

# EU-ISRAEL TWINNING PROJECT

## Activity A.9 - Preliminary debriefing

Improve data scope and quality of welfare accounts (expenses and financing of welfare measures)

Jerusalem, 13-16 January 2014





## Mandatory results

**Mandatory result MR5:** Definition of indicators on the provision of welfare services

**Benchmarking of MR5 :** Indicators on provision of welfare services prepared by 6<sup>th</sup> project quarter

**Mandatory result MR6:** Definition of the structure of a satellite account on welfare, presenting expenditure and financing of welfare by sector

**Benchmarking of MR6:** Structure of satellite accounts on welfare (ESSPROS) defined by 6<sup>th</sup> project quarter



## Purpose and expected output of A.9

### Purpose

The subjects of the A.9 activity are

- Assessment of the present situation
- Identification of problems and how to solve these
- Presentation of the EU/ESSPROS standard and the development of satellite accounts on social protection
- Analysis of possible data sources, especially as regards private households and enterprises participating in the production of welfare services/social protection services.



## Assessment of the current situation

- The share of the welfare services provided and financed by the private sector is big and increasing in Israel
- The Government part of the existing statistics is well-covered
- The fundamental principles of the statistical manuals are very well understood
- The current statistical treatment of the basic material (COFOG coding etc.) done in the ICBS is well-organized
- The reporting to OECD (the SOCX reporting) by Israel is adequate
- Many interested parties/partners and potential data sources concerning further development of the system



## Identification of problems (challenges)

- Some need for harmonization of definitions – or rather the interpretation/understanding of the definitions – between ICBS and its partners
- Coverage of the welfare statistics is basically OK, according to international standards and requirements...
- ... but a "satellite account" could include additional information
  - Welfare services not organized through collective schemes by government and/or collective agreements - first of all the private sector
  - Physical information - employees by type, beneficiaries (clients) by type



## Solutions

- Joint working group / coordination forum in Israel on definitions, methodology, and data sources
- SNA provides recommendations regarding supplementary information for welfare satellite accounts, in particular regarding non-monetary information
- ESSPROS (Eurostat) methodology is consistent with the SOCX reporting, but more comprehensive (expenses as well as financing)
  - Breakdown of sectors and beneficiaries (clients)
- Possible experience with satellite accounts on welfare from other countries (Sweden, the Netherlands) or organisations (Eurostat, OECD) could be asked for



## Data sources - known

DIMENSION	Expenditure	Income (financing)	Type of employees	Type of beneficiaries
SECTOR				
Business	Trade & Services survey (CBS)	Trade & Services survey (CBS) SOCX (CBS, MoF)	LFS Business Register	HES (CBS)
Government (Central, Local, Gov. NPIs, NII)	SOCX (CBS, MoF)	SOCX (CBS, MoF)	LFS	HES (CBS)
Private NPIs	NPI survey (CBS)	NPI survey (CBS)	NPI survey (CBS) LFS (CBS) Hebrew University	HES (CBS)
Household	HES (CBS)	HES (CBS)		HES (CBS)



## General recommendations

- The definitions should be very clear, and the joint co-operation forum is highly recommended
- Data-sharing should be optimized, but use of many data sources could increase the risk of double- or under-counting considerably
- The future dissemination of the welfare accounts should be carefully considered to avoid misunderstanding of the concept of welfare – in particular, the correspondance to the health accounts
- The ESSPROSS manual is (also) a good reference:

<http://ec.europa.eu/eurostat/ramon/statmanuals/files/KS-RA-07-027-EN.pdf>





# EU-Israel Twinning Project

**Thank you!**

