



PRESS RELEASE

NET SOCIAL PROTECTION BENEFITS, 2015 (provisional data)

The Hellenic Statistical Authority (ELSTAT) announces data on the Net Social Protection Benefits (NSPBs or just NET) in the frame of the European System of Integrated Social Protection Statistics (ESSPROS)⁽¹⁾ for the year 2015.

The Net Social Protection Benefits (NET) is one of the three modules ⁽²⁾ 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 Core System of ESSPROS remain as such.

In 2015, the total of the Net Social Protection Benefits recorded an increase of 1.57% compared with 2014, while in 2014 compared with 2013, the Net Social Protection Benefits had recorded a decrease of 1.86% (Table 1).

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

Functions	Net Social Protection Benefits (NET)			Percentage (%) change	
	2013	2014	2015	2014/2013	2015/2014
Sickness	9,479.20	8,274.33	8,945.00	-12.71	8.11
Disability	2,723.28	2,690.06	2,703.93	-1.22	0.52
Old age	22,892.46	23,283.52	23,652.12	1.71	1.58
Survivors	4,095.53	4,110.64	4,310.76	0.37	4.87
Family/children	1,969.31	1,996.64	1,848.63	1.39	-7.41
Unemployment	2,370.53	1,880.91	1,793.16	-20.65	-4.67
Housing	3.86	1.60	50.68	-58.55	3,067.50
Social exclusion	128.20	614.50	222.04	379.33	-63.87
Total	43,662.37	42,852.19	43,526.32	-1.86	1.57

Information

Social Statistics Division
Health and Social Security and Protection Statistics Section
Konstantinos Giasafakis
Tel.: +30 213 135 2136
Fax : +30 213 135 2397
e-mail: social_stat@statistics.gr

⁽¹⁾ See Press Release ESSPROS «STATISTICS OF THE SOCIAL PROTECTION SYSTEM» <http://www.statistics.gr/en/statistics/-/publication/SHE24/->

⁽²⁾ The three modules of ESSPROS refer to the Core System, the Net Social Protection Benefits (NET) and the Pension Beneficiaries.

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, until the present day, the Average Itemised Tax Rate (AITR) 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 2013-2015 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 2013-2015, as well as the relevant changes in percent. On the basis of the comparison between the expenditure of the different functions of the year 2015 and the relevant expenditure of the year 2014, it is observed that the net social protection expenditure increased for all functions except for family benefits, which decreased by 7.41% and unemployment benefits recording a 4.67% decrease. As regards the corresponding comparison for the years 2014/2013, family benefits increased by 1.39% and unemployment benefits decreased by 20.65%. For the other functions, the following observations can be made:

- Sickness/medical care: in 2015 net expenditure increased by 8.11% compared with 2014, while a decrease of 12.71% had been observed in 2014 in comparison with 2013.
- Disability: in 2015 net expenditure recorded a small increase of 0.52%, compared with 2014, while a decrease of 1.22% had been observed in 2014 compared with 2013.
- Old age: an increase is observed both in 2015 and 2014 and more specifically, in 2015 net expenditure increased by 1.58%, compared with 2014 and by 1.71% in 2014 compared with 2013.
- Survivors: the percentage change in 2015 compared with 2014 was 4.87% and 0.37% in 2014 compared with 2013.

The Average Itemised Tax Rate (AITR) and the Average Itemised Social Contribution Rate (AISCR) that have been estimated for the years 2013-2015 are presented analytically in Tables 2 and 3. The biggest Average Itemised Tax Rate refers to survivors benefits, amounting to 9.97% in 2013, followed by the Average Itemised Tax Rate for disability and sickness/medical care with 7.65% and 7.07%, respectively, while the lowest Average Itemised Tax Rate is recorded for unemployment benefits. A similar trend is observed for 2014 and 2015. On the basis of Graph 1, a decrease in the Average Itemised Tax Rate has been observed for all functions during 2013-2015. The biggest decrease is recorded for family/children benefits, falling down to 3.31% in 2015 from 5.04% in 2013. Another big decrease is also observed in the Average Itemised Tax Rate for the survivors benefits, dropping to 8.38% in 2014 (from 9.97% in 2013) and further down to 8.38% in 2015. The smallest changes in the Average Itemised Tax Rate during the period 2013-2015 were recorded for sickness and unemployment benefits.

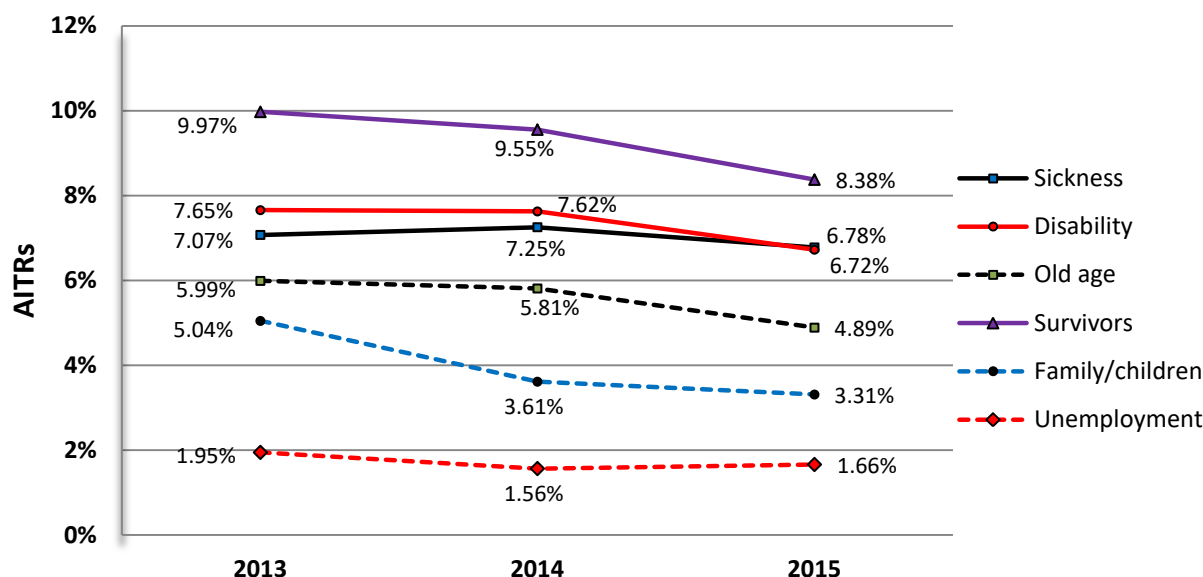
Table 2. the Average Itemised Tax Rate AITR, by function

Functions	AITR		
	2013	2014	2015
Sickness	7.07%	7.25%	6.78%
Disability	7.65%	7.62%	6.72%
Old age	5.99%	5.81%	4.89%
Survivors	9.97%	9.55%	8.38%
Family/children	5.04%	3.61%	3.31%
Unemployment	1.95%	1.56%	1.66%

⁽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



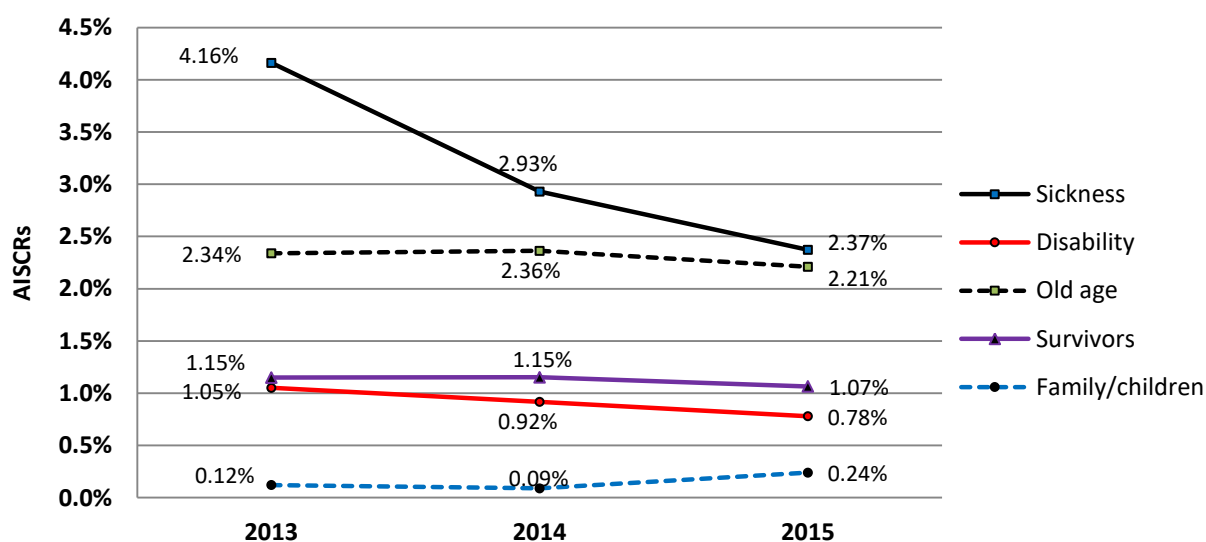
As regards the Average Itemised Social Contribution Rate (AISCR), no significant changes are observed during the period 2013-2015, except for one function, namely sickness. More specifically, AISCR for sickness decreased to 2.93% in 2014 from 4.16% in 2013 and further down to 2.37% in 2015. Finally, for all the three years, 2013, 2014 and 2015, the lowest Average Itemised Social Contribution Rates are recorded for family/children benefits and disability, ranging from 0.12% to 0.24% and 0.78% to 1.05%, respectively.

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

Functions	AISCR		
	2013	2014	2015
Sickness	4.16%	2.93%	2.37%
Disability	1.05%	0.92%	0.78%
Old age	2.34%	2.36%	2.21%
Survivors	1.15%	1.15%	1.07%
Family/children	0.12%	0.09%	0.24%
Unemployment*	:	:	:

* In 2013-2015 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 2013 - 2015.

Table 4. Net social protection benefits for sickness, 2013 – 2015 (million EUR)

	2013	2014	2015	Change (%) 2014/2013	Change (%) 2015/2014
Social protection benefits - Function Sickness	9,479.20	8,274.33	8,945.00	-12.71	8.11
Non Means-tested	9,446.34	8,236.98	8,906.82	-12.80	8.13
Cash benefits	394.15	396.58	407.42	0.62	2.73
Periodic	355.38	362.49	373.26	2.00	2.97
Paid sick leave	297.11	305.09	310.61	2.69	1.81
Other cash periodic benefits	58.26	57.40	62.64	-1.48	9.13
Lump sum	38.77	34.09	34.16	-12.07	0.21
Other cash lump sum benefits	38.77	34.09	34.16	-12.07	0.21
Benefits in kind	9,052.19	7,840.41	8,499.40	-13.39	8.41
In-patient care	4,985.31	4,323.28	4,845.74	-13.28	12.08
Direct provision	4,898.87	4,251.88	4,768.66	-13.21	12.15
Reimbursement	82.48	71.40	77.08	-13.43	7.96
Out-patient care	4,011.74	3,457.79	3,593.37	-13.81	3.92
Direct provision of pharmaceutical products	2,479.63	1,956.39	1,971.96	-21.10	0.80
Other direct provision	1,484.79	1,445.41	1,521.75	-2.65	5.28
Other reimbursement	47.32	55.99	99.67	18.32	78.01
Other benefits in kind	59.10	59.33	60.29	0.39	1.62
Means-tested	32.86	37.34	38.18	13.63	2.25
Benefits in kind	32.86	37.34	38.18	13.63	2.25

Table 5. Net social protection benefits for disability, 2013 – 2015 (million EUR)

	2013	2014	2015	Change (%) 2014/2013	Change (%) 2015/2014
Social protection benefits - Function Disability	2,723.28	2,690.06	2,703.93	-1.22	0.52
Non Means-tested	2,599.26	2,598.38	2608.53	-0.03	0.39
Cash benefits	2,586.18	2,584.22	2603.11	-0.08	0.73
Periodic	2,583.62	2,582.42	2601.52	-0.05	0.74
Disability pension	1,968.56	1,925.19	1979.08	-2.20	2.80
Other cash periodic benefits	615.06	657.23	622.44	6.86	-5.29
Lump sum	2.57	1.80	1.60	-29.96	-11.11
Other cash lump sum benefits	2.57	1.80	1.60	-29.96	-11.11
Benefits in kind	13.08	14.16	5.41	8.26	-61.79
Rehabilitation	13.08	14.16	5.41	8.26	-61.79
Means-tested	124.02	91.68	95.40	-26.08	4.06
Cash benefits	93.29	64.53	74.21	-30.83	15.00
Benefits in kind	30.73	27.15	21.18	-11.65	-21.99

Table 6. Net social protection benefits for old age, 2013 – 2015 (million EUR)

	2013	2014	2015	Change (%) 2014/2013	Change (%) 2015/2014
Social protection benefits -Function Old age	22,892.46	23,283.52	23,652.12	1.71	1.58
Non Means-tested	22,340.33	22,797.65	23062.07	2.05	1.16
Cash benefits	22,340.33	22,797.65	23062.07	2.05	1.16
Periodic	20,897.68	21,519.92	22114.39	2.98	2.76
Old age pension	20,897.68	21,519.92	22114.39	2.98	2.76
Lump sum	1,442.65	1,277.73	947.68	-11.43	-25.83
Other cash lump sum benefits	1,442.65	1,277.73	947.68	-11.43	-25.83
Means-tested	552.13	485.87	590.05	-12.00	21.44
Cash benefits	549.97	484.06	588.43	-11.98	21.56
Benefits in kind	2.16	1.82	1.62	-15.74	-10.99

Table 7. Net social protection benefits for survivors, 2013 – 2015 (million EUR)

	2013	2014	2015	Change (%) 2014/2013	Change (%) 2015/2014
Social protection benefits- Function Survivors	4,095.53	4,110.64	4310.76	0.37	4.87
Non Means-tested	3,747.70	3,783.22	3913.41	0.95	3.44
Cash benefits	3,662.72	3,702.27	3829.08	1.08	3.43
Periodic	3,657.68	3,698.36	3825.96	1.11	3.45
Survivors pension	3,657.68	3,698.36	3825.96	1.11	3.45
Lump sum	5.04	3.91	3.12	-22.42	-20.20
Other cash lump sum benefits	5.04	3.91	3.12	-22.42	-20.20
Benefits in kind	84.98	80.95	84.33	-4.74	4.18
Funeral expenses	84.98	80.95	84.33	-4.74	4.18
Means-tested	347.82	327.42	397.35	-5.87	21.36
Cash benefits	347.82	327.42	397.35	-5.87	21.36

Table 8. Net social protection benefits for family/children, 2013 – 2015 (million EUR)

	2013	2014	2015	Change (%) 2014/2013	Change (%) 2015/2014
Social protection benefits - Function Family/Children	1,969.31	1,996.64	1848.63	1.39	-7.41
Non Means-tested	1,071.50	900.60	811.50	-15.95	-9.89
Cash benefits	1,063.08	889.34	804.80	-16.34	-9.51
Periodic	755.38	790.70	748.93	4.68	-5.28
Income maintenance in the event of childbirth	187.03	180.15	175.40	-3.68	-2.64
Parental leave benefit	219.74	284.17	245.03	29.32	-13.77
Family or child allowance	346.56	326.22	328.38	-5.87	0.66
Other cash periodic benefits	2.05	0.16	0.12	-92.20	-25.00
Lump sum	307.70	98.63	55.87	-67.95	-43.35
Birth grant	24.44	4.64	5.04	-81.01	8.62
Other cash lump sum benefits	283.26	94.00	50.83	-66.81	-45.93
Benefits in kind	8.43	11.26	6.71	33.57	-40.41
Other benefits in kind	8.43	11.26	6.71	33.57	-40.41
Means-tested	897.81	1,096.04	1037.13	22.08	-5.37
Cash benefits	706.49	926.17	858.97	31.09	-7.26
Benefits in kind	191.33	169.87	178.16	-11.22	4.88

Table 9. Net social protection benefits for unemployment, 2013 – 2015 (million EUR)

	2013	2014	2015	Change (%) 2014/2013	Change (%) 2015/2014
Social protection benefits- Function Unemployment	2,370.53	1,880.91	1,793.16	-20.65	-4.67
Non Means-tested	2,299.90	1,831.27	1,752.72	-20.38	-4.29
Cash benefits	2,180.25	1,739.03	1,648.28	-20.24	-5.22
Periodic	1,062.40	790.90	746.67	-25.56	-5.59
Full unemployment benefit	978.67	711.61	674.59	-27.29	-5.20
Early retirement benefit for labour market reasons	83.33	79.02	71.56	-5.17	-9.44
Lump sum	1,117.85	948.13	901.62	-15.18	-4.91
Redundancy compensation	1,032.60	894.60	857.15	-13.36	-4.19
Other cash lump sum benefits	85.25	53.53	44.47	-37.21	-16.93
Benefits in kind	119.65	92.24	104.43	-22.91	13.22
Vocational training	65.49	47.23	71.92	-27.88	52.28
Placement services and job search assistance	54.16	45.01	32.52	-16.89	-27.75
Means-tested	70.63	49.63	40.45	-29.73	-18.50
Cash benefits	70.63	49.63	40.45	-29.73	-18.50

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 2000-2015 and specifically at the following link:

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