



No policy

'There is talk of conflict in society but this was not translated into policy,' said D66 leader Alexander Pechtold. 'And there are still too many people without jobs – twice as many as before the crisis.'

Nothing to offer

CDA leader Sybrand Buma said the government's message is in 'sharp contrast to people's everyday experiences'. Everyone can see doubts about the country's future and social polarization. 'The cabinet has nothing to offer.'

Fairy tale

Geert Wilders, leader of the PVV, said the king's speech was a fairy tale. 'People see that the country is being demolished,' he said. 'Look at healthcare, tax increases, refugees, the trouble in Zaandam. We are losing our country.'

Employers critical

The three big Dutch employers organisations said the government is showing little ambition and they hoped 2017 would not be a wasted year. 'It is crucial to invest in the economy and our future.'

Divided workforce

The cabinet has failed to tackle the rise in self-employment, which is threatening the balance of the jobs market, the big trade union federations said. Ministers are leaving the real work to their successors

Fiddling the figures

Teachers organisations said ministers are fiddling the books by making extra investments in education of €200 and cutting spending on schools by €230m elsewhere.

The Netherlands is strong in an unstable world: king

King Willem-Alexander opened the parliamentary year with a speech that focused on a positive assessment of the state of the country, outlining measures the government has already taken to boost the economy and cut unemployment. The Netherlands, the king said, is a 'strong country in an unstable world.' The king addressed the rise of terrorism and referred to recent attacks in France, Belgium, Germany and Turkey. 'We must not let terrorists threaten our freedom, our security and our democratic values,' he said. He also spoke of peoples' concerns about the arrival of large numbers of refugees. The participation declaration, a document in which new arrivals pledge to uphold Dutch values, will



become compulsory next year. These key democratic values include the separation of church and state, freedom of religion and freedom of expression. 'In our country, men and women are equal before the law, and we do not discriminate on the grounds of race, belief or sexual orientation,' the king said.

Our focus now is on investing in opportunities, says finance minister

Finance minister Jeroen Dijsselbloem presented the government's pre-election spending plans to parliament while admitting that many people have still not benefited from the economic recovery. Nevertheless the government, he said, had tackled overspending and structural weaknesses in the budget and the economy was now well-placed to deal with future crises. 'We have come from far,' he said. However, the damage caused by the crisis is not over for many and there are still too many people without a job, Dijsselbloem said. Next year, the



government would be focusing on helping employers take on more people from disadvantaged groups. Attention now, the minister said, must shift to boosting investment in opportunities. 'This budget,' he said, 'lays the foundations so we can really make progress over the next four years.'

MAIN POINTS

Macroeconomic figures

- Economic growth to hit 1.7%
- Inflation to rise slightly to 0.5%
- Budget deficit down to 0.5%
- Unemployment to drop further
- People in work will have 1% more to spend on average
- Pensioners' spending power will rise by an average 0.7%
- More tax breaks on work
- 2nd tax band to rise to from 40.15% to 40.8%
- Cuts planned in corporate taxes

Extra spending:

- €400m for health
- €300m extra for defence
- €221m more for the police
- €229m for counter-terrorism
- €100m to help poor children
- €200m for education
- €10m for top flight sport
- €10m for the arts and culture

Other measures

- Participation declaration to be brought in for newcomers
- Healthcare own risk frozen at €385
- Adult minimum wage to start at 21 not 23
- Green light for self-driving car experiments
- Pay rises for the royals
- Healthcare benefit to rise €2 a month
- Housing benefit to rise €10.5 a month
- Green light for NIPT test for Down's syndrome but there will be a €175 fee
- New national investment bank to be established
- Tax-free gift to help buy a home to rise to €100,000

Sign up for the daily DutchNews.nl email newsletter via www.dutchnews.nl/newsletter

ADVERTISEMENT

Expect More

out of your brand and communications



+UP there, everywhere®
The Global Cloud Based Agency

upthereeverywhere.com

Cash for votes

So, what a surprise! We'll all be better off in election year. If last year's budget was all about treading water and waiting to see what the economic upturn would bring, this year's is the coalition's last before the general election next March. Little wonder then that the emphasis is on boosting spending power across the board and rewarding voters who have gritted their teeth through four years of crisis, cautious recovery and cuts. A little extra in top-up benefits for the poorest families, the healthcare own risk payment gets frozen and more money for defence and public safety – all measures which can be guaranteed to generate a few positive headlines for the struggling VVD-PvdA coalition.

The pre-election nature of the budget will only be emphasized in the subsequent debate in parliament, where all the opposition parties will set out their stalls for the 2017 vote. Freezing the healthcare own risk? It should be abolished altogether, say the Socialists and the PVV. More money for education? Ministers are not doing nearly enough, D66 will claim. And you can bet that MPs from the VVD and PvdA, as their four-year partnership nears the end of its life, will also call for changes to the budget plans. Labour in particular are staring into the electoral abyss and need to recover a lot of lost ground on the left.

It all goes to show that the third Tuesday in September is more about pomp and ceremony than real substance. And I for one am a little tired of all these forecasts about the impact of the budget on the euros in our wallets. Does anyone really notice if they have 0.1% more to spend - especially those on a minimum income? And is that really going to encourage them to vote for the coalition parties next March? We will find out soon enough.

It's a pre-election good news budget

The 2017 budget presentation did not hold many surprises – nor did it provide solutions to mend social divisions or restore the faith of people hurt by the government's tough economic measures, Dutch newspapers said. Trouw's front page article focuses on the king's speech and its plain speaking about key Dutch values. The message is clear, the paper said. 'They are inviolable... newcomers have to adapt'. In its editorial NRC.next says that the coalition no-one thought possible had pulled off a clever last budget. Plans presented four years ago have been put into action. Nevertheless, this celebratory budget is not being celebrated by the people. And that, the paper says, must give politicians something to think about as they prepare for the general election next March. The Volkskrant says the cabinet is fighting against its cold, bean-counter



image. Prime minister Mark Rutte, the paper points out, has seized upon every interview to stress that everyone has made sacrifices and worked together to get the economy back on track. But this message has failed to reach a lot of voters. The Telegraaf is scathing about the government in its editorial. 'Two years ago, Labour finance minister

Dijsselbloem promised 100,000 extra jobs,' the paper points out. 'It was a shameless promise and those jobs have failed to materialise.' This is also a year of half-truths, the Telegraaf continued. 'They promise more money for defence, but in fact they are just cutting less. And the clear language aimed at immigrants sounds like electoral rhetoric.'

ADVERTISEMENT

Expect More

out of your agency

+UP there, everywhere®
The Global Cloud Based Agency

upthereeverywhere.com

DICTIONARY

Prinsjesdag

Always the third Tuesday of September, Prinsjesdag is the day the government presents its spending plans for the next year. The event is as famous for its hats as the financial implications.

MEV

The annual Macro Economische Verkenning or macro-economic outlook is published by the government's economic policy advisor CPB to coincide with the budget - however, this year much of it was again leaked by broadcaster RTL.

Algemene Beschouwingen

These are the 'debates' in parliament which always follow the budget. First comes a two-day general debate, then the financial debate and over subsequent weeks, debates on individual ministry plans. This is when the opposition get to call for changes to budget policy.