



PRESS RELEASE

NET SOCIAL PROTECTION BENEFITS, 2018 (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 2018.

The Net Social Protection Benefits (NET) is one of the three modules¹ of 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 2018, the total of the Net Social Protection Benefits recorded a decrease of 2.54% compared with 2017, while in 2017 compared to 2016, the Net Social Protection Benefits had recorded a decrease of 1.56% (Table 1).

Table 1. Net Social Protection Benefits by function for the period 2016-2018 (in million EUR)

Functions	Net Social Protection Benefits (NET)			Percentage (%) change	
	2016 ¹	2017 ¹	2018	2017/2016	2018/2017
Sickness	9,200.0	9,022.3	8,685.1	-1.93	-3.74
Disability	1,819.1	1,825.3	1,747.8	0.34	-4.25
Old age	23,327.4	22,246.1	21,053.7	-4.64	-5.36
Survivors	4,258.3	3,956.0	3,685.1	-7.10	-6.85
Family/children	1,756.2	2,394.3	2,941.6	36.34	22.86
Unemployment	1,663.1	1,630.7	1,661.4	-1.94	1.88
House ²	:	:	:	:	:
Social exclusion	375.8	662.7	901.6	76.33	36.05
Total	42,399.9	41,737.5	40,676.2	-1.56	-2.54

¹Revised data

² Not available data

Information on methodological issues:

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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)³, 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 2016-2018 refer only to six (6) out of eight (8) functions of the ESSPROS expenditure, since the benefits concerning house 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 2016-2018, as well as the relevant changes in percent. On the basis of the comparison between the expenditure of year 2018 and year 2017, it is observed that the total net social protection expenditure decreased for all functions by 2.54%, except for family/children, unemployment and social exclusion functions, which increased by 22.86%, 1.88% και 36.05%, respectively. As regards the corresponding comparison for the years 2017/2016, the total net expenditure decreased by 1.56%, unemployment function decreased by 1.94%, however social exclusion benefits and family/children benefits increased by 76.33% and 36.34% respectively. For the other functions, the following observations can be made:

- Sickness: in 2018 net expenditure recorded a decrease of 3.74% compared with 2017, while the respective reduction in 2017 compared to 2016 was 1.93%.
- Disability: in 2018 net expenditure recorded a decrease of 4.25% compared to 2017, while an increase of 0.34% had been observed in 2017 compared with 2016.
- Old age: in 2018 net expenditure recorded a decrease of 5.36% compared with 2017, following a decrease of 4.64% in 2017 compared with 2016.
- Survivors: in 2018 net expenditure recorded a decrease of 6.85% compared with 2017, following a decrease of 7.10% in 2017 compared with 2016.

Table 2 presents the net social protection benefits as a percentage of gross social protection in total and by functions for the years 2016 to 2018. In 2016 and 2017, 93.0% of the social benefits were net social benefits while the remaining percentage consisted of tax and/or social contributions. In 2018, this percentage reduced to 90.5%. However, the net social protection as a percentage of gross social protection increased during 2018 in the following two functions; compared to 2017, the function of family increased to 98.8% and the function of unemployment increased to 98.6%.

Sickness was the function, where the net social protection benefits were almost similar to the gross benefits and the respective percentages for years 2016, 2017 and 2018 were 99.7%, 99.6% and 99.5%. The net social benefits as a percentage of the gross social protection in survivors function appear to be the smallest of all functions in all three years. The percentages were 88.5%, 88.3% and 85.3% for 2016, 2017 and 2018 respectively.

Table 2. Net Social Protection Benefits as a percentage (%) of Gross Social Protection by function for the period 2016-2018

Functions	Net social protection as a percentage of gross social protection		
	2016 ¹	2017 ¹	2018
Sickness	99.7%	99.6%	99.5%
Disability	93.9%	96.8%	95.7%
Old age	90.7%	90.6%	85.9%
Survivors	88.5%	88.3%	85.3%
Family/children	97.1%	94.3%	98.8%
Unemployment	98.6%	98.1%	98.6%
House	:	:	:
Social exclusion	100.0%	100.0%	100.0%
Total	93.0%	93.0%	90.5%

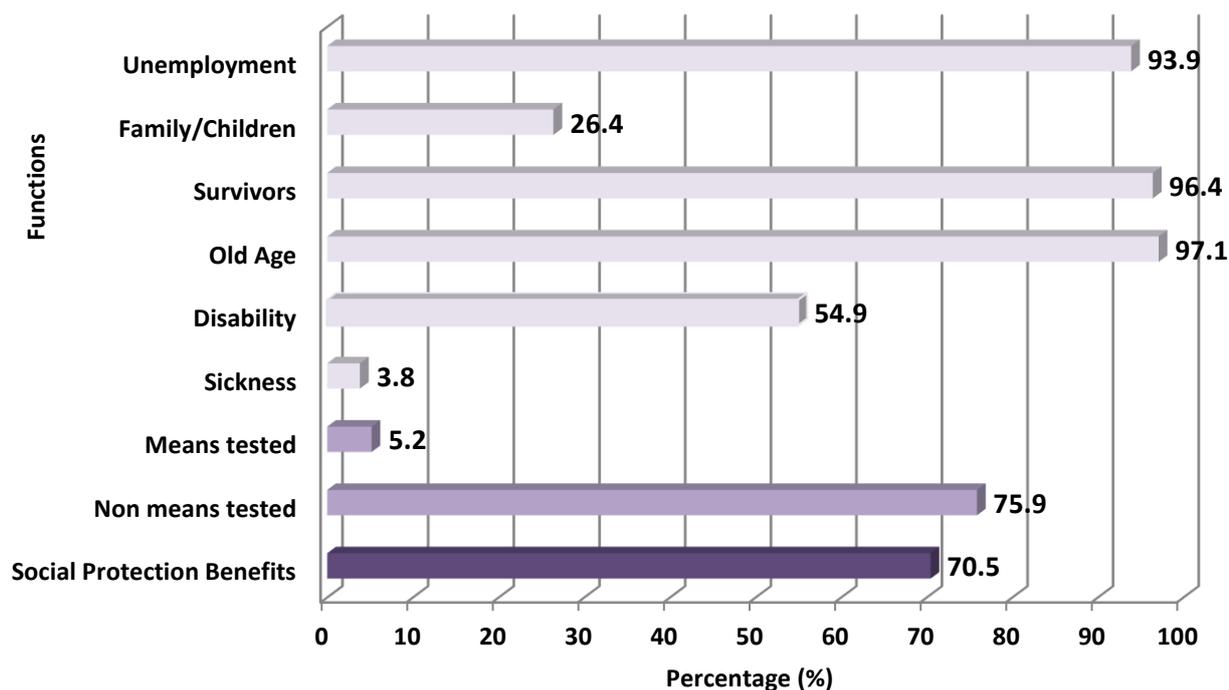
¹Revised data

² Not available data

³ AITR = Average Itemised Tax Rate, AISCR = Average itemised Social Contribution Rate (see Explanatory Notes)

Figure 1 presents the percentage of social protection benefits subject to tax and/or social contributions for the year 2018, in total and by function. The percentage of the total social protection benefits liable to tax and/or social contributions in 2018 was 70.5%. The non means tested social protections benefits had a percentage of 75.9% of the benefits that were liable to tax and/or social contributions, while the respective percentage for the means tested benefits was 5.2%. The social protection benefits of sickness and family functions were the ones that presented the lower percentage of social benefits subject to tax and/or social contributions and the percentages were 3.8% and 26.4% respectively. On the other hand, the functions survivors and old age appear to have the highest percentage of social benefits liable to tax and/or social contributions, among all functions, with 96.4% and 97.1% respectively.

Figure 1. Percentage (%) of social protection liable to tax and/or social contributions for 2018



Tables 3 to 8 present analytically the net social protection benefits for all ESSPROS codes by function, as well as the relevant changes in percent for the years 2016 - 2018.

Table 3. Net social protection benefits for sickness, 2016 – 2018 (million EUR)

	2016*	2017*	2018	(%) 2017/2016	(%) 2018/2017
Social protection benefits - Sickness	9,199.99	9,022.33	8,685.09	-1.9	-3.7
Non Means-tested	9,162.47	8,982.49	8,648.62	-2.0	-3.7
Cash benefits	480.89	417.78	419.94	-13.1	0.5
Periodic	427.99	361.15	363.13	-15.6	0.5
Paid sick leave	357.62	287.30	287.67	-19.7	0.1
Other cash periodic benefits	70.37	73.84	75.46	4.9	2.2
Lump sum	52.90	56.63	56.81	7.0	0.3
Other cash lump sum benefits	52.90	56.63	56.81	7.0	0.3
Benefits in kind	8,681.58	8,564.71	8,228.69	-1.3	-3.9
In-patient care	4,833.94	4,825.03	4,713.94	-0.2	-2.3
Direct provision	4,729.21	4711.38	4,589.49	-0.4	-2.6
Reimbursement	104.73	113.65	124.46	8.5	9.5
Out-patient care	3,804.17	3,667.67	3,440.92	-3.6	-6.2
Direct provision of pharmaceutical products	2,027.41	2,137.25	1,942.59	5.4	-9.1
Other direct provision	1,704.55	1,412.93	1,339.54	-17.1	-5.2
Other reimbursement	72.22	117.49	158.78	62.7	35.1
Other benefits in kind	43.47	72.01	73.83	65.7	2.5
Means-tested	37.52	39.84	36.47	6.2	-8.5
Cash benefits	0.00	0.00	0.00	-	-
Benefits in kind	37.52	39.84	36.47	6.2	-8.5

*Revised data

Table 4. Net social protection benefits for disability, 2016 – 2018 (million EUR)

	2016*	2017*	2018	(%) 2017/2016	(%) 2018/2017
Social protection benefits - Disability	1,819.14	1,825.30	1,747.81	0.3	-4.2
Non Means-tested	1,786.22	1,801.45	1,722.60	0.9	-4.4
Cash benefits	1,731.42	1,729.70	1,607.11	-0.1	-7.1
Periodic	1,729.76	1,728.00	1,605.59	-0.1	-7.1
Disability pensions	1,060.52	1,056.70	922.81	-0.4	-12.7
Other cash periodic benefits	669.24	671.30	682.79	0.3	1.7
Lump sum	1.66	1.70	1.52	2.8	-11.1
Other cash lump sum benefits	1.66	1.70	1.52	2.8	-11.1
Benefits in kind	54.80	71.74	115.49	30.9	61.0
Rehabilitation	54.80	71.74	115.49	30.9	61.0
Means-tested	32.92	23.85	25.21	-27.5	5.7
Cash benefits	10.76	3.75	1.62	-65.1	-56.7
Benefits in kind	22.16	20.10	23.59	-9.3	17.3

*Revised data

Table 5. Net social protection benefits for old age, 2016 – 2018 (million EUR)

	2016*	2017*	2018	(%) 2017/2016	(%) 2018/2017
Social protection benefits - Old age	23,327.41	22,246.10	21,053.67	-4.6	-5.4
Non Means-tested	22,901.90	21,996.41	20,875.36	-4.0	-5.1
Cash benefits	22,901.90	21,996.41	20,875.36	-4.0	-5.1
Periodic	22,107.14	21,610.69	20,102.84	-2.2	-7.0
Old age pensions	22,107.14	21,610.69	20,102.84	-2.2	-7.0
Lump sum	794.77	385.71	772.52	-51.5	100.3
Other cash lump sum benefits	794.77	385.71	772.52	-51.5	100.3
Benefits in kind	0.00	0.00	0.00	-	-
Means-tested	425.50	249.70	178.31	-41.3	-28.6
Cash benefits	423.65	248.01	176.60	-41.5	-28.8
Benefits in kind	1.85	1.69	1.71	-8.6	1.3

*Revised data

Table 6. Net social protection benefits for survivors, 2016 – 2018 (million EUR)

	2016*	2017*	2018	(%) 2017/2016	(%) 2018/2017
Social protection benefits - Survivors	4,258.32	3,955.99	3,685.07	-7.1	-6.8
Non Means-tested	3,850.29	3,730.10	3,605.70	-3.1	-3.3
Cash benefits	3,764.56	3,661.66	3,530.45	-2.7	-3.6
Periodic	3,761.40	3,658.55	3,527.80	-2.7	-3.6
Survivors pensions	3,761.40	3,658.55	3,527.80	-2.7	-3.6
Lump sum	3.16	3.12	2.65	-1.2	-15.0
Other cash lump sum benefits	3.16	3.12	2.65	-1.2	-15.0
Benefits in kind	85.73	68.44	75.25	-20.2	10.0
Funeral expenses	85.73	68.44	75.25	-20.2	10.0
Means-tested	408.03	225.89	79.36	-44.6	-64.9
Cash benefits	408.03	225.89	79.36	-44.6	-64.9
Benefits in kind	0.0	0.00	0.00	-	-

*Revised data

Table 7. Net social protection benefits for family/children, 2016 – 2018 (million EUR)

	2016*	2017*	2018	(%) 2017/2016	(%) 2018/2017
Social protection benefits - Family/Children	1,756.17	2,394.34	2,941.58	36.3	22.9
Non Means-tested	812.75	733.10	765.38	-9.8	4.4
Cash benefits	806.48	727.29	758.64	-9.8	4.3
Periodic	750.10	672.75	693.32	-10.3	3.1
Income maintenance in the event of childbirth	195.26	194.12	190.00	-0.6	-2.1
Parental leave benefit	261.90	182.29	202.88	-30.4	11.3
Family or child allowance and other benefits	292.94	296.35	300.44	1.2	1.4
Lump sum	56.38	54.54	65.33	-3.3	19.8
Birth grant	5.34	0.86	0.88	-83.9	-2.0
Other cash lump sum benefits	51.04	53.67	64.45	5.2	20.1
Benefits in kind	6.27	5.81	6.74	-7.3	15.9
Other benefits in kind	6.27	5.81	6.74	-7.3	15.9
Means-tested	943.43	1,661.24	2,176.20	76.1	31.0
Cash benefits	800.92	1,518.52	2,006.46	89.6	32.1
Benefits in kind	142.51	142.72	169.74	0.1	18.9

*Revised data

Table 8. Net social protection benefits for unemployment, 2016 – 2018 (million EUR)

	2016*	2017*	2018	(%) 2017/2016	(%) 2018/2017
Social protection benefits - Unemployment	1,663.06	1,630.72	1,661.38	-1.9	1.9
Non Means-tested	1,622.00	1,590.75	1,623.65	-1.9	2.1
Cash benefits	1,548.82	1,508.73	1,557.15	-2.6	3.2
Periodic	798.16	804.09	838.18	0.7	4.2
Full unemployment benefit	733.39	752.74	801.75	2.6	6.5
Early retirement benefit for labour market reasons	64.77	51.35	36.43	-20.7	-29.0
Lump sum	750.66	704.64	718.97	-6.1	2.0
Redundancy compensation	677.18	655.56	667.54	-3.2	1.8
Other cash lump sum benefits	73.48	49.08	51.43	-33.2	4.8
Benefits in kind	73.17	82.02	66.50	12.1	-18.9
Vocational training	37.79	42.46	22.95	12.3	-46.0
Placement services and job search assistance	35.38	39.56	43.55	11.8	10.1
Means-tested	41.06	39.97	37.74	-2.7	-5.6
Cash benefits	41.06	39.97	37.74	-2.7	-5.6
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 taxes and contributions 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 based on the current tax scales of the reference year. The rates were calculated at all Schemes level for each ESSPROS function, since a more detailed break down of the beneficiaries' benefits by Scheme was not feasible. The AITRs were calculated using the following formula:

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

where $i=1, \dots, 8$ 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:

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

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 following table presents the averaged itemized tax rate (AITR) and average itemized social contribution rate (AISCR) that were estimated for 2018 based on EU-SILC data, in order to produce Net Social Protection data in ESSPROS.

Functions	AITR	AISCR
Sickness	5.66%	8.76%
Disability	5.67%	2.27%
Old age	8.02%	6.61%
Survivors	12.37%	2.98%
Family/children	5.00%	0.17%
Unemployment	1.46%	0.01%

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.

It is noted, that in the House Function the expenditure has been derived from the Ministry of Labour and Social Affairs' benefits. The availability of relevant data from other administrative sources is under investigation.

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 2000-2018 and specifically at the following link:

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