Experimenting with Minimum Income Guarantee in the Netherlands: Utrecht

Citizen’s Basic Income Day, London School of Economics
The giving city: Utrecht plans 'basic income' experiment

City links: A Dutch city trials extra payments for citizens on welfare. New York and Paris mix up their architecture and we look back at the evolution of London in this week's best city stories from around the web.
1. Introduction

(1) Utrecht: fast facts
(2) Minimum Income Guarantee in the Netherlands
(3) Where it all started
(4) A new movement
Utrecht: fast facts

Population: 340,000

Unemployed: 6.0%  (NL: 5.9%)

MIG: 10,000 households (5.7%)

GDP growth: 2.5%  (NL: 2.0%)

1) 2016 data
2) 2015 data

Map: Vecteezy.com
Minimum Income Guarantee in the Netherlands

**National government**

Establishing legal frameworks

**Municipalities**

Executing the scheme

- Lowest social security layer
- Means-tested benefit
- Sanctioning in case of noncompliance
- 980€ / month for single person household
- On top: child, housing and healthcare allowances
Where it all started

• January 2015: Introduction of the Participation Act
• Tightening of social security regulations
• Reform discontents many Dutch municipalities

Is there another way?
A new movement

Simplifying the rules of the system

Improving the system through evidence-based policy

Stimulating more recipients to reintegrate and participate

Paradigm shift from enforcement and distrust to own responsibility and trust
A new movement

42 municipalities with plans to experiment
2. The experiment

(1) Experimental design
(2) Outcomes
(3) Outlook
Experimental design: fast facts

• Cooperation between City of Utrecht and Utrecht University
• RCT with recipients of minimum income guarantee in Utrecht
• Duration of 1.5 years
• One control and three treatment groups à 150-200 subjects
• Voluntary participation
Experimental design: treatments

+199€

980€

Control
1
2
3
Outcomes

- Job search behaviour & labour market reintegration
- Participation & social activation
- Financial situation
- Health & well-being
- Satisfaction of recipients and caseworkers
- Cost of the scheme
Outlook

(1) Six Dutch cities started to experiment

(2) Experiments started under strict regulations

(3) Results expected in spring 2020
Thank you for your attention.

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