



Press release

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Number of welfare benefits continues to fall

The number of welfare benefits paid to people aged under 65 in the second quarter of 2006 was down by nearly 5 thousand. At the end of June 2006 the number of benefits reached 322 thousand. It was the fifth quarter in a row that the number of welfare benefits decreased. The number of welfare benefits for people over 65 increased, according to the latest figures by Statistics Netherlands.

Fewer benefits for people under 35

At the end of June 2006 the number of welfare benefits paid to people under 65 was down by almost 16 thousand on June 2005, of which about 13 thousand related to benefits for people under 35. More than seven in ten welfare benefits are paid to people aged between 35 and 65. In this age bracket there was a slight decrease of 3 thousand.

More people over 65 claim welfare

A small but growing number of people over 65 received welfare under the National Assistance Act (ABW). Between June 2005 and June 2006 the number of households of people over 65 claiming welfare increased by almost 2 thousand to 27 thousand. This is an increase of almost 7 percent.

It is possible to claim welfare under the National Assistance Act when the pension benefits under the General Old Age Pension Act (AOW) is reduced and the income, with any supplementary pension benefits, remains below the welfare level. Benefits under the General Old Age Pension Act (AOW) are cut by 2 percent for each year that people were not insured for AOW, for instance because of a stay abroad.

Most people over 65 claiming welfare have a foreign background. They often came to the Netherlands when they were older. Therefore they were unable to build up full AOW benefits and employee pensions.

Welfare for people over 65 mainly in the four major cities

Most people who receive welfare besides their AOW pension benefits live in the four major cities. At the end of June 2006 there were 11 thousand of such benefits, involving over 4 percent of the population over 65 in the four major cities.

Especially in Amsterdam relatively many older people claim benefits under the National Assistance Act, as 5 percent receive such benefits. In Rotterdam, where more people over 65 live than in Amsterdam, 4 percent received

welfare. In The Hague and Utrecht this was 3 percent.