TABLE 7—Number of American Indians receiving federally administered SSI payments and average monthly amount, by type of payment and reason for eligibility, December 1975

<table>
<thead>
<tr>
<th>Type of payment</th>
<th>Total</th>
<th>Adults</th>
<th>Children</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>17,656</td>
<td>9,278</td>
<td>7,584</td>
</tr>
<tr>
<td>Federal SSI payments</td>
<td>17,656</td>
<td>9,278</td>
<td>7,584</td>
</tr>
<tr>
<td>Federal SSI payments only</td>
<td>16,868</td>
<td>8,746</td>
<td>8,020</td>
</tr>
<tr>
<td>Federal SSI and State supplementation</td>
<td>770</td>
<td>432</td>
<td>338</td>
</tr>
<tr>
<td>State supplementation</td>
<td>926</td>
<td>530</td>
<td>396</td>
</tr>
<tr>
<td>State supplementation only</td>
<td>111</td>
<td>98</td>
<td>13</td>
</tr>
</tbody>
</table>

Average monthly amount

<table>
<thead>
<tr>
<th>Total</th>
<th>$113.77</th>
<th>$97.45</th>
<th>$194.20</th>
<th>$135.88</th>
<th>$135.07</th>
<th>$131.24</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal SSI payments</td>
<td>112.44</td>
<td>95.16</td>
<td>130.57</td>
<td>129.36</td>
<td>135.07</td>
<td>127.39</td>
</tr>
<tr>
<td>Federal SSI payments only</td>
<td>112.18</td>
<td>96.17</td>
<td>130.70</td>
<td>129.49</td>
<td>135.07</td>
<td>127.63</td>
</tr>
<tr>
<td>Federal SSI and State supplementation</td>
<td>161.80</td>
<td>135.77</td>
<td>197.68</td>
<td>192.23</td>
<td>215.40</td>
<td></td>
</tr>
<tr>
<td>State supplementation</td>
<td>62.24</td>
<td>57.87</td>
<td>75.39</td>
<td>67.21</td>
<td>94.60</td>
<td></td>
</tr>
<tr>
<td>State supplementation only</td>
<td>42.88</td>
<td>38.09</td>
<td>(9)</td>
<td>54.77</td>
<td>91.24</td>
<td></td>
</tr>
</tbody>
</table>

1 Includes adults and children of “other race” Excludes 103 cases for which data on payment amount were not available
2 Not computed for 5 or fewer persons

Source: Special American Indian file

BENEFIT AMOUNTS

The average December 1975 Federal SSI payment for the Indian recipients studied was $111 (table 7), compared with an overall SSI average of $89. Aged Indian recipients averaged $95, those who were disabled, $130. The overall SSI average was $74 for the aged and $106 for disabled adults.

About $4 of the $22 difference between the average Federal SSI payment for Indians and that for all SSI recipients can be traced to variations in living arrangements. The remaining $18 reflects the fact that Indian recipients less frequently have countable income and when they do, the average amount received is lower.

Data for six States indicate that in December 1975, 40 percent of the Indian recipients had social security benefits that averaged $103. By contrast, 48 percent of all persons receiving Federal SSI payments had social security benefits that averaged $118 monthly.

1 The overall figure is that for March 1976, the nearest date for which comparable data on recurring monthly payments are available
2 These data, not from the special Indian file, reflect the social security benefits received by SSI recipients in the “other” race category in Alaska, Arizona, Montana, New Mexico, Oklahoma, and South Dakota

Social Security Abroad

New Retirement-Age Features in Belgium*

Belgium recently joined an increasing number of industrialized nations that have adopted an innovative approach to determining the age of retirement under their social security programs.

The new measures, established in 1975 and 1976, make pensions available before the normal age of 65 for men and 60 for women.

The first step provided, effective January 1, 1975, that older workers who lose their jobs for reasons other than serious misconduct would receive a pre-pension benefit made up of the statutory unemployment benefit plus a new supplementary benefit payable until normal pensionable age is reached. Next, entitlement to pre-pension benefits was extended, effective April 11, 1976, to older workers who opt for early retirement for any reason, provided that unemployed workers under age 30 take their jobs. In addition, the normal pensionable age was reduced from 65 to 64 for men with 45 years of employment, effective July 1, 1975, and (b) for those with substantial employment at arduous labor, effective October 1, 1976.

These measures have their origins in national collective agreements. Their objectives are to (1) alleviate the financial problems of unemployed older workers, (2) open up new positions for unemployed younger workers, and (3) permit greater flexibility in retirement choices.

BACKGROUND

Before the 1974 recession, Belgium, along with other West European countries, enjoyed a rela-
tively low level of unemployment. For the 10-year period (1964-73) preceding the 1974 economic reversal, the unemployment rate for the private sector labor force averaged 3.2 percent. As the recession intensified, however, the average monthly rate rose steadily, reaching 8.7 percent by December 1975. Although youths were threatened most severely with unemployment, women and aged persons were also among the vulnerable.

Social planners, trade unionists, and scholars had been pressing for retirement-age reform for some time. Their proposals called for an across-the-board reduction in the normal pensionable age—from 65 to 63 for men and from 60 to 58 for women—and for measures to give workers a greater latitude in retirement decisions.

In the past, such proposals were rejected because of their unfavorable impact on social security finances, particularly in the light of expected changes in demographic patterns and the resulting cost increase in the health insurance and old-age insurance components of the national system. The ratio of persons reaching pensionable age to those in the work force has been increasing. For each person aged 65 and over in 1955, there were 5.2 persons aged 20-64, but only 3.9 such persons by 1975. Old-age benefit expenditures have grown significantly as the number of pensioners has increased. Health insurance has been characterized by soaring costs, especially those resulting from increased physician and hospitalization charges and the growth in the aged population.

Deterioration of the employment situation late in 1974—for older workers and youths, in particular—paralleled accelerated demands for retirement-age reform. Because of these mounting pressures, national collective agreements were concluded in 1974 and 1975 and subsequently were adopted nationally. First, a December 1974 agreement instituted a pre-pension benefit system providing for the payment of an employer-financed allowance to dismissed older workers until they reach normal pensionable age, in addition to the statutory unemployment benefit. Established on a provisional basis, this system can be revised whenever economic conditions become more favorable. Second, as a result of a February 1975 agreement, men reaching age 64 became eligible to claim full pensions if they had worked for 45 years or had engaged in arduous or dangerous labor during a large portion of their work careers.

One reason these steps were taken was to ease, to some extent, the financial effects of unemployment on older workers who lose their jobs during economic slowdowns. Another objective was to promote the employment of younger workers by encouraging the retirement of older ones.

Measures intended to reduce high unemployment and “double-digit” inflation rates followed. The economic recovery law, enacted early in 1976, contained numerous provisions affecting labor. The most important innovation, however, was the establishment of a pre-pension benefit system for older workers who voluntarily vacate their positions in favor of young jobseekers.

**BASIC RETIREMENT AND UNEMPLOYMENT FEATURES**

Most wage workers and salaried employees in Belgium are covered under the general system, but different provisions apply to the members of each group. Special systems also provide coverage for self-employed persons, public employees, and railroad employees.

For wage and salaried workers, the normal pensionable age is 65 for men and 60 for women. The rate of the pension, calculated as a percent of average revalued lifetime earnings up to a maximum, depends on the beneficiary’s family circumstances. Seventy-five percent of earnings is payable to a man with a wife neither employed nor receiving her own retirement or invalidity pension, and a single worker or a married man with a wife receiving her own pension is entitled to 60 percent of earnings.

An old-age pension subject to a 5-percent reduction for each year that it is drawn in advance may be claimed up to 5 years earlier, and proportionately reduced pensions are payable for fewer years of coverage. Substantial retirement is required. Pensions are adjusted periodically to account for changes in wages and prices and other economic factors.

Workers insured under the unemployment benefit program qualify with from 75 days of covered employment in the preceding 10 months to as much as 600 days in 36 months, depending on the age of the claimant. They may receive a statutory monthly benefit equal to 60 percent of covered earnings up to a maximum monthly amount—
New features in the Belgian social security retirement program

<table>
<thead>
<tr>
<th>Type of provision</th>
<th>Retirement age</th>
<th>Qualifying conditions</th>
<th>Retirement test</th>
<th>Size of pension</th>
<th>Effective date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-pension benefit</td>
<td></td>
<td>Entitled to unemployment benefit</td>
<td>Yes</td>
<td>Full unemployment benefit plus half the difference between the worker's net monthly wage and the amount of the unemployment benefit</td>
<td>Jan 1, 1975</td>
</tr>
<tr>
<td>After dismissal</td>
<td>60-64 (men)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>After voluntary retirement</td>
<td>60 (men) and 55 (women)</td>
<td>Entitled to unemployment benefit, retiree replaced with worker under age 20</td>
<td>Yes</td>
<td>Full unemployment benefit plus half the difference between the worker's net monthly wage and the amount of the unemployment benefit</td>
<td>April 11, 1976, for availability of benefits Sept 1, 1976, for lowered age * (For the period Apr 11 Aug 31, 1976, the retirement age was 62 for men and 58 for women)</td>
</tr>
<tr>
<td>Lowering of retirement age</td>
<td>64 (men)</td>
<td>45 years* employment, including all years since 1945</td>
<td>Yes</td>
<td>Full old age pension</td>
<td>July 1, 1975</td>
</tr>
<tr>
<td>Arduous labor</td>
<td>64 (men)</td>
<td>Arduous employment for 6 of past 12 years or any 12 years</td>
<td>Yes</td>
<td>Full old age pension</td>
<td>Oct 1, 1975</td>
</tr>
</tbody>
</table>

* The limit on the amount of the worker's net monthly wage used in computing the pre-pension benefit after voluntary retirement is slightly lower currently fixed at 17,100 francs— for an unlimited period. The maximum amount of earnings taken into account in computing the benefit is limited presently to 28,500 francs, about 10 percent more than the average wage of a male worker in manufacturing. For a single worker, the benefit drops from 60 percent to 40 percent of covered earnings after the first year of unemployment. Benefits for all workers, however, are adjusted automatically to reflect changes in the national cost-of-living index.

The worker must register at the employment office and be capable, willing, and available for work. If his unemployment results from a voluntary leaving, misconduct, a strike, or the refusal of a suitable job offer, he may be disqualified from receiving the benefit for 4-13 weeks or even longer, depending on the degree of fault.

**NEW PROVISIONS**

This section provides details on the recent legislative innovations in the Belgian social security program. Provisions of the new measures are also summarized briefly in the accompanying table.

**Pre-Pensions After Dismissal**

To qualify under the pre-pension benefit system, workers aged 60-64 who are dismissed by their

**Pre-Pension Benefits After Voluntary Retirement**

On March 30, 1976, the economic recovery law established a voluntary pre-pension benefit system.

*As of February 1, 1977, this amount was limited, for computation purposes, to 47,125 francs—about 1.8 times the average wage of a male worker in manufacturing.
for a trial period—from April 11 through December 31, 1976. Under that legislation, men were permitted to retire up to 3 years ahead of schedule (as early as age 62) and women up to 2 years earlier (at age 58). Benefits are calculated and handled in the same way as those granted dismissed workers, except that the gross monthly salary is different. On September 1, 1976, the minimum age requirements were lowered to 60 for men and 55 for women, and the trial period was extended through December 1977.

An innovative feature of the 1976 legislation requires the employer to replace the voluntary retiree with an unemployed worker under age 30. Though he may call upon the National Employment Office for assistance if necessary, the employer is responsible for recruiting the young worker. Once hired, the new employee must remain on the new job for a 6-month period. If, for any reason, he should leave the job earlier, the employer must replace him with one or more other jobseekers under age 30. The new worker is only required to fill the vacancy created by the retiree's departure, he need not perform the same job as did the older worker. This measure is intended to encourage older workers to retire earlier and thus free positions for unemployed younger workers.

To participate, an employee must submit an application for the pre-pension benefit to both his employer and the National Employment Office. For workers in large firms (those with at least 50 employees), the pre-pension benefit can be drawn the week following the filing of a claim. In firms employing 20-49 workers, the benefit becomes payable on the first day of the third month following the application unless the employer agrees to an earlier date. Workers in firms with fewer than 20 employees must obtain their employer's consent to participate in the program.

Early Retirement Provisions

The amendments to the 1967 Social Security Code, enacted February 27, 1976, authorize full old-age pensions at age 64 for men with many years of employment. This provision eliminates the 5-percent reduction previously applied for 1 year of early retirement. The normal retirement age for women remains unchanged at 60. To qualify, the participant must have 45 years of employment—including all the years since 1945—each year consisting of a minimum of 185 days of at least 4 hours each.

This retirement measure was made retroactive to July 1975. Workers who had already elected a reduced old-age pension at age 64 after January 1, 1975, could have their pensions readjusted effective July 1975 if they could satisfy all of the new entitlement conditions.

Amendments enacted December 27, 1976, authorized full age-65 pensions at age 64 (effective retroactively to October 1976) for men who had engaged in arduous or unhealthy employment for 5 of the preceding 15 years or for any 12 years. Though regulations for implementing this provision have not yet been issued, it is anticipated that, to qualify, a worker will have to secure his employer's certification stating that he has been exposed to occupational hazards during the course of his employment. The retroactivity back to October 1976 was extended to those retirees who had drawn a reduced old-age pension at age 64 after January 1, 1975.

Special Financing Arrangements

The unemployment benefit component of the pre-pension benefit continues to be financed under the national unemployment insurance system through employer-employee payroll contributions. For the supplementary allowance component, however, financing arrangements depend on whether the retirement was voluntary or not.

For retirement resulting from a worker's dismissal, the supplementary allowance is paid directly by the former employer or through "livelihood guarantee funds" to which he contributes. Established in 1946 under collective agreements in various industries and jointly managed by workers and employers, these funds were set up to provide members with supplementary subsis-

On monthly earnings of up to 28,500 francs, the employer pays 1.7 percent of payroll, the worker contributes 1.2 percent of his earnings, and the Government matches employer-employee contributions.

(Continued on page 81)
**Social Security Abroad**

(Continued from page 49)

In 1976, some $72.7 billion was derived from a special tax on employees and employers in industries in which new collective wage agreements were negotiated after October 31, 1975. For a 9-month period (April through December 1976) employees and employers were each required to contribute 50 percent of the negotiated wage increase. The workers therefore effectively received only 50 percent of the increase. The purpose of this measure was to curb pay increases.

In some industries, negotiations customarily are based, by mutual agreement, on a special index of goods or services not included in the official index.