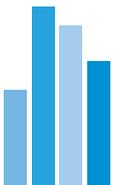


Difference between ESSPROS and SOCX

Jesper Feddersen



ESSPROS and SOCX

- ESSPROS is the **E**uropean **S**ystem of integrated **S**ocial **P**ROtection **S**tatistics
- SOCX is the OECD Social Expenditure database
- Both statistical systems starts by defining social protection or social domain
- Both are satellite accounts of System of National Accounts (SNA)
- ESSPROS is a satellite account of European System of National accounts (ESA) which is based on the SNA
- SOCX is broadly compatible with ESSPROS



ESSPROS and SOCX

- The same main criteria in SOCX and ESSPROS for an expenditure item to be classified as social
- In SOCX it is:
 - Benefits have to be intended to address one or more social purposes (risk and needs)
 - Programmes (schemes) regulating the provision of benefits have to involve either a) inter-personal redistribution or b) compulsory participation
- The definitions of social expenditure that are used by SOCX and ESSPROS are similar, but there are differences in coverage and organization (risk and needs)



Differences between ESSPROS and SOCX

- Compared to SOCX, ESSPROS is wider as ESSPROS also includes information on financing of social expenditure
- The scope of ESSPROS is narrower than that of SOCX as it focusses on support that can be allocated to individuals and, consequently, it does not include all spending on public health expenditures or active labour market programmes. For example, ESSPROS does not include spending on investment in medical facilities, preventive health initiatives as anti_smoking campaigns, and health education and training more generally
- ESSPROS has 8 functions (risk and needs) where SOCX has 9 (SOCX includes active labour market programmes)



Differences between ESSPROS and SOCX

- SOCX does not include administrative costs
 - except under active labour market programmes, childcare services and public expenditure on health
 - Administration costs are not reported in the functions in ESSPROS but as total for all the functions
- SOCX and ESSPROS both include capital transfers
- In SOCX social expenditures are divided into:
 - Public programmes
 - Mandatory private programmes
 - Voluntary private programmes
 - In ESSPROS there are no distinction between public and private schemes in the dissemination (in principle it could be done as it is reported to ESSPROS)



Differences between ESSPROS and SOCX

- Active labour market programmes are not a function in ESSPROS
 - Some expenditure of active labour market programmes are reported under unemployment in ESSPROS, but the definition is more narrower than in SOCX. For instance, government subsidies towards the cost of employment of previously unemployed persons are not included in ESSPROS
- In SOCX childcare and pre-primary education for children aged 0-5 is included in SOCX under Family.
 - In ESSPROS childcare and pre-primary education is included under family, regardless of age.
 - In some countries, children enter primary school at age 7, while the 6-year-olds attend pre-primary school the year before. Those 6-year-olds will not be included in SOCX under family but in ESSPROS they will be included under family.
 - Similarly, for countries where children enter primary school at age 5, those 5 year olds will be included under family in SOCX but would not be recorded in ESSPROS, as it would be considered education.



From ESSPROS to SOCX: a brief overview

ESSPROS		SOCX
1. Sickness/Health care cash	->	3. Incapacity
services	- - - - -	4. Health (OECD Health data)
2. Disability	->	(! LTC overlap for NOR DNK ISL JPN SIW GER no LTC overlap for AUS FIN FRA HUN NLD & ESP)
Economic integration of the handicapped	- - - - -	
3. Old age	->	1. Old age
4. Survivors	->	2. Survivors
5. Family/children	->	5. Family
		Child care (pre-primary education from OECD Education database)
6. Unemployment cash	->	7. Unemployment
Vocational training allowance	- - - - -	
services	- - - - -	
7. Housing	->	8. Housing
8. Social exclusion	->	9. Other social policy areas
		6. ALMPs (OECD LMP database)



Bridgetables between ESSPROS and SOCX

2009		Million of DKR
ESSPROS total		538.941
ESSPROS Disability	-	14.435
ESSPROS Sickness, in kind	-	106.222
ESSPROS Unemployment		
-- In cash - Vocational allowance	-	18.764
-- In kind	-	1.482
SOCX Health	+	128.120
SOCX Family service	+	-4.593
SOCX Active labour market programme	+	26.896
ESSPROS Schemes 03	-	3.957
ESSPROS Schemes 11	-	18.528
ESSPROS Schemes 12	-	16.816
ESSPROS Schemes 13	-	5.575
SOCX Health voluntary private insurance benefit in kind		3.285
SOCX PUBLIC SOCIAL EXPENDITURE		503.585