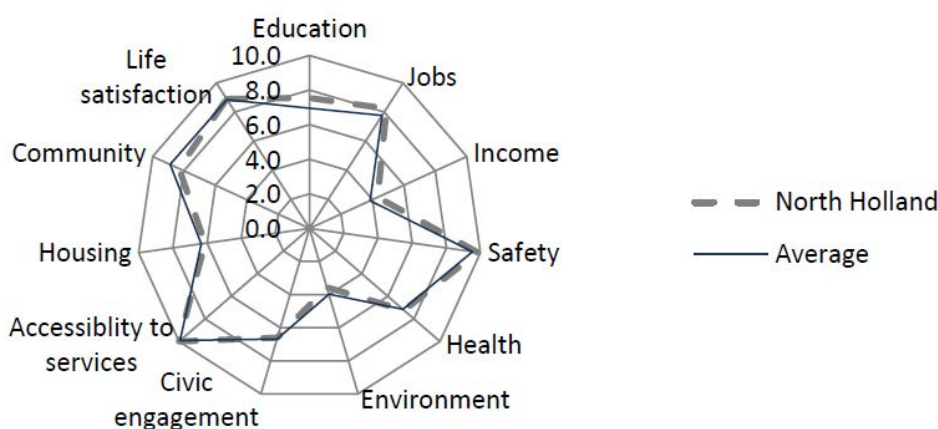


Chapter 2. City well-being and inclusion¹

The following sections will introduce some integration outcomes while describing residential and social segregation issues that characterise the city of Amsterdam.

Out of the almost 400 municipalities in the Netherlands, Amsterdam is the most populous one (the seat of the Dutch government is in The Hague). In the province of North Holland (TL2) where Amsterdam is situated, well-being is similar to the country average, which is high in comparison to the OECD average (OECD, 2016a).²

Figure 2.1. Well-being in North Holland and the national average, 2016



Source: OECD (2016e), OECD Regional Well-Being.

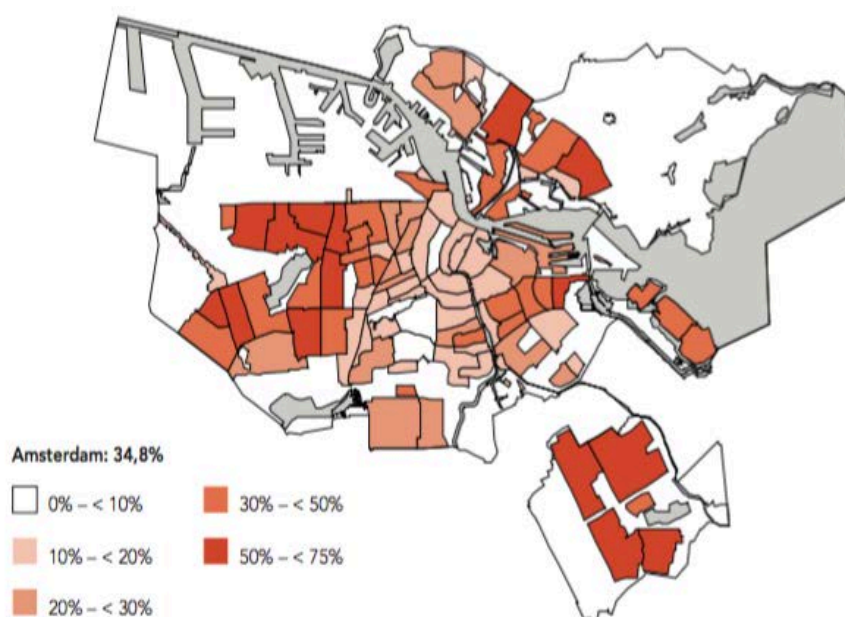
Well-being data for the region of North Holland indicate that it performs particularly well compared to the national average on access to services, safety, life satisfaction and community. On the contrary, indicators related to housing, income and environment are weak compared to the rest of the country (OECD, 2016e).

Amsterdam is the centre of population growth in the Netherlands. According to OECD estimates (OECD, 2017g) the city's population will increase by 23% between 2017 and 2040, while in Greater Amsterdam the population will increase by 20% and in the Netherlands only by 6%.

In 2013, the poverty rate in Amsterdam stood at 18.2%: this was surpassed only by Rotterdam, at 18.7% (Statistics Netherlands, 2015). In Amsterdam, like in many metropolitan areas in the OECD, while the average income and purchasing power are above the national average, there are large differences across the city, often also expressed by gaps in educational outcomes (OECD, 2016g). Similar to many large cities,

there is a risk that the poorer districts overlap with areas largely populated by ethnic minorities, thus creating disadvantaged neighbourhoods with high concentrations of low-income groups and high levels of social and ethnic inequalities (OECD, 2006). In these neighbourhoods, segregation processes might be accelerated because residents who can tend to leave predominantly low-income neighbourhoods. Some areas in the centre of Amsterdam are characterised by incomes well above the national average; however, in such districts as Geuzenveld-Slotermeer, Bos en Lommer and Zuidoost, nearly 25% of households live below the “social minimum” (Gemeente Amsterdam, 2015). These districts have a high concentration of people originating from Suriname, Turkey and Morocco (Cities for Local Integration Policy Network, 2010).

Figure 2.2. Share of inhabitants of non-western origin, Amsterdam, 2016



Source: OIS. Jaarboek Amsterdam (2016), *Amsterdam in cijfers 2016*.

Despite these differences, according to the terminology used by municipal officers, Amsterdam is generally described as moderately segregated compared to other cities of the same size. In fact, among the cities with the highest proportion of low-income residents in the Netherlands, Amsterdam has the lowest degree of spatial segregation – low-income residents are relatively evenly dispersed among the city’s neighbourhoods (OECD, 2017g).

Economic integration and employment

Table 2.1 shows that both native Dutch and migrants living in the region of North Holland (TL2) have higher employment and participation rates and lower unemployment rates than the national average. North Holland is characterised by a demand of labour. However, the unemployment rate in Amsterdam in 2016 (6.7%) was slightly higher than the national average (6%) (see Indicators 2.3, 2.4 in Key statistics above).

Table 2.1. Labour sectors for native and foreign-born workers, North Holland and the TL2 average, 2014-15

North Holland and the TL2 average, 2014-15

	Native born			Foreign born		
	Employment rate	Unemployment rate	Participation rate	Employment rate	Unemployment rate	Participation rate
North Holland	77%	6%	82%	65%	10%	72%
National average	75%	7%	80%	61%	13%	70%

Source: OECD database on migrant population outcome at TL2 level.

The distribution of native and foreign workers across sectors in North Holland is almost identical for both categories of people.

Table 2.2. Labour sectors for native and foreign-born workers, North Holland and the TL2 average, 2014-15

	Native-born			Foreign-born		
	Agriculture	Industry	Services	Agriculture	Industry	Services
North Holland	2%	12%	87%	1%	12%	87%
National average	3%	17%	80%	2%	20%	79%

Source: OECD database on migrant population outcome at TL2 level.

As indicated in the city key data above (see Indicators 4.1 and 4.2), in 2013 the average annual income of non-western immigrants in Amsterdam was EUR 12 600 (34%), lower than that of the non-migrant population. In 2015, more than 40% of the population with a migrant origin in Amsterdam earned between EUR 20 000 and EUR 40 000 per household annually while the national gross household disposable income in 2013 was USD 29 185 (or EUR 24 363 current prices) (www.OECD.Stat.org).

Non-western immigrants were the most affected by the economic crisis. However, since 2014 unemployment rates for all migrant, and in particular non-western ones, have tended to decrease (Statistics Netherlands, 2016). Difficulties entering the job market seem to remain across generations for people with a non-western background. In fact, at the national level, despite better basic educational qualifications (MBO level 2 or more, HAVO or VWO), the Dutch-born non-western background population has a higher unemployment rate (14.3%) than first-generation migrants with a non-western background (12.5%) and is much higher than for the native born (4.9%) (Statistics Netherlands, 2017). Unemployment is higher for the youngest cohort (15-25 years old) with a non-western background (22% in 2015) compared with 9% for Dutch-born and 15% of western migrants in the same age cohort. This difference has been increasing since 2008 (Statistics Netherlands, 2016). Between 2012 and 2016, 10.2% of non-western migrants in Amsterdam were unemployed whereas only 4.7% of non-migrants and 6% of western migrants were unemployed (*cf.* Key data at the beginning of the case). Difficulties in accessing the labour market can also be distinguished for specific nationalities. According to the migration association Euro-Mediterranean Centrum Migratie and Ontwikkeling (EMCEMO), 40% of the working-age Dutch population with a Moroccan origin is unemployed (interview 17 May 2017).

Housing

According to a social segregation index, which represents the percentage of low-income households that should move to achieve a completely equal distribution, the city has a moderate level of spatial segregation (Statistics Netherlands, 2014). Amsterdam scores lower on this index than all other major cities in the Netherlands. Further, according to a study comparing the situation in 2001 to that in 2011 for 13 European cities, Amsterdam is the city in which the social mixing of population groups has shown a slight increase (Tammaru et al., 2016; Hoekstra, 2014). The large social housing stock, which in 2015 stood at over 50% of the total housing stock, and its ubiquity and active policies for urban renewal have contributed to producing mixed and heterogeneous neighbourhoods. For instance, since the onset of the crisis, only a few middle-class families in Amsterdam have moved out of inexpensive social housing units, thus maintaining the level of diversity (Tammaru et al., 2016). Still, most social housing is concentrated on the outskirts of the city, with much fewer social housing in the centre and south district (OECD, 2017g). The peripheral districts show a high concentration of people originating from Suriname, Turkey and Morocco, leaving these non-western migrants spatially separated from their more affluent counterparts or native-born Amsterdammers (Cities for Local Integration Policy Network, 2010). There is a risk for “suburbanisation of poverty” (OECD, 2017g), as the inner city is less accessible and affordable and the share of social housing is diminishing. Moreover, as the price of houses within the A10 ring motorway, which delimits the city centre, rises there is a risk of polarisation, as only low-wage earners through social housing and high-wage earners who can pay high private market rent will be able to live there, leaving out middle-income earners (OECD, 2017g).

The accessibility to social housing for lower wage earners became a concern in the late 1990s when the government privatised the housing sector, which led to rent increases and a decrease in the available social housing: the average registration time for social housing increased to 8.7 years in 2015, compared to 7.9 years in 2010 (Jaarboek Amsterdam, 2016). Under such circumstances, providing affordable housing for all groups and avoiding further segregation is a challenging task for the municipality.

Some segregation is evident between Dutch and migrant cohorts (Musterd and Van Gent, 2016). According to the municipality, many of today’s challenges result from an approach that perceived immigration as a temporary phenomenon requiring minimal policies and guidance. Housing problems first arose in the early 1980s when most of the housing for foreign employees was closed due to bad housing conditions. As a result, more migrants started to enter the social housing market, leading to concentrations of (especially people originating from Turkey and Morocco) migrants in the most deprived neighbourhoods. During this period, the city of Amsterdam became more aware of its status as a city of immigration and the related social implications in terms of segregation and discrimination this entailed. Initiatives started to foster integration, including new housing projects, mostly through individual rent subsidies based on income and household composition. These projects managed, to a certain extent, to improve living conditions, but mainly appeared insufficient because of the large influx of new migrants. A differentiation in housing prices within neighbourhoods was not achieved and today the high rental prices near amenities reflect this trend. As a consequence, a higher concentration of economically disadvantaged people, among them many ethnic minorities, lived together in less-developed neighbourhoods where rents remained lower.

Education

The patterns of uneven distribution among housing and employment for non-western migrants and their children mirrors to a certain extent their representation in schools as well as their educational attainment. In the region of North Holland, the foreign-born population generally lags behind the native-born population in educational performance. While 41% of the native-born population is highly educated, only 30% of the foreign-born population reaches this level.

Table 2.3. Educational attainment for native-born and foreign-born population, North Holland and the TL2 average, 2014-15

	Native born			Foreign born		
	Low educated	Medium educated	Highly educated	Low educated	Medium educated	Highly educated
North Holland	20%	39%	41%	30%	40%	30%
National average	25%	44%	32%	32%	45%	23%

Source: OECD database on migrant population outcome at TL2 level, forthcoming.

The divide is even greater in Amsterdam: roughly 50% of the non-migrant population in 2013 were highly educated against nearly 30% of second-generation migrants and 26% of first-generation migrants (see Data 3.1 in the City migration identity card). In particular, non-western migrants – predominantly those with a Turkish or Moroccan background – have on average a lower level of educational attainment than their western migrant counterparts (OECD questionnaire filled by the Municipality of Amsterdam, 2017). Generally, however, educational levels have been increasing for all groups in Amsterdam (Hoekstra, 2014). Over the last ten years, the number of non-western or western background university students has doubled compared to the rates of the native population (Hoekstra, 2014).

In Amsterdam, as well as in other large cities, educational inequality and lack of opportunities for social advancement are framed within the debate on school segregation (Tammaru et al., 2016). This debate has been present in Amsterdam since the 1990s and refers to the diverse ethnic composition of students in the schools across the city, with over 60% concentration of migrant-background students in some schools, often those associated with poor performance (de Graauw and Vermeulen, 2016). The debate points to parents' choice of their children's school as a very highly valued principle that could have slowly contributed to increasing levels of school segregation (OECD, 2010b) as many non-migrant families choose to place their children in schools with fewer migrant students. As a consequence, the student population often does not represent the diversity of the neighbourhood around the school (Hamilton, 2015; Arts and Nabha, n.d.). It has proven difficult to combat segregation and concentration in schools and according to some studies (Arts and Nabha, n.d.) in the Netherlands there are approximately 500 schools with a majority of students with a migration background. Demonstrations against the closure of two of these schools took place in 2015 in Amsterdam.

As education is a key element of overall integration, a more balanced distribution is needed and quality education needs to be accessible for all, especially considering the newly arrived refugees that will further diversify the population. With regard to the educational level of refugees who arrived in the Netherlands in 2015, estimations from the Central Agency for the Reception of Asylum Seekers (COA) suggest that about one-

third have a higher education. The COA further indicates that refugees residing in Amsterdam are somewhat less educated than national average: approximately 15% are highly educated, 40% have an intermediate education, and 45% is not or has a lower educational attainment (Germeente Amsterdam, 2015).

Box 2.1. Key observations

- Amsterdam has a long history of immigration. Today 51% of its population has a migration background.
- The city presents a moderate level of segregation compared to other cities of the same size.
- Population growth induced by migration and the high number of tourists led to an increase in prices on the private rental market making, especially the inner city became less accessible and affordable.
- Efforts to counter school segregation have been in place since the 1990s and should continue in order to ensure more equal access to quality education and to reduce the gap in educational attainment between non-migrant background population and the other groups.
- There is high labour demand in Amsterdam and North Holland which can be filled thanks to migration flows. However obstacles in accessing the labour market seem to persist across generations of migrants and have to be further analysed and addressed.

Notes

1. Unless stated differently, all information in this paragraph has been gathered from municipal authorities through OECD research.
2. Please see the interactive graphics available at: www.oecdregionalwellbeing.org/region.html#NL32.

A checklist for public action to migrant integration at the local level

Block 1. Multi-level governance: Institutional and financial settings

Objective 1. Enhance effectiveness of migrant integration policy through improved vertical co-ordination and implementation at the relevant scale.

Objective 2. Seek policy coherence in addressing the multi-dimensional needs of, and opportunities for, migrants at the local level.

Objective 3. Ensure access to, and effective use of, financial resources that are adapted to local responsibilities for migrant integration.

Block 2. Time and space: Keys for migrants and host communities to live together

Objective 4. Design integration policies that take time into account throughout migrants' lifetimes and evolution of residency status.

Objective 5. Create spaces where the interaction brings migrant and native-born communities closer

Block 3. Local capacity for policy formulation and implementation

Objective 6. Build capacity and diversity in civil service, with a view to ensure access to mainstream services for migrants and newcomers

Objective 7. Strengthen co-operation with non-state stakeholders, including through transparent and effective contracts.

Objective 8. Intensify the assessment of integration results for migrants and host communities and their use for evidence-based policies.

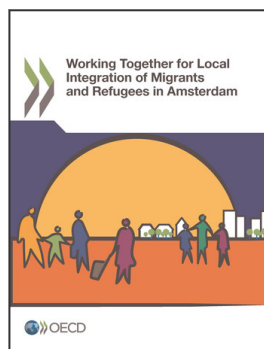
Block 4. Sectoral policies related to integration

Objective 9. Match migrant skills with economic and job opportunities.

Objective 10. Secure access to adequate housing.

Objective 11. Provide social welfare measures that are aligned with migrant inclusion.

Objective 12. Establish education responses to address segregation and provide equitable paths to professional growth.



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