



PRESS RELEASE

NET SOCIAL PROTECTION BENEFITS, 2017 (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 2017.

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 2017, the total of the Net Social Protection Benefits recorded a decrease of 1.40% compared with 2016, while in 2016 compared to 2015, the Net Social Protection Benefits had recorded a decrease of 2.06% (Table 1).

Table 1. Net Social Protection Benefits by function, 2015-2017 (in million EUR)

Functions	Net Social Protection Benefits (NET)			Percentage (%) change	
	2015	2016	2017	2016/2015	2017/2016
Sickness	8,660.7	9,206.5*	9,094.0	6.30	-1.22
Disability	2,760.9	2,499.1	2,554.3	-9.48	2.21
Old age	23,652.6	22,764.7	21,628.3	-3.75	-4.99
Survivors	4,311.5	4,095.8	3,812.7	-5.00	-6.91
Family/children	1,848.6	1,759.9	2,394.3	-4.80	36.05
Unemployment	1,793.2	1,669.6	1,630.7	-6.89	-2.33
House**	50.7	35.9	35.4	-29.17	-1.30
Social exclusion	222.0	375.8	662.7	69.27	76.33
Total	43,300.1	42,407.3*	41,812.4	-2.06	-1.40

*Revised 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), 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 2015-2017 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 2015-2017, as well as the relevant changes in percent. On the basis of the comparison between the expenditure of year 2017 and year 2016, it is observed that the total net social protection expenditure decreased for all functions by 1.40%, except for disability, family/children and social exclusion functions, which increased by 2.21%, 36.05% και 76.33%, respectively. As regards the corresponding comparison for the years 2016/2015, the total net expenditure decreased by 2.06%, disability and family/children functions decreased by 9.48% and 4.80%, respectively, however social exclusion benefits increased by 69.27%. For the other functions, the following observations can be made:

- Sickness: in 2017 net expenditure recorded a decrease of 1.22% compared with 2016, while an increase of 6.30% had been observed in 2016 compared with 2015.
- Old age: in 2017 net expenditure recorded a decrease of 4.99% compared with 2016, following a decrease of 3.75% in 2016 compared with 2015.
- Survivors: in 2017 net expenditure recorded a decrease of 6.91% compared with 2016, following a decrease of 5.00% in 2016 compared with 2015.
- Unemployment: in 2017 net expenditure recorded a decrease of 2.33% compared with 2016, following a decrease of 6.89% in 2016 compared with 2015.

The Average Itemised Tax Rate (AITR) and the Average Itemised Social Contribution Rate (AISCR) that have been estimated⁴ for the years 2015-2017 are presented analytically in Tables 2 and 3, Graph 1 and 2. The highest AITR refers to survivors function, amounting to 11.33% in 2017, followed by the AITR for old age and sickness with 6.84% and 6.40%, respectively, while the lowest AITR was recorded for unemployment function with a value of 2.04%. Based on Table 2 and the corresponding Graph 1, an increase in the AITR is being observed for the functions of sickness, family/children and unemployment in year 2017, while for the same functions the AITR had been decreased in 2016 compared to 2015. The biggest decrease was recorded for disability function, falling down to 4.31% in 2017 from 9.01% in 2016. The smallest changes in the AITRs during the period 2015-2017 were recorded for unemployment and old age functions.

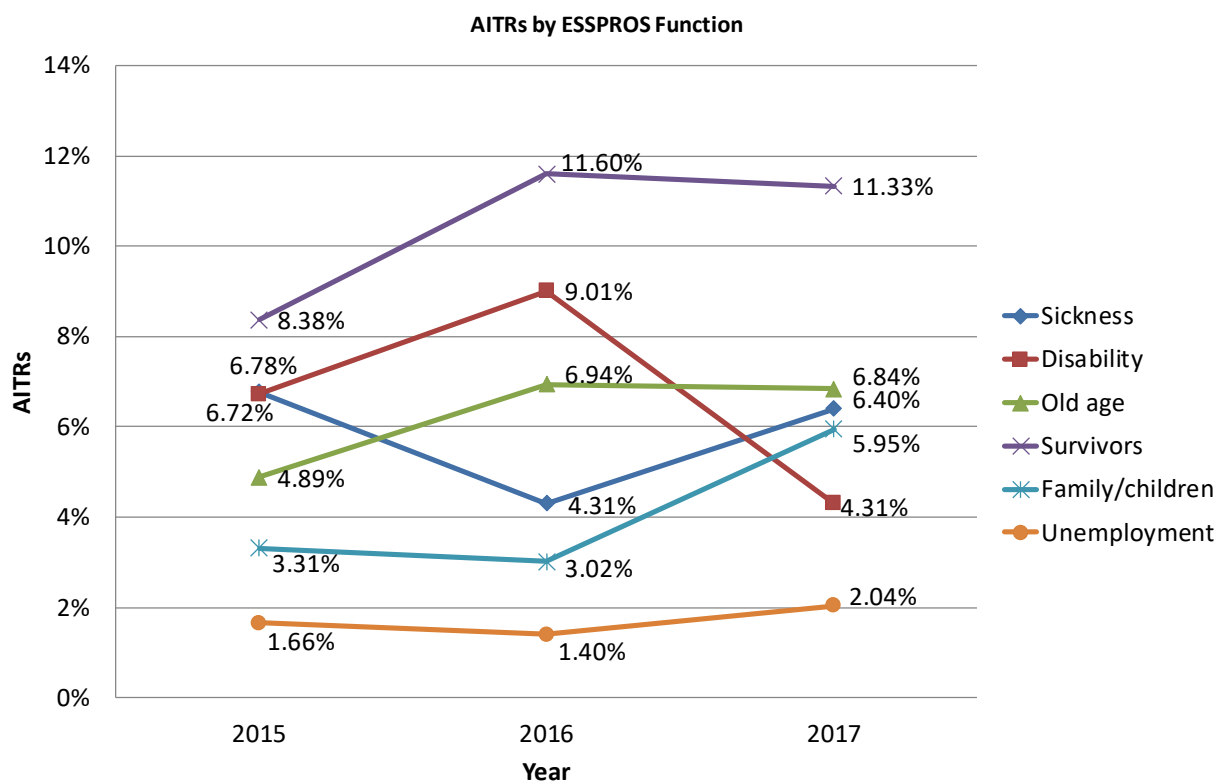
Table 2. Average Itemised Tax Rate (AITR) by function, 2015-2017

Functions	Average Itemised Tax Rate (AITR)		
	2015	2016	2017
Sickness	6.78%	4.31%	6.40%
Disability	6.72%	9.01%	4.31%
Old age	4.89%	6.94%	6.84%
Survivors	8.38%	11.60%	11.33%
Family/children	3.31%	3.02%	5.95%
Unemployment	1.66%	1.40%	2.04%

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

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, 2015-2017



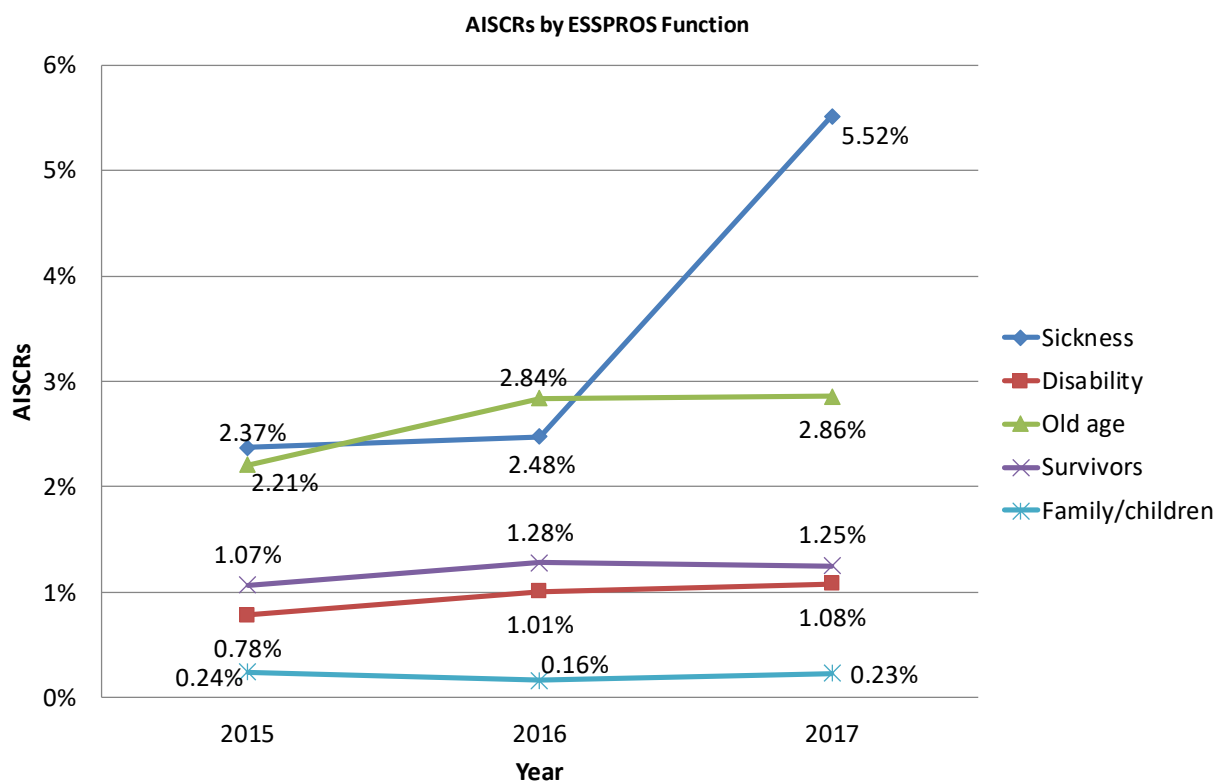
As regards the Average Itemised Social Contribution Rate (AISCR), for all ESSPROS functions, there was an increase for the year 2017 compared to 2016. The highest increase was observed in sickness function, where the AISCR raised to 5.52%. Finally, for all the three years, 2015 to 2017, the lowest AISCR are recorded for family/children and disability functions, ranging from 0.16% to 0.24% and 0.78% to 1.08%, respectively.

Table 3. Average Itemised Social Contribution Rate (AISCR), by function, 2015-2017

Functions	Average Itemised Social Contribution Rate (AISCR)		
	2015	2016	2017
Sickness	2.37%	2.48%	5.52%
Disability	0.78%	1.01%	1.08%
Old age	2.21%	2.84%	2.86%
Survivors	1.07%	1.28%	1.25%
Family/children	0.24%	0.16%	0.23%
Unemployment*	:	:	:

* In 2015-2017 there were no unemployment benefits subjected to social contributions.

Graph 2. Average Itemised Social Contribution Rate (AISCR) by function, 2015-2017



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 2015 - 2017.

Table 4. Net social protection benefits for sickness, 2015 – 2017 (million EUR)

	2015	2016*	2017	Change 2016/2015 (%)	Change 2017/2016 (%)
Social protection benefits – Sickness	8,660.74	9,206.55	9,093.96	6.3	-1.2
Non Means-tested	8,622.56	9,169.03	9,054.12	6.3	-1.3
Cash benefits	408.18	433.07	417.78	6.1	-3.5
Periodic	373.26	407.41	361.15	9.2	-11.4
Paid sick leave	310.61	337.04	287.30	8.5	-14.8
Other cash periodic benefits	62.64	70.37	73.84	12.3	4.9
Lump sum	34.92	25.65	56.63	-26.5	120.8
Other cash lump sum benefits	34.92	25.65	56.63	-26.5	120.8
Benefits in kind	8,214.39	8,735.96	8,636.34	6.3	-1.1
In-patient care	4,549.42	4,888.32	4,896.66	7.4	0.2
Direct provision	4,472.34	4,783.59	4,783.01	7.0	0.0
Reimbursement	77.08	104.73	113.65	35.9	8.5
Out-patient care	3,605.16	3,804.17	3,667.67	5.5	-3.6
Direct provision of pharmaceutical products	1,977.96	2,027.41	2,137.25	2.5	5.4
Other direct provision	1,485.97	1,704.55	1,412.93	14.7	-17.1
Reimbursement of pharmaceutical products	0.00	0.00	0.00		
Other reimbursement	141.23	72.22	117.49	-48.9	62.7
Other benefits in kind	59.81	43.47	72.01	-27.3	65.7
Means-tested	38.18	37.52	39.84	-1.7	6.2
Cash benefits	0.00	0.00	0.00		
Benefits in kind	38.18	37.52	39.84	-1.7	6.2

*Revised data

Table 5. Net social protection benefits for disability, 2015 – 2017 (million EUR)

	2015	2016	2017	Change 2016/2015 (%)	Change 2017/2016 (%)
Social protection benefits - Disability	2,760.86	2,499.08	2,554.27	-9.5	2.2
Non Means-tested	2,659.45	2,408.76	2,506.28	-9.4	4.0
Cash benefits	2,654.03	2,408.34	2,506.17	-9.3	4.1
Periodic	2,652.42	2,406.68	2,504.46	-9.3	4.1
Disability pension	1,979.49	1,737.44	1,833.16	-12.2	5.5
Care allowance	0.00	0.00	0.00		
Other cash periodic benefits	672.93	669.24	671.30	-0.5	0.3
Lump sum	1.61	1.66	1.70	2.9	2.8
Care allowance	0.00	0.00	0.00		
Other cash lump sum benefits	1.61	1.66	1.70	2.9	2.8
Benefits in kind	5.41	0.42	0.11	-92.2	-73.0
Accommodation	0.00	0.00	0.00		
Assistance in carrying out daily tasks	0.00	0.00	0.00		
Rehabilitation	5.41	0.42	0.11	-92.2	-73.0
Other benefits in kind	0.00	0.00	0.00		
Means-tested	101.42	90.33	47.99	-10.9	-46.9
Cash benefits	80.23	68.16	27.89	-15.0	-59.1
Benefits in kind	21.18	22.16	20.10	4.6	-9.3

Table 6. Net social protection benefits for old age, 2015 – 2017 (million EUR)

	2015	2016	2017	Change 2016/2015 (%)	Change 2017/2016 (%)
Social protection benefits - Old age	23,652.58	22,764.68	21,628.26	-3.8	-5.0
Non Means-tested	23,062.52	22,307.36	21,384.12	-3.3	-4.1
Cash benefits	23,062.52	22,307.36	21,384.12	-3.3	-4.1
Periodic	22,114.84	21,512.59	20,998.41	-2.7	-2.4
Old age pension	22,114.84	21,512.59	20,998.41	-2.7	-2.4
Other cash periodic benefits	0.00	0.00	0.00		
Lump sum	947.68	794.77	385.71	-16.1	-51.5
Other cash lump sum benefits	947.68	794.77	385.71	-16.1	-51.5
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	590.05	457.32	244.14	-22.5	-46.6
Cash benefits	588.43	455.47	242.45	-22.6	-46.8
Benefits in kind	1.62	1.85	1.69	14.1	-8.6

Table 7. Net social protection benefits for survivors, 2015 – 2017 (million EUR)

	2015	2016	2017	Change 2016/2015 (%)	Change 2017/2016 (%)
Social protection benefits - Survivors	4,311.45	4,095.80	3,812.68	-5.0	-6.9
Non Means-tested	3,914.10	3,769.06	3,605.37	-3.7	-4.3
Cash benefits	3,829.77	3,683.33	3,536.93	-3.8	-4.0
Periodic	3,826.65	3,680.18	3,533.81	-3.8	-4.0
Survivors pension	3,826.65	3,680.18	3,533.81	-3.8	-4.0
Other cash periodic benefits	0.00	0.00	0.00		
Lump sum	3.12	3.16	3.12	1.2	-1.2
Other cash lump sum benefits	3.12	3.16	3.12	1.2	-1.2
Benefits in kind	84.33	85.73	68.44	1.7	-20.2
Funeral expenses	84.33	85.73	68.44	1.7	-20.2
Other benefits in kind	0.00	0.00	0.00		
Means-tested	397.35	326.74	207.31	-17.8	-36.6
Cash benefits	397.35	326.74	207.31	-17.8	-36.6
Benefits in kind	0.00	0.00	0.00		

Table 8. Net social protection benefits for family/children, 2015 – 2017 (million EUR)

	2015	2016	2017	Change 2016/2015 (%)	Change 2017/2016 (%)
Social protection benefits - Family/Children	1,848.63	1,759.86	2,394.34	-4.8	36.1
Non Means-tested	811.50	816.44	733.10	0.6	-10.2
Cash benefits	804.80	810.17	727.29	0.7	-10.2
Periodic	748.93	753.79	672.75	0.6	-10.8
Income maintenance in the event of childbirth	175.40	174.14	194.12	-0.7	11.5
Parental leave benefit	245.03	261.90	182.29	6.9	-30.4
Family/child allowance and other benefits	328.50	317.75	296.35	-3.3	-6.7
Lump sum	55.87	56.38	54.54	0.9	-3.3
Birth grant	5.04	5.34	0.86	6.0	-83.9
Other cash lump sum benefits	50.83	51.04	53.67	0.4	5.2
Benefits in kind	6.71	6.27	5.81	-6.6	-7.3
Child day care	0.00	0.00	0.00		
Other benefits in kind	6.71	6.27	5.81	-6.6	-7.3
Means-tested	1,037.13	943.43	1,661.24	-9.0	76.1
Cash benefits	858.97	800.92	1,518.52	-6.8	89.6
Benefits in kind	178.16	142.51	142.72	-20.0	0.1

Table 9. Net social protection benefits for unemployment, 2015 – 2017 (million EUR)

	2015	2016	2017	Change 2016/2015 (%)	Change 2017/2016 (%)
Social protection benefits – Unemployment	1,793.16	1,669.63	1,630.72	-6.9	-2.3
Non Means-tested	1,752.72	1,628.57	1,590.75	-7.1	-2.3
Cash benefits	1,648.28	1,555.40	1,508.73	-5.6	-3.0
Periodic	746.67	798.16	804.09	6.9	0.7
Full unemployment benefit	675.10	733.39	752.68	8.6	2.6
Early retirement benefit for labour market reasons	71.56	64.77	51.35	-9.5	-20.7
Lump sum	901.62	757.24	704.64	-16.0	-6.9
Redundancy compensation	857.15	683.75	655.56	-20.2	-4.1
Other cash lump sum benefits	44.47	73.48	49.08	65.2	-33.2
Benefits in kind	104.43	73.17	82.02	-29.9	12.1
Vocational training	71.92	37.79	42.46	-47.5	12.3
Placement services and job search assistance	32.52	35.38	39.56	8.8	11.8
Means-tested	40.45	41.06	40.25	1.5	-2.0
Cash benefits	40.45	41.06	40.25	1.5	-2.0
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 $i=1,...,8$ 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 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 2000-2017 and specifically at the following link:
<http://www.statistics.gr/en/statistics/-/publication/SHE29/->