

**Documentation of statistics for
Expenditures for Social Protection 2016**

1 Introduction

The purpose of the statistics on social protection expenditure is to provide an overall and cohesive description of social protection expenditure in the broadest sense of the term in the different EU Member States. It must be emphasized that not all items of social expenditure in the statistics on social protection expenditure are payable through public funds. The decisive criterion is that they are collective and compulsory, e.g. compulsory but private pension schemes are included in the statistics. Similarly, different compulsory expenditure paid by employers to national health insurance, etc. are included. Social expenditure statistics were originally established in the 1940s to meet the needs of the Nordic Ministers of Social Affairs in analysing the development in social expenditure and recipients of social benefits. This led to collaboration between the Nordic countries regarding comparative Nordic social statistics. A result of this is the annual publication Social Protection in the Nordic Countries.

Since 1972 the statistics are mainly set up to comply with EU's needs. EUROSTAT has developed common guidelines for comparable statistics in the field of ESSPROS (European system of integrated social protection statistics). A result of this work was ESSPROS manuals from 1981 and 1996, where the latter has been used in the statistics from 1994 onwards. The 1996 manual was slightly revised in 2008. So far there have not been legal acts in this field but in April 2007 a Council Regulation was passed.

In 2012 the Danish statistics were subjected to adjustments as from the survey year 2011. The purpose of the adjustments was, e.g. to enhance the comparability of the statistics to the statistics on public finance, which comply with the principles applied in the Danish national accounts. Another purpose was to make the statistics easier to understand in relation to other statistics as well as enhancing the documentation of the statistics with regard to the underlying accounting sources.

2 Statistical presentation

The statistic gives a coherent description of social costs from public as well as private intervention in order to relieve the burden connected with illness, invalidity, recreation, old age, unemployment, families and housing.

The concept of social measures (social benefits) is defined in a broad sense. The concept embraces payments in cash, coverage of expenditure paid and delivery of goods and services. It is not essential whether the benefits are provided under the auspices of private or public bodies.

2.1 Data description

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For practical reasons, some types of less unintended forms of assistance, which do not require regular accounting (e.g. Christmas collections, ad hoc humanitarian assistance and relief aid) and not covered by the definition of social measures. Social protection in the broadest sense of the term covers all types of public or private intervention within a range of functions, e.g. sickness, disability, rehabilitation, old age, survivors, unemployment, employment and housing. In a Danish context, the European statistics also cover policies with regard to health, employment and housing whereas, education is not covered, unless it is part of social assistance to needy families with children.

The statistics:

- Cover all social benefits in a broad sense and the financing of these,
- Intended for enabling international comparisons,
- Are harmonized with other statistics - especially the most important concepts applied in the National Accounts.

In accordance with the ESSPROS manual, social benefits cover all types of public and private measures, alleviating the financial burden of private individuals or households in connection with a range of socially related risks or needs on the assumption that there is not a simultaneous form of trade-off or an individual scheme. Payment of social benefits is effected through collectively schemes organized by the government and/or implemented through collective agreements. In this context, all schemes exclusively based on individual agreements or in the case of simultaneously mutual agreements are not regarded as social protection. It is essential for inclusion in the statistics that there is no compulsory trade-off in connection with the measure, e.g. an interest-bearing loan, which is to counterbalance a social event, not included as a social measure as the recipient has, in return, to effect a financial consideration. Subsequently, if a simultaneous financial consideration is not to be effected, the expenditure is classified as a social measure. In practice, a scheme is classified as a social measure, when an act or other public regulations have decided that certain population groups are obliged to participate in a specific insurance scheme or where employees and their relatives are insured as a direct consequence of collective agreements or mutual agreements.

Social protection statistics have as their starting point the public accounts for central and local government. This is supplemented by information from the financial items in the National Accounts and statistics on absence compiled by Statistics Denmark. Social protection statistics comprise social expenditure on social benefits and administration of the schemes as well as the receipts of these schemes. The statistics show expenditure at a detailed level within each of the eight functions or primary purposes (Sickness/health care, Disability, Old age, Survivors, Family/children, Unemployment and Employment, Housing and Social exclusion not elsewhere classified). There is also a distinction between cash benefits and benefits in kind.

2.2 Classification system

Eurostats ESSPROS Classification.

1. **Sickness/health care:** Income maintenance and support in cash or kind intended to maintain the citizen's loss of income in connection with sickness and to restore or improve the health of the people protected irrespective of the origin of the disorder. In Denmark the function covers national health insurance service, incl. school and children's dental services and home nurses; sickness benefits paid by local governments; employers' estimated expenditure on unemployment benefits; hospital and health services; preventive public health service incl. maternity service and medical checks of children.
2. **Disability:** Income maintenance and support in cash or kind (except health care) in connection with the inability of physically and mentally disabled people to engage in economic and social activities. In Denmark the function covers, e.g. early retirement pensioners, maximum and intermediate early retirement pension; welfare services for the disabled; rehabilitation; assistance for the care of disabled children or adults in their own home; occupational injury insurance; institutions, home help for the disabled; support for aids for the disabled.
3. **Old age:** Income maintenance and support in cash or kind (except health care) in connection with old age. In Denmark the function covers, e.g. old age pension, partial pension; supplementary labour market pension (abbreviated ATP), civil servants' pension; pension funds; early retirement pay; nursing homes for pensioners; day institutions and other welfare work; home help, support for aids for the elderly. Private pensions are registered on a net basis, i.e. after deductions of social contributions.
4. **Survivors:** Income maintenance and support in cash or kind in connection with the death of a family member. In Denmark the function covers, e.g. funeral help and certain insurance companies.
5. **Family/children:** Support in cash or kind (except health care) related to families with children. In Denmark the function covers, e.g. maternity benefits, family allowance, child benefits, advance payments of child maintenance, day and residential institutions for children and young people and measures intended for preventing the placement of children outside their family home.
6. **Unemployment and employment:** Income maintenance and support in cash or kind in connection with unemployment. In Denmark the function covers, e.g. unemployment benefits, recipients of cash benefits participating in job training programs, compensation for loss of income during education/retraining provided by the central government, job-creation measures and job centers.
7. **Housing:** Help towards the cost of housing. In Denmark the function covers ordinary rent subsidies and rent allowance.
8. **Social exclusion not elsewhere classified:** Benefits in cash or kind (except health care) specifically intended to combat social exclusion and where the persons concerned are not covered by one of the above-mentioned functions. In Denmark the function covers, e.g. social assistance in accordance with the Danish Social Assistance Act, including help to refugees, various integration efforts, the Employees' Guarantee Fund, institutions for the homeless and treatment of alcohol and drug abuse.

2.3 Sector coverage

General Government and part of the financial sector.

2.4 Statistical concepts and definitions

Social protection: The statistic use concepts defined in the ESSPROS Classification (European System of integrated Social PROtection Statistics) by the European Statistical Office Eurostat.

Social expenditures is defined as transfers in cash or in nature according to social protection schemes with the purpose to relieve the burden for households and individuals.

Social protection comprises all public or private intervention with the purpose to relieve the burden for households and individuals in case of illness, old age and other risks. The list over risks or needs covered by this statistic is per convention the following: illness/health, invalidity, old age, survivors, families, unemployment, housing and social exclusion.

2.5 Statistical unit

Institutional sectors.

2.6 Statistical population

The population is all accounts in the books for General Government

2.7 Reference area

Denmark.

2.8 Time coverage

2007 and on (after reorganization of the statistics) 1996-2010 (before reorganization)

2.9 Base period

Not relevant for these statistics.

2.10 Unit of measure

Mill. DKK

2.11 Reference period

Expenditure and receipts in the calendar year according to the accounts of central and local government.

2.12 Frequency of dissemination

Yearly.

2.13 Legal acts and other agreements

The information is collected in accordance with the Act on Statistics Denmark, cf. section 6 of Act no. 599 of 22nd June 2000 with amendments in accordance with Act no. 431 of 6th June 2005.

Council Regulation (EC) No. 458/2007 of 25 April 2007. Commission Regulations No. 1332/2007 of 12 November 2007 and No. 10/2008 of 8 January 2008.

2.14 Cost and burden

There is no response burden as the primary data are already available at Statistics Denmark.

2.15 Comment

Please contact Statistics Denmark for further information.

3 Statistical processing

Not relevant for these statistics.

3.1 Source data

Data are extracted from Statistics Denmark's accounts for the public sector: The database DIOR (Database for integrated public accounts). This is supplemented by information from the financial items in the National Accounts and the statistics on absence compiled by Statistics Denmark.

3.2 Frequency of data collection

Yearly.

3.3 Data collection

Register data.

3.4 Data validation

Data is validated by looking at developments over time and compared to last year. Information is sought for in order to validate in case of unexpected developments.

3.5 Data compilation

Data from the financial accounts are weighted according to former calculations.

3.6 Adjustment

Not relevant for these statistics.

4 Relevance

Data is in big demand from international organisations.

4.1 User Needs

The national users are, e.g. the Ministry of Social Affairs and Intergration, municipalities, regions, private companies and the media, while the primary international users are Eurostat and NOSOSCO.

4.2 User Satisfaction

No national surveys on user satisfaction are carried out.

4.3 Data completeness rate

The statistic follows the international guidelines for the statistic.

5 Accuracy and reliability

Complete coverage. In accordance with the ESSPROS classification, all items of expenditure are covered.

Inaccuracy: High reliability as the primary data are based on final accounts. However, there is a greater inaccuracy associated with the figures at the more detailed level. In connection with the reorganization of the statistics there have been many improvements and work is ongoing to improve the uncertainty of the statistical information at the most detailed level.

Errors are not calculated.

5.1 Overall accuracy

The overall reliability is considered high, as the primary data are from registers, which contain most of the data regarding the final accounts. Furthermore, the statistics are subject to a thorough data editing.

5.2 Sampling error

Not relevant for these statistics.

5.3 Non-sampling error

There is a risk of mistakes and errors in the coding of national accounts. Furthermore there can be social expenditures not known or without available data.

5.4 Quality management

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.

5.5 Quality assurance

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.

5.6 Quality assessment

Quality is expected to be good as it is data from registers.

5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the [Revision Policy for Statistics Denmark](#). The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

5.8 Data revision practice

Provisional statistics.

6 Timeliness and punctuality

High.

6.1 Timeliness and time lag - final results

Figures are published approximately 9 months after the end of the calendar year.

6.2 Punctuality

The statistics are usually published without delay in relation to the scheduled date.

7 Comparability

The statistic was reorganized in 2012 and the revised data goes back to 2007 and are not comparable to data before 2007.

7.1 Comparability - geographical

The statistic is regulated by order by the EU and published by Eurostat. The statistic is internationally comparable with the statistic in other EU-member countries.

7.2 Comparability over time

Figures from 1995 onwards are available from the database StatBank Denmark. However, as from 2011 there is a break in the series. This break is documented in the publication "Statistiske Efterretninger 2012:8" (Statistical News) and in Statistics Denmark's working paper entitled

"The Danish ESSPROS statistics 2012", which can be extracted from <https://www.dst.dk/esspros> under documentation.

The level of detail of the statistical information enhances the difficulty of comparing figures over time, since many Acts are amended and cause changes to the individual benefits.

As part of the municipal reform 2007 the former counties were replaced with new regions. The municipal reform has resulted in many changes in the public accounts.

7.3 Coherence - cross domain

- *Comparability with the National Accounts and public finances:* As the statistics on social expenditure are extracted from the public accounts, together with the statistical coding system of the public sector, comparability with the National Accounts is very reliable as from the 2011 survey. The differences in the statistics are primarily due to conceptual differences between the ESSPROS classification and the concepts applied in the National Accounts, but following the adjustment in 2012 they have been reduced to a minimum. Furthermore, detailed expenditure figures for the municipal accounts are available from the database StatBank Denmark (<http://www.StatBank.dk>) under the subject Public finance.
- *International comparability:* The statistics are compiled in accordance with the ESSPROS classification, which ensures comparability with other EU countries as well as Norway, Iceland and Switzerland.

7.4 Coherence - internal

Not relevant for these statistics.

8 Accessibility and clarity

The statistics are published annually in *News from Statistics Denmark* and *Statistical News*. Furthermore, annual figures are published in *Statistical Yearbook* and *Statistical Ten-Year Review*.

Figures for the period 1995 to 2010 are available in *StatBank Denmark* (<http://www.statBank.dk>) from the following tables:

- *UDG1*: Social expenditure by kind and purpose
- *UDG2*: Social expenditure by purpose and financial arrangements

Figures for the period 2007 onwards (new statistics) are available from the following tables.

- *UDG11*: Social expenditure by kind and purpose
- *UDG12*: Social expenditure by purpose and financial arrangements

Moreover, international comparable figures on *Social Protection Expenditure and Receipts* are available from Eurostat's homepage. The publication *Social Protection in the Nordic countries* is published by NOSOSCO (<http://www.nom-nos.dk>).

8.1 Release calendar

The publication date appears in the release calendar. The date is confirmed in the weeks before.

8.2 Release calendar access

The Release Calendar can be accessed on our English website: [Release Calendar](#).

8.3 User access

Statistics are always published at 8:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published. Theme publications etc. may be published at other times of the day. The National Statistician can decide that such publications may be released before their official publication time, e.g. to the media and other stakeholders.

8.4 News release

Statistic Denmark's website on social costs includes information on this statistic: [ESSPROS emneside](#).

The latest News from Statistics Denmark can be found here: [NYT-udgivelser](#).

8.5 Publications

You can find data on social costs in the Yearbook from Statistics Denmark, and the yearbook as well as other publications can be ordered or downloaded here: [Publikationer fra Danmarks Statistik]<https://www.dst.dk/da/Statistik/Publikationer/VisPub.aspx?cid=17958>).

8.6 On-line database

www.Statbank.dk has two tables on social costs.

8.7 Micro-data access

Annual data sets extracted from the database DIOR are stored in Statistics Denmark.

8.8 Other

Data on social costs are reported annually to Eurostat.

8.9 Confidentiality - policy

Not relevant for these statistics.

8.10 Confidentiality - data treatment

Not relevant for these statistics.

8.11 Documentation on methodology

Files documenting the detailed contents of the statistics and changes over time are accessible at Statistics Denmark, but not in such a manner that they are made available to the public.

The statistic follows the guidelines described in the manual ESSPROS Guidelines.

8.12 Quality documentation

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

9 Contact

The administrative placement of these statistics are in the division of Public Finance. The person responsible is Lene Jendresen, tel. +45 39 17 34 61, e-mail: len@dst.dk

9.1 Contact organisation

Statistics Denmark

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