



PRESS RELEASE

NET SOCIAL PROTECTION BENEFITS, 2016 (provisional data)

The Hellenic Statistical Authority (ELSTAT) announces provisional data on the Net Social Protection Benefits (NSPBs or just NET) in the frame of the European System of Integrated Social Protection Statistics (ESSPROS), for the year 2016.

The Net Social Protection Benefits (NET) is one of the three modules¹ of the European System of Integrated Social Protection Statistics (ESSPROS). This module presents the social protection expenditure excluding taxes and social contributions, thus aiming at providing a more reliable comparison among the social protection expenditures of the EU Member States. In the Net Social Protection Benefits module, only the amounts concerning the benefits in cash are exempted from taxes and social contributions, while the amounts concerning the benefits in kind of the quantitative data of the ESSPROS (Core System)² remain as such.

In 2016, the total of the Net Social Protection Benefits recorded a decrease of 1.78% compared with 2015, while in 2015 compared to 2014, the Net Social Protection Benefits had recorded an increase of 0.74% (Table 1).

Table 1. Net Social Protection Benefits, by function (in million EUR)

Functions	Net Social Protection Benefits (NET)			Percentage (%) change	
	2014*	2015*	2016	2015/2014	2016/2015
Sickness	8,337.0	8,660.7	9,327.9	3.88	7.70
Disability	2,758.0	2,760.9	2,499.1	0.10	-9.48
Old age	23,284.1	23,652.6	22,764.7	1.58	-3.75
Survivors	4,111.4	4,311.5	4,095.8	4.87	-5.00
Family/children	1,996.6	1,848.6	1,759.9	-7.41	-4.80
Unemployment	1,880.9	1,793.2	1,669.6	-4.67	-6.89
Housing**	1.6	50.7	35.9	3,070.56	-29.17
Social exclusion	614.5	222.0	375.8	-63.87	69.27
Total	42,984.1	43,300.1	42,528.7	0.74	-1.78

*Revised data

** The data of the Housing function derive exclusively from one source.

Information

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¹ The three modules of ESSPROS refer to the Core System, the Net Social Protection Benefits (NET) and the Pension Beneficiaries.

² For the Core System please see Press Release ESSPROS «Statistics of the Social Protection System»
<http://www.statistics.gr/en/statistics/-/publication/SHE24/>

The net social protection benefits are recorded and presented at an aggregated and analytical level, by function, in accordance with Regulation (EC) No 458/2007 of the European Parliament and the Council and the Implementing Regulations 263/2011 and 110/2011.

In Greece, the Average Itemised Tax Rate (AITR)³ and the Average Itemised Social Contribution Rate (AISCR), which are used for the calculation of the net social protection benefits, are estimated exclusively on the basis of the Survey on Income and Living Conditions of Households (EU-SILC), conducted by ELSTAT on a yearly basis.

In accordance with the survey methodology, the concept of net social protection benefits in Greece for the years 2014-2016 refer only to six (6) out of eight (8) functions (disability, sickness/health care, old age, survivors, family/children, unemployment, housing and social exclusion) of the ESSPROS social protection expenditure categories. The benefits concerning housing are made available only in kind, while the social exclusion benefits granted in cash are exempted from taxes or/and social contributions.

Table 1 depicts data on the net social protection benefits, by function, for the years 2014-2016, as well as the relevant changes in percent. On the basis of the comparison between the expenditure of the different functions of the year 2016 and the relevant expenditure of the year 2015, it is observed that the net social protection expenditure decreased for all functions except for sickness benefits, which increased by 7.70% and social exclusion benefits recording a 69.27% increase. As regards the corresponding comparison for the years 2015/2014, sickness/ medical care benefits increased by 3.88% and social exclusion benefits decreased by 63.87%. For the other functions, the following observations can be made:

- Disability: in 2016 net expenditure decreased by 9.48% compared with 2015. On the contrary, an increase of 0.10% had been observed in 2015 in comparison with 2014.
- Old age: in 2016 net expenditure recorded a decrease of 3.75%, compared with 2015, while an increase of 1.58% had been observed in 2015 compared with 2014.
- Survivors: a decrease of 5.0% is observed in 2016. On the contrary, there was an increase of 4.87% in 2015 compared to 2014.
- Family/children: there was a decrease in both years under study. In specific, in 2016 family/children benefits decreased by 4.80%, compared to 2015 and by 7.41% in 2015 compared to 2014.
- Unemployment: there was a decrease in both years under study. In specific, in 2016 there was a decrease of 6.89% compared to 2015, while in 2015 the respective decrease was smaller compared to 2014, with a value of 4.67%.

The Average Itemised Tax Rate (AITR) and the Average Itemised Social Contribution Rate (AISCR) that have been estimated⁴ for the years 2014-2016 are presented analytically in Tables 2 and 3, Graph 1 and 2. The biggest Average Itemised Tax Rate refers to survivors benefits, amounting to 9.55% in 2014, followed by the Average Itemised Tax Rate for disability and sickness/medical care with 7.62% and 7.25%, respectively, while the lowest Average Itemised Tax Rate is recorded for unemployment benefits. A similar trend is observed for 2015 and 2016. On the basis of Graph 1, an increase in the Average Itemised Tax Rate has been observed for the functions of disability, old age and survivors in 2016, while for the same functions the Average Itemised Tax Rate was decreased in 2015 in compared to 2014. The biggest decrease is recorded for sickness/medical care benefits, falling down to 4.31% in 2016 from 7.25% in 2014. The smallest changes in the Average Itemised Tax Rate during the period 2014-2016 were recorded for family/children and unemployment benefits.

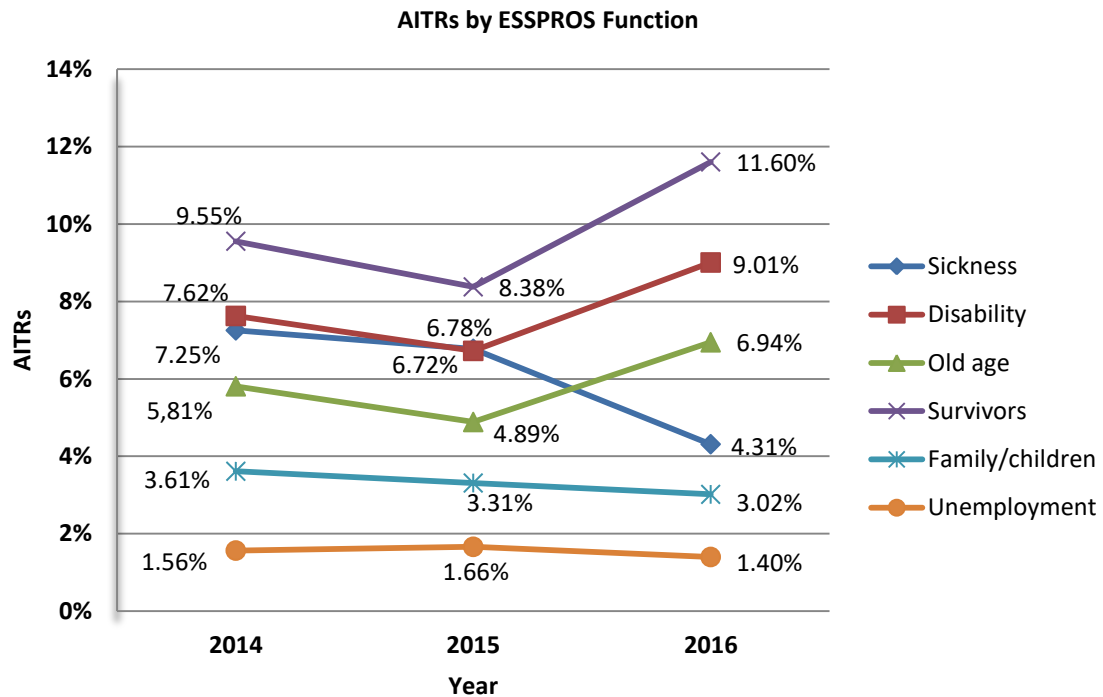
Table 2. Average Itemised Tax Rate (AITR), by function

Functions	Average Itemised Tax Rate (AITR)		
	2014	2015	2016
Sickness	7.25%	6.78%	4.31%
Disability	7.62%	6.72%	9.01%
Old age	5.81%	4.89%	6.94%
Survivors	9.55%	8.38%	11.60%
Family/children	3.61%	3.31%	3.02%
Unemployment	1.56%	1.66%	1.40%

³ AITR = Average Itemised Tax Rate, AISCR = Average itemised Social Contribution Rate.

⁴ In accordance with the NET module methodology, the use of EU-SILC for the compilation of AITRs και AISCRs is recommended as a supplementary checking tool and not as the main calculation method to be followed. In Greece, up to the present day, EU-SILC is used exclusively for the estimation of AITRs και AISCRs on account of non-availability of other sources.

Graph 1. Average Itemised Tax Rate (AITR), by function



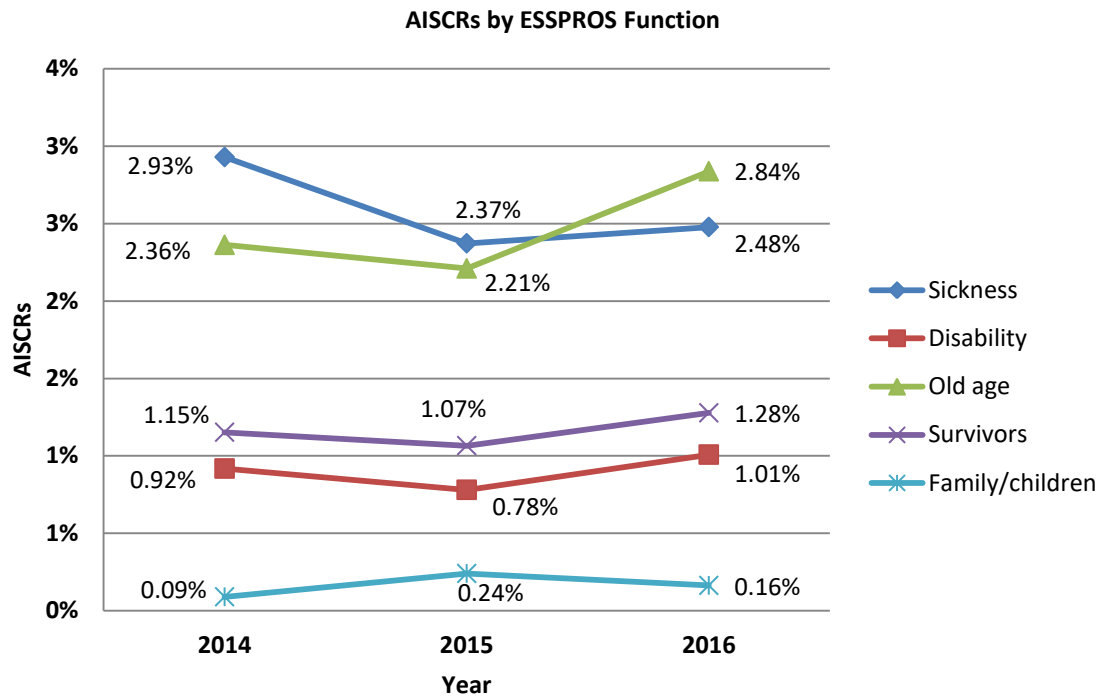
As regards the Average Itemised Social Contribution Rate (AISCR), for all ESSPROS functions, but the family/children function, there was an increase for the year 2016, while the respective rate for the same functions in 2015 showed a decrease. Finally, for all the three years, 2014, 2015 and 2016, the lowest Average Itemised Social Contribution Rates are recorded for family/children benefits and disability, ranging from 0.09% to 0.24% and 0.78% to 1.01%, respectively.

Table 3. Average Itemised Social Contribution Rate (AISCR), by function

Functions	Average Itemised Social Contribution Rate (AISCR)		
	2014	2015	2016
Sickness	2.93%	2.37%	2.48%
Disability	0.92%	0.78%	1.01%
Old age	2.36%	2.21%	2.84%
Survivors	1.15%	1.07%	1.28%
Family/children	0.09%	0.24%	0.16%
Unemployment*	:	:	:

* In 2014-2016 there were no unemployment benefits subject to social contributions.

Graph 2. Average Itemised Social Contribution Rate (AISCR), by function



Tables 4 to 9 present analytically the net social protection benefits for all ESSPROS codes by function, as well as the relevant changes in percent for the years 2014 - 2016.

Table 4. Net social protection benefits for sickness, 2014 – 2016 (million EUR)

	2014*	2015*	2016	Change (%) 2015/2014	Change (%) 2016/2015
Social protection benefits - Function Sickness	8,336.98	8,660.74	9,327.85	3.9	7.7
Non Means-tested	8,299.64	8,622.56	9,290.33	3.9	7.7
Cash benefits	386.94	408.18	433.07	5.5	6.1
Periodic	352.85	373.26	407.41	5.8	9.2
Paid sick leave	295.45	310.61	337.04	5.1	8.5
Other cash periodic benefits	57.40	62.64	70.37	9.1	12.3
Lump sum	34.09	34.92	25.65	2.4	-26.5
Other cash lump sum benefits	34.09	34.92	25.65	2.4	-26.5
Benefits in kind	7,912.69	8,214.39	8,857.26	3.8	7.8
In-patient care	4,487.15	4,549.42	5,116.56	1.4	12.5
Direct provision	4,415.74	4,472.34	5,011.83	1.3	12.1
Reimbursement	71.40	77.08	104.73	7.9	35.9
Out-patient care	3,366.21	3,605.16	3,671.14	7.1	1.8
Direct provision of pharmaceutical products	1,956.39	1,977.96	2,034.37	1.1	2.9
Other direct provision	1,353.83	1,485.97	1,564.55	9.8	5.3
Reimbursement of pharmaceutical products	0.00	0.00	0.00		
Other reimbursement	55.99	141.23	72.22	152.2	-48.9
Other benefits in kind	59.33	59.81	69.57	0.8	16.3
Means-tested	37.34	38.18	37.52	2.2	-1.7
Cash benefits	0.00	0.00	0.00		
Benefits in kind	37.34	38.18	37.52	2.2	-1.7

*Revised data

Table 5. Net social protection benefits for disability, 2014 – 2016 (million EUR)

	2014*	2015*	2016	Change (%) 2015/2014	Change (%) 2016/2015
Social protection benefits - Function Disability	2,758.03	2,760.86	2,499.08	0.1	-9.5
Non Means-tested	2,660.32	2,659.45	2,408.76	0.0	-9.4
Cash benefits	2,646.17	2,654.03	2,408.34	0.3	-9.3
Periodic	2,644.35	2,652.42	2,406.68	0.3	-9.3
Disability pension	1,925.73	1,979.49	1,737.44	2.8	-12.2
Care allowance	0.00	0.00	0.00		
Other cash periodic benefits	718.62	672.93	669.24	-6.4	-0.5
Lump sum	1.82	1.61	1.66	-11.6	2.9
Care allowance	0.00	0.00	0.00		
Other cash lump sum benefits	1.82	1.61	1.66	-11.6	2.9
Benefits in kind	14.16	5.41	0.42	-61.8	-92.2
Accommodation	0.00	0.00	0.00		
Assistance in carrying out daily tasks	0.00	0.00	0.00		
Rehabilitation	14.16	5.41	0.42	-61.8	-92.2
Other benefits in kind	0.00	0.00	0.00		
Means-tested	97.71	101.42	90.33	3.8	-10.9
Cash benefits	70.56	80.23	68.16	13.7	-15.0
Benefits in kind	27.15	21.18	22.16	-22.0	4.6

*Revised data

Table 6. Net social protection benefits for old age, 2014 – 2016 (million EUR)

	2014*	2015*	2016	Change (%) 2015/2014	Change (%) 2016/2015
Social protection benefits -Function Old age	23,284.10	23,652.58	22,764.68	1.6	-3.8
Non Means-tested	22,798.22	23,062.52	22,307.36	1.2	-3.3
Cash benefits	22,798.22	23,062.52	22,307.36	1.2	-3.3
Periodic	21,520.49	22,114.84	21,512.59	2.8	-2.7
Old age pension	21,520.49	22,114.84	21,512.59	2.8	-2.7
Other cash periodic benefits	0.00	0.00	0.00		
Lump sum	1,277.73	947.68	794.77	-25.8	-16.1
Other cash lump sum benefits	1,277.73	947.68	794.77	-25.8	-16.1
Benefits in kind	0.00	0.00	0.00		
Assistance in carrying out daily tasks	0.00	0.00	0.00		
Other benefits in kind	0.00	0.00	0.00		
Means-tested	485.87	590.05	457.32	21.4	-22.5
Cash benefits	484.06	588.43	455.47	21.6	-22.6
Benefits in kind	1.82	1.62	1.85	-10.8	14.1

*Revised data

Table 7. Net social protection benefits for survivors, 2014 – 2016 (million EUR)

	2014*	2015*	2016	Change (%) 2015/2014	Change (%) 2016/2015
Social protection benefits- Function Survivors	4,111.40	4,311.45	4,095.80	4.9	-5.0
Non Means-tested	3,783.98	3,914.10	3,769.06	3.4	-3.7
Cash benefits	3,703.03	3,829.77	3,683.33	3.4	-3.8
Periodic	3,699.12	3,826.65	3,680.18	3.4	-3.8
Survivors pension	3,699.12	3,826.65	3,680.18	3.4	-3.8
Other cash periodic benefits	0.00	0.00	0.00		
Lump sum	3.91	3.12	3.16	-20.3	1.2
Other cash lump sum benefits	3.91	3.12	3.16	-20.3	1.2
Benefits in kind	80.95	84.33	85.73	4.2	1.7
Funeral expenses	80.95	84.33	85.73	4.2	1.7
Other benefits in kind	0.00	0.00	0.00		
Means-tested	327.42	397.35	326.74	21.4	-17.8
Cash benefits	327.42	397.35	326.74	21.4	-17.8
Benefits in kind	0.00	0.00	0.00		

*Revised data

Table 8. Net social protection benefits for family/children, 2014 – 2016 (million EUR)

	2014*	2015*	2016	Change (%) 2015/2014	Change (%) 2016/2015
Social protection benefits - Function Family/Children	1,996.64	1,848.63	1,759.86	-7.4	-4.8
Non Means-tested	900.60	811.50	816.44	-9.9	0.6
Cash benefits	889.34	804.80	810.17	-9.5	0.7
Periodic	790.70	748.93	753.79	-5.3	0.6
Income maintenance in the event of childbirth	180.15	175.40	174.14	-2.6	-0.7
Parental leave benefit	284.17	245.03	261.90	-13.8	6.9
Family or child allowance	326.22	328.38	317.72	0.7	-3.2
Other cash periodic benefits	0.16	0.12	0.02	-28.7	-81.0
Lump sum	98.63	55.87	56.38	-43.4	0.9
Birth grant	4.64	5.04	5.34	8.7	6.0
Other cash lump sum benefits	94.00	50.83	51.04	-45.9	0.4
Benefits in kind	11.26	6.71	6.27	-40.4	-6.6
Child day care	0.00	0.00	0.00		
Other benefits in kind	11.26	6.71	6.27	-40.4	-6.6
Means-tested	1,096.04	1,037.13	943.43	-5.4	-9.0
Cash benefits	926.17	858.97	800.92	-7.3	-6.8
Benefits in kind	169.87	178.16	142.51	4.9	-20.0

*Revised data

Table 9. Net social protection benefits for unemployment, 2014 – 2016 (million EUR)

	2014	2015	2016	Change (%) 2015/2014	Change (%) 2016/2015
Social protection benefits- Function Unemployment	1,880.91	1,793.16	1,669.63	-4.7	-6.9
Non Means-tested	1,831.27	1,752.72	1,628.57	-4.3	-7.1
Cash benefits	1,739.03	1,648.28	1,555.40	-5.2	-5.6
Periodic	790.90	746.67	798.16	-5.6	6.9
Full unemployment benefit	711.61	675.10	733.39	-5.1	8.6
Early retirement benefit for labour market reasons	79.29	71.56	64.77	-9.7	-9.5
Lump sum	948.13	901.62	757.24	-4.9	-16.0
Redundancy compensation	894.60	857.15	683.75	-4.2	-20.2
Other cash lump sum benefits	53.53	44.47	73.48	-16.9	65.2
Benefits in kind	92.24	104.43	73.17	13.2	-29.9
Vocational training	47.23	71.92	37.79	52.3	-47.5
Placement services and job search assistance	45.01	32.52	35.38	-27.8	8.8
Means-tested	49.63	40.45	41.06	-18.5	1.5
Cash benefits	49.63	40.45	41.06	-18.5	1.5
Benefits in kind	0.00	0.00	0.00		

*Revised data

EXPLANATORY NOTES

Net Social Protection Benefits The ESSPROS module on Net Social Protection Benefits (restricted approach) measures net expenditure by collecting information on the average rates of taxes and social contributions paid by recipients of each cash benefit reported in the Core System. These rates are then applied to the gross expenditure on each benefit to obtain a net value which is used to ensure the comparability of the data at a European and international level.

Legal basis The survey is conducted in accordance with EU Regulation 1338/2008 and its implementing Regulations 263/2011 and 110/2011.

Coverage Greece total

Methodology The Net Social Protection Benefits were calculated on the basis of the restricted approach. This is summarized as follows:

Net Social Protection Benefits (Restricted Approach) = Gross Social Protection Benefits – (Taxes + Social Contributions paid by the recipients of each benefit).

The amount of compulsory contributions and taxes deducted from the gross amount of each benefit is calculated on the basis of the rates of taxation and social contributions, respectively, i.e.:

Net Social Benefits= Gross Social Benefits * (1- AITR-AISCR),

where AITR is the average itemised tax rate and AISCR is the average itemized social contribution rate. Both rates are calculated exclusively on the basis of the results of the sample Survey on Income and Living Conditions of Households (EU-SILC). All sample cases receiving at least one benefit for each year were selected. The EU-SILC variables were used, i.e. for each sample case, the taxable income, the benefits received (what is the corresponding amount) and the corresponding social contributions that each beneficiary paid by Function regardless of the ESSPROS System. The relative weighting factors of the survey sample were taken into account. From the taxable income of each beneficiary, an estimate was made of the tax he/she paid on the basis of the current tax scales of that year. The rates were calculated at the level of ESSPROS function for all the Schemes, since a more detailed break down of the beneficiaries' benefits by Scheme was not feasible. The AITRs were calculated using the following formula:

$$AITR_i = \frac{\sum_{tu=0}^N I_{tu,i} * C_{tu,i} * TR_{tu,i}}{\sum_{tu=1}^N I_{tu,i} * C_{tu,i}}$$

where $i=1,...,8$ functions

tu = unit sample

$TR_{tu,i}$ = the tax rate of the unit sample tu for function i (tax paid according to income/taxable income)

$I_{tu,i}$ = income generated from the benefit for function i

$C_{tu,i}$ = weighting factor for Function i for the specific sample tu and

N = the number of sample units receiving the social benefit

For the AISCR the following formula was applied:

$$AISCR_i = \frac{\sum_{tu=0}^N I_{tu,i} * C_{tu,i} * CR_{tu,i}}{\sum_{tu=1}^N I_{tu,i} * C_{tu,i}}$$

where $CR_{tu,i}$ = the social contribution rate of the sample unit tu for function i (total of the social contributions paid for the benefits/taxable income)

The identification of the social benefits which are subject to taxation and compulsory social contributions was based on different sources, including data from insurance institutions, MISSOC (Mutual Information System on Social Protection) and EU-SILC sample survey.

Details on the methodology for recording Net Social Benefits can be found in the EUROSTAT manual for ESSPROS, in Annex IV. The aforementioned Annex is available at the following link:

<http://ec.europa.eu/eurostat/web/products-manuals-and-guidelines/-/KS-GQ-16-010>

Definitions

Taxes on income refer to taxes on individual or household income from employment, property, entrepreneurship, social benefits etc. (See ESA definition of Taxes on income, D.51).

Social contributions refer to compulsory contributions paid by protected persons to social protection schemes in order to obtain or keep the right to receive social benefits.

References

More information on data regarding Social Protection revenues and expenditures can be found on ELSTAT's website under the section Population and Social Conditions from 2000-2016 and specifically at the following link:

<http://www.statistics.gr/en/statistics/-/publication/SHE29/->