

Meeting of the Working Group “Social Protection”

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Item 11.1 of agenda

Compilation of Social Protection Statistics: ITALY

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Compilation of Social Protection Statistics: ITALY

1. Links between ESSPROS and National Accounts
2. Italian Social Protection Accounts (ISPA)
3. From ISPA to ESSPROS Core System QD
4. Links between ESSPROS and S.13 Accounts
5. Timeliness and Dissemination

1. Links between ESSPROS and National Accounts

ESSPROS Manual (§12):

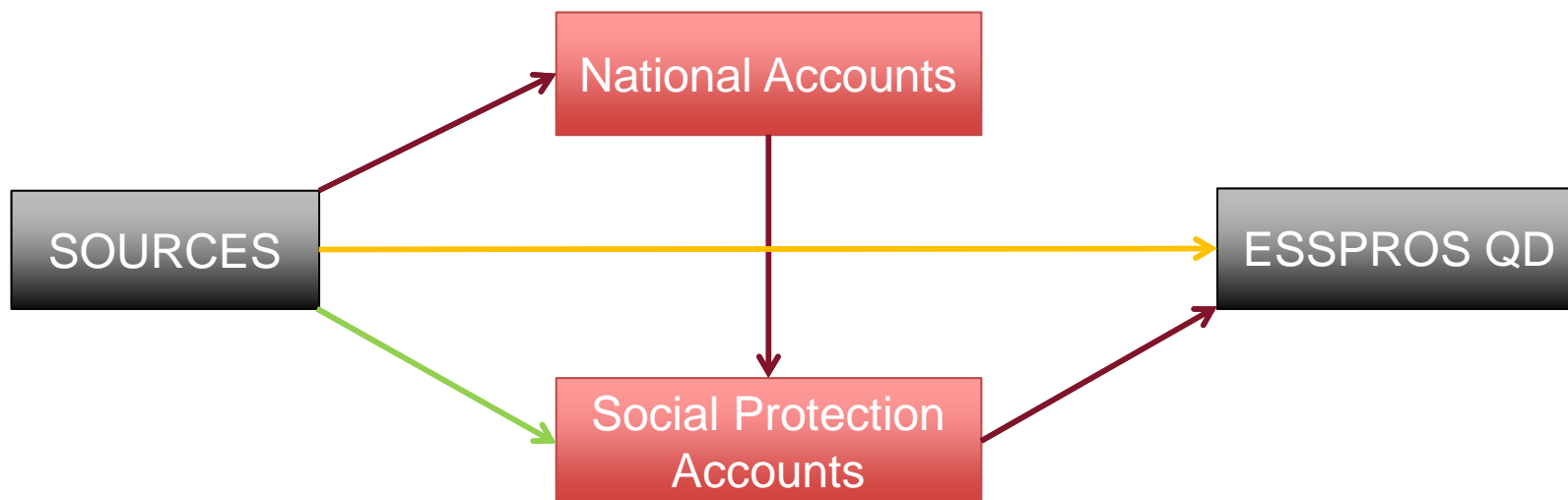
“There are links with National Accounts, although there is not a complete conceptual match between the ESSPROS system and National Accounts. Particularly, the achievement of ESSPROS is its accounting structure similar to the National Accounts (benefits and their financing) at the level of the statistical unit of ESSPROS system (the scheme). There is also a link to the risks or needs to social benefits in the National Accounts.”

→ What about Italy?

Since the seventies, ISTAT has been elaborating the Social Protection Accounts, a set of accounts with an accounting structure similar to the National Accounts.

Since the nineties, the definitions adopted to elaborate Social Protection Accounts have been almost completely aligned with those provided by ESSPROS.

The two accounts are elaborated simultaneously and using the same statistical sources and the same methods of estimation.



Trying to reach the compliance (1)

More details than those sufficient to build National Accounts are acquired in order to build Italian Social Protection Accounts and, subsequently, ESSPROS Core System Quantitative Data.

In particular, to build the accounts of Social Security Funds (S.1314), the institutional sub-sector of General Government (S.13) which manages the most part of ESSPROS schemes (17 out of 27), data are acquired with the maximum level of disaggregation:

- Every transactions by unit involved
- Social benefits provided by unit, by type and by function
- Social contributions collected by unit and by type

Trying to reach the compliance (2)

The process is managed in a centralized way by 'Social Protection Accounts unit':

- by elaborating directly the accounts of Social Security Funds (the sub-sector mainly involved in providing Social Protection)
- by assigning directly the COFOG functions to social benefits for some groups of units included in S.13 institutional sector (as State, Regions, Municipalities and others bodies)
- by controlling the coherence of amounts to avoid misalignments
- by doing other actions aimed to meet coherence

2. Italian Social Protection Accounts (ISPA)

ISPA: DEFINITION

Italian Social Protection Accounts encompasses all interventions from public or private bodies intended to relieve households and individuals of the burden of a defined set of risks or needs, provided that there is neither a simultaneous reciprocal nor an individual arrangement involved.

- | | |
|-------------------------|----------------------------|
| 1. Sickness/Health care | 5. Family/Children |
| 2. Disability | 6. Unemployment |
| 3. Old age | 7. Housing |
| 4. Survivors | 8. Social exclusion n.e.c. |

→ This is the same definition of Social Protection provided by ESSPROS Manual (§16)

ISPA: PROVIDERS

The units responsible for providing social protection belong to all institutional sectors of ESA95 :

- Central government (S.1311)
- Local government (S.1313)
- Social security funds (S.1314)
- Pension funds and insurance corporation (S.125)
- Non-profit institutions serving households (S.15)
- Private and public employers in favor of their employees, ex-employees or their family members (S.1)

→ This is consistent with ESSPROS Manual (§19)

ISPA: INTERVENTIONS

The interventions cover the financing of benefits and related administration costs, as well as the actual provision of benefits.

The interventions do not involve a simultaneous reciprocal arrangement.

Individual arrangement are excluded.

Benefits granted into social protection functions are limited to:

- Cash payments to protected people
- Reimbursements of expenditure made by protected people
- Goods and services directly provided to protected people

→ This is consistent with ESSPROS Manual (§ 17, 18 and 23-32)

ISPA: SOCIAL BENEFITS AND FUNCTION 'EDUCATION' (1)

European System of Accounts ESA95 defines **Social benefits (D.6)** as: *“Transfers to households, in cash or in kind, intended to relieve them from the financial burden of a number of risks or needs, made through collectively organized schemes, or outside such schemes by government units and NPISHs; they include payments from general government to producers which individually benefit households and which are made in the context of social risks or needs.” (4.83)*

and also states that: *“For the goods and services provided by government units, the borderline between individual and collective goods and services is drawn on the basis of the Classification of the Functions of Government (COFOG).” (3.85)*

→As 'Education' is an individual function, expenditures like fellowships should be included in Social benefits, nevertheless, the amounts of Social benefits in cash are the same in National Accounts, in ISPA and in ESSPROS. Why?

ISPA: SOCIAL BENEFITS AND FUNCTIONS 'EDUCATION' (2)

There are two reasons why the Expenditures included in the function 'Education' do not interfere with the compliance between ESA and Italian Social Protection Accounts or ESSPROS:

1) We classify educational expenditures in cash like fellowships as **D.75 - Miscellaneous current transfers**.

→ This seems not to be in contrast with the definitions of the four sub-headings of the heading **D.62 - Social transfers other than social transfers in kind**.

2) Goods and services related to function 'Education' are directly provided to protected people by general government, therefore they are included in **P31 - Production of individual goods and services**. Because of the accounts are elaborated simultaneously, we extract from P31 only the expenditures related to individual COFOG functions 7.1-7.4 and 10.1-10.7.

ISPA: TABLES

Italian social protection accounts tables are built by splitting social protection interventions by:

Provider	Sector of intervention
<ul style="list-style-type: none">- General Government (S.13)- Total Economy (S.1)	<ul style="list-style-type: none">- Social Security- Social Assistance- Health Care (only S.13)- Social Protection

and, for each provider and each sector of intervention, by splitting social benefits by functions and by type.

→7 Tables for Consolidated Economic Accounts

→2 Tables for Social Benefits by type and by function for each year

Example 1: Social Protection Accounts (S1) – years 2009-2012

Example 2: Social Benefits by type and by function (S.1) – year 2011

ISPA: ACCOUNTING STRUCTURE

Example 1: Social Protection Accounts – Total Economy (Receipts)

Conto economico consolidato della Protezione sociale - Totale Istituzioni (*) (in milioni di Euro)

VOCI	2009	2010	2011	2012
ENTRATE				
CONTRIBUTI SOCIALI	245.182	247.350	250.860	251.387
Dei datori di lavoro	175.379	177.498	180.709	180.186
Effettivi	162.175	163.802	166.386	165.879
Figurativi	13.204	13.696	14.323	14.307
Dei lavoratori	69.326	69.338	69.637	70.688
Dipendenti	40.527	39.990	39.372	39.942
Indipendenti	28.799	29.348	30.265	30.746
Dei non occupati	477	514	514	513
CONTRIBUZIONI DIVERSE	200.290	216.045	217.546	222.974
Amministrazione centrale	144.114	159.368	160.347	168.085
Amministrazione locale	53.000	53.585	54.011	51.907
Enti di previdenza	-	-	-	-
Imprese	2.440	2.294	2.394	2.276
Famiglie	736	798	794	706
REDDITI DA CAPITALE	1.097	1.060	1.138	1.238
ALTRE ENTRATE	3.043	3.187	3.277	3.245
TOTALE ENTRATE CORRENTI	449.612	467.642	472.821	478.844

(*) Social Protection Accounts are compiled according to European System of integrated Social PROtection Statistics (ESSPROS) and European System of Accounts (ESA95).

Example 1: Social Protection Accounts – Total Institutions (Expenditures)

USCITE	2009	2010	2011	2012
PRESTAZIONI	432.690	443.841	449.101	454.988
Prestazioni sociali in denaro	316.256	324.514	330.561	337.944
Prestazioni sociali in natura	116.434	119.327	118.540	117.044
- corrispondenti a beni e servizi prodotti da produttori market	48.599	49.658	49.174	47.716
- corrispondenti a servizi prodotti da produttori non market:	67.835	69.669	69.366	69.328
Redditi da lavoro dipendente	37.389	38.415	37.377	36.855
Consumi intermedi	28.205	28.894	29.716	30.347
Ammortamenti	2.655	2.829	2.915	2.953
Imposte indirette	2.581	2.598	2.557	2.519
Risultato netto di gestione	297	305	327	325
meno: Produzione servizi vendibili	-3.292	-3.372	-3.526	-3.671
CONTRIBUZIONI DIVERSE	7.489	6.477	6.322	6.306
Amministrazione centrale	5.814	4.858	4.552	4.720
Amministrazione locale	401	392	391	398
Enti di Previdenza	-	-	-	-
Imprese	177	152	171	163
Famiglie	113	110	176	301
Istituzioni sociali varie	984	965	1.032	724
SERVIZI AMMINISTRATIVI	11.985	12.140	11.962	11.980
Redditi da lavoro dipendente	6.533	6.425	6.239	6.117
Consumi intermedi	5.049	5.301	5.309	5.516
Ammortamenti	54	67	78	22
Imposte indirette	380	378	369	360
meno: Produzione servizi vendibili e vendite residuali	-31	-31	-33	-35
ALTRE USCITE	1.739	1.617	1.720	1.685
di cui: interessi passivi	727	551	588	557
TOTALE USCITE CORRENTI	453.903	464.075	469.105	474.959
Saldo	-4.291	3.567	3.716	3.885

Example 2: Social Benefits by function and by type – Year 2011

FUNZIONE E TIPO DI PRESTAZIONE	Eventi, rischi e bisogni								Totale
	Malattia	Invalidità	Famiglia	Vecchiaia	Superstiti	Disoccupa- zione	Abitazione	Esclusione sociale nac	
TOTALE ISTITUZIONI									
SANITA'	103.609	-	-	-	-	-	-	-	103.609
Prestazioni sociali in natura	103.609	-	-	-	-	-	-	-	103.609
Corrisp. a beni e serv. prodotti da prod. market:	40.406	-	-	-	-	-	-	-	40.406
- Farmaci	9.862	-	-	-	-	-	-	-	9.862
- Assistenza medico-generica	6.724	-	-	-	-	-	-	-	6.724
- Assistenza medico-specialistica	4.737	-	-	-	-	-	-	-	4.737
- Assistenza osped. in case di cura private	9.503	-	-	-	-	-	-	-	9.503
- Assistenza protesica e balneotermale	4.113	-	-	-	-	-	-	-	4.113
- Altra assistenza	5.467	-	-	-	-	-	-	-	5.467
Corrisp. a serv. prodotti da prod. non market:	63.203	-	-	-	-	-	-	-	63.203
- Assistenza ospedaliera	49.525	-	-	-	-	-	-	-	49.525
- Altri servizi sanitari	13.678	-	-	-	-	-	-	-	13.678
PREVIDENZA	8.152	7.539	10.247	227.160	41.121	12.734	-	-	306.953
Prestazioni sociali in denaro	8.152	7.539	10.247	227.160	41.121	12.734	-	-	306.953
- Pensioni e rendite	-	7.053	-	196.643	41.121	1.328	-	-	246.145
- Liquidazioni per fine rapporto di lavoro	-	-	-	27.088	-	-	-	-	27.088
- Indennità di malattia, per infortuni e maternità	8.152	-	3.654	-	-	-	-	-	11.806
- Indennità di disoccupazione	-	-	-	-	-	8.485	-	-	8.485
- Assegno di integrazione salariale	-	-	-	-	-	2.921	-	-	2.921
- Assegni familiari	-	-	6.508	-	-	-	-	-	6.508
- Altri sussidi e assegni (a)	-	486	85	3.429	-	-	-	-	4.000
ASSISTENZA	209	18.086	11.493	6.595	396	96	358	1.306	38.539
Prestazioni sociali in denaro	209	16.895	1.435	4.278	366	-	358	67	23.608
- Pensione e assegno sociale	-	-	-	4.142	-	-	-	-	4.142
- Pensioni di guerra	-	475	-	-	312	-	-	-	787
- Prestazioni agli invalidi civili	-	14.594	-	-	-	-	-	-	14.594
- Prestazioni ai non vedenti	-	1.127	-	-	-	-	-	-	1.127
- Prestazioni ai non udenti	-	177	-	-	-	-	-	-	177
- Altri assegni e sussidi	209	522	1.435	136	54	-	358	67	2.781
Prestazioni sociali in natura	-	1.191	10.058	2.317	30	96	-	1.239	14.931
Corrisp. a beni e serv. prodotti da prod. market:	-	766	6.094	1.230	-	-	-	678	8.768
Corrisp. a serv. prodotti da prod. non market:	-	425	3.964	1.087	30	96	-	561	6.163
TOTALE PROTEZIONE SOCIALE	111.970	25.625	21.740	233.755	41.517	12.830	358	1.306	449.101

Social benefits
in kind: 118.540

Social benefits
in cash: 330.561

3. From ISPA to ESSPROS Core System QD

As the definitions adopted in Italian Social Protection Accounts and ESSPROS Core System QD are consistent, and as the structures are similar

→ it is possible to link directly the Social Protection Accounts for Total Economy (S.1) with the ESSPROS Core System QD at 'all schemes' level for some economic flows (Social contributions, Social benefits and other).

At the scheme level, much more elaborations and more detailed sources are needed to fill-in ESSPROS Core System QD.

→ What about the practical links between the two systems?

Links between ISPA/S.1 and ESSPROS QD (Year 2011): Expenditures

			ESSPROS QD	Soc. Prot. Acc.	
			All schemes (1-27)	S.1	Diff. ESS-SPA
E	1000000	Total expenditures	469.105	469.105	-
X	1100000	Social protection benefits	449.101	449.101	-
P	1101000	Non Means-tested	420.642	449.101	-
E	1101100	Cash benefits	314.085	330.561	-358
N	1101110	Periodic	283.028	***	***
D	1101120	Lump sum	31.057	***	***
I	1101200	Benefits in kind	106.557	118.540	358
T	1102000	Means-tested	28.459	***	***
U	1102100	Cash benefits	16.118	***	***
R	1102110	Periodic	15.909	***	***
E	1102120	Lump sum	209	***	***
S	1102200	Benefits in kind	12.341	***	***
	1200000	Administration costs	11.962	11.962	-
	1300000	Transfers to other schemes	59.566	***	***
E	1310000	Social contributions rerouted to other schemes	8.738	***	***
X	1310001	Sickness/Health care benefits	311	***	***
P	1310002	Disability benefits	-	***	***
E	1310003	Old age benefits	-	***	***
N	1310004	Survivors benefits	-	***	***
D	1310005	Family/Children benefits	72	***	***
I	1310006	Unemployment benefits	8.355	***	***
T	1310007	Housing benefits	-	***	***
U	1310008	Social exclusion n.e.c. benefits	-	***	***
R	1320000	Other transfers to other resident schemes	50.828	***	***
E	1400000	Other expenditure	8.042	8.042	-
S	1410000	Property income	-	***	***
	1420000	Other	8.042	8.042	-

*** Details available only in ESSPROS QD

Links between SPA/S.1 and ESSPROS QD (Year 2011): Receipts 1

			ESSPROS QD	Soc. Prot. Acc.	
			All schemes (1-27)	S.1	Diff. ESS-SPA
R	2000000	Total receipts	472.821	472.821	-
E	2100000	Social contributions	250.860	250.860	-
C	2110000	Employers' social contributions	180.709	180.709	-
E	2110100	Actual	166.386	166.386	-
I	2110101	Corporations	110.986	***	***
P	2110102	Central government	29.895	***	***
T	2110103	State and local government	15.780	***	***
S	2110104	Social security funds	640	***	***
	2110105	Households	8.138	***	***
	2110106	Non-profit institutions serving households	947	***	***
R	2110107	Rest of the World	-	***	***
E	2110200	Imputed	14.323	14.323	-
C	2110201	Corporations	9.583	***	***
E	2110202	Central government	2.260	***	***
I	2110203	State and local government	1.329	***	***
P	2110204	Social security funds	673	***	***
T	2110205	Households	472	***	***
S	2110206	Non-profit institutions serving households	6	***	***
	2110207	Rest of the World	-	***	***
	2120000	Social contributions by the protected persons	70.151	70.151	-
R	2121000	Employees	39.372	39.372	-
E	2121005	Households	39.372	39.372	-
C	2121007	Rest of the World	-		
E	2122000	Self-employed	30.265	30.265	-
I	2122005	Households	30.265	30.265	-
P	2122007	Rest of the World	-		
T	2123000	Pensioners and other	514	514	-
S	2123005	Households	514	514	-
	2123007	Rest of the World	-		

*** Details existing in National Accounts but not in Social Protection Accounts

Links between SPA/S.1 and ESSPROS QD (Year 2011): Receipts 2

			ESSPROS QD	Soc. Prot. Acc.	
			All schemes (1-27)	S.1	Diff. ESS-SPA
R E C E I P T S	2200000	General government contributions	214.358	214.358	-
	2210000	Earmarked taxes	-	-	-
	2210002	Central government	-	-	-
	2210003	State and local government	-	-	-
	2210004	Social security funds	-	-	-
	2220000	General revenue	214.358	214.358	-
	2220002	Central government	160.347	160.347	-
	2220003	State and local government	54.011	54.011	-
	2220004	Social security funds	-	-	-
	2300000	Transfers from other schemes	59.566	***	***
R E C E I P T S	2310000	Social contributions rerouted from other schemes	8.738	***	***
	2310005	Households	8.738	***	***
	2310007	Rest of the World	-	***	***
	2320000	Other transfers from other resident schemes	50.828	***	***
	2400000	Other receipts	7.603	7.603	-
	2410000	Property income	1.138	1.138	-
	2410001	Corporations	1.138	1.138	-
	2410002	Central government	-	-	-
	2410003	State and local government	-	-	-
	2410004	Social security funds	-	-	-
R E C E I P T S	2410005	Households	-	-	-
	2410006	Non-profit institutions serving households	-	-	-
	2410007	Rest of the World	-	-	-
	2420000	Other	6.465	6.465	-
	2420001	Corporations	2.422	***	***
	2420002	Central government	-	***	***
	2420003	State and local government	3.249	***	***
	2420004	Social security funds	-	-	-
	2420005	Households	794	794	-
	2420006	Non-profit institutions serving households	-	-	-
R E C E I P T S	2420007	Rest of the World	-	-	-

4. Links between ESSPROS and S.13 Accounts

The Italian Social Protection Accounts include some tables related only to the S.13 institutional sector of ESA95.

They comply with the General Government National Accounts.

It is possible to limit the ESSPROS Core System QD to the only schemes related to General Government so that it is possible to extract a sub-QD for S.13 sector.

Unfortunately, you can't do that through the five criteria provided by ESSPROS:

1. Decision-making
2. Legal Enforcement
3. Establishment of entitlements
4. Scope
5. Level of protection

→ How to distinguish public and private schemes?

Public or private schemes?

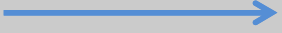

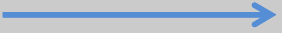





CRITERION	SCHEMES																										
	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
Central government scheme and Social Security			x	x	x	x	x	x	x	x	x	x	x	x	x	x	x						x	x			x
State/local government scheme	x	x																							x		
Contractual employees scheme																		x	x	x	x	x					
Non-contractual employees scheme																											
Other not Government controlled scheme																										x	
Compulsory scheme	x	x	x	x	x		x	x	x	x	x	x		x	x	x	x	x		x			x	x	x		x
Scheme available by law						x							x														
Other non-compulsory scheme																				x		x	x				x
Contributory scheme	x		x	x	x	x	x		x	x	x	x	x	x	x	x	x	x	x	x	x	x					x
Non-contributory scheme		x						x															x	x	x	x	
Universal scheme	x	x																					x	x	x	x	
General scheme			x				x	x						x													x
Special for public servants scheme				x																							
Special for self-employed scheme										x																	
Other occupational scheme					x	x			x		x	x				x	x	x	x	x	x	x					
Other scheme													x		x												
Basic scheme	x	x	x	x	x		x	x	x	x	x	x		x	x	x	x	x		x			x	x	x	x	x
Supplementary scheme						x							x						x		x	x					

PRIVATE SCHEMES

Links between ESA institutional units and ESSPROS schemes

Units involved as 'employers' 

Units involved as 'runners' / 'managers' 

ESA95 Sector/Sub-sector		ESSPROS Italian Schemes
S.11 + S.12		18, 19
S.12		22
S.13		20, 21
S.13.11 (Central Gov.)		24
S.13.13 (Local Gov.)		25
S.13.11 + S.13.13		1 (not active), 2
S.13.14 (SSF)		3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 23, 27
S.15		26

PUBLIC SCHEMES

Links between ISPA S.13/COFOG and ESSPROS QD: Benefits

SICKNESS		ESSPROS QD	ISPA S.13/COFOG	Diff. ESS-SPA
1110000	Social protection benefits	111.656,00	111.970	-314
	Cash benefits (NMT+MT)	8.361,00	8.361	0
	Benefits in kind (NMT+MT)	103.295,00	103.609	-314
DISABILITY				
1120000	Social protection benefits	25.939,00	25.625	314
	Cash benefits (NMT+MT)	24.434,00	24.434	0
	Benefits in kind (NMT+MT)	1.505,00	1.191	314
OLD AGE				
1130000	Social protection benefits	233.904,00	233.755	149
	Cash benefits (NMT+MT)	231.438,00	231.438	0
	Benefits in kind (NMT+MT)	2.466,00	2.317	149
SURVIVORS				
1140000	Social protection benefits	41.517,00	41.517	0
	Cash benefits (NMT+MT)	41.487,00	41.487	0
	Benefits in kind (NMT+MT)	30,00	30	0
FAMILY/CHILDREN				
1150000	Social protection benefits	21.740,00	21.740	0
	Cash benefits (NMT+MT)	11.682,00	11.682	0
	Benefits in kind (NMT+MT)	10.058,00	10.058	0
UNEMPLOYMENT				
1160000	Social protection benefits	12.830,00	12.830	0
	Cash benefits (NMT+MT)	12.734,00	12.734	0
	Benefits in kind (NMT+MT)	96,00	96	0
HOUSING				
1170000	Social protection benefits	358,00	0,00	358
	Cash benefits (NMT+MT)	*****	358	-358
	Benefits in kind (NMT+MT)	358,00	-	358
SOCIAL EXCLUSION N.E.C.				
1170000	Social protection benefits	1.157,00	1.306,00	-149
	Cash benefits (NMT+MT)	67,00	67	0
	Benefits in kind (NMT+MT)	1.090,00	1.239	-149

2

3

1

3

EU Regulations

EU Regulation	Timeliness (N)	Dissemination (N)
ESA95 / ESA2010		
Table 2: Main aggregates general gov. (2 rel.)	1Mar/Sept N+1: time lag 2/9m	Apr/Oct N+1: time lag 3/10m
Table 8: Non-financial accounts by sector	Sept N+1: time lag 9m	Oct N+1: time lag 10m
Table 9: Detailed tax receipts by sector	Sept N+1: time lag 9m	Oct N+1: time lag 10m
Table 11: General gov. expenditure by function	Dec N+1: time lag 12m	Jan N+2: time lag 13m
ESSPROS		
Core System: Quantitative Data	June N+2: time lag 18m	Oct N+2: time lag 22m
NATIONAL RELEASES		
National Accounts (2 releases)	1Mar/Sept N+1: time lag 2/9m	1Mar/1Oct N+1: time lag 2/9m
Social Protection Accounts (2 releases)	Mar/Oct N+1: time lag 3/10m	Apr/Nov N+1: time lag 4/11m

→ As ESSPROS QD is disseminated in October/November N+1 it is consistent only with the release of National Accounts disseminated in April N+1, so it cannot be consistent with COFOG, disseminated in January N+2.

**THANK YOU
VERY MUCH**