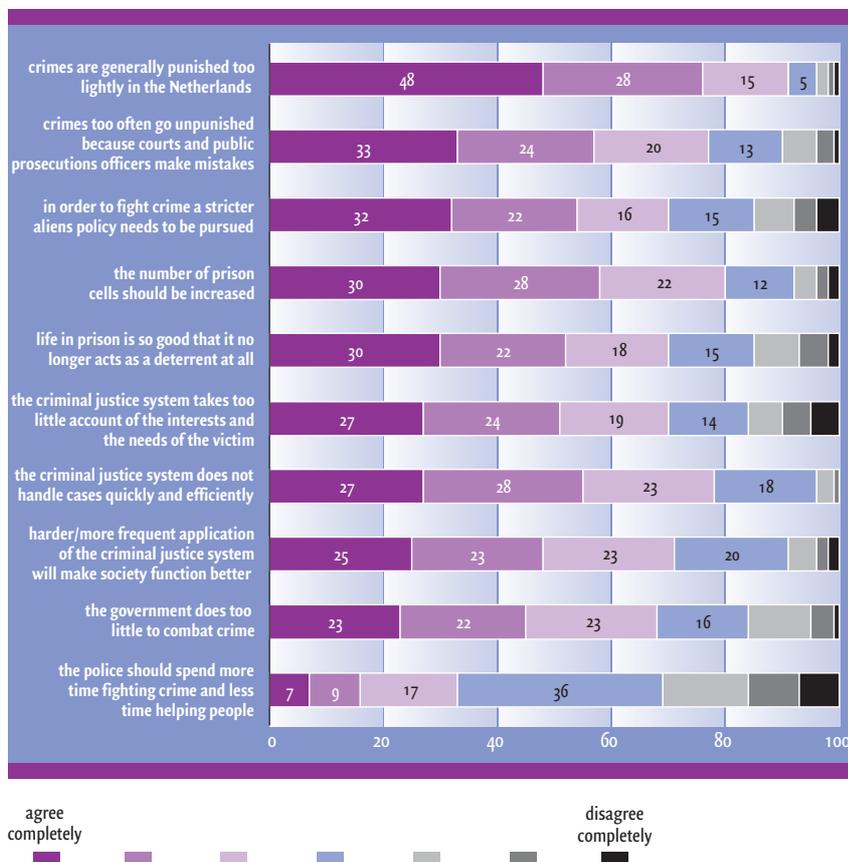
The curbing of the crime rate in the 1990s was certainly not attributable solely to the police and justice system. The public themselves also did a great deal in the form of preventive measures against theft and burglary. The effectiveness of the police in fact declined in terms of the clear-up rate: over 20% of crimes reported in 1990 were cleared up, compared with fewer than 15% in 2000. This fall occurred in all categories of crime presented in Table 11.1 (see Figure 11.3). The low clear-up rate arises in the first instance because in two-thirds of cases reported the police do not even investigate because there is so little prospect of solving the crime. A limited proportion, an estimated 80,000 offences, offer sufficient clues to arrest a suspect, but are left unsolved because of a shortage of police personnel. Even dealing with these 80,000 cases would require an additional 2000 officers.

In fact the number of police officers did increase in the 1990s, from 190 per 100,000 members of the population to 215 in 2000 (not counting police civil servants). Despite this increase, however, the Netherlands lags behind other European countries. The strengthening of the police supported by various governments is difficult to achieve in a period when the force is ageing and many officers will in fact be leaving. Additionally, the enlargement of the police force has so far not led to an increase in the amount of time spent identifying perpetrators; in fact, this has actually decreased.

Increasing the number of police officers means that the judicial capacity also has to be expanded. The number of cases handled by justice officials, however, fell in the 1990s. It should be mentioned here that many cases in fact no longer reach the Public Prosecution Service, since they are dealt with via a police penalty, through the HALT scheme for juvenile crime or through an administrative procedure. It should also be borne in mind that the number of summonses and guilty verdicts by the courts began increasing in the second half of the 1990s. Moreover, the courts began imposing heavier detention penalties (Table 11.7); the growth in the number of prison detainees was higher in this period in the Netherlands than in other Western European countries.

The Dutch public have long regarded crime as a problem of the first order, and also believe that crime is still increasing, whereas in fact this is not the case. There is fairly general support for a firmer approach to tackling crime. In 2002, for example, no fewer than 91% of the public were more or less in agreement with the statement that crime is punished too lightly in the Netherlands (Figure S10).

Figure S10 Views on punishment, population aged 24 years and older, 2002



Source: Figure 11.5 from the SCR 2002

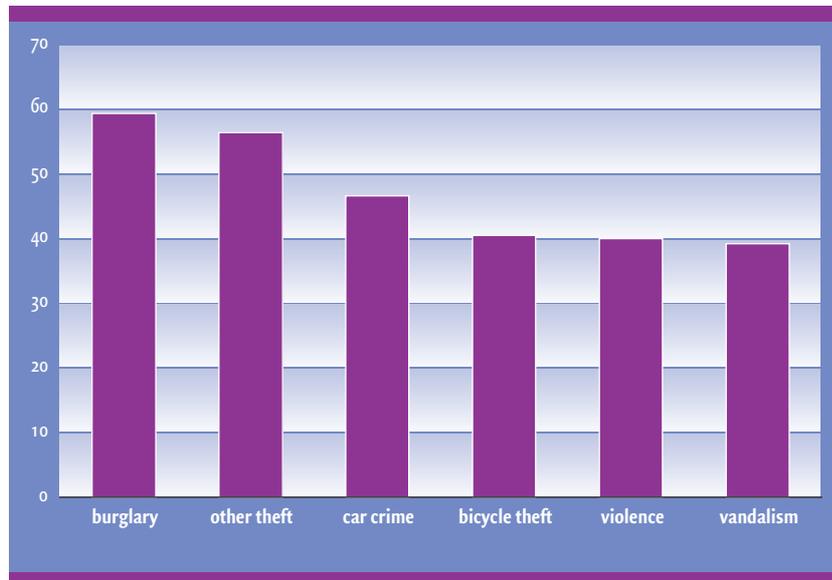
To the extent that this can be deduced from a comparison with earlier research in 1991 and 1996, this attitude has hardened. Moreover, the appreciation of the way in which crime is tackled by the relevant authorities, which was already not high in 1996, fell further in 2002 (Table S11 and Figure S10).

Table S11 Opinions on the tackling of crime by the government, the police and the courts, 1996-2002 (agree and agree completely with the statements, in percent)

	1996	2002
The government does too little to combat crime	55	68
The government ensures public safety well	21	20
The police do too little to track down criminals	35	45
The police do their job well	38	35
The Dutch police are honest and reliable	49	48
The Dutch courts are honest and reliable	58	57
Crimes are generally punished too lightly in the Netherlands	78	91

Source: Table B11.8 from the SCR 2002

Figure S11 Satisfaction by victims of crime with the handling of their case by the police, 2002 (satisfied or very satisfied, in percent)



Source: SCP (KQS 2002)

The 'Police Monitor' (*Politiemonitor bevolking*) also shows that a large proportion of the population feel that the police are not sufficiently visible or available, and that they do not act firmly enough (see Tables 11.13 and 11.14). These grievances also existed in 1995, and to roughly the same degree. There is less criticism regarding the personal dedication of police officers: more than 70% feel that the police do their best.

The Dutch population does not feel any less safe in the face of all this than the population in other Western countries, though is adopting a more critical attitude towards the police (Figures 11.8 and 11.9).

9 Social security

Social security benefits are statutorily determined provisions in monetary form, and can thus barely be described as having process quality in the same way as education or healthcare, for example. Nonetheless, the concept of quality can still be usefully employed for social security. The system, as in the other domains, can be held up to scrutiny in the light of its own targets. In addition, the social security system does more than simply distribute benefits; ‘activation’ (reintegration) of benefit claimants (‘from welfare to work’) is being seen as an increasingly important function of the system. Finally, there is the quality of implementation of the schemes, an area where there are clear differences between the different agencies and between the different schemes.

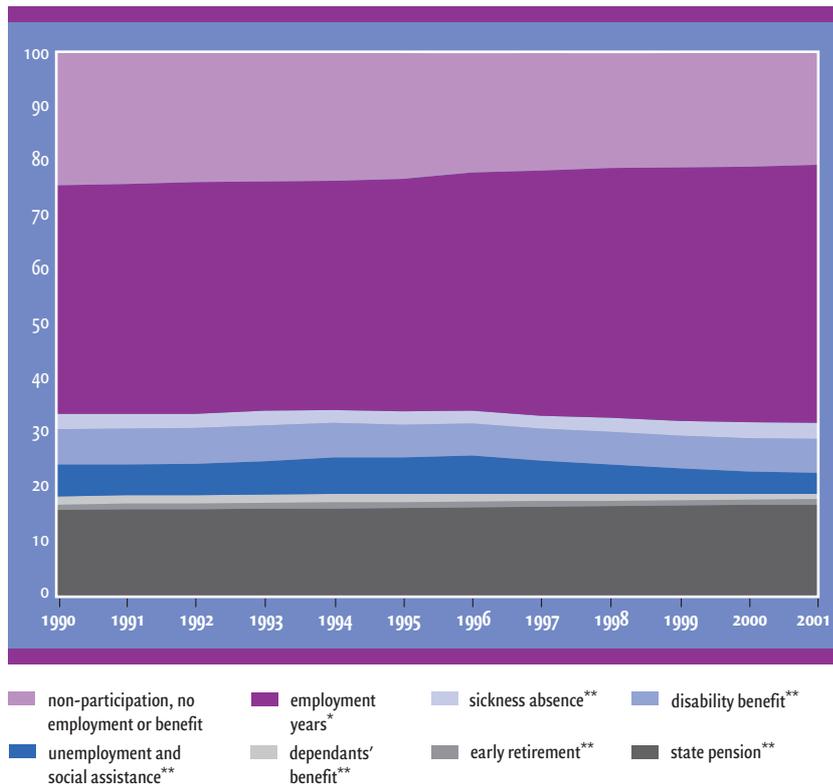
The debate surrounding the social security system in recent years was prompted mainly by the growing number of people receiving disability benefit and the initially disappointing results of benefit agencies and reintegration agencies in activating the unemployed and incapacitated for work. A number of social services were also attacked for their far-reaching inefficiency. The transition to a new implementation structure was also a fairly laborious process and was a recurrent topic in the media. Reports were also devoted to familiar subjects such as benefit fraud, the sustainability of pensions for an ageing population and the increase or decrease in poverty.

A key objective of social security is of course income protection. The adequacy of the system in this regard stands or falls with the definition given to this notion of income protection. Is all that is required to provide a safety net for the lowest income group, or should the system offer guarantees for the continuation of a certain standard of living for the entire population? Both principles run through the Dutch system. According to the modern view, in addition to income protection, reintegrating benefit recipients into the community has become a principal objective, not only in order to save money on social security benefits, but also to promote the health and well-being of the target group.

Social security can only function successfully as a system under certain conditions. The system must be affordable and respond to changes in the social climate. Affordability, volume control and possibilities for modernisation are thus structural conditions for ensuring the quality of the system.

In absolute terms, the total number of benefit claimants remained virtually unchanged in the 1990s, and fell by 1% in relation to the size of the population. This is striking, because the number of pensioners increased over the same period due to demographic trends. The fall in the number of benefits might have been sharper if more of the jobs thus released had gone to benefit claimants. In fact, however, the growth in employment mainly benefited new entrants to the labour market (Figure S12).

Figure S12 Benefits, employment and non-participation, Dutch population aged 15 years and older, 1990-2001 (in percent)



* Excluding sickness absence by workers.
 ** Benefit years.

Source: Figure 7.4 from the SCR 2002

Despite the higher spending on state pensions, the system became cheaper in the 1990s. After adjustment for inflation the costs fell from 17.8% of GDP in 1990 to 12.3% in 2001. The objectives of budgetary control were thus achieved. The ageing of the population, however, is likely to lead to an increase in costs in the future; the Netherlands Bureau for Economic Policy Analysis (CPB) expects pension costs to rise from 4.7% of GDP to a maximum of 9% in 2040. According to these calculations, the

funding problems associated with the ageing population (which are also a factor in the rising costs of healthcare) are manageable provided the government debt is reduced according to plan. In the peak years of the ageing population, the Netherlands will have a temporary small budget deficit, while the income protection for older people will still be high by international standards.

Between 1990 and 2000, the average disposable income of households receiving benefit failed to keep up with increases in the pay of those in work. If allowance is made for supplementary income schemes, subsidies and waivers, however, the position of benefit claimants becomes less unfavourable: the purchasing power of benefits increased, especially in the period 1995-2000 (+8.5%).

While the degree of inequality remained virtually stable in the Netherlands in the 1990s (see Tables 7.11 and 7.12), the amount of poverty decreased after 1995 according to most indicators. Three criteria are employed for measuring poverty: the low-income threshold, the social policy minimum, and the OECD threshold. The low-income threshold is an inflation-proof sum which is derived from the social assistance norm for a single person in 1979; this threshold is well suited for measuring changes over time. The social policy minimum is set 5% higher than the guaranteed minimum income which is used for social assistance, old age pensions and child benefit. This norm is widely used in policy, although it is less good as an indicator of changes in the level of prosperity of households. The OECD threshold is a relative measure of poverty which is widely used in international comparative research. It amounts to 60% of median income. In the first half of the 1990s poverty increased according to all indicators, in both absolute and percentage terms. In the period 1995-2000 poverty fell according to the low-income threshold and the social policy minimum: the number of households with a low income fell from 953,000 to 801,000 (i.e. from 16% to 12% of all households), and the number of households with an income below the social policy threshold fell from 633,000 to 610,000 (i.e. from 10% to 9%). According to the OECD threshold, however, poverty continued to increase in the second half of the 1990s. This has to do with the fact that average incomes rose more quickly than incomes at the bottom end of the income distribution.

All in all, the social security system appears to have fulfilled its function of providing income protection for households with a low income reasonably well in the 1990s. Although the increases in 'bare' benefits lagged behind increases in pay, supplementary income provisions (special assistance, housing benefit, waivers) largely compensated for this in the second half of the 1990s. As stated, the amount of poverty declined after 1995 and is now below the relative level of 1990. Subjective poverty, measured by asking people themselves whether they are able to make ends meet, also fell in this period, though in 2000 around half of all benefit recipients aged under 65 still stated that they had difficulty in living from their income, and in 2002 59% of the population felt that living off social assistance benefit meant living in poverty.

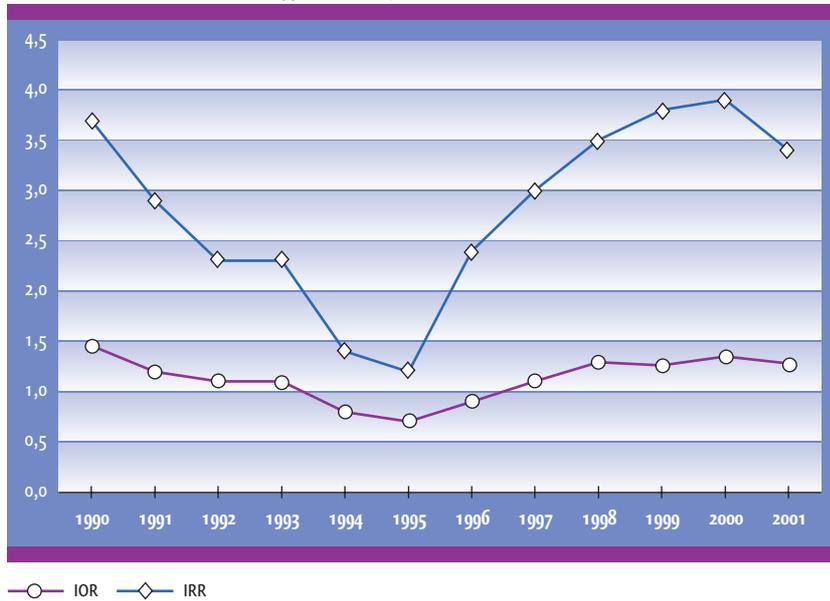
The redistributive effect of social security also remained virtually unchanged in the 1990s. The accessibility of the system reduced in this period due to amendments to the Unemployment Act, the disability benefit schemes, the Surviving Dependents Act and the Social Assistance Act. The effects of this heightened selectivity have so far (up to and including 2001) been masked by the growth in the economy.

For households with higher incomes, the protection offered by the social security system has reduced; they will find it more difficult than in the past to maintain the standard of living they have built up if they should become dependent on benefit.

The large number of people with an incapacity for work in the Netherlands continues to cling to the system like an infection. It is now approaching the magical threshold of one million people, though this can be immediately qualified with the comment that in terms of benefit years the number is lower, at 830,000 (2001). Compared with other EU countries, however, this is undoubtedly high – though again a qualification is possible in that in other countries many people who are *de facto* unfit for work are in fact in receipt of unemployment or social assistance benefits.

The renewed increase in the take-up of disability benefit schemes in the second half of the 1990s is understandable. The labour force is growing older, the economic boom drew many people with a heightened health risk into the labour market, and during the reassessment operation in the mid-1990s the reservoir of disability benefit claimants was ‘creamed off’ as the most promising candidates found work. Of course, these nuances do not eliminate the problem: the fact remains that the number of people leaving disability benefit is structurally lower than the number of new claimants, and that the majority of those leaving do so because of death or retirement and not due to recovery (see Figure S13). If the present schemes are maintained and the chances of entering or leaving the benefits system are not altered, the number of people on disability benefit will undoubtedly continue to increase up to 2010.

Figure S13 Inflow/outflow ratio (IOR) and inflow/recovery ratio (IRR) of disability benefit claimants, 1990-2001 (in percent)



Source: Figure 7.6a and 7.6b from the SCR 2002

It is difficult at this stage to say anything about the quality of the implementation process. The new Work and Income (Implementation Structure) Act (SUWI), which radically altered the way in which a number of benefit schemes are implemented, came into force only on 1 January 2002. The new Act reduces the role of the social partners (employer and employee representatives), while giving more responsibility to the Ministry of Social Affairs and Employment. The unemployment and disability benefit schemes have been placed within the new Employee Insurances Implementation Agency (UWV), which was created from the merger of five formally independent benefits agencies. The Employment Services organisation was transformed into 130 Centres for Work and Income (CWI), which are responsible both for awarding benefits and for guiding clients into the labour market. The provision of reintegration programmes, designed to offer clients new prospects of paid employment, has been left to the market. A key test for the system is the degree to which it activates clients (i.e. helps them into employment) without undermining their income protection.

What is already clear is that a substantial proportion (more than 70%) of recipients of social assistance and unemployment benefit have in any event had contact with agencies concerned solely or primarily with reintegration. The percentage of disability benefit claimants who have had such contact is much lower – a logical consequence of the fact that many of these people are not able to resume work. Of the benefit

claimants surveyed in 2002, 25% had received an offer of reintegration. This figure rises to 60% if only those required to apply for jobs are considered. These reintegration offers extend to regular work, subsidised work, training or forms of social activation.

The 'Reintegration' survey commissioned by SCP in 2001 shows that a substantial proportion of benefit claimants were dissatisfied with the efforts made by the various parties involved in reintegration. Between 40% and 50% labelled those efforts as inadequate, while only 7-15% of interviewees felt they were more than adequate. The reintegration agencies scored less badly than the Centres for Work and Income, Employment Offices and temporary employment agencies (Table S12).

Table S12 Proportion of benefit claimants^a assessing the assistance into work provided by reintegration agencies as inadequate^b, 2001 (in percent)

	social assistance (Abw)	unempl. benefit (WW)	disability benefit (WAO)	ex-disability benefit (ex-WAO)
Centre for Work & Income (CWI)	37	47	. ^c	. ^c
employment office	49	42	41	39
temping agency	47	39	. ^c	. ^c
reintegration agency	26	33	36	35

a Percentages relate only to those who have had contact with the agency in question.

b Possible response categories: more than adequate, adequate, inadequate, not applicable.

c Number of observations less than 50.

Source: Table 7.6 from the SCR 2002

The vast majority of benefit claimants are satisfied to very satisfied with the way in which the income schemes are operated. This is not to say that they do not see problems in some areas. Roughly a third of recipients of social assistance, unemployment benefit and disability benefit have sometimes received an incorrect amount of benefit. Being dealt with unpleasantly at the desk is also not an uncommon experience for them. Another grievance concerns the unintelligible letters which people are sent. These complaints are much less common among recipients of early retirement benefit and state pension. People are much more critical regarding the reintegration efforts of benefit agencies and reintegration agencies. The scope of the reintegration instruments for those with an employment disability is low. Reintegration programmes often get under way late or not at all, and people who have completed a programme often find that it has made only a limited contribution to their ability to resume work.

The quality of the implementation of the social insurance schemes can of course not be reduced to the opinions of benefit recipients. Research ‘from above’ by bodies such as the Social Insurance Supervisory Board (Ctsv) and the Netherlands Court of Audit has revealed yet other shortcomings in the operation of the schemes. For example, some benefits were wrongly awarded or were based on fraudulent claims (especially social assistance); local authorities were insufficiently alert to changes in the income position of social assistance benefit claimants; and a substantial proportion of medical examinations to assess incapacity for work were not carried out within the allotted time and also left something to be desired as regards medical quality.

10 Housing

Promoting the availability of sufficient housing of adequate quality is still a government responsibility. The fact that the Netherlands has a sizeable social housing sector which is managed by public-law organisations without a profit motive, and which is in principle intended for the less well-off, is an argument for regarding housing as part of the public sector. The quality of the provision is interpreted here as the quality of the housing stock – in this case housing in the social rented sector – and the quality of the service provided by the landlords of this housing, namely the housing associations.

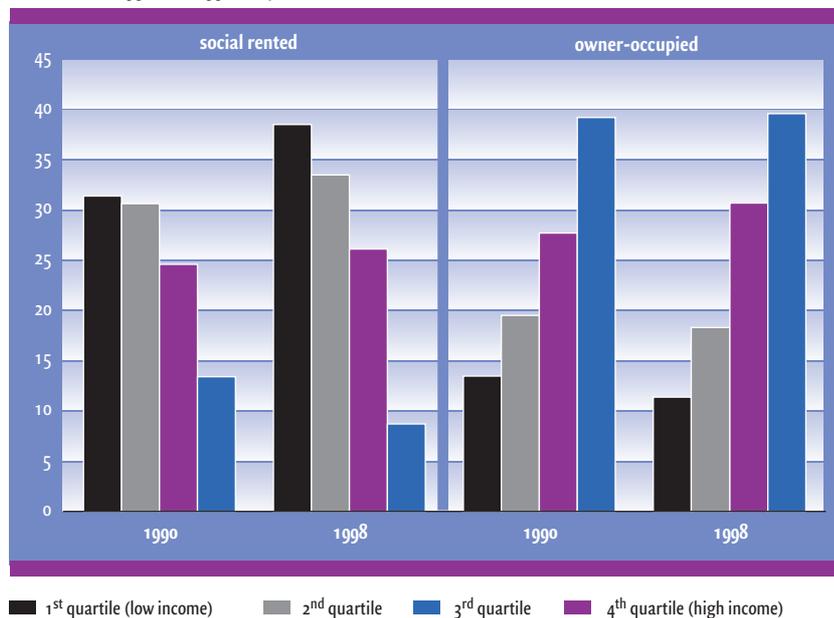
Housing associations have a very dominant position within the rented sector. They manage almost three-quarters of the rented housing stock, equivalent to 35% of the total housing stock in the Netherlands. When public housing was deregulated ten years ago, this brought an end to the financial ties between housing associations and the government. This immediately highlights the problem that, in addition to their social objective, housing associations now also have a commercial object, because although they do not have to make a profit, they must be capable of surviving unaided in the housing market.

The objectives imposed on the housing associations have also been widened to include not only responsibility for the quality of their housing, but also the quality of the residential environment. They are even responsible for ensuring variation in the income profile of neighbourhood populations. The new Housing Act, which is currently in the pipeline, specifies the social tasks of the housing associations in even more detail. For example, they are required to help a number of specifically named vulnerable groups, to promote the social cohesion of local neighbourhoods and to increase the say of residents in the management of their housing.

A fairly large group comprising around 40% of the population form the target group of public housing on account of their below-average income. 57% of this target group actually live in social rented housing; the remainder live in private rented housing or owner-occupied housing. Conversely, 56% of occupants of social rented housing

belong to the target group of public housing. The occupants of social rented housing thus do not correspond precisely with the target group of the policy. A considerable proportion of the low-income groups find homes elsewhere, while there are many occupants in the social rented sector whose income is actually too high to qualify them for this housing. This latter fact need not indicate an error in the allocation of housing: roughly a quarter of the housing in this sector is not explicitly intended for the target group, but is also available to higher income groups. Moreover, the income of occupants may have risen only after the allocation of the housing.

Figure S14 Residents of social rented housing and owner-occupied homes, by income, 1990 and 1998 (in percent)



Source: Table 8.2 from the SCR 2002

During the course of the 1990s, the social rented sector became more the domain of the low-income groups, while a higher concentration of higher-income groups occurred in the owner-occupied sector (Figure S14). This shift occurred mainly because of the departure of the higher-income group from housing association stock. This trend is in line with the policy to the extent that housing associations *de facto* began focusing more on their target group. The other side of the model is an increasing geographical segregation of income groups, which does not meet the policy objective of socially mixed neighbourhoods. This is the reason for the policy of mixed construction of cheaper and more expensive housing in neighbourhood developments. This process is anything but spontaneous, however, and if such a mix is achieved at all, it will not happen quickly; the amount of new development is too low for this in relation to the existing stock.

The traditional purpose of the social rented sector is to provide reasonable quality at a modest price, and this is precisely what it does. In the past, not only did minimum standards apply in this regard, but the subsidy conditions also imposed a maximum quality level. This led to the creation of a technically sound but sober housing stock, half of which currently consists of flats, while detached and semidetached dwellings were virtually lacking. Social rented dwellings are also inferior to owner-occupied homes in terms of surface area, though against this the average household size is also lower in the social rented sector. The living room in owner-occupied homes is 10 sq m bigger on average than in social rented homes. According to the housing valuation system, in which a number of housing quality aspects are combined to form a single measure, a social rented dwelling currently achieves a score of just over 0.7 of that of an owner-occupied home (Table 8.10). This ratio has not changed much over the years, indicating that social rented housing broadly follows the trend in quality of the housing stock as a whole. This improvement in quality is not only attributable to new construction, but also to housing improvements and demolition. The sale of homes to occupants also has an influence on the composition of the remaining stock.

From a purely constructional perspective, the average quality of social rented housing is currently higher than that of private rented homes and owner-occupied homes. The housing quality register maintained by the Ministry of Housing, Spatial Planning and the Environment shows that eliminating the structural defects in a social rented home cost an average of 2.8% of the new-build value of that home in 2000, whereas the relative costs of repairing other rented homes and owner-occupied dwellings were more than twice as high. These good structural qualities are partly the result of the large-scale urban regeneration programmes in the past, during which slums were virtually eliminated.

Since the housing construction in urban renewal areas was mainly intended for the incumbent population, or at any rate people from the same income category, this led to the development of a socially one-sided (but ethnically heterogeneous) population, especially in the large cities, a phenomenon further accentuated by the selective suburbanisation of the relatively well-off. Through the major cities policy which was launched in 1994, the government is seeking to turn the tide, though to date with only modest success.

Although the majority of occupants of social rented homes are satisfied with their housing, their opinions are nonetheless much less positive than those of owner-occupiers. One third complain about lack of sound insulation in their homes (compared with 13% of owner-occupiers). There are also a fair number of complaints about damp in the home, probably a result of the good insulation which is usual today. Occupants of social rented housing are also somewhat less happy with their residential neighbourhood than owner-occupiers. Although not frequently, they definitely complain more often about noise, odour and litter, about vandalism and

other forms of nuisance, and they assess the social cohesion of their neighbourhood as lower (Table S13). Not surprisingly, therefore, when people move from the rented to the owner-occupied sector, the quality of the home and of the residential setting relatively frequently play a role in the decision.

Table S13 Residents' opinions on their neighbourhood, 1998 (agree with the statement, in percent)

	social rented sector	private rented sector	owner- occupied sector
feel at home in this neighbourhood	85	84	93
happy with the other residents in this neighbourhood	72	74	87
people in this neighbourhood get along pleasantly	69	66	84
feel attached to the neighbourhood	50	49	58
lots of contact with the other neighbourhood residents	34	25	39
little sense of community in the neighbourhood	27	29	16
feel closely involved in what goes on in the neighbourhood	13	10	21
troubled by noise, odour, dust, litter	14	15	9
graffiti or vandalism	9	10	4
nuisance from immediate neighbours	8	7	3
afraid of being accosted or robbed in neighbourhood	11	10	5

Source: Tables 8.18, 8.19 and 8.20 from the SCR 2002

Although housing associations are required to involve their tenants in the management of the housing stock and attempt to do so, little comes of this in practice. Few tenants are willing to play an active role and the interest among tenants in administrative posts in associations and foundations is declining rather than increasing. As Table S13 shows, the involvement at neighbourhood level is not strong, even among those who are satisfied with their residential environment. The weak enthusiasm for joining residents' associations may also be related to the fact that people are fairly satisfied with the performance of their housing association (Table S14).

Table S14 Proportion of tenants who are satisfied with the service provided by housing association and private landlord, 2001 (in percent)

	housing association	private landlord
landlord always/usually answers quickly when telephoned	67	56
landlord always/usually helps on visit to office	79	76
an appointment can be made immediately when telephoning to report a fault in the home	51	40
if a fault is reported in writing, the tenant is telephoned within 1 or 2 days	56	42
(very) satisfied with adherence to appointments for repairs	88	80
(very) satisfied with repairs carried out	87	84
subscription to service contract possible	68	26

Source: Table 8.21 from the SCR 2002

Whenever different sectors of the housing market are compared, it has to be borne in mind that the social rented sector is not intended to provide the same level of quality as the rest of the housing market. Rather, it is intended to be complementary in terms of price and the target group to be housed. The rented sector is increasingly the domain of small starter households, older persons and members of ethnic minorities, while the owner-occupied sector houses the more settled families, with or without children. The requirements and capabilities of the two groups are not the same. This does not take away from the fact that certain defects, such as lack of sound installation in the home and impoverishment of the residential neighbourhood, need to be addressed in all cases.

There is no other country in the EU where such a large proportion of the housing stock is in the hands of non-commercial landlords as in the Netherlands. With a continuing increase in prosperity in the long term, the question arises of whether housing should still be a matter for the public sector, and whether housing associations should continue in their present form. For the longer term it will also be necessary to decide whether housing associations are the most appropriate bodies to implement a local welfare policy.

11 *Leisure, media and culture*

This policy domain, if such a heterogeneous collection of topics can be referred to as such, falls slightly outside the tone of the present Report because it comes to only a limited extent within the field of government involvement. The way in which people spend their leisure time is by definition not the subject of government policy, and the supply of goods and services for leisure activity takes place in a free marketplace. The government does pursue a sports policy, a media policy and a culture policy, and this has been taken as sufficient grounds for this chapter. The policy on all three sub-domains is characterised by the fact that it seeks to influence both the demand for and the supply of provisions. This immediately presents a dilemma, to which we shall return shortly.

If sport, media and culture can be included in the public sector with a little goodwill, the problem then arises as to how quality should be defined for these areas. As with policy domains such as healthcare and education, it is useful to speak of system quality, which then stands for the degree to which the policy meets its own targets – in other words the effectiveness of the system. This approach results for example in a measure of the reach of the various provisions.

Facilitating access for the largest possible number of people is undoubtedly a central aim of all three policy areas. In none of the three cases, of course, is take-up of the provisions indispensable for the population. The compulsory schooling which is a feature of education, for example, has no counterpart in the form of compulsory participation in sport or compulsory consumption of culture. Nor is there any physical need such as that which makes use of medical care almost imperative at certain points in one's life. Non-participation in sport or cultural activity is only 'wrong' from the perspective of certain assumptions, for example about the importance of sport for health and of culture for people's development.

It is even more difficult to apply the notion of product quality to these policy domains. The clearest example of this concerns the product ‘culture’. On the one hand culture involves nothing other than quality, and it is only quality that gives the phenomenon a right to exist; on the other hand, that quality is not genuinely objectifiable and is thus always open to discussion. In other areas of the public sector there is, at least in theory, such a thing as the ‘best’ product, but in the world of art this notion is difficult to sustain; it is also problematic for the products of the broadcasting policy, namely television and radio programmes. In sport, the concept of product quality can by contrast be usefully applied if it relates to the quality of the infrastructure, which is important both for sport in general and for top-level sport, and which can also be influenced by the policy.

The sports policy is explicit in its objectives. As regards the reach of the policy among the population, precise target percentages were recently formulated, and even limitation of the risks which are inherent in the practising of sport is covered by performance agreements of this nature. Figures can also be given on the reach of the policy (Table S15). These figures show that participation in sport is increasing, especially among older people, who are in the process of a catching-up exercise. The participation of members of ethnic minorities is less buoyant.

Table S15 Participation in sport by sex, age and ethnicity, population aged 6-79 years, 1987-1999 (in percent)

	1987	1991	1995	1999
all	58.5	62.6	63.5	64.9
sex				
male	59.8	62.9	63.1	64.6
female	57.3	62.2	63.9	65.1
age				
6-11 years	85.0	87.9	88.7	91.5
12-19 years	81.6	83.8	84.5	86.1
20-34 years	72.0	76.4	73.5	74.2
35-49 years	58.0	62.2	63.6	63.2
50-64 years	31.1	39.0	44.7	47.8
≥ 65 years	19.0	23.4	25.6	34.5
ethnicity				
Dutch			64.6	65.9
non-indigenous			53.4	51.5

Source: Table 10.1 from the SCR 2002

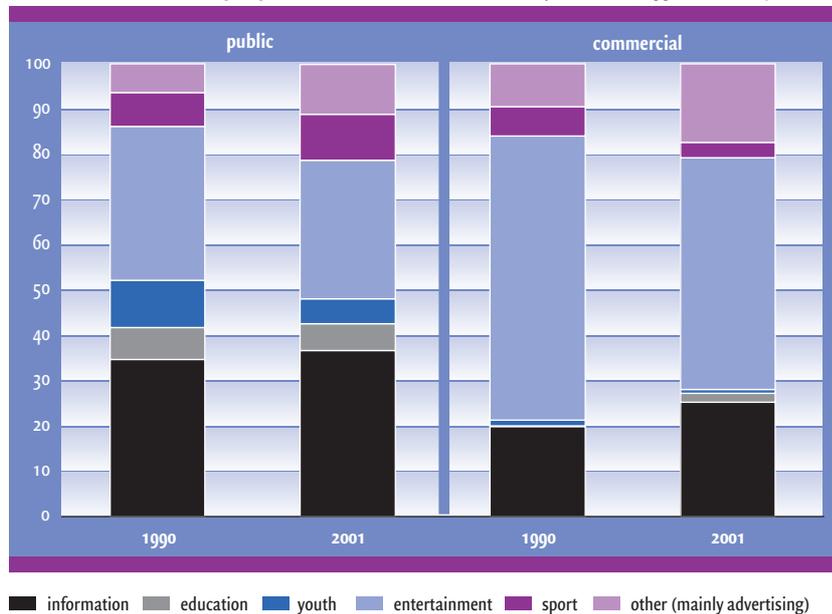
It appears that 45% of the population now engage in sufficient exercise from a health standpoint, which means that the government has already achieved one of its targets for 2005.

The government has recently invested more money in its policy on top-level sport, primarily in order to create suitable accommodation facilities.

The media policy offers support to the public broadcasting organisations in exchange for certain standards which they must meet. One of these standards is to provide good quality, diversified programming, for which the commercial broadcasters evidently form the negative frame of reference. This programming must contain a prescribed amount of informative, cultural and educational material; it must meet additional quality standards; it must be accessible to the whole population (i.e. be capable of reception); it must reflect the plurality of society, with respect for minority cultures. Individual broadcasting organisations must represent a section of society and, as associations, must have a sufficient number of members.

With these standards – or handicaps – public broadcasting set itself the target of securing a certain share of the total television programming market which, after a number of downward adjustments, is currently fixed at 40%. This market share is no longer being achieved because younger audiences in particular feel much more at home with the commercial broadcasters. The obligations accompanying entrance to the public broadcasting system are evidently an obstacle to higher viewing figures. Public broadcasting has over the years learned to use the weapons of competition, and its programming has been somewhat popularised. This is not however reflected in the formal statistics showing the distribution of the different genres; rather, it seems as if the commercial broadcasters have been leaning on the public system (Figure S15).

Figure S15 Allocation of broadcasting time to public and Dutch-language commercial broadcasting organisations between 18.00 and 24.00 hours, 1990-2001 (in percent)



Source: Table 10.3 from the SCR 2002

Advertising time has grown proportionately more in the public broadcasting system than in the commercial system, so that the differences are reducing here, too.

Despite this, there are still some distinctions. The public system still focuses primarily on information, education and youth programming. Sport has recently been added to this list. In addition certain genres, such as pornography and the most vulgar talk shows, have always been rejected by the public broadcasters.

The culture policy on the one hand protects the supply of high-quality products, whilst on the other hand seeking to raise demand. In this respect its ambitions correspond with those of the media policy. Here, too, there is a tension between the two objectives. The desired quality does not emerge by itself; it is more a case of defending it against public preferences than of it flowing from them.

The problem lies in determining what constitutes artistic quality. The government does not entrust itself with forming that opinion, but is guided by the opinion of a specialist forum, the Council for Culture. Subsidies are paid to artists largely on the basis of the Council's recommendations. In addition to this advisory role, the Council also takes part in policy formulation by expressing an opinion on the main lines of the culture policy. In doing so, the Council places greater emphasis on the artistic quality criterion in its purest form than the Ministry of Education, Culture and Science did during the last two Cabinet terms. The Ministry attached relatively high importance to the task of spreading culture more widely and, with this in mind, attracting young people and ethnic minority groups into the production of culture. All in all, a clear division of roles has yet to crystallise in the culture policy and the criteria on the basis of which subsidies are granted remain the subject of debate. Perhaps this is inevitable: there are no objective criteria to measure what is artistically valuable, and no advisory body will ever have enough authority to be able to count on general acceptance of its opinions.

Apart from this, the government's contribution to culture policy in fact covers only one third of the public budget for cultural activities.

The reach of culture in the populace developed fairly well through the 1990s. There was an increase in visits to concerts, opera, musicals, ballet and cabaret, and only theatre visits showed a slight reduction. Visits to museums stagnated in the 1990s, despite efforts to interest a wider public. It would seem that museums are losing the competitive battle with other tourist attractions. All in all, around 40% of the population visit a cultural event (including the cinema) or a museum one or more times a year. This appears to be a substantial proportion, but in monetary terms, twenty times more is spent on non-cultural outings. There are few signs that this will change much in the future. The love of culture (at least in the definition which is applied today) is fairly strongly generation-specific, and even when they are older the present younger generation is unlikely to be tempted into a high level of cultural participation.

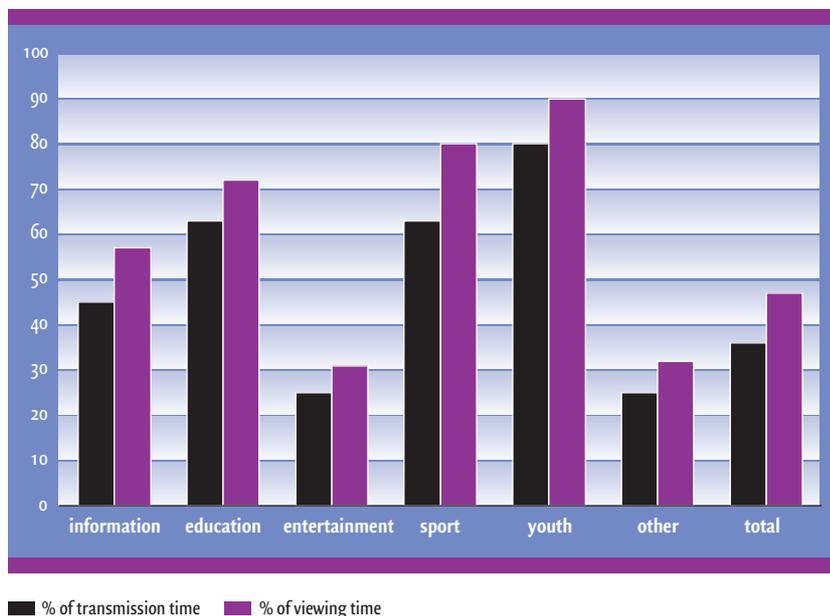
The population shows a great deal of interest in top-level sport. The number of visitors to professional football matches runs into millions and is still growing. In addition, in 2000 television broadcast 2,700 hours of sport, more than twice as much as in 1992. This is undoubtedly meeting a demand. The number of visits to amateur sports events, by contrast, declined.

Those actually performing sport at top level are generally satisfied with the available sports infrastructure. They are less positive in their views about their financial position.

The Dutch population is happy with the sports infrastructure. The 55% who take too little exercise generally refrain from participating in sport because of lack of time or interest. Only 36% of people themselves feel that they take insufficient exercise. School heads and subject teachers in secondary education do express dissatisfaction with the sports facilities they are able to offer their pupils.

For many sports, especially team sports, it is necessary to join an association. The individualisation which is also affecting participation in sport is exacting its toll here, because the enthusiasm for membership, and particularly for playing an active part in the life of the association, is diminishing. Volunteers are difficult to find for all manner of tasks. By contrast, sports which can be practised outside the context of a club are gaining in popularity.

Figure S16 Proportion of public broadcasting transmission time and viewing time devoted to programmes on Dutch-language channels between 18.00 and 24.00 hours, 2001 (as a percentage of total broadcasting and viewing time)



Source: Table 10.8 from the SCR 2002

If the level of viewer interest is taken as a measure of the quality of television programmes, the public broadcasting system scores highly. Measured by broadcasting time, the share taken by public broadcasting is 36%, but viewers spend 47% of their viewing time watching that same public broadcasting system. Figure S16 shows that this over-representation of public broadcasting also applies for individual programme categories. Viewing density and viewing time shares are of course disputable criteria for measuring objective programme quality, and even the subjective quality. It is after all possible that a programme which attracts few viewers is very highly appreciated by a very limited audience.

12 Conclusion: The public sector and public opinion

It is not difficult to tap a large reservoir of dissatisfaction among the population with the public sector in the Netherlands. In a survey carried out by the Dutch market research institute NIPO for the television programme *2 vandaag*, 43% of respondents claimed that the health care system had deteriorated in the last four years, while only 8% felt that the quality of care had improved. More than three-quarters felt that the government had not tackled the waiting list problem effectively and 65% felt that too little money was invested in healthcare. In the somewhat larger survey commissioned by SCP at the start of this year among more than 3,000 respondents aged 25 and older (results incorporated in several chapters of this Report), this picture is confirmed to some extent; in all health and education provisions mentioned in the survey, there were always more respondents who felt that things have got worse than felt that things had improved. The actual proportions depended greatly on the specific provision in question.

Against this, it is just as easy to elicit a positive response from people. If the question is related to the current quality of the system rather than recent developments in that quality, no fewer than three-quarters of the respondents in the SCP survey mentioned awarded a score of 'good', 'very good' or 'excellent' to the medical care. The remainder still felt that the quality of care was good enough to warrant the qualification 'moderate'. Only a very small number (2%) opted for the category 'poor'. Education fared slightly worse, though not by much. Here again, a large majority of roughly two-thirds labelled the education system 'good', 'very good' or 'excellent', with a virtually negligible group describing it as 'poor'. Roughly a third opted for 'moderate'. It made little difference here whether the focus was on primary education, secondary education or vocational education. It did however make a difference whether or not the respondent was a user of the provision in question. People who had relatively extensive contact with a doctor, specialist or hospital were slightly more satisfied with the provisions concerned than the other respondents, and the same applied *mutatis mutandis* for parents with children at school compared with the rest of the population.

It is impossible to avoid the impression that people's views of healthcare and education are more positive when the survey question focuses more on the actual experience they have with the provision in question. It is difficult for people to form an opinion on developments in the quality of healthcare and education, and the responses to questions of this type are largely based on hearsay. When the question deals with the quality being delivered at present, people look to their own recent experience and their opinions are much more positive. In line with this is the finding, again from the SCP survey, that opinions on medical care (GPs, specialists, hospitals) are much more positive than opinions on care for the elderly, care for the disabled and mental healthcare. Here again, where people answer the question on the basis of personal experience (of which there is simply much more on the medical side), their answers are much more positive than where questions concerned provisions with which the respondents themselves have virtually no contact.

Even the long waiting lists for seeing a specialist or for admission to hospital cause less irritation than one might imagine. Fewer than a quarter of patients who have had actual experience with a specialist or hospital in the last year considered the waiting time long or very long; there were far more respondents who felt the waiting time was short or very short. It should be borne in mind here that the survey focused on a cross-section of the population and not on people suffering from specific complaints, for some of which the waiting lists are known to be long, also in the eyes of the patients.

In contrast to healthcare and education, the government's efforts to fight crime are a genuine stumbling block. The quality of those government efforts receives a predominantly negative score.

Consumer satisfaction is of course important, but it is not the only criterion by which the performance of the public sector should be measured. At the level of the policy system, there are objectives such as social justice and efficiency which lie beyond the horizon of the individual client. And if a policy does not succeed in satisfying the users of provisions, this is not always due to poor performance: it may also be due to circumstances beyond the government's control. The shortage of staff in a number of key areas of the public services cannot be suddenly resolved even with the best imaginable policy. On the contrary, there are several reasons to assume that this phenomenon will manifest itself even more strongly in the future. Demographic trends are likely to boost demand, especially in the relatively important healthcare sector. Economic and cultural developments will operate in the same direction, as prosperous and assertive clients set out their demands and the policy, seeking to be demand-led, attempts to meet their wishes. The growth in the supply of services this will require is unlikely to happen on its own. The present ageing workforce in the public sector will be retiring *en masse* in the future, and the recruitment of new employees is proving problematic. Pay in large parts of the public sector is still on the low side. While

something can be done about this, the fact still remains that much of the work in the public sector is heavy and ‘hands-on’ and offers a short career perspective. In a time when the prestige of an occupation is measured by its managerial content, these are unfavourable circumstances. A sharp increase in productivity is also not within easy reach in large tracts of the public sector. Baumol’s law, which is cited several times in this Report, will continue to apply in the future. In spite of this, there is in theory still scope for efficiency improvements in several areas – though it would be unwise to assume in advance that these improvements will be achieved.

Appendix to the Summary: Public transport

Lucas Harms

1 Introduction

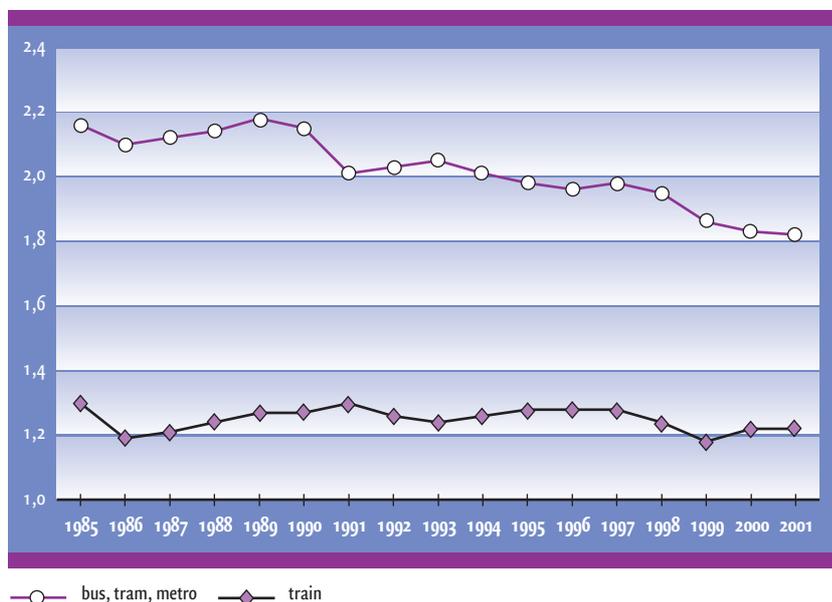
According to public opinion, the railways in the Netherlands provide a poor service. Severely delayed trains, insufficient and old rolling stock, a high likelihood of breakdowns, a permanent shortage of seats, lack of safety and dissatisfied staff are the typical features. In particular the ‘disaster year’ 2001 was notorious: according to the media the delays had never been so long and never before had so many trains been cancelled. Is the quality of the train service really so bad? And if so, does this also apply for regional and urban bus, tram and metro transport? This discussion reviews recent research findings in this area.

2 Public transport and the car compared

Together, the Dutch travel almost 190 billion kilometres each year. Public transport accounts for approximately 12% of this, while cars account for no less than 75% of the total. This means that for every kilometre travelled by public transport, almost six are covered by car. The difference is even greater when expressed in numbers of journeys: for every journey made by public transport, ten are made by car. Nevertheless, public transport serves a large number of travellers: trains carry more than one million passengers every day and trams, buses and metro carry another one and a half million. Compared with cars, public transport is relatively strongly represented in long-distance travel (trains) and in urban areas (bus, tram and metro), during the rush hour, and in journeys related to work and education.

Several studies have shown that the travel time is one of the most important factors in the choice between public transport and the car (Van Goeverden and Van den Heuvel). This not only means the speed of the actual journey by public transport, but also – and above all – the waiting and transfer times and the speed of the initial and final transport. A journey by public transport takes an average of 40% longer than a comparable journey by car. With the train, which is mainly competitive for long distances, journeys take an average of 20% longer; when it comes to regional and urban transport, which is mainly used for short journeys, the additional journey time is 80% (see Figure 1). The gradual improvement in journey times by regional and urban transport is striking; it is a trend which is probably due to the relative improvements in traffic flows as a result of the introduction of bus lanes and prioritisation schemes, in combination with the increasing congestion to which urban car traffic is prey.

Figure BS1 Travel time ratios, public transport versus car, 1985-2001



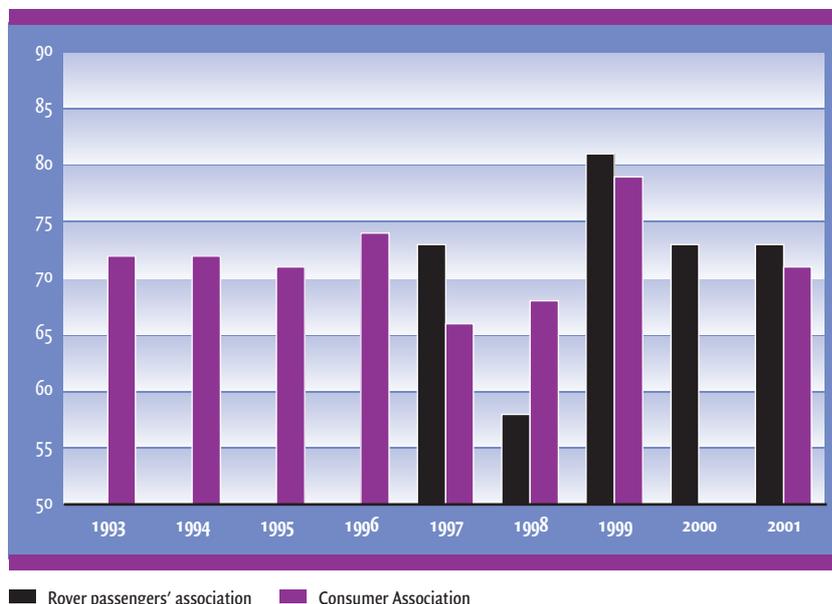
Source: CBS (OVG 1985-2001)

3 Rail travel

Many travellers have the impression that it is only in recent years that the carrying out of public transport timetables has fallen short of expectations. The year 2001, when the labour conflict between management and staff reached a crisis at Netherlands Railways (NS) is taken as the low point to date. It appeared that over 2001 as a whole 79.9% of the trains ran on time, and this figure does not even take account of cancelled trains. However, in several of the preceding years the score was even lower. In any event, the performance contract between NS and the government was not achieved and the NS management resigned. The timetable that had been imposed from above and which caused so much unrest among train drivers and conductors has been abolished in 2002. In the recently agreed alternative working model it has been agreed that drivers and conductors can retain the variety they desire in the routes travelled, on the condition that they are willing to work occasionally on less favoured (i.e. notorious) routes. The railways have been functioning slightly better in the first half of 2002 than in 2001.

As Figure 2 shows, however, punctuality is a long-standing problem which has been a thorn in the side of NS since records began in 1993.

Figure BS2 Percentage of trains running on time, month of October 1993-2001



Source: ROVER (2002) and Consumentenbond (2002)

The figure shows that the punctuality of NS trains scored no better or worse in the last two years than in the preceding seven years. One problem which has got steadily worse relates to capacity. Despite the fact that NS created an additional 19,000 seats in the spring of 2002 by purchasing old rolling stock from German Railways, the number of seats is still insufficient, especially during peak periods. According to a study by the Dutch Consumer Association, one in ten passengers fail to get the seat they want, and 5% of travellers have to make do with standing. However, these are averages; on some routes the percentage of standing passengers during the morning rush hour is much higher (up to 28%).

A third problem relates to safety. Verbal and physical forms of violence against conductors are becoming increasingly common, partly as a result of poor provision of information when trains are delayed. It is not only conductors who are confronted with this, but also passengers; a recent survey of 500 passengers revealed that two-thirds of them sometimes or regularly feel unsafe on the platforms or on the trains. Another survey reports that in 2000 a quarter of all passengers were victims of one or more incidents, mainly being accosted. An important underlying cause is the lack of supervision by railway personnel. The number of staffed stations is being steadily reduced, ticket offices opening hours are being shortened, and absenteeism among conductors is increasing, partly because of the risks they run. According to the railway trade union vvmc, much of the increasing violence on trains can be explained by the

growth in the number of people travelling without tickets, a development which in turn is related to the lack of ticket inspection. According to a recent survey, 60% of tickets are not checked; ten years ago the figure was 40%.

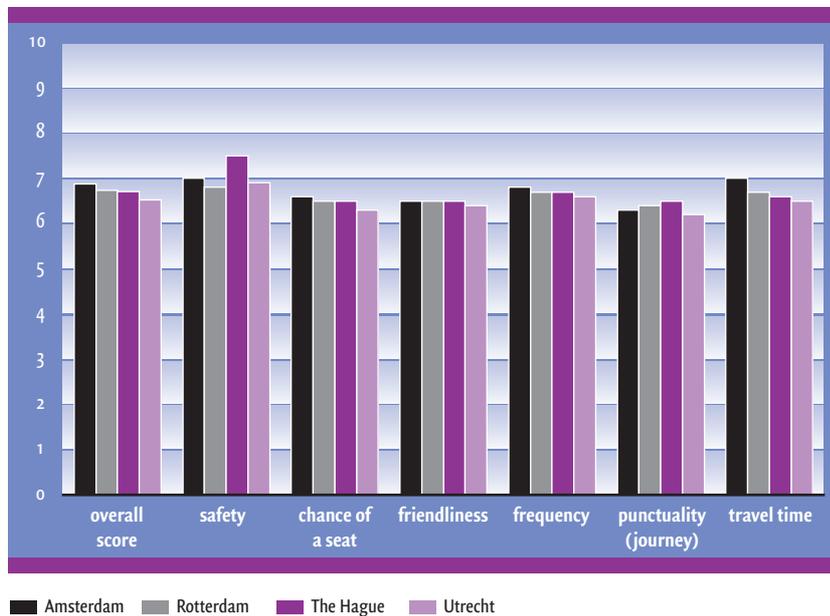
In addition to these social safety issues, technical safety levels have also reduced. The main issue here is the worrying increase in the number of cases of train drivers ignoring red signals (an increase within five years from 150 to 280 cases). A second aspect is the deterioration in the condition of the infrastructure since around 1990, as manifested among other things in the growing number of reports of cracks in rails, problems with signals and points, and damaged and subsiding tracks. Immediate responsibility for the maintenance and management of the infrastructure does not lie with NS, but is still a matter for government. Another key source of breakdowns and delays can however be laid at the door of NS, a shortage of rolling stock means that trains are being put into service which are in poor or at least less than optimum condition. In mid-2001, for example, it was observed that a quarter of all trains which were due for maintenance were kept in service because of the shortage of rolling stock.

Despite all this, the score given by passengers for the service provided is not negative across the board; they give NS a score of 6.3 out of 10. For punctuality, however, NS is awarded a 'fail'. On the other hand, passengers rate the NS service as more than adequate when it comes to seating capacity, customer-friendliness of staff, and safety (in the train). Rail travel thus comes off reasonably well in the eyes of passengers.

4 *Urban and regional transport (bus, tram, metro)*

A large-scale survey of 70,000 passengers recently showed that the Dutch rate public transport by bus, tram and metro reasonably positively, awarding an average score of 7 out of 10 (see Figure 3). It is striking that all 35 regions studied achieve a reasonable score. At first sight it could be concluded from this that urban and regional transport by bus, tram and metro evidently functions better than the railways.

Figure BS3 Scores for urban transport in four largest cities, 2001



Source: CVOV 2002 (OV-monitor)

Yet urban and regional transport also has its problems. According to Veeneman (2002), these problems can be attributed mainly to the way in which provinces and local authorities contract out public transport, often looking only at the financial aspects. In concrete terms this means that efficiency targets generally weigh more heavily than the quality and effectiveness of the service. A painful example of this is the successful urban bus network operated by the municipality of Soest, which was ordered by the Province of Utrecht at the beginning of this year to make cuts in the service in order to save money.

Another problem relates to the declining density of the bus services network in rural areas. In recent years carriers have invested mainly in the high-volume, profitable transport flows between urban centres, with the result that loss-making local services have been scrapped one by one. The alternative on which many country-dwellers have come to rely with the disappearance of the regional bus service is the Collective Demand-dependent Transport (Collectief Vraagafhankelijk Vervoer), referred to colloquially as 'dial-a-bus' (*belbus*). These are often small minibuses which provide transport services on demand (reservation by telephone or in some other way is compulsory). Although this flexible alternative can offer a solution in many cases, particularly for special target groups such as the disabled and elderly, in practice such a form of transport has too high a threshold and its functioning (currently) leaves something

to be desired. The car is therefore the natural choice for many rural inhabitants. In fact the increasing car-dependency in rural areas is not seen as a worrying development in the National Traffic and Transport Plan which was published under the previous government: 'The use of the car is less problematic in rural areas, and is in fact well suited to the social functioning of the community'.

Nor are transport services in urban areas optimal. Particularly those living in new developments on the edges of towns (the 'VINEX' locations) often have to wait too long for an adequate public transport connection.

The punctuality of urban transport is regarded as adequate by the residents of the major cities (see Figure 3 again). However, a survey in the rural provinces of Groningen and Drenthe, where the regional carrier ARRIVA provides the bus service, revealed that in 22% of cases buses left the bus stops too late (three minutes or more) or too early (one minute or more). In spite of this, the majority of passengers were satisfied with the service.

As with rail transport, aggression and violence are also increasing on bus, tram and metro services. The measures taken by the carriers to increase safety vary. The Amsterdam public transport authority Gemeentevervoerbedrijf Amsterdam has opted to appoint permanent conductors, who are supported by CCTV cameras. In Rotterdam, a great deal is expected of a 'closed entry' system, with entrance gates being fitted at metro stations. Sometimes, however, more radical measures are taken: for example, following numerous incidents Connexxion decided at the end of last year that its regional buses would no longer stop in the Amsterdam West district.

One positive development, finally, is the improvement in the provision of timetable information and in the actual departure times.

English publications of the SCP of the Netherlands

25 Years of Social Change in The Netherlands; Key Data from the Social and Cultural Report 1998, Carlo van Praag and Wilfried Uitterhoeve (1998). ISBN 90-6168-580-x (EUR 11)

Efficiency of Homes for the Mentally Disabled in the Netherlands (2001).
ISBN 90-377-0064-0 (EUR 11,35)

The Non-profit Sector in the Netherlands (2001).
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The Netherlands in a European Perspective. Social & Cultural Report 2000 (2001).
ISBN 90-377-0062-4 (\$99.50)

On Worlds of Welfare. Institutions and their Effects in Eleven Welfare States (2001).
ISBN 90-377-0049-7 (\$19.95/EUR 22)

Report on the Elderly 2001 (2001).
ISBN 90-377-0082-9 (EUR 34)

