



PRESS RELEASE
NET SOCIAL PROTECTION BENEFITS, 2019 (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 2019.

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 2019, the total of the Net Social Protection Benefits recorded an increase of 0.61% compared with 2018, while in 2018 compared to 2017, the Net Social Protection Benefits had recorded a decrease of 2.54% (Table 1).

Table 1. Net Social Protection Benefits by function for the period 2017-2019 (in million EUR)

Functions	Net Social Protection Benefits (NET)			Percentage (%) change	
	2017	2018	2019	2018/2017	2019/2018
Sickness	9,022.3	8,685.1	8,926.3	-3.74	2.78
Disability	1,825.3	1,747.8	1,901.7	-4.25	8.81
Old age	22,246.1	21,053.7	21,138.2	-5.36	0.40
Survivors	3,956.0	3,685.1	3,652.2	-6.85	-0.89
Family/children	2,394.3	2,941.6	2,767.7	22.86	-5.91
Unemployment	1,630.7	1,661.4	1,773.0	1.88	6.72
House ¹	:	:	:	:	:
Social exclusion	662.7	901.6	763.5	36.05	-15.32
Total	41,737.5	40,676.2	40,922.7	-2.54	0.61

¹ 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 2017-2019 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 2017-2019, as well as the relevant changes in percent. On the basis of the comparison between the expenditure of year 2019 and year 2018, it is observed that the total net social protection expenditure increased for all functions by 0.61%, except for survivors, family/children and social exclusion functions, which decreased by 0.89%, 5.91% and 15.31%, respectively. As regards the corresponding comparison for the years 2018/2017, the total net expenditure decreased by 2.54%, survivors function decreased by 6.85%, however family/children benefits and social exclusion benefits increased by 22.86% and 36.05% respectively. For the other functions, the following observations can be made:

- Sickness: in 2019 net expenditure recorded an increase of 2.78% compared with 2018, while the respective reduction in 2018 compared to 2017 was 3.74%.
- Disability: in 2019 net expenditure recorded an increase of 8.81% compared to 2018, while a decrease of 4.25% had been observed in 2018 compared with 2017.
- Old age: in 2019 net expenditure recorded an increase of 0.40% compared with 2018, following a decrease of 5.36% in 2018 compared with 2017.
- Unemployment: in 2019 net expenditure recorded an increase of 6.72% compared with 2018, following an increase of 1.88% in 2018 compared with 2017.

Table 2 presents the net social protection benefits as a percentage of gross social protection in total and by functions for the years 2017 to 2019. In 2017, 93.0% of the social benefits were net social benefits while the remaining percentage consisted of tax and/or social contributions. In 2018 and in 2019, this percentage reduced to 90.5% and 90.2% respectively. However, the net social protection as a percentage of gross social protection increased during 2019 in the following three functions; compared to 2018, the function of sickness increased to 99.6%, the function of disability increased to 96.1% and the function of unemployment increased to 98.7%. While, the functions of family/children, 98.8%, and unemployment, 98.6%, presented an increase in 2018 compared to 2017.

Sickness was the function, where the net social protection benefits were almost similar to the gross benefits and the respective percentages for years 2017, 2018 and 2019 were 99.6%, 99.5% and 99.6%. 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 88.3%, 85.3% and 84.4% for 2017, 2018 and 2019 respectively.

Table 2. Net Social Protection Benefits as a percentage (%) of Gross Social Protection by function for the period 2017-2019

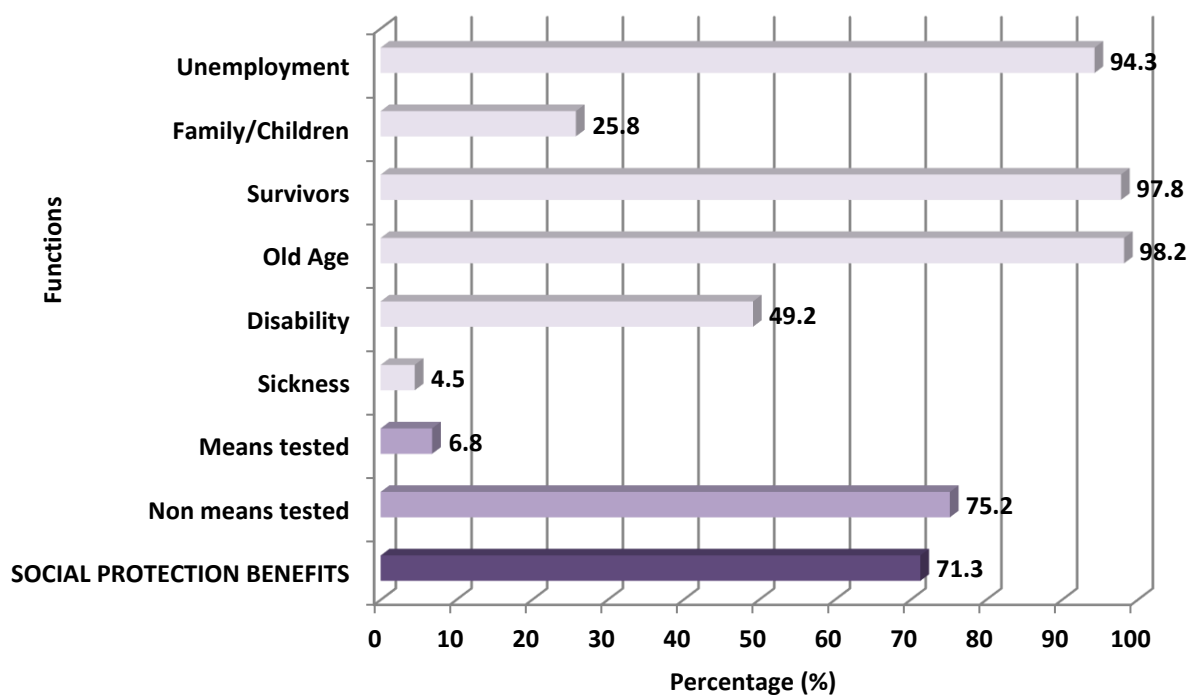
Functions	Net social protection as a percentage of gross social protection		
	2017	2018	2019
Sickness	99.6%	99.5%	99.6%
Disability	96.8%	95.7%	96.1%
Old age	90.6%	85.9%	85.4%
Survivors	88.3%	85.3%	84.4%
Family/children	94.3%	98.8%	98.3%
Unemployment	98.1%	98.6%	98.7%
House ¹	:	:	:
Social exclusion	100.0%	100.0%	100.0%
Total	93.0%	90.5%	90.2%

¹ 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 2019, in total and by function. The percentage of the total social protection benefits liable to tax and/or social contributions in 2019 was 71.3%. The non means tested social protections benefits had a percentage of 75.2% of the benefits that were liable to tax and/or social contributions, while the respective percentage for the means tested benefits was 6.8%. 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 4.5% and 25.8% 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 97.8% and 98.2% respectively.

Figure 1. Percentage (%) of social protection liable to tax and/or social contributions for 2019



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 2017 - 2019.

Table 3. Net social protection benefits for sickness, 2017 – 2019 (million EUR)

	2017	2018	2019	(%) 2018/2017	(%) 2019/2018
Social protection benefits - Sickness	9,022.33	8,685.09	8,926.35	-3.7	2.8
Non Means-tested	8,982.49	8,648.62	8,905.03	-3.7	3.0
Cash benefits	417.78	419.94	423.84	0.5	0.9
Periodic	361.15	363.13	368.76	0.5	1.6
Paid sick leave	287.30	287.67	368.75	0.1	28.2
Other cash periodic benefits	73.84	75.46	0.01	2.2	-100.0
Lump sum	56.63	56.81	55.08	0.3	-3.0
Other cash lump sum benefits	56.63	56.81	55.08	0.3	-3.0
Benefits in kind	8,564.71	8,228.69	8,481.18	-3.9	3.1
In-patient care	4,825.03	4,713.94	4,896.73	-2.3	3.9
Direct provision	4,711.38	4,589.49	4,754.83	-2.6	3.6
Reimbursement	113.65	124.46	141.91	9.5	14.0
Out-patient care	3,667.67	3,440.92	3,500.72	-6.2	1.7
Direct provision of pharmaceutical products	2,137.25	1,942.59	1,921.03	-9.1	-1.1
Other direct provision	1,412.93	1,339.54	1,442.12	-5.2	7.7
Other reimbursement	117.49	158.78	137.57	35.1	-13.4
Other benefits in kind	72.01	73.83	83.73	2.5	13.4
Means-tested	39.84	36.47	21.32	-8.5	-41.5
Cash benefits	0.00	0.00	0.00	-	-
Benefits in kind	39.84	36.47	21.32	-8.5	-41.5

Table 4. Net social protection benefits for disability, 2017 – 2019 (million EUR)

	2017	2018	2019	(%) 2018/2017	(%) 2019/2018
Social protection benefits - Disability	1,825.30	1,747.81	1,901.71	-4.2	8.8
Non Means-tested	1,801.45	1,722.60	1,886.09	-4.4	9.5
Cash benefits	1,729.70	1,607.11	1,816.02	-7.1	13.0
Periodic	1,728.00	1,605.59	1,814.13	-7.1	13.0
Disability pension	1,056.70	922.81	894.31	-12.7	-3.1
Other cash periodic benefits	671.30	682.79	919.82	1.7	34.7
Lump sum	1.70	1.52	1.89	-11.1	25.0
Other cash lump sum benefits	1.70	1.52	1.89	-11.1	25.0
Benefits in kind	71.74	115.49	70.07	61.0	-39.3
Rehabilitation	71.74	115.49	70.07	61.0	-39.3
Means-tested	23.85	25.21	15.62	5.7	-38.0
Cash benefits	3.75	1.62	0.29	-56.7	-81.9
Benefits in kind	20.10	23.59	15.33	17.3	-35.0

Table 5. Net social protection benefits for old age, 2017 – 2019 (million EUR)

	2017	2018	2019	(%) 2018/2017	(%) 2019/2018
Social protection benefits - Old age	22,246.10	21,053.67	21,138.21	-5.4	0.4
Non Means-tested	21,996.41	20,875.36	20,996.98	-5.1	0.6
Cash benefits	21,996.41	20,875.36	20,996.98	-5.1	0.6
Periodic	21,610.69	20,102.84	20,440.61	-7.0	1.7
Old age pension	21,610.69	20,102.84	20,440.61	-7.0	1.7
Lump sum	385.71	772.52	556.37	100.3	-28.0
Other cash lump sum benefits	385.71	772.52	556.37	100.3	-28.0
Benefits in kind	0.00	0.00	0.00	-	-
Means-tested	249.70	178.31	141.23	-28.6	-20.8
Cash benefits	248.01	176.60	139.67	-28.8	-20.9
Benefits in kind	1.69	1.71	1.56	1.3	-9.1

Table 6. Net social protection benefits for survivors, 2017 – 2019 (million EUR)

	2017	2018	2019	(%) 2018/2017	(%) 2019/2018
Social protection benefits - Survivors	3,955.99	3,685.07	3,652.20	-6.8	-0.9
Non Means-tested	3,730.10	3,605.70	3,634.56	-3.3	0.8
Cash benefits	3,661.66	3,530.45	3,557.58	-3.6	0.8
Periodic	3,658.55	3,527.80	3,551.32	-3.6	0.7
Survivors pension	3,658.55	3,527.80	3,551.32	-3.6	0.7
Lump sum	3.12	2.65	6.26	-15.0	136.2
Other cash lump sum benefits	3.12	2.65	6.26	-15.0	136.2
Benefits in kind	68.44	75.25	76.98	10.0	2.3
Funeral expenses	68.44	75.25	76.98	10.0	2.3
Means-tested	225.89	79.36	17.64	-64.9	-77.8
Cash benefits	225.89	79.36	17.64	-64.9	-77.8
Benefits in kind	0.00	0.00	0.00	-	-

Table 7. Net social protection benefits for family/children, 2017 – 2019 (million EUR)

	2017	2018	2019	(%) 2018/2017	(%) 2019/2018
Social protection benefits - Family/Children	2,394.34	2,941.58	2,767.70	22.9	-5.9
Non Means-tested	733.10	765.38	1,148.36	4.4	50.0
Cash benefits	727.29	758.64	1,141.02	4.3	50.4
Periodic	672.75	693.32	1,072.38	3.1	54.7
Income maintenance in the event of childbirth	194.12	190.00	187.78	-2.1	-1.2
Parental leave benefit	182.29	202.88	236.75	11.3	16.7
Family or child allowance and other cash benefits	296.35	300.44	647.86	1.4	115.6
Lump sum	54.54	65.33	68.63	19.8	5.1
Birth grant	0.86	0.88	0.57	2.0	-35.0
Other cash lump sum benefits	53.67	64.45	68.06	20.1	5.6
Benefits in kind	5.81	6.74	7.34	15.9	8.9
Other benefits in kind	5.81	6.74	7.34	15.9	8.9
Means-tested	1,661.24	2,176.20	1,619.34	31.0	-25.6
Cash benefits	1,518.52	2,006.46	1,416.86	32.1	-29.4
Benefits in kind	142.72	169.74	202.48	18.9	19.3

Table 8. Net social protection benefits for unemployment, 2017 – 2019 (million EUR)

	2017	2018	2019	(%) 2018/2017	(%) 2019/2018
Social protection benefits - Unemployment	1,630.72	1,661.38	1,772.97	1.9	6.7
Non Means-tested	1,590.75	1,623.65	1,731.86	2.1	6.7
Cash benefits	1,508.73	1,557.15	1,653.36	3.2	6.2
Periodic	804.09	838.18	916.71	4.2	9.4
Full unemployment benefit	752.74	801.75	892.37	6.5	11.3
Early retirement benefit for labour market reasons	51.35	36.43	24.33	-29.0	-33.2
Lump sum	704.64	718.97	736.66	2.0	2.5
Redundancy compensation	655.56	667.54	670.60	1.8	0.5
Other cash lump sum benefits	49.08	51.43	66.06	4.8	28.5
Benefits in kind	82.02	66.50	78.50	-18.9	18.0
Vocational training	42.46	22.95	23.67	-46.0	3.1
Placement services and job search assistance	39.56	43.55	54.83	10.1	25.9
Means-tested	39.97	37.74	40.40	-5.6	7.1
Cash benefits	39.97	37.74	40.40	-5.6	7.1
Benefits in kind	0.00	0.00	0.00	-	-

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 2019 based on EU-SILC data, in order to produce Net Social Protection data in ESSPROS.

Functions	AITR	AISCR
Sickness	2.88%	6.97%
Disability	5.99%	1.97%
Old age	8.46%	6.54%
Survivors	13.21%	3.00%
Family/children	6.59%	0.15%
Unemployment	1.40%	0.08%

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/->