

COUNTRY NOTE

Database on Social Expenditure (www.oecd.org/social/expenditure.htm)
OECD - Social Policy Division - Directorate of Employment, Labour and Social Affairs

NETHERLANDS

Nomenclature

(The Dutch acronyms refer to the Act which stipulates the relevant benefit, the translations refer to benefits covered by the relevant legal provision)

| | |
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| AAW | Algemene Arbeidsongeschiktheidswet (General Disability, see also WAO) |
| ABP | Algemeen Burgerlijk Pensioenfonds (Civil servants pension, including old age, survivors and disability pension) |
| ABW | Algemene bijstandswet not including RWW (National Assistance Act) |
| AKW | General Child Benefit Act |
| AMF | Pensioenkas Algemeen Mijnwerkersfonds (Miners pension) |
| AMP | Militaire pensioenen (Military pension) |
| ANW | General Act for Survivors (previously AWW) |
| AOR | Algemene Oorlogsongevallenregeling Indonesia (War injury benefits Indonesia veterans) |
| AOW | Algemene Ouderdomswet (General Old Age Pension Act) |
| APPA | Pension to former holders of political office |
| AWBZ | Algemene wet bijzondere ziektekosten (General Act on Exceptional Medical Expenses) |
| AWF | Algemeen Werkloosheidsfonds (General Unemployment Insurance Fund) |
| DSO | Doorbetaling salaris overheids personeel (Continued wage payments of civil servants in case of illness) |
| IHS | Individuele huursubsidie (Individual housing subsidies) |
| IOAW/IOAZ | Wetten inkomensvoorziening oudere en gedeeltelijk arbeidsongeschikte werklozen [Act on income Provisions for Older, Partially Disabled unemployed Persons/Act on income Provisions for Older, Partially Disabled Formerly Self Employed Persons (IOAW/IOAZ)] |
| IRZA | Interimregeling ziektekostenvergoeding ambtenaren (Sickness civil servants) |
| IW/OW | Invalideitewetten (Invalidity) |
| Rww | Rijksgroepsregeling werkloze werknemers (Unemployment assistance, until 1996) |
| POOR | Pensioenen Voormalig Overheidspersoneel Overzeese Gebiedsdelen (Pension paid to former civil servants in Aruba, the Netherlands Antilles and Surinam) |
| SAIP/PNOR | Stichting Administratie Indonesische Pensioenen (Pension to those employed in Indonesia prior to Independence) |
| SPF | Spoorweg Pensioenfonds (Railway pension) |
| TW | Toeslagenwet (Supplementary Benefits Act) |
| UIG/WIG | Wet uitkeringen indisch geïnterneerden (Benefits to persons imprisoned in Indonesia during the second World War) |
| VUO | Vervroegde Uitreiding Onderwijzend personeel (Early retirement benefits to teachers) |
| VUT | Vervroegde uittredingsfondsen [Early retirement (private)] |
| VUT-r | Rechtstreekse vervroegde uittredingen (Direct early retirement) |
| WAJONG | Disablement Assistance Act for Handicapped Young Persons |

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| WAMIL | Wet arbeidsongeschiktheidsvoorziening militairen (Disability benefits military personnel) |
| WAO | Wet arbeidsongeschiktheid (Disablement Benefits Act) |
| WAZ | Self-Employed Persons Disablement Benefits Act |
| WBO | Wet op de Bejaardenoorden (Subsidies to residential homes for the elderly) |
| WBP | Wet buitengewoon pensioen (Special pension to members of the resistance) |
| WBPZ | Wet buitengewoon pensioen zeelieden (Special pension members of the resistance in the merchant navy) |
| WEU/EUZ | Wet eenmalige uitkering werknemers/zelfstandigen (One-off payment to employees and self-employed) |
| WIK | Artists Income Scheme Act |
| WSW | Wet Sociale werkplaatsen (Sheltered work) |
| WUBO | Wet uitkeringen burgeroorlogsslachtoffers (Civilian war victims) |
| WUV | Wet uitkeringen vervolgingsslachtoffers (War victims) |
| WW | Unemployment Insurance Act |
| ZFW | Health Insurance Act |
| ZW | Ziektewet (Sickness Benefits Act) |

Monetary unit

Social spending is expressed in millions of Euros (EUR).

General notes

Social insurance in the Netherlands is organised jointly by the Ministry of Social Affairs and Employment (*Ministrie van Sociale Zaken en Werkgelegenheid*) and the Ministry of Health, Welfare and Sport (*Ministrie van Volksgezondheid, Welzijn en Sport*).

All persons residing in the Netherlands are required by law to be insured under the National Insurance schemes. All employees are compulsorily insured under the insurance schemes for employees. Since 1 January 2000, self-employed persons with a low taxable income are insured under the Health Insurance Act. Since 1 January 1998, the self employed have their own compulsory occupational disability insurance scheme. Also since 1 January 1998, civil servants are covered by the General disability Act. Since 1 January 2001, they are covered by the Sickness Benefits Act (ZW) and the Unemployment Insurance Act (WW).

In addition to these General Social Protection benefits, the Netherlands system includes family benefits and incomes tested benefits as: : the supplementary benefits Act (TW), the WAJONG, the IOAW, the IOAZ and the National Assistance Act (ABW).

The individual country notes of the OECD Benefits and Wages (www.oecd.org/social/benefits-and-wages.htm) provide a comprehensive description of characteristics of social programmes (e.g. conditions for receipt, calculation of payment rates, tax treatment of social support, benefit duration, etc.) for the working-age population, including: unemployment insurance and assistance, social assistance, employment-conditional benefits, housing benefits, family benefits, childcare support, and support for sole parent households.

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Break in series

Data for 1990 onwards are based on the new ESSPROS methodology format. Coherent spending series for 1980 onwards at the individual programme level were obtained on basis of information for a few years in the early 1990s for which both historical spending series and information based on the new ESSPROS format were available. For certain programmes and aggregate categories, breaks in series (between 1989 and 1990) were inevitable. In general, programmes from the old ESSPROS format which could not be matched with a figure from the new ESSPROS format were set to “missing” from 1990 onwards; similarly, figures from the new ESSPROS format which could not be matched to a programme from the old methodology were set to “missing” for the period 1980-89.

Health Data from 2006 are not fully comparable with previous years since detailed information about Public HF 11: Government schemes + HF121. Social health insurance schemes and Mandatory Private Expenditure HF122. Compulsory private insurance schemes start since 2006.

Secretariat estimates

Sources

1980-89

EUROSTAT (1995), *Social Protection Expenditure and Receipts 1980-1993*, Luxembourg.

EUROSTAT (1996), *Digest of Statistics on Social Protection in Europe – Old Age and Survivors: an update*, Luxembourg.

1990 onwards

Data provided by EUROSTAT (ESSPROS database), except for:

1980 onwards 4. Health: OECD Health Statistics (www.oecd.org/health/healthdata)

1998 onwards 5.2.1.1 Childcare (pre-primary education): OECD Education database (www.oecd.org/edu/database.htm)

1980 onwards 6. ALMP: OECD Labour Market Policy database. The data on unemployment for the years 1996 and 1997 are taken from LMP database, supplemented with detailed information taken from Ministerie van Social Zaken en Werkgelegenheid (1999), *Sociale Nota 1999*, The Hague.

(See Table “Passage from ESSPROS to SOCX” next page).

Background information

European Social Statistics, Social Protection, ESSPROS qualitative information

<http://ec.europa.eu/eurostat/web/social-protection/data/qualitative-information>

MISSOC, Mutual information system on social protection in the Member states of the European Union and of the European Economic Area. (<http://ec.europa.eu/social/main.jsp?catId=815&langId=en>)

“A short survey of the social security in the Netherlands”, Contributions as of 1st January 2001, Ministry of Social Affairs and Employment, The Hague, 2001.

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Passage from Esspros to SOCX (public / mandatory-voluntary private)

Netherlands, in millions of euro

| ESSPROS/SOCX | | Code | 1995 | 2000 | 2010 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--------------|--|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| (1) | ESSPROS Social protection benefits | 1100000 | 88,026 | 102,543 | 175,059 | 194,122 | 198,458 | 203,407 | 209,726 | 219,000 |
| - (2) | ESSPROS Disability Economic integration of the handicapped | 1121114 1121122 1122114 1122122 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 |
| - (3) | ESSPROS Sickness Benefits in kind | 1111200 1112200 | 17,223 0 | 20,705 0 | 49,712 0 | 51,540 0 | 52,654 0 | 54,508 0 | 57,169 0 | 60,548 0 |
| - (4) | - ESSPROS Unemployment Cash - Vocational training allowance | 1161114 1161121 1162114 1162121 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 | 0 0 0 0 |
| | Benefits in kind | 1161200 1162200 | 39 0 | 394 0 | 333 0 | 163 0 | 170 0 | 213 0 | 224 0 | 212 0 |
| - (12) | ESSPROS (several functions) Individual consumption private non-profit institutions | PNP Scheme50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| - (12) | ESSPROS (several functions) Individual consumption of government | gov Scheme51 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| + | (5) SOCX/ Health HEALTH Public benefits in kind, excluding long-term care overlap estimate | 528.10.4.0.0.0 | 18,059 | 24,050 | 19,780 | 18,712 | 18,962 | 19,586 | 20,830 | 23,216 |
| + | (6) SOCX/ EDU-EAG FAMILY services Child care (pre-primary education) | 528.10.5.2.1.1 | m | 1,469 | 2,414 | 2,443 | 2,470 | 2,515 | 2,678 | 2,844 |
| + | (7) SOCX/ ALMP ACTIVE LABOUR MARKET PROGRAMMES | 528.10.6.0.0.0 | 4,164 | 5,840 | 6,995 | 5,218 | 5,023 | 4,712 | 4,551 | 4,590 |
| - (8) | = SOCX MANDATORY PRIVATE SOCIAL EXPENDITURE | 528.20.90.0.0.0 | 2,537 | 3,996 | 39,127 | 43,884 | 44,952 | 48,722 | 50,755 | 53,356 |
| | ESSPROS Eigen pensioenen | EP Scheme47 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | ESSPROS Overige rechtstreekse betalingen (o.a. ZVO) | Scheme44 | 188 | 222 | 0 | 0 | 0 | 0 | 0 | 0 |
| | ESSPROS Ziektewet-rechtstreeks (70%) | Scheme40*70% | 2,349 | 3,774 | 4,787 | 4,624 | 4,712 | 0 | 0 | 0 |
| | ESSPROS Doorbetaling bij Ziekte (70%) | Scheme79*70% | 0 | 0 | 0 | 0 | 0 | 7,358 | 7,824 | 8,340 |
| | SOCX/ Health HEALTH Mandatory private insurance, benefits in kind | 528.20.4.0.0.0 | a | a | 34,340 | 39,260 | 40,240 | 41,364 | 42,931 | 45,016 |
| - (9) | = SOCX VOLUNTARY PRIVATE SOCIAL EXPENDITURE | 528.30.90.0.0.0 | 20,464 | 29,956 | 42,680 | 47,981 | 49,141 | 50,663 | 51,774 | 53,434 |
| | ESSPROS Ziektewet-rechtstreeks (30%) | Sheme40*30% | 1,007 | 1,618 | 2,052 | 1,982 | 2,019 | 0 | 0 | 0 |
| | ESSPROS Doorbetaling bij Ziekte (30%) | Scheme79*30% | 0 | 0 | 0 | 0 | 0 | 3,153 | 3,353 | 3,574 |
| | ESSPROS Bedrijfspensioenfondsen | BPF Scheme28 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | ESSPROS Ondernemingspensioenfondsen | OPF Scheme29 | 3,282 | 3,990 | 6,840 | 6,860 | 7,046 | 7,099 | 7,017 | 7,120 |
| | ESSPROS Collectieve pensioenvoorziening ondergebracht bij het leve LM | Scheme30 | 1,910 | 4,503 | 8,038 | 11,853 | 11,868 | 10,756 | 10,629 | 10,784 |
| | ESSPROS Algemeen Burgerlijk Pensioenfonds | ABP Scheme31 | 3,180 | 4,269 | 7,230 | 9,911 | 10,297 | 10,699 | 11,110 | 11,597 |
| | ESSPROS Niet onder toezicht staande pensioenfondsen | NOT Scheme32 | 93 | 58 | 1 | 1 | 1 | 40 | 169 | 217 |
| | ESSPROS Beroepspensioenfondsen | BRF Scheme33 | 241 | 293 | 607 | 781 | 811 | 787 | 807 | 834 |
| | ESSPROS Vervroegde uitredingsfondsen | VUT Scheme34 | 2,771 | 2,597 | 2,503 | 81 | 0 | 0 | 0 | 0 |
| | ESSPROS Risikofondsen bouwrijverheid | Risf Scheme37 | 113 | 161 | 0 | 0 | 0 | 0 | 0 | 0 |
| | ESSPROS SICKNESS Other perik Ziekenfondswet aanvullende regeling | ZFW- av Scheme38 | 43 | 43 | 0 | 0 | 0 | 0 | 0 | 0 |
| | ESSPROS Militaire pensioenen | AMP Scheme45 | 705 | 695 | 860 | 620 | 550 | 1,101 | 1,124 | 1,149 |
| | ESSPROS Vrijwillige pensioenregelingen | OP Scheme46 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | ESSPROS Rechtstreekse vervroegde uitredingen | VUT-r Scheme48 | 1,001 | 718 | 100 | 0 | 0 | 0 | 0 | 0 |
| | ESSPROS rechtstreekse arbeidsongeschiktheidskas betalingen | AOK-bw Scheme52 | 0 | 0 | 35 | 361 | 328 | 353 | 310 | 307 |
| + | (10) SOCX/ Health HEALTH Voluntary private insurance, benefits in kind | 528.30.4.2.0.0 | 2,786 | 6,942 | 4,887 | 5,223 | 5,495 | 5,419 | 5,509 | 5,585 |
| = | (11) SOCX PUBLIC SOCIAL EXPENDITURE | 528.10.90.0.0.0 | 72,772 | 85,793 | 111,621 | 121,411 | 123,731 | 122,897 | 126,303 | 132,701 |

Notes:

- (1) "ESSPROS / Social protection benefits" are Total ESSPROS expenditures (1000000) less Administration costs (1200000) and other expenditure (1400000, property income and other).
- (2) The ESSPROS data within "Disability / Economic integration of the handicapped" are not included in SOCX database to avoid double counting with SOCX "Active Labour Market Programmes / Measures for the disabled".
- (3) The ESSPROS data within "Sickness / Benefits in kind" are not included in SOCX database to avoid double counting with SOCX "Health / Benefits in kind".
- (4) The ESSPROS data within "Unemployment / Cash Vocational training allowance" "Unemployment / Benefits in kind" are not included in SOCX database to avoid any double counting with SOCX "Active Labour Market Prog
- (12) The ESSPROS data within "Individual consumption private non-profit institutions" and "Individual consumption of government" are not included in SOCX database as they are not considered as social expenditures.
- (5) SOCX Health benefits in kind are from "OECD Health Data (www.oecd.org/health/healthdata)".
- (6) SOCX includes public spending on pre-primary education from OECD education database, unless such data are already included in "5.2.1. Day care services".
- (7) SOCX Active Labour Market Programmes are from "OECD database on labour market programmes".
- (8) Spending on some programmes recorded under the schemes below are categorised as Mandatory private in SOCX.
- (9) Spending on some programmes recorded under the schemes below are categorised as Voluntary private in SOCX. (9) Includes (10).
- (10) SOCX Private insurance Health benefits in kind are from "OECD Health Data (www.oecd.org/health/healthdata)".
- (11) = (1) - (2) - (3) - (4) + (5) + (6) + (7) - (8) - (9) + (10)

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| Code | Title of the programme | Description of the programme and attached notes |
|---|--|---|
| 1. OLD AGE | | |
| 528.10.1.1.1.1 | General old age pensions Act (AOW) | The AOW provides for payment to residents aged 65 and over. Entitlement to AOW pension is accumulated at a rate of 2 per cent for each year of residency. A person not continuously insured between his 15th and 65th birthday will not receive full AOW pension. Pensions for single persons and lone parents correspond to 70 and 90 % of the net minimum wage respectively. Married persons jointly receive 100 % of the net minimum wage. |
| 528.10.1.2.1.4 | Accommodation : Long-Term Care Act | Benefits in kind to pay for the home of the elderly. |
| 3. INCAPACITY RELATED BENEFITS (Disability, Occupational injury and disease, Sickness) | | |
| 528.10.3.1.1.14 | Self-employed persons' invalidity benefits Act (WAZ) | The WAZ insures loss of earnings resulting from long-term disability. All self-employed persons and their spouses who help in the business, as well as professionals are insured under the WAZ as they are below the age of 65. Professionals include: managing director-major shareholders, domestic help workers, clergymen, domestic staff employed on a basis of less than three days a week. Participation is compulsory. The amount of benefit paid out depends on the degree of invalidity and the basic rate (the amount of lost earnings). Payment rate is based on earning during the previous year or average income over the previous five financial or calendar years if that is more favourable. The maximum basic rate is the minimum wage in the Netherlands. |
| 528.10.3.1.1.16 | Disability pensions : Invalidity Insurance (Young Disabled Persons) Act (Wajong) | The Wajong makes provision for a minimum benefit for young handicapped people. This refers to residents of the Netherlands under the age of 65 who: -are incapacitated for work when they reach the age of 17 or - have become disabled since that date and who were students for at least six months in the year immediately prior to that date. The benefit depends on the degree of disability. |
| 528.10.3.1.1.17 | Disability pensions: Work and Income according to Work Capacity Act (WIA) | The WIA-benefit comes after 2 years of sickness and after scheme 54. Most disabled persons are not fully disabled but partially. For the part they are not disabled they mostly receive another benefit with the function unemployment. By reintegration projects there is an effort to give them more possibilities for a job. |
| 528.10.3.1.2.0 | Occupational injury and disease | There is no specific insurance against employment injuries and occupational diseases. |
| 528.10.3.1.4.5 | Supplementary benefits Act (TW) | The TW provides assistance to unemployed or disabled persons receiving benefit under the WW, WAZ, Wajong, WAO, Wamil or ZW programmes if such payment (plus that of their partner) is below the minimum guaranteed income. Supplementary benefit equals the difference between the applicable minimum guaranteed income level and the total income of the beneficiary and his or her partner. |
| 528.10.3.1.4.13 | Paid sick leave : (non means-tested) | Payment in case of sickness. Until 1994 every employee who was sick did get a benefit in the first year. In the years 1995 and 1996 the scheme had been changed into a system where the employer had to pay directly the benefit to the sick employee. From 2004 on the period employers had to pay was changed from one year to two years. |
| 528.10.3.2.2.4 | Rehabilitation services (WMO) | Benefits in kind to make integration of handicapped possible by adaptations of the house, adaptation to cars, home help etc |
| 528.20.3.1.4.3 | Legislated employer-provided sick-pay | Estimated 70% of private spending. Includes Paid-sick-leave (ziekte) to civil servants from 2017. |
| 528.30.3.1.4.3 | Voluntary private payments (top-up to 100 per cent of earnings) | Estimated 30% of private spending. Includes Paid-sick-leave (ziekte) to civil servants from 2017. |
| 4. HEALTH | | |
| 528.10.4.2.0.0 | Public expenditure on health | See <i>OECD Health Statistics</i> . |

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| 5. FAMILY | | |
| 528.10.5.1.1.1 | All residents: child allowance (General family allowances act : AKW). | The AKW offers financial benefit to assist in the cost of providing for children to those who care for or bring up children under the age of 18. The amount of child benefit depends on the age of the child and the size of the family. There are currently still two categories applicable. A child counts as one or two children for benefit purposes depending on whether the child lives at home or away from home, any income from labour the child might have, the child's age and, in certain cases, the size of the parental support contribution. However, the latter does not apply with regard to children born after 31 December 1994. |
| 6. ACTIVE LABOUR MARKET PROGRAMMES | | |
| See OECD Labour Market Policy database. | | |
| 7. UNEMPLOYMENT | | |
| 528.10.7.1.1.1, to 528.10.7.1.1.5 | Unemployment benefits | Insures employees who become unemployed against the financial consequences of unemployment. Entitlement to UB benefit is based on a person having been employed for a period of at least 26 weeks over the 39 weeks immediately prior to becoming unemployed (the weeks requirement). Different requirements apply for different categories of employees (seasonal workers for instance). A person who only satisfies the "weeks requirement" receives the short-term benefit: 70% of the minimum wage for a period of six months. In order to become entitled to salary-related UB benefit (70% of one's last salary, but never in excess of 70% of the maximum daily wage, or € 167.70), wages must have been received over 52 days or more in at least four of the five calendar years prior to the year in which the person in question became unemployed (the 4 out of 5 requirement). |
| 528.10.7.1.1.9 | IOAW | Income tested support for older and partially disabled persons who are unemployed. |
| 528.10.7.1.1.9 | IOAW | Income tested support for older and partially disabled persons who are unemployed. |
| 8. HOUSING | | |
| 528.10.8.2.1.1 | Individual rent subsidy (IHS) | Social benefits to people with small income to enable the rent of social housing. |
| 9. OTHER SOCIAL POLICY AREAS | | |
| 528.10.9.1.1.1 | National assistance Act (excluding RWW) (ABW) | The National Assistance Act (ABW) provides a minimum income for all persons residing legally in the Netherlands with inadequate financial resources to meet their essential living costs. Medical and social circumstances are taken into account. |
| 528.10.9.1.1.4 | Income support (Zt) | Income support to compensate the high contribution of households with a lower income of the Health care insurance act. |