



Statistics Netherlands

Press release

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Input in company savings schemes stable in 2002

Employees participating in company savings schemes put in 2.3 billion euro in 2002. The input was about the same as in 2001, according to the latest figures by Statistics Netherlands.

The company savings schemes paid out 1.7 billion euro in 2002. On 31 December 2002, the participants in company savings schemes had almost 9 billion euro in the bank.

2.3 billion euro into company savings schemes

Company savings schemes in 2002 saw a total input of 2.3 billion euro in 2002. This is a small increase compared to 2001. Over the last five years, the input averaged 2.2 billion euro.

Savings schemes paid out over 1.7 billion euro in 2002 and added 147 million euro in interest. The average interest rate was 1.75 percent.

Less deblocking of deposits

For the first time since its introduction, the amount freed up after the legally imposed time limit for deposits ended was higher than the amount deblocked. Deblocking is only allowed for purchasing a home that will serve as the main residence, for paying life insurance premiums, and when a job contract ends. Employees deblocked considerably less in 2002 than in 2001, namely over 800 million euro. This is 20 percent less than in 2001.

Save-as-you-earn most popular

The most popular of all company savings schemes is the save-as-you-earn option. It accounted for over two thirds of the total amount in company savings schemes. The premium savings scheme accounts for almost a third. There is relatively little interest in profit sharing/share options.

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Tax law changes

On 1 January 2003 the change in legislation on company savings schemes took effect. Profit sharing and premium saving were abolished and saving-as-you-earn modified. The maximum amount that can be saved tax free was reduced to 613 euro in 2003.

The blocked savings of 1999 and 2000 are freed up in 2003. The existing regulation will apply for later years. The amounts saved in the premium savings schemes during 1999-2001 were freed up in the early part of 2003. The amounts saved in 2002 can be taken out at the start of 2004.

Freed up css-savings into regular savings accounts

The law change freed up considerable amounts of money tied up in company savings schemes during the first few months of 2003. This led to a shift in the composition of savings. The amount paid out in January 2003 was over 4 billion euro higher than in January 2002. This was mainly due to the law change on company savings schemes.

New savings rose accordingly, which means that money was transferred from company savings schemes to regular savings accounts.

Saving remains popular

The trouble at the stock markets, the threat of war, and the economic slump meant that households started saving much in recent years. Savings amounted to almost 13 billion euro in 2002, down 6 billion euro on 2001.

This difference is mainly caused by the new tax law of 2001. In it, the fiscal treatment became the same for savings and stock market gains. Therefore, a great deal of money was transferred from fiscal investment funds to savings accounts in 2001.

Savings in 2000 amounted to almost 4 billion. In the first two months of 2003 savings increased by 4.1 billion euro, an increase of almost 80 percent on the first two months of 2002.

Total savings on 28 February 2003 exceeded 172 billion euro. This is an average of almost 25 thousand euro per household.