Social protection systems in the EU: financing arrangements and the effectiveness and efficiency of resource allocation

Report jointly prepared by the Social Protection Committee and the European Commission Services

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Key Messages

1. **Social protection is an integral part of the functioning of highly inclusive, high performance and high employment social market economies.** The high priority given to social protection in the European Union is reflected in high levels of social spending in most Member States, with an average of almost 30% of GDP spent on social protection. Well-designed social protection systems thereby combine the interrelated objectives of protection, stabilisation, and social investment in a balanced way.

2. **The imperative of consolidating public finances that results from the crisis now adds to the pressure from demographic ageing on social protection systems**, which will have to deliver adequate benefits and services to a rising number of older people while the working-age population is shrinking.

3. **For the recovery, it is crucial to develop reform strategies that help secure that inclusive economic growth is underpinned by adequate and sustainable social protection systems.** This requires that Member States should seek to raise the effectiveness and efficiency of their systems, including through social investment, which can be beneficial for people of all ages and reduce their need to rely on social protection in the longer run.

4. **Modern social protection policies should support the development and deployment of skills and competences that are key for future growth and competitiveness in a knowledge-based society.** Adequate access to benefits and care services and a more prominent role for prevention and activation measures will help enhance, mobilise and maintain labour force potentials, thereby enabling more people to participate actively in the society and the economy and achieve a good livelihood.

5. **Social protection systems must cover the needs of all age groups in a future oriented way**. The use of social budgets should reflect the life course approach and recognise that adequate social protection in old age depends on investments in a well-educated, healthy and highly productive workforce.

6. **A broadened evidence base is needed for a comprehensive assessment of the functionning of social protection systems.** Progress in the assessment of the financing structure, the effectiveness and efficiency, and the social investment orientation of social protection systems in a current and forward looking perspective is crucial for more informed policy making. This report provides a first step towards a systematic and comparative assessment of the financing, effectiveness and efficiency of social policies in the European Union.

7. **The assessment of social protection should take account of the multi-dimensional processes that lead to social outcomes.** Highly complex in nature, social protection systems consist of a wide range of schemes and policy instruments that follow different and sometimes conflicting objectives. This calls for a broad approach that goes beyond single indicators and explicitly accounts for the multiple objectives of social protection policies and the related social and employment outcomes.

8. **A comparative approach can help identify social challenges at the macro level.** Based on the available pool of EU social indicators, a stylised framework is introduced to shift the monitoring focus from the isolated analysis of specific social protection outcomes towards the assessment of potential trade-offs between different social policy areas, as well as a more integrated approach towards the interplay of fiscal, economic, employment and social policies.

9. **The suggested framework could complement the existing social monitoring instruments at EU level.** The comprehensive illustration of key characteristics of social protection systems in the country overviews could be integrated in the EU social monitoring framework, and in particular in the Joint Assessment Framework. In line with the joint EMCO-SPC opinion on the mid-term review of the EU 2020 Strategy, the SPC-ISG is invited to develop concrete proposals for such integration and more generally for the revision of the EU social assessment instruments in light of the findings of this report.

10. **Evidence from European comparative analysis can identify how social protection arrangements can be made more effective and efficient.** The wide range of existing social protection spending and financing arrangements provides a large repository of different approaches towards the provision of social protection and hence represents an important source for knowledge sharing and mutual learning. An increased transparency and comparability of national social policy arrangements can encourage Member States to look actively for ways of enhancing the effectiveness and efficiency of their systems.

11. **The comparative assessment across Member States needs to be followed up at national and regional levels.** There may be many reasons for why the policies of one country appear less effective or efficient than others. The tool proposed in this report offers a starting point for a deeper analysis of the characteristics of social protection systems and the challenges they are facing. A range of alternative methodologies exist to complement the analysis at the most aggregate level. Generally, EU-level comparisons must be followed up by an in-depth analysis of country-specific circumstances.

Introduction

The functioning of European social market economies is based on comprehensive social protection systems, with the Member States of the European Union (EU) spending on average about 30% of their GDP – or at least half of the public budget – on social protection. Social policies underpin the welfare and well-being of citizens, but they also play an important part in economic performance. Moreover, social protection systems function as automatic stabilizer, particularly in times of economic downturn. In the Lisbon Treaty, EU countries have subscribed to the goal of establishing competitive social market economies that regard social policies as means of securing social justice, social protection and correcting where the market produces negative externalities. Social policies are hence complementary to economic policies, with the investment in human capital and services allowing citizens to participate in the economy and society to their full potential.

Today, social budgets in many Member States face strict constraints as a consequence of the economic crisis, and, as the single biggest budget item, social spending has been a key element in recent consolidation efforts. The provision of adequate social protection is further challenged by demographic changes, with a shrinking working age population and, at the same time, an increased need for pension, health and long term care expenditures for an ageing population. In this context, it is crucial to develop reform strategies that help secure the future adequacy and sustainability of social protection systems in the EU. This means that they must be designed in such a way that they fully achieve their social goals at the lowest possible budgetary costs and in ways that support economic performance, thanks to a strong focus on investment in human capital, strong labour force participation and financing methods that minimise distortions and disincentives which could weaken the economy.

The assessment of efficiency and effectiveness is important to ensure that social policies are able to reach these goals. There are common objectives defined at the EU level, and the usefulness of mutual learning and a certain degree of policy coordination is now widely recognised. The EU countries have agreed in the EU 2020 strategy to aim for reduction in poverty and social exclusion, investment in research and education, and for increasing employment. In order to reach those goals, social protection systems need to be effective, and an assessment of efficiency needs to account for a smooth interaction of different policies. Progress in the assessment of the effectiveness and efficiency of social protection systems therefore needs to build on a broader understanding of social protection objectives, including through a better reflection of the general architecture of social policy and the inter- and intra-generational allocation of resources.

This report has been prepared as a response to the request from the Council to the SPC to work on a report on the financing of the social protection systems.[1] At the same time, the Council has called for more effectiveness and efficiency of social protection policies and of public spending in a series of council conclusions.[2] Further, on a proposal from the Commission, the Council adopted a number of country specific recommendations in July 2013 recommending to Member States improvements of the effectiveness and efficiency of their social protection systems. In order for these recommendations to be implemented they need to be underpinned by clear concepts, definitions and measurement tools.

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[1] See Council conclusions from 17 February 2012.

[2] See Council conclusions "Towards social investment for growth and cohesion from 20-21 June 2013, Council conclusions on the sustainability of public finances in the EU from 12 February 2013, Council conclusions on the Annual Growth Survey and the Joint Employment Report in the context of the European Semester : political guidance on employment and social policies from 22 February 2013.

In response to these requests, this report aims at providing a framework for a comprehensive and comparative assessment of social protection arrangements. Starting from the financing side, chapter 1 describes the structure of social protection receipts in the EU. The overview of social protection financing arrangements in the Member States reveals a considerable heterogeneity in the structure of receipts both across countries and functions, while the time trends point to a certain convergence in the structure of receipts across countries.

Moving from the financing of social protection systems to the spending side, chapter 2 provides an overview of the current structure of social protection spending in the EU, and illustrates the trends in the allocation of social budgets since the turn of the Millennium. The observed diversity in spending levels and in the allocation of budgets across functions and over time provides a large repository of different approaches towards the provision of social protection, which can be compared to the social outcomes in the Member States.

Turning to the observed social outcomes, chapter 3 provides a discussion of effective and efficient social protection in the EU context, and presents alternative ways to measure social protection performance. As attempts to produce rankings of social policy efficiency from country-level data are shown to easily result in misleading conclusions, this report largely refrains from econometric tools, but suggests a more simple, though transparent approach that relies on benchmarking. Applied to four key social protection functions, results are finally combined at the country level for an integrated illustration of the social protection system.

It is important to note that the proposed tool is a descriptive one that does not claim to detect causal relationships or to reflect all relevant and often country-specific factors that shape social outcomes. Rather, the illustration of key features of the social protection system should support a more holistic view on social policies, including the potential trade-offs between different social policy areas and a more integrated approach towards the interplay of fiscal, employment and social policies. The country overviews developed in this report hence constitute a complement to the multi-layer monitoring framework that the SPC has built to assess the performance of social protection systems in its various dimensions.

1. Social protection financing arrangements in the EU

This chapter provides an assessment of the social protection financing arrangements which are in place in the EU.[3] Section 1.1 presents the main datasets on the basis of which a comparative review of the Member States' social protection financing structure can be conducted, and gives a general overview of social protection financing arrangements in the EU. Based on scheme level data from the *European System of integrated Social Protection Statistics* (ESSPROS),[4] section 1.2 provides an assessment of financing structures by social protection function. This is followed by a discussion of recent trends in social protection financing both overall and at function level (section 1.3). Based on the observed heterogeneity in financing arrangements across Member States, section 1.4 then offers a discussion of alternative financing vehicles, their characteristics and suitability for the financing of the major social protection functions.

1.1   Sources of social protection financing in Member States

Comparable data on social protection financing arrangements in the European Union (EU) are mainly available from two data collections, MISSOC and ESSPROS[5]. First, the Mutual Information System on Social Protection (MISSOC) provides biannually updated information on the status and development of social security legislation in the Member States. Of main interest are the comparative tables, which include an overview of the financing principles in the different social protection branches of Member States. This qualitative view on the national social protection systems with a focus on rules and implementing provisions offers potential for exploring the variety of implementation approaches that have led to different outcomes. While MISSOC provides a good starting point for information on basic financing principles, .it has its limitations as it does not provide information on the overall amounts raised for social protection. To do so, MISSOC information would need to be made more comparable, also to allow for estimates of the actual extent of the various provisions. While beyond the scope of this report, which has a strong focus on quantitative assessments, the information available from MISSOC could be exploited further in a more in-depth follow up.

Second, ESSPROS is a common framework developed in the late 1970's by Eurostat and the EU Member States to collect comparable financial data on social benefits and their financing. The ESSPROS core system classifies receipts of social protection schemes by *type* and *origin*, where the type indicates the nature of, or reason for, a payment, while the origin specifies the institutional sector from which the payment is received.[6] The focus in this paper is on the various *types* of social protection receipts, as illustrated by Figure 1.1.

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[3]   There is no universally accepted definition of the scope of social protection, nor does there exist one that suits all purposes (including the compilation of statistics). According to ESSPROS (2012), social protection 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. The list of risks or needs that may give rise to social protection is, by convention, as follows: 1) Sickness/Health care; 2) Disability; 3) Old age; 4) Survivors; 5) Family/children; 6) Unemployment; 7) Housing; 8) Social exclusion not elsewhere classified.

[4]   See also *ESSPROS Manual and User Guidelines*, 2012. European Commission.

[5]   While beyond the scope of this report, Annex 1 presents additional data sources on social protection financing that could be used for follow-up analysis.

[6]   The classifications of the institutional sectors from which the receipts of social protection schemes originate are those used in the national accounts (ESA 95): corporations, central government, state and local government, social security funds, households, non-profit institutions serving households, rest of the world.

Figure 1.1: Classification of receipts of social protection schemes by type
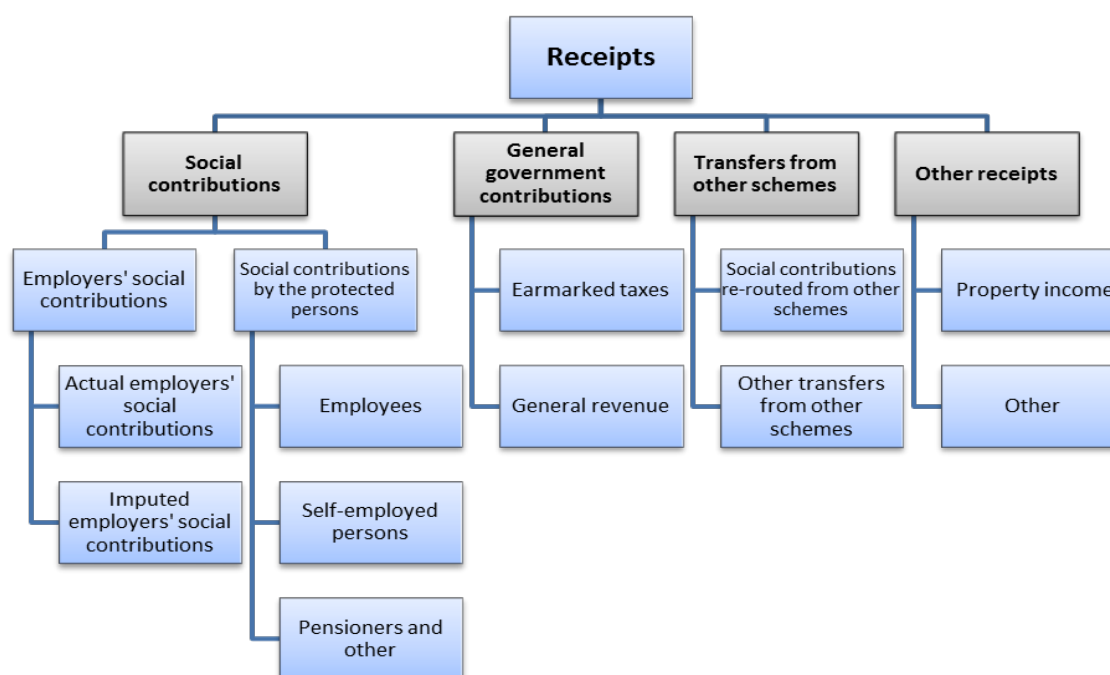
Source: Own representation, based on ESSPROS Manual.

Social protection systems can be financed in two major ways: through social contributions or general government contributions. Social contributions are payments by employers on behalf of their employees or by the protected persons themselves (employees, self-employed persons, retired persons and others) to secure entitlement to social benefits.[7] General government contributions consist of (i) the cost to general government of running government-controlled non-contributory schemes;[8] as well as (ii) financial support provided by general government to other resident social protection schemes,[9] and are broken down into earmarked taxes (the proceeds from taxes and levies which, by law, can be used only to finance social protection) and general revenue (general government contributions from sources other than earmarked taxes). Remaining categories are transfers from other schemes[10] and other receipts,[11] which are not assessed in depth here as they play an only minor role in the financing of social protection in most Member States.

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[7] Accordingly, they can be broken down into two categories: Employers' social contributions are the costs incurred by employers to secure entitlement to social benefits for their employees, former employees and their dependants. Social contributions paid by protected persons are payments made by individuals and households to social protection schemes in order to obtain or keep the right to receive social benefits.

[8] For instance, this includes government expenditure on government-controlled schemes that guarantees a certain minimum income to all residents of the country in question and the cost of providing goods and services to indigent households as a matter of public assistance.

[9] Among others, this category includes unrequited payments made by government to government and not government-controlled social protection schemes to contribute to the cost of benefits provided by these schemes, supporting their administration costs or covering deficits incurred over current or previous accounting periods. Also included here are extraordinary payments by government designed to increase the actuarial reserves of social protection schemes and the proceeds of lotteries which government puts to their use.

[10] Transfers from other schemes refer to unrequited payments received from other social protection schemes. These include (i) re-routed social contributions, which are payments that a social protection scheme makes to another scheme in order to maintain or accrue the rights of its protected people to social protection from the recipient scheme, as well as (ii) other transfers from other schemes.

[11] Other receipts refers to miscellaneous current receipts of social protection schemes. They are broken down into receipts of property income (in practice, it refers mainly to actual interest and dividends) and other (miscellaneous receipts not

Figure 1.2 describes the structure of social protection financing by type of receipt, based on the latest information available from ESSPROS (2011 data). A detailed overview of all presented indicators on the financing structure of social protection systems is provided in Tables A1 and A2 in the Annex.

Figure 1.2: The structure of social protection financing by type of receipt (2011)
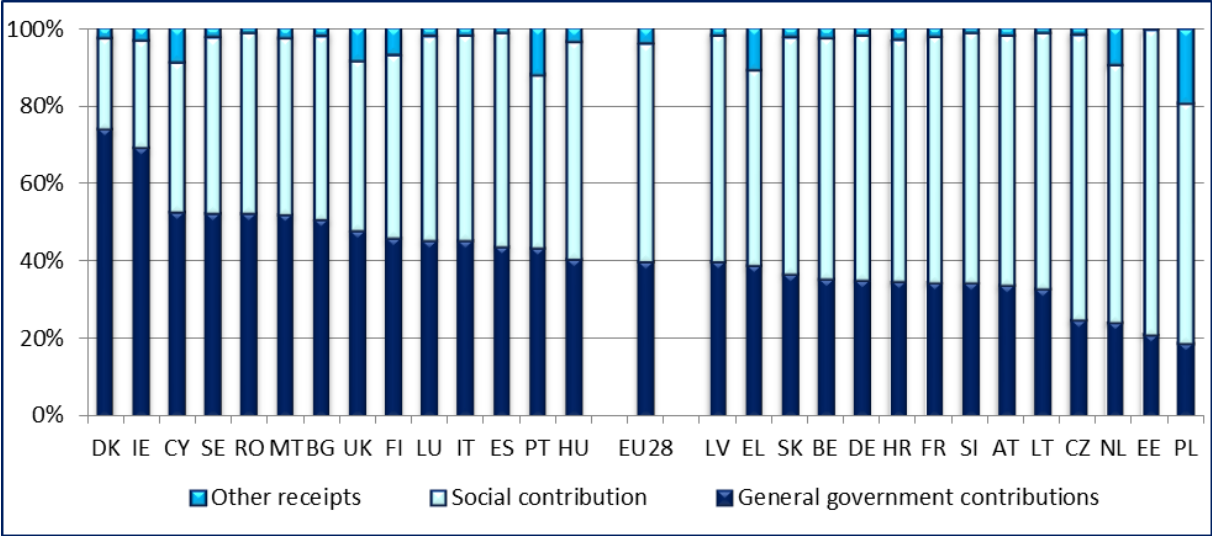
Source: Eurostat, ESSPROS.

In 2011, social contributions accounted on average for 56.2% of all social protection receipts in the EU-28, while general government contributions represented 40.2% of the total. Other receipts account for only 3.7% on average, but do play a more important role in some Member States (above 10% in PL, PT and EL). In general, the EU average masks large national differences in the structure of social protection funding. In 12 Member States (EE, CZ, NL, LT, SI, AT, FR, DE, HR, BE, PL and SK), more than 60% of all receipts came from social contributions, while social contributions accounted for less than 40% of total receipts in DK, IE and CY.

One might expect that the financing structure, to some extent, reflects the basic philosophy with respect to social protection. In many countries, it is strongly linked to the employment status, with benefit entitlements being based on contributions, and cash benefit amounts being linked to the levels of the earnings they are meant to replace. Other countries offer social protection primarily on the basis of residence and do not link cash benefits to previous earnings (or only to a weak extent). However, in practice, countries with similar views on the concept of welfare states may have very different compositions of their social protection financing (e.g. compare NL and DK).

ESSPROS data allow distinguishing (i) employer social contributions from social contributions paid by the protected persons; as well as (ii) earmarked taxes from general government contributions. Figure 1.3 depicts the shares of social contributions borne by the employers and the protected persons, respectively. The spread in the distribution of social contributions in the EU-28 is substantial, with the share of social contributions levied on the employer ranging from 97.6% in EE to 40.6% in SI. The EU-28 average stands at 64.1%, and this share is found between 50% and 70% in 18 out of 28 Member States. It is only in SI, HR and NL that a relatively larger share of the total social contributions is borne by the protected persons themselves. Furthermore, there is no clear cross-

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otherwise attributable, such as proceeds of collections (mainly gifts from households), net proceeds from private lotteries, claims on insurance companies and large gifts such as legacies from the private sector).

country relationship between the level of social contributions as a share of GDP (see the light blue lines in Figure 1.3) and the relative distribution between the employers and the protected persons[12].

Figure 1.3: The structure and level of social contributions (2011)
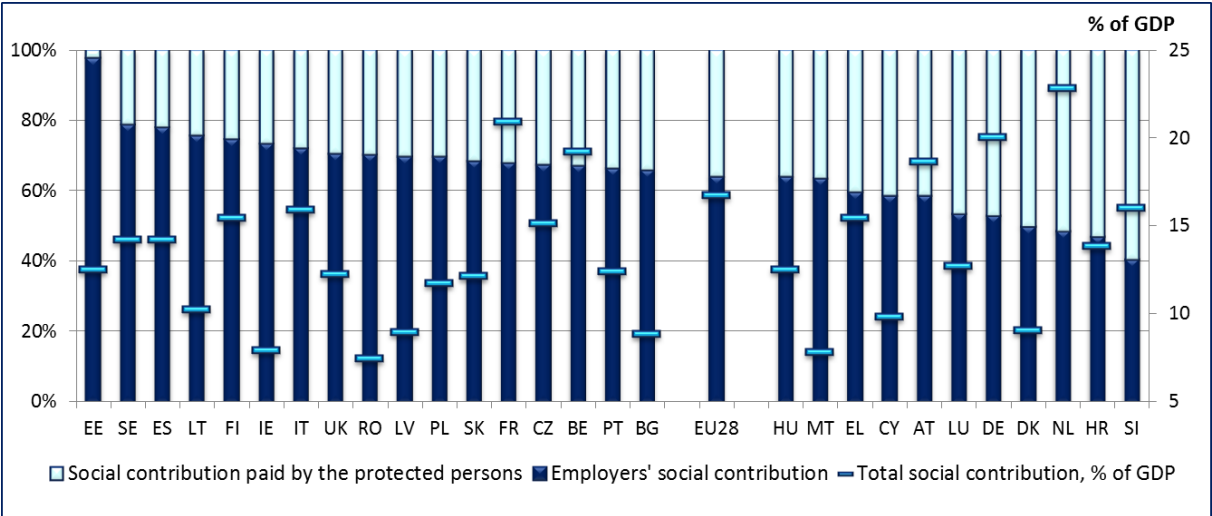
Source: Eurostat, ESSPROS.

Where social protection is financed through general government contributions, most Member States rely exclusively on general revenues (as opposed to earmarked taxes) for the financing of their social protection systems (Figure 1.4). Taxes earmarked for social protection are in place in only six Member States, but account for more than 35% of all government contributions to social protection in FR (70%), BE (47%) and UK (36%) (EU-28 average: 17.6%).[13]

Figure 1.4: The structure and level of general government contributions (2011)
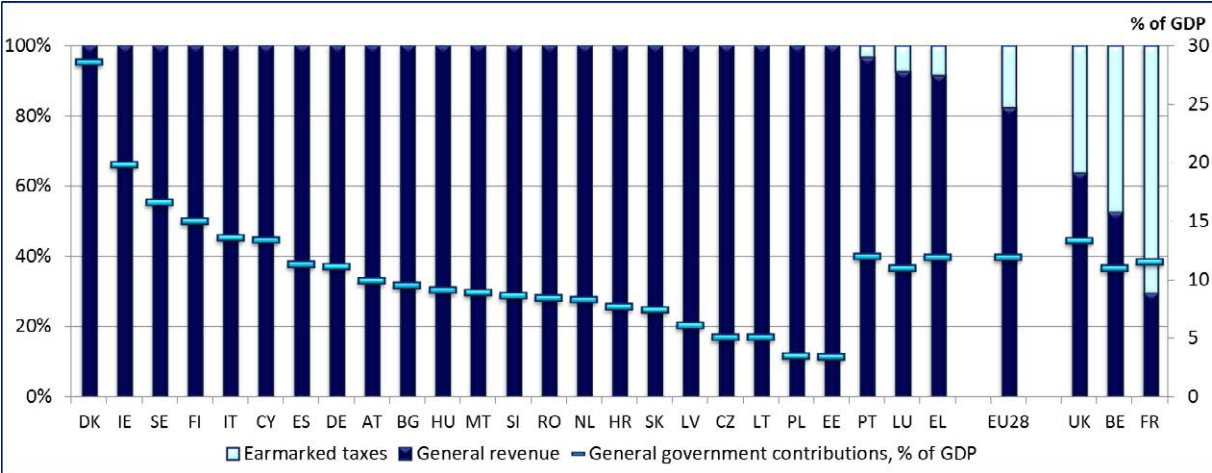
Source: Eurostat, ESSPROS.

In 2011, Member States raised funds equal to 29.7% of GDP for social protection purposes (Figure 1.5). Northern and Western European Member States tend to allocate the highest share of GDP to social protection, with the respective share above 30% of GDP in DK, NL, FR, FI, DE, SE, BE and EL. On the other end of the spectrum, Member States in Central and Eastern Europe show lower levels of social protection receipts relative to GDP, with this share below 20% in LV, LT, RO, EE, MT, PL,

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[12] The correlation between the level of social contributions as a share of GDP and the share of social contributions paid by the employer is low and not significant (0.10).

[13] For instance, in BE a tax is levied on car insurance premiums to co-fund the health care and disability insurance.

BG and SK. The level of total social protection receipts thereby does not appear to be linked to a specific financing structure.

Figure 1.5: The level of social protection financing, total and by type of receipt (2011)
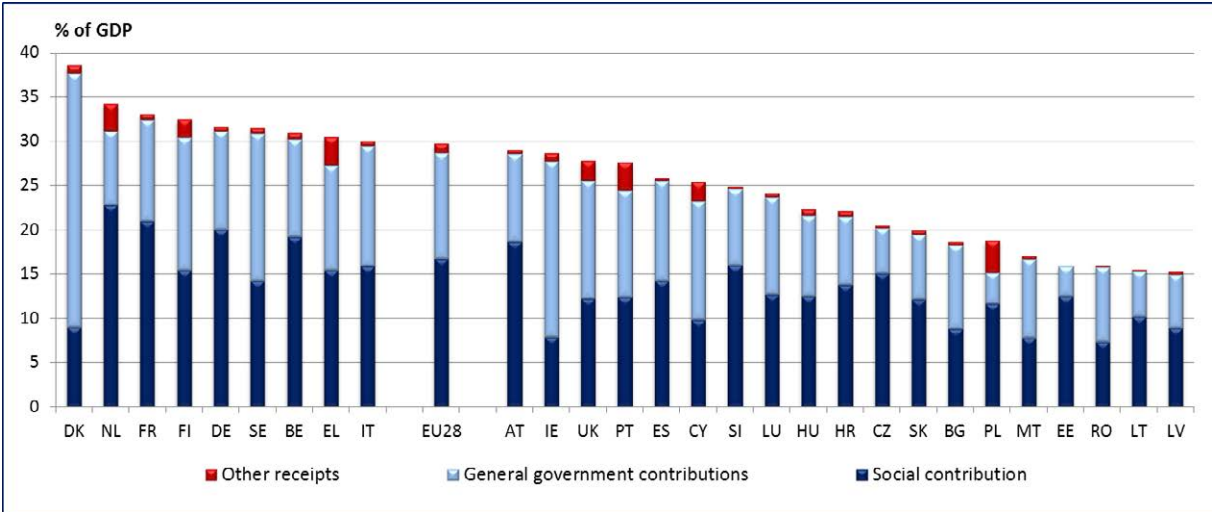
Source: Eurostat, ESSPROS. EU-27 average used, as the EU-28 average is not yet available for 2010.

It is important to note that the significant heterogeneity in the level of social protection receipts relative to GDP across the EU need not necessarily reflect differences in the resources allocated to social protection. At least partly, these differences can be explained by varying approaches to delivering public goods and providing social support in the Member States. For instance, part of the resources for social protection may come from private sector schemes. Drawn from an OECD study,[14] Figure 1.6 depicts the contribution of the private sector through the provision of close substitutes to public social protection expenditure in 2009. While of minor importance in most OECD countries, the share of private social expenditure equals 6.7% and 6.3% of GDP in NL and UK, respectively, where in particular occupational pension schemes constitute an important pillar of old-age income.

Figure 1.6: Public and private social expenditure in percentage of GDP (2009)
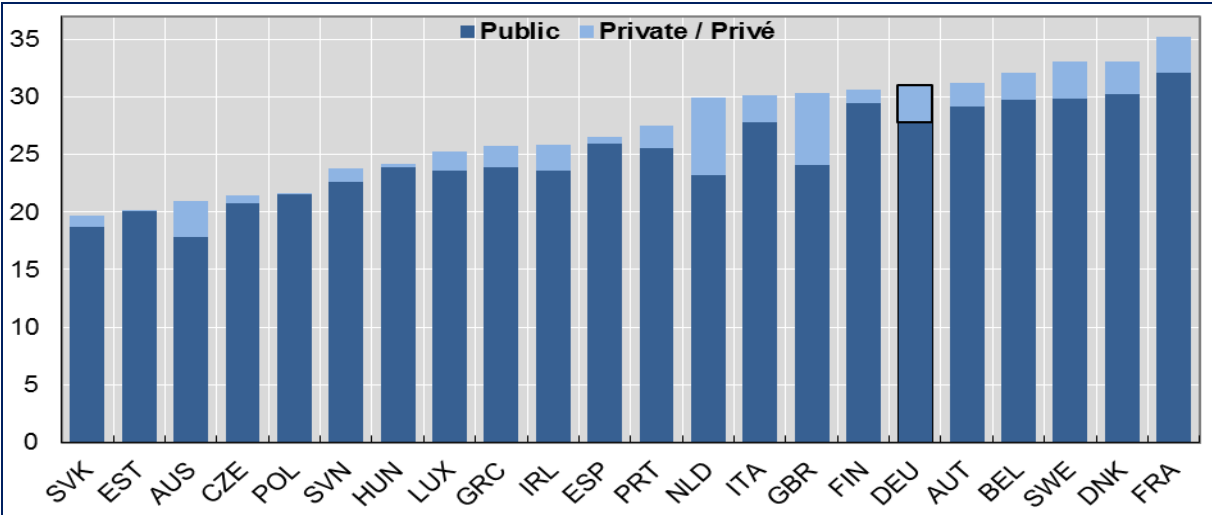
Source: OECD, Governments at Glance

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[14] OECD, Governance at a Glance 2011.

Further, a significant proportion of social protection revenue may come from the taxation of gross social benefits. Data provided by Eurostat includes information on social contributions and taxes levied on social protection benefits. When these are accounted for and net spending is calculated, the gap between the high- and low-spending countries is somewhat reduced. Indeed, revenues raised from gross benefits amount to 9 per cent of GDP in the UK and to around five per cent of GDP in NL, DK and IE (Figure 1.7). In total, 12 Member States are found to devote more than one quarter of GDP to net social protection spending in 2010.

Figure 1.7: Gross/net social protection expenditure as share of GDP (2010)
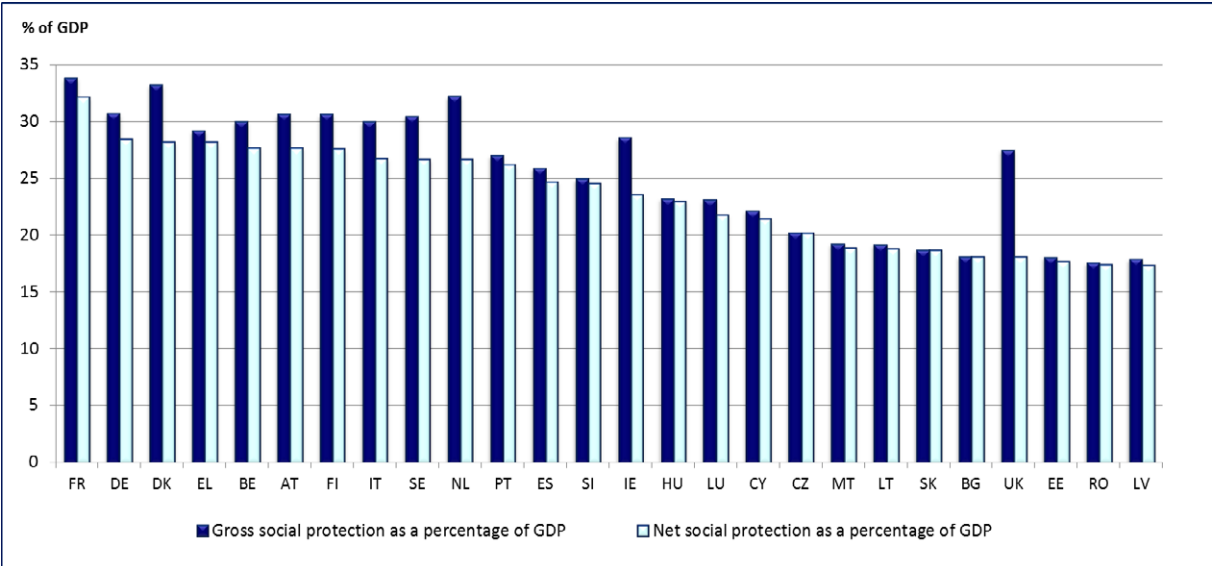
Source: ESSPROS. Note: Tax breaks with a social purpose not taken into account. Data are not available for HR and PL.

The picture of social protection financing is further complicated by the fact that households may not only receive support to cope with their social needs in the form of benefits, but also in the form of tax breaks with social purposes.[15] If support is given via tax breaks rather than direct expenditure, expenditure-to-GDP ratios will naturally be lower.

Figure 1.8: Impact of the tax system on social protection expenditure relative to GDP (2009)
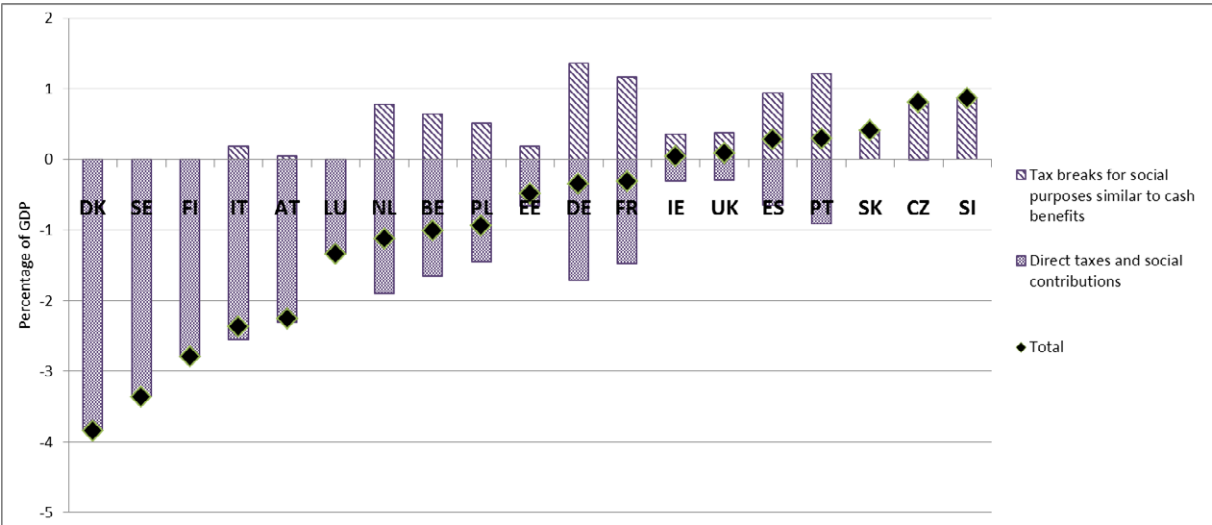
Source: OECD Social Expenditure Database. Note: Account is taken of direct taxes and social contributions levied on gross public social expenditure and of tax breaks with social purposes.

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[15] Such as child tax allowances or tax breaks stimulating the provision of private benefits (e.g. tax relief towards the provision of private health plans).

Figure 1.8 presents estimates from the OECD of both revenue raised from benefits and revenue lost as a result of tax breaks for social purposes (note that pensions-related tax breaks are not taken into account for methodological reasons16). It shows that the budgetary cost of such tax breaks can be significant and in some cases (ES, PT, SK, CZ, SI) outweigh the revenue raised from benefits.

Summarising, huge differences are observed in the way Member States organise the financing of their social protection systems, including the mix of social contributions and general government contributions, the importance of (compulsory) private sector schemes, the level of taxes and social contributions levied on gross benefits, and the availability of tax breaks for social purposes. The next section provides a more in-depth analysis of the differences in the financing mix in place for the different social protection functions.

1.2   *Financing structures by social protection function*

Data on the financing arrangements by social protection *function* are not readily available in ESSPROS, mostly because of methodological challenges inherent to linking the financing to the spending side. However, the structure of receipts is recorded at the level of individual social protection *schemes*. In combination with information on the within-scheme allocation of benefits across functions, these data can be used to illustrate the structure of, and recent trends in, financing at the level of social protection functions, with some approximation.

The data at scheme level follow the general ESSPROS structure and provide detailed information on the financing mix for each scheme. 22 Member States (BE, BG, CZ, DE, DK, EE, FR, CY, HR, IE, IT, LV, LT, HU, MT, NL, AT, (PL[17]), RO, FI, SE, UK) have agreed to make these data available for the purpose of this analysis,[18] with data from 21 Members States and a total of 577 active social protection schemes[19] in 2011 used in the analysis, ranging from 64 schemes in BE to 6 in EE.[20]

The main challenge in the aggregation of scheme data at function level is to classify those schemes that serve more than one social protection function at the same time. While this classification could be based on the available qualitative description of each scheme's purpose, the depth of the provided information varies considerably across schemes, and the heterogeneity in the design of social protection schemes across Member States would further impede a consistent and transparent assessment.

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[16]   As this item is equivalent to financing of private social benefits, it needs to be excluded to avoid double counting when calculating net total (public and private) social spending.

[17]   Access has also been granted by PL, but incomplete data on the schemes' receipts structure prevents a meaningful assessment and hence the inclusion of PL in the main analysis.

[18]   Four non-EU countries participating in the Eurostat data collection exercise (IS, NO, CH, SR) have also made the scheme level data available. While not covered in this report, the analysis can easily be extended to these countries.

[19]   Schemes are considered "active" when positive benefits are reported.

[20]   It is likely that the concept of "scheme" has been implemented by different countries in different ways. This prevents, to a certain extent, a comparative analysis at the very scheme level.

Therefore, a quantitative approach is chosen based the schemes' distribution of benefits across functions. As a general rule, a scheme is assigned to a given social protection function whenever at least 50% of the scheme's total benefits are allocated to this function ('Method A').[21] For aggregation, the receipts of all schemes assigned to a specific function are then added up to obtain the financing mix for a given function and Member State. Table A3 in the Appendix summarizes the resulting classification of schemes across Member States and social protection functions.

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Box 1.1: Illustrating the methodological alternatives – the example of survivors benefits in Austria

The example of Austrian schemes that provide survivors benefits (in 2010) is used to illustrate the two alternative approaches to aggregating scheme data at function level, and to demonstrate how the methodological choice can affect the results.

Schemes with Survivors benefits	_Receipts in Mio. €_	_Share of **Benefits** spent on …_				_Receipts: Share of …_					_**Classification** (50% threshold)_
		Old Age	_Survivors_		_Other function_	_SC Empl._	_SC PP_	_Gen. Rev._	_Earm. Taxes_	_Other_	
			Share	_(Amount)_							
1 Statutory pension insurance	32,963	74%	14%	(= 4,615)	12%	34%	33%	27%	0%	6%	Old Age
2 Pension of public body	10,497	80%	10%	(= 1,050)	10%	28%	23%	49%	0%	0%	Old Age
3 Maintainance acts	271	34%	51%	(= 138)	15%	0%	0%	100%	0%	0%	Survivors
5 Occupational accident insurance	1,440	17%	12%	(= 173)	61%	93%	0%	2%	0%	5%	Disability

A total of 4 schemes provide survivors benefits in Austria. Under method A, schemes are included whenever at least 50 % of benefits are allocated to a function. This is only the case for the (small) third scheme, which devotes 51% of the total benefits to survivors. The other three (larger) schemes' main emphasis is on the old age and disability function, respectively. Under method B, all four schemes are included and weighted by the amount of benefits spent on survivors under each scheme, irrespective of whether survivors' protection is the scheme's main purpose.
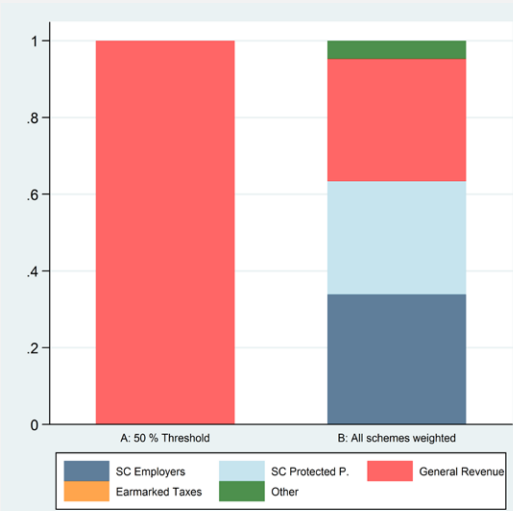
The figure to the left illustrates the resulting financing mix from the two methodological options. When considering only the scheme that primarily provides survivors benefits, receipts are entirely raised in the form of general revenues (method A). This approach illustrates the financing of schemes with a focus on survivors benefits, but covers only 2% (138 out of 5,976 Mio. €) of the total survivors benefits in Austria, as 95% are distributed through the two large pension schemes.

When all schemes that provide survivors benefits are taken into account, the financing is found largely based on social contributions (method B). However, as no information on the link between receipts and benefits within schemes is available, method B is based on the assumption of an even allocation of the different types of receipts across the old age and the survivors function. If this assumption does not hold and, for instance, survivors benefits are mainly financed through general revenues under the pension schemes 1 and 2 (while old age benefits are funded through social contributions), method B would rather reflect the financing of old age than of survivors benefits.

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[21] As the 50% threshold results in a relatively small number of schemes classified under the social exclusion and housing functions, a lower threshold of 33% is employed for these functions (hence a given scheme is assigned to these functions if at least one third of the schemes' funds is spent on the respective function). Lowering the 50% threshold allows increasing the number of schemes classified under these functions and hence broadening the evidence base, without altering the main findings.

However, while the inclusion of only those schemes that allocate the majority of benefits to a given function allows highlighting function-specific financing patterns, this approach misses out on relevant schemes whenever the benefits of a given function are mainly subsumed under another function. In particular, survivors benefits tend to be distributed through general pension schemes that mainly serve the old age function; likewise, disability benefits are often integrated in old age or health care/sickness[22] schemes.

Therefore, in an alternative approach, every scheme that provides benefits under a given function is included in the analysis, irrespective of the scheme's main functional purpose ('Method B'). For the aggregation at function level, the schemes' receipts are then weighted by each scheme's share in the total benefits allocated to the respective function. This method takes into account the relative importance of each scheme for a given social protection function, but relies on the strong assumption of an even distribution of receipts across functions within schemes, which is likely to result in a dilution of function-specific financing patterns. Box 1.1 provides the example of survivors schemes in Austria that illustrates the advantages and drawbacks of both approaches.

In general, both approaches provide valuable and mostly similar results (and could also be combined in the future for an intermediate approach). Large discrepancies between the two approaches, as in the example of survivors benefits in AT, indicate (i) that a major share of benefits under a given function is allocated through (large) schemes that mainly serve a different function; and (ii) that these large schemes employ a different financing mix than the 'pure' schemes covered under method A. This is mostly the case for survivors and disability schemes, which are often subsumed under old age and health care schemes. Therefore, these two functions are not part of the analysis, as the actual financing mix of these functions cannot be meaningfully derived from the ESSPROS scheme data. For illustration purposes, Figure A1 in the Appendix reports the results for the survivors and the disability function and shows how the observed outcomes change considerably under the alternative methodological approaches.

In what follows, the results from the '50% threshold' approach are reported. Figure 1.9 presents the results for the two largest social protection functions, old age and health care. On average across the sample of 21 Member States, old age schemes are mainly financed through social contributions (66.4%), with almost two thirds of these contributions paid for by the employers. General revenues account for 23.8% of the receipts, while earmarked taxes contribute to the financing of the pension system only in FR (where they represent 4.3% of the total old age receipts) and in UK (1.5%). A more important role is played by "other receipts" (sample average: 9.5%), which are particular relevant in BE (51%), NL (21%), IE (17%), FR (17%), UK (15%), CY (14%), FI (13%) and IT (12%).

Overall, the heterogeneity in the financing mix of old age schemes across Member States is considerable, with the main emphasis, for instance, on employers' social contributions (EE: 75%; LT: 70%), contributions by the protected persons (HR: 58%), general taxation (BG: 60%), or as well with a rather balanced mix of the different pillars (e.g., NL, DE, AT). In general, however, the majority of the 19 Member States deploys a rather strong link between social contributions and pension benefits. Table A4 in the Appendix provides the detailed estimates on the financing structure of old age and health care schemes for all Member States.

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[22] Under ESSPROS, health care and sickness schemes are grouped together; for readability, the term "health care" schemes is used in the remainder of the report whenever referring to "health care/sickness" schemes. The same holds for "family/children" schemes, which are referred to as "family" schemes.

The financing patterns observed for the health care function are more oriented towards public contributions. On average, social contributions account for 39.4% of the receipts used to finance the health care schemes in the sample, with employers paying roughly two thirds of these contributions (25.3% of total receipts). Where general government contributions (51.3%) are used to finance health care schemes, receipts are almost entirely drawn from general revenues; it is only in FR (35 %, here: CSG), BE (11%) and UK (6%) that earmarked taxes are in place to finance health care schemes. Other receipts account for 9.4% of the revenues on average, though represent a more substantial share of receipts in BE (79%), AT (35%), SE (15%), BG (11%), HU (11%), FR (10%) and CZ (10%). As for old age, very different arrangements are in place to finance health care schemes, ranging from contribution-based systems mainly paid for by the employers (EE, HR), to systems with a larger share of the receipts levied on protected persons (NL, DE, LT), and systems that are largely reliant on government contributions (RO, DK, IE, IT, LV, SE, UK, FI, CY).

Figure 1.9: Financing structure by function in 2011: old age and health care schemes
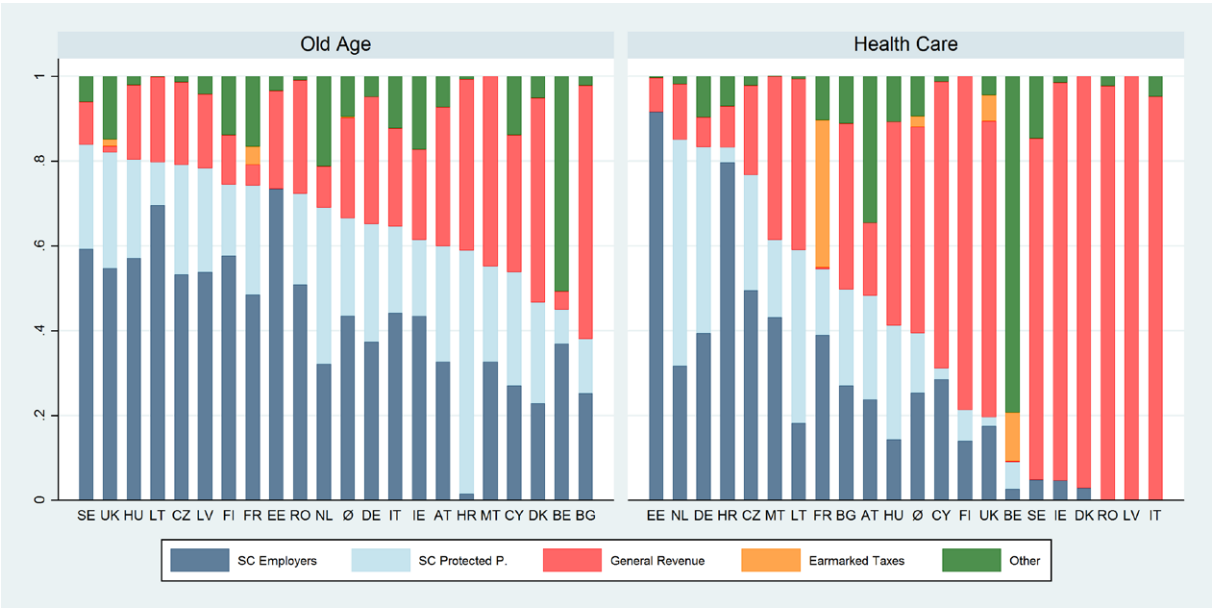
DG EMPL calculations. Ø represents the average across all schemes included in this sample of 21 Member States.

Figure 1.10 presents the 2011 financing mix for the remaining four social protection functions, according to the ESSPROS methodology (the detailed figures are provided in Tables A5 and A6 in the Appendix). Family benefits, on average, are mainly financed through general revenues (73.5%) in the Member States in the sample,[23] while employers' social contributions account for 20.7% of the receipts. Social contributions by the protected persons (3.0%), earmarked taxes (6.8%, which is entirely driven by a share of 92% in UK, a share of 34% in BE and a share of 29% in FR) and other receipts (2.9%) hardly contribute to the financing of family benefits. It is in SE, FR, BG, LT and AT where more than 50% of the receipts are raised in the form of social contributions, while the other Member States in the sample mainly draw on general tax revenues to fund family benefits.

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[23] No results are reported for EE and CY; as no explicit 'family and children' schemes (schemes with at at least 50% of the benefits allocated to the 'family and children' function) exist in these countries. See Figure A3 in the Appendix for the results when all schemes are taken into account ('Method B').

Unemployment schemes, on average, are mostly financed through social contributions (61.4%), which are mainly paid for by the employers (49.0%). An exception to the rule is EE, where contributions by the protected persons (46%) are higher than those of the employers (24%) and UK, where most of the social contributions are paid by the employers.[24] General revenues account for 28.3% on average, but constitute the main financing pillar of the unemployment schemes in DK (100%)[25], IE (94%), MT (75%), FI (62%) and DE (59%).

Figure 1.10: Financing structure by function in 2011: other functions

Ø represents the average across all schemes included in this sample of 21 Member States. The social exclusion and housing functions include all schemes with at least 1/3 of all benefits spent on these functions (threshold for the other functions: 50%).

Finally, social exclusion and housing schemes are almost entirely financed through general government contributions; only in BE (47%), IT (26%), FI (17%) and DK (8 %) social contributions by the employers are employed, and in IT social contributions by the protected persons account for 49% of the receipts raised for social exclusion schemes. Earmarked taxes are used only in UK and FR to fund both social exclusion (UK: 100%; FR: 17%) and housing (UK: 100%; FR: 35%) schemes, while other receipts contribute to the financing of social exclusion schemes in IT (25%) and FR (12%), and to housing in MT (99%), FR (21%), DE (11%), RO (7%) and LT (3%).

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[24] In the UK, protected persons contribute to the national insurance fund, which is not included here as only about 1% of the total receipts under this scheme are spent on unemployment. However, payment of contributions by the insured person is an important condition of entitlement and hence access to benefit. Figure A3 in the Appendix of the report provides the alternative results with the national insurance fund included.

[25] The Danish "unemployment funds" are not considered here, as the scheme mainly provides benefits under the old age function. When all schemes are considered ("Method B"), 25% of unemployment benefits are financed through social contributions paid by the protected persons (see also Table A3 in the Appendix).

Overall, the results are quite robust to the chosen methodological approach. For comparison, Figures A2 to A4 in the Appendix present the financing mix for all functions when (i) a 33% threshold instead of a 50% threshold is applied for the classification of schemes; and (ii) all schemes are included and weighted by the schemes' share in the total benefits under a given function ('method B'). The overall patterns in the financing of social protection schemes are stable across the different approaches; still, substantial deviations for single areas in some Member States are observed and indicate the existence of large social protection schemes that serve several social protection schemes at the same time.

To summarize, the analysis of financing arrangements by social protection function reveals considerable differences in the structure of receipts both across countries and functions. Before discussing potential arguments in favour or against certain financing options, the next section assesses some of the major trends in social protection financing in recent years.

1.3 *Trends in social protection financing*

In recent decades, social protection financing in the EU has been shifting from social contributions towards government contributions. This trend was very apparent until the early phase of the current crisis, as mirrored in declining social contributions and increasing government expenditures *as a share of GDP* (Figure 1.11).[26] Since 2008, both social contributions and government contributions have significantly risen as a share of GDP, with a still more substantial increase in government contributions.

Figure 1.11: Trends in social protection financing in Europe 1995-2011 (as a share of GDP)
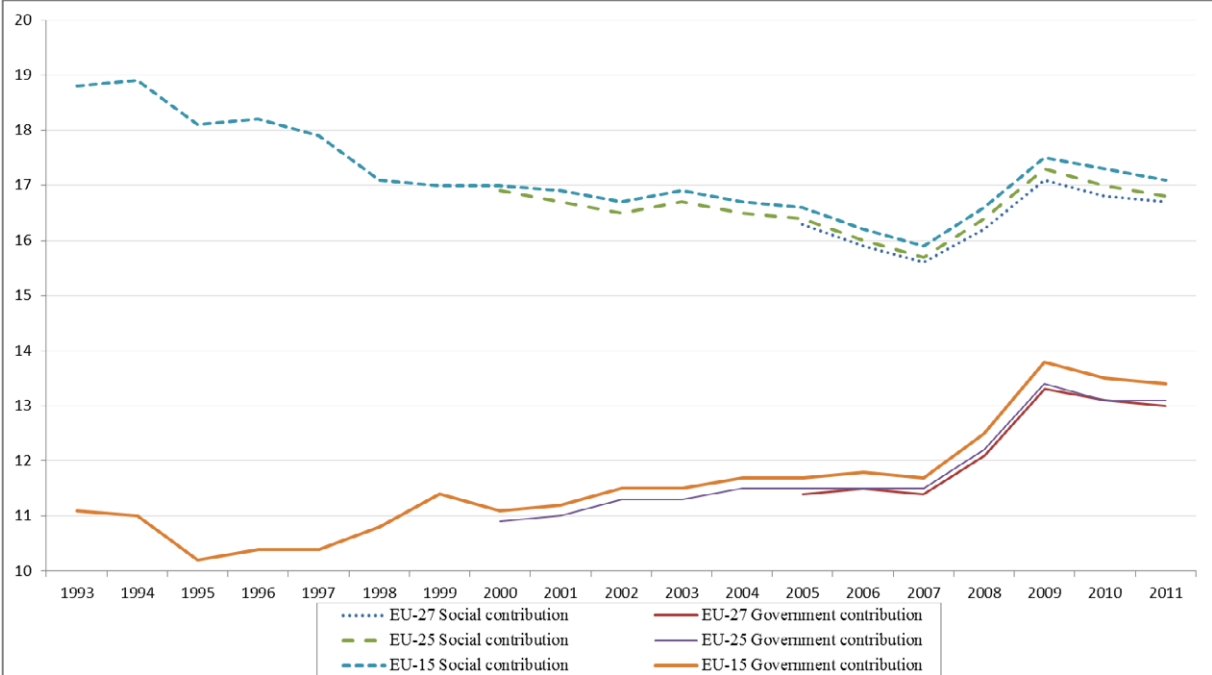
Source: ESSPROS. Note: Receipts from the Esspros category of 'other receipts' have been added to the ones from the category of government contributions.

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[26] Covering social protection in a broad sense, as reflected in the harmonised European system ESSPROS.

These developments reflect substantial shifts in the structure of social protection financing across Member States. Figure 1.12 illustrates changes in the composition of social protection for the period 2000-2007.[27] On average, the share of social contributions in total social protection receipts decreased by 2.7 pp. (EU-25) during this period, which was mainly driven by a decrease in contributions levied on the protected persons (-2.4 pp.). Consequently, the share of government contributions in the financing of social protection increased on average in the same period. The share of earmarked taxes in total receipts increased in particular in UK, BE and FR, which led to a rise in the EU-25 average by 4.3 pp. (while the average share of general tax revenues decreased by 1.4 pp.).

The average developments at the EU level generally mask considerable differences and partly opposing trends in Member States between 2000 and 2007. The observed changes in the social protection financing mix are particularly substantial for RO, UK; NL and LV, where (with the exception of the UK) the relative importance of general revenues increased considerably. Overall, a mixed picture is observed for the evolution of the taxation share in social protection financing, with total government contributions increasing in 15 countries and decreasing in 10 countries. As to social contributions, the share of social contributions levied on the employer in total social protection receipts decreased in 17 Member States and increased in 9 Member States, and particularly so in UK (+ 6.6 pp.) and NL (+3.2 pp.). A rather opposing trend is observed for the share of social contributions levied on the protected persons, which increased in 13 Member States and decreased in 9 Member States in the same period.

Figure 1.12: Changes in the structure of social protection financing (pp. differences, 2000-2007)

Source: own calculations; Data source: EUROSTAT [spr_rec_sumt]. Note: 2000 data for EU-27, BG and HR - not available; 2007 data for HR – not available.

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[27] Figure A5 in the Appendix illustrates the changes in the structure of social protection financing for the period 2000-2011.

A more homogenous development in social protection financing structures is observed for the period 2007 to 2011 (Figure 1.13). The overall trend of a decreasing share of social contributions in total receipts is observed in a total of 22 out of 27 countries. This is mostly driven by a decreasing share of social contributions levied on employers, though the share of social contributions levied on protected persons likewise decreased in 17 Member States. In a few Member States, the relative share of social contributions levied on protected persons increased (in particular in LT, HU, UK, DE, EE and NL), and PL, LU and DK are the only country where the share of social contributions paid by employers increased.[28]

The relative decrease in receipts from social contributions is largely compensated for by an increasing importance of general revenues in all Member States except PT, LT and PL, while the share of earmarked taxes hardly changed across the EU (except for a decrease in the share of earmarked taxes in UK and and increase in BE and FR). This overall shift from social contributions to general taxation especially in the crisis years 2007 to 2011 may, to a large extent, reflect the role of social protection systems as automatic stabilisers triggered by the economic downturn and decreasing employment (and hence social contributions), but could also reflect deliberate policy choices (see EC, 2013).

Figure 1.13: Changes in the structure of social protection financing (pp. differences, 2007-2011)
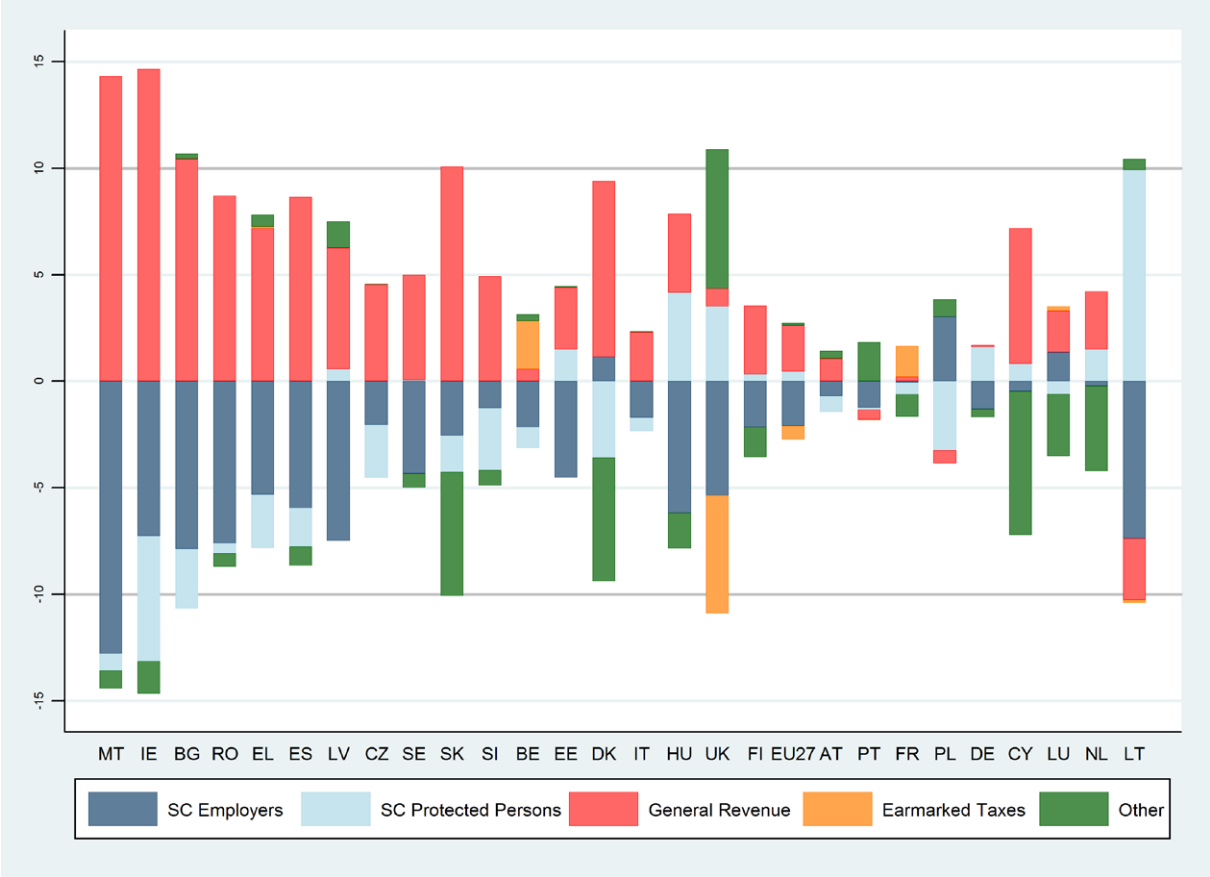
Source: own calculations; Data source: EUROSTAT. Note: 2007 data for HR not available.

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[28] Contributions have not necessarily risen in absolute terms, but play a relative bigger role in the financing of social protection in 2011, as compared to 2007.

Using the ESSPROS data at scheme level and building on the methodology presented in section 1.2, the recent developments in social protection financing are also assessed at function level. As the data at scheme level is patchy in the early 2000s, the analysis is restricted to the period 2007 to 2011 and includes all schemes for which data for both years is available (391 out of 407 schemes in the 17 Member States included).[29] Figure 1.14 illustrates the changes in the financing mix of the old age and health care functions, respectively.

In the 17 Member States for which data is available, the financing mix of old age schemes has shifted from social contributions (-6.5 percentage points), and in particular those paid by the employers (-5.5 pp.), towards general revenues (+6.7 pp.). Confirming (and actually driving) the observed trend in overall social protection financing, it remains unclear from the data to which is extent this shift away from social contributions is caused by the economic crisis and an automatic stabilization effect, or rather reflects deliberate policy choices aimed at reducing labour costs.[30]

Figure 1.14: Changes in the financing structure by function 2007-2011: old age and health care

Source: own calculations; Data source: EUROSTAT.

Again, the picture is far from homogeneous across the sample. The share of general revenues in the receipts of old age schemes has in particular increased in Eastern Europe (RO, MT, CZ, LV and LT), while the share of social contributions has even slightly increased between 2007 and 2011 in CY, NL and SE. Information from MISSOC on recent social policy legislation confirms some reforms trends in the area of pensions. A number of countries have shifted away from mainly contributions-based funding to a more mixed model (such as AT, DE, FI), and most of the new Member States are found to rely on mixed financing to fund their health care and pension schemes.

The relative importance of general revenues in financing social protection has also risen for the health care function, though to a lesser extent on average (+3.3 pp.), and driven mainly by increases in LV (+38 pp.), IE (14%), MT (+11 pp.), RO (+6 pp.) and DE (+5 pp.). In a general trend, the share of

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[29]   As data by schemes for 2007 is not available for BG, HR and MT, 2008 figures are used for these countries instead. No data by schemes neither for 2007 nor for 2008 are available for BE, FR, HU and DK.

[30]   Between 2010 and 2011, the share of social contributions in the financing mix of old age schemes has slightly increased (by 1.4 percentage points) in the sample of Member States for which data is available, which may (also) be an effect of the gradual economic recovery.

social contributions paid for by the employers has decreased in 14 out of 17 Member States and by an average of 3.8 percentage points (29 pp. in LV and 15 pp. in LT). This has partly been compensated by a higher share of social contributions paid for by the protected persons (+1.2 pp.), which is driven by increases in LT (+36 pp.), BG (+5 pp.) and NL (+3 pp.).

No clear trends are observed in the financing of family and unemployment benefits (Figure 1.15). Largely stable in the majority of countries in the sample, the composition of receipts under the family function has only changed significantly in IT, SE and NL (shift from employers' social contributions to general revenues), as well as in LT, LV and BG (reverse shift from general revenues to employers' social contributions. Compared to the family function, the financing mix of unemployment schemes has been more volatile over the 2007-2011 period. In general, receipts have shifted from the employers' social contributions (-5.2 pp.) to general revenues (+2.9 pp.) and other receipts (+2.7 pp.).

On the one hand, the share of social contributions paid for by the employers decreased in RO, IE, LT, LV, NL, UK, and, to a lesser extent, in EE, DE and SE, but increased in six of the Member States in the sample (BG, CZ, CY, and to a lesser extent, AT, FI and FR). The share of social contributions by the protected persons, on the other hand, increased in RO and AT, but decreased in seven Member States (NL, SE, CZ, EE and, to a lesser extent, LV, BG and DE). The changes in the financing of social exclusion and housing schemes are largely negligible for the countries in the sample and therefore not reported here.

Figure 1.15: Changes in the financing structure 2007-2011: family/children and unemployment
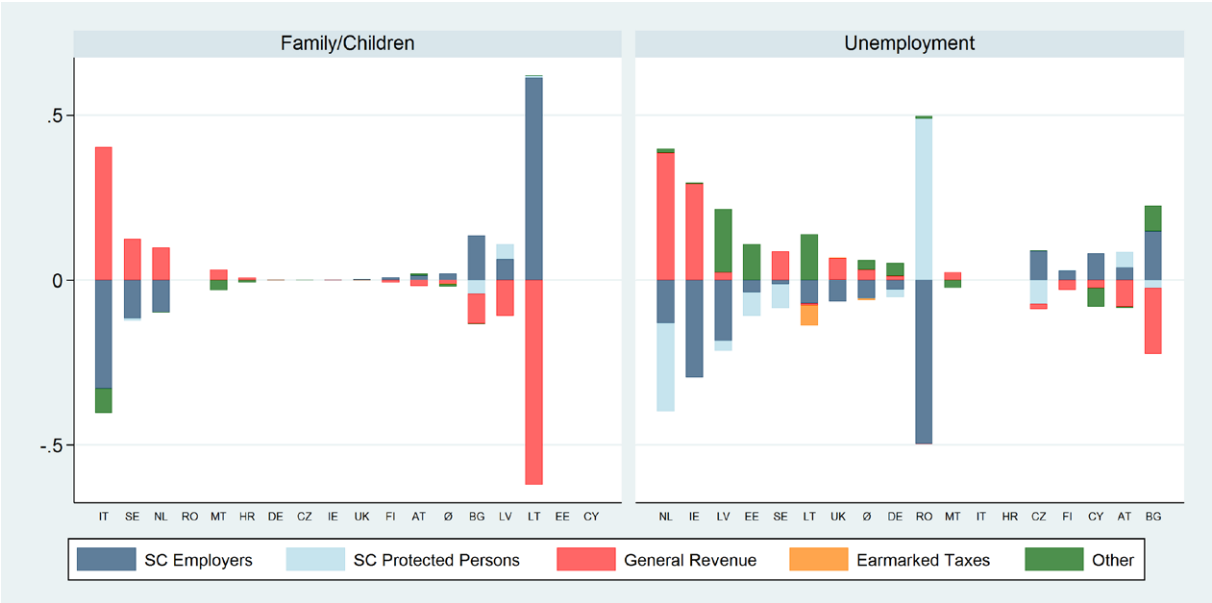
Source: own calculations; Data source: EUROSTAT.

Overall, the observed trends in the financing of social protection functions point to a certain convergence in the structure of receipts across countries. Member States with a higher share of social contributions in 2007 tend to report a more pronounced decrease in the relative weight of social contributions between 2007 and 2011, whereas, accordingly, the share of general government contributions increased in particular in Member States with relatively low initial levels of taxation-based financing arrangements. This trend is found in particular for the old age and disability functions.

However, definite conclusions would require disentangling deliberate policy choices from crisis effects. Evidence up to 2010 indicates that social contributions fell particularly strongly in the recent crisis in the EU-27 (as compared to previous episodes of below-par economic performance), which was, at least partly, counter-balanced by an increase in government contributions (EC, 2013, p. 331). Further information on recent reforms of social protection financing arrangements in the Member States can be found in the annual report of the SPC[31], the SPC report on social policy reforms for growth and cohesion as well as the 2012 Commission report on tax reforms[32] and the 2012 *Employment and Social Developments in Europe* (ESDE 2012).

1.4   *Pros and cons of different financing methods*

The overview of social protection financing structures in the EU has illustrated the diversity of available financing vehicles and the heterogeneous choices made across Member States, social protection functions and time. Historical legacies and cultural preferences, divergent policy goals, and very different economic and employment environments may all contribute to the observed heterogeneous mix of social protection receipts. This section intends to (i) provide some general conclusions on the characteristics of financing methods; and (ii) lay the ground for a more in-depth analysis of alternative ways in which social protection systems and their functions are financed.

The main types of receipts for the financing of social protection differ, in particular, with respect to their revenue generating ability, their sensitivity to evasion, their impact on economic behaviour, and their distributional implications. In general, financing vehicles should be judged both on their ability to generate funds and on their implications for economic performance. Whether financing primarily comes from general or earmarked taxes and whether the latter are primarily levied on employers or on the insured, as well as the tax/contribution base, the tax/contribution rate and the exemptions, can affect the efficiency and will have different consequences for the demand and supply of labour as well as other relevant behavioural responses (e.g. savings, household composition).

At the core of the assessment of reform needs and options should be the economic and social effects of shifting social protection financing from labour to capital and consumption taxes. The 2012 ESDE report examines to what extent the design of the tax and benefit system can create (dis-)incentives to participate in the labour market and society. The analysis shows that the effects are very much dependent on the characteristics of the workforce and the specific institutional framework. In line with related results from the empirical literature,[33] the findings do not point to a *generally* positive employment, and hence social exclusion, effect of a shift from social contributions to consumption taxes.

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[31]   Annual Report of the Social Protection Committee (2012), Social Europe. Current challenges and the way forward.

[32]   European Commission (2012), Tax Reforms in EU Member States, 2012 Report, Working Paper No. 34-2012, p. 28.

[33]   For an overview, see European Commission (2012), Employment and Social Developments in Europe 2012, Chapter 4.4; and OECD (2011), Taxation and Employment, OECD Tax Policy Studies, No. 21.

Such interventions can rather have a sizeable impact on the labour supply of specific populations, such as low-skilled workers, single parents and second earners. A measure tailored to the needs of the people most at risk may therefore prove more effective to boost employment in particular at the margins of the labour market. The 2012 ESDE report also shows that a shift from social security contributions to consumption taxes can have unfavourable distributional effects, as consumption expenditures represent a larger share of poorer households' income. The burden of labour taxation can also be shifted towards green and wealth taxes and lowered with the fight to tax evasion and a revision of tax expenditures. The latter tax reforms would simultaneously achieve employment and social outcomes.

The relative appropriateness of different financing vehicles is further likely to vary across social protection functions. For instance, the OECD[34] finds social contributions to be particularly suited in fields where individuals perceive a strong(er) link between contributions and benefits. Payroll taxes may reduce the incentives for work, while taxes on non-labour income may reduce the incentives to save. User fees (as well as tax exemptions) can be particularly regressive and hence favour higher income groups. VAT can generate great volumes of revenue, but holds no possibilities for tying entitlement to contributors. It is also important to consider that different financing compositions may imply different degrees of ability to adapt to changing circumstances. As social protection expenditure are intimately connected with population structures and economic conjunctures, demographic change and economic volatility can considerably affect the ability to raise revenues.

In general, the advantages and disadvantages of the alternative ways to finance different social protection functions are common to more than one social protection function. Still, a function-specific assessment of the pros and cons of different financing vehicles can be helpful to develop a common understanding of which financing vehicle is most advantageous for which function and possibly also under which circumstances (taking into account the socio-economic structure of a country, as well as cultural issues). Focusing on the two biggest social protection functions, old age pensions and health, Table 1.1 presents such an analysis.

While social contributions as an instrument to raise revenues for social security benefits have implications for both labour costs and work incentives, they generate an entitlement to a benefit. This certainly plays a meaningful role in the motivation of employees to pay social security contributions. Thus social security contributions provide an immediate sense of entitlement to certain benefits. From a governance point of view, social partners have a greater role in social protection systems or branches funded through social security contributions. The shifts of taxes away from labour will have implications for the role of social partners in the management of social protection systems. As for taxes, social security contributions could also be subject to evasion and fraud. However as they are related to the employment contracts, they are generally less subject to fraud compared to taxes. Yet in Member States with weak labour inspection, some employers may not register all of the contracts leading to losses of social security revenues. The perception of an inadequate provision of benefits is another driver of undeclared work (EC, 2013). Nevertheless, a cut in social security contributions is not necessarily linked to a loss in the entitlements to benefits, while the sustainability of social protection can be maintained by earmarking general tax revenues.

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[34] Financing Social Protection, the Employment Effect, OECD, 2007

At the same time, social security contributions suffer from certain disadvantages. First, they are dependent on the overall employment situation, on the number of employees and ultimately on the growth of wages. As they are strongly linked to employment, social security contributions are more sensitive to the economic cycle than other taxes. This situation creates a cyclical mismatch between the evolution of social security needs and available revenues for social security. In addition, social security contributions will fluctuate in function of the demographic changes affecting the labour force and in particular the number of workers. Second, in terms of universalism, social security contributions seem less suited to ensure a high degree of universalism because there are tied to labour contracts and therefore exclude people with no labour market attachment. Usually, the collection of social security contributions is performed by the administration in charge of the social security system, which creates separate administrative cost (which can however be relatively less costly), except where the tax authorities are also tasked with the administration of social security contributions.

In a number of Member States, taxes are used as a main source of social protection funding. They appear particularly appropriate for social protection schemes with universal coverage and correspond to political choices to fund certain benefits regardless of attachment to the labour market, which results in less sensitivity to the economic cycle. The level of funding based on taxes is subject to annual budget decision and provides greater flexibility and overall government control over public sector financing. It could also make social protection more progressive if the underlying tax policy pursues such an objective. In a great majority of the schemes analysed in this report, taxes are used to fund coverage against specific social risks such as health or loss of income (minimum income schemes) but also specific benefits such as family benefits or school allowances.

In conclusion, the stock-tacking of existing evidence on the financing structures of social protection systems in the EU has illustrated the plurality in the level and structure of social protection financing across both Member States and social protection functions, as well as some recent trends in the ways in which funds for social protection purposes are raised. This heterogeneity may in many cases be explained by the historical evolution of social protection systems and the emphasis that is placed on different financing and spending arrangements, but might as well allow identifying potential efficiency gains from the comparisons with peers. The different financing arrangements across Member States and the reforms that have been implemented over time provide a repository of experiences that can feed into a better understanding of how various, and potentially new, financing vehicles can be used to achieve different policy goals and optimise financing methods for more sustainable social protection.

Table 1.1: Overview of the characteristics of alternative financing methods by social protection function

Function and financing		Criteria					
Social Protection Function	*Financing vehicle*	*Work incentives*	*Labour costs*	*Risk of evasion*	*Administrative / collection costs*	*Adaptability to demographic / economic swings*	*Distributive effects*
Old age pensions	Income taxes	If income taxes are too high, this may reduce incentives to work	Neutral	Risk of income evasion equivalent to the general tax evasion risk for each country (may rise with an increasing tax burden)	Neutral, depends on the complexity of the income tax system.	Income taxes react more to economic cycles. Do not create coverage-exclusion linked to the labour contract	Income taxes are generally progressive but could be regressive depending on their design reflecting political and societal values. Income evasion tends to reduce the progressivity of the tax system
	Social contributions	At the same time; social contributions give an entitlement to a benefit and therefore may increase incentives to work in order to reduce the personal exposure to social risks	Considered as increasing labour costs with implications for demand for labour (notably low-skilled workers) and possibly competitiveness	Low risk of evasion as social contributions are contract-related. In specific cases, weak labour inspection could facilitate informal labour in the shadow economy	Can be high because special administration collects social contributions, but unit costs generally low since collected at the level of companies and not individuals.	The number of employed and the overall employment situation is critical for the revenue generating capacity of social contributions. Dependent also on demography of the labour force	Distribute the risk among those contributing but exclude those outside employment. Dependent on the growth of wages : if wages stagnate, so will social contributions They could be progressive and regressive depending on their design
	Consumption taxes, general	Neutral	Neutral	None	Low because it does not require a special administration for collection	Dependence on the economic cycle. Issue of trade-off between the room for raising consumption taxes and the need to preserve consumption. Issue of interlinks with prices (inflation) and therefore wages in case of raise in consumption taxes (second round effect).	Regressive
	Consumption taxes, earmarked (e.g., VAT)	Neutral	Neutral to positive (reduces labour costs through shifts)	Same evasion risk as for VAT collection	Low because it does not require a special for collection	Dependence on the economic cycle Issue of trade-off between the room for raising consumption taxes and the need to preserve consumption. Issue of interlinks with prices (inflation) and therefore wages in case of raise in consumption taxes (second round effect).	Regressive

Function and financing		Criteria					
Social Protection Function	*Financing vehicle*	*Work incentives*	*Labour costs*	*Risk of evasion*	*Administrative / collection costs*	*Adaptability to demographic / economic swings*	*Distributive effects*
	Capital taxes, general	Neutral	Neutral	Low	Unknown	Dependence on economic cycle and tax policy	Progressive
	Capital taxes; earmarked (e.g. inheritance)	Neutral	Neutral	Low	Unknown	No dependence on economic cycle and demographic factors. Limited capacity to generate revenues because of limited size and number of transactions (narrowness of the tax base)	Progressive but politically charged because of issues of business transmission and intergenerational equity
Health Care	Social contributions	Can be detrimental for work incentives (notably of low wage earners); At the same time; social contributions give an entitlement to a benefit and therefore may increase incentives to work in order to reduce the personal exposure to social risks.	Considered as increasing labour costs with implications for demand for labour (low-skilled workers) and competitiveness	No risk of evasion as social contributions are contract-related. In specific cases, weak labour inspection could facilitate informal labour in the shadow economy	Can be high because special administration collects social contributions, but unit costs generally low since collected at the level of companies and not individuals.	The number of employed and the overall employment situation is critical for the revenue generating capacity of social contributions. Dependent also on demography of the labour force	Distribute the risk among those contributing but exclude those outside employment. Dependent on the growth of wages : if wages stagnate, so will social contributions They could be progressive and regressive depending on their design
	(Flat) contribution by every citizen	Neutral effect on work incentives	Neutral effect on labour costs	Risk of income evasion dependent on the performance of tax collection	Low because it does not require a special administration for collection	Less dependent on employment performance but influenced by the overall level of income subject to individual taxation	Generally progressive if not capped. Increases universality of the system and reduces the risk of coverage exclusion
	Consumption taxes, earmarked (e.g., tobacco)	Neutral	Neutral	Impossible	Low because it does not require a special administration for collection	Do not dependent on demographic and economic changes.	Generally regressive but have the potential to introduce behavioural changes particularly relevant for public health purposes
	Consumption taxes, general						
	[...]						

2. Social protection spending in the EU: structure and trends

Moving from the financing of social protection systems to the spending side, chapter 2 provides an overview of the level and structure of social protection spending in the EU and illustrates some of the trends in the allocation of social budgets since the turn of the Millennium. Section 2.1 provides an overview of current levels of social protection spending in the EU, both in absolute and relative terms. Section 2.2 illustrates spending patterns across social protection functions and provides an analysis of the orientation of social protection expenditure, taking demographic and economic conditions into account. Section 2.3 then disentangles different types of social spending, that the provision of benefits in cash versus in kind, and means-tested versus non-means-tested.

2.1 Social protection spending in absolute and relative terms

This section gives an overview of the level and structure of social protection spending in the EU, based on the information that is available from the ESSPROS database. By definition, social protection benefits represent "transfers, in cash or in kind, to households and individuals to relieve them of the burden of a defined set of risks or needs." Total social protection expenditure, which also includes administration costs and other expenditure, amounted to 29% of GDP in the EU-28 in 2011. As illustrated by the horizontal lines in Figure 2.1, the share of GDP that Member States spent on social protection varies substantially across the EU, with total expenditure ranging from less than 20% of GDP in many of the Eastern European countries (LV, EE, RO, LT, BG, SK, MT and PL) to more than 30% of GDP in Western and Northern European Member States (DK, FR, NL, BE, EL and FI).

Figure 2.1: Expenditure on social protection in Purchasing Power Standard (PPS) per inhabitant, and as a percentage of GDP (in 2011)
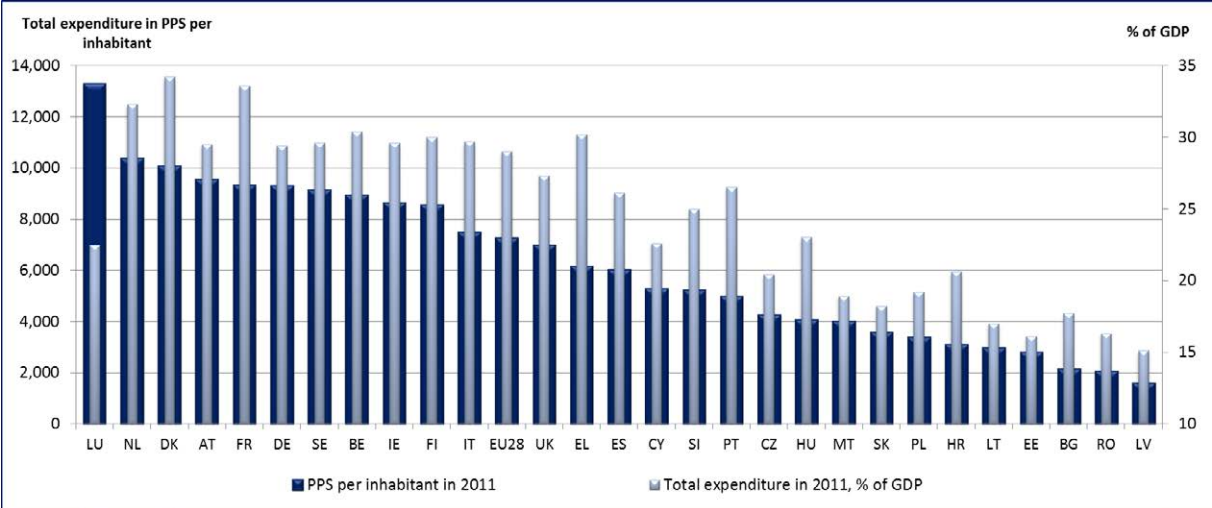
Source: Eurostat ESSPROS; data not available for EU-28 in 2000 & 2007; EU-27 in 2000; HR in 2000 & 2007; BG in 2000.

On the whole, Member States with a higher GDP tend to spend relatively more on social protection, which results in an even more pronounced spread in social protection spending when actual expenditure levels are considered. The bars in Figure 2.1 display the total social protection expenditure per inhabitant for the year 2011, which are converted into purchasing power standard (PPS) units to account for price level differences between countries. With an EU-28 average of 7,260 PPS in 2011, absolute social protection expenditure per inhabitant in LU, NL and DK (above 10,000 PPS) is around five times higher than in LV, RO and BG (below 2,200 PPS). Overall, a total of 10 Member States spent more than 8,500 PPS per inhabitant on social protection, and therefore more than twice as much as the 8 Member States with expenditure below 4,000 PPS.

This huge disparity suggests that the concept of relative spending (measured as share of GDP), which is suitable to map the fiscal dimension of social protection, needs to be complemented by absolute spending figures for an accurate assessment of the actual input in social protection systems. For instance, while DK, FR, NL, BE, EL and FI all spent around 30% of their GDP on social protection, this translates into substantially different spending levels when the size of the economy and price differences are taken into account, with absolute expenditure per inhabitant ranging from 10,377 PPS in NL to below-average 6,172 PPS in EL.

2.2   The allocation of resources across social protection functions

Beyond the heterogeneity in total spending levels, social protection arrangements in the EU differ considerably with respect to the allocation of resources within the systems. Figure 2.2 maps the distribution of benefits across social protection functions in 2011. [35] As in Figure 2.1, Member States are sorted by total social protection spending (in PPS) per inhabitant.

Figure 2.2: Allocation of social protection benefits across functions (2011)

Source: Eurostat ESSPROS. Sorted by total social protection spending (in PPS) per inhabitant.

The relative weight of different social protection functions varies significantly across Member States, which can reflect different policy preferences, economic conditions or demographic settings. For instance, the share of pensions (which refers to benefits under the old age and survivors functions) in total social protection benefits ranges from around 60% in PL and IT to below 40% in FI, NL, HR, DK, LU, and a low 21% in IE. Less variation across Member States is observed for the share of social expenditure spent on health-related benefits, with 22 out of 28 Member States spending between 30% and 40% of their total social budget on health care[36] and disability schemes. CY reports a share of health care and disability expenditure of 26%, while IE (49%) and HR (51%) allocate around half their social protection spending to health care and disability benefits.

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[35] ESSPROS allows for a largely consistent classification of expenditure across all Member States. However, to the extent that institutional setups differ across Member States, inconsistent classifications cannot be ruled out (e.g., early childhood education and care (ECEC) spending may be subsumed under social protection or education expenditure).

[36] Under ESSPROS, health care and sickness schemes are grouped together; for readability, the term "health care" schemes is used in the remainder of the paper whenever referring to "health care/sickness" schemes. The same holds for "family/children" schemes, which are referred to as "family" schemes. Along similar lines, "pensions" refers to old age and survivors benefits.

Overall, Member States tend to spend relatively more on the remaining four social protection functions (unemployment, family, housing and social exclusion) the higher their total social protection spending. The Member States with below-average social protection spending (in PPS) per inhabitant allocate, on average, a significantly higher share of their social protection budget to pension benefits (49%, vs. 42% in MS with above-average total spending), and accordingly spent a smaller share of their budget on benefits other than pensions and health care/disability (16%; vs. 20% in MS with above-average total spending). In absolute terms, this translates into particularly large cross-country differences in spending on unemployment, family, housing and social exclusion benefits (Tables A8 to A10 in the Appendix provide detailed figures on relative and absolute spending levels by function).

An important determinant of the observed differences in expenditure structures may be the different socio-demographic situation in the Member States. In a next step, demographic and employment characteristics are therefore taken into account for a more comparable assessment of the orientation of social protection spending. This is particularly relevant in the areas of pensions, unemployment and family benefits, which are targeted towards specific sections of the population. Spending levels for these social protection functions are therefore corrected for the size of the target population, using as reference population (i) unemployed people for unemployment expenditure; (ii) people aged 65 and older for pension expenditure; and (iii) people aged under 18 for family expenditure. Box 2.1 provides an overview of the (adjusted) indicators of social protection expenditure; the data is summarised in Table A15 (Annex 3).

Box 2.1: Structure of social protection expenditure, corrected for socio-demographic differences

The following six indicators of social protection expenditure are used, all derived from ESSPROS expenditure:

1. Total: total expenditure as a share of GDP

2. Pensions: total pension (old age and survivors) expenditure per population aged 65+ as a share of GDP per capita. The correction for the size of the population aged 65+ allows for an approximate correction for the demographic situation and, in particular, the extent of population ageing.

   An alternative would be the correction for the number of pension beneficiaries, which, however, is not exogenous to the characteristics of the pension system (see Annex 3 for further discussion).

3. Health and disability: total health and disability expenditure as a share of GDP

4. Unemployment: total unemployment expenditure per unemployed person (according to the ILO definition) as a share of GDP per person of working age

5. Family: total family expenditure per population less than 18 as a share of GDP per capita. As for the pension function, the correction for the population below 18 allows for a rough correction for differences in the demographic situation in Member States.

6. Social exclusion and housing: total social exclusion and housing expenditure as a share of GDP

The analysis illustrates both total expenditure levels and the relative level of expenditure across the various social protection functions, as to allow analysing potential asymmetries in the orientation of social protection expenditure which can then, in a second step, be compared to the achieved outcomes. As different reference populations can be considered (especially in the areas of pensions), Annex 3 presents a more detailed assessment of how results are driven by alternative correction factors.

Box 2.2.: Values displayed in the 'orientation of social expenditure' radars

The radars display (i) total spending on social protection; and (ii) spending by social protection function, corrected for socio-demographic factors as described in Box 2.1. To ensure comparability, the expenditure value for each function is standardised by (i) subtracting the indicator value from the weighted EU mean; and (ii) dividing the result by standard deviation.

The standardised values are then plotted in radar charts showing for each included Member State and dimension the deviation from the EU-27 average (which, by construction, equals 0 for all values). The black line representing the EU average hence follows a perfectly geometric position; larger diamonds denote above-average spending, while observations within the EU-27-polygon signal below-average expenditure levels.

Table A15 provides an overview of the various indicators of social protection spending that are used in this report. Below, the orientation of social expenditure across social protection functions for all Member States is illustrated with the help of radar charts (Figure 2.3).[37]

Figure 2.3: Orientation of social expenditure in 2011 in EU

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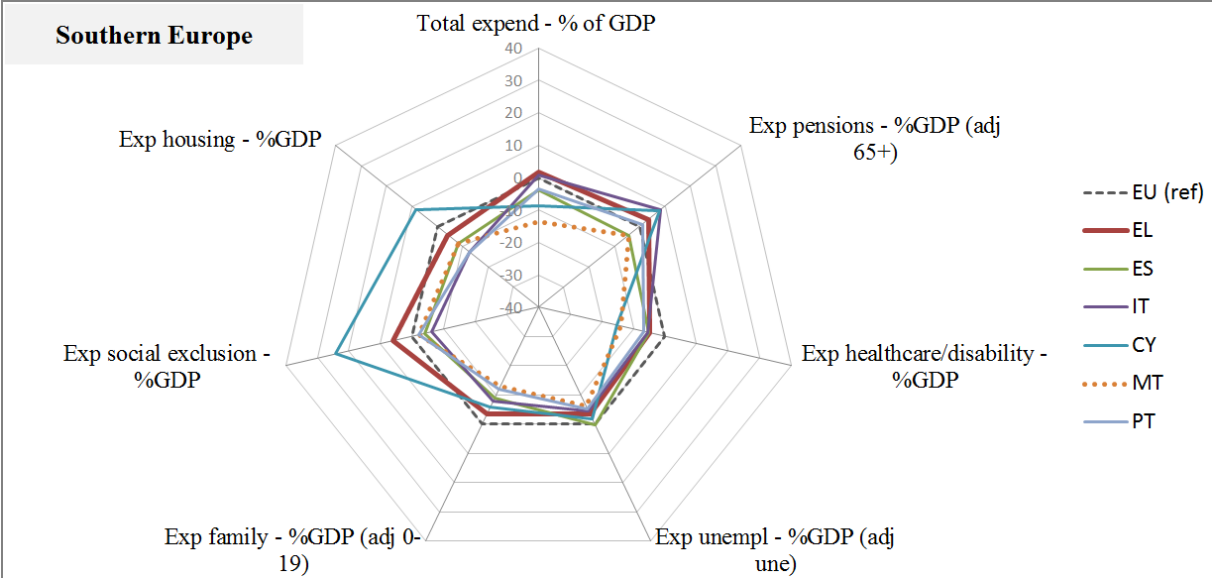
[37] For more information on the radar chart approach, the choice of the EU average as benchmark, and the applied grouping of Member States, see section 3.1.

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Northern Europe

Total - % of GDP

Housing - %GDP

Pensions - % GDP
(adjusted 65+)

Social exclusion - %GDP

Healthcare/disability
%GDP

Family - %GDP
(adj 0-18)

Unemployment - %GDP
(adjusted)

EU (ref)
DK
NL
FI
SE

North-Western Europe

Total - % of GDP

Housing - %GDP

Pensions - % GDP
(adjusted 65+)

Social exclusion - %GDP

Healthcare/disability
%GDP

Family - %GDP
(adj 0-18)

Unemployment - %GDP
(adjusted)

EU (ref)
IE
UK
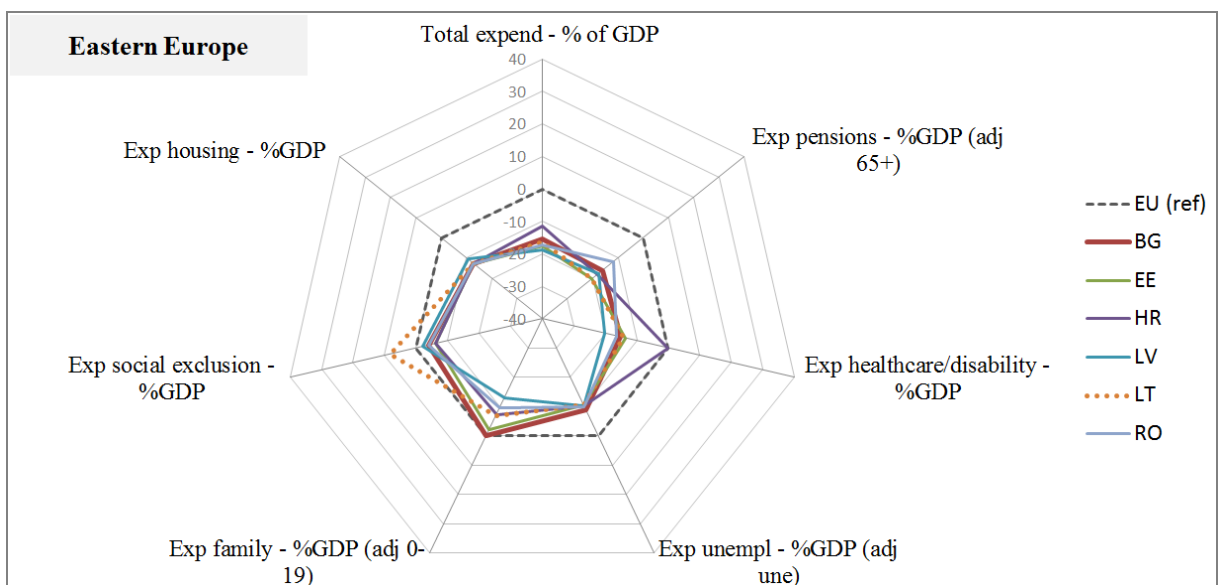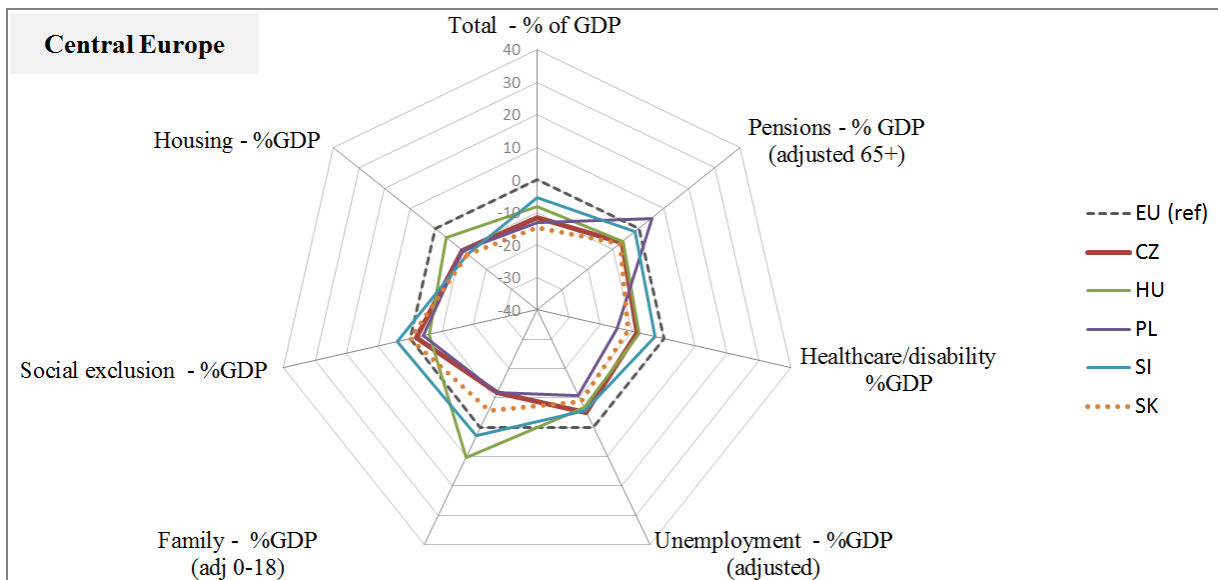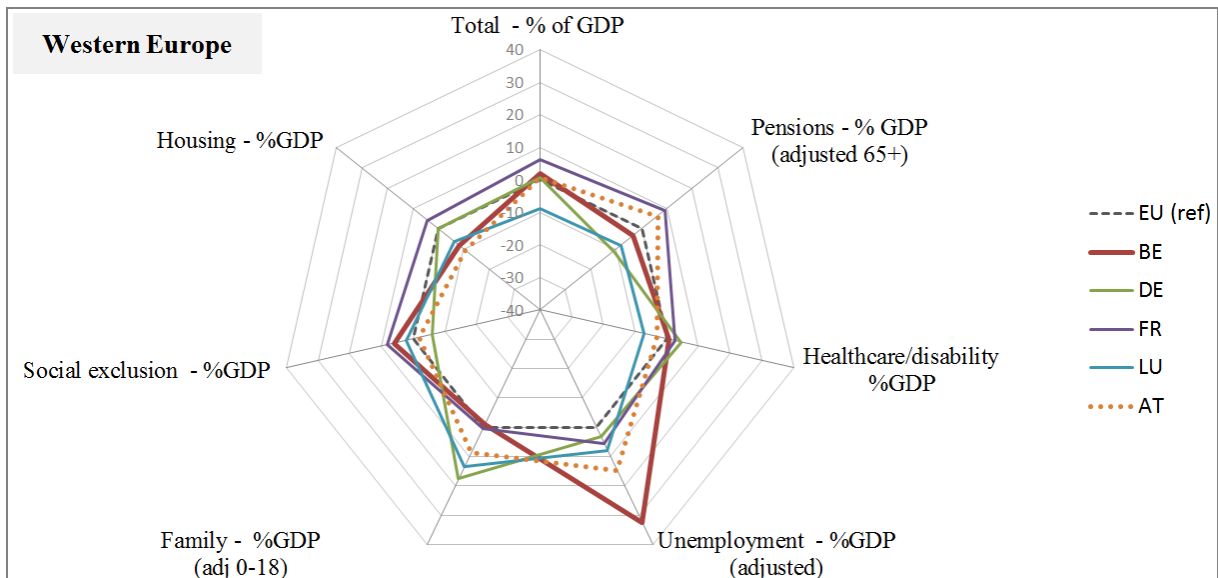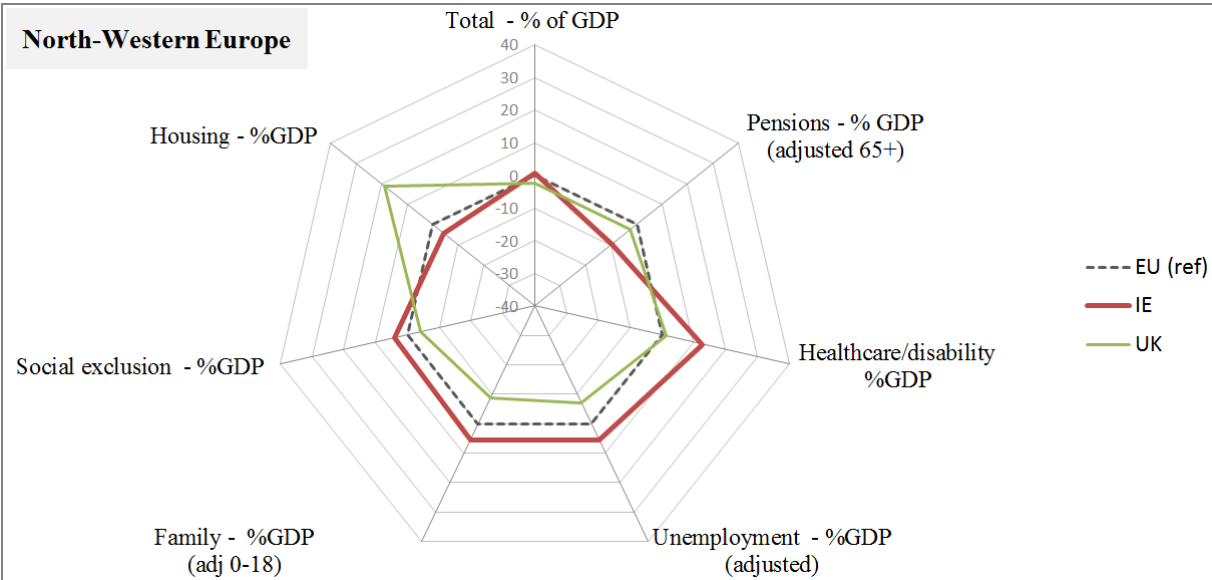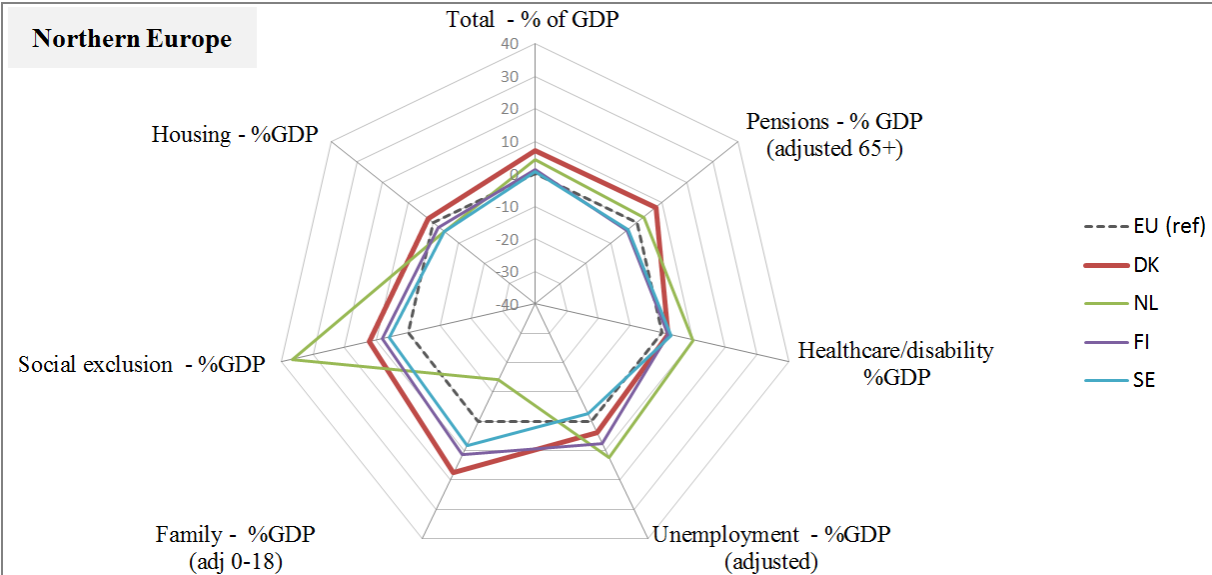
Definition of indicators: See Box 2.1. DG EMPL calculations.

In Southern Europe, the expenditure structure tends to be skewed towards pensions (e.g. in IT or MT), while the expenditure structure in Western Europe shows a quite strong orientation towards family and unemployment functions (with a high heterogeneity in the orientation of expenditure on pensions). In Central Europe, the expenditure structure tends to be skewed towards family and health and disability (e.g. in SI), while in Eastern Europe, it is often oriented towards family benefits (e.g. in EE). In Northern and North-Western Europe, the orientation of social expenditure appears relatively more oriented towards health, family, unemployment and social exclusion than towards pensions. Pension expenditure in these countries hence appears relatively low compared to spending on other functions. Table 2.1 summarizes the main trends that can be derived from the radar chart depiction.

Table 2.1: Orientation of social protection expenditure in 2011

	Orientation of social expenditure				
	Low		*Average*	*High*	
… towards	- -	-		+	++
Old age and survivors	DE, IE, LU	BE, HR,	All others	AT, CZ, IT, MT, RO, SK	CY, PL
Health and disability		DK, EL, IT, CY	All others	NL	IE, HR
Unemployment		EL, IT	All others	BG, CY, CZ, EE, FI, LV, LT, MT, NL, RO, SK	AT, BE, LU
Family	NL	EL, FR, IT, PT, UK	All others	AT, LV, LT, RO, SE, SI, SK	BG, DE, DK, EE, FI, HU, LT, LU
Social exclusion and housing	IT	AT	All others	BG, CZ, EE, LU, MT, PL, RO, SK	CY, LT, LV, NL, UK

Source: DG EMPL. Note: The orientation of social expenditure towards a risk is assessed by comparing the standard deviation of expenditure by potential beneficiary for the given risk (for instance population aged 65 and older for pensions) to the standard deviation of total expenditure per capita. A mild orientation corresponds to a difference higher than half the reduced standard deviation and a strong orientation to a difference of at least one reduced standard deviation.

2.2.1   *Time trends*

In part, the observed heterogeneity can be explained by the evolution of spending patterns over the 2000s. As PPS indicators are not suitable for the analysis of temporal trends, expenditure is reported at constant 2005 prices. Expressed in Euro, this indicator does not account for price *level* differences across Member States, but allows for an inflation-adjusted analysis of spending trends in Member States over time. Adjusted for price changes, social protection expenditure in the EU-25 rose by 1,210 Euro or 24% in 2000-2010 period, with the rise in old age (+457 €) and health care benefits (+461 €) accounting for 76% of the total increase.[38] Relative to the initial spending level in 2000, expenditure on health care benefits increased by 33% in the EU-25, while spending on family (+19%), disability (+16%), housing (+16%) and survivors benefits (+17%) increased at a below-average pace. Social exclusion benefits rose substantially (+65%); however, from an overall low EU-25 average of 60 Euro in 2000 to 99 Euro in 2010.

Figure 2.4 displays the total changes in social expenditure per inhabitant between 2000 and 2011 in relative terms. On average in the 26 Member States for which the data is available, expenditure on social protection benefits increased by 52% during this period, ranging from less than 20% in DE, AT, IT, UK and SE to more than 100% in EE, LT, IE and RO. Overall, the relative increase in spending is found more pronounced the lower the initial spending levels in 2000,[39] pointing to a certain convergence in social protection spending. At function level, rising old age (44% of the total increase, on average) and health care (28%) expenditure account for the bulk of the increase in social spending, while, on average, 8.5% and 4.3% of the total increase can be attributed to the family/children and unemployment functions, respectively.

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[38]   As no data for the EU(-25) average in constant 2005 prices is available for 2000, the reported average changes for the EU-25 refer to the period 2000 to 2010 (in constant 2000 prices).

[39]   The correlation between total social protection spending in 2000 (in constant 2005 prices) and the relative change in expenditure levels between 2000 and 2011 is significantly negative at -0.53.

Figure 2.4: Relative changes in social protection expenditure (in Euro per inhabitant in constant 2005 prices) between 2000 and 2011, by function
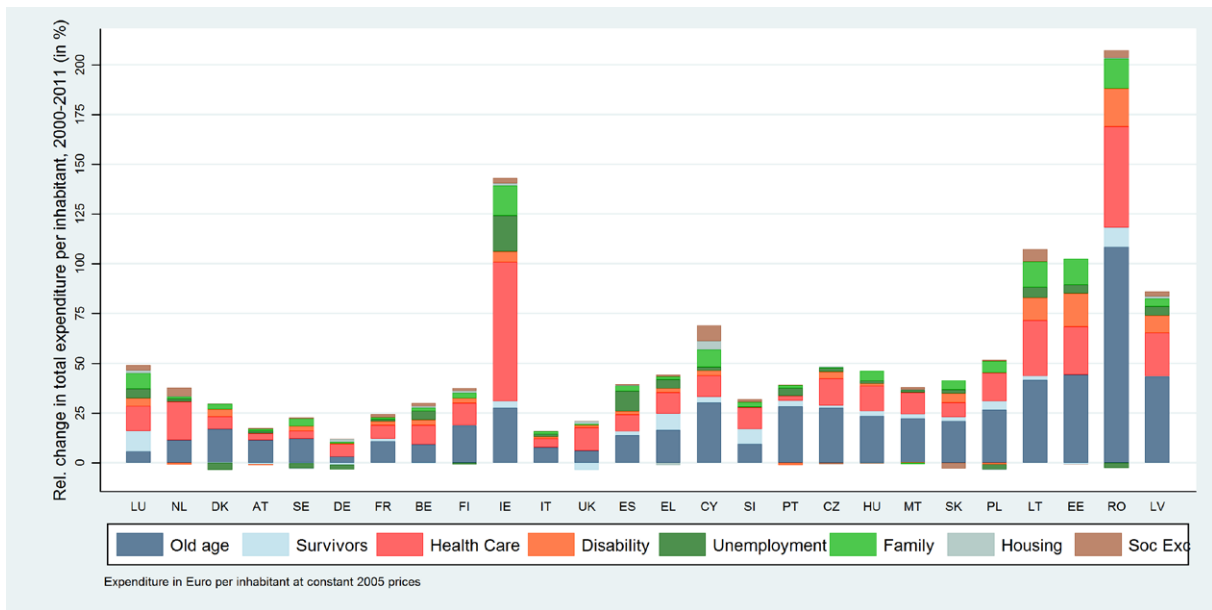
Source: Eurostat ESSPROS; data for EU average as well as BG & HR not available for 2000. Sorted by social protection benefits (in PPS) per inhabitant in 2011.

A somewhat different picture evolves when *absolute* changes in social protection spending are looked at (Figure 2.5). Per capita expenditure on old age benefits has increased in all 26 Member States for which data is available, and this increase is found significantly higher for countries with above-average levels of total social protection spending (+ 854 € vs. +394 € in Member States with below-average social budgets). The overall larger *relative* increase in social protection spending in Member States with low initial expenditure levels hence do not translate into a catching up in absolute terms, where the gaps within the European Union have widened between 2000 and 2011.

Figure 2.5: Absolute changes in social protection expenditure (in Euro per inhabitant in constant 2005 prices) between 2000 and 2011, by function
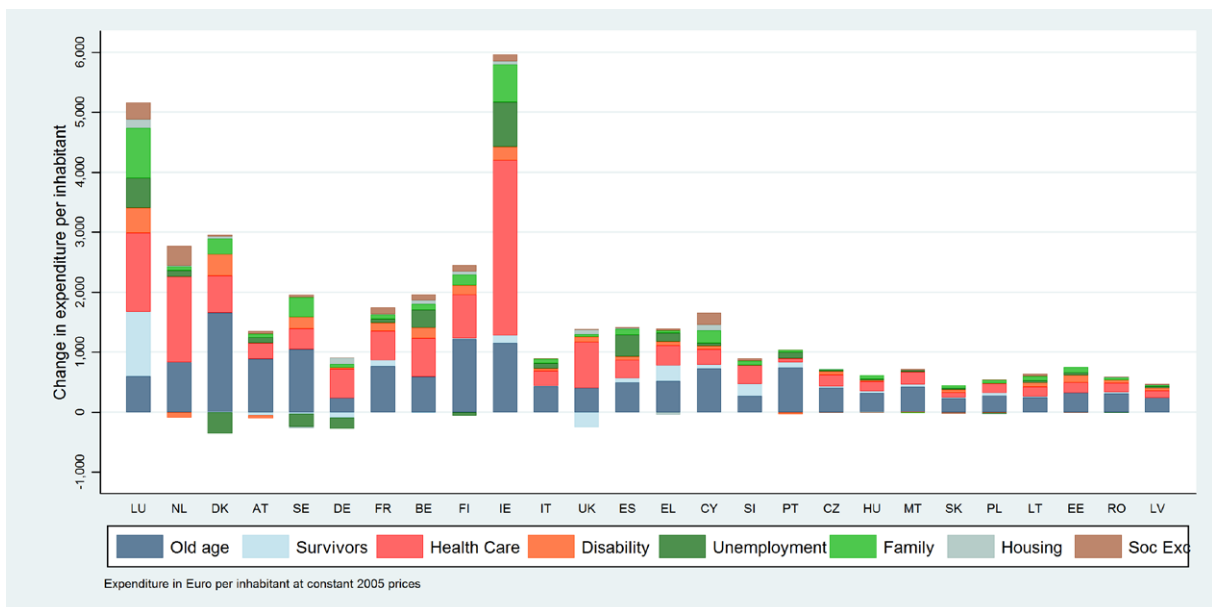
Source: Eurostat ESSPROS; data for EU average as well as BG & HR not available for 2000. Sorted by social protection benefits (in PPS) per inhabitant in 2011.

Having in mind that the overall lower price levels in the latter group of countries are not taken into account, absolute spending levels across the EU have diverged even more for most of the other functions. This is particularly true for disability (+144 € in MS with above-average total spending vs. +42 € in MS with below-average total spending), family/children (+240 € vs. +60 €), social exclusion (+105 € vs. +23 €) and housing expenditure (+42 € vs. +12 €). As different price levels can only partly explain these (widening) gaps, social protection systems, in general, appear to place more emphasis on "smaller" social protection functions the larger they are (and grow), while in particular pension benefits absorb a relatively large share of social protection benefits in Member States with lower total spending levels.

2.3   Types of spending by social protection function

The ESSPROS data further allows distinguishing social protection spending by the type of benefits, hence whether benefits are provided (i) in cash or in kind; and (ii) means-tested or non-means-tested. By social protection function, Figure 2.6 illustrates the share of social protection benefits provided in kind (as opposed to cash payments, see also Table A11 in the Appendix).

In the EU-27, 35% of the total benefits are provided in the form of goods and services. The chosen mix of cash and in-kind benefits thereby varies considerably both across Member States and social protection functions. Overall, IE, SE, UK and DK provide more than 40% of total benefits in kind, while this share is found below 30% in seven Member States (PL, CY, LV, IT, BG, RO, EE). Overall, Member States with higher total social protection expenditure tend to provide more benefits in kind, which is at least partly driven by the relatively high share of (mostly cash) old age/survivors benefits in countries with lower overall spending levels.

Figure 2.6: The share of social protection benefits in kind by function (2011)
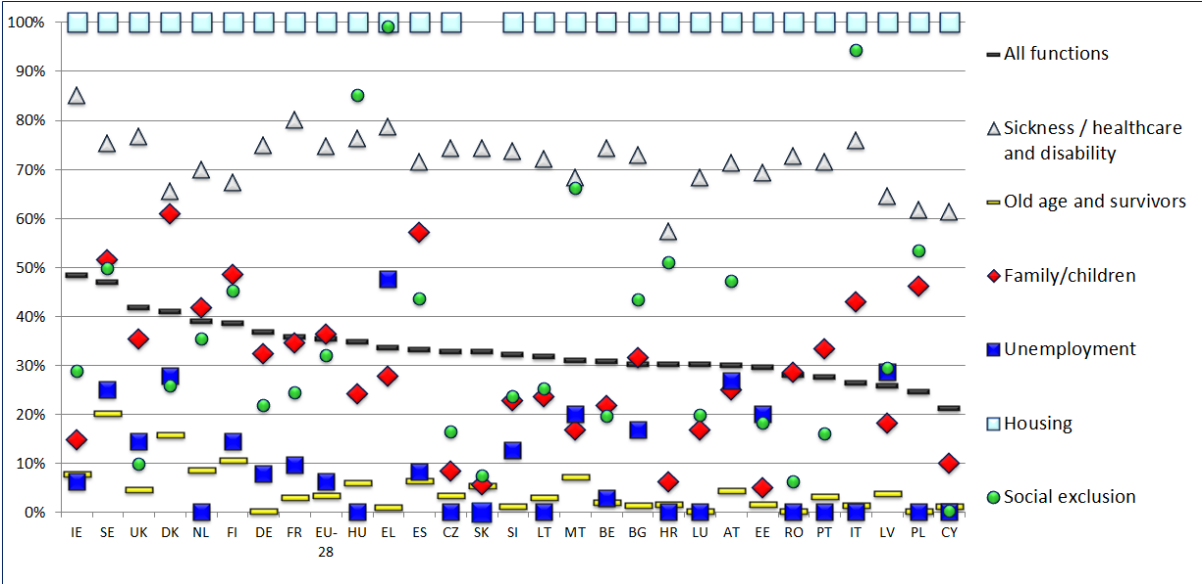
Source: Eurostat ESSPROS. SK – no data on Housing. Sorted by the share of total benefits provided in kind.

Old age and survivors benefits almost exclusively take the form of cash benefits (EU-28 average: 96.9%); only in the Nordic Member States, more than 10% of old age and survivors benefits are provided in kind. A similarly low share of in-kind benefits is observed for the unemployment function (EU-28 average: 6.3%), with more than 25% of in-kind unemployment benefits in LV, DK, AT and

SE and a remarkably high 48% in EL. On the other end of the spectrum, housing benefits (100%, by definition) and sickness/health care and disability benefits (74.8%) largely take the form of goods and services, with a comparably low variation across Member States.

A much more heterogeneous picture across Member States is observed for family and social exclusion benefits, of which, on average, roughly one third are provided in kind in the EU-28. However, the share of in-kind family benefits varies from 61% in DK (and more than 45% in ES, SE, FI and PL) to below 10% in CZ, HR, SK and EE. While Member States with higher total spending on family benefits tend to provide a slightly higher share of these benefits in kind, some notable exceptions from this overall rule exist (in particular, LU spends almost four times the EU-28 average on family benefits (in PPS terms), with the share of goods and services at a comparably low 16.7%). Similarly dispersed, the share of social exclusion benefits provided in kind varies from above 90% in EL and IT to below 10% in SK, RO and CY. In 16 Member States, more than two thirds of the social exclusion benefits are given as cash benefits, with no clear relationship between the relative or absolute amount spent on social exclusion on the one hand and the share of in-kind provision on the other.

Besides the distinction of cash and in-kind benefits, social protection benefits are broken down according to their eligibility criteria. Means-tested benefits, which are explicitly or implicitly conditional on the beneficiary's income and/or wealth falling below a specified level, account for 11% of total social protection benefits in the EU-28 in 2011 (Figure 2.7; Table 12 in the Appendix). This share varies from 1.3% in EE to 27.6% in IE, with eight Member States spending more than 10% of their total social budget in a means-tested way. These overall low shares of means-tested benefits are driven by largely non-means-tested benefits under the old age/survivors (95%) and sickness/health care and disability functions (95%), whereas about one quarter of the benefits under the unemployment (25%) and family/children functions (27%) are conditional on means-testing. 100% of housing benefits (by definition) and a large share of social exclusion benefits (87%) are means-tested; however, in HU, EL, MT, CZ and SE, the majority of social exclusion benefits is provided in a non-means-tested way.

Figure 2.7: The share of means-tested social protection benefits by function (2011)
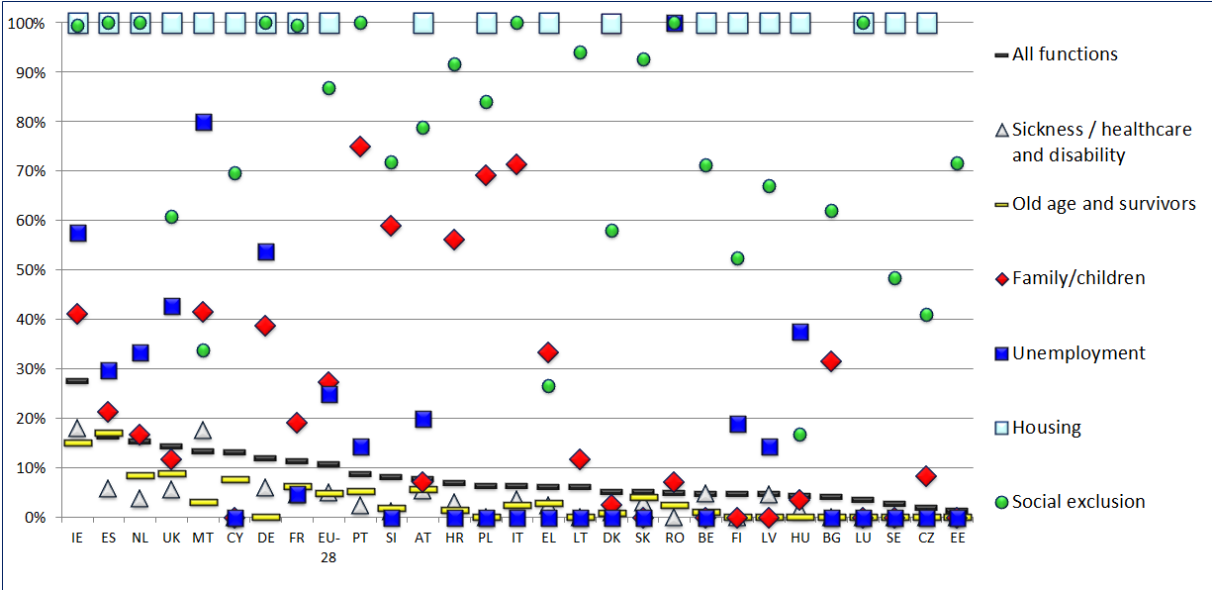
Source: Eurostat ESSPROS; data on Housing are not available for: PT, SI, HR, IT, LT, SK, RO, BG and EE. Sorted by the share of total means-tested social protection benefits.

The variation in the emphasis that Member States place on means-testing is largest for unemployment and family benefits. Whereas 17 Member States provide less than 20% of total family benefits on the basis of means-testing, this share is found above 50% in HR, SI and PL, and even above 70% in IT and PT. Likewise, 15 Member States do not apply means-testing at all when it comes to unemployment benefits, while the share of means-tested unemployment benefits is substantial in MT (80%), IE (58%), DE (54%) and RO (100%). In general, a consistently positive correlation between the shares of means-tested benefits across the different social protection functions indicates that some Member States are generally more inclined to means-testing than others.

Summarising, the presented information on social protection spending reveals a huge diversity in the ways Member States have organised their social protection systems. Substantial differences in spending levels, allocations across functions and over time, as well as the types and characteristics of benefits provide a large repository of different approaches towards the provision of social protection. In the next section, the social situation in the EU is assessed and the spending on social protection is contrasted with the observed social outcomes.

3. Assessing the effectiveness and efficiency of social protection systems

The goal of this chapter is to assess alternative ways of measuring the effectiveness and efficiency of social protection systems. As will be shown, such a comprehensive analysis of the performance of the entire social protection *system* is far from straightforward. Highly complex in nature, social protection systems have evolved over long periods of time and often comprise of a wide range of schemes and policy instruments that follow a multitude of different and sometimes conflicting objectives. Judging the effectiveness and efficiency of these systems is therefore a challenging endeavour that requires (i) a clear understanding of the objectives to be achieved; (ii) detailed information on relevant input, output and context factors; and (iii) an appropriate, multi-layer framework that allows assessing the systems' performance in its various dimensions, including trade-offs and synergies between policy areas.

The chapter aims at providing such a framework. After an introduction to the common objectives of social policies in the EU, the available data sources and the key indicator used so far to measure the effectiveness of social expenditure are reviewed (section 3.1). This is followed by an overview of the existing literature on the measurement of social efficiency. Non-parametric and parametric methods for the macro-level analysis of social protection performance are assessed against their suitability for the EU context, complemented by an overview of existing analytical tools at the micro level (section 3.2). The multi-dimensional character of social policies and the small size of the EU sample largely prevent the use of numerical methods, which turn out to hardly provide robust efficiency estimates at the macro-level. More importantly, the use of numerical methods is limited to the assessment of a certain objective or policy area, but they cannot be applied to model social protection systems as a whole.

To this end, the report proposes a simple, but transparent tool that provides for a comparative assessment at the level of the social protection *system*. In particular, the approach allows taking better account of the various purposes of social policies, including trade-offs between different social policy areas and the interrelations between social policies and employment outcomes (section 3.3). The proposed benchmarking exercise of the systems' main characteristics is applied to four key social protection functions (pensions, family/children, unemployment, social exclusion/housing; section 3.4). For all four areas, the analysis is embedded in a review of existing evidence from the macro- and micro-level. Results are then combined at country level for an integrated illustration of the entire social protection system (section 3.5), which can provide the starting point for a more in-depth assessment of the identified policy challenges and their underlying processes.

3.1   *Social protection effectiveness from an EU perspective*

In general, social protection systems are considered effective when they achieve the desired outcomes. As the purposes of social protection are manifold and can be conflicting, any assessment of the effectiveness of social protection requires the definition of social goals in the first place. Specified at global, national, regional and local levels, the objectives of social protection thereby vary considerably and depend on a number of factors ranging from political preferences to the economic environment, fiscal constraints and cultural attitudes.

These goals need to be operationalised, measured and relevant context factors are to be taken into account. At EU level, all Member States have agreed upon a common social policy agenda in the framework of the social Open Method of Coordination (social OMC). The EU priorities in the social area are reflected in the common objectives of the social OMC: Three overarching objectives[40] are complemented by specific objectives for each "strand" of the OMC, calling for (i) a decisive impact on the eradication of poverty and social exclusion; (ii) adequate and sustainable pensions; and (iii) accessible, high-quality and sustainable healthcare and long-term care.[41] While additional goals may exist at national level, these objectives provide the main benchmark against which the performance of social protection systems in Member States can be assessed in a consistent way.

In order to analyse the progress towards the achievement of these objectives, measurable targets have been formulated and a portfolio of common EU social indicators[42] has been developed in cooperation between the Social Protection Committee (SPC) and Commission services. The Europe 2020 target on the reduction of poverty and social exclusion thereby constitutes the EU headline target in the social field, while social policies also contribute importantly to the achievement of the EU 2020 employment target.[43] As to reinforce and support coordination of social policy and multilateral surveillance, the Social Protection Performance Monitor (SPPM) was developed and adopted in 2012, providing a total of 20 key indicators that mirror the overall social situation in Member States.[44] Further, the Employment Performance Monitor (EPM), which is a major component of the Joint Assessment Framework (JAF), provides a wide range of labour market measures that allow identifying employment challenges and help complement the analysis of social outcomes. On the whole, the existing data on social protection inputs, social and employment outcomes as well as context factors provide a powerful repository of empirical evidence that can be employed for a fine-grained analysis of social outcomes and their underlying processes in the EU.[45]

So far, however, the effectiveness and efficiency of social protection systems in the EU have mainly been assessed through the progress towards the Europe 2020 target on the reduction of poverty and social exclusion. The main SPPM indicator on the effectiveness of social protection systems is based on the comparison of poverty rates before and after social transfers (using pre- and post- transfer income data from EU-SILC), from which the poverty reduction effect of social benefits is derived. This 'one-dimensional approach' to assessing the effectiveness of the Member States' social protection systems is exemplarily illustrated for the area of child poverty in Figure 3.1. Spending on family and child benefits (as share of GDP) is plotted against the relative change in the at-risk-of-poverty rate (AROP) of the population aged 0-17 due to social transfers.

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[40] The overarching objectives of the OMC for social protection and social inclusion are to promote:

    (a) Social cohesion, equality between men and women and equal opportunities for all through adequate, accessible, financially sustainable, adaptable and efficient social protection systems and social inclusion policies;

    (b) effective and mutual interaction between the Lisbon objectives of greater economic growth, more and better jobs and greater social cohesion, and with the EU's Sustainable Development Strategy;

    (c) good governance, transparency and the involvement of stakeholders in the design, implementation and monitoring of policy.

[41] See SPC Opinion on "Reinvigorating the Social OMC in the Context of the Europe 2020 Strategy" (adopted in May 2011).

[42] On methodological criteria, see the SPC Indicators Sub-Group's "Guiding principles for the selection of indicators and statistics".

[43] For an overview of the EU 2020 targets and the respective national targets, see
http://ec.europa.eu/europe2020/pdf/targets_en.pdf

[44] See Table A13 in the Appendix for an overview of these indicators; Table A14 reports the most recent data.

[45] For an overview of commonly agreed indicators, see DG EMPL's 2009 publication "Portfolio of indicators for the monitoring of the European strategy for social protection and social inclusion – 2009 Update"

Figure 3.1: Spending on child benefits and reduction in children's AROP (in percentage points), 2011
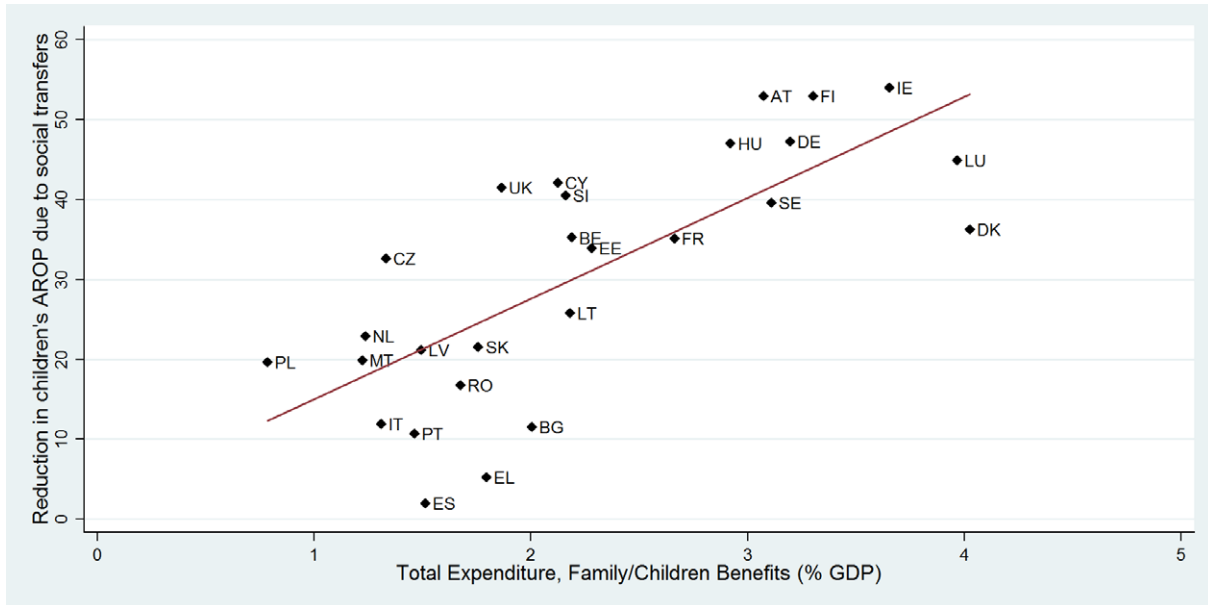
Source: EU-SILC, ESSPROS. Data from 2011. AROP: At-risk-of-poverty. Red line: Linear Trend.

The positive correlation between spending and poverty reduction shows that Member States with relatively higher expenditure on family and child benefits report, on average, a higher decrease in poverty when comparing pre- and post-transfer rates. This type of analysis highlights the effectiveness of social (cash) benefits in improving the income situation of low-income households. Indeed, an overwhelming majority of quantitative studies agrees on the existence of a strong negative correlation between social expenditure and poverty across European countries, at least over the last 30 years (Cantillon, 2011; Esping-Andersen and Myles, 2009; Behrendt, 2002).

However, and besides methodological concerns,[46] the approach focuses on only one of the multiple purposes of social benefits and, for instance, does not mirror the ability of social policies to support parents' capacity to generate adequate pre-transfer incomes in the first place. The performance of social (and employment) policies in preventing child poverty would therefore be better captured by several indicators reflecting the desirable outcomes of family policies; e.g. higher employment rates and wage incomes of parents/mothers, high participation of children in early childhood education and care, and low levels of (post-transfer) child poverty.

In order to provide for such a broader understanding of social protection effectiveness that reflects the various objectives of social policies, this report aims at expanding the analysis beyond the narrow focus on poverty reduction through direct transfers. The next section provides an overview of existing macro-level approaches to measure (social) efficiency and exemplarily applies these techniques to the area of family benefits, as to assess their suitability for EU context.

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[46]   In the standard approach, total social protection spending (excluding pensions) is assessed against the degree to which social transfers reduce the share of households below the poverty line. The results need to be interpreted with caution, as (i) the pre-transfer distribution of incomes and in particular the intensity of poverty is not directly taken into account; and (ii) social protection benefits, and especially in-kind goods and services, are not exclusively directed towards improving the income situation of the poor through direct transfers, but may as well support the prevention of pre-transfer poverty in the first place. The *final poverty rate* after transfers therefore also provides a comprehensive measure of the effectiveness of social protection (and employment) policies, as compared to the transfer-led *reduction in poverty* alone.

3.2 Approaches towards the measurement of social protection efficiency

International organisations and academic scholars have paid considerable attention to the challenge of measuring the efficiency of social protection systems.[47] Generally defined as the ratio of output to input, efficiency is most commonly applied to the assessment of (industrial) production processes, where a certain number of inputs are used to produce standardised output under the objective of profit maximisation. Over the course of the last two decades, a number of papers and reports have tried to apply the concept of production efficiency to the social field.

The measurement of technical efficiency usually relies on the idea of a best practice frontier on which the most efficient production units operate, while those units operating below that frontier are considered inefficient. Two main methodological alternatives can be used to determine this best practice frontier. So-called parametric approaches assume an underlying production function with constant parameters, which are estimated by regressing an output indicator on a number of input and context factors. The error term of the regression, which reflects the variation in outputs that cannot be explained by the input and context factors controlled for, then serves as an indicator of each observation's efficiency. The results of parametric analyses thereby depend on (and change with) the set of control variables included and the functional form chosen. Grigoli and Kapsoli (2013) provide an overview of existent studies on emerging and developing countries, as well as a discussion of some of the challenges in using regression analysis to measure social efficiency.

Alternatively, linear programming is employed to derive a best practice frontier. Such non-parametric methods do not require the *a priori* specification of a functional form, but rely on assumptions on the production process (e.g., the type of returns to scale) and are more sensitive to outliers in the data. The most common techniques are the "Data Envelopment Analysis (DEA)" and the "Free Disposal Hull" (FDH), where the DEA method assumes a convex production frontier (implying variable returns to scale) while this convexity assumption is relaxed in FDH models (implying constant returns to scale).[48] Both methods use linear programming methods to solve an equation set with one or several input and one or several output indicators in order to determine the frontier of efficient (country) observations that envelops the remaining, inefficient observations.

While a growing literature provides attempts to measure social efficiency using both parametric and non-parametric approaches, the application of the concept of production efficiency to the public sector remains problematic for several reasons. Borrowed from the measurement of technical efficiency in production, an efficiency frontier can most reliably be computed at the micro-level for a large number of production units that use well-defined inputs designated to produce standardised outputs. For the purpose of comparability, the production environment should be either homogeneous or have no significant impact on the achieved outputs.

As discussed in detail by Ravallion (2005) and Pestieau (2007), these ideal conditions hardly hold for the 'production processes' that underlie social outcomes. The identification of the very impact of social protection interventions is methodologically challenging when mainly social outcomes but not outputs are observed. Further, social policies do not produce a single outcome, but usually follow several and sometimes competing objectives, which would all need to be taken into account for a complete analysis. As social spending tends to serve several policy objectives, *input* (i.e., benefits)

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[47] See also DG ECFIN (2008), 'Efficiency and Effectiveness of Social Spending: Achievements and Challenges', Note for the informal ECOFIN of 4 April 2008.

[48] Thanassoulis (2001), for instance, provides a detailed introduction to the DEA methodology.

often cannot easily be assigned to a specific outcome. Family benefits, for instance, are not exclusively targeted at mitigating child poverty, but often aim at education and employment purposes as well. Likewise, social *outcomes* can be addressed by more than one social protection function, which widens the set of relevant input factors. It is hence challenging to establish a clearly defined set of input and output factors when it comes to social policies.

More importantly, employment and fiscal policies as well as a wide range of contextual factors (demographic, economic, cultural, lifestyle factors, etc.) often also have a significant impact on social outcomes. While cash transfers have a (rather) direct impact on disposable incomes and hence the poverty status, the immediate *outputs* of other social benefits are often more difficult to disentangle from these other factors that drive the observed social *outcomes* as well.[49] Non-parametric approaches, however, are based on the assumption of a direct and causal relationship between input and output indicators. They hence do not allow accounting for the impact of other factors, and might therefore provide misleading results. In their study of public spending efficiency in redistributing income, Afonso et al. (2008), for instance, have tried to address these concerns by estimating the impact of such other factors on the DEA efficiency scores in a second-stage regression. Their results suggest a substantial bias in the estimated efficiency scores when relevant context factors are omitted.

Furthermore, while regression analyses do allow for the inclusion of both direct inputs and context indicators as explanatory factors, the sample size needed for robust estimates also increases with the number of included control variables. Park et al. (2000) use simulations to illustrate the considerable imprecision inherent to FDH estimates which are based on a sample size of 100 or less, even when only a few input and output factors are included. Based on the EU sample of 28 heterogeneous observations, attempts to model the "production" of social outcomes therefore almost inevitably run the risk of oversimplification and omission of important contextual factors. As a consequence, it often remains unclear what is actually measured by cross-country studies of social efficiency, with a considerable risk of misleading rankings. The potential and the limitations of numerical approaches to the macro-level analysis of social protection efficiency are illustrated below.

3.2.1 *Data Envelopment Analysis*

The methodological concept behind the Data Envelopment Analysis is introduced with the example of the one-dimensional approach to measuring the efficiency of family benefits. The input indicator of total spending on family benefits (as share of GDP) is assessed against the poverty reduction impact of social spending as single outcome factor. Displaying the same set of observations as in Figure 3.1, the DEA results for this input-outcome combination are illustrated in Figure 3.2. The results for all Member States[50] are also summarised in column 1 of Table 3.1.

The Data Envelopment Analysis applies a relative concept of efficiency, in the sense that full efficiency is determined by those observations with the best measured output at each input level. In the example, the efficiency frontier is constructed with PL, CZ, UK, AT and IE, which serve as the

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[49] Establishing a causal link between social protection policies and outcomes can be further complicated by (i) potential positive or negative synergies between policy areas (e.g., poverty prevention and health outcomes); (ii) cumulative effects of policies over time (e.g., pension entitlements which materialise at the end of the working life); or (iii) a substantial time lag between the social intervention and the observation of outcomes (e.g., early childhood development interventions which pay off over the life cycle). Accounting for these issues would require detailed longitudinal, micro-level data (see also below for a brief overview of methodological approaches at the micro level).

[50] Data on the impact of family benefits on the reduction of child poverty levels are not yet available for HR.

benchmark for the remaining countries below the frontier. The computation of efficiency scores can be either input-oriented (*by how much can the input be reduced to achieve the same outcome?*) or output-oriented (*by how much can the output be increased with the same input?*). From an adequacy point of view, increased efficiency of social protection should be understood as achieving better results with the same resources, rather than as preserving current outcomes with less spending.

Figure 3.2: Illustration of DEA results: one input, one outcome (output-oriented)
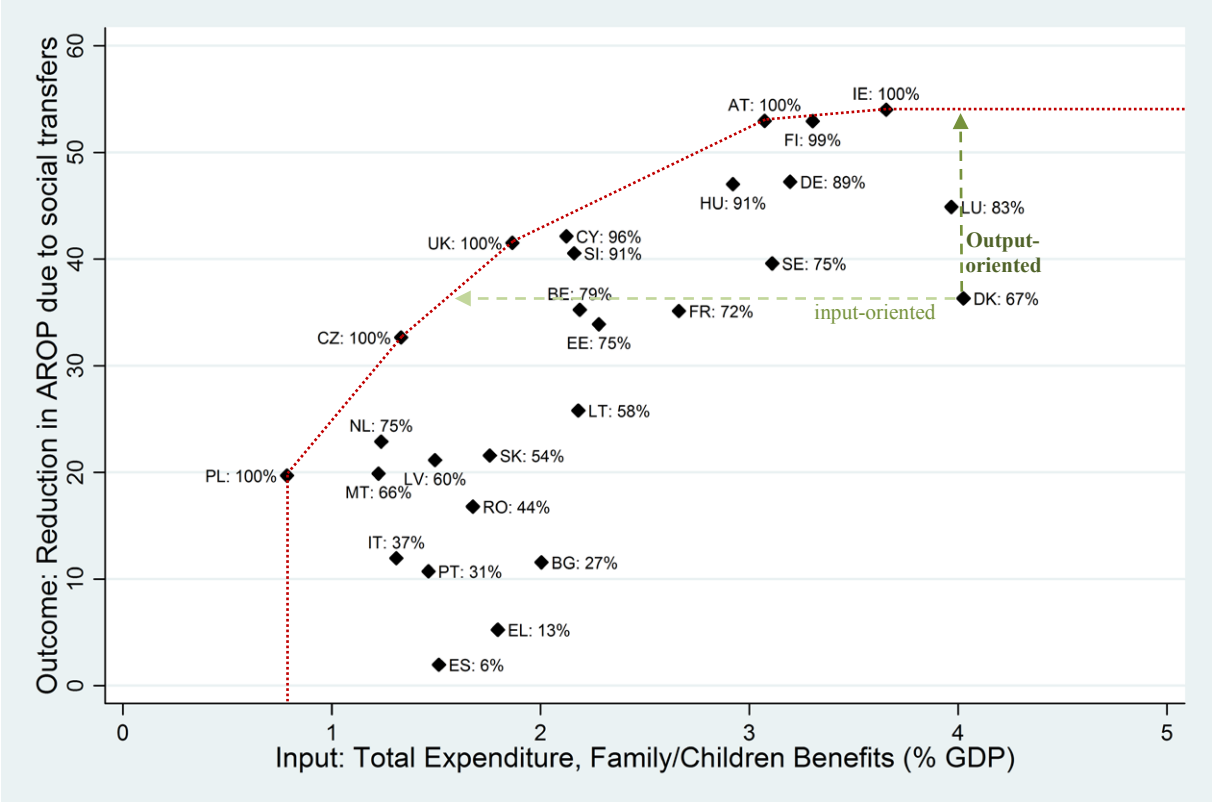
Source: DG EMPL calculations. Red dashed line: 'production possibility frontier'. Assumption of variable returns to scale. No data on AROP reduction for children available for HR.

Figure 3.2 therefore reports the output-oriented efficiency scores, which are calculated as the relative distance to the frontier. For example, the score of 67% for DK results from the ratio of its poverty reduction outcome (36%)[51] to the poverty reduction outcome of the most effective country with the same (or lower) input, which is IE with a poverty reduction impact of 54%. The efficiency scores are hence solely determined by the ratio of outcome(s) to input(s), taking into account neither the effectiveness of benefits (e.g., PL is considered efficient simply because it spent the least on family benefits) nor the impact of any other input or context factor. Further, the approach is very sensitive to outliers that can shift the efficiency frontier and hence the computed scores of all observations.

For comparison, column 2 of Table 3.1 reports the input-oriented efficiency scores for the same input and outcome variables. Whereas the same five countries are considered efficient, the efficiency scores of some of the non-efficient countries vary substantially between the two approaches (Figure A6 in the Appendix provides the graphical illustration). Taking again the example of DK, the computed efficiency drops to 39%, as the efficiency frontier suggests that the given poverty reduction effect can also be achieved with spending equal to 1.6 % of GDP (instead of the current 4%).

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[51] The low score is mainly driven by the fact that an essential part of the Danish family/children benefits – the in kind benefits - is not a part of this picture.

Table 3.1: Family benefits: DEA efficiency scores and positions

MS	① Input: Total Exp. Output: Poverty Reduction		② Input: Total Exp. Output: Poverty Reduction *(input-oriented)*		③ Input: Total Exp. Output: Child Poverty ("Final" AROPE)		④ In: Cash & In-kind Output: Poverty Reduction & Final AROPE		⑤ In: Cash & In-kind Out.: Pov. Reduction & Final AROPE & Childcare use	
	Score	*Position*	**Score**	*Position*	**Score**	*Position*	**Score**	*Position*	**Score**	*Position*
AT	100%	*1*	100%	*1*	95%	*9*	100%	*1*	100%	*1*
BE	79%	*12*	68%	*12*	92%	*12*	92%	*19*	96%	*17*
BG	27%	*25*	39%	*26*	81%	*27*	82%	*26*	82%	*26*
CY	96%	*7*	91%	*7*	100%	*1*	100%	*1*	100%	*1*
CZ	100%	*1*	100%	*1*	100%	*5*	100%	*1*	100%	*1*
DE	89%	*10*	77%	*10*	95%	*10*	96%	*14*	96%	*15*
DK	67%	*17*	39%	*27*	100%	*1*	100%	*1*	100%	*1*
EE	75%	*15*	62%	*14*	91%	*15*	100%	*1*	100%	*1*
EL	13%	*26*	44%	*25*	88%	*21*	88%	*23*	88%	*23*
ES	6%	*27*	52%	*21*	85%	*26*	100%	*1*	100%	*1*
FI	99%	*6*	93%	*6*	99%	*6*	100%	*1*	100%	*1*
FR	72%	*16*	56%	*19*	92%	*13*	92%	*21*	94%	*19*
HR					91%	*16*				
HU	91%	*9*	84%	*8*	87%	*24*	93%	*18*	93%	*21*
IE	100%	*1*	100%	*1*	90%	*19*	100%	*1*	100%	*1*
IT	37%	*23*	60%	*15*	87%	*23*	96%	*15*	96%	*16*
LT	58%	*20*	48%	*23*	86%	*25*	86%	*25*	86%	*25*
LU	83%	*11*	56%	*18*	89%	*20*	92%	*20*	97%	*14*
LV	60%	*19*	57%	*16*	88%	*22*	88%	*24*	88%	*24*
MT	66%	*18*	65%	*13*	94%	*11*	94%	*16*	96%	*18*
NL	75%	*13*	74%	*11*	100%	*1*	100%	*1*	100%	*1*
PL	100%	*1*	100%	*1*	100%	*1*	100%	*1*	100%	*1*
PT	31%	*24*	54%	*20*	91%	*18*	91%	*22*	91%	*22*
RO	44%	*22*	47%	*24*	78%	*28*	78%	*27*	78%	*27*
SE	75%	*14*	56%	*17*	96%	*8*	97%	*13*	98%	*13*
SI	91%	*8*	84%	*9*	97%	*7*	98%	*12*	100%	*1*
SK	54%	*21*	49%	*22*	91%	*17*	93%	*17*	94%	*20*
UK	100%	*1*	100%	*1*	92%	*14*	100%	*1*	100%	*1*
Fully efficient obs.:	5		5		5		11		12	

Source: DG EMPL calculations. Assumptions: variable returns to scale, output-oriented efficiency scores (with the exception of model ②). Efficient Member States under each approach marked in green. No data on AROP reduction for children are available for HR.

Given the shortcomings of the poverty reduction indicator as a measure of effective prevention of child poverty, the analysis is repeated with the final level of child poverty as outcome indicator (Table 3.1, column 3). Figure 3.3 illustrates the computed efficiency scores, again using total spending on family benefits as input factor. Except for PL, which is deemed efficient by default as it has the lowest spending on family benefits, the efficiency frontier is now determined by different Member States (NL, CY, DK), while those Member States that appear fully efficient in terms of poverty reduction perform less well when it comes to the final outcome of child poverty (exception: CZ).

The overall significant variation in efficiency scores between the two alternative outcome measures[52] thereby confirms the dependency of DEA results on the chosen input and outcome indicators. However, DEA does not necessarily require the selection of a given indicator over another, as an unlimited number of input and output/outcome variables can, in principle, be accommodated. Moving

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[52] The correlation of the efficiency scores under model ① (poverty reduction) and model ③ (child poverty) equals 0.67.

towards the multi-dimensional approach, efficiency scores are therefore alternatively calculated for two inputs (cash and in-kind family benefits as a share of GDP, respectively) and two outcomes (the poverty reduction impact and child poverty levels).

Figure 3.3: Illustration of DEA results: one input, one outcome: final AROPE (output-oriented)
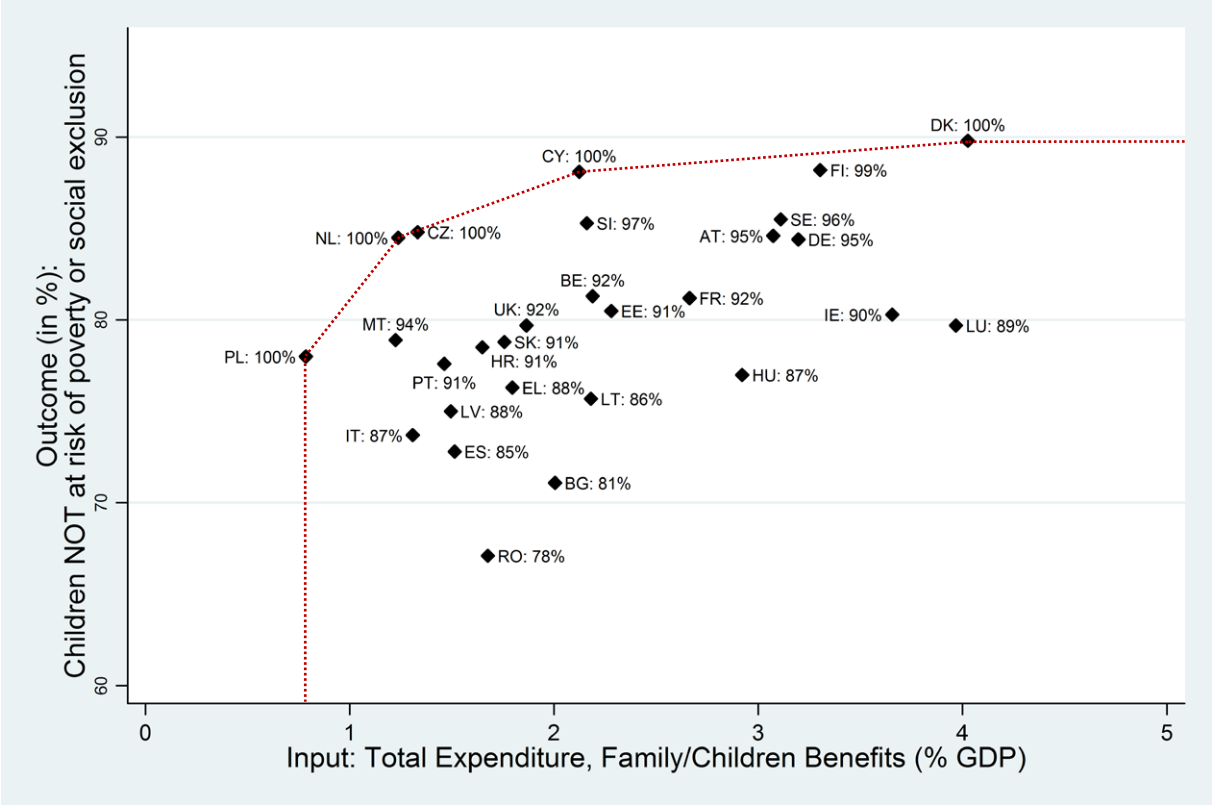
Source: DG EMPL calculations. Red dashed line: 'production possibility frontier'. Assumption of variable returns to scale.

The results reported in column 4 of Table 3.1 illustrate the limitations inherent to an analysis with only 28 country observations. In the two-inputs-two-outcomes case, a total of 11 Member States are considered to be fully efficient, and the average efficiency is estimated at 95%. The more input and outcome factors are considered, the more Member States achieve the highest outcome for a given input in at least one of the considered dimensions, and therefore form part of the efficiency frontier irrespective of their performance on other dimensions. This phenomenon is further illustrated by the inclusion of childcare use as a third outcome indicator (Table 3.1, column 5), which results in an additional, albeit marginal increase in the number of efficient Member States.

To summarise, DEA provides a valuable tool for assessing efficiency under circumstances that allow for a robust analysis of a rather standardised production process. However, it is less well suited for the assessment of the complex processes underlying social outcomes when (i) only a small number of observations are available; and (ii) a considerable part of the observed outcomes is likely to be explained by omitted factors. To account for the latter, a number of DEA-based analyses of social efficiency have assessed the impact of such external drivers on outcomes with the help of a second-stage regression analysis, which is briefly introduced in what follows. Notwithstanding the methodological caveats outlined above, Annex 4 applies the DEA to the areas of pensions, family/children, unemployment, and social exclusion / housing benefits, as to complement the analysis and to illustrate the limitations of this approach when it comes to assessing multiple (social) policy outcomes.

3.2.2 *Cross-country regression analysis*

Regression analysis allows estimating and, to a certain degree, disentangling the relationships between an outcome variable[53] on the one hand and one or several explanatory variables on the other hand. Dependent on the distribution of the outcome variable, the size and structure of the sample, and assumptions on the relationship between the outcome and the explanatory variables, a functional form is chosen and its parameters are estimated.[54] Using the example of child poverty and its determinants, the basic functioning of regression analysis is outlined in Annex 5.

A more comprehensive example of analysing the efficiency of family policies in preventing child poverty can be found in Vandenbroucke et al. (2013). Based on longitudinal data for the period 2005 to 2010, regression analyses are employed to disentangle the effect of social spending from the impact of, in particular, the employment situation of (poor) households and the degree to which social benefits are targeted towards the poor. While the results strongly confirm the importance of labour market participation for child poverty outcomes, a substantial share of the variation in child poverty across Member States remains unexplained. Hence, other factors not controlled for are at play and likely to bias the estimated efficiency scores derived from the regression residuals. While this type of analysis provides valuable insights on the overall determinants of child poverty, the authors conclude that "the econometric analysis […] leaves a substantial puzzle in explaining why countries perform so differently" (Vandenbroucke et. al, 2013, p. 44).

Evidence from cross-country regression analyses can be instrumental in identifying general trends at the macro level. Going beyond the big picture then requires further and often country-specific analysis, based in particular on micro-level data, before conclusive policy advice can be given. Below, the main analytical tools that are employed for the analysis of social protection performance at the micro level are briefly introduced. Existing studies on the performance of (parts of) social protection systems are presented in the discussion on key social protection functions in the next section.

3.2.3 *Complementary assessment of social policies at the micro level*

Micro-level analysis, in particular, has allowed for the assessment of specific policy interventions and social protection schemes in achieving given policy objectives. A wide range of methods exist for the longitudinal analysis of both micro- and macro-level data. At the micro level, survey or administrative data collected at the individual or household level allows for a more fine-grained and in-depth assessment of specific policy questions, as compared to studies based on aggregate information at country level. Some of the most common methodologies as well as their application to social policy analysis are briefly presented in what follows.

Multi-level analysis

Multi-level analysis allows for the simultaneous estimation of longitudinal as well as between and within group effects. For instance, data on individual level (e.g., educational attainment) and country level characteristics (e.g., social policy characteristics) can be used to assess the risk of poverty for low skilled workers, taking different social policy set-ups across countries explicitly into account. Multi-level models thereby allow for the separate estimation of (i) low skilled persons' likelihood to be poor for each country; and (ii) the impact of social policies in different countries on this likelihood to be poor. Multi-level analysis can accommodate more than two levels, whereas other forms of regression models usually introduce dummy variables to control for time or country fixed effects. Consequently,

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[53] The outcome variable in regression analyses is also referred to as the dependent or explained variable.

[54] Wooldridge (2000), for instance, provides a comprehensive introduction to econometric techniques.

multi-level models can provide for a more comprehensive assessment of the interplay between micro- and macro-level processes, given data availability. However, the drawback of multi-level analysis is the need for a certain number of observations per level, which restrict the set of explanatory factors that can be taken into account in the case of small sample sizes.

Multilevel regression analysis has been used, for instance, to assess the impact of active and passive labour market policies, employment protection legislation and family policies on the likelihood of the low skilled to be poor (Rovny 2014); to compare the role of targeted policies and universalism for poverty reduction among single mothers (Brady and Burroway 2010); and to assess the influence of family policies on poverty levels of households with children (Misra et al 2012). Other studies investigate the role of social assistance benefit levels for material deprivation (Nelson 2012) and the impact of work and care reconciliation policies on income inequality of women in coupled households (Nieuwenhuis 2013). Concerning labour market participation, the influence of family policies, individual characteristics, welfare regimes and cultural differences on female labour force participation (Cipollone et al 2012) has been studied, as well has the role of the unemployment replacement rate, employment protection legislation and labour market policies on labour market transitions, such as education to work or work to retirement (Koster & Fleischmann 2012).

Survival analysis

The impact of a given characteristic on the likelihood of an event to occur can be estimated with event-history analysis (also called survival analysis). This method has been used to estimate the likelihood to enter-, exit and re-enter poverty, and offers the possibility to estimate the influence of individual characteristics such as educational attainment, ethnic background, or gender on the occurrence of an event. Devicienti (2002), for example, studies poverty dynamics in Britain from 1991-1997, focusing on the role of individual or household characteristics. In principle, such studies can also be employed at the country level to assess the impact of social policies or welfare regimes on outcomes of interest. However, a sufficiently large number of country(-year) observations would be needed to for robust estimates.

Simulation studies

Simulation studies can be used for different purposes. First, the impact of a policy change can be compared to the counterfactual situation with this policy not being in place. Gornick and Jäntti (2011), for instance, estimate the impact on child poverty of different policies by estimating how it would be if US policies were to be adopted by other countries. This method allows distinguishing the impact of individual and household characteristics such as family structure and education from the impact of policy settings. Further recent examples include Vanleenhove (2013), who models the impact of childcare availability on labour market supply, and Colombino and Naranzia's (2013) estimation of the impact of gender based taxation, wage subsidies and basic income on household labour supply. Generally, a wealth of studies providing an assessment of the redistributive impact of tax and benefit changes over time in Europe has been derived from the EUROMOD micro simulation network. However, it has to be kept in mind that simulations are a hypothetical exercise that depends strongly on the assumptions underlying the model. The validity of these assumptions is therefore crucial for the accuracy of the conclusions that can be drawn from the model.

Measuring public service productivity

Academics, international organisations and national administrations have developed various methodologies to measure the productivity of public sector services (e.g., OECD, 2001; Pritchard, 2003). These approaches are mainly based on administrative data and allow for a more detailed assessment of the 'value chain' along spending, input (labour, goods and services), output (both in terms of quantity and quality) and outcomes. Following the UN system of National Accounts, various countries have produced direct output measures for public services, usually involving some degree of direct volume measurement. Going a step further, the UK has established a framework to adjust measures of public service output in the areas of health care and education for the quality of the provide services (using indicators such as pupil attainment, student performance, survival rates or patient experience; see Massey 2012a, 2012b). The lack of comprehensive and comparable data on public service inputs, outputs and quality prevents such an in-depth assessment of public service delivery across Member States. The underlying methodologies, however, provide a valuable toolbox for country-specific analyses that follow up on the overall trends revealed in EU-level comparisons.

3.2.4 *Summarising remarks*

Overall, it appears that the complexity of social policies precludes the use of a single framework for assessing the effectiveness and efficiency of entire social protection systems. At the macro level, the attempt to produce rankings of social policy efficiency from aggregate data can easily results in misleading conclusions. Micro level analysis often provides more robust evidence, however, at the cost of rather specific policy conclusions the more specific the research question. Given the multiple dimensions of poverty and social exclusion, the number of possible research questions and related model specifications soon becomes vast. Moreover, the lack of comprehensive data on all the relevant aspects and from a wide range of countries still constitutes a major obstacle to comparative, in-depth analysis.

This report therefore largely refrains from more sophisticated, econometric tools, but suggests a more simple, though transparent approach that relies on the benchmarking of key input, outcome and contextual factors. In particular, the 'radar chart' tool proposed below allows taking better account of the various purposes of social protection systems, including trade-offs between different social policy areas and the interrelations between social policies and employment outcomes. This benchmarking approach at the aggregate (national) level is then complemented by a review of relevant quantitative evidence from the literature, as well as tentative results from Data Envelopment Analysis (Annex 4).

3.3 *Benchmarking key features of social protection systems*

Based on the available pool of common indicators, a stylised framework is presented that allows moving from the isolated assessment of a single outcome to a more integrated approach based on the performance of Member States in key outcome categories and under consideration of relevant contextual factors. The approach is illustrated below with the example of family and child benefits, and then applied to key areas of social protection in section 3.4.

Generally, a comprehensive assessment of the performance of social protection systems needs to take (better) account of the complex and multi-dimensional processes that lead to social outcomes. The prevention of child poverty, for instance, depends not only on social transfers and the availability of childcare, but also hinges on the situation on the labour market and the income earning opportunities especially for single parents. Similarly, observed health outcomes can only partly be attributed to the

availability and quality of health services, but are likewise driven by environmental factors, employment conditions and life style habits.

Box 3.1: How to read the radar charts

In a single figure, radar charts allow illustrating the performance of a given Member State both (i) in a number of input, outcomes and context dimensions; and (ii) in comparison to other Member States and the EU average. To ensure comparability, each dimension (be it an expenditure category, a social output or outcome indicator, or a context factor) is standardised by (i) subtracting the indicator value from the weighted EU mean; and (ii) dividing the result by standard deviation.

The choice of the EU average as a benchmark does not have a normative value, but aims at easing the comparison. This allows assessing the relative performance as regards key outcomes as well as the relative levels of expenditure for the various Member States in a consistent manner. The framework obviously also allows comparisons between Member States, while other benchmarks could be considered (see section 4 for a discussion of alternative benchmarks).

The standardised values are then plotted in radar charts showing for each included Member State and dimension the deviation from the EU-27 average (which, by construction, equals 0 for all values). The black line representing the EU average hence follows a perfectly geometric position; larger diamonds then denote an above-average performance of Member States in the respective dimensions, while observations within the EU-27-polygon signal below-average values. Indicators for which a lower value indicates a better performance (e.g., child poverty) are hence <u>reversed</u> in the charts for a consistent illustration.

Figure 3.4 provides an example for such a wider assessment of the determinants of child poverty for three Member States with similar outcomes in terms of AROP reduction due to social transfers (FR, SE, DK; see also Figure 3.1: given the different levels of expenditure on family benefits in these three countries, DK appears comparably inefficient in reducing child poverty). Instead of focusing just on the poverty reduction effect of social policies, other key dimensions, such as employment (of mothers) and childcare use, are considered and compared, as well as expenditure levels on family and child benefits both in cash and in kind.

Figure 3.4: Illustration of key child poverty determinants in DK, SE and FR
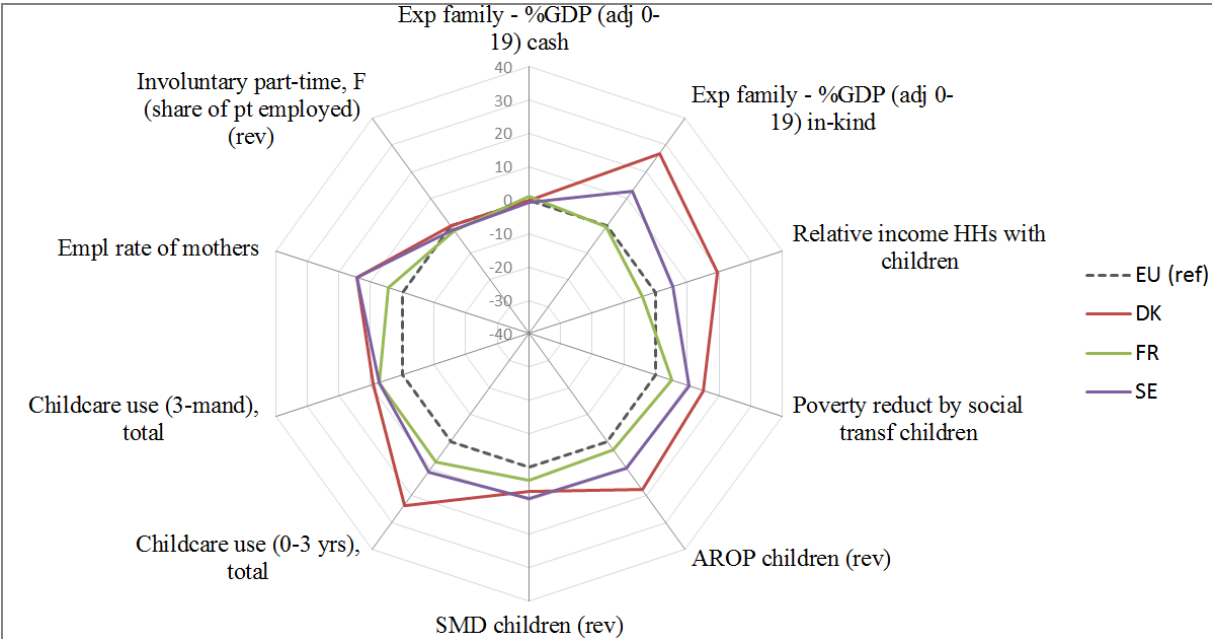
Source: DG EMPL calculations. Child Poverty (2) refers to the share of children NOT at risk of poverty.

FR, SE and DK spend roughly the same in terms of cash benefits, but report rather different levels of expenditure in kind (DK more than SE more than FR). While these Member States have similar outcomes in terms of poverty reduction, quite different final outcomes in terms of child poverty and social exclusion as such are observed (DK better than SE better than FR). The considerable differences in the employment rates of mothers thereby appear to be one mechanism underlying the observed differences in child poverty levels. In turn, the labour force participation of mothers seems to be, at least partly, driven by different levels of childcare use, which again are achieved with different levels of in kind expenditures.

From this example, three messages can be derived for the three Member States covered. First, the desired outcome of a widespread use of childcare facilities is positively correlated with the labour market participation of mothers, which is linked to better performance as regards a reduced risk of poverty of the household and hence of children. Second, as access to childcare requires spending on services, this might call for a certain shift of expenditure from cash to in kind expenditure. Third, similarly levels of childcare use are achieved at different in kind spending levels or similar levels of poverty reduction are achieved at various levels of cash expenditure, which could point to potential efficiency gains.

An obvious drawback of this framework is the limited number of indicators (and countries) that can be displayed in one chart, which requires choices on the selection of Member States that are compared and on the indicators that are included. For ease of presentation across policy areas, EU Member States are gathered in six groups based on geographic proximity and, in some cases, the classification of social protection systems available in the literature (see Esping-Andersen (1990), Bonoli (1997), and Korpi & Palme (1998)), which allows for a relatively neutral grouping and in many cases for comparison with the most relevant peers (Box 3.2). While always arbitrary to a certain degree, the grouping of countries follows mainly practical purposes (that is, avoiding 28 radars per policy area), and does not affect the assessment of a given Member State nor prevents comparisons of countries across radar charts. Moreover, the country overviews presented in section 3.5 and Annex B rely on the EU-28 average and the average of the three best/worst performing Member States as the only benchmarks.

Box 3.2: Grouping of Member States in radar charts

The groups of Member States used in this chapter are the following ones:

- Southern Europe: Cyprus, Greece, Italy, Malta, Portugal, Spain

- Western Europe: Austria, Belgium, France, Germany, Luxembourg

- Central Europe: Czech Republic, Hungary, Poland, Slovakia, Slovenia

- Eastern Europe: Bulgaria, Croatia, Estonia, Latvia, Lithuania, Romania

- Northern Europe: Denmark, Finland, the Netherlands, Sweden

- North-Western Europe: Ireland, the UK.

In order to provide for a consistent assessment, a core set of indicators is identified for key social policy areas (pensions, unemployment, family/children, social exclusion/housing) that reflect the EU policy priorities and related common objectives in the social field. All (but a few) indicators are commonly agreed in the framework of the social OMC and they are largely drawn from well-established data tools (in particular SPPM and JAF).

Summarising, the benchmarking framework allows for the comparison of countries by covering different aspects, including the structure of benefits, multiple outcomes, as well as labour market and other contextual factors. Member States with performance beyond the EU average can be assessed against those peer countries well above the mean, which allows making the process more relevant for the countries in the upper quarter of the league tables.

Such an assessment of key characteristics of the social protection systems in the Member States can only be illustrative. Radar charts are a descriptive tool at the most aggregate (system) level, which neither claims to detect causal relationships nor to reflect all relevant and often country-specific factors that contribute to the observed social outcomes. Rather, the main innovation of the framework is to provide a global perspective on the overall structure of social protection systems and their interplay with employment and fiscal policies. Hence, the purpose of this tool is not to give definite answers on effectiveness or efficiency, but to provide a starting point that helps raising the right questions. Based on the identification of potential challenges at the system level, the analysis can then be followed up by in-depth assessment of country-, system-, and scheme-specific circumstances.

3.4 Effectiveness and efficiency in key areas of social protection

In this section, radar charts are employed to benchmark key features of social policies at the function level.[55] Four major areas of social protection (pensions, unemployment, family/children, social exclusion/housing) are covered, and for each policy area (i) core objectives are defined and the related literature is reviewed; (ii) key aspects are benchmarked and illustrated through radar charts; and (iii) relevant aspects *not* covered by the charts and related data needs are discussed.[56] Results from all policy areas are then combined for an illustration of the entire social protection system in section 3.5.

3.4.1 Pensions

The purpose of pensions is to provide adequate incomes in retirement, measured along the two dimensions of income replacement and poverty protection. As reflected in the three European pension objectives of adequacy, sustainability and adaptability, pensions also need to be (fiscally and politically) sustainable, safe and adaptable to changing demographic and economic circumstances. These policy objectives have formed the basis for the development of the pension indicators in the social OMC.

The two overarching objectives of sustainable and adequate pensions are thereby crucially dependent on the degree to which contributions, taxes and savings from people in employment underpin the system. As rising longevity and lower fertility have resulted, and will result, in continuous increases in the old age dependency ratio, adequate and sustainable pensions will hinge even more on longer and less interrupted working lives in the future. Gender differences in employment, pay and the duration of working life thereby cumulate in significant gender pension gaps in most Member States, which call for the mainstreaming of gender aspects in the assessment of pension policies (for a detailed assessment of the gender gap in pensions, see Bettio et al., 2013).

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[55]   See also the 2013 ESDE, chapter 6, for the analysis this framework is based upon.

[56]   For methodological reasons, the health and disability functions are not considered. On the input side, the impact of health expenditure depends much more on the structure and organisation of systems, than for functions mainly based on monetary transfers. This means that more detailed information on the way money is spent is needed to provide an accurate picture of policy intervention in this area. Moreover, health outcomes that can be associated with health expenditure depend on multiple factors such as lifestyles that also need to be taken into account when comparing the effectiveness of health systems.

The focus of this section is therefore on some key adequacy and labour market outcomes that can reflect the major characteristics of *current* pension systems in a stylised way. The benchmarking of key indicators with the help of radar charts is followed by a discussion of (i) other relevant dimensions not covered by the radars; (ii) underlying drivers of the observed outcomes to be considered in an in-depth analysis; and (iii) existing analysis on the *future* evolution of pension systems.

Expenditure on old age and survivors' pensions are adjusted for the demographic situation by relating spending (as a share of GDP) to the share of the population aged 65+. Three SPPM indicators are included to assess the adequacy of pensions for today's elderly population. The median relative income ratio of elderly people and the aggregate replacement ratio mirror the ability of pension systems to secure the maintenance of living standards after retirement, whereas current levels of old-age poverty are assessed through the at-risk of poverty rate for the population 65+. Two additional indicators account for the current labour market situation of older workers. The employment rate for the population 55-64 is used in the SPPM as a proxy for active ageing and the integration of older workers in the labour market, whereas the average duration of working lives offers a broader perspective on the entire life cycle of active persons and persons in employment rather than on specific states in the life cycle, such as early withdrawal from the labour force. Acknowledging the particular importance, and magnitude, of gender differences in the area of pensions, a breakdown by gender is provided for old-age poverty and the average duration of working lives. Table 3.4 provides an overview of the selected indicators and Figure 3.6 presents the radar charts for the area of pensions. Further, Table A18 in the Appendix provides the actual values of both the key indicators included in the radar charts as well as complementary indicators that allow for a more fine-grained picture.

Table 3.4: Key indicators used in the field of pensions

Indicator	Type	Related objective(s)
1. Gross expenditure (source ESSPROS) per population aged 65+, relative to GDP per capita.	Input	Expenditure
2. Median relative income of people aged 65+ (source SILC): ratio between the median equalised disposable income of persons aged 65+ and the median equalised disposable income of persons aged between 0 and 64.	Outcome	Income replacement
3. Aggregate replacement ratio (source SILC): ratio of the median individual gross pensions (including all types of pensions) of people aged 65–74 and the median individual gross earnings of people aged 50-59 (excluding other social benefits).	Outcome	Income replacement
4. At risk of poverty rate among the population 65+, by gender (source SILC): share of the population 65+ living at risk of poverty (at the 60 % of median equivalised disposable income threshold).	Outcome	Poverty protection
5. Employment rate for the population aged 55–64 (source LFS): Indication on the overall labour market integration of older workers	Outcome and context	Longer and less interrupted working lives
6. Average duration of working lives (DWL), by gender (source LFS): DWL measures the number of years a person aged 15 is expected to be active in the labour market throughout his/her life.	Outcome and context	Longer and less interrupted working lives

Figure 3.6: Pension systems —expenditure and key outcomes in 2011

Eastern Europe

Legend: EU (ref), BG, EE, HR, LV, LT, RO

Axes: Exp pensions - %GDP (adj 65+), Relative income ratio, Aggreg repl ratio, AROP 65+, M (rev), AROP 65+, F (rev), Empl rate 55-64, Duration of working life, M, Duration of working life, F

Northern Europe

Legend: EU (ref), DK, NL, FI, SE

Axes: Exp pensions - %GDP (adj 65+), Relative income ratio, Aggreg repl ratio, AROP 65+, M (rev), AROP 65+, F (rev), Empl rate 55-64, Duration of working life, M, Duration of working life, F

North-Western Europe

Legend: EU (ref), IE, UK

Axes: Exp pensions - %GDP (adj 65+), Relative income ratio, Aggreg repl ratio, AROP 65+, M (rev), AROP 65+, F (rev), Empl rate 55-64, Duration of working life, M, Duration of working life, F

Definition of indicators: See Table 3.4. DG EMPL calculations.

The radar charts reveal a number of overall patterns across Member States, which are outlined in what follows. Descriptive in nature, these observations will then need to be assessed against further analysis and the country-specific context. Concerning the EU 2020 target on poverty and exclusion, old age poverty is significantly higher than the EU average in CY, BG, RO, LV, LT and HR. In some Member States this is only the case for women (EE, SI, SE, FI, PL), while in others this is more often the case for elderly men (BE, MT, PT).[57] In the group of countries with above average poverty among the elderly (either men or women or both), relative income ratios and aggregate replacement ratios are likewise found below the EU average in BE, BG, HR, CY, EE, LT, FI, MT, LV and SI. Concerning the EU 2020 target on employment, a number of Member States show significantly better than average outcomes as regards active ageing (in particularly DK, FI, NL, SE, the UK and DE, and to a lesser extent EE, LV and LT). In contrast, a number of Member States show significantly lower than the average performance when it comes to the employment situation of older workers (especially BE, BG, EL, HR, IT, LU, HU, PL, RO, SI and SK).

More generally this framework allows flagging situations where the performance of Member States is found relatively stronger either in terms of adequacy or the employment dimension, possibly also taking expenditure levels into consideration. In some Member States, such as LU, FR, IT or PL, a relatively better performance in terms of current adequacy (given relative expenditure levels) coexists with relatively unfavourable indicators on the labour market integration of older workers, which appears to be a key challenge particularly in countries where social expenditure is oriented towards pensions (e.g. in PL). This is found correlated with relatively high levels of expenditure (such as in FR or IT) but also with average (such as EL) or relatively low levels of expenditure (e.g., RO and ES).

Conversely, in some Member States, the employment situation of older workers appears relatively more favourable than the current adequacy of pensions, which points to some adequacy issues. This is found correlated with relatively low levels of expenditure (such as in BG, DE, EE, LV, LT) but also with average (such as NL, FI, SE or UK) or relatively high levels of expenditure (e.g. in CY, DK). In other Member States, both adequacy and labour market outcomes appear relatively comparable, either at low expenditure levels (e.g. in CZ, HR, IE) or average ones (BE, MT, PT, SI) or high ones (e.g. AT).

3.4.2   *Areas for further in depth analysis of national performance*

While this framework allows benchmarking some of the key dimensions in the area of pensions, policy conclusions would require a more detailed assessment of the national pension system, notably of the living conditions of the elderly, labour market aspects, as well as the prospects for the future generations of pensioners, which can also be based on information at the national level. While such a detailed assessment for all Member States would go beyond the scope of this report, a number of key aspects that need to be taken into account are outlined below.

First, a broader understanding of adequacy would go beyond average or median incomes and poverty rates of the elderly population, as well as gender breakdowns. For instance, the evolution of pension adequacy over the retirement period depends on the design of indexation mechanisms, including benefit adjustment according to price or wage indexes, the occurrence of regular benefit modifications or the public guarantee of individual pension pay-outs. Further, the distribution of incomes and the degree of income inequality among (different types of) pensioners can be a valuable complement to

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[57]   However, women still face higher risk of old-age poverty than men in absolute terms; the relative comparison to the EU benchmark hence need to be accompanied by an assessment of absolute values (see also Table A18 in the Appendix for the data, and section 3.5. for an example).

the relative poverty indicator, as well as information on the poverty gap of people aged 65+ or breakdowns of poverty at higher ages, e.g. 75+ (see Table A18 in the Appendix).[58] Besides monetary indicators, wider measures of adequacy could be considered for a more holistic assessment of living conditions in old age. While recent work of the OECD on financial and housing wealth as well as publicly provided services provides an interesting starting point, a more systematic approach and data collection in this area are still to be implemented at the European level.

Second, the factors that determine labour market exit pathways and notably incentives to work longer should be assessed in detail. In particular more information about inactivity, part-time employment or gender employment gaps among 55-64 can be useful (Table A18). Most public pension systems can distort the labour supply of older generations through early retirement incentives. As a result of this, an implicit tax on working longer can arise, as measured for instance by Gruber and Wise (2005) or the OECD (2011). For this reason, the introduction (or strengthening) of incentives in order to encourage later retirement, together with the increase of accrual rates beyond actuarial neutrality after certain ages may give rise to more effective pension spending (Marin, 2007). Further, MISSOC includes detailed information on incentives to stay at work beyond retirement age, including, for instance, information on increased pension accrual rates.

Further, labour market exit patterns can be tightly linked to early retirement (disability) schemes, among which significant variation across countries has been reported. Differences in disability recipient rates can also be explained by policy differences in terms of eligibility rules and the levels of benefits (Burkhauser and Daly, 2002). In the same vein, micro-data also support that differing thresholds for what are work-limiting health conditions explain part of cross-country variation in recipient rates (Kapteyn et al., 2007). According to Marin (2007), poor, unsafe and unhealthy work environment explain most of the early exits from the labour market.

In consequence, established work standards for older workers, as well as the availability of basic flexicurity aimed specifically at this group can be significant for the promotion of longer working lives. In this respect, the availability of partial pension schemes or of phased retirement paths should also enter the evaluation. Labour demand measures can also have positive synergies on more effective pension policies. With this regard, the existence of tax credits or subsidies for recruiting or retaining post-prime- age workers should be evaluated.

Thirdly, it is of utmost importance to understand in a more dynamic and long-term perspective how the ageing challenge, changing economic and labour market settings, and recent pension reforms will affect pension systems in the future. As regards the fiscal sustainability of pension schemes, the projections of the 2012 Ageing Report indicate that pension reforms overall have contributed to reduce the pressure of the demographic change on public pension budgets. The situation appears more uncertain and less favourable when it comes to the future adequacy of pensions. In the 2012 Pension Adequacy Report, the future adequacy of pensions is assessed with the help of the so-called theoretical replacement rates (TRRs). Future TRRs thereby project the situation of people who start their career today and who retire after a 40 years career in the 2050s, based on the legislation enacted today. While the base case is calculated for a hypothetical worker, sensitivity analysis allows focusing on longer or shorter working lives, higher or lower earnings, or career breaks affect pension incomes. This analysis allows assessing the impact of pension reforms over time and to illustrate how individual behaviour

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[58] Disposable income measures based on EU-SILC do not capture imputed rent and negative capital income, which can make the breakdown of AROP into age groups misleading.

can affect pension entitlements in the future. Micro-simulation using national data can further complement the picture by taking account of country-specific circumstances (see, e.g., Geyer and Steiner (2010) for Germany).

Finally, the design of pension systems may in itself constitute a source of concern for the effectiveness and efficiency of pension systems. After a decade of reforms, pension systems have rather become more complex than they used to be, with pension provision now being more often based on contributions from privately managed pension schemes, and with new incentive structures having been introduced. The balance between public and private pension arrangements is a significant indicator of how given levels of public pension spending may result in different outcomes across countries. A growing literature has proposed different indexes with the aim of measuring the private dimension of pension provision (e.g., OECD, 2008). De Deken (2013) points at a number of variables which may be useful to explain the weight of private pensions, including the replacement rates of public pensions, pensions schemes assets, private pension expenditure and coverage rates of private pension plans. In this respect, particular attention should be given to the effectiveness of tax exemptions for private pension build up (and related budgetary and distributional impacts), which more generally relates to the use of net expenditure levels instead of gross expenditure levels for the assessment.

3.4.3   *Family and child benefits*

While accounting for 8.0 percent (2011) of total social protection spending in the EU 28, family benefits constitute a crucial pillar of social protection systems given their close interaction with employment and economic outcomes. Family benefits also play a key role in the sustainability and good functioning of a number of other social protection areas, for instance by affecting dependency rates or labour productivity. In view of such often long-term effects, particular attention should be paid to a smart design of family benefits for more effective and efficient social protection systems. Three broad and interrelated objectives of family benefits can be identified: (i) providing income support; (ii) facilitating labour market participation; and (iii) contributing to child development.

First, family benefits should support the income situation of households with children and prevent child poverty. Children are still currently more exposed to the risk of poverty or social exclusion than the overall population in all but five Member States (DK, SI, FI, DE, EE; EC, 2013). In this respect, both overall income support take into account the cost of child raising and more targeted support to alleviate poverty are essential as highlighted in the recent recommendation on child poverty.

Second, in cash and in kind benefits can support the labour market participation of parents and ensure access to childcare, while their design should both ensure adequate levels of benefits and incentives to make work pay. Aside from affecting children's (and their parents') material well-being, the amount and design of family benefits have implications in terms of labour market participation of household members, which, in turn, constitutes an essential determinant of the household's material well-being. The SPC (2009) already put work intensity at the centre of child poverty debates when it pointed that the risk of poverty was much higher in jobless households than in households with at least one person engaged into work. The OECD (2013) points in the same direction, arguing that female labour market participation is consistently associated with lower child income poverty across all policy settings.

Third, family benefits should be supportive of child development and notably constitute barriers to the intergenerational transmission of poverty. The provision of early childhood education and care can strengthen the acquisition of skills and capacities that guarantee individuals' full participation in labour markets and society later in life. The lack of proper stimulation in early years has been found

particularly harmful for future outcomes[59] (see also EC (2012) for a literature review). An early intervention of family benefits may hence prove especially effective, as further transmission of inequality at later stages of life is prevented and subsequent costs in terms of social protection may be saved. In 2002, the European Council set the targets of providing childcare to at least 90 % of children between 3 years old and the mandatory school age, and at least 33 % of children under 3 years of age by 2010. Member States have restated their commitment to achieve them in the European Pact for gender equality (2011-20).[60]

The selection of indicators for the radar charts reflects these three overarching objectives of family benefits (Table 3.5). The first set of indicators refers to the relative income situation of families with children, the prevalence of child poverty (in both absolute and relative terms), and the poverty reduction impact of social expenditure. The second and third dimensions refer to the availability of childcare and the employment attachment of households with children. Expenditure is disentangled into benefits in cash and in kind, adjusted by the share of the population below age 18 as to correct for demographic differences across Member States.[61]

Table 3.5: Key indicators used in the field of family benefits

Indicator	Type	Related objective(s)
1. Gross expenditure in cash (source ESSPROS): per population aged under 18 against GDP per capita.	Expenditure	
2. Gross expenditure in kind (ESSPROS): per population aged under 18 against GDP per capita.	Expenditure	
3. Relative income (SILC): relative equivalised disposable income of households with children compared to the one of all households.	Outcome	Adequate income of HHs with children
4. Child poverty (SILC): at-risk-of-poverty rate of the population aged 0-17 (at the 60 % of median equivalised disposable income threshold).	Outcome	Preventing child poverty
5. Severe material deprivation (SILC): population aged 0-17 living in severe material deprivation	Outcome	Preventing child poverty
6. Poverty reduction by social transfers (source SILC): reduction in the share of children at risk of poverty due to social transfers.	Outcome	Preventing child poverty
7. Childcare 0-3 (total) (SILC): share of children aged 0-3 in childcare (full-time & part-time)	Outcome	Child development / parent's labour market participation
8. Childcare 3-mandatory school age (total) (SILC): share of children between age 3 and mandatory school age in childcare (full-time and part-time)	Outcome	Child development / parent's labour market participation

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[59] The relationship between family poverty and educational attainment has been noticed by several authors (see Vandenbroucke et al., 2013 for an overview). Poverty in early years has been shown to have the longest-running effects on education and several other measures of social progress (Cunha et al., 2006, 2010). Children in low-income households have worse cognitive, social-behavioural and health outcomes, in part because they are poorer, and not just because poverty is correlated to household characteristics that may influence this outcome (EC, 2013). The long-run effects of childcare programs are likewise found largest for more disadvantaged families (Vandenbroucke and Vleminckx, 2011; Blau and Currie, 2004; Feyfer et al., 2008). Early investment also increases the efficiency of later investments, saving resources and offsetting the costs of long-term underinvestment in human capital (Heckman and Masterov, 2007; Heckman, 2006; OECD, 2013).

[60] There are broad differences persisting between Member States, as well as slow and uneven progress (see http://ec.europa.eu/justice/gender-equality/files/documents/130531_barcelona_en.pdf) .

[61] Potentially different classifications of 'family benefits' under ESSPROS may affect the comparability of expenditure figures across countries. In particular, expenditure on Early Childhood Education and Care is considered to be part of social protection expenditure (family function) in some countries, while subsumed under education expenditure in others.

Indicator	Type	Related objective(s)
9. <u>Employment rate of mothers (LFS):</u> employment rate of women aged 20-49 with youngest child below 6 years of age.	Outcome and context	Parent's labour market participation
10. <u>Involuntary part-time women (aged 20-49), (LFS):</u> Involuntary part-time employment as percentage of the total part-time employment.	Outcome and context	Parent's labour market participation

The radar charts inform on the diversity in levels and setup of family expenditure, the use of childcare services, the employment situation of women and in particular mothers, the income situation of household with children, and the prevalence of child poverty across Member States (Figure 3.7). Table A19 in the Appendix provides the actual values of both the key indicators included in the radar charts and complementary indicators in the field of family and child policies.

Figure 3.7: Child poverty outcomes and family expenditure in 2011

North-Western Europe

Exp family - %GDP (adj 0-19) cash

Exp family - %GDP (adj 0-19) in-kind

Relative income HHs with children

Poverty reduct by social transf children

AROP children (rev)

SMD children (rev)

Childcare use (0-3 yrs), total

Childcare use (3-mand), total

Empl rate of mothers

Involuntary part-time, F (share of pt employed) (rev)

---- EU (ref)
—— IE
—— UK
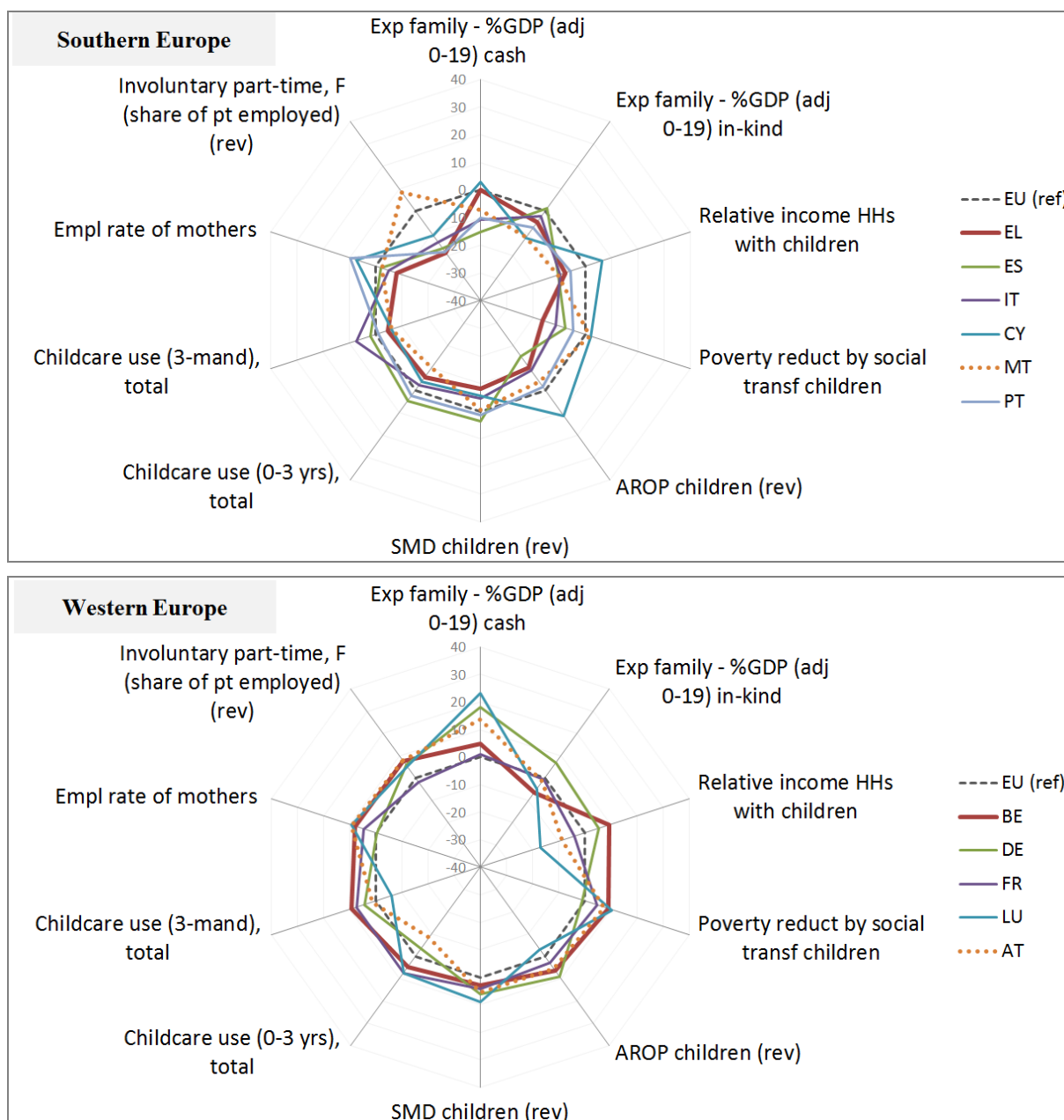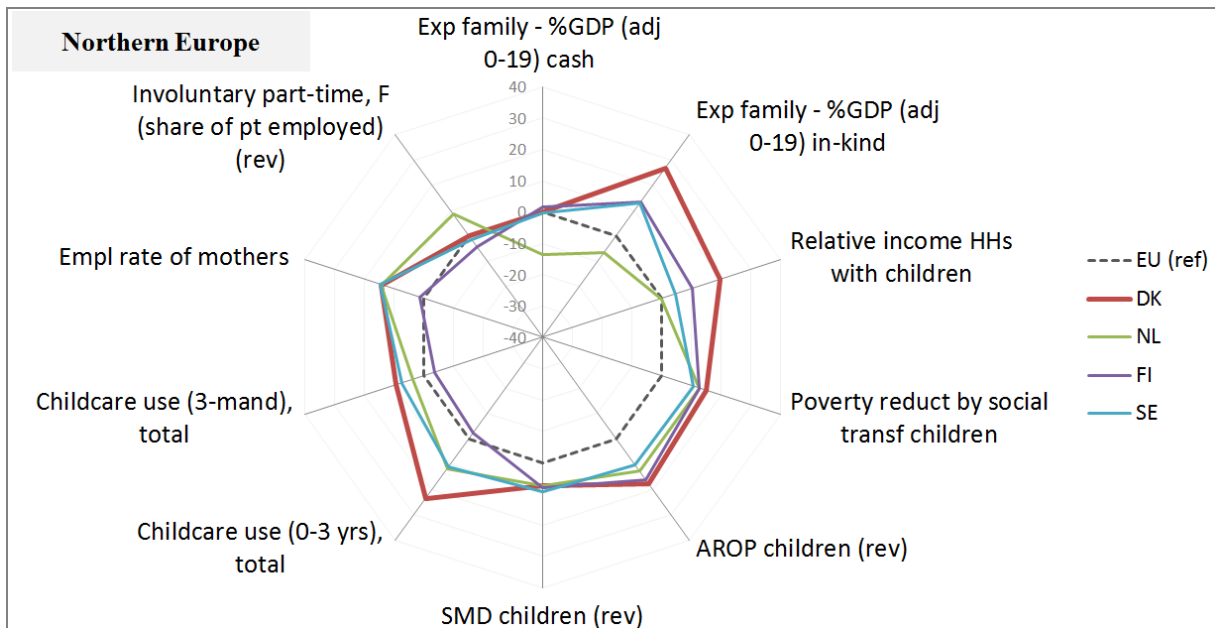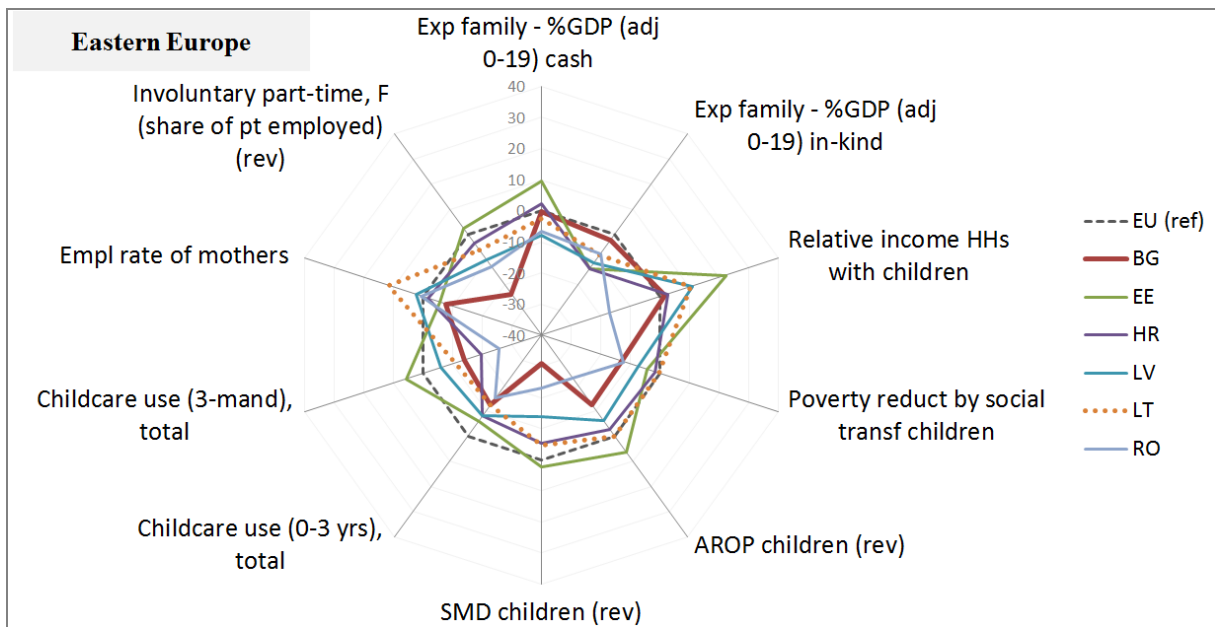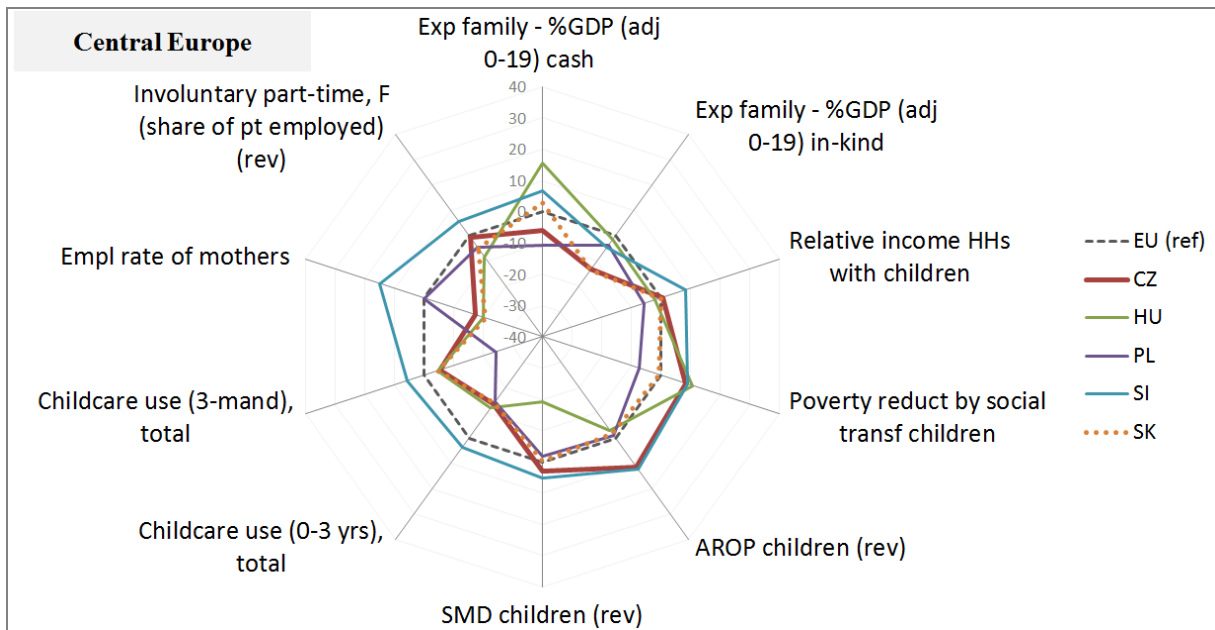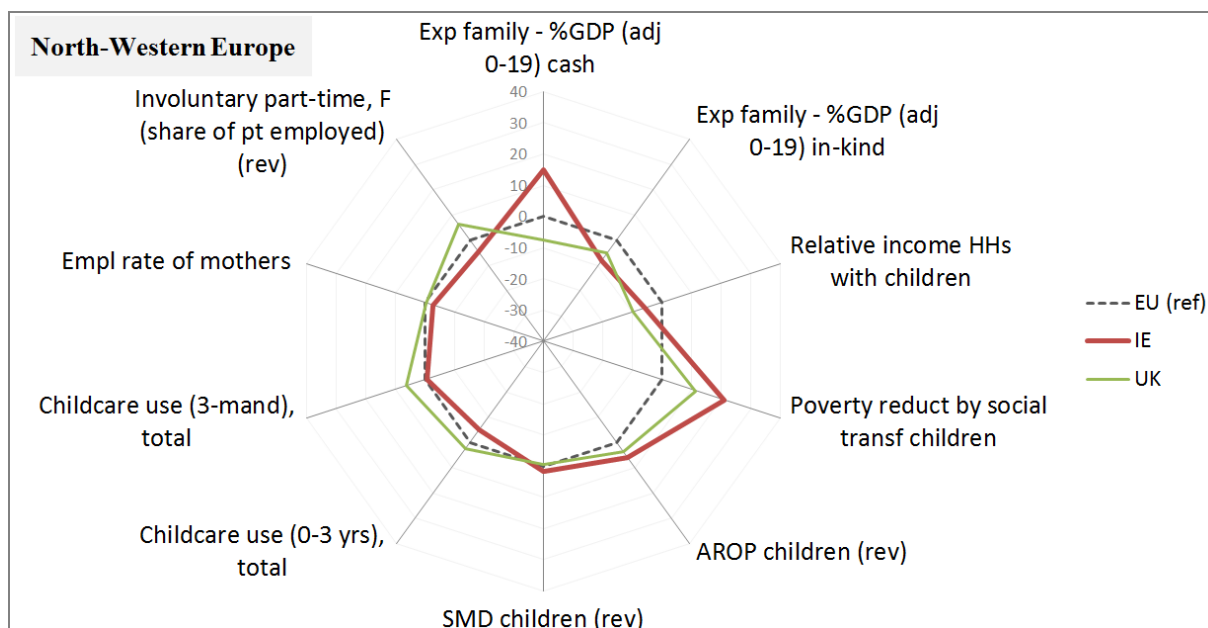
Definition of indicators: See Table 3.5. DG EMPL calculations.

Overall, this framework points to the links and complementarities between (i) cash benefits and the poverty reduction effect of social transfers and (ii) in-kind benefits, childcare usage and the employment of mothers. In particular, this framework reveals a strong emphasis on cash benefits in a number of Member States (e.g. DE, IE, LU, HU and AT deviate the most from the EU-28 average), which generally translates into an above-average poverty reducing effect of social benefits, but not necessarily into lower absolute levels of child poverty.

On the reverse, some Member States (such as DK, FI or SE) spend the most on in-kind benefits and perform particularly well both in terms of childcare use (and mothers' labour market participation) and child poverty. Still, a relatively high usage of childcare can also be achieved with below-average levels of in-kind spending (UK, NL, SI, BE, LU), and the employment of mothers seems neither always dependent on childcare use (CY, LT, AT) nor necessarily linked to below-average levels of child poverty (PT, LT, LV, PL, RO).

More generally, Member States show significantly different patterns as regards adequacy and labour market performance, in comparison to their relative levels of expenditures. In some Member states, the performance seems stronger on the adequacy dimension than on the labour market attachment, suggesting that there is room for improvement as regards the labour market dimension. This can be the case in Member States with relatively lower (e.g. CZ, HR, CY, LT, PL, SK), average (e.g. EE) or higher (e.g. DE, HU, FI) than average expenditure levels. On the reverse, in some Member states, the performance in terms of labour market seems to be relatively stronger than the one on adequacy, which suggests that there can be some adequacy issues.

This can be the case in Member States with relatively lower (e.g. ES, IT, PT), average (e.g. EL, FR) or higher (e.g. LU) than average expenditure levels. Finally, in most other Member states, the performance appears more balanced as regards both adequacy and the labour market attachment, but can appear relatively weak (e.g. BG, MT, RO), close to average (e.g. LV, AT, UK) or higher than the average (e.g. BE, DK, NL, SI, SE). This can be the case in Member States with relatively lower (e.g. LV, MT, NL, RO, UK), average (e.g. BE, BG, SI) or higher (e.g. DK, AT, SE) than average expenditure levels.

3.4.4   Areas for in depth analysis of national performance

Apart from the key dimensions reflected above in this framework, additional information should be considered for further analysis and notably information at national level, while there can be some limitations in cross country comparability. Indeed, the currently available data are sometimes not detailed enough, and some indicators for a more encompassing view on poverty and social protection are not (yet) available. Nevertheless, a number of dimensions can be assessed in a cross country manner, such as poverty gaps, poverty persistence, but also material deprivation, notably based on child specific items, household structures, educational attainment, work incentives, taxes and benefit design or conditionality of benefits, (social gradient in the) access to, quality, and costs of childcare, as well as parental leave schemes (see Table A19 in the Appendix for an overview of complementary indicators in the field of family and child policies).

As to the expenditure side, the distinction between cash and in-kind benefits can be complemented to further assess whether spending is focused more on child benefits or on promoting work and family reconciliation through parental leave and childcare services. Vandenbroucke et al. (2013) find deficits in childcare programs to be a primary barrier for labour participation and hence a cause for child poverty. Whereas a positive effect of all types of spending on children outcomes is identified, a significantly larger impact on child income poverty and female employment rates is found for in-kind spending and, most particularly, childcare (OECD, 2013). [62] In this respect, it can be useful to further distinguish between expenditure on leave policies and other benefits. Further, information on the costs to parents after taxes and transfers would enable a better assessment (while related data is available from OECD sources, not all Member States are necessarily covered on a comparative basis).

With regard to cash transfers, the analysis should focus on benefit levels and design, as well as work incentives, notably by type of household and number of children.[63] For instance, further complementary information can be derived from analysing the targeting of family benefits, as well as child poverty among different types of households, or the poverty gap and the persistence of poverty. Benefit levels and financial incentives to work can notably be weak for sole parent: on average across the OECD, a sole parent working full-time and earnings the average wage takes home less than a third of her employment earnings after taxes, loss of benefit income and childcare costs are taken into consideration (OECD, 2011). Along similar lines, joblessness has been found generally higher for sole-parent families than for couples with children, and the growth in the incidence of the former has been a significant contributor to trends in family joblessness (OECD, 2011; Van Lancker et al., 2012).

The analysis of in cash and in -kind services (childcare) can also be complemented by an analysis of the use of parental leave and notably whether very long parental leaves may end up creating incentives for labour market detachment of mothers. Indeed, upon return to their jobs after a long leave, human capital loss or obsolescence may complicate their future labour prospects and make gender asymmetries deeper (Joshi et al., 1999; Misra et al., 2011; Arun et al., 2004; for a review of this literature, see OECD, 2007). It can be useful to compare the legal side in terms of replacement rate and lengths of leave schemes and the take-up as to assess in how far a reconciliation of work and care is possible. At the moment, the comparative family policy database (2010) could serve as an example

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[62]   A unit increase in standardized family in-kind spending is found to correspond to a reduction in child income poverty that is two times higher than the one corresponding to standardised cash benefit spending. Along similar lines, each unit increase in in-kind spending is found to correspond to 2 percentage point increase in female employment.

[63]   Furthermore, the effectiveness may be increased by conditionality (OECD, 2013). Conditional cash transfers require certain behaviour among recipient families –for instance, minimum schooling, regular health check-ups- typically to ensure that children receive benefits. However, critics have suggested that conditionality undermines the idea of welfare rights (Dwyer, 2004).

which gathers similar data yet not for all EU member states (only until 2010). More general, incentives for the labour market participation of second earners should also be analysed. Indeed, the decision to participate in the labour market notably reflects the expected wage gains and related taxes[64], the expected changes in benefits received and the cost of childcare. Further analysis can for instance focus on the inactivity trap for second earners.

Still, the employment status of parents is not a safeguard against poverty *per se*. For instance, the increased labour market participation of mothers during recent years only had a limited effect on the relative child poverty rate, as households without children have made even larger income gains (OECD, 2011). Moreover, the net effect of social transfers on single-parents' poverty rates has declined. For a comprehensive assessment, differences in employment patterns among women with different educational backgrounds also need to be taken into account. For instance, the gap in employment rates between high and low-skilled women ranging from 29 to 45 percentage points in the EU-28 (Vandenbroucke and Vleminckx, 2011).

Constraints on the decision to engage the labour market may also be due to rigidities in the demand of labour; for instance regarding the availability and quality of part-time jobs (Meyers et al. 1999; Gornick 1999, O'Connor et al. 1999; Del Boca et al.; 2009). Labor market aspects play an additional role, for the ability to reconcile work and care differences in childcare enrolment rates for children 0-3 and 3-mandatory school age might impact on female labour force participation, therefore, it might be useful to compare to mothers employment rates for children aged 0-3 and 3-to mandatory school age separately, as well as to further consider gender differences employment and in part time work or inactivity due to care responsibilities.

Another important aspect is information on how many hours children spent in childcare facilities as childcare use might still not allow women to work full-time. The distinction between pre-school expenditure counted as educational expenditure and childcare expenditure counted as family expenditure might be useful for the assessment of quality but not for the comparison on how much is spent on children below school-age. As classifications differ by country, it might be important to compare childcare and pre-school educational expenditure. For instance, the OECD family database provides indicators on childcare enrolment and hours spend, childcare costs, the ratio of nurses to children, out-of school care which are crucial for the assessment of access, use and quality of childcare. Further information on ECEC and the quality of childcare can be found in the June 2013 EU Employment and Social Situation Report.

Lastly, family benefits may also affect fertility outcomes, despite the fact that in this case the design of family services has relatively more importance than the amount spent on such services (OECD, 2013). In this regard, the key seems to be the consistency of family policy across time, especially if policies expect to have a certain degree of implication over family size and not only on the timing of births (Thévenon and Gauthier, 2011). In general, the evidence suggests that while family benefits may reduce significantly the direct and indirect costs of children, or have an effect on the timing of births, their effect on the final fertility choices is contested (Sleebos, 2003; Gauthier, 2007). Nevertheless, this may already have a significant reflection of fertility figures, in the light of ongoing childbirth

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[64] The family-friendliness of the tax system may be assessed according to their focus on single parents and large families, such as the French system, or a means-tested benefit system such as the UK system. Changes in the tax system towards this direction are expected to reduce child poverty with the same level of resources (Levy et al, 2008, on a specific analysis of the Polish tax-benefit case).

postponement (Lutz and Skirbekk, 2005) or the negative effect of the economic recession in terms of total fertility rates (OECD, 2011).

3.4.5 *Unemployment*

Unemployment benefits follow two main objectives: (i) provide for income replacement in the event of unemployment; and (ii) support for a smooth transition back to employment. The former is thereby determined by benefit eligibility conditions and related levels of benefits, while the latter relates to both incentives for job search in the tax-benefit system and the quality of employment services.

A number of studies have stressed the positive economic effects of unemployment insurance beyond poverty prevention. The first of these channels has to do with the risk-sharing properties of insurance. In the absence of unemployment insurance, risk-averse workers would seek lower-wage jobs with lower unemployment risk[65], and firms would adapt accordingly creating jobs with lower wages and lower capital intensity, i.e. evolving towards a low-productivity economy. In this context, unemployment insurance allows workers to seek for riskier jobs, which firms will supply for. Unemployment insurance thus induces firms to invest more in capital, create high-productivity jobs and boost economic growth (Acemoglu and Skinner, 1999).

At the same time, there is a case for sufficient duration of unemployment benefits in order to discourage labour force withdrawal. Empirical analysis looking at the impact of downturns on labour force participation has shown that severe recessions in the past led to significant withdrawal that can occur with a significant lag (Duval et al. 2010). Durable benefits, together with more effective matching, should attain the objective of keeping workers attached to the labour force and prevent the loss of human capital and resources. The presently high unemployment rates and often low coverage of unemployment benefits especially among young people raises the concern of labour market detachment, which, in turn, could lower the growth potential of economies (OECD, 2011).

The extension of unemployment benefits to additional categories of workers (e.g. young unemployed, self-employed) should thereby also be understood as an opportunity to trigger their integration in the labour market. Accordingly, the avoidance of hysteresis has been identified as priority in the 2013 Annual Growth Survey (EC, 2013).[66] However, another strand of empirical research has highlighted the impact of the levels of unemployment benefits on the incentives for job search. In particular, the potentially distortionary effect of unemployment benefits on job search is often illustrated with an observed peak in exit rates from unemployment once benefits are close to expiring (Moffitt, 1985; Katz and Meyer, 1990).[67]

Besides the levels of unemployment safety nets, the intensity of job search is driven by the quality of employment services in helping unemployed people to reintegrate into employment. The key role of public employment services (PES) among active labour market policies (ALMP) has been stressed by the European Commission (EC, 2009). Training programmes thereby constitute a key tool for activation, especially in a context of sluggish labour markets. In the light of its opportunity cost, there

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[65]   In this case, the risk is defined as the premium between wage and unemployment benefits.

[66]   Hysteresis refers to the fact that unemployment cannot revert to its previous level following an increase, regardless of the source and nature (temporary or permanent) of the shock causing the rise.

[67]   A cross-country study using aggregate unemployment duration data indeed found evidence of duration dependence in Japan, English-speaking and Nordic countries, but not in Continental European countries (Elsby et al., 2008). More recent estimates based on individual level data, however, suggest more uniform duration dependence effects in a sample of 17 OECD countries (Dantan and Murtin, 2012).

is a point in investing in training, especially among those –youth and low skilled- for which retraining may be most beneficial (OECD, 2011).

The core indicators selected in the area of unemployment benefit aim at reflecting the key characteristics and outcomes of unemployment benefits, which are further complemented with the help of main labour market indicators (see Table 3.6). The adequacy and levels of benefits are captured by the coverage of unemployment benefits and the net replacement rates, both during the initial period of unemployment and after 12 months. These proxies for the set-up of the system are complemented by two outcome indicators: (i) the poverty risk of unemployed as an indication of the (in)adequacy of income protection; and (ii) the unemployment trap as a proxy for potential disincentives to take up work. The labour market dimension is covered by the unemployment rate and the long-term unemployment rate, with the latter also reflecting labour market transitions. Finally, the activation dimension of unemployment benefits is proxied by the share of unemployed that have recently participated in life-long learning activities. These outcomes are considered together with the level of unemployment expenditure per unemployed as a share of GDP, as well as spending on ALMP measures.

Table 3.6: Key indicators used in the field of unemployment benefits

Indicator	Type	Related objective(s)
1. Gross expenditure (source ESSPROS): per unemployed compared to GDP per capita for the population of active age.	Expenditure	
2. Expenditure on ALMP as % of GDP (source LMP database)	Expenditure	
3. Coverage (source LFS): share of unemployed people (all lengths of unemployment spell) receiving unemployment benefits (both registered and not registered at public employment office) as a share of all unemployed people according to the ILO definition (both registered and not registered at public employment office).	Outcome	Income replacement
4. Net replacement rate (source OECD): net replacement rate in the initial period (2 months) of unemployment (case taken: single person, no children, average wage).	Outcome	Income replacement
5. Net replacement rate (source OECD): net replacement rate after 12 months of unemployment (case taken: single person, no children, average wage).	Outcome	Income replacement
6. Poverty rate of unemployed (source SILC): share of unemployed living at risk of poverty (at the 60 % of median equivalised disposable income threshold).	Outcome	Income replacement
7. Unemployment rate (source LFS): according to the ILO definition.	Outcome / context	Reintegration into the labour market

Indicator	Type	Related objective(s)
8. Long-term unemployed rate ([68]) (source LFS): share of long-term (more than one year) unemployed (according to the ILO definition) in the total number of active persons in the labour market.	Outcome / context	Reintegration into the labour market
9. Share of unemployed participating in life-long learning (source LFS).	Outcome	Reintegration into the labour market
10. Unemployment trap (source OECD): average effective tax rate for a transition into full-time work for persons in unemployment insurance (case taken: 100 % of average wage, single person).	Outcome	Reintegration into the labour market

Figure 3.8 presents the radar charts for the area of unemployment; Table A20 in the Appendix provides an overview of key indicators in the area of unemployment benefits.

Figure 3.8: Unemployment outcomes and expenditure in 2010/2011

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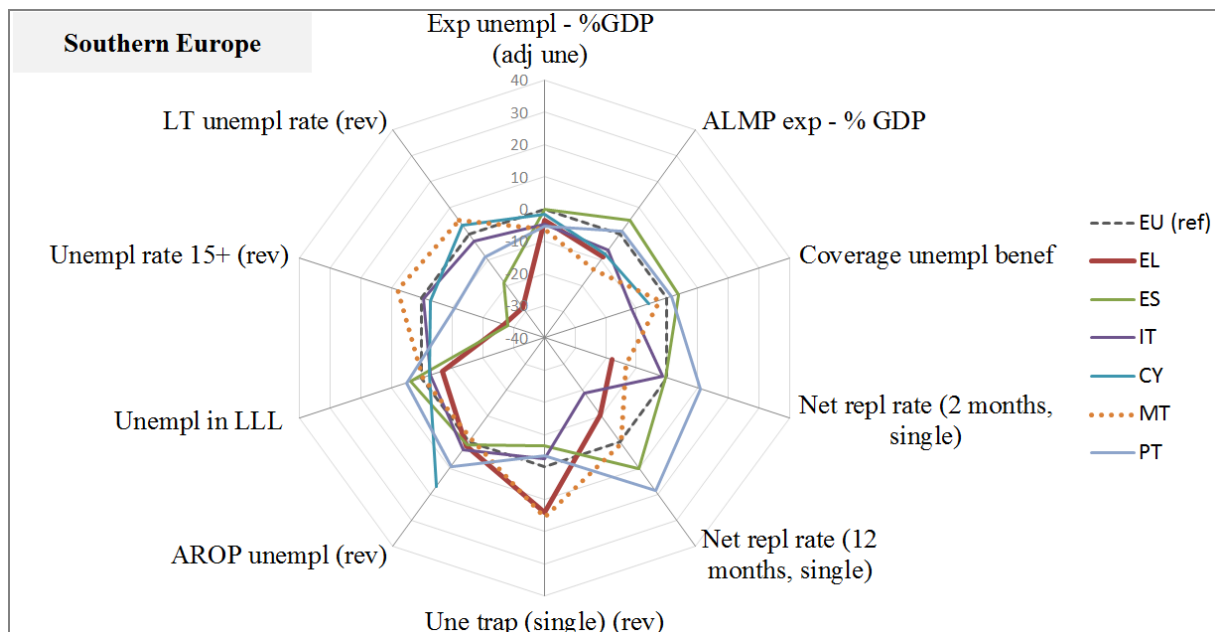
[68] As the unemployment rate is included in the set of outcome indicators, the share of long-term unemployed could be used in place of the long-term unemployment rate in order to avoid the correlation between the two indicators. Nonetheless, Member States' patterns as regards the balance of outcomes between the adequacy of income replacement and the labour market situation do not substantially change if the long-term unemployment share is used instead.

Northern Europe

North-Western Europe
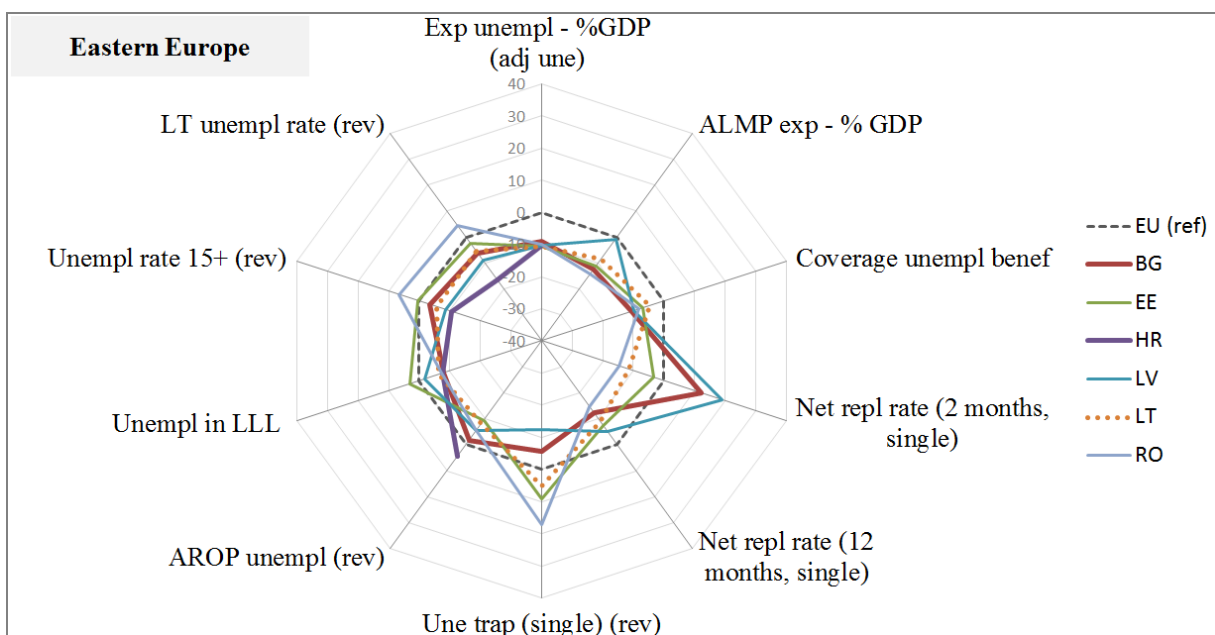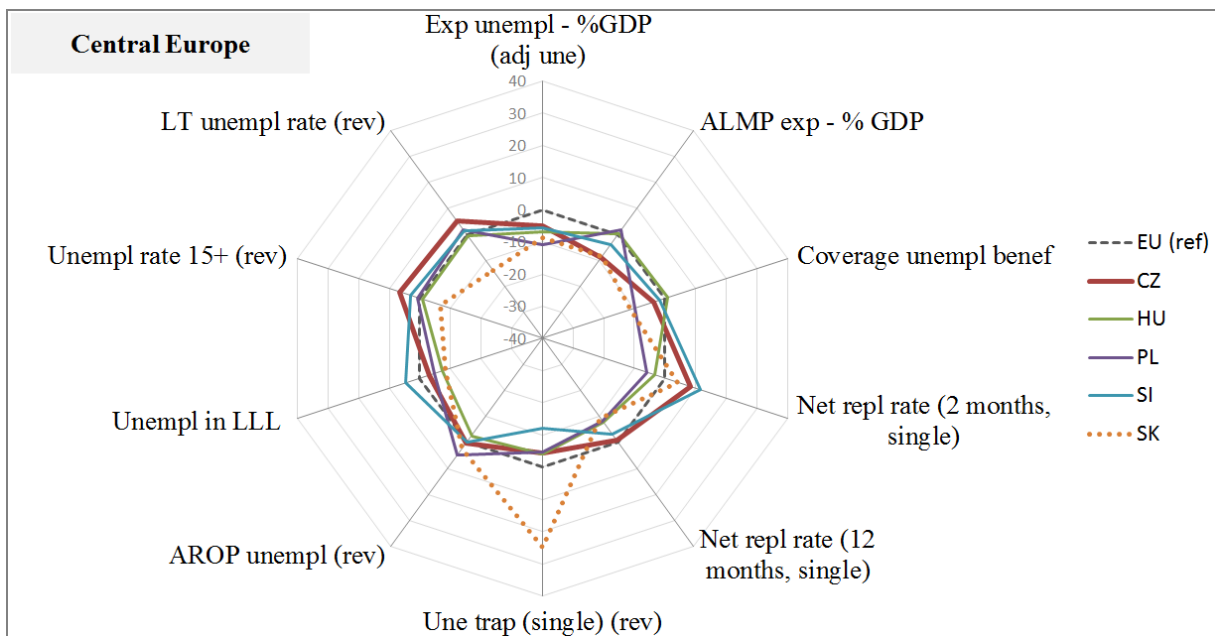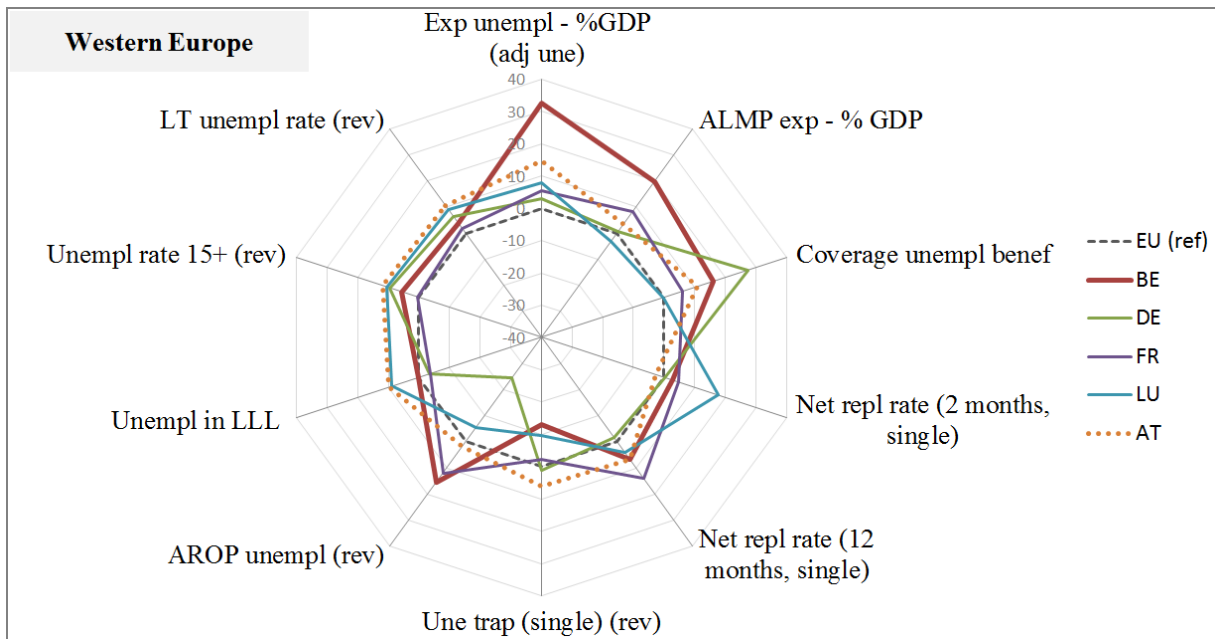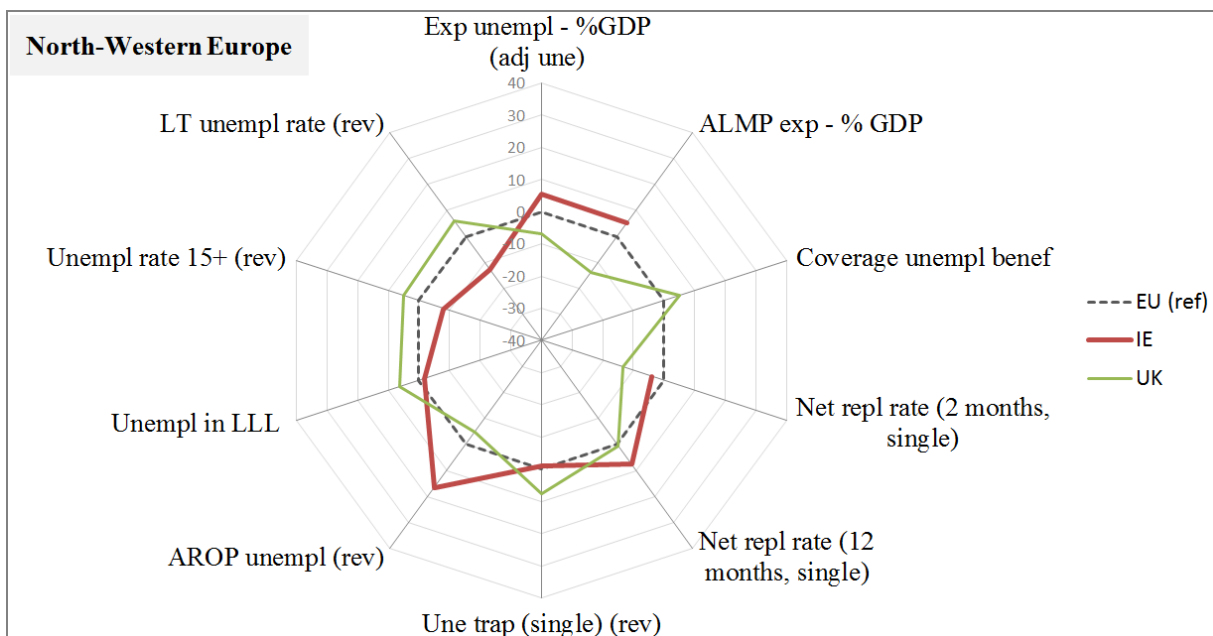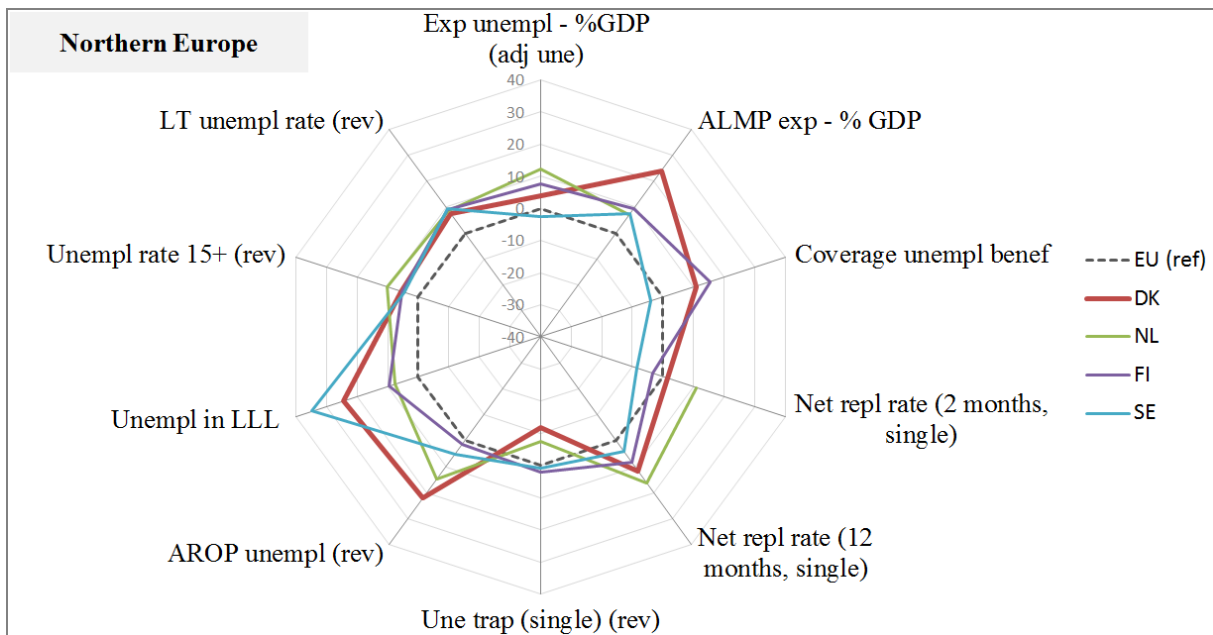
Definition of indicators: See Table 3.6. DG EMPL calculations.

Concerning the target of poverty reduction, the risk of poverty among unemployed is above the EU average in BG, EE, DE, HU, LV, LT, LU, MT, RO and the UK. While most of these countries have either a low coverage (LV, LT, RO) or low replacement rates (RO, LT, only after 2 months:[69] UK, MT, only after 12 months: LT, LV, BG) this is not the case in DE and LU. On the other hand, countries like SE with low coverage and net replacement rates for after 2 months, manage to achieve above average poverty rates.

Regarding the transition into the labour market, the radar chart present that for disincentives to work, countries with high adequacy of benefits often have a comparably less favourable performance concerning the unemployment trap (BE, NL, DK) while countries with a high adequacy usually perform above average on the unemployment trap indicator (MT, EL, RO, LT, EE). The share of

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[69] As measured by the OECD indicator on the net replacement rate in the initial period of unemployment (2 months) for a single person with average wage and no children.

unemployed participating in life-long learning is below the EU average in BG, HR, CZ, CY, FR, DE, EL, HU, IE, IT, LV, LT, MT, PL, RO and SI. Most of these countries (except for FR, IE, LV, PL) invest as well comparably less in active labour market policies.

Member States further show significantly different patterns of their adequacy performance in comparison to their relative labour market friendliness performance and levels of expenditure. In some Member States, outcomes in terms of adequacy of benefits appear stronger than labour market outcomes. This can be the case in Member States with relatively lower (e.g. BG, HR, LV, PT), average (e.g. ES, CY) or higher (e.g. BE, FR, IE, NL) than average expenditure levels. On the reverse, in some Member States, the performance in terms of labour market outcomes appears stronger than the one as regards adequacy of unemployment benefits. This can be the case in Member States with relatively lower (e.g. EE, IT, LT, MT, RO, UK) or higher (e.g. AT, SE) than average expenditure levels. Finally, in most other MSs, the outcomes appear more balanced as regards both adequacy and the labour market attachment, but can appear relatively weak (e.g. EL), close to average (e.g. CZ, DE, LU, HU, PL, SI, SK) or higher than the average (e.g. DK, FI). This can be the case in Member States with relatively lower (e.g. CZ, HU, PL, SI, SK), average (e.g. DE, EL, DK) or higher (e.g. LU, FI) than average expenditure levels.

3.4.6   *Areas for in depth analysis of national performance*

In order to provide for a more comprehensive assessment that also accounts for process related variables, it is useful to consider a number of further aspects. For instance, the composition of unemployment can offer important information in order to address joblessness[70], as well as information on the long term unemployed (a more detailed breakdown of the characteristics of unemployed would be possible with LFS data) or on transitions from unemployment to employment and unemployment to inactivity (see Table A20 in the Appendix).

Youth and women are relatively more exposed to a higher turnover as a result of the greater incidence of fixed-term contracts, with no permanent effect on the unemployment rate (OECD, 2011). Part-time jobs and alternative contracts may be viewed as an avenue for cushioning the worst effects of the unemployment crisis. However, incentives for a quick transformation of such short-term arrangements into more stable formulae must be envisaged to avoid precariousness after their economic goal. Furthermore it can be useful to consider additional information on the share of the youth not in education and training (NEET; see Table A20).

Therefore, the outcomes visible in the radar chart should be interpreted together with the structure of the labour market, taking background information indicators such as involuntary part-time work, the share of part-time employment in total employment, the share of fixed-term employment in total employment and the persistence of fixed term employment into account. Attempts have been made to measure job quality with a composite index accounting among others for working conditions and non-standard employment using the European Labour Force Survey and the European Working Conditions Survey (Leschke & Watt 2013).

For the comparison of activation measures across countries, Marchal and Mechelen (2013) developed a composite indicator which includes demands on occupational and geographical mobility, valid reasons for the refusal of job offers, sanctions, time limits, as well as the range of available ALMPs and care. Marchal and Mechelen gathered the data for 17 EU member states in 2012. A systematic

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[70]   For instance, recent work by Worldbank (unpublished) based on latent class analysis assesses the characteristics of the the out-of-work population in several Central and Eastern European Countries.

comparison of activation patterns across Europe could be very valuable for the future assessment of ALMP and unemployment.

The importance of targeting is pointed out by Allard and Lindert (2004), who for a sample of OECD countries between 1950-2001, found disappointing effects between ALMPs and unemployment. However, results for specific groups of workers were clearly positive, with women reacting better, possibly due to a lower impact of self-selection issues[71]. In the absence of protection and activation measures, unemployment risks will disproportionately affect workers with lower-skills and lower employability (due to age, mobility restrictions, family composition, etc.). At the EU level data on the number and the sex of participants in ALMPs are available, however, it might be useful, to consider as well more data on the personal characteristics of participants such as age, educational attainment, migration background or belonging to an ethnic minority as to be able to compare who participates in what kind of ALMPs. The differentiation for different types of ALMP is important, as Bonoli (2012) shows that not all types of ALMP can be regarded as social investment with the aim of increasing human capital and that different aims of ALMP should be taken into consideration.

More effective PES should be gearing to an early profiling of unemployed people, regular personalized follow-up procedures and a general transition towards a 'rights and duties'-oriented perspective (Kuddo, 2012). The reform of PES should be carefully handled, as they could entail undesirable effects if measures to lift people out of unemployment translate into an increase of individuals receiving non-employment benefits, including disability, social assistance or early retirement benefits (Carcillo and Grubb, 2006). Restricted unemployment benefits may even create a bigger problem if exit from disability benefits is less likely (OECD, 2011). In fact, there are indications that the impact of recessions on disability rates has been magnified by the tightening of access to unemployment benefits (Autor and Duggan, 2003; Koning and Van Vuuren, 2006)[72]. However, disability rates do not tend return to previous levels even after the economy has fully recovered (OECD, 2010b). The rising proportion of long-term unemployed hence raises the risk of increasing disability pensioners. Here, ESSPROS data on disability pension beneficiaries could be exploited more. MISSOC also offers qualitative information on the various provisions for reintegrating disabled people into the labour market, ranging from incentives, such as tax breaks, support for ALMP, employment quotas for larger enterprises and anti-discrimination rules.

Existing evidence on the link between the levels of unemployment benefits and job matching is generally mixed, with the relationship being likely to depend on other factors as well. On the demand side, the reduction of the tax wedge is believed to also boost incentives for hiring. Ensuring that work pays is especially necessary in the case of less qualified workers, who may earn little more in employment than under unemployment benefits. Empirical evidence shows that low-wage and part-time workers are particularly sensitive to financial incentives and alternatives to labour participation (Colombino et al. 2010; Immervoll et al. 2007). The implicit high tax rate faced by these workers when undertaking a new job, the so called 'poverty trap' is therefore often seen as an obstacle to leave benefit dependence behind (FitzRoy and Jin, 2010).

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[71] Adult women's being unemployed and eligible for ALMP participation may be less related to any negative attitude toward schooling and training than it is a characteristic for male school dropouts.

[72] The fact that older workers have remained in the labour market during the latest recession could in part be explained by recent reforms which have led to the closing of many benefit routes to early retirement.

Concerning the legislative framework, a number of authors suggest instead that easing employment protection rules for regular workers can have a more general effect on unemployment (Bassanini and Duval, 2009; OECD, 2010a; Bassanini et al. 2010). However, this may only apply to youth unemployment, because the effect is not significant for other categories of workers (de Serres et al, 2012). The OECD provides an indicator for employment strictness which could be used, but is not available for all EU countries.

3.4.7   *Social exclusion and housing*

Social exclusion and housing expenditure provide support to households in order to alleviate poverty and exclusion, in particular through income and housing support (be it in kind or in cash). Active inclusion refers to an approach that combines sufficient income support and access to essential services (notably childcare and housing) with labour market integration support. The main outcomes considered in this section are thus related to poverty and housing conditions, while employment friendliness is likely to be a determinant of how effective a given level of spending is in terms of improving social outcomes. These outcomes are considered together with the levels of social exclusion and housing expenditure as a share of GDP (see Table 3.7; Table A21 in the Appendix provides a more comprehensive overview of indicators).

Table 3.7: Key indicators used in the field of social exclusion and housing

Indicator	Type	Related objective(s)
1. Gross expenditure on social exclusion (source ESSPROS) as a share of GDP per capita.	Expenditure	
2. Gross expenditure on housing as a share of GDP per capita (ESSPROS).	Expenditure	
3. Poverty rate (SILC): share of total population living at risk of poverty (at the 60 % median equivalised disposable income threshold).	Outcome	Preventing poverty and social exclusion
4. Severe material deprivation (SILC): share of population living in severe material deprivation (population aged 0-59).	Outcome	Preventing poverty and social exclusion
5. Jobless households (SILC): share of population living in very low work intensity households (population aged 0-59).	Outcome	Preventing poverty and social exclusion
6. Poverty reduction (SILC): relative reduction in the share of population living at risk of poverty (in %) due to social transfers (excluding pensions).	Outcome	Preventing poverty and social exclusion
7. Inactivity trap (OECD): average effective tax rate for a transition into full-time work for persons without entitlement to unemployment insurance but entitled to social assistance if applicable (case taken: 67 % of average wage, single person).	Outcome	(Re-)integration into the labour market
8. Housing cost overburden of the poor (SILC): share of population AROP living in a household where the total housing costs (net of housing allowances) represent more than 40 % of the total disposable household income (net of housing allowances).	Outcome	Access to decent housing
9. Overcrowding rate of poor people (source SILC): the percentage of the population at risk of poverty living in an overcrowded household.	Outcome	Access to decent housing

Figure 3.9: Social exclusion and housing outcomes and expenditure in 2010/2011

Eastern Europe

Exp social exclusion - %GDP
Exp housing - %GDP
AROP (rev)
Poverty reduct by social transf
SMD (rev)
Inact trap (single) (rev)
Pop in JLH (0-59) (rev)
Housing cost overburden of poor (rev)
Overcrowding rate of poor (rev)

EU (ref)
BG
EE
HR
LV
LT
RO

Northern Europe

Exp social exclusion - %GDP
Exp housing - %GDP
AROP (rev)
Poverty reduct by social transf
SMD (rev)
Inact trap (single) (rev)
Pop in JLH (0-59) (rev)
Housing cost overburden of poor (rev)
Overcrowding rate of poor (rev)

EU (ref)
DK
NL
FI
SE

North-Western Europe

Exp social exclusion - %GDP
Exp housing - %GDP
AROP (rev)
Poverty reduct by social transf
SMD (rev)
Inact trap (single) (rev)
Pop in JLH (0-59) (rev)
Housing cost overburden of poor (rev)
Overcrowding rate of poor (rev)

EU (ref)
IE
UK

Definition of indicators: See Table 3.7. DG EMPL calculations.

The benchmarking framework suggests that countries with relative poverty rates above the EU average (BG, EE, EL,ES, HR, IT, LV, LT, PL, PT,RO) mostly exhibit high levels of material deprivation as well, with the exceptions of EE,ES, PT (lower levels of material deprivation) and CY,HU, SK (high material deprivation, low relative poverty). In addition, in some countries poverty and material deprivation is found high, while the number of jobless households is at the EU average or higher (CY, EE, IT, PL, PT, RO). In other countries, the number of jobless households is comparably higher as is the poverty reduction effect of social transfers (BE, DK, HU, IE, UK). The housing indicators show that some countries manage to perform well on both indicators (EE, FR, CY, LT, LU, MT, PT, SI, FI, UK, IE) while most countries either have a comparably higher housing cost overburden (BE, DE ,DK, ,ES, NL,) or an elevated overcrowding rate of poor (HR, LV, HU, AT, PL, SK) or both (BG, CZ, EL, RO, SE).

Member States show significantly different patterns as regards their social inclusion and housing outcomes in comparison to their labour market friendliness and relative levels of expenditure. In some Member States, outcomes in terms of adequacy of benefits and housing outcomes appears stronger than the one in terms of labour market outcomes. This can be the case in Member States with relatively lower (e.g. HR, MT), average (e.g. BE, IE, LU, FI, UK) or higher (e.g. DK, NL) than average expenditure levels. On the reverse, in some Member States, the performance in terms of labour market outcomes appears stronger than the one as regards adequacy of benefits and of housing outcomes. This can be the case in Member States with relatively lower (e.g. BG, IT, LV, PL, RO, SK) or average (e.g. EL) than average expenditure levels. Finally, in most other MSs, the performance appears more balanced as regards both adequacy and the labour market attachment, but can appear relatively weak (e.g.), close to average (e.g. CZ, DE, EE, ES, LT, HU, AT, PT, SI, SE) or higher than the average (e.g. FR, CY). This can be the case in Member States with relatively lower (e.g. CZ, EE, ES, HU, AT, PT), average (e.g. DE, LT, SI, SE) or higher (e.g. FR, CY) than average expenditure levels.

Generally, the expenditure figures in the area of social exclusion need to be interpreted with caution, as all social benefits "not elsewhere classified" are subsumed under this ESSPROS category. Depending on (national specific) classification of schemes, 'social inclusion benefits' are likely to be captured under other ESSPROS functions as well, which hampers the comparability of social exclusion expenditure across Member States.

3.4.8 *Areas for in depth analysis of national performance*

More information on target populations and the policies can be useful to further deepen the analysis. Carpentier (2009) studies the duration and spells of social assistance take-up and takes age, sex, household composition, marital status and regional differences into consideration. The focus on target groups can also help revealing the overlap with other functions as for instance families with children or unemployed might be more likely to be socially excluded. A number of additional indicators could be used in further analysis, such as the poverty gap, the persistence of poverty as well as in work poverty, inequality of incomes (S80/S20) or poverty among the jobless households (see Table A21 in the Appendix).

Another dimension of possible focus is whether the policies reach all social excluded, which can be linked to issues of non-take up rates, eligibility rules, and administrative errors as well as the adequacy of benefits (Bargain et al. 2012; Figari et al 2013). The coverage or non-coverage of social excluded populations is difficult to measure as it is the population not covered by any scheme. Bargain et al. (2012) rather focus on those eligible for benefits but not receiving social assistance (based on

administrative data from Finland on benefit reception). The 2013 ESDE report (EC, 2013) presents a measurement of non-coverage of jobless poor which accounts for the population aged 18-59 at risk of poverty and jobless whose total benefits/allowances received is less than 10% of their total net disposable household income.

Another dimension is related to the persistence of social exclusion, social mobility and further analysis at national level of the population socially excluded. The EU-SILC contained an ad-hoc module in 2011 on intergenerational transmission of disadvantages measuring the impact of parents' education to current adults and the impact of poverty during childhood on the current situation. The OECD measures in their 'Going for Growth' report the intergenerational earnings elasticity which measures the degree to which sons' earnings represent a reflection of their fathers and find significant effects of fathers' earning on sons' (Ocse, A. 2010).

The evolution of housing policies differs across Europe with some countries targeting more the lower end of the income distribution, while others traditionally target more universally. The OECD (2011) compared the differences in policies such as the share of housing in the total stock, the income limits, whether the allocation is based on income limits, waiting lists or based on prioritization of certain groups. Countries differ as well in the fiscal disparity between rents on the private market and for social housing, the level of home-ownership, and the number of homeless. Further context information on the housing market and on homelessness might be important as to place social housing policies into perspective, while information on groups who benefit the most from social housing might also be interesting.

3.5   Country overviews

The benchmarking of social spending orientation and key social (and labour market) outcomes by policy area can be combined for a stylised illustration of the characteristics of the entire social protection system. The example presented in this section, Italy, serves as an illustration of such an holistic exercise. The same set of indicators as for the benchmarking of specific policy areas are used to ensure a consistent approach across countries.

Compared to the comparative analysis by policy area in the previous section, the country overviews focus on a single social protection system and provide a more detailed assessment. For instance, the overview also includes 2008 data as a second reference year, which allows assessing recent trends in spending patterns and social outcomes. The 2008 values are benchmarked against the 2011 EU average as to enable a direct assessment of time trends in the country.[73] Moreover, the question of the chosen benchmark is important to consider, as the EU average does not necessarily represent a good performance. Therefore, the average of the three best performers and the average of the three worst performers are additionally indicated in the country overviews. The boundaries of the area highlighted in grey illustrate the spread of each indicator and help assessing the relative position of Member States.

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[73]   Alternatively, the 2008 data can be benchmarked against the 2008 EU average. The displayed changes between 2008 and 2011 would then indicate shifts in the relative position of the country, which could be driven by either changes in country performance or changes in the EU average. Using the 2011 EU average as benchmark allows focusing on actual developments in the country; for information purposes, the EU 2008 average is reported in the accompanying data table.

Figure 3.10 exemplarily provides such an overview for Italy (based on 2011 and 2008 data), with the radar chart on the levels and orientation of social protection expenditure in the centre, and the ones by social protection areas in the respective corners. Table 3.8 then reports the actual values for the indicators displayed in Figure 3.10, while Box 3.3 provides a short discussion of the characteristics and potential challenges of social protection provision in Italy. For a more tailor-made analysis, supplementary indicators should be considered to better reflect country-specific patterns (e.g., gender or age breakdown for selected indicators; alternative indicators more relevant to the country context). Tables A18 to A21 provide a broad compilation of indicators for the four main areas of social protection covered.

The main value added of the country overviews is to provide a comprehensive assessment of the structure of the social protection system, including the trade-offs between the different areas of social policies and the inter-linkages in particular with the employment situation. The country overviews should be seen as starting point to the analysis of social policies at the most aggregate level, from which potential areas for further investigation can be identified. The assessment then has to be underpinned and complemented by in-depth analysis and additional country-specific evidence (as outlined in the previous sections).

Annex B presents the country overviews (as illustrated by Figure 3.10 and Table 3.8 for Italy) for all 28 Member States.

Figure 3.10: Social protection spending and social outcomes in Italy (2011 and 2008)
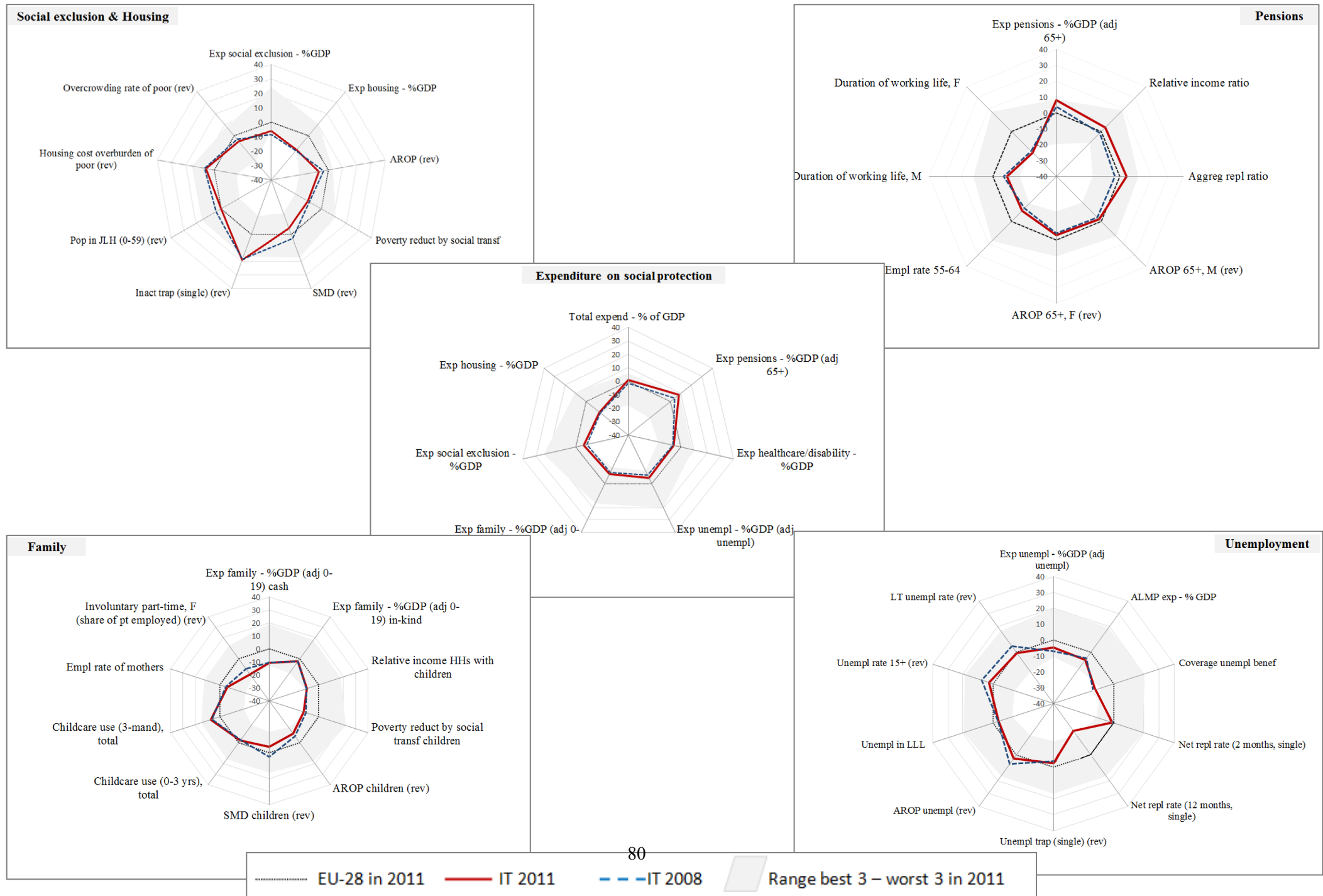
Table 3.8: Overview Indicators – Actual Values Italy 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
Total expenditure, % of GDP	29.0	29.7	27.7	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	85.7	79.7	69.0
Expenditure healthcare/disability, % of GDP	10.3	8.7	8.5	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	15.1	11.7	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	7.4	6.8	9.6
Expenditure social exclusion, as % of GDP	0.4	0.1	0.1	0.4
Expenditure housing, as % of GDP	0.6	0.0	0.0	0.5

II. Pensions

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
Relative income ratio	0.91	0.95	0.89	0.86
Aggregate replacement ratio	0.54	0.58	0.51	0.51
AROP 65+, M	12.1	13.1	15.8	14.8
AROP 65+, F	16.4	18.7	22.4	20.0
Employment rate 55-64	48.8	40.4	34.4	45.5
Duration of working life, M	37.6	35.3	35.3	37.3
Duration of working life, F	32.2	25.4	24.4	31.2

III. Unemployment

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.3	0.4	0.5
Coverage unemployment benefits	30.0	7.0	4.9	31.0
Net repl rate (2 months, single)	58.8	57.0		
Net repl rate (12 months, single)	37.7	0		
Unemployment trap (single)	74.8	77.8	78.8	74.5
AROP unemployed	46.9	44.4	40.8	45.4

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
Unemployed in LLL	9.0	6.2	6.4	8.3
Unemployment rate 15+	10.5	10.7	6.7	7.0
Long-term unemployment rate	4.7	5.7	3.1	2.6

IV. Family

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	3.7	3.7	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	3.2	3.1	3.2
Relative income HHs with children	0.9	0.8	0.85	0.94
Poverty reduction by social transfers, children	34.4	20.5	23.3	40.2
AROP children	20.8	26.0	24.4	20.1
Severe material deprivation children	11.8	16.9	8.3	9.5
Childcare use (0-3 yrs), total	30.0	26.0	25.0	27.0
Childcare use (3-mand), total	83.0	95.0	93.0	84.0
Employment rate of mothers	60.2	54.1	53.9	59.2
Involuntary part-time, F (share of PT employed)	24.9	53.9	38.7	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
AROP	17.0	19.4	18.4	16.4
Poverty reduction by social transfers	34.4	20.5	20.7	34.9
Severe material deprivation	9.9	14.5	7.0	8.2
Inactivity trap (single)	56.1	25.4	23.7	56.1
Population in jobless HHs (0-59)	10.3	10.3	8.8	9.1
Housing cost overburden of poor	39.0	29.3	26.8	35.1
Overcrowding rate of poor	29.4	38.8	35.9	30.4

Box 3.3: Characteristics and potential challenges of the Italian social protection system

In Italy, social protection expenditure is oriented towards pensions (even after controlling for the demographic situation), while spending on the other social protection functions is below the EU average, notably in the areas of social exclusion/housing and (cash) family benefits. The focus on pension expenditure – which has been reinforced between 2008 and 2011 – has allowed for a high (and rising) adequacy of today's pensions, both in terms of income replacement and poverty prevention (with a poverty rate for the elderly below that of the total population). However, as the structural reform of the pension system in 2012 will affect the pension entitlements of current and (in particular) future generations of pensioners, the analysis needs to be complemented by a forward looking assessment of the reform effects.

Overall, the labour market integration of older workers is relatively low, and, though increasing between 2008 and 2011, the labour force participation in particular of (older) women is found well below the EU average (see also Table A20 for complementary labour market indicators). This bias towards pension expenditure may prove effective in sustaining older people's incomes in the short-run, but it does not help increasing labour market participation notably because these benefits are not linked to activation policies.

The relatively low weight on family expenditure is reflected in a comparably high and slightly increasing rate of child poverty. While childcare availability for the age group 3 to mandatory school age is above the EU average, the childcare use of younger children is at a low 26%, as is the labour market participation of mothers. Further, the below-average spending on social exclusion and housing seems one explanation for comparably high poverty rates and a low poverty reduction effect, while housing outcomes appear better than average relative to the low level of spending.[74] The observed low inactivity trap can be related to the absence of national minimum income scheme. Labour market outcomes are mixed, with a relatively low but rising unemployment rate and an above-average share of long-term unemployment.

In the case of Italy, the share of people in severe material deprivation almost doubled between 2008 and 2011, especially affecting children. In the difficult economic situation the capacity of social transfers to prevent the risk of poverty and social exclusion appears to have been challenged. In particular, the absence of a statutory minimum income, relatively low unemployment coverage and much fractured family benefits have probably contributed to these unfavourable outcomes, which were mirrored by comparably low expenditure on social exclusion, housing, family and unemployment. The issue of low unemployment coverage has been addressed with a reform of unemployment benefit law in 2012 which has already contributed to a positive trend in unemployment coverage.

Further information not reflected in this framework could also focus on youth unemployment which is high and on the number of youth not in education, employment or training which has been rising. In addition, undeclared work remains a major challenge and regional disparities existing in service deliveries result in inequality in accessing services. The low female employment rates can also further be analysed with tax disincentives to work for second-earners as much as the limited access to affordable childcare.

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[74] Further analysis of the income and poverty situation for tenants and owners may be considered in a further analysis.

Conclusion

In the present context of scarce public resources, shrinking working-age populations and strained social cohesion, more effective and efficient social policies play a key role in rebuilding and maintaining the basis for competitiveness, growth and jobs. Social protection expenditure account for a large share of public budgets, and will be key to support a strong socially-cohesive recovery from the crisis and, at the same time, prepare the ground for future growth in an increasingly knowledge-based society.

The Europe 2020 goal of smart, sustainable and inclusive growth will be hard to reach without the modernisation of our social protection systems. Social policies need to promote the development of skills and competences that allow more people to take part in the economy and society, while protecting the livelihoods of people in need. This calls for a broad approach towards social protection that explicitly accounts for the multiple objectives of social policies and the related social and employment outcomes. The observed heterogeneity in policy approaches and social outcomes across the European Union thereby provides a repository of experiences and the important opportunity to learn from comparisons with peers.

This report presents the evidence base at EU level on which the scope for, and progress towards, a more effective provision of social protection can be assessed. Overall, the report shows that the complexities of social policies preclude the establishment of a single framework for the robust assessment of the effectiveness and efficiency of social protection systems. In particular, since attempts to produce rankings of social policy efficiency from country-level data can easily results in misleading conclusions, this report largely refrains from more sophisticated, econometric tools at the most aggregate level. Rather, a more simple, though transparent approach is suggested that relies on the benchmarking of key input, outcome and contextual factors.

The radar charts thereby merely represent a descriptive exercise, as, in particular, causality cannot be inferred on this basis. Still, the proposed assessments by social policy area and their combination into country overviews allow illustrating key characteristics of the different areas of social protection systems at a glance. Most importantly, the focus is shifted from the isolated analysis of specific social protection schemes towards the assessment of potential trade-offs between different social policy areas, as well as a more integrated approach towards the interplay of fiscal, employment and social policies.

The framework developed in this report can thereby complement the existing EU social monitoring tools. The comparative assessment at the most aggregate level helps reveal potential challenges, which can then be followed up by an in-depth assessment of the national context. To this effect, the report outlines areas for which additional evidence can complement the picture. At EU level, the JAF constitutes a vast analytical tool for monitoring progress towards the EU 2020 objectives. The wealth of information provided by the JAF, however, might be difficult to digest especially for the less technical-versed. The illustration of the key features of a country's social protection system could therefore provide a useful intermediate step between the general trends captured by the SPPM and the in-depth assessment of the JAF. In this regard, the SPC-ISG is invited to prepare a proposal on the concrete utilization of the tool in the future.

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Abbreviations

ALMP	Active labour market policies
AROP	At-risk-of-poverty rate
AROPE	At-risk-of-poverty or social exclusionrate
DEA	Data Envelopment Analysis
DG ECFIN	Directorate-General for Economic and Financial Affairs
DG EMPL	Directorate-General for Employment, Social Affairs & Inclusion
DWL	Average duration of working lives
EC	European Commission
ECEC	Early Childhood Education and Care
ECOFIN	Economic and Financial Affairs Council
EPM	Employment Performance Monitor
ESDE	Employment and Social Developments in Europe
ESSPROS	European System of integrated Social Protection Statistics
EU	European Union
EUROMOD	Tax-benefit microsimulation model for the European Union
EU-SILC	European Union Statistics on Income and Living Conditions
FDH	Free Disposal Hull
GDP	Gross Domestic Product
ILO	International Labour Organization
ISG	Indicators' Sub-group
JAF	Joint Assessment Framework
LFS	Labour Force Survey
LLL	Life-long learning
MISSOC	Mutual Information System on Social Protection
MS	Member State(s)
NEET	Young people 'Not in Education, Employment, or Training'
OECD	Organisation for Economic Co-operation and Development
OMC	Open Method of Coordination
PES	Public Employment Services
PPS	Purchasing Power Standard
SMD	Severe Material Deprivation
SPC	Social Protection Committee
SPPM	Social Protection Performance Monitor
TRR	Theoretical Replacement Rate
UN	United Nations

Member States

BE	Belgium		LT	Lithuania
BG	Bulgaria		LU	Luxemburg
CZ	Czech Republic		HU	Hungary
DK	Denmark		MT	Malta
DE	Germany		NL	The Netherlands
EE	Estonia		AT	Austria
IE	Ireland		PL	Poland
EL	Greece		PT	Portugal
ES	Spain		RO	Romania
HR	Croatia		SI	Slovenia
FR	France		SK	Slovakia
IT	Italy		FI	Finland
CY	Cyprus		SE	Sweden
LV	Latvia		UK	United Kingdom

Annex A

1. Other data sources on social protection financing

<u>AMECO</u>

AMECO is the annual macro-economic database of the European Commission's Directorate General for Economic and Financial Affairs (DG ECFIN). The main data source is Eurostat (the Statistical Office of the European Commission), complemented, where necessary, by other appropriate national and international sources. Directorate General ECFIN produces, under its own responsibility, short term economic forecasts twice a year, in the Spring and in the Autumn, including data on social contributions. Further, national governments provide data on social contributions and social payments according to the budgetary prospects in their National Convergence and Stability Programmes.

<u>"Taxes in Europe - Tax reforms" database</u>

The "Taxes in Europe" database (TEDB) is the European Commission's on-line information tool covering the main taxes in force in the EU Member States. The system contains information on around 600 taxes, as provided to the European Commission by the national authorities. The database contains, for each individual tax, information on its legal basis, assessment base, main exemptions, applicable rate(s), beneficiaries, economic and statistical classification, as well as the its revenue. The new "Tax reforms" database (TAXREF) is entailed by the update of the TEDB. It collects information on tax reforms in the member states in a structured way. It covers reforms in eight tax categories (VAT, PIT, CIT, Social Security contributions paid by employees, Social Security contributions paid by employers and the three EU harmonised Excise duties on Alcoholic beverages, Energy products and Tobacco products).

<u>Social Expenditure Database (SOCX)</u>

The OECD database uses national source data on expenditure grouped, according to an agreed classification, by individual social protection programmes. It provides internationally comparable social policy indicators of levels and patterns of social spending. As for EU countries the data provided are those by Eurostat.

<u>OECD Global Pension Statistics Project</u>

The OECD database provides quantitative data on pension financing. It splits pension contributions into contributions from the different sectors of the economy (employers, employees, state). This database also gives an indication to the underlying pension systems, as data is split into DB and DC schemes. The data is assembled on a yearly basis. This allows for a differentiated assessment of trends in the financial viability of pension funds. Assets pertaining to reserve funds in social security systems are excluded, which narrows the focus of the data. Unfortunately similar data is not available for other social protection branches. While data on contributions and benefits allows assessing the financial viability of respective systems, it does not allow for a real judgement of effectiveness. This issue can be remedied to a degree by expenditure data from Social Expenditure Database (SOCX) from the OECD. The database also gives an indication of operating costs as a percentage of assets under management of the public pension reserve funds. This data is unfortunately limited to only four MS.

<u>OECD tax-benefit and family support calculators</u>[75]

This tax benefit calculator illustrates how taxes and social benefits affect incomes of people in and out of work in OECD countries. Calculations take into account the taxes and social security contributions due on earnings and benefits. Benefits such as unemployment benefits, social assistance, family benefits, housing benefits and in-work benefits are likewise included. For each country, a selection of different family types and earnings levels is available. The Family support calculator provides information on how taxes and social benefits in OECD countries affect the incomes of families with children (by age of the children). Calculations take into account birth-related leave payments, social assistance benefits, family benefits, housing benefits and in-work benefits.

<u>COFOG</u>

Developed by the OECD, the Classification of the Functions of Government (COFOG) classifies government expenditure from the System of National Accounts by the purpose for which the funds are used. The first-level COFOG splits expenditure data into ten "functional" groups or sub-sectors of expenditures (including health and social protection), and second-level COFOG further splits each first-level group into sub-groups. First-level COFOG data are available for 31 out of the 34 OECD member countries, second-level COFOG data currently only for 21 OECD EU member countries.

<u>ISSA report "Social Security Programs Throughout the World, Europe 2012 report</u>

Published jointly by the Social Security Administration of the US and ISSA, this report gives a brief outline of the social protection schemes around Europe. It also includes qualitative information on financing principles, albeit the descriptions are short and focus on contribution rates, rather than financial foundations directly. This information can also be found in the MISSOC Tables, while contribution rates are covered in a more manageable format in the ILO Social Security Database.

<u>EUROMOD</u>

EUROMOD is a tax-benefit microsimulation model for the European Union (EU) that enables to calculate, in a comparable manner, the effects of taxes and benefits on household incomes and work incentives for the population of each country and for the EU as a whole. As well as calculating the effects of actual policies, it is also used to evaluate the effects of tax-benefit policy reforms and other changes on poverty, inequality, incentives and government budgets.

<u>BOOST Initiative (World Bank)</u>

BOOST collects and compiles detailed data on public expenditures from national treasury systems. Data can be used to examine trends in allocations of public resources, as well as potential deviations between planned and actual budget expenditure. As of August 2011, BOOSTs were available for the following EU countries: Bulgaria, Latvia, Poland, and Romania. BOOST was used, for example, to start a debate on primary education spending efficiency in Poland. ILO had a similar project called Social Protection Expenditure and Performance Reviews (SPERs) aimed at providing detailed information on the performance of national social protection schemes including indicators of system performance with respect to its effectiveness, efficiency, population coverage and the adequacy of benefit levels.

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[75] Cofinanced by the European commission.

2. Supporting tables and figures

Table A1: Receipts for social protection by type, percentage of total receipts, in 2000, 2007 and 2011

MS	2000 Social Contributions (SC)			General government contributions			Other	2007 Social Contributions (SC)			General government contributions			Other	2011 Social Contributions (SC)			General government contributions			Other
	Total	SC Employer.	SC Prot. Person	Total	Ear-marked	General revenue		Total	SC Employer.	SC Prot. Person	Total	Ear-marked	General revenue		Total	SC Employer.	SC Prot. Person	Total	Ear-marked	General revenue	
EU-28															56.2	36.1	20.1	40.2	7.1	33.0	3.7
EU-27								58.1	38.3	19.8	38.4	7.8	30.6	3.5	56.2	36.1	20.1	40.2	7.1	33.0	3.7
EU-25	60.8	38.6	22.2	35.5	3.5	32.0	3.7	58.1	38.3	19.8	38.4	7.9	30.5	3.5	56.2	36.1	20.1	40.1	7.4	32.8	3.7
BE	67.9	45.5	22.4	29.1	7.5	21.6	3.0	65.3	44.1	21.3	32.7	14.4	18.3	2.0	62.2	41.9	20.3	35.6	16.8	18.8	2.3
BG								57.9	38.9	19.0	40.4	0.0	40.4	1.6	47.3	31.1	16.2	50.9	0.0	50.9	1.9
CZ	73.8	49.8	24.0	25.0	0.0	25.0	1.2	78.0	51.8	26.2	20.4	0.0	20.4	1.6	73.5	49.7	23.7	25.0	0.0	25.0	1.6
DK	29.4	9.1	20.3	63.9	0.0	63.9	6.7	32.4	11.5	20.9	61.9	0.0	61.9	5.7	23.5	11.8	11.7	74.2	0.0	74.2	2.4
DE	65.6	38.0	27.6	32.1	0.0	32.1	2.3	62.8	34.9	28.0	35.1	0.0	35.1	2.1	63.1	33.5	29.6	35.2	0.0	35.2	1.7
EE	79.2	79.2	0.0	20.6	0.0	20.6	0.2	81.5	81.1	0.4	18.4	0.0	18.4	0.1	78.5	76.7	1.9	21.3	0.0	21.3	0.2
IE	41.1	25.6	15.5	58.6	0.0	58.6	0.4	42.4	26.7	15.6	53.2	0.0	53.2	4.5	27.7	20.3	7.4	69.3	0.0	69.3	3.0
EL	60.8	38.2	22.6	29.2	3.7	25.5	10.0	58.3	35.5	22.8	31.8	3.1	28.7	9.9	50.5	30.2	20.3	39.0	3.3	35.7	10.5
ES	67.4	52.5	15.0	29.9	0.0	29.9	2.7	62.7	48.8	14.0	35.1	0.0	35.1	2.2	55.1	43.1	12.1	43.9	0.0	43.9	1.0
FR	65.9	46.0	19.9	30.3	19.1	11.2	3.8	64.0	43.1	20.9	33.0	23.1	9.9	3.0	63.3	43.0	20.3	34.7	24.5	10.3	2.0
HR															62.3	29.3	33.0	34.9	0.0	34.9	2.8
IT	57.7	42.8	14.9	40.6	0.0	40.6	1.6	55.4	39.9	15.5	43.0	0.0	43.0	1.6	53.1	38.2	14.8	45.3	0.0	45.3	1.6
CY	43.3	26.6	16.7	39.6	0.0	39.6	17.1	38.3	23.2	15.2	46.3	0.0	46.3	15.4	38.7	22.7	16.0	52.7	0.0	52.7	8.6
LV	64.8	49.1	15.7	35.2	10.4	24.7	0.0	65.2	48.3	16.9	34.4	0.0	34.4	0.4	58.2	40.7	17.5	40.1	0.0	40.1	1.7
LT	59.6	53.7	5.9	38.9	0.0	38.9	1.5	61.7	55.6	6.1	37.7	0.3	37.4	0.6	65.8	49.9	15.9	33.1	0.0	33.1	1.1
LU	48.6	24.7	23.8	46.9	3.5	43.4	4.6	51.9	26.9	25.0	43.4	3.2	40.1	4.7	52.7	28.2	24.5	45.5	3.3	42.1	1.8
HU	59.7	47.0	12.8	31.6	0.0	31.6	8.7	58.0	42.1	15.9	37.1	0.0	37.1	4.9	56.0	35.9	20.1	40.8	0.0	40.8	3.2
MT	67.6	46.6	21.0	29.8	0.0	29.8	2.6	59.9	42.0	17.9	36.8	0.0	36.8	3.3	45.5	28.8	16.7	52.2	0.0	52.2	2.3
NL	67.5	29.4	38.1	14.4	0.0	14.4	18.1	65.2	32.7	32.6	21.6	0.0	21.6	13.1	66.5	32.4	34.1	24.3	0.0	24.3	9.1
AT	66.3	39.2	27.1	32.3	0.0	32.3	1.3	65.1	38.0	27.2	33.5	0.0	33.5	1.4	64.3	37.6	26.7	34.0	0.0	34.0	1.7
PL	66.2	41.4	24.8	21.6	0.0	21.6	12.2	62.4	40.3	22.1	19.4	0.0	19.4	18.2	62.2	43.4	18.9	18.8	0.0	18.8	19.0
PT	53.0	35.6	17.4	39.1	1.7	37.4	7.9	46.4	31.2	15.2	43.9	1.5	42.4	9.7	45.0	29.9	15.1	43.4	1.4	42.0	11.5
RO	79.1	58.0	21.1	15.8	1.0	14.8	5.1	54.4	40.0	14.4	43.9	0.0	43.9	1.7	46.4	32.4	14.0	52.6	0.0	52.6	1.0
SI	66.3	27.0	39.3	31.5	0.0	31.5	2.2	68.5	27.4	41.1	29.7	0.0	29.7	1.8	64.3	26.1	38.2	34.6	0.0	34.6	1.1
SK	66.8	48.3	18.5	31.0	0.0	31.0	2.2	65.1	44.2	20.9	26.9	0.0	26.9	8.0	60.9	41.7	19.2	37.0	0.0	37.0	2.1
FI	49.9	37.9	12.0	42.9	0.0	42.9	7.2	49.2	37.6	11.7	42.8	0.0	42.8	7.9	47.4	35.4	12.0	46.1	0.0	46.1	6.6
SE	50.0	40.5	9.4	45.8	0.0	45.8	4.3	49.4	39.9	9.5	47.7	0.0	47.7	2.8	45.2	35.6	9.6	52.6	0.0	52.6	2.2
UK	52.4	29.9	22.5	46.4	0.0	46.4	1.2	45.9	36.5	9.3	52.6	22.8	29.8	1.6	44.0	31.2	12.8	47.9	17.3	30.7	8.1

Source: Eurostat [spr_rec_sumt]; Share of total social contributions, total general government contributions and other receipts adds up to 100. Data extracted in January 2014.

Table A2: Receipts for social protection by type, percentage of GDP, in 2000, 2007 and 2011

MS	2000 Total	Social Contributions (SC) Total	SC Empl.	SC Prot. Person	General government contributions Total	Ear-marked	General revenue	Other	2007 Total	Social Contributions (SC) Total	SC Empl.	SC Prot. Person	General government contributions Total	Ear-marked	General revenue	Other	2011 Total	Social Contributions (SC) Total	SC Empl.	SC Prot. Person	General government contributions Total	Ear-marked	General revenue	Other
EU-28																	29.7	16.7	10.7	6.0	11.9	2.1	9.8	1.1
EU-27									26.9	15.6	10.3	5.3	10.4	2.1	8.2	0.9	29.7	16.7	10.7	6.0	11.9	2.1	9.8	1.1
EU-25	27.8	16.9	10.7	6.2	9.9	1.0	8.9	1.0	27.1	15.7	10.4	5.4	10.4	2.1	8.3	1.0	29.9	16.8	10.8	6.0	12.0	2.2	9.8	1.1
BE	27.3	18.6	12.4	6.1	8.0	2.1	5.9	0.8	27.7	18.1	12.2	5.9	9.1	4.0	5.1	0.5	30.9	19.2	12.9	6.3	11.0	5.2	5.8	0.7
BG									15.0	8.7	5.8	2.9	6.1	0.0	6.1	0.2	18.7	8.8	5.8	3.0	9.5	0.0	9.5	0.3
CZ	18.6	13.7	9.3	4.5	4.7	0.0	4.7	0.2	18.9	14.8	9.8	5.0	3.9	0.0	3.9	0.3	20.6	15.1	10.2	4.9	5.1	0.0	5.1	0.3
DK	32.2	9.5	2.9	6.5	20.6	0.0	20.6	2.2	32.4	10.5	3.7	6.8	20.0	0.0	20.0	1.8	38.5	9.0	4.5	4.5	28.6	0.0	28.6	0.9
DE	31.1	20.4	11.8	8.6	10.0	0.0	10.0	0.7	29.4	18.5	10.2	8.2	10.3	0.0	10.3	0.6	31.7	20.0	10.6	9.4	11.1	0.0	11.1	0.5
EE	13.6	10.8	10.8	0.0	2.8	0.0	2.8	0.0	12.0	9.8	9.7	0.0	2.2	0.0	2.2	0.0	15.9	12.5	12.2	0.3	3.4	0.0	3.4	0.0
IE	14.4	5.9	3.7	2.2	8.4	0.0	8.4	0.1	20.1	8.5	5.4	3.1	10.7	0.0	10.7	0.9	28.6	7.9	5.8	2.1	19.8	0.0	19.8	0.9
EL	24.6	14.9	9.4	5.5	7.2	0.9	6.3	2.5	25.8	15.0	9.1	5.9	8.2	0.8	7.4	2.6	30.5	15.4	9.2	6.2	11.9	1.0	10.9	3.2
ES	21.5	14.5	11.3	3.2	6.4	0.0	6.4	0.6	22.2	13.9	10.8	3.1	7.8	0.0	7.8	0.5	25.8	14.2	11.1	3.1	11.3	0.0	11.3	0.3
FR	30.0	19.8	13.8	6.0	9.1	5.8	3.4	1.1	31.5	20.2	13.6	6.6	10.4	7.3	3.1	0.9	33.1	20.9	14.2	6.7	11.5	8.1	3.4	0.6
HR																	22.2	13.9	6.5	7.3	7.8	0.0	7.8	0.6
IT	25.4	14.7	10.9	3.8	10.3	0.0	10.3	0.4	27.3	15.1	10.9	4.2	11.7	0.0	11.7	0.4	29.9	15.9	11.4	4.4	13.6	0.0	13.6	0.5
CY	18.7	8.1	5.0	3.1	7.4	0.0	7.4	3.2	22.4	8.6	5.2	3.4	10.4	0.0	10.4	3.4	25.6	9.9	5.8	4.1	13.5	0.0	13.5	2.2
LV	15.7	10.2	7.7	2.5	5.5	1.6	3.9	0.0	13.7	8.9	6.6	2.3	4.7	0.0	4.7	0.1	15.2	8.9	6.2	2.7	6.1	0.0	6.1	0.3
LT	15.6	9.3	8.4	0.9	6.1	0.0	6.1	0.2	15.3	9.4	8.5	0.9	5.8	0.0	5.7	0.1	15.6	10.2	7.8	2.5	5.1	0.0	5.1	0.2
LU	21.8	10.6	5.4	5.2	10.2	0.8	9.4	1.0	21.6	11.2	5.8	5.4	9.4	0.7	8.7	1.0	24.2	12.7	6.8	5.9	11.0	0.8	10.2	0.4
HU	20.1	12.0	9.4	2.6	6.3	0.0	6.3	1.7	26.0	15.1	11.0	4.1	9.7	0.0	9.7	1.3	22.4	12.5	8.0	4.5	9.1	0.0	9.1	0.7
MT	16.6	11.2	7.7	3.5	5.0	0.0	5.0	0.4	18.1	10.8	7.6	3.2	6.6	0.0	6.6	0.6	18.9	9.5	6.7	2.8	8.9	0.0	8.9	0.5
NL	32.1	21.7	9.4	12.2	4.6	0.0	4.6	5.8	32.2	21.0	10.5	10.5	7.0	0.0	7.0	4.2	34.3	22.8	11.1	11.7	8.3	0.0	8.3	3.1
AT	28.1	18.7	11.0	7.6	9.1	0.0	9.1	0.4	27.5	17.9	10.4	7.5	9.2	0.0	9.2	0.4	29.6	18.7	10.9	7.7	10.5	0.0	10.5	0.5
PL	19.9	13.2	8.2	4.9	4.3	0.0	4.3	2.4	19.3	12.0	7.8	4.3	3.7	0.0	3.7	3.5	18.7	11.7	8.1	3.5	3.5	0.0	3.5	3.6
PT	20.3	10.8	7.2	3.5	8.0	0.3	7.6	1.6	25.1	11.6	7.8	3.8	11.0	0.4	10.6	2.4	27.6	12.4	8.3	4.2	12.0	0.4	11.6	3.2
RO	13.9	11.0	8.1	2.9	2.2	0.1	2.1	0.7	13.0	7.1	5.2	1.9	5.7	0.0	5.7	0.2	15.9	7.4	5.2	2.2	8.4	0.0	8.4	0.2
SI	23.7	15.7	6.4	9.3	7.5	0.0	7.5	0.5	21.7	14.9	6.0	8.9	6.5	0.0	6.5	0.4	24.9	16.0	6.5	9.5	8.6	0.0	8.6	0.3
SK	19.3	12.9	9.3	3.6	6.0	0.0	6.0	0.4	17.8	11.6	7.9	3.7	4.8	0.0	4.8	1.4	19.9	12.1	8.3	3.8	7.4	0.0	7.4	0.4
FI	28.4	14.2	10.8	3.4	12.2	0.0	12.2	2.0	28.9	14.2	10.9	3.4	12.4	0.0	12.4	2.3	32.5	15.4	11.5	3.9	15.0	0.0	15.0	2.1
SE	33.2	16.6	13.4	3.1	15.2	0.0	15.2	1.4	33.6	16.6	13.4	3.2	16.0	0.0	16.0	0.9	31.5	14.2	11.2	3.0	16.6	0.0	16.6	0.7
UK	27.2	14.3	8.1	6.1	12.6	0.0	12.6	0.3	23.0	10.6	8.4	2.1	12.1	5.2	6.9	0.4	27.7	12.2	8.6	3.6	13.3	4.8	8.5	2.3

Sources: Eurostat [spr_rec_sumt]; [spr_rec_gdp]; Data extracted in January 2014.

Table A3: Overview of the Classification of Social Protection Schemes by Function

MS	Old Age	Survivors	Health Care	Disability	Family	Unempl.	Soc. Exl.	Housing	Not classified	Total
AT	6	1	6	1	4	4	2	1	3	28
BE	17	1	12	12	8	7	3	3	1	64
BG	3	3	3	2	4	2	1	0	0	18
CY	4	0	2	1	0	1	0	1	1	10
CZ	8	0	4	3	3	4	2	0	1	25
DE	9	1	6	4	6	2	0	2	0	30
DK	6	0	5	2	2	2	4	1	0	22
EE	1	0	2	1	0	1	0	0	1	6
FI	12	2	8	4	5	4	3	1	1	40
FR	21	0	9	6	7	5	1	1	5	55
HR	2	1	4	0	2	1	1	1	1	13
HU	3	0	4	4	2	3	1	2	2	21
IE	7	0	4	0	2	3	2	1	1	20
IT	15	1	1	4	2	1	1	0	1	26
LT	6	2	2	3	4	3	3	1	4	28
LV	4	0	1	6	5	3	4	1	1	25
MT	5	0	3	0	3	3	2	2	2	20
NL	14	4	10	6	3	7	6	2	0	49
RO	8	2	1	3	7	1	4	1	2	29
SE	5	1	5	2	1	3	0	0	3	20
UK	4	1	7	5	4	5	1	1	0	28
Total	160	20	99	69	74	65	41	22	30	577

Table A4: Financing Structure Old Age and Health Care Schemes in 2011 ('Method A')

MS	Old Age					Health Care				
	SC Employer	SC Prot. P.	General Rev.	Earmarked	Other	SC Employer	SC Prot. P.	General Rev.	Earmarked	Other
AT	32.7%	27.2%	32.7%	0.0%	7.4%	23.7%	24.5%	17.2%	0.0%	34.6%
BE	36.9%	8.0%	4.3%	0.0%	50.8%	2.6%	6.3%	0.3%	11.4%	79.4%
BG	25.2%	12.9%	59.8%	0.0%	2.2%	27.0%	22.6%	39.1%	0.0%	11.2%
CY	27.0%	26.8%	32.3%	0.0%	13.9%	28.5%	2.6%	67.6%	0.0%	1.4%
CZ	53.2%	25.8%	19.6%	0.0%	1.4%	49.5%	27.1%	21.2%	0.0%	2.2%
DE	37.3%	27.9%	30.0%	0.0%	4.9%	39.4%	43.9%	7.0%	0.0%	9.7%
DK	22.8%	23.8%	48.2%	0.0%	5.1%	2.8%	0.1%	97.2%	0.0%	0.0%
EE	73.4%	0.0%	23.2%	0.0%	3.4%	91.5%	0.0%	8.1%	0.0%	0.4%
FI	57.6%	16.9%	11.6%	0.0%	14.0%	13.9%	7.3%	78.7%	0.0%	0.0%
FR	48.4%	25.8%	4.9%	4.3%	16.6%	38.9%	15.5%	0.5%	34.6%	10.4%
HR	1.4%	57.5%	40.3%	0.0%	0.8%	79.6%	3.6%	9.7%	0.0%	7.0%
HU	57.1%	23.3%	17.5%	0.0%	2.1%	14.3%	26.9%	48.0%	0.0%	10.8%
IE	43.3%	18.0%	21.3%	0.0%	17.3%	4.6%	0.0%	93.9%	0.0%	1.5%
IT	44.1%	20.5%	23.1%	0.0%	12.3%	0.0%	0.0%	95.3%	0.0%	4.7%
LT	69.5%	10.2%	20.1%	0.0%	0.2%	18.1%	40.9%	40.4%	0.0%	0.7%
LV	53.7%	24.5%	17.4%	0.0%	4.3%	0.0%	0.0%	100.0%	0.0%	0.0%
MT	32.6%	22.5%	44.9%	0.0%	0.0%	43.1%	18.3%	38.6%	0.0%	0.0%
NL	32.2%	36.8%	9.7%	0.0%	21.2%	31.7%	53.3%	13.1%	0.0%	1.9%
RO	50.8%	21.5%	26.8%	0.0%	0.9%	0.0%	0.0%	97.7%	0.0%	2.3%
SE	59.2%	24.7%	10.1%	0.0%	6.1%	4.8%	0.0%	80.5%	0.0%	14.7%
UK	54.7%	27.2%	1.6%	1.5%	14.9%	17.4%	2.1%	69.9%	6.1%	4.4%
Average	43.5%	22.9%	23.8%	0.3%	9.5%	25.3%	14.1%	48.8%	2.5%	9.4%

Table A5: Financing Structure Family/Children and Unemployment Schemes in 2011 ('Method A')

MS	Family/Children					Unemployment				
	SC Employer	SC Prot. P.	General Rev.	Earmarked	Other	SC Employer	SC Prot. P.	General Rev.	Earmarked	Other
AT	56.2%	0.1%	42.2%	0.0%	1.5%	54.2%	44.1%	1.2%	0.0%	0.4%
BE	8.4%	21.9%	29.0%	6.8%	33.7%	12.0%	0.0%	11.4%	0.0%	76.6%
BG	56.3%	13.1%	30.5%	0.0%	0.0%	55.6%	21.1%	15.6%	0.0%	7.6%
CY						96.5%	0.0%	0.6%	0.0%	2.8%
CZ	0.0%	0.0%	100.0%	0.0%	0.0%	72.7%	2.4%	24.9%	0.0%	0.0%
DE	0.0%	0.0%	99.1%	0.0%	0.9%	17.1%	16.5%	59.2%	0.0%	7.3%
DK	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
EE						24.0%	45.7%	0.0%	0.0%	30.3%
FI	4.1%	0.0%	95.9%	0.0%	0.0%	27.1%	11.1%	61.8%	0.0%	0.0%
FR	61.7%	6.9%	1.0%	29.1%	1.3%	64.0%	25.2%	3.4%	0.0%	7.4%
HR	0.0%	0.0%	97.6%	0.0%	2.4%	100.0%	0.0%	0.0%	0.0%	0.0%
HU	0.0%	0.0%	100.0%	0.0%	0.0%	39.6%	15.5%	44.9%	0.0%	0.0%
IE	0.6%	0.0%	99.4%	0.0%	0.0%	5.5%	0.0%	94.0%	0.0%	0.5%
IT	33.9%	0.0%	62.2%	0.0%	3.9%	100.0%	0.0%	0.0%	0.0%	0.0%
LT	61.4%	0.4%	37.9%	0.0%	0.2%	81.4%	0.0%	0.0%	3.4%	15.2%
LV	25.1%	11.5%	63.4%	0.0%	0.0%	47.8%	17.8%	6.8%	0.0%	27.6%
MT	0.0%	0.0%	89.6%	0.0%	10.4%	0.0%	0.0%	74.5%	0.0%	25.5%
NL	0.0%	0.0%	100.0%	0.0%	0.0%	51.3%	0.0%	39.6%	0.0%	9.1%
RO	0.0%	0.0%	100.0%	0.0%	0.0%	47.6%	48.8%	0.0%	0.0%	3.5%
SE	85.3%	2.3%	12.4%	0.0%	0.0%	77.1%	11.0%	11.9%	0.0%	0.0%
UK	0.8%	0.0%	6.8%	92.3%	0.0%	54.8%	0.1%	44.9%	0.2%	0.0%
Average	20.7%	3.0%	66.7%	6.8%	2.9%	49.0%	12.4%	28.3%	0.2%	10.2%

Table A6: Financing Structure Social Exclusion and Housing Schemes in 2011 ('Method A')

MS	Social Exclusion					Housing				
	SC Employer	SC Prot. P.	General Rev.	Earmarked	Other	SC Employer	SC Prot. P.	General Rev.	Earmarked	Other
AT	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
BE	47.0%	0.0%	48.9%	0.0%	4.1%	0.0%	0.0%	100.0%	0.0%	0.0%
BG	0.0%	0.0%	100.0%	0.0%	0.0%					
CY						0.0%	0.0%	100.0%	0.0%	0.0%
CZ	0.0%	0.0%	100.0%	0.0%	0.0%					
DE						0.0%	0.0%	89.5%	0.0%	10.5%
DK	3.6%	0.0%	96.4%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
EE										
FI	17.1%	0.0%	82.9%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
FR	0.0%	0.0%	70.8%	16.9%	12.3%	0.0%	0.0%	43.9%	35.4%	20.6%
HR	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
HU	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
IE	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
IT	25.9%	49.1%	0.0%	0.0%	25.0%					
LT	0.0%	0.0%	99.9%	0.0%	0.1%	0.0%	0.0%	100.0%	0.0%	0.0%
LV	0.0%	0.0%	99.0%	0.0%	1.0%	0.0%	0.0%	96.8%	0.0%	3.2%
MT	0.0%	0.0%	99.0%	0.0%	1.0%	0.0%	0.0%	1.3%	0.0%	98.7%
NL	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
RO	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	92.6%	0.0%	7.4%
SE										
UK	0.0%	0.6%	0.0%	99.4%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%
Average	5.5%	2.9%	82.2%	6.8%	2.6%	0.0%	0.0%	82.8%	8.5%	8.8%

Table A7: Expenditure on social protection, as percentage of GDP and in PPS per inhabitant, in 2000, 2007 and 2011

MS	Percentage of GDP												Purchasing Power Standard per inhabitant											
	Total Expenditure			Social protection benefits			Administrative costs			Other expenditure			Total Expenditure			Social protection benefits			Administrative costs			Other expenditure		
	2000	2007	2011	2000	2007	2011	2000	2007	2011	2000	2007	2011	2000	2007	2011	2000	2007	2011	2000	2007	2011	2000	2007	2011
EU-28			29.0			27.8			0.9			0.3			7,260			6,972			218			69
EU-27		26.1	29.0		25.0	27.8		0.8	0.9		0.3	0.3		6,524	7,292		6,257	7,003		199	219		68	70
EU-25	26.5	26.2	29.1	25.4	25.2	28.0	0.9	0.8	0.9	0.2	0.3	0.3	5,300	6,788	7,548	5,085	6,509	7,247	171	208	228	44	71	73
BE	25.4	26.9	30.4	24.2	25.5	29.0	0.8	0.9	0.9	0.4	0.5	0.4	6,115	7,612	8,952	5,815	7,227	8,553	202	249	274	98	136	126
BG		14.1	17.7		13.7	17.2		0.4	0.4		0.1	0.1		1,427	2,134		1,380	2,070		36	50		12	15
CZ	18.8	18.0	20.4	18.2	17.5	19.8	0.6	0.6	0.6	0.0	0.0	0.0	2,544	3,961	4,275	2,463	3,831	4,142	81	129	134	-	-	-
DK	28.9	30.7	34.2	28.1	29.3	32.8	0.8	1.4	1.5	0.0	0.0	0.0	7,231	9,099	10,078	7,027	8,673	9,648	204	427	429	-	-	-
DE	29.7	27.8	29.4	28.7	26.8	28.3	1.0	1.0	1.1	0.1	0.1	0.1	6,654	8,112	9,295	6,419	7,803	8,924	218	289	343	16	19	28
EE	13.9	12.1	16.1	13.6	12.0	15.9	0.2	0.1	0.2	0.0	0.0	0.0	1,191	2,156	2,807	1,172	2,130	2,776	19	26	31	-	-	-
IE	13.3	18.3	29.6	12.7	17.1	28.3	0.6	1.2	1.3	0.0	0.0	0.0	3,466	6,183	8,639	3,301	5,782	8,263	159	393	365	6	8	11
EL	23.5	24.8	30.2	22.7	24.1	28.9	0.7	0.6	1.3	0.0	0.0	0.0	3,758	5,524	6,172	3,640	5,386	5,895	115	138	268	2	1	8
ES	20.0	20.8	26.1	19.5	20.3	25.6	0.4	0.5	0.5	0.0	0.0	0.0	3,707	5,237	6,031	3,620	5,114	5,922	80	115	107	8	9	2
FR	29.5	30.9	33.6	27.7	29.3	31.9	1.3	1.3	1.4	0.5	0.3	0.3	6,469	8,401	9,326	6,080	7,962	8,854	275	347	382	114	92	91
HR			20.6			20.2			0.4			0.0			3,094			3,028			63			3
IT	24.5	26.6	29.7	23.7	25.4	28.4	0.7	0.7	0.8	0.2	0.5	0.5	5,499	6,688	7,486	5,294	6,382	7,167	154	184	191	51	122	128
CY	14.8	18.2	22.6	14.6	17.8	22.2	0.2	0.3	0.3	0.0	0.1	0.1	2,476	4,183	5,277	2,438	4,106	5,186	38	60	65	1	17	26
LV	15.7	11.3	15.1	15.3	11.0	14.8	0.4	0.2	0.3	0.1	0.1	0.0	1,088	1,232	1,602	1,059	1,200	1,575	25	22	27	4	10	0
LT	15.7	14.4	17.0	15.2	14.0	16.4	0.4	0.4	0.4	0.1	0.0	0.3	1,183	2,336	2,957	1,148	2,272	2,837	28	63	65	7	1	54
LU	19.6	19.3	22.5	18.9	19.0	22.2	0.5	0.3	0.3	0.3	0.0	0.0	9,135	12,164	13,275	8,791	11,945	13,058	216	190	195	127	30	23
HU	19.9	22.7	23.0	19.5	22.3	22.8	0.4	0.4	0.2				2,060	3,641	4,064	2,019	3,573	4,024	41	68	41			
MT	16.3	17.7	18.9	16.0	17.5	18.7	0.2	0.2	0.2	0.0	0.0	0.0	2,746	3,406	4,010	2,703	3,368	3,967	36	38	43	6	-	-
NL	26.4	28.3	32.3	24.7	26.7	30.5	1.3	1.3	1.4	0.3	0.3	0.4	6,743	9,532	10,377	6,319	8,987	9,794	340	439	457	84	106	125
AT	28.3	27.8	29.5	27.5	27.0	28.7	0.6	0.6	0.6	0.2	0.2	0.2	7,112	8,636	9,556	6,896	8,377	9,293	128	184	194	87	74	68
PL	19.7	18.1	19.2	19.1	17.8	18.7	0.5	0.3	0.5	0.1	0.0	0.0	1,797	2,623	3,384	1,749	2,570	3,301	44	49	82	5	3	2
PT	20.9	23.9	26.5	18.6	22.6	25.0	0.5	0.5	0.4	1.7	0.8	1.2	3,229	4,534	4,985	2,882	4,285	4,692	85	93	76	262	156	217
RO	13.0	13.6	16.3	12.7	13.2	16.1	0.3	0.4	0.2	0.1	0.0	0.0	646	1,439	2,066	630	1,401	2,045	13	38	20	3	1	1
SI	24.1	21.3	25.0	23.5	20.7	24.6	0.5	0.4	0.4	0.1	0.1	0.1	3,683	4,693	5,231	3,588	4,573	5,134	79	97	84	16	23	14
SK	19.4	16.1	18.2	18.8	15.4	17.7	0.6	0.6	0.5	0.0	0.0	0.0	1,855	2,835	3,583	1,796	2,724	3,483	57	111	94	1	0	5
FI	25.1	25.4	30.0	24.3	24.6	29.3	0.8	0.8	0.8	0.0	0.0	0.0	5,595	7,260	8,549	5,424	7,034	8,322	171	225	227	-	-	-
SE	29.9	29.2	29.6	29.3	28.6	29.0	0.6	0.6	0.5	0.0	0.0	0.0	7,257	8,896	9,119	7,118	8,717	8,952	139	178	167	-	-	-
UK	26.1	24.7	27.3	25.2	23.8	26.3	0.8	0.4	0.4	0.2	0.6	0.6	5,985	7,324	6,975	5,775	7,041	6,710	172	113	104	39	170	161

Source: Eurostat. Data extracted in January 2014.

Table A8: Social protection benefits by function, percentage of GDP, in 2000, 2007 and 2011

MS	All functions			Old age			Survivors			Sickness/ health care			Disability			Family/children			Unemployment			Housing			Social exclusion n.e.c.		
	2000	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*
EU-28			27.8			11.1			1.6			8.2			2.1			2.2			1.6			0.6			0.4
EU-27		25.0	27.8		9.9	11.1		1.5	1.6		7.3	8.2		2.0	2.1		2.0	2.2		1.3	1.6		0.5	0.6		0.4	0.4
EU-25	25.4	25.2	28.0	10.0	10.0	11.1	1.8	1.6	1.6	7.0	7.4	8.2	2.1	2.1	2.1	2.1	2.0	2.2	1.5	1.3	1.6	0.6	0.5	0.6	0.3	0.4	0.4
BE	24.2	25.5	29.0	8.1	8.2	9.5	2.3	2.0	2.1	6.0	7.2	8.3	1.7	1.8	2.2	2.1	2.1	2.3	2.9	3.3	3.7	0.0	0.1	0.2	0.4	0.7	0.7
BG		13.7	17.2		6.4	7.7		0.6	0.9		3.7	4.5		1.1	1.4		1.2	1.9		0.3	0.6		0.0	0.0		0.3	0.2
CZ	18.2	17.5	19.8	7.1	6.9	8.9	0.8	0.7	0.7	6.1	5.9	6.3	1.4	1.4	1.5	1.5	1.6	1.2	0.6	0.6	0.7	0.1	0.1	0.1	0.5	0.2	0.3
DK	28.1	29.3	32.8	10.7	12.6	14.2	0.0	0.0	0.0	5.7	6.3	6.9	3.4	3.8	4.1	3.7	4.0	4.1	3.0	1.2	1.8	0.7	0.7	0.7	1.0	0.8	1.0
DE	28.7	26.8	28.3	9.4	9.3	9.4	2.6	2.1	2.0	8.4	8.1	9.4	2.3	2.1	2.2	3.3	2.8	3.1	2.1	1.5	1.3	0.3	0.7	0.6	0.2	0.1	0.1
EE	13.6	12.0	15.9	5.9	5.1	6.9	0.3	0.1	0.1	4.4	4.0	4.4	0.9	1.1	1.8	1.6	1.4	2.0	0.2	0.1	0.5	0.1	0.0	0.0	0.3	0.1	0.1
IE	12.7	17.1	28.3	2.6	3.9	5.6	0.8	0.8	1.1	5.4	6.7	12.8	0.7	1.0	1.2	1.8	2.6	3.4	1.3	1.4	3.3	0.3	0.4	0.4	0.3	0.4	0.6
EL	22.7	24.1	28.9	10.6	10.5	12.7	0.8	2.0	2.3	6.0	6.8	7.5	1.1	1.2	1.4	1.7	1.5	1.8	1.4	1.1	2.1	0.7	0.5	0.4	0.5	0.6	0.7
ES	19.5	20.3	25.6	6.8	6.8	8.9	2.1	1.9	2.3	5.8	6.4	7.0	1.6	1.5	1.8	1.0	1.3	1.4	2.0	2.1	3.7	0.2	0.2	0.2	0.1	0.3	0.2
FR	27.7	29.3	31.9	10.6	11.2	12.6	1.6	1.8	1.9	8.0	8.6	9.1	1.6	1.8	2.0	2.5	2.6	2.6	2.0	1.9	2.1	0.9	0.8	0.8	0.4	0.6	0.8
HR			20.2			5.6			2.1			6.8			3.5			1.6			0.5			0.0			0.1
IT	23.7	25.4	28.4	12.5	13.1	14.8	2.5	2.4	2.6	5.9	6.6	7.1	1.4	1.5	1.6	1.0	1.2	1.4	0.4	0.4	0.8	0.0	0.0	0.0	0.0	0.1	0.1
CY	14.6	17.8	22.2	6.0	7.2	9.4	1.0	1.1	1.3	4.0	4.5	5.0	0.5	0.7	0.7	0.9	1.9	2.0	1.1	0.9	1.2	0.5	0.6	1.0	0.6	0.9	1.6
LV	15.3	11.0	14.8	8.5	4.8	7.9	0.5	0.2	0.3	2.7	3.4	3.2	1.2	0.7	1.3	1.5	1.2	1.1	0.7	0.4	0.7	0.1	0.1	0.1	0.1	0.1	0.3
LT	15.2	14.0	16.4	6.7	6.0	6.7	0.6	0.5	0.5	4.5	4.3	4.5	1.3	1.4	1.6	1.3	1.2	1.7	0.3	0.4	0.6	0.0	0.0	0.0	0.5	0.2	0.8
LU	18.9	19.0	22.2	6.9	5.2	6.3	0.6	1.9	2.0	4.8	4.9	5.6	2.5	2.3	2.6	3.1	3.1	3.6	0.6	0.9	1.2	0.1	0.1	0.3	0.2	0.4	0.5
HU	19.5	22.3	22.8	7.0	8.4	9.3	1.1	1.4	1.3	5.5	5.7	6.3	1.9	2.1	1.7	2.6	2.8	2.9	0.8	0.8	0.8	0.6	0.9	0.4	0.2	0.1	0.1
MT	16.0	17.5	18.7	6.4	7.4	8.4	1.7	1.8	1.8	4.8	5.1	5.5	0.9	1.1	0.8	1.5	1.0	1.2	0.4	0.5	0.5	0.2	0.2	0.2	0.2	0.4	0.3
NL	24.7	26.7	30.5	9.2	9.6	10.8	1.3	1.2	1.2	7.3	8.6	10.9	2.9	2.4	2.4	1.1	1.6	1.2	1.3	1.1	1.5	0.4	0.4	0.4	1.3	1.7	2.2
AT	27.5	27.0	28.7	10.9	11.3	12.6	2.3	1.9	1.9	7.0	7.0	7.2	2.6	2.1	2.2	2.9	2.7	2.8	1.3	1.4	1.5	0.1	0.1	0.1	0.2	0.3	0.3
PL	19.1	17.8	18.7	8.5	8.8	9.0	2.1	2.0	1.9	3.8	3.9	4.3	2.7	1.6	1.7	1.0	0.8	1.3	0.9	0.4	0.3	0.2	0.1	0.1	0.1	0.2	0.2
PT	18.6	22.6	25.0	7.0	9.7	11.9	1.3	1.6	1.8	6.0	6.4	6.3	2.4	2.3	2.1	1.0	1.2	1.2	0.7	1.1	1.4	0.0	0.0	0.0	0.3	0.3	0.3
RO	12.7	13.2	16.1	5.3	5.5	7.9	0.5	0.5	0.7	3.3	3.5	4.0	1.1	1.3	1.5	1.5	1.7	1.4	1.0	0.3	0.3	0.0	0.0	0.0	0.1	0.4	0.2
SI	23.5	20.7	24.6	10.2	8.2	9.8	0.5	1.5	1.7	7.2	6.7	7.8	2.1	1.7	1.7	2.2	1.7	2.2	1.0	0.4	0.8	0.0	0.0	0.0	0.4	0.5	0.6
SK	18.8	15.4	17.7	6.0	5.9	6.8	0.9	0.9	0.9	6.5	4.7	5.4	1.4	1.3	1.6	1.7	1.5	1.8	0.9	0.6	0.8	0.1			1.2	0.5	0.4
FI	24.3	24.6	29.3	7.7	8.6	10.8	1.0	0.9	0.9	5.8	6.5	7.5	3.4	3.1	3.5	3.0	2.9	3.3	2.6	1.9	2.1	0.4	0.2	0.5	0.5	0.5	0.8
SE	29.3	28.6	29.0	10.9	11.1	12.0	0.7	0.6	0.5	7.8	7.5	7.5	3.9	4.4	3.8	2.6	2.9	3.1	2.1	1.1	1.2	0.6	0.5	0.4	0.7	0.6	0.7
UK	25.2	23.8	26.3	11.2	10.1	11.3	1.1	0.2	0.1	6.5	7.5	8.3	2.4	2.5	2.4	1.7	1.6	1.7	0.8	0.5	0.7	1.4	1.1	1.5	0.2	0.2	0.2

Source: Eurostat. Data extracted in January 2014.

Table A9: Social protection benefits by function, in PPS per inhabitant, in 2000, 2007 and 2011

MS	All functions			Old age			Survivors			Sickness/ health care			Disability			Family/children			Unemployment			Housing			Social exclusion n.e.c.		
	2000	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*
EU-28			6,972			2,779			409			2,050			535			556			390			145			109
EU-27		6,257	7,003		2,482	2,794		387	410		1,831	2,058		512	535		509	558		313	393		132	146		91	110
EU-25	5,085	6,509	7,247	2,002	2,581	2,886	361	403	424	1,395	1,905	2,132	430	533	553	422	528	577	305	327	408	111	139	152	59	94	114
BE	5,815	7,227	8,553	1,938	2,327	2,792	557	569	613	1,432	2,050	2,462	563	519	641	512	588	665	704	925	1,093	8	41	68	101	207	218
BG		1,380	2,070		646	934		64	105		373	538		114	163		119	227		28	71		0	1		34	29
CZ	2,463	3,831	4,142	957	1,523	1,867	111	160	156	828	1,291	1,322	191	315	315	208	352	245	85	132	149	16	13	31	67	44	56
DK	7,027	8,673	9,648	2,674	3,737	4,187	3	2	2	1,419	1,855	2,024	841	1,113	1,192	923	1,177	1,204	741	351	528	166	195	209	262	242	303
DE	6,419	7,803	8,924	2,107	2,718	2,961	571	617	640	1,884	2,359	2,970	542	618	701	728	808	991	480	452	415	72	190	199	35	43	47
EE	1,172	2,130	2,776	508	915	1,206	23	17	15	376	711	776	77	199	319	140	246	344	15	25	82	8	4	9	24	13	26
IE	3,301	5,782	8,263	644	1,328	1,624	195	272	314	1,367	2,278	3,722	175	326	364	452	874	993	318	460	951	79	123	126	71	121	169
EL	3,640	5,386	5,895	1,689	2,347	2,594	121	451	479	965	1,515	1,524	176	264	287	270	332	365	224	242	438	114	109	74	82	126	134
ES	3,620	5,114	5,922	1,262	1,699	2,067	382	488	530	1,081	1,599	1,621	291	383	417	180	315	319	371	518	865	31	47	54	24	64	49
FR	6,080	7,962	8,854	2,335	3,044	3,496	362	499	527	1,748	2,332	2,525	357	499	551	555	701	727	440	521	584	192	206	229	92	159	215
HR			3,028			843			310			1,027			522			243			71			4			8
IT	5,294	6,382	7,167	2,778	3,295	3,733	565	606	663	1,329	1,656	1,782	321	382	414	201	312	347	90	112	205	2	5	6	8	13	18
CY	2,438	4,106	5,186	1,006	1,652	2,197	170	250	299	669	1,038	1,177	83	153	174	155	445	467	177	210	280	77	146	224	99	214	368
LV	1,059	1,200	1,575	591	525	838	32	24	27	187	370	335	82	81	137	106	128	119	46	45	75	7	14	16	7	12	27
LT	1,148	2,272	2,837	502	973	1,165	48	85	87	342	702	787	97	232	272	101	189	295	20	63	97	0	0	0	39	28	133
LU	8,791	11,945	13,058	3,239	3,270	3,723	265	1,178	1,163	2,234	3,111	3,319	1,177	1,472	1,522	1,461	1,984	2,149	284	583	695	49	93	170	83	254	316
HU	2,019	3,573	4,024	722	1,351	1,636	115	217	227	563	910	1,117	194	345	303	266	457	505	82	123	147	58	148	72	19	23	19
MT	2,703	3,368	3,967	1,075	1,422	1,795	292	340	373	792	982	1,164	157	214	164	253	202	254	70	96	111	29	45	39	36	68	68
NL	6,319	8,987	9,794	2,341	3,246	3,466	341	420	392	1,854	2,909	3,493	743	810	760	288	525	388	325	383	470	94	127	125	333	565	700
AT	6,896	8,377	9,293	2,735	3,514	4,085	575	604	616	1,767	2,187	2,345	669	655	704	738	846	917	338	445	488	26	35	31	50	92	107
PL	1,749	2,570	3,301	778	1,270	1,582	189	286	336	343	568	764	245	236	292	87	115	238	80	57	51	15	13	10	10	24	27
PT	2,882	4,285	4,692	1,084	1,840	2,242	205	306	347	922	1,215	1,175	366	428	387	156	226	228	107	217	258	0	1	1	41	52	55
RO	630	1,401	2,045	261	585	1,003	27	54	95	163	375	514	52	135	185	74	178	182	48	29	33	0	0	3	4	47	31
SI	3,588	4,573	5,134	1,551	1,806	2,056	71	340	357	1,100	1,470	1,621	324	373	355	331	381	456	153	94	168	0	3	2	59	106	119
SK	1,796	2,724	3,483	578	1,042	1,335	91	150	182	626	838	1,062	137	232	309	161	274	346	87	99	165	6			111	88	84
FI	5,424	7,034	8,322	1,728	2,459	3,073	215	246	256	1,289	1,853	2,125	754	886	989	679	818	929	569	546	585	79	69	147	111	157	218
SE	7,118	8,717	8,952	2,639	3,370	3,684	160	175	145	1,906	2,280	2,301	943	1,347	1,164	641	892	956	514	331	355	150	144	138	165	179	210
UK	5,775	7,041	6,710	2,566	2,991	2,892	250	73	33	1,473	2,229	2,127	545	732	611	397	466	431	174	150	173	327	335	390	43	64	53

Source: Eurostat. Data extracted in January 2014.

Table A10: Expenditure on social protection (in Euro per inhabitant at constant 2005 prices) by function, in 2000, 2007 and 2011

MS	All functions			Old age			Survivors			Sickness/ health care			Disability			Family/children			Unemployment			Housing			Social exclusion n.e.c.		
	2000	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*	*2000*	*2007*	*2011*
EU-28			6,403			2,552			375			1,882			491			510			358			133			100
EU-27		5,969	6,447		2,368	2,572		369	377		1,746	1,895		489	493		485	514		299	361		126	134		87	101
BE	6,550	7,610	8,496	2,183	2,450	2,774	627	599	609	1,808	2,159	2,445	458	547	637	557	619	661	792	974	1,086	9	43	67	114	218	217
BG		501	693		235	313		23	35		136	180		41	55		43	76		10	24		0	0		12	10
CZ	1,483	1,994	2,187	576	793	986	67	83	83	499	672	698	115	164	166	125	183	130	51	69	79	10	7	16	40	23	30
DK	9,881	11,811	12,472	3,759	5,090	5,413	4	3	3	1,995	2,527	2,616	1,183	1,515	1,541	1,297	1,603	1,557	1,041	478	682	233	265	270	368	330	391
DE	7,694	7,707	8,316	2,526	2,684	2,760	685	609	596	2,283	2,330	2,768	625	610	653	873	798	924	575	446	386	86	188	186	42	43	44
EE	731	1,261	1,472	317	542	640	14	10	8	235	421	412	48	118	169	87	146	182	9	15	43	5	2	5	15	8	14
IE	4,166	6,987	10,130	841	1,605	1,991	254	328	385	1,640	2,752	4,563	228	394	447	591	1,057	1,217	416	556	1,166	103	149	155	93	146	207
EL	3,148	4,527	4,496	1,460	1,973	1,978	105	379	366	834	1,273	1,163	152	222	219	233	279	278	194	204	334	99	91	56	71	106	102
ES	3,596	4,430	5,014	1,253	1,472	1,750	379	423	448	1,074	1,385	1,373	290	332	353	178	273	270	368	449	732	30	40	46	24	56	41
FR	7,171	8,319	8,913	2,754	3,181	3,519	426	521	531	2,062	2,436	2,542	421	522	555	654	733	731	519	544	588	227	216	231	108	166	216
HR			1,741			485			178			590			300			140			41			3			4
IT	5,668	6,345	6,562	2,988	3,276	3,418	603	603	607	1,383	1,647	1,632	334	380	379	245	310	318	101	111	187	3	5	5	12	13	17
CY	2,394	3,518	4,045	988	1,415	1,713	167	214	233	658	889	918	82	131	136	152	381	364	174	180	219	75	125	175	97	184	287
LV	548	903	1,022	306	395	543	17	18	18	97	279	217	42	61	89	55	97	77	24	34	49	4	10	10	4	9	18
LT	595	1,123	1,234	260	481	507	25	42	38	177	347	342	50	115	118	52	94	128	10	31	42	0	0	0	20	14	58
LU	10,514	14,144	15,676	3,874	3,872	4,470	317	1,394	1,396	2,672	3,684	3,985	1,407	1,743	1,827	1,747	2,349	2,579	340	691	834	58	110	205	99	301	380
HU	1,333	2,018	1,940	477	763	789	76	123	110	372	514	539	128	195	146	176	258	243	54	69	71	38	83	35	12	13	9
MT	1,900	2,306	2,603	755	974	1,178	205	233	245	557	673	764	110	146	108	178	138	167	49	65	73	20	31	25	25	46	45
NL	7,364	8,956	10,053	2,728	3,235	3,558	397	418	403	2,160	2,899	3,585	866	808	780	336	524	399	378	382	482	110	127	128	388	563	718
AT	7,785	8,522	9,031	3,085	3,574	3,970	649	614	599	2,014	2,225	2,279	738	667	684	832	860	891	381	452	474	30	36	30	57	94	104
PL	1,047	1,317	1,549	466	651	743	113	147	158	206	291	358	147	121	137	52	59	112	48	29	24	9	7	5	6	12	13
PT	2,659	3,413	3,661	1,000	1,466	1,749	189	244	271	851	968	917	338	341	302	144	180	178	99	173	201	0	0	0	38	41	43
RO	286	660	872	118	276	428	12	26	40	74	177	219	24	63	79	34	84	77	22	13	14	0	0	1	2	22	13
SI	2,813	3,335	3,708	1,216	1,317	1,485	56	248	258	862	1,072	1,171	254	272	256	259	278	330	120	68	122	0	2	1	46	78	86
SK	1,080	1,279	1,496	348	490	573	55	71	78	377	394	456	83	109	133	97	128	148	52	47	71	3			67	42	36
FI	6,534	8,059	8,930	2,081	2,817	3,298	260	282	275	1,553	2,123	2,280	908	1,016	1,061	818	937	996	686	625	628	95	79	157	133	179	234
SE	8,657	10,258	10,349	3,210	3,966	4,259	195	206	167	2,318	2,683	2,660	1,147	1,585	1,345	780	1,049	1,105	625	389	410	183	169	159	201	211	243
UK	6,659	7,692	7,795	2,959	3,268	3,360	289	80	38	1,699	2,435	2,471	628	800	710	458	509	500	201	164	201	377	366	453	49	70	62

Source: Eurostat. Data extracted in January 2014.

Table A11: Non-means tested vs. means-tested benefits and cash vs. in-kind benefits, as share of total benefits, in 2000, 2007 and 2011

MS	Non-means-tested vs. means-tested benefits						Cash vs. in-kind benefits, by non-means-tested vs. means-tested benefits											
	2000		2007		2011		2000				2007				2011			
							Cash		In kind		Cash		In kind		Cash		In kind	
	Non-MT	MT	Non-MT	MT	Non-MT	MT	Non-MT	MT	Non-MT	MT	Non-MT	MT	Non-MT	MT	Non-MT	MT	Non-MT	MT
EU-28					89.2	10.8									59.4	5.4	30.2	5.4
EU-27			89.2	10.8	89.2	10.8					59.6	5.6	29.6	5.2	59.4	5.4	30.2	5.4
EU-25	89.8	10.2	89.3	10.7	89.3	10.7	63.0	5.1	26.8	5.1	59.5	5.6	29.8	5.2	58.9	5.4	30.0	5.4
BE	96.3	3.7	95.3	4.7	95.2	4.8	69.0	2.9	27.3	0.8	66.3	4.3	29.0	0.8	65.5	3.8	29.7	1.0
BG			94.9	5.1	95.3	4.1					65.7	3.6	29.2	0.7	65.7	3.5	29.7	0.6
CZ	92.3	7.7	96.6	3.4	98.0	2.0	60.4	7.1	31.9	0.5	64.6	2.9	31.4	0.6	66.2	1.0	31.8	0.5
DK	96.8	2.8	94.9	5.1	94.8	5.2	61.6	0.0	35.6	2.8	56.7	2.0	38.2	3.1	56.7	2.1	38.1	2.7
DE	89.9	10.1	87.7	12.3	88.0	12.0	63.8	4.9	26.1	5.2	60.4	5.6	27.2	6.3	58.0	4.9	29.7	7.1
EE	97.8	2.2	99.2	0.8	98.7	1.3	66.9	1.5	30.9	0.7	68.3	0.0	30.8	0.0	69.8	0.6	29.6	0.0
IE	72.4	27.6	74.3	25.7	72.8	27.6	37.8	18.1	33.9	9.4	41.5	15.8	32.7	9.9	34.3	17.7	38.5	9.9
EL	91.2	8.8	92.5	7.5	93.4	6.2	60.8	2.6	30.8	6.2	61.0	2.9	31.5	4.6	63.3	3.1	30.1	3.5
ES	87.7	12.8	86.7	13.3	83.6	16.4	58.5	8.7	28.7	4.1	57.1	7.9	29.6	5.9	56.3	10.5	27.3	5.9
FR	88.4	11.9	88.7	11.3	89.0	11.3	59.9	6.5	28.5	5.4	56.7	6.8	32.1	4.4	57.4	6.6	31.3	4.4
HR					93.1	6.9									64.4	5.0	28.7	2.0
IT	93.7	6.3	93.3	6.7	93.7	6.3	70.5	4.2	23.2	2.1	68.9	3.9	24.8	2.4	70.1	3.5	23.6	2.8
CY	93.8	6.2	89.9	10.1	86.9	13.1	77.4	2.7	16.4	3.4	70.8	6.7	19.1	3.4	70.3	8.6	17.1	4.5
LV	98.0	2.0	98.2	1.8	95.9	4.7	77.8	0.7	20.3	1.3	66.4	0.0	30.9	1.8	72.3	2.0	23.0	2.7
LT	95.4	4.6	98.6	1.4	93.9	6.1	63.2	2.0	32.2	2.6	66.4	0.7	32.1	0.7	63.4	4.3	29.9	1.8
LU	94.7	5.3	96.8	3.2	95.9	3.6	68.3	1.6	26.5	3.7	67.9	1.6	28.9	1.1	67.6	2.3	28.4	1.8
HU	93.3	6.7	93.3	6.3	95.6	4.4	61.5	3.1	31.8	3.6	63.7	1.8	29.6	4.5	63.2	2.2	32.5	2.2
MT	79.4	20.6	82.3	17.7	86.1	13.4	55.0	18.8	24.4	1.9	56.0	14.3	26.3	2.9	58.8	10.2	27.8	3.2
NL	87.9	12.1	86.1	13.9	84.3	15.4	65.2	4.5	22.7	7.3	56.2	5.2	30.0	8.6	53.8	7.2	30.8	8.2
AT	93.8	6.2	93.0	7.0	92.3	7.7	68.7	2.9	25.1	3.3	67.0	3.0	25.9	4.1	66.9	3.1	25.8	4.5
PL	95.3	5.2	94.9	5.1	94.1	6.4	79.1	3.7	16.2	1.0	75.8	3.9	18.5	1.1	72.7	2.7	20.9	3.2
PT	92.5	7.5	90.7	9.3	91.2	8.8	62.4	3.2	30.1	4.3	63.7	4.9	27.0	4.4	67.2	4.8	24.0	4.0
RO	90.6	9.4	93.2	6.1	95.0	5.0	58.3	7.9	33.1	1.6	62.1	6.1	31.8	0.8	67.1	4.3	27.3	0.6
SI	90.6	9.4	91.3	8.7	91.5	8.1	62.1	6.4	28.5	3.0	61.8	5.8	29.5	2.9	61.8	5.7	29.7	2.4
SK	87.2	12.8	94.2	6.5	94.9	5.1	53.2	12.2	34.0	0.5	61.0	5.2	33.1	1.3	63.3	4.0	31.6	1.1
FI	93.8	6.2	95.5	4.5	95.2	4.8	61.3	4.9	32.5	1.6	58.9	3.7	36.6	0.8	58.4	2.7	36.9	1.7
SE	95.2	4.8	97.2	2.8	97.2	2.8	56.3	2.4	39.2	2.0	54.5	1.0	43.0	1.7	52.1	1.0	45.2	1.7
UK	84.5	15.9	84.9	14.7	85.2	14.4	59.9	6.7	24.2	9.1	53.4	6.3	31.5	8.8	53.2	4.9	31.9	9.5

Source: Eurostat. N-MT: non-means-tested, MT: means-tested. Data extracted in January 2014.

Table A12: Social protection benefits by function: Cash and in kind benefits (non means-tested and means-tested), as share of total benefits, in 2011

MS	Old age Cash		Old age In kind		Survivors Cash		Survivors In kind		Sickness/health care Cash		Sickness/health care In kind		Disability Cash		Disability In kind		Family/children Cash		Family/children In kind		Unemployment Cash		Unemployment In kind		Housing In kind	Social exclusion n.e.c. Cash		Social exclusion n.e.c. In kind	
	N-MT	MT	N-MT	MT	N-MT	MT	N-MT	MT	N-MT	MT	N-MT	MT	N-MT	MT	N-MT	MT	N-MT	MT	N-MT	MT	N-MT	MT	N-MT	MT	MT	N-MT	MT	N-MT	MT
EU-28	93.7	1.8	1.8	2.7	93.8	6.3	0.0	0.0	11.0	0.0	86.6	1.2	66.7	9.5	19.0	9.5	50.0	13.6	22.7	13.6	68.8	25.0	6.3	0.0	100	0.0	75.0	0.0	25.0
BE	96.8	1.1	2.1	0.0	100	0.0	0.0	0.0	13.3	0.0	88.0	0.0	54.5	22.7	22.7	0.0	78.3	0.0	21.7	0.0	100	0.0	2.7	0.0	100	14.3	71.4	14.3	0.0
BG	100	0.0	1.3	0.0	100	0.0	0.0	0.0	8.9	0.0	91.1	0.0	78.6	0.0	14.3	0.0	36.8	31.6	31.6	0.0	83.3	0.0	16.7	0.0	100	50.0	50.0	0.0	50.0
CZ	96.6	0.0	3.4	0.0	100	0.0	0.0	0.0	9.5	0.0	90.5	0.0	93.3	0.0	6.7	0.0	75.0	8.3	8.3	0.0	100	0.0	0.0	0.0	100	33.3	33.3	0.0	0.0
DK	84.5	0.0	15.5	0.7					15.9	0.0	84.1	0.0	61.0	2.4	34.1	0.0	39.0	0.0	56.1	2.4	72.2	0.0	27.8	0.0	100	20.0	60.0	30.0	0.0
DE	98.9	0.0	0.0	0.0	100	0.0	0.0	0.0	16.0	0.0	83.0	1.1	45.5	22.7	27.3	9.1	64.5	3.2	0.0	32.3	46.2	53.8	7.7	0.0	100	0.0	100	0.0	0.0
EE	98.6	0.0	1.4	0.0	100	0.0	0.0	0.0	9.1	0.0	90.9	0.0	83.3	0.0	16.7	0.0	95.0	0.0	5.0	0.0	60.0	0.0	20.0	0.0	100	0.0	100	0.0	0.0
IE	78.6	10.7	3.6	7.1	100	0.0	0.0	0.0	7.8	0.0	77.3	14.1	33.3	58.3	16.7	0.0	47.1	41.2	14.7	0.0	36.4	57.6	6.1	0.0	100	0.0	66.7	0.0	33.3
EL	96.9	2.4	0.0	0.8	95.7	4.3	0.0	0.0	6.7	0.0	92.0	0.0	78.6	7.1	7.1	7.1	55.6	16.7	16.7	11.1	57.1	0.0	47.6	0.0	100	0.0	0.0	71.4	28.6
ES	82.0	10.1	0.0	7.9	87.0	13.0	0.0	0.0	12.9	0.0	87.1	0.0	72.2	11.1	0.0	11.1	28.6	7.1	42.9	14.3	64.9	29.7	8.1	0.0	100	0.0	50.0	0.0	50.0
FR	95.2	1.6	0.8	2.4	78.9	21.1	0.0	0.0	8.8	0.0	90.1	1.1	50.0	20.0	30.0	0.0	46.2	19.2	34.6	0.0	85.7	4.8	9.5	0.0	100	0.0	75.0	0.0	25.0
HR	98.2	0.0	0.0	1.8	100	0.0	0.0	0.0	17.6	0.0	83.8	0.0	88.6	2.9	0.0	5.7	43.8	50.0	0.0	6.3	80.0	0.0	0.0	0.0	100	0.0	0.0	0.0	0.0
IT	97.3	2.0	0.0	1.4	100	0.0	0.0	0.0	7.0	0.0	91.5	0.0	81.3	12.5	0.0	6.3	14.3	35.7	14.3	35.7	100	0.0	0.0	0.0	100	0.0	0.0	0.0	100
CY	90.4	8.5	1.1	0.0	100	0.0	0.0	0.0	34.0	0.0	68.0	0.0	85.7	0.0	14.3	0.0	90.0	0.0	10.0	0.0	100	0.0	0.0	0.0	100	31.3	68.8	0.0	0.0
LV	96.2	0.0	3.8	0.0	100	0.0	0.0	0.0	18.8	0.0	75.0	6.3	76.9	0.0	23.1	0.0	81.8	0.0	18.2	0.0	57.1	14.3	28.6	0.0	100	0.0	66.7	33.3	0.0
LT	97.0	0.0	3.0	0.0	100	0.0	0.0	0.0	8.9	0.0	91.1	0.0	81.3	0.0	18.8	0.0	70.6	5.9	17.6	5.9	83.3	0.0	0.0	0.0	100	0.0	75.0	0.0	12.5
LU	100	0.0		0.0	100	0.0	0.0	0.0	19.6	0.0	80.4	0.0	57.7	0.0	42.3	0.0	83.3	0.0	16.7	0.0	100	0.0	0.0	0.0	100	0.0	80.0	0.0	20.0
HU	93.5	0.0	6.5	0.0	100	0.0	0.0	0.0	6.3	0.0	92.1	1.6	88.2	0.0	11.8	0.0	72.4	3.4	20.7	0.0	62.5	37.5	0.0	0.0	100	0.0	0.0	100.0	0.0
MT	88.1	3.6	8.3	0.0	100	0.0	0.0	0.0	12.7	12.7	70.9	3.6	50.0	25.0	25.0	0.0	50.0	25.0	8.3	8.3	20.0	60.0	20.0	0.0	100	0.0	33.3	66.7	0.0
NL	90.7	0.0	0.0	9.3	100	0.0	0.0	0.0	18.3	0.0	81.7	0.0	79.2	4.2	0.0	16.7	50.0	16.7	41.7	0.0	66.7	33.3		0.0	100	0.0	63.6	0.0	36.4
AT	94.4	0.8	0.8	4.0	94.7	5.3	0.0	0.0	15.3	0.0	84.7	0.0	72.7	4.5	4.5	18.2	71.4	3.6	21.4	3.6	53.3	20.0	26.7	0.0	100	0.0	66.7	33.3	33.3
PL	98.9	0.0	0.0	0.0	100	0.0	0.0	0.0	18.6	0.0	81.4	0.0	82.4	0.0	11.8	0.0	23.1	30.8	7.7	38.5	66.7	0.0	0.0	0.0	100	0.0	50.0	0.0	50.0
PT	94.1	2.5	0.0	3.4	100	0.0	0.0	0.0	4.8	0.0	93.7	0.0	90.5	4.8	0.0	4.8	25.0	41.7	0.0	33.3	85.7	14.3	0.0	0.0	100	0.0	66.7	0.0	0.0
RO	98.7	1.3	0.0	0.0	100	14.3	0.0	0.0	5.0	0.0	97.5	0.0	86.7	0.0	6.7	0.0	64.3	7.1	28.6	0.0	0.0	100	0.0	0.0	100	0.0	100	0.0	0.0
SI	98.0	1.0	1.0	1.0	94.1	5.9	0.0	0.0	12.8	0.0	85.9	0.0	82.4	0.0	11.8	5.9	36.4	36.4	0.0	22.7	87.5	0.0	12.5	0.0	100	0.0	66.7	16.7	0.0
SK	92.6	1.5	2.9	2.9	100	0.0	0.0	0.0	9.3	0.0	90.7	0.0	68.8	12.5	18.8	0.0	88.9	0.0	5.6	0.0	100	0.0	0.0	0.0		0.0	100	0.0	0.0
FI	88.9	0.0	11.1	0.0	100	0.0	0.0	0.0	17.3	0.0	82.7	0.0	65.7	0.0	34.3	0.0	48.5	0.0	48.5	0.0	66.7	19.0	14.3	0.0	100	0.0	50.0	37.5	0.0
SE	79.2	0.0	20.8	0.0	100	0.0	0.0	0.0	14.7	0.0	85.3	0.0	44.7	0.0	55.3	0.0	48.4	0.0	51.6	0.0	75.0	0.0	25.0	0.0	100	0.0	42.9	42.9	0.0
UK	90.3	5.3	0.0	4.4	100	0.0	0.0	0.0	6.0	1.2	92.8	0.0	79.2	0.0	0.0	20.8	58.8	11.8	29.4	0.0	42.9	42.9	14.3	0.0	100	50.0	50.0	0.0	0.0

Source: Eurostat. N-MT: non-means-tested, MT: means-tested. Data extracted in January 2014.

Table A13: The Social Protection Performance Monitor: key social indicators

Dimension	Indicator	Definition
Europe 2020 (mainly poverty related)	**At risk of poverty or social exclusion rate** (total population)	The sum of persons who are: at-risk-of-poverty or severely materially deprived or living in households with very low work intensity as a share of the total population.
	At-risk-of-poverty rate (AROP) (total population) + poverty threshold (in PPS)	Share of persons aged 0+ with an equivalised disposable income below 60% of the national equivalised median income.
	Severe material deprivation rate (SMD) (total population)	Share of population living in households lacking at least 4 items out of the following 9 items: i) to pay rent or utility bills, ii) keep home adequately warm, iii) face unexpected expenses, iv) eat meat, fish or a protein equivalent every second day, v) a week holiday away from home, or could not afford (even if wanted to) vi) a car, vii) a washing machine, viii) a colour TV, or ix) a telephone.
	Share of population in very low work intensity households (VLWI) (0-59)	People aged 0-59, living in households, where working-age adults (18-59) work less than 20% of their total work potential during the past year.
Intensity of poverty risk	**Relative poverty risk gap rate** (total population)	Difference between the median equivalised income of persons aged 0+ below the atrisk-of poverty threshold and the threshold itself, expressed as a percentage of the at risk-of poverty threshold.
Child poverty	**At risk of poverty or social exclusion rate** (0-17)	The sum of children (0-17) who are: at-risk-of-poverty or severely materially deprived or living in households with very low work intensity (below 20%) as a share of the total population.
Effectiveness of social protection systems	**Impact of social transfers (excluding pensions) on poverty reduction** (total population)	Reduction in the at-risk-of-poverty rate in % due to social transfers, calculated as the percentage difference between the at-risk-of-poverty rate before and after social transfers.
	At-risk-of-poverty rate for the population living in very low work intensity households (0-59)	Share of persons aged (0-59) with an equivalised disposable income below 60% of the national equivalised median income who live in households where working-age adults (18-59) work less than 20% of their total work potential during the past year.
Health	**Share of the population with self-reported unmet need for medical care** (total population)	Total self-reported unmet need for medical examination for the following three reasons: financial barriers + waiting times + too far to travel.
	Healthy life years at 65 (total population, breakdown by gender)	Number of years that a person at 65 is still expected to live in a healthy condition. To be interpreted jointly with life expectancy (included in the SPPM contextual information).
Social consequences of labour market situation	**In-work at-risk-of-poverty rate** (18-64)	Individuals who are classified as employed according to their most frequent activity status and are at risk of poverty. The distinction is made between "wage and salary employment plus self-employment" and "wage and salary employment" only.
	Long-term unemployment rate (active population, 15+)	Total long-term unemployed population (≥12 months' unemployment; ILO definition) as a proportion of total active population.

Dimension	Indicator	Definition
Youth exclusion	**Youth unemployment ratio** (15-24)	Total unemployed young people (ILO definition), 15-24 years, as a share of total population in the same age group.
	Early leavers from education and training (18-24)	Share of persons aged 18 to 24 who have only lower secondary education (their highest level of education or training attained is 0, 1 or 2 according to the 1997 International Standard Classification of Education – ISCED 97) and have not received education or training in the four weeks preceding the survey.
Active ageing	**Employment rate of older workers** (55-64)	Persons in employment in age group 55-64, as a proportion of total population in the same age group.
Pension adequacy	**At risk of poverty or social exclusion rate** (65+)	The sum of elderly (65+) who are: at-risk-of-poverty or severely materially deprived or living in households with very low work intensity as a share of the total population in the same age group.
	Median relative income ratio of elderly people	Median equivalised disposable income of people aged 65+ as a ratio of income of people aged 0-64.
	Aggregate replacement ratio	Median individual pension income of 65-74 relative to median individual earnings of 50-59, excluding other social benefits.
Access to decent housing	**Housing cost overburden rate** (total population)	Percentage of the population living in a household where total housing costs (net of housing allowances) represent more than 40% of the total disposable household income (net of housing allowances).
Income inequalities	**Income quintile ratio S80/S20** (total population)	The ratio of total income received by the 20% of the country's population with the highest income (top quintile) to that received by the 20% of the country's population with the lowest income (lowest quintile). Income must be understood as equivalised disposable income.

Table A14: The Social Protection Performance Monitor: key social indicators (part I) [to be completed]

MS	Europe 2020												Intensity of poverty risk			Child poverty	Effectiveness of social protection systems				Health				
	At risk of poverty or social exclusion rate (AROPE), 2012			At risk of poverty rate, 2012			Severe material deprivation rate, 2012			Population in very low work intensity (VLWI) households, 2012			Relative poverty risk gap rate, 2012			AROPE age 0-17	Poverty reduction impact social transfers, 2011	AROP for population (0-59) living in VLWI households, 2012			Population with self-reported unmet need for medical care, 2012			Healthy life years at age 65, 2012	
	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Total	Total	Males	Females	Total	Males	Females	Males	Females
EU-28	24.8	23.8	25.7	16.9	16.3	17.5	9.9	9.6	10.2	10.3	9.8	10.9	23.5	24.5	22.7	28.0	37.5+	57.9	56.4	59.6	3.4	2.8	3.9	8.4	8.5
BE	21.6	21.0	22.2	14.8	14.2	15.4	6.5	6.5	6.5	14.1	13.6	14.5	18.1	18.3	18.1	23.4	45.0	58.4	59.8	56.9	1.6	1.6	1.6	10.7	11.1
BG	49.3	47.6	50.9	21.2	19.5	22.8	44.1	42.9	45.3	12.5	12.5	12.4	31.4	32.6	30.5	52.3	17.9	71.5	72.3	70.7	8.2	7.8	8.7	8.7	9.5
CZ	15.4	13.7	16.9	9.6	8.7	10.5	6.6	6.0	7.2	6.8	6.1	7.5	19.1	20.2	17.7	18.8	45.6	54.6	52.2	57.6	1.0	0.8	1.1	8.3	8.9
DK	19.0	19.1	18.9	13.1	13.3	12.9	2.8	2.7	3.0	11.3	11.7	11.0	22.8	23.5	19.1	15.3	54.2	41.0	38.4	43.5	1.2	1.0	1.4	10.6	12.9
DE	19.6	18.1	21.1	16.1	14.9	17.2	4.9	4.5	5.2	9.9	9.2	10.7	21.1	21.8	20.6	18.4	37.1	68.5	67.6	69.5	1.6	1.6	1.7	6.7	6.9
EE	23.4	22.3	24.4	17.5	16.8	18.1	9.4	9.5	9.3	9.1	9.6	8.6	23.8	27.6	21.8	22.4	29.7	73.0	67.7	77.9	8.3	7.0	9.3	5.4	5.5
IE	29.4*	29.0*	29.8*	15.2*	15.4*	14.9*	7.8*	7.4*	8.3*	24.2*	23.4*	25.1*	17.5*	18.7*	16.6*	34.1*	60.1**	43.3*	43.1*	43.6*				10.9	11.9
EL	34.6	33.9	35.2	23.1	22.5	23.6	19.5	19.9	19.1	14.2	12.9	15.6	29.9	29.9	29.1	35.4	13.7	56.8	53.9	60.3	8.0	6.8	9.2	8.6	7.3
ES	28.2	28.4	28.1	22.2	22.2	22.1	5.8	6.2	5.5	14.3	13.8	14.8	31.4	32.1	30.9	33.8	26.8	63.6	64.0	63.1	0.7	0.6	0.9	9.2	9.0
FR	19.1	18.4	19.6	14.1	13.6	14.6	5.3	5.1	5.5	8.4	8.4	8.5	16.2	16.3	16.2	23.2	43.3	57.5	56.5	58.5	2.3	1.5	2.9	9.5	10.4
HR	32.3	31.2	33.3	20.5	19.4	21.6	15.4	15.2	15.7	16.2	16.3	16.0	28.8	30.4	27.8	33.8	:	62.5	62.8	62.2	3.6	2.9	4.2	7.7	8.2
IT	29.9	28.0	31.7	19.4	18.1	20.7	14.5	14.1	14.9	10.3	9.2	11.5	25.4	27.2	24.1	33.8	21.9**	55.4	53.0	58.3	5.7	4.8	6.4	7.8	7.2
CY	27.1	25.1	29.0	14.7	12.9	16.4	15.0	15.1	14.9	6.5	5.8	7.1	19.0	18.3	19.4	27.5	37.0	45.4	43.4	48.0	3.5	2.6	4.3	8.8	7.7
LV	36.2	35.5	36.8	19.2	19.3	19.1	25.6	24.7	26.5	11.7	12.6	10.8	28.6	31.8	25.7	40.0	29.3	69.8	69.6	69.9	12.3	10.7	13.4	5.3	6.4
LT	32.5	31.4	33.4	18.6	18.1	19.0	19.8	19.0	20.5	11.4	11.8	11.0	22.6	24.3	22.0	31.9	37.1	65.2	66.7	63.8	2.3	1.7	2.8	5.6	6.1
LU	18.4	17.3	19.4	15.1	14.7	15.6	1.3	1.3	1.3	6.1	5.1	7.2	15.0	14.9	15.5	24.6	50.0	44.3	41.8	47.7		0.7		11.6	11.9
HU	32.4	31.8	33.0	14.0	14.2	13.9	25.7	25.2	26.1	12.8	12.4	13.2	21.0	21.8	20.1	40.9	52.2	61.6	60.3	62.9	2.8	2.3	3.2	6.4	6.4
MT	23.1	21.9	24.3	15.1	14.4	15.8	9.2	8.6	9.7	9.0	7.6	10.5	16.1	16.7	16.0	31.0	32.8	62.7	62.2	63.3	1.1	0.9	1.2	12.5	12.2
NL	15.0	13.6	16.3	10.1	9.5	10.6	2.3	2.3	2.4	8.9	7.8	10.0	17.3	17.3	17.1	16.9	47.4	40.6	36.0	46.4	0.5	0.4	0.6	10.0	10.1
AT	18.5	17.3	19.6	14.4	13.5	15.3	4.0	3.8	4.2	7.7	6.7	8.7	20.1	20.4	20.0	20.9	49.4	53.2	52.2	54.5				8.9	9.5
PL	26.7	26.1	27.3	17.1	17.1	17.1	13.5	13.2	13.8	6.9	6.5	7.2	22.2	23.3	21.2	29.3	26.6	59.2	54.2	64.7	9.1	7.4	10.4	7.4	7.8
PT	25.3	24.6	25.9	17.9	17.5	18.2	8.6	8.3	8.9	10.1	9.9	10.3	24.7	25.5	23.3	27.8	29.1	54.5	54.7	54.3	3.3	2.9	3.5	6.6	6.0
RO	41.7	40.7	42.6	22.6	21.9	23.2	29.9	29.8	30.0	7.4	6.5	8.3	30.9	31.9	30.3	52.2	23.7	48.1	46.0	50.8	10.7	8.8	12.4	5.9	5.1
SI	19.6	18.3	20.8	13.5	12.5	14.6	6.6	6.8	6.5	7.5	6.8	8.3	19.1	19.8	18.4	16.4	43.8	54.8	50.4	59.9	0.0	0.1	0.0	7.3	6.9
SK	20.5	19.7	21.3	13.2	13.2	13.3	10.5	10.1	10.8	7.2	7.0	7.5	20.5	20.5	20.6	26.6	33.3	69.4	65.4	73.5	2.1	1.7	2.5	3.5	3.1
FI	17.2	17.0	17.4	13.2	12.9	13.6	2.9	3.0	2.9	9.3	10.2	8.3	15.0	16.4	13.9	14.9	50.0	59.5	57.7	60.9	4.6	3.6	5.6	8.4	9.0
SE	15.6	14.1	17.2	14.1	12.6	15.6	1.3	1.3	1.2	5.7	5.7	5.6	18.9	23.4	16.7	15.4	49.8	71.7	70.4	73.0	1.3	1.4	1.4	14.0	15.4
UK	24.1	23.4	24.8	16.2	16.0	16.5	7.8	7.5	8.1	13.0	12.5	13.6	21.0	22.0	19.8	31.2	44.8**	47.8	46.3	49.5	1.4	1.3	1.4	10.5	10.6

Notes: * - 2011 data; ** - 2010 data; *** - 2012 data; : - not available; + EU-27. Source: Eurostat, The Social Protection Performance Monitor (Commission's Services, DG EMPL)

Table A14: The Social Protection Performance Monitor: key social indicators (part II)

	Social consequences of labour market situation						Youth exclusion						Active ageing			Pension adequacy									Access to decent housing			Income inequality		
	In-work at risk of poverty rate (18-64), 2012			Long-term unemployment rate, 2012			Youth unemployment rate, 2012			Early leavers from education and training, 2013			Employment rate of older workers (55-64), 2012			AROPE 65+, 2012			Relative median income ratio (65+), 2012			Aggregate replacement ratio, 2012			Housing cost overburden rate, 2012			S80/S20 income quintile share ratio, 2012		
	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females	Total	Males	Females
EU-28	9.1	9.7	8.4	4.7	4.7	4.7	9.7	10.7	8.7	12.0	13.5	10.3	48.8	56.3	41.7	19.3	16.3	21.7	0.91	0.95	0.89	0.54	0.57	0.52	11.2	10.6	11.8	5.1	5.2	5.0
BE	4.5	4.5	4.4	3.4	3.5	3.2	6.2	7.1	5.3	11.2	13.7	8.5	39.5	46.0	33.1	19.5	18.7	20.1	0.74	0.76	0.73	0.47	0.47	0.48	11.0	10.1	11.8	3.9	3.9	4.0
BG	7.4	7.7	7.1	6.8	7.7	5.7	8.5	10.4	6.6	12.4	12.2	12.6	45.7	50.8	41.3	59.1	53.6	62.8	0.74	0.80	0.70	0.42	0.52	0.38	14.5	12.9	16.0	6.1	6.0	6.3
CZ	4.6	4.5	4.7	3.0	2.6	3.6	6.1	7.2	4.9	5.4	5.3	5.5	49.3	60.3	39.0	10.8	5.5	14.5	0.84	0.86	0.82	0.55	0.54	0.58	10.0	8.5	11.5	3.5	3.5	3.5
DK	5.7	6.5	4.7	2.1	2.1	2.1	9.1	9.5	8.6	8.3	10.2	6.4	60.8	65.9	55.8	14.6	13.0	15.9	0.75	0.76	0.74	0.42	0.40	0.43	18.2	17.6	18.8	4.5	5.1	4.0
DE	7.7	6.8	8.8	2.5	2.7	2.3	4.1	4.7	3.5	9.9	10.4	9.4	61.5	68.5	54.8	15.8	13.9	17.5	0.88	0.88	0.87	0.47	0.46	0.50	16.6	15.2	18.0	4.3	4.4	4.2
EE	8.5	6.8	10.3	5.5	6.1	4.9	8.7	10.6	6.9	10.4	14.6	6.3	60.6	59.8	61.2	21.8	15.8	24.7	0.72	0.75	0.68	0.50	0.41	0.57	7.9	7.5	8.1	5.4	5.7	5.2
IE	5.3*	6.2*	4.3*	9.1	12.1	5.4	12.3	15.1	9.5	8.6	10.2	7.1	49.3	55.8	42.7	13.8*	13.1*	14.3*	0.86*	0.88*	0.86*	0.43*	0.44*	0.47*	6.1*	6.4*	5.7*	4.6*	4.7*	4.5*
EL	15.1	16.5	13.2	14.4	12.1	17.4	16.1	15.1	17.2	10.2	12.7	7.8	36.4	47.6	26.0	23.5	21.2	25.4	1.01	1.03	0.99	0.52	0.53	0.59	33.1	31.5	34.6	6.6	6.9	6.5
ES	12.3	13.5	10.8	11.1	10.8	11.6	20.6	21.9	19.4	24.1	27.8	20.4	43.9	52.4	36.0	16.6	15.3	17.6	0.93	0.98	0.92	0.58	0.63	0.49	14.3	14.3	14.3	7.2	7.4	6.9
FR	8.0	8.4	7.6	4.1	4.1	4.1	9.0	9.8	8.2	11.6***	13.4***	9.8***	44.5	47.4	41.7	11.1	9.5	12.3	1.00	1.06	0.96	0.65	0.65	0.60	5.2	5.0	5.3	4.5	4.6	4.5
HR	6.2	7.2	5.0	10.3	10.4	10.2	12.7	14.4	10.8	3.8	4.6	2.9	36.7	46.7	27.8	33.2	26.9	37.8	0.86	0.95	0.80	0.36	0.40	0.35	6.8	6.2	7.4	5.4	5.3	5.2
IT	11.1	12.3	9.4	5.7	5.1	6.5	10.1	11.1	9.0	17.1	20.2	13.9	40.4	50.4	30.9	25.2	21.3	28.1	0.95	0.97	0.93	0.58	0.62	0.48	7.9	7.3	8.4	5.5	5.5	5.5
CY	8.0	7.1	9.1	3.6	3.9	3.1	9.1	14.8	4.2	9.4	14.9	4.7	50.7	63.5	38.2	33.4	28.0	37.9	0.70	0.74	0.68	0.39	0.43	0.41	3.3	3.3	3.3	4.7	4.5	4.8
LV	8.9	8.2	9.5	7.8	8.6	7.0	11.5	12.2	10.6	10.5	14.3	6.5	52.8	53.2	52.5	33.7	26.5	37.1	0.80	0.86	0.76	0.49	0.49	0.49	11.2	10.0	12.3	6.5	6.9	6.1
LT	7.7	7.0	8.3	6.6	7.4	5.7	7.8	9.6	5.9	6.3	7.7	4.8	51.7	55.9	48.5	35.7	29.7	38.8	0.78	0.84	0.76	0.45	0.45	0.46	8.9	7.0	10.4	5.3	5.5	5.2
LU	10.3	10.5	9.9	1.6	1.3	1.8	5.0	5.4	4.6	6.3	7.7	4.9	41.0	47.4	34.3	6.1	3.6	8.0	1.10	1.15	1.07	0.79	0.67	0.77	4.9	4.7	5.1	4.1	4.2	4.1
HU	5.3	6.1	4.4	4.9	5.1	4.7	7.3	8.1	6.5	11.9	12.5	11.4	36.9	42.6	32.2	20.6	15.4	23.6	0.97	1.01	0.95	0.58	0.63	0.58	13.5	12.5	14.4	4.0	4.1	3.8
MT	5.2	6.5	3.0	3.0	3.3	2.6	7.2	7.4	7.0	21.2	24.7	17.4	33.6	51.7	15.8	22.3	23.6	21.3	0.80	0.79	0.81	0.46	0.47	0.45	2.6	2.4	2.8	3.9	4.0	3.9
NL	4.6	4.8	4.3	1.8	1.9	1.7	6.6	6.1	7.2	9.1	10.6	7.4	58.6	68.1	49.1	6.2	5.9	6.4	0.90	0.91	0.89	0.47	0.54	0.45	14.4	13.5	15.3	3.6	3.6	3.6
AT	8.2	8.8	7.3	1.1	1.1	1.0	5.2	5.7	4.8	7.4	7.6	7.2	43.1	52.5	34.1	16.2	12.6	18.9	0.93	0.99	0.91	0.58	0.63	0.57	7.0	6.2	7.7	4.2	4.2	4.1
PL	10.4	11.9	8.7	4.1	3.7	4.6	8.9	9.3	8.5	5.8	8.1	3.3	38.7	49.3	29.2	23.4	17.4	27.1	0.95	1.04	0.90	0.58	0.65	0.54	10.5	9.8	11.1	4.9	5.1	4.8
PT	9.9	11.1	8.6	7.7	7.8	7.7	14.3	14.6	13.9	20.0	25.2	14.6	46.5	51.5	42.0	22.1	19.6	23.9	0.92	0.97	0.88	0.58	0.66	0.59	8.3	8.0	8.6	5.8	6.0	5.7
RO	18.9	21.2	15.9	3.2	3.4	2.9	7.0	7.9	6.1	17.4	18.4	16.2	41.4	51.2	32.9	35.7	30.3	39.8	1.01	1.11	0.95	0.67	0.74	0.67	16.5	15.4	17.6	6.3	6.4	6.2
SI	6.5	7.6	5.3	4.3	4.1	4.4	7.1	7.7	6.3	4.3	5.2	3.4	32.9	40.7	25.0	22.8	14.6	28.4	0.87	0.96	0.82	0.47	0.52	0.44	5.2	4.9	5.5	3.4	3.4	3.5
SK	6.2	6.6	5.6	9.4	9.3	9.5	10.4	13.0	7.7	6.3	6.6	6.0	43.1	53.6	33.6	16.3	11.9	19.0	0.81	0.83	0.81	0.56	0.53	0.60	8.4	7.5	9.1	3.7	3.8	3.7
FI	3.8	4.3	3.3	1.6	2.1	1.2	9.8	10.2	9.4	9.2	10.4	8.0	58.2	56.6	59.7	19.5	12.7	24.4	0.78	0.84	0.73	0.49	0.52	0.47	4.5	4.3	4.8	3.7	3.7	3.6
SE	6.7	6.7	6.7	1.5	1.7	1.3	12.4	13.0	11.9	6.9	7.7	6.1	73.0	76.3	69.6	17.9	10.4	23.7	0.78	0.86	0.73	0.56	0.60	0.54	7.6	6.4	8.7	3.7	3.7	3.7
UK	8.8	9.1	8.4	2.7	3.2	2.2	12.4	14.6	10.2	12.5	13.8	11.2	58.1	65.5	51.0	16.9	15.2	18.2	0.89	0.91	0.87	0.50	0.54	0.48	7.4	8.0	6.8	5.4	5.6	5.2

Notes: * - 2011 data; ** - 2010 data; *** - 2012 data; : - not available; Source: Eurostat, The Social Protection Performance Monitor (Commission's Services, DG EMPL)

Figure A1: The financing of survivors and disability benefits (2011): alternative approaches

Figure A2: The financing of old age and health care benefits (2011): alternative approaches

Figure A3: The financing of family and unemployment benefits (2011): alternative approaches

Figure A4: The financing of social exclusion and housing benefits (2011): alternative approaches

Figure A5: The changes in the structure of social protection financing (pp differences, 2000-2011)
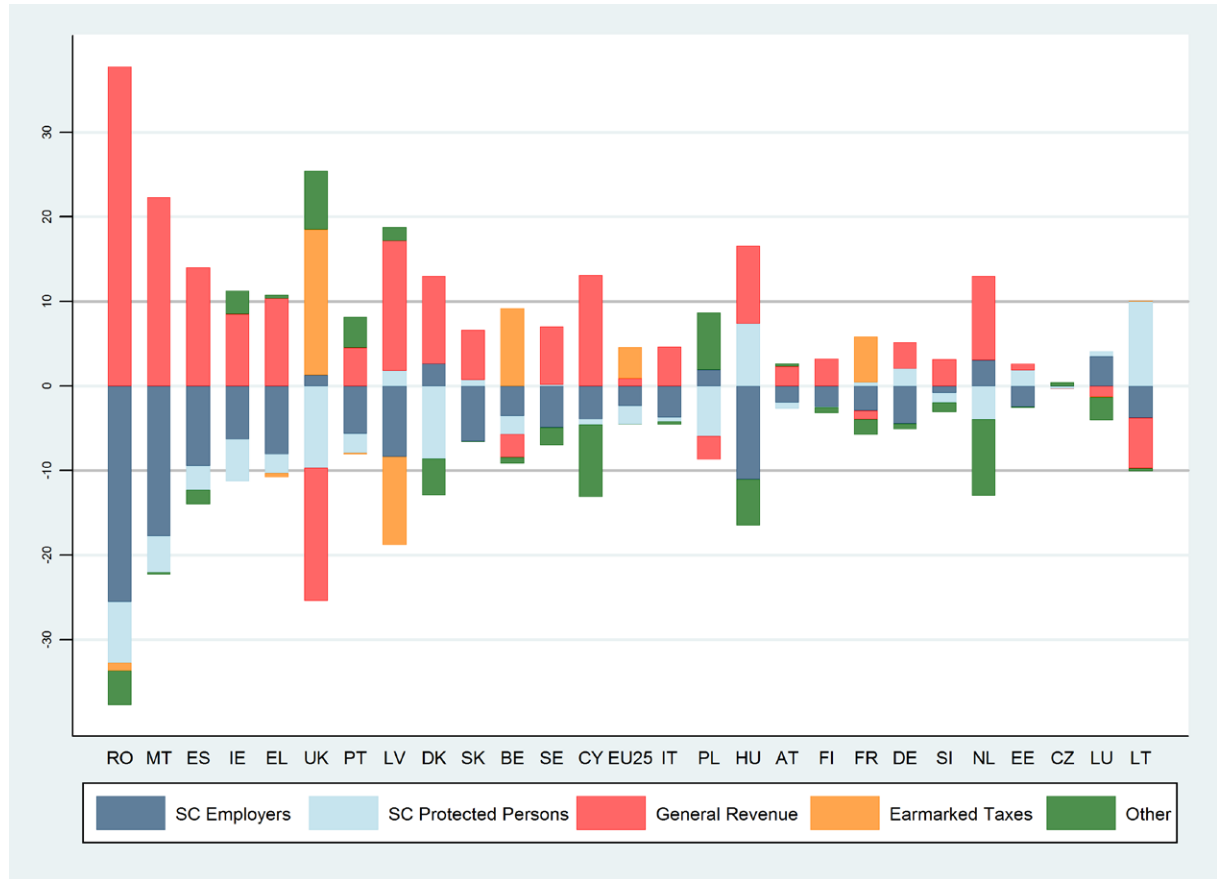
Source: own calculations. Note: 2000 data for EU-27, BG and HR - not available

Figure A6: Illustration of DEA Results: One Input, one Outcome (input-oriented)
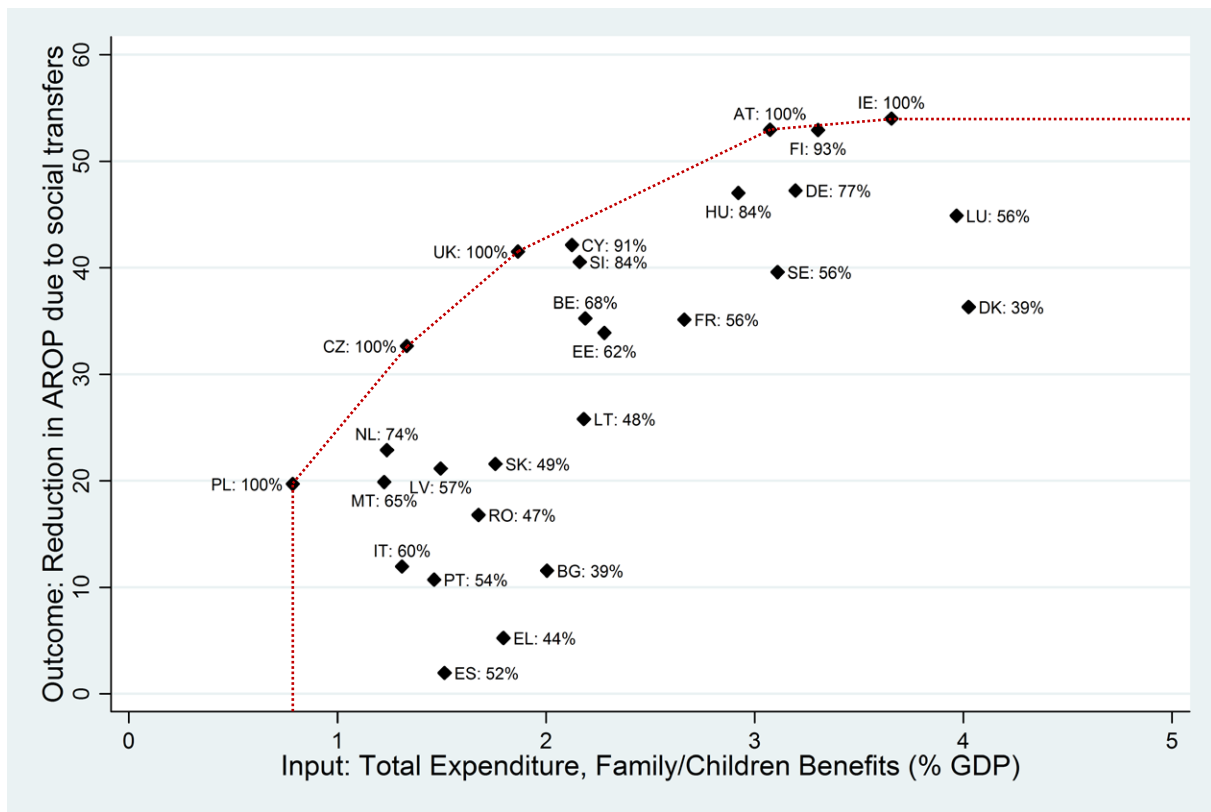
Source: DG EMPL calculations. Red dashed line: 'production possibility frontier'. Assumption of variable returns to scale. No data on AROP reduction for children available for HR.

3. Alternative approaches to the socio-demographic correction of expenditure data

Sensitivity of the relative scores for pension (old age and survivors) expenditure to the definition of the reference population

In the current draft, the reference population of potential beneficiaries for pension expenditure (old age and survivors) is the population aged 65+. It has been suggested to refer to the actual numbers of pension beneficiaries as provided by ESSPROS instead. The alternative to relying on a pure demographic scenario (taking for instance population 65+ or 60+) can be the number of pensioners for old age and survivors (without double counting) as reflected in ESSPROS, or the overall number of pension beneficiaries (overall number not available for BE), which also includes other types of (in particular disability) pensions.

Due to the differences in the population shares of people 65+ and the shares of pensioners (Figure A2), this induces some changes in scores of relative expenditure levels (Figure A3). Since there are generally no strong differences whether one refers to all pensioners or only to old age and survivors ones, the latter should probably be prefered, since these are more specifically expenditure related to old age pensions.

One can broadly idently three situations:

1. In MSs where the ratio of pensioners to the population 65+ is below the EU average, scores increase : the relative expenditure per pensioner is actually higher than the relative expenditure per 65+. This is the case in BE, CY, ES, HR and to a lesser extent EL, NL, MT, UK.

2. In most MSs, the ratio of pensioners to the population 65+ is close to the EU average, scores are broadly constant (BG, CZ, DK, EE, FI, HU, IE, IT, LT, LV, SE).

3. In MSs where the ratio of pensioners to the population 65+ is higher the EU average, scores decrease : the relative expenditure per pensioner is actually lower than the relative expenditure per 65+. This is the case in FR, LU, PL, SI, SK and to a lesser extent in PT, RO.

As a consequence, using the number of pensioners as the reference population instead of the population aged 65+ makes a significant difference for about one third of Member States. The choice of reference population has as well an impact on the interpretation of the radar chart. The use of the beneficiaries as reference population produces an indicator for the adequacy of the benefit comparable to the replacement rate, which is as well integrated in the radar chart. The higher the nunmber of beneficiaries in a given country, the lower is the level of the indicator. On the contrary, the use of the population aged 65+ accounts for demographic aspects, such as the size of the population of the elderly. It is rather an inidcator whether expenditure is high or low in relation to the possible target population independent of take-up and represents an indicator that informs about the allocation of spending towards a certain age-group and allows for comparison across generations when comparing funding allocated to children anf families as compared to elderly while accounting for the size of the group.

Figure A8: Shares in population
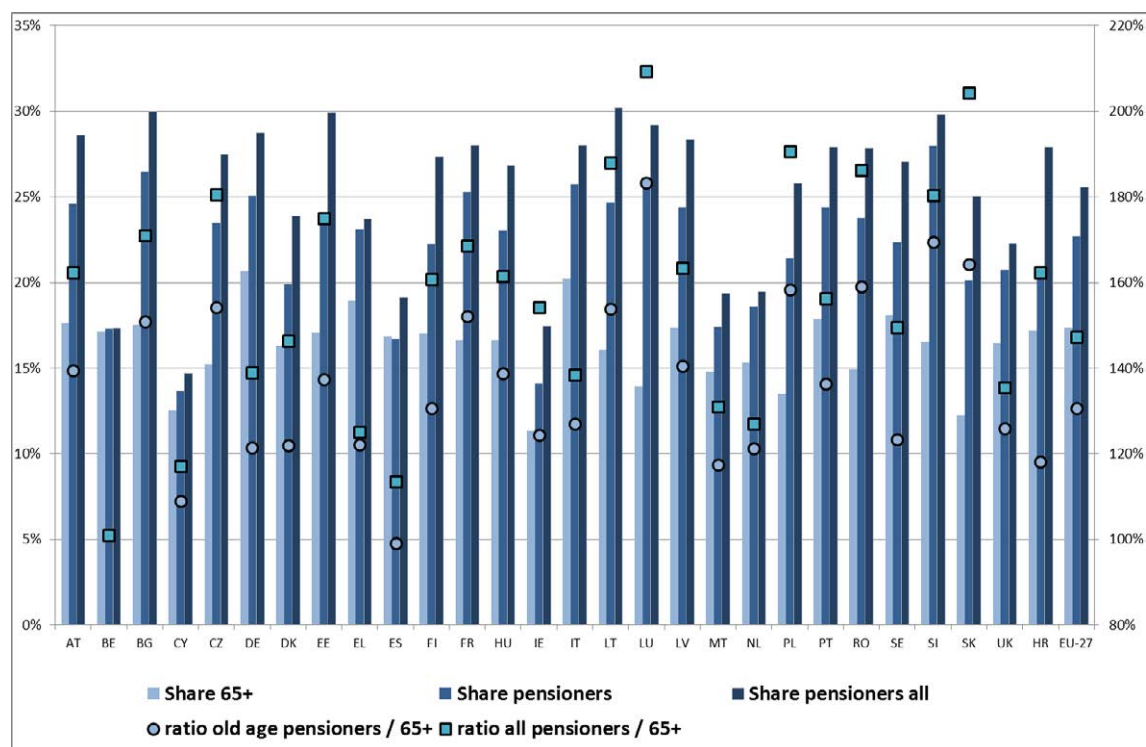
Figure A9: Scores of relative expenditure levels
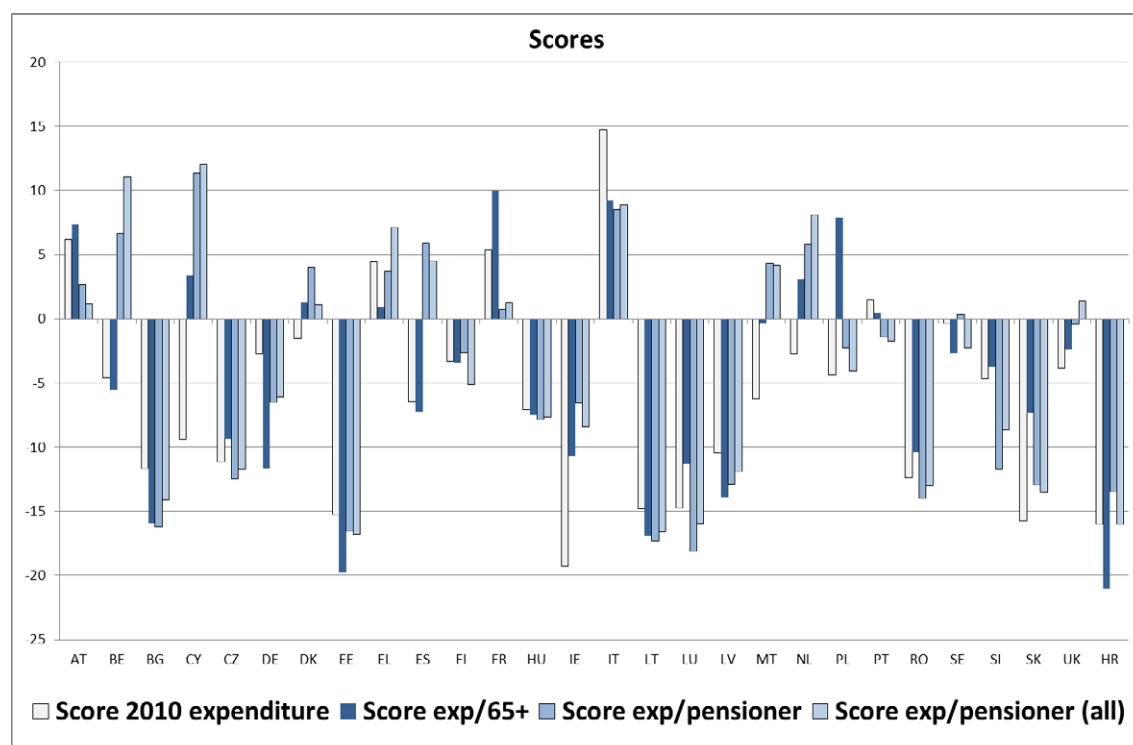
Table A15: Overview of alternative indicators of social protection spending, by function, in 2011

MS	Pensions (old age & survivors)					Healthcare & disability			Family/children				Unemployment				Social exclusion			Housing		
	PPS	Share total	% GDP	% GDP adj. 65+	% GDP adj. pensioners	PPS	Share total	% GDP	PPS	Share total	% GDP	% GDP adj. 18-	PPS	Share total	% GDP	% GDP adj. unempl.	PPS	Share total	% GDP	PPS	Share total	% GDP
EU-28	2,585	45.7	11.8	69.0		3,188	37.1	10.3	556	8.0	2.2	10.3	390	5.6	1.6	23.0	109	1.6	0.4	145	2.1	0.6
BE	3,103	39.8	10.8	63.2		3,405	36.3	10.5	665	7.8	2.3	10.0	1,093	12.8	3.7	77.1	218	2.6	0.7	68	0.8	0.2
BG	701	50.2	7.4	41.6	25.0	1,039	33.9	5.9	227	11.0	1.9	9.8	71	3.5	0.6	8.0	29	1.4	0.2	1	0.1	0.0
CZ	1,637	48.9	8.0	54.8	29.5	2,023	39.5	7.8	245	5.9	1.2	5.5	149	3.6	0.7	14.6	56	1.4	0.3	31	0.7	0.1
DK	3,216	43.4	12.7	81.4	55.0	4,189	33.3	11.0	1,204	12.5	4.1	16.9	528	5.5	1.8	29.5	303	3.1	1.0	209	2.2	0.7
DE	3,671	40.4	11.4	56.7	40.1	3,601	41.1	11.6	991	11.1	3.1	16.8	415	4.7	1.3	28.1	47	0.5	0.1	199	2.2	0.6
EE	1,095	44.0	6.4	36.6	22.4	1,221	39.4	6.2	344	12.4	2.0	9.6	82	3.0	0.5	5.2	26	0.9	0.1	9	0.3	0.0
IE	4,086	23.5	5.5	50.9	33.8	1,938	49.5	14.0	993	12.0	3.4	12.4	951	11.5	3.3	32.0	169	2.0	0.6	126	1.5	0.4
EL	1,811	52.1	12.9	69.4	55.5	3,073	30.7	8.9	365	6.2	1.8	9.1	438	7.4	2.1	17.3	134	2.3	0.7	74	1.3	0.4
ES	2,038	43.9	9.1	55.5	48.6	2,597	34.4	8.8	319	5.4	1.4	6.6	865	14.6	3.7	23.0	49	0.8	0.2	54	0.9	0.2
FR	3,076	45.4	13.4	81.7	49.1	4,023	34.7	11.1	727	8.2	2.6	10.5	584	6.6	2.1	32.1	215	2.4	0.8	229	2.6	0.8
HR	1,549	38.1	6.9	38.8	25.9	1,153	51.1	7.7	243	8.0	1.6	7.6	71	2.4	0.5	6.0	8	0.3	0.1	4	0.2	0.0
IT	2,196	61.3	16.1	79.7	56.7	4,396	30.6	8.7	347	4.8	1.4	6.9	205	2.9	0.8	15.1	18	0.3	0.1	6	0.1	0.0
CY	1,351	48.1	8.4	67.7	58.9	2,496	26.0	5.7	467	9.0	2.0	8.2	280	5.4	1.2	20.2	368	7.1	1.6	224	4.3	1.0
LV	472	54.9	5.7	32.4	21.4	865	30.0	4.5	119	7.6	1.1	5.5	75	4.8	0.7	5.8	27	1.7	0.3	16	1.0	0.1
LT	1,059	44.1	6.9	40.6	23.8	1,252	37.3	6.1	295	10.4	1.7	7.8	97	3.4	0.6	5.4	133	4.7	0.8	0	0.0	0.0
LU	4,841	37.4	7.6	54.3	26.8	4,886	37.1	8.2	2,149	16.5	3.6	15.3	695	5.3	1.2	36.1	316	2.4	0.5	170	1.3	0.3
HU	1,420	46.3	10.2	63.0	37.0	1,863	35.3	8.0	505	12.5	2.9	14.2	147	3.7	0.8	11.6	19	0.5	0.1	72	1.8	0.4
MT	1,328	54.7	9.3	66.9	50.1	2,168	33.5	6.3	254	6.4	1.2	5.6	111	2.8	0.5	12.3	68	1.7	0.3	39	1.0	0.2
NL	4,253	39.4	10.9	74.2	56.7	3,858	43.4	13.3	388	4.0	1.2	5.1	470	4.8	1.5	43.5	700	7.1	2.2	125	1.3	0.4
AT	3,049	50.6	13.6	79.5	49.2	4,701	32.8	9.4	917	9.9	2.8	13.6	488	5.3	1.5	47.4	107	1.2	0.3	31	0.3	0.1
PL	1,056	58.1	10.9	80.7	41.7	1,918	32.0	6.0	238	7.2	1.3	6.5	51	1.5	0.3	4.7	27	0.8	0.2	10	0.3	0.1
PT	1,562	55.2	11.9	67.2	43.2	2,589	33.3	8.4	228	4.9	1.2	5.9	258	5.5	1.4	14.1	55	1.2	0.3	1	0.0	0.0
RO	699	53.7	7.1	44.9	25.7	1,098	34.2	5.5	182	8.9	1.4	6.7	33	1.6	0.3	6.2	31	1.5	0.2	3	0.1	0.0
SI	1,976	47.0	9.6	58.9	33.3	2,413	38.5	9.5	456	8.9	2.2	10.9	168	3.3	0.8	13.7	119	2.3	0.6	2	0.0	0.0
SK	1,371	43.6	6.6	54.6	27.1	1,517	39.4	7.0	346	9.9	1.8	7.8	165	4.8	0.8	8.5	84	2.4	0.4		:	0.0
FI	3,114	40.0	9.6	58.2	36.0	3,329	37.4	11.0	929	11.2	3.3	14.1	585	7.0	2.1	35.5	218	2.6	0.8	147	1.8	0.5
SE	3,465	42.8	12.0	68.6	43.8	3,829	38.7	11.3	956	10.7	3.1	13.4	355	4.0	1.2	18.8	210	2.4	0.7	138	1.5	0.4
UK	2,738	43.6	10.7	67.3	52.3	2,925	40.8	10.7	431	6.4	1.7	7.1	173	2.6	0.7	11.3	53	0.8	0.2	390	5.8	1.5

4. Data Envelopment Analysis: results by social protection function

This annex applies the Data Envelopment Analysis to the different key areas of social protection which are covered by this report. In line with the discussion of the main objectives of pension, family/children, unemployment and social exclusion/housing benefits, key input and outcome indicators are included for each policy area. Given the small sample size, only a limited number of input and outcome can be included, as the number of 'corner solutions' increases significantly the more indicators are considered. Therefore, a further selection is proposed based on the key variables chosen for the 'radar chart' benchmarking. Table A16 presents the DEA results by policy area.

Table A16: DEA efficiency scores and positions for key indicators, by social protection function

	① Pensions		② Family and children		③ Unemployment		④ Social excl. / Housing	
	Input: Expenditure (adj. 65+)		Input: Expenditure in cash & in kind (adj. 18-)		Input: Total expenditure (adj.) & ALMP as % GDP		Input: Exp. social exclusion n.e.c. & exp. housing	
	Outcomes: Relative income ratio & Aggr. replacement ratio & AROP 65+ (men & women)		Outcomes: Relative income & AROP children & Poverty reduction & ER mothers & Childcare use 0-3		Outcomes: Coverage UE & NRR (2 months) & LLL unemployed		Outcomes: AROPE & Housing cost overburden & overcrowding of the poor	
MS	Score	*Position*	Score	*Position*	Score	*Position*	Score	*Position*
BE	88%	26	100%	1	84%	21	100%	1
BG	87%	27	86%	25	100%	1	75%	28
CZ	100%	1	100%	1	100%	1	100%	1
DE	91%	19	96%	1			97%	21
DK	93%	14	100%	17	100%	1	100%	1
EE	100%	1	100%	1	68%	24	100%	1
IE	99%	10	100%	1	100%	1	100%	16
EL	92%	16	84%	27	100%	1	79%	27
ES	91%	21	100%	1			100%	1
FR	96%	12	93%	20	78%	22	98%	20
HR	100%	1	100%	1	78%	23	100%	1
IT	90%	23	86%	26	97%	18	100%	1
CY	78%	28	100%	1			99%	19
LV	100%	1	100%	1	84%	20	82%	25
LT	100%	1	100%	1	100%	1	93%	22
LU	100%	1	98%	15	92%	19	100%	1
HU	100%	1	89%	24	100%	1	91%	24
MT	90%	22	92%	21	100%	1	100%	1
NL	100%	1	100%	1	100%	1	100%	1
AT	92%	17	96%	19	100%	1	99%	18
PL	94%	13	90%	23	100%	1	93%	23
PT	88%	25	96%	18	100%	1	100%	1
RO	100%	1	81%	28	100%	1	82%	26
SI	91%	18	100%	1	100%	1	100%	1
SK	98%	11	92%	22	100%	1	100%	1
FI	91%	20	100%	1	100%	1	100%	1
SE	92%	15	98%	16	100%	1	100%	1
UK	89%	24	100%	1			100%	17

Source: DG EMPL calculations. Assumptions: variable returns to scale, output-oriented efficiency scores.
For unemployment, CY, EL, HR and UK are not covered due to missing information on coverage and/or net replacement rates.

Column 1 of Table A16 reports the output-oriented efficiency scores for the area of pensions. Total spending as share of GDP (and adjusted for the population aged 65) is the only input indicator, while four indicators of pension adequacy are included. The relative income ration and the aggregate replacement ration reflect the pension objective of income replacement after retirement; the at-risk-of-poverty rates for the population 65+ (disaggregated by gender) represent the key indication of old-age poverty. No labour market indicators are included for two reasons. First, the inclusion of additional indicators would lead to a further increase in 'corner solutions' and hence an even higher number of Member States with pension systems deemed fully efficient. Second, DEA assumes a causal link between input and output factors, which is all but evident between current pension expenditure and the labour market situation of older workers.

Despite the relatively low number of five included variables, the small sample size results in a total of 9 Member States that are considered fully efficient, an average efficiency score of 94%, and only five Member States with a calculated efficiency score below 90%. Drawing policy conclusions is not only difficult because of the high number of fully efficient countries and the small variance in the results, but in particular because it remains unclear by what these results are actually driven. To understand better why, for instance, the pension systems in CZ, EE and LT are considered fully efficient, while the UK score is found at a comparably low 89%, a closer look at the included variables is needed (see Table A18 for an overview of indicators in the field of pensions).

In the cases of EE and LT, the DEA signals fully efficient pensions systems simply because they have the lowest pension expenditure (adjusted for the population 65+) in the EU. The relative low income levels of current pensioners in these two Member States have no impact on the measured efficiency. CZ is found on the efficiency frontier due to the lowest at-risk-of-poverty rate for men at age 65 or above in the EU (2.7%). Again, the somewhat higher poverty risk for older women (8.4%) and the relatively low relative income ratio (0.84 vs. 0.91 in the EU-28) are not reflected in the efficiency score, as maximum 'output' in one dimension is sufficient for full efficiency irrespective of output levels in other dimensions. By contrast, the DEA score for the UK is comparably low, as pension outcomes (and expenditure) are all found slightly below the EU average and hence in some distance from the efficiency frontier. Finally, the lowest score is observed for CY, which can be explained by above-average expenditure levels and well below-average outcomes in terms of pension adequacy.

The DEA results hence provide an attempt to condense the information from several input and outcome factors in a single score. While this can complement, for instance, the visual approach of the radar charts, results (i) are often driven by a single dimension in the case 'corner solutions'; and (ii) can only be interpreted when taking a closer look at the included input and outcome indicators. This is also confirmed by the DEA results for the areas of family/children[76] (Table A16, column 2), unemployment[77] (column 3), and social assistance/housing[78] (column 4). For all fields, two expenditure variables are included (in line with the selection for the benchmarking exercise presented

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[76] The following outcome variables are included: Under family/children, the relative income of HHs with children, the child poverty risk and the impact of social transfers on child poverty reduction reflect the ability of social protection systems to improve the income situation of HHs with children and to prevent child poverty; the employment rate of mothers and the use of childcare for children below age 3 are linked to the objectives of the labour market participation of parents and child development.

[77] Under unemployment, the coverage and adequacy of unemployment benefits reflect the ability of unemployment benefits to replace income in the event of unemployment, while the participation in life-long learning of unemployed proxies the activation dimension of unemployment schemes.

[78] The three key outcome indicators in the area of social exclusion and housing are included: the risk of poverty and social exclusion as the composite, key EU2020 poverty indicator, as well as the standard housing outcome meauses (housing cost overburden & overcrowding of the poor).

in section 3.4.), as well as three to five key outcome indicators reflecting the policy areas' key objectives.

The number of fully efficient Member States varies between 14 (family/children) and 17 (unemployment & social assistance/housing), with average efficiency scores at 95% (unemployment) and 96% (family, social assistance/housing), respectively. In a number of cases, the results do reflect potentially ineffective or inefficient social protection arrangements. In the field of family and child benefits, for instance, the relatively low efficiency scores (< 90%) for RO, EL, BG, IT and HU can be explained by either the comparably weak income situation of households with children, a low labour market attachment of mothers, and/or above-average expenditure in particular on cash benefits. However, similar (below-average) outcomes are hidden by DEA scores when a country is found on the efficiency frontier due to low spending levels and/or exceptional performance in a single outcome dimension.

In general, DEA results are rather difficult to interpret without information on the underlying indicators. Further, the analysis is likely to suffer from the omission of relevant outcome and context factors due to the limited number of indicators that can be included. If anything and having in mind the problematic issue of corner solutions, DEA could provide a first idea of potentially ineffective and/or inefficient social protection arrangements. This crude initial assessment would then need to be followed up by a more broad, transparent and detailed analysis as discussed in chapter 4. While less suited for the assessment of social protection systems, DEA might rather be applied to the analysis of specific, homogenous interventions with a larger sample size and more clear-cut relations between the input and observed outcomes.

5. The basic functioning of regression analysis: the example of family benefits

In order to illustrate the basic functioning of regression analysis, the parameters behind the one- and the multi-dimensional approach to measuring the efficiency of family benefits are estimated. The analysis is then expanded by including other factors (Table A17).

Table A17: The determinants of child poverty – regression results

	(1)	(2)	(3)	(4)
Outcome Variable:	**Poverty Reduction**	**Child Poverty**	**Child Poverty**	**Efficiency Scores DEA Model ③**
	OLS	*OLS*	*OLS*	*Tobit*
Expenditure family, total	12.6***			
Expenditure family, cash		2.0	-0.3	
Expenditure family, in-kind		4.3**	2.0	
Employment Rate Mothers			10.8**	0.1
Children in HH with low work intensity			6.8	-0.4
Income Inequality			-3.9***	
Constant	2.4	74.2***	90.7***	0.9***
Observations	27	28	28	28
R2	0.55	0.25	0.74	---

EMPL calculations. The table reports the estimated regression coefficients. * significant at 10%; ** significant at 5%; *** significant at 1%. OLS: Ordinary Least Squares. Tobit: right-censored at 1.

The first regression in Table A17 replicates the one-dimensional approach as plotted in Figures 4.1 and 4.3. An increase in total spending on family benefits (which is the only explanatory variable) by 1 percentage point of GDP is estimated to result in a 12.6 percentage point higher poverty reduction

effect of social transfers.[79] As no other factors that determine the poverty reduction impact of social transfers are included, the coefficient of 12.6 is likely to overestimate the actual effect of social transfers. This bias due to the omission of relevant explanatory factors is illustrated for the second outcome measure of final child poverty. Regression (2) confirms the positive impact of in-kind expenditure on the prevention of child poverty. An increase in in-kind spending by 1 percentage point of GDP is estimated to reduce the share of children living in poor households by 4.3 percentage points, while the impact of such an increase in cash benefits is estimated to be substantially smaller (2.0 percentage points).

However, as no other determinants of child poverty are controlled for, these estimates are likely to pick up the effects of omitted factors. For instance, the employment rate of mothers and the share of children living in jobless households reflect labour market conditions that are assumed to have a strong impact on the risk of child poverty. Furthermore, relative poverty rates (as measured by the share of households with a disposable income of less than 60% of the national median income) are generally higher the more unequal the overall income distribution, which can only partly be compensated by social transfers. Including these three additional factors in regression (3), the estimated effect of in-kind family benefits on child poverty decreases from 4.3 to 2.0 percentage points, while the employment situation of mothers and a more even distribution of incomes are found to significantly reduce the risk of child poverty.

Finally, and following up on the DEA results presented in the section 3.2, the impact of other factors on the computed efficiency scores is assessed. Regression (4) exemplarily investigates the degree to which the computed DEA scores reflect the impact of labour market conditions rather than the efficiency of family benefits. While not significant, the results suggest that high(er) efficiency estimates are partly driven by a higher employment rate of mothers and a lower share of children in jobless households. In general, it is important to note that the presented regression results are overall highly suggestive given the small sample size, and mainly highlight the need for a multi-dimensional assessment that takes several factors into account.

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[79] Note that the coefficient of 12.6 is equal to the slope parameter of the fitted line in Figure 6.

6. Overview of selected key and secondary indicators, by social protection function

Table A18: Overview of indicators in the field of pensions (2011)

	Indicator MS	EU-28	BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	HR	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK
Exp.	Expenditure % GDP (adj. 65+)	72.2	67.3	46.5	62.2	84.5	55.3	40.2	57.4	77.7	65.5	86.8	43.5	84.9	84.3	44.0	40.2	59.7	62.9	65.0	76.9	82.4	80.7	73.8	53.4	70.3	61.1	66.9	67.0	69.5
	Expenditure % GDP	12.7	11.5	8.6	9.7	14.2	11.4	7.0	6.6	15.0	11.2	14.5	7.7	17.4	10.7	8.1	7.2	8.3	10.5	10.2	12.0	14.5	10.9	13.8	8.6	11.6	7.7	11.7	12.4	11.4
INCOME REPLACEMENT	Relative income ratio, total	0.91	0.74	0.74	0.84	0.75	0.88	0.72	0.86	1.01	0.93	1.00	0.86	0.95	0.70	0.80	0.78	1.10	0.97	0.80	0.90	0.93	0.95	0.92	1.01	0.87	0.81	0.78	0.78	0.89
	Relative income ratio, men	0.95	0.76	0.80	0.86	0.76	0.88	0.75	0.88	1.03	0.98	1.06	0.95	0.97	0.74	0.86	0.84	1.15	1.01	0.79	0.91	0.99	1.04	0.97	1.11	0.96	0.83	0.84	0.86	0.91
	Relative income ratio, women	0.89	0.73	0.70	0.82	0.74	0.87	0.68	0.86	0.99	0.92	0.96	0.80	0.93	0.68	0.76	0.76	1.07	0.95	0.81	0.89	0.91	0.90	0.88	0.95	0.82	0.81	0.73	0.73	0.87
	Aggregate replacement ratio, total	0.54	0.47	0.42	0.55	0.42	0.47	0.50	0.43	0.52	0.58	0.65	0.36	0.58	0.39	0.49	0.45	0.79	0.58	0.46	0.47	0.58	0.58	0.58	0.67	0.47	0.56	0.49	0.56	0.50
	Aggregate replacement ratio, men	0.57	0.47	0.52	0.54	0.40	0.46	0.41	0.44	0.53	0.63	0.65	0.40	0.62	0.43	0.49	0.45	0.67	0.63	0.47	0.54	0.63	0.65	0.66	0.74	0.52	0.53	0.52	0.60	0.54
	Aggregate replacement ratio, women	0.52	0.48	0.38	0.58	0.43	0.50	0.57	0.47	0.59	0.49	0.60	0.35	0.48	0.41	0.49	0.46	0.77	0.58	0.45	0.45	0.57	0.54	0.59	0.67	0.44	0.60	0.47	0.54	0.48
	S80/S20, 65+	4.0	3.2	4.3	2.4	3.1	3.9	2.9	4.1	4.5	4.1	4.6	4.7	4.3	4.6	3.7	3.4	3.6	2.7	3.5	3.1	4.1	3.5	5.4	4.2	3.6	2.4	3.3	3.4	4.2
POVERTY PROTECTION	AROP, 65+ (total)	14.5	17.8	28.2	6.0	14.1	15.0	17.2	11.0	17.2	14.8	9.4	26.5	16.3	29.3	13.9	18.7	6.1	6.0	17.3	5.5	15.1	14.0	17.4	15.4	19.6	7.8	18.4	17.7	16.1
	AROP, 65+ (men)	12.1	17.7	19.3	2.7	12.4	13.3	11.2	11.5	15.9	13.6	8.0	21.1	13.1	24.2	8.5	13.8	3.6	4.7	19.0	5.5	11.5	9.4	16.0	9.6	11.7	5.9	11.9	10.2	14.5
	AROP, 65+ (women)	16.4	17.9	34.3	8.4	15.6	16.6	20.1	10.5	18.3	15.8	10.5	30.4	18.7	33.6	16.4	21.2	8.0	6.8	15.9	5.4	17.8	16.8	18.4	19.8	25.0	9.0	23.3	23.5	17.4
	Severe material deprivation, 65+ (total)	7.6	2.9	53.2	6.0	0.6	2.8	7.1	3.0	14.3	2.9	2.4	15.0	13.0	7.5	26.4	24.1	0.0	17.4	6.4	0.7	1.9	14.8	8.4	28.6	6.6	10.8	1.5	0.4	1.4
	Severe material deprivation, 65+ (men)	6.1	1.9	49.2	3.5	0.9	2.4	5.9	1.7	11.8	2.5	2.2	12.0	11.1	6.7	21.7	20.2	0.0	12.7	5.7	0.4	1.4	10.5	6.6	25.5	5.5	7.5	1.4	0.4	1.4
	Severe material deprivation, 65+ (women)	8.7	3.8	55.9	7.8	0.4	3.1	7.7	4.0	16.3	3.1	2.5	17.2	14.5	8.3	28.6	26.2	0.0	20.1	7.0	1.0	2.2	17.3	9.7	31.0	7.4	12.8	1.6	0.4	1.4
	AROPE, 65+ (total)	19.3	19.6	59.1	10.8	14.6	15.8	21.8	13.8	23.5	16.6	11.1	33.2	25.2	33.4	33.7	35.7	6.1	20.6	22.3	6.2	16.2	23.4	22.1	35.7	22.8	16.3	19.5	17.9	16.9
	AROPE, 65+ (men)	16.3	18.7	53.6	5.5	13.0	13.9	15.8	13.1	21.2	15.3	9.5	26.9	21.3	28.0	26.5	29.7	3.6	15.4	23.6	5.9	12.6	17.4	19.6	30.3	14.6	11.9	12.7	10.4	15.2
	AROPE, 65+ (women)	21.7	20.3	62.8	14.5	15.9	17.5	24.7	14.3	25.4	17.6	12.3	37.8	28.1	37.9	37.1	38.8	8.0	23.6	21.3	6.4	18.9	27.1	23.9	39.8	28.4	19.0	24.4	23.7	18.2
	AROP, 75+ (total)	15.8	18.4	34.7	6.7	22.4	12.6	18.3	10.5	20.0	15.9	11.4	33.0	17.9	43.1	12.0	18.3	6.7	5.4	15.0	5.9	16.6	12.3	21.5	19.2	24.5	9.0	27.6	25.3	18.9
	AROP, 75+ (men)	12.6	20.0	22.6	3.1	23.5	10.6	9.9	10.4	15.5	14.9	9.3	26.3	13.6	36.9	5.2	7.1	3.2	3.4	18.1	6.7	12.5	6.5	19.6	12.0	12.0	5.0	17.4	13.5	16.7
	AROP, 75+ (women)	18.1	17.4	42.0	9.0	21.7	14.8	21.5	10.6	23.3	16.6	12.7	36.6	20.5	47.7	14.5	23.1	9.3	6.4	12.8	5.4	19.2	15.3	22.8	24.2	31.5	11.2	33.5	32.9	20.5
LONGER WORKING LIVES	Employment rate (ER), 55-64	47.3	38.7	44.6	47.7	59.5	59.9	57.2	50.0	39.4	44.5	41.5	37.1	37.9	54.8	50.5	50.2	39.3	35.8	31.8	56.1	41.5	36.9	47.9	40.0	31.2	41.3	57.0	72.0	56.7
	Employment rate 55-64, men	55.1	46.0	50.5	58.9	63.8	67.0	57.3	57.1	52.3	53.9	44.1	48.4	48.4	69.2	51.7	54.1	47.0	39.8	50.2	65.8	50.6	47.8	54.2	48.9	39.5	52.5	56.8	75.2	64.2
	Employment rate 55-64, women	40.1	31.6	39.4	37.2	55.3	53.0	57.1	42.9	27.3	35.6	39.1	27.0	28.1	40.8	49.7	47.2	31.3	32.4	13.7	46.4	32.9	27.2	42.1	32.2	22.7	31.4	57.2	68.9	49.6
	Duration of working life	34.7	32.1	31.1	33.9	39.5	37.4	36.0	34.1	32.0	34.5	34.3	31.3	29.8	36.6	34.3	33.8	31.9	29.7	31.0	39.1	36.6	31.8	36.9	31.5	33.7	32.5	37.2	40.3	38.0
	Duration of working life, men	37.4	34.5	32.4	37.2	41.0	39.8	36.4	37.9	36.4	37.4	36.1	33.7	34.8	40.2	34.6	33.7	35.2	31.8	39.1	41.7	39.2	34.3	38.9	33.8	35.1	35.4	38.0	41.6	40.8
	Duration of working life, women	31.9	29.5	29.8	30.5	37.9	34.8	35.6	30.0	27.4	31.5	32.3	28.7	24.4	32.7	34.0	33.9	28.5	27.4	22.3	36.4	33.8	29.1	34.7	29.1	32.1	29.4	36.4	38.9	35.0
	Life-long learning 55-64	4.2	3.9		5.1	24.0	2.9	4.6	3.2	0.4	5.0	2.3	0.2	2.4	4.0	2.3	2.1	6.0	0.5	3.1	8.4	6.5	0.8	4.7		6.8	1.3	13.5	17.4	9.6
	Life-long learning 55-64, men	3.7	3.6		5.3	16.5	2.8	3.4	2.5	0.4	3.9	2.0		2.1	2.9			6.3	0.5	2.5	8.0	5.5	0.8	4.3		5.1	1.3	10.0	11.9	8.2
	Life-long learning 55-64, women	4.8	4.1		4.9	31.4	2.9	5.5	3.8	0.4	5.9	2.7		2.7	5.1	2.9	2.7	5.7	0.4	3.7	8.8	7.4	0.8	5.0		8.5	1.3	17.0	22.8	11.1

Indicators included in the radars are highlighted in grey. See Table A22 for the definitions of indicators. Note that income-based EU-SILC indicators are taken from EU-SILC 2020, referring to the income year 2011.

Table A19: Overview of indicators in the field of family and child benefits (2011)

	Indicator MS	EU-28	BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	HR	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK
EXPENDITURE	Expenditure cash (% GDP, adj. 18-)	6.6	7.9	6.5	5.0	6.6	11.4	9.1	10.6	6.6	2.5	6.9	7.1	3.7	7.4	4.5	5.9	12.8	10.7	4.7	3.0	10.2	3.7	3.9	4.8	8.3	7.3	7.1	6.5	4.6
	Expenditure in-kind (% GDP, adj. 18-)	3.8	2.2	3.3	0.5	10.3	5.4	0.5	1.8	2.5	4.0	3.6	0.5	3.2	0.8	1.0	1.8	2.6	3.4	0.9	2.1	3.4	2.8	2.0	1.9	2.6	0.5	7.1	6.9	2.5
	Expenditure cash (% GDP)	1.4	1.8	1.2	1.0	1.6	2.1	1.9	2.9	1.3	0.5	1.7	1.5	0.7	1.8	0.9	1.3	3.0	2.2	1.0	0.7	2.1	0.8	0.8	1.0	1.6	1.6	1.6	1.5	1.1
	Expenditure in-kind (% GDP)	0.8	0.5	0.6	0.1	2.5	1.0	0.1	0.5	0.5	0.8	0.9	0.1	0.6	0.2	0.2	0.4	0.6	0.7	0.2	0.5	0.7	0.6	0.4	0.4	0.5	0.1	1.6	1.6	0.6
ADEQUATE INCOME & POVERTY PREVENTION	Relative income of HHs with children	0.94	1.04	0.96	0.95	1.15	1.00	1.18	0.88	0.86	0.83	0.90	0.97	0.84	1.01	1.06	1.05	0.76	0.92	0.83	0.94	0.85	0.88	0.88	0.76	1.03	0.94	1.05	0.99	0.84
	At-risk-of-poverty children	20.8	16.7	28.2	13.9	10.2	15.2	17.0	17.1	26.9	29.9	19.0	22.3	26.0	13.9	24.4	20.8	22.6	22.6	23.1	13.2	17.5	21.5	21.7	34.6	13.5	21.9	11.1	14.6	18.5
	Severe material deprivation children	11.8	8.6	46.6	8.5	3.6	4.8	9.2	10.0	20.9	7.6	7.2	17.6	16.9	18.1	27.3	16.9	1.7	33.4	12.3	3.3	5.8	13.7	10.3	37.9	5.9	11.9	2.8	1.4	12.5
	AROP+SMD children	26.1	20.0	51.5	17.8	11.7	16.9	20.8	23.5	34.3	32.1	22.3	30.4	32.7	26.3	38.6	30.0	23.3	39.2	29.0	14.4	19.7	28.6	26.2	51.4	16.1	26.2	13.1	14.8	25.6
	Children in jobless households	8.9	13.0	16.8	6.7	5.8	6.8	6.9	26.0	7.6	12.3	7.2	14.9	6.8	5.0	10.4	9.3	4.0	15.7	10.4	6.4	6.1	4.6	8.5	5.1	3.2	7.2	5.9	4.9	16.3
	Transfers: poverty reduction children	39.4	48.0	21.5	46.5	58.4	50.7	40.6	65.2	9.7	18.8	44.3	34.0	21.5	45.5	28.5	41.1	50.7	47.6	36.0	44.5	52.7	25.6	26.7	18.0	47.7	29.8	63.0	54.7	58.5
	Poverty gap children	23.9	17.8	41.9	20.5	25.3	17.4	24.6	14.7	36.0	33.9	15.4	31.8	29.1	19.3	31.0	24.3	14.9	22.5	15.0	15.6	16.3	21.5	26.9	33.6	17.2	24.0	12.9	22.4	15.8
	Persistent poverty rate children	12.7	15.5	13.9	7.3	6.9	7.7	11.1		16.9	18.7	9.7		18.8	4.1	16.8	15.7	10.2	15.3	14.1	6.4	5.7	14.2	14.2	31.2	5.0	16.3	3.2		6.8
	AROP, single parent household	34.2	33.2	42.5	31.3	18.7	38.8	33.0	32.9	66.0	36.9	35.2	40.4	40.7	17.3	41.5	39.2	46.9	29.5	47.6	28.2	29.2	26.7	30.5	39.8	25.8	27.5	22.0	33.3	29.5
	Targeting: Benefit quintile ratio (Q1/Q5)	1.9	1.3	1.7	2.6	0.4	1.1	0.6		1.9	0.3	2.8		1.9	2.0	0.4	0.2	1.9	2.8	7.5	1.5	1.5	6.0	2.9	1.3	1.2	1.7	1.1	0.7	3.4
LABOUR M. PARTICIPATION	Employment rate of mothers	60.0	68.5	52.7	39.7	79.7	60.5	52.1	55.6	52.6	57.3	65.4	60.6	52.6	72.2	63.8	72.5	67.6	33.7	49.2	76.1	68.2	59.6	73.1	61.5	81.9	36.9	60.3	74.1	59.5
	Employment impact of parenthood	0.8	-5.4	4.7	14.2	-3.8	6.8	6.1	1.0	-7.7	-5.9	-1.8	-8.7	-6.0	-1.5	-0.5	-7.1	-5.2	12.9	-0.1	-3.2	2.4	-1.9	-7.9	-2.2	-8.0	11.7	3.1	-6.9	6.3
	Full-time employment rate (ER), women	47.6	42.1	63.8	61.6	51.3	42.7	60.4	43.1	49.5	46.0	50.7	56.6	38.0	66.1	61.8	64.5	45.9	55.7	44.7	21.2	43.8	60.5	64.1	57.2	68.8	59.1	62.5	48.4	43.9
	Part-time employment rate, women	20.3	28.0	1.4	5.6	25.5	33.1	8.5	19.9	5.5	14.5	20.8	4.3	17.4	8.2	6.6	6.4	23.2	5.0	12.7	58.0	35.0	5.8	7.5	5.1	8.1	3.1	13.3	29.5	27.8
	Full-time equivalent ER, women 25-54	61.8	62.6	71.2	72.7	72.9	60.4	72.7	55.6	51.0	54.4	68.8	63.8	51.5	69.9	73.8	77.8	64.7	67.2	49.9	54.4	64.5	70.2	68.7	66.5	78.7	68.2	76.1	75.8	60.6
	Involuntary part-time, women	24.7	10.2	44.9	21.6	20.8	13.1	18.6	33.0	60.7	53.4	29.8	28.9	51.5	50.4	41.6	38.7	9.7	43.2	11.9	7.4	8.6	32.2	59.7	52.2	10.0	26.2	37.2	31.0	14.5
CHILD DEVELOPMENT	Childcare use (0-3 yrs), total	30	39	7	5	74	24	19	21	19	39	44	15	26	23	15	7	44	8	11	52	14	3	35	2	37	4	26	51	35
	Childcare use (0-3 yrs), < 30 hrs a week	15	19	0	4	5	9	4	10	4	20	18	1	9	7	1	1	16	1	8	46	11	0	1	1	3	1	6	19	30
	Childcare use (0-3 yrs), > 30 hrs a week	15	20	7	1	69	15	15	11	15	19	26	14	17	16	14	6	28	7	3	6	3	3	34	1	34	3	20	32	5
	Childcare use (3-mandatory), total	83	98	60	74	98	90	92	82	75	86	95	51	95	73	73	65	73	75	73	89	85	43	81	41	92	75	77	95	93
	Childcare use (3-mandatory), < 30 hrs	37	32	2	29	11	46	9	68	43	45	43	10	20	35	7	9	46	16	29	76	57	9	7	30	11	13	20	31	66
	Childcare use (3-mandatory), > 30 hrs	46	66	58	45	87	44	83	14	32	41	52	41	75	38	66	56	27	59	44	13	28	34	74	11	81	62	57	64	27

Indicators included in the radars are highlighted in grey. See Table A22 for the definitions of indicators. Indicators on childcare use refer to 2010. Note that income-based EU-SILC indicators are taken from EU-SILC 2020, referring to the income year 2011.

Table A20: Overview of indicators in the field of unemployment benefits (2011)

Indicator	MS	EU-28	BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	HR	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK
EXPEND. Expenditure total (% GDP, adj. unempl.)		23.0	77.1	8.0	14.6	29.5	28.1	5.2	32.0	17.3	23.0	32.1	6.0	15.1	20.2	5.8	5.4	36.1	11.6	12.3	43.5	47.4	4.7	14.1	6.2	13.7	8.5	35.5	18.8	11.3
Expenditure ALMP (% GDP)		0.5	1.4	0.1	0.2	1.5	0.5	0.2	0.7	0.2	0.7	0.7		0.3	0.3	0.3	0.2	0.5	0.4	0.1	0.7	0.6	0.3	0.5	0.0	0.3	0.2	0.9	0.8	0.0
Expenditure total (% GDP)		1.6	3.7	0.6	0.7	1.8	1.3	0.5	3.3	2.1	3.7	2.1	0.5	0.8	1.2	0.7	0.6	1.2	0.8	0.5	1.5	1.5	0.3	1.4	0.3	0.8	0.8	2.1	1.2	0.7
INCOME REPLACEMENT Coverage of unemployment benefits		31.0	66.4	9.2	27.7	50.4	83.9	16.8			37.8	39.2	16.3	6.6	21.8	10.2	17.6	28.8	41.5	25.9		54.4	10.7	31.9	16.3	33.0	7.9	57.7	21.0	41.1
Net replacement rate (2 months, single)		58.8	63.0	77.0	71.0	61.0	59.0	54.0	53.0	32.0	58.0	66.0		57.0		87.0	42.0	85.0	54.0	39.0	75.0	55.0	50.0	75.0	37.0	76.0	65.0	54.0	46.0	39.0
NRR (6 months, single)		50.9	59.0	77.0	36.0	61.0	59.0	44.0	53.0	32.0	58.0	66.0		57.0		43.0	20.0	85.0	31.0	39.0	70.0	55.0	44.0	75.0	37.0	65.0	19.0	54.0	46.0	39.0
NRR (12 months, single)		37.7	51.0	13.0	36.0	61.0	34.0	23.0	53.0	17.0	58.0	66.0		0.0		27.0	20.0	46.0	22.0	39.0	70.0	51.0	21.0	75.0	8.0	31.0	19.0	54.0	46.0	39.0
NRR (6 m., 1-earner couple, 2 children)			80.0	6.0	86.0	83.0	47.0	75.0		65.0	67.0		68.0		38.0	9.0	89.0	48.0	64.0	78.0	73.0	47.0	76.0	53.0	72.0	8.0	67.0	70.0	57.0	51.0
NRR (12 m., 1-earner couple, 2 children)			16.0	6.0	86.0	52.0	7.0	75.0		65.0	67.0				5.0	9.0	20.0	19.0	64.0	78.0	69.0	9.0	76.0	12.0	25.0	8.0	67.0	70.0	57.0	28.0
AROP unemployed		46.9	34.0	48.5	46.7	26.7	69.3	55.6	31.8	45.8	46.0	36.0	42.9	44.4	31.5	51.9	54.4	51.9	49.3	48.2	33.3	45.4	42.5	38.3	51.8	46.9	44.6	45.5	42.2	51.4
AROP 18-59 in JLH		55.0	54.6	67.4	48.9	42.6	67.9	72.8	40.9	52.8	58.5	50.9	59.1	50.8	43.0	68.0	63.5	39.6	55.0	58.0	37.2	49.2	55.6	48.6	43.0	51.2	63.3	58.7	65.5	49.3
LABOUR MARKET SITUATION AND REINTEGRATION Unemployment rate 15+		9.6	7.2	11.3	6.7	7.6	5.9	12.3	14.7	17.7	21.7	9.2	13.5	8.4	7.9	16.2	15.4	4.8	10.9	6.5	4.4	4.2	9.7	12.9	7.4	8.2	13.7	7.8	7.8	8.0
Inactivity rate 15-64		28.9	33.3	34.1	29.5	20.7	22.8	25.3	30.8	32.3	26.3	29.6	39.2	37.8	26.5	27.2	28.6	32.1	37.3	38.4	21.6	24.7	34.3	25.9	36.7	29.7	31.3	25.1	20.1	24.3
Share NEET 15-24		12.9	11.8	21.8	8.3	6.3	7.5	11.8	18.8	17.4	18.5	12.0	15.7	19.8	14.6	16.0	11.8	4.7	13.3	10.6	3.8	6.9	11.5	12.7	17.4	7.1	13.8	8.4	7.5	14.3
Share NEET 15-24, men		12.5	11.6	21.8	7.1	6.4	6.7	11.9	20.0	16.0	19.3	11.6	17.4	19.5	15.1	16.1	13.1	4.6	12.4	9.9	3.7	6.8	11.2	12.3	15.9	7.8	13.9	8.7	7.6	13.2
Share NEET 15-24, women		13.3	12.0	21.9	9.5	6.1	8.3	11.7	17.5	18.8	17.7	12.3	14.0	20.1	14.2	16.0	10.4	4.9	14.1	11.4	3.8	7.1	11.8	13.1	18.8	6.3	13.7	8.2	7.5	15.5
Long-term unemployment rate		4.2	3.5	6.3	2.7	1.8	2.8	7.1	8.7	8.8	9.0	4.0	8.6	4.4	1.6	8.8	8.0	1.4	5.2	3.0	1.5	1.1	3.6	6.2	3.1	3.6	9.3	1.7	1.5	2.7
Transitions from unemployment to empl.		28.4	24.1	18.2	35.1	37.2	24.0	36.3		22.2	20.8	31.9	21.1	19.6	42.6	37.9	24.9	35.8	37.3	27.7	33.9	37.5	30.2	28.3	33.3	21.0	25.3	25.3	42.5	32.2
Transitions from unempl. to inactivity		15.3	14.8	6.3	8.2	9.1	13.4	18.7		10.1	13.8	7.8	17.0	20.6	9.6	14.7	9.9	13.7	12.1	15.2	31.4	17.5	11.8	10.7	11.2	11.2	6.1	16.4	17.8	26.9
Employment rate 15-64		64.1	61.9	58.4	65.7	73.1	72.5	65.1	58.9	55.6	57.7	63.9	52.4	56.9	67.6	60.8	60.2	64.6	55.8	57.6	74.9	72.1	59.3	64.2	58.5	64.4	59.3	69.0	73.6	69.5
Employment rate 15-64, men		70.0	67.1	61.2	74.0	75.9	77.3	67.7	62.6	65.9	63.2	68.2	57.9	67.5	73.7	61.5	60.1	72.1	61.2	73.6	79.8	77.8	66.0	68.1	65.0	67.7	66.1	70.6	75.8	74.5
Employment rate 15-64, women		58.4	56.7	55.6	57.2	70.4	67.7	62.8	55.1	45.1	52.0	59.7	47.0	46.5	62.1	60.2	60.2	56.9	50.6	40.9	69.9	66.5	52.7	60.4	52.0	60.9	52.5	67.4	71.3	64.5
Unemployed in life-long learning		9.1	8.9		7.5	35.1	5.1	8.5	6.4	2.7	13.2	5.2	1.9	5.5	6.9	4.3	3.3	15.3	2.0	10.6	17.3	18.6	4.7	17.1	1.5	16.4	1.7	19.7	41.0	14.8
Inactive in life-long learning		6.9	6.0	2.6	5.4	28.9	8.1	6.9	8.6	3.3	9.4	4.7	3.4	6.2	5.8	3.0	3.3	9.3	3.3	3.7	10.3	10.1	2.5	10.2	2.3	9.1	3.4	17.1	26.0	9.8
Unemployment trap (single)		74.8	90.7	81.6	80.2	89.1	73.3	63.5	75.9	57.8	82.7	77.4		77.8		89.9	68.5	86.7	79.6	55.7	83.9	67.4	80.7	79.0	53.8	89.7	44.3	72.3	73.7	65.7

Indicators included in the radars are highlighted in grey. See Table A22 for the definitions of indicators. Note that income-based EU-SILC indicators are taken from EU-SILC 2020, referring to the income year 2011.

Table A21: Overview of indicators in the field of social exclusion and housing (2011)

	Indicator MS ➲	EU-28	BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	HR	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK
EXPEND.	Expenditure social excl. n.e.c. (% GDP)	0.4	0.7	0.2	0.3	1.0	0.1	0.1	0.6	0.7	0.2	0.8	0.1	0.1	1.6	0.3	0.8	0.5	0.1	0.3	2.2	0.3	0.2	0.3	0.2	0.6	0.4	0.8	0.7	0.2
	Expenditure housing (% GDP)	0.6	0.2	0.0	0.1	0.7	0.6	0.0	0.4	0.4	0.2	0.8	0.0	0.0	1.0	0.1	0.0	0.3	0.4	0.2	0.4	0.1	0.1	0.0	0.0	0.0	0.0	0.5	0.4	1.5
PREVENTING POVERTY & SOCIAL EXCL.	At-risk-of-poverty-or-social-exclusion rate	24.8	21.6	49.3	15.4	19.0	19.6	23.4	29.4	34.6	28.2	19.1	32.3	29.9	27.1	36.2	32.5	18.4	32.4	23.1	15.0	18.5	26.7	25.3	41.7	19.6	20.5	17.2	15.6	24.1
	At-risk-of-poverty rate	17.0	15.0	21.2	9.6	13.1	16.1	17.5	15.2	23.1	22.2	14.1	20.5	19.4	14.7	19.2	18.6	15.1	14.0	15.1	10.1	14.4	17.1	17.9	22.6	13.5	13.2	13.2	14.1	16.2
	Severe material deprivation	9.9	6.5	44.1	6.6	2.8	4.9	9.4	7.8	19.5	5.8	5.3	15.4	14.5	15.0	25.6	19.8	1.3	25.7	9.2	2.3	4.0	13.5	8.6	29.9	6.6	10.5	2.9	1.3	7.8
	Population in jobless households (0-59)	10.3	14.1	12.5	6.8	11.3	9.9	9.1	24.2	14.2	14.3	8.4	16.2	10.3	6.5	11.7	11.4	6.1	12.8	9.0	8.9	7.7	6.9	10.1	7.4	7.5	7.2	9.3	5.7	13.0
	Poverty gap	23.5	18.0	31.4	19.1	22.8	21.1	23.8	17.5	29.9	31.4	16.2	28.8	25.4	19.0	28.6	22.6	15.0	21.0	16.1	17.3	20.1	22.2	24.7	30.9	19.1	20.5	15.0	18.9	21.0
	Persistent at-risk-of-poverty rate	10.2	9.8	12.9	4.3	5.7	10.4	12.0		13.8	11.6	7.0		13.1	8.3	12.6	12.3	7.1	8.4	9.7	5.8	5.8	10.7	11.4	18.2	6.1	8.6	7.4		8.6
	Poverty reduction by social transfers	34.4	45.5	18.2	45.5	53.7	33.7	29.4	61.6	13.8	25.0	40.8	32.6	20.5	37.5	25.3	34.5	47.9	48.3	37.1	51.0	44.2	25.3	29.0	19.3	46.4	34.0	50.9	48.5	49.2
	S80/S20	5.1	3.9	6.1	3.5	4.5	4.3	5.4	4.6	6.6	7.2	4.5	5.4	5.5	4.7	6.5	5.3	4.1	4.0	3.9	3.6	4.2	4.9	5.8	6.3	3.4	3.7	3.7	3.7	5.4
LM INTEGRATION	Inactivity trap (single)	56.1	66.8	36.7	62.4	86.6	65.4	49.7	76.7		44.2	54.7		25.4		57.7	43.5	70.5	51.3	56.1	82.1	66.1	50.1	37.1	36.5	59.6	29.6	69.0	69.7	
	Inactivity trap for second earners		21.6	30.4	57.3	44.3	24.0	16.1		23.8	34.0		33.2		35.1	20.0	24.5	29.6	22.9	38.7	27.6	29.4	21.2	28.5	33.2	25.3	22.6	22.1	21.7	15.7
	In-work poverty	9.1	4.6	7.4	4.6	5.7	7.7	8.5	5.3	15.1	12.3	8.0	6.2	11.1	8.0	8.9	7.7	10.3	5.3	5.2	4.6	8.2	10.4	9.9	18.9	6.5	6.2	3.8	6.7	8.8
	In-work poverty, men	9.7	4.6	7.7	4.5	6.5	6.8	6.8	6.2	16.5	13.5	8.4	7.2	12.3	7.1	8.2	7.0	10.5	6.1	6.5	4.8	8.8	11.9	11.1	21.2	7.6	6.6	4.3	6.7	9.1
	In-work poverty, women	8.5	4.5	7.1	4.7	4.7	8.8	10.3	4.3	13.2	10.8	7.6	5.0	9.4	9.1	9.5	8.3	9.9	4.4	3.0	4.3	7.3	8.7	8.6	15.9	5.3	5.6	3.3	6.7	8.4
DECENT HOUSING	Housing cost overburden of poor	39.0	45.0	46.0	46.3	72.9	51.7	32.4	27.3	90.5	48.0	22.2	28.2	29.3	12.9	35.9	33.1	23.9	37.7	11.9	46.6	37.0	36.1	28.9	41.4	26.0	36.3	17.2	39.3	26.8
	Overcrowding rate of poor	29.4	6.4	51.9	43.5	21.0	17.6	22.5	6.7	39.4	12.1	23.3	46.1	38.8	7.5	48.7	24.7	21.4	71.0	6.6	9.2	34.3	60.8	16.9	63.7	27.1	52.4	20.6	32.1	13.6
	Housing deprivation of poor	32.2	30.4	61.4	25.2	30.7	26.8	42.5	25.6	26.4	20.1	29.3	26.5	34.9	37.6	60.4	49.5	37.4	61.0	18.9	30.9	23.2	31.5	36.2	77.0	51.2	22.6	16.2	17.1	26.0

Indicators included in the radars are highlighted in grey. See Table A22 for the definitions of indicators. Note that income-based EU-SILC indicators are taken from EU-SILC 2020, referring to the income year 2011.

Table A22: Definitions of the included indicators

Indicator	Source	Definition
Pensions		
Relative income ratio	SILC	Ratio between the median equivalised disposable income of persons aged 65 or over and the median equivalised disposable income of persons aged between 0 and 64.
Aggregate replacement ratio	SILC	Ratio of the median individual gross pensions of 65-74 age category relative to median individual gross earnings of 50-59 age category, excluding other social benefits.
S80/S20, 65+	SILC	The ratio of total income received by the 20 % of the population with the highest income (top quintile) to that received by the 20 % of the population with the lowest income (lowest quintile).
AROP, 65+	SILC	Share of population aged 65 or over with an equivalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median equivalised disposable income after social transfers.
Severe material deprivation, 65+	SILC	Percentage of population 65+ with an enforced lack of at least three out of nine material deprivation items in the 'economic strain and durables' dimension.
AROPE, 65+	SILC	This indicator corresponds to the share of the population 65+ who is: at risk of poverty or severely materially deprived or living in households with very low work intensity. Persons are only counted once even if they are present in several sub-indicators.
Employment rate	LFS	The employment rate of older workers is calculated by dividing the number of persons in employment and aged 55 to 64 by the total population of the same age group.
Duration of working life	LFS + Eurostat life tables	The duration of working life indicator measures the number of years a person aged 15 is expected to be active in the labour market throughout his/her life. This indicator is calculated with probabilistic model combining demographic data (Life tables available from Eurostat to calculate the survival functions) and labour market data (Labour Force Survey activity rates by single age group).
Life-long learning	LFS	Lifelong learning refers to persons who stated that they received education or training in the four weeks preceding the survey (numerator). The denominator consists of the total population of the same age group, excluding those who did not answer to the question 'participation in education and training'. The information collected relates to all education or training whether or not relevant to the respondent's current or possible future job.
Family and children		
Relative income HHs w/ children	SILC	Relative equivalised disposable income of households with children compared to the one of all households.
AROP children	SILC	Share of persons below age 18 with an equivalised disposable income below the risk-of-poverty threshold, set at 60 % of the national median equivalised disposable income (after social transfers).
Severe material deprivation, children	SILC	Percentage of population 18- living in a household with an enforced lack of at least three out of nine material deprivation items in the 'economic strain and durables' dimension.
Children in jobless households	SILC	Percentage of population 18- living in very low work intensity (jobless) households. People living in households with very low work intensity are people aged 0-59 living in households where the adults work less than 20% of their total work potential during the past year.
Transfers: poverty reduction children	SILC	Difference between at-risk-of poverty rates of children before and after social transfers (excluding pensions). It is calculated as (B-A)/B from the following two indicators: A: at-risk-of poverty rate after social transfers (standard poverty rate) B: at-risk-of poverty rate before social transfers (excluding pensions)
Poverty gap, children	SILC	The indicator is defined as the difference between the median equivalised total net income of persons below the at-risk-of-poverty threshold and the at-risk-of-poverty threshold, expressed as a percentage of the at-risk-of-poverty threshold.
Persistent poverty rate, children	SILC	Percentage of the population 18- whose equivalised disposable income was below the 'at-risk-of-poverty threshold' for the current year and at least 2 out of the preceding 3 years.
Targeting: Benefit quintile ratio	SILC	Ratio of the share of family benefits received from the lowest income quintile of households to the share of family benefits received from the highest income quintile of households.
Employment rate mothers	LFS	Employment rate of women aged 20-49 with youngest child below 6 years of age.
Full-time employment, women	LFS	Persons in employment are those who, during the reference week, did any work for pay or profit for at least one hour, or were not working but had jobs from which they were temporarily absent. Family workers are included. The distinction between full-time and part-time work is made on the basis of a spontaneous answer given by the respondent.
Part-time employment, women	LFS	
Employment impact parenthood	LFS	Difference in percentage points between employment rates - age group 20-49 - without the presence of any children and with presence of a child aged 0-6
Involuntary part-time, women	LFS	Involuntary part-time as percentage of the total part-time employment, women aged 20-49.
FTE women 25-54	LFS	The Full-Time Equivalent (FTE) employment rate is a unit to measure employed persons in a way that makes them comparable although they may work a different number of hours per week. The unit is obtained by comparing an employee's average number of hours worked to the average number of hours worked by a full-time worker.
Childcare use	SILC	Children cared for by formal arrangements other than by the family, by age group.

Indicator	Source	Definition
Unemployment		
Coverage unemployment benefits	LFS	Share of unemployed people (all lengths of unemployment spell) receiving unemployment benefits (both registered and not registered at public employment office) as a share of all unemployed people according to the ILO definition (both registered and not registered at public employment office).
Net replacement rate	OECD	Unemployment benefits relative to the wage previously earned (net of taxes), 3rd, 7th or 13th month of unemployment, 67% of average wage.
AROP unemployed	SILC	Share of individuals (aged 18 year or over) who are classified as unemployed according to their most frequent activity status at risk of poverty.
AROP 18-59 in JLH	SILC	Share of individuals (aged 18-59) living in households with very low work intensity at risk of poverty.
Unemployment rate 15+	LFS	Unemployment rate of labour force 15+ in % of active population 15+. Unemployed persons are persons aged 15-74 who were without work during the reference week, but who are currently available for work and were either actively seeking work in the past four weeks or had already found a job to start within the next three months.
Inactivity rate 15-64	LFS	Inactive population 15+ in % of total population 15+. Inactive persons are those classified neither as employed nor as unemployed.
Share NEET, 15-24	LFS	Share of young people neither in employment nor in education and training.
Long-term unemployment rate	LFS	Long-term unemployed (12 months and more) comprise persons aged at least 15, who are not living in collective households, who will be without work during the next two weeks, who would be available to start work within the next two weeks and who are seeking work (have actively sought employment at some time during the previous four weeks or are not seeking a job because they have already found a job to start later).
Transitions unempl. to employm.	LFS	Annual transition probability from unemployment to employment.
Transitions unempl. to inactivity	LFS	Annual transition probability from unemployment to inactivity.
Employment rate	LFS	The employment rate is calculated by dividing the number of persons in employment and aged 15 to 64 by the total population of the same age group.
Unemployed in LLL	LFS	Percentage of adult population (aged 25-64) participating in education and training – unemployed in % (of unemployed 25-64)
Inactive in LLL	LFS	Percentage of adult population (aged 25-64) participating in education and training – inactive in % (of inactive 25-64)
Unemployment trap (single)	OECD	The marginal effective tax rate on labour income taking account the combined effect of increased taxes and benefits withdrawal as one takes up a job. Calculated as one minus the ratio of change in net income (net in work income minus net out of work income) and change in gross income for a single person moving from unemployment to a job with a wage level of 67 % of the average wage.
Social exclusion and housing		
Poverty gap	SILC	Difference between the median equivalised total net income of persons below the AROP threshold and the AROP threshold, expressed as a percentage of the AROP threshold.
Persistent AROP	SILC	Percentage of the total population whose equivalised disposable income was below the 'at-risk-of-poverty threshold' for the current year and at least 2 out of the preceding 3 years.
Poverty reduction social transfers	SILC	Difference between at-risk-of poverty rates before and after social transfers (excluding pensions). It is calculated as (B-A)/B from the following two indicators: A: at-risk-of poverty rate after social transfers (standard poverty rate) B: at-risk-of poverty rate before social transfers (excluding pensions)
S80/S20	SILC	The ratio of total income received by the 20 % of the population with the highest income (top quintile) to that received by the 20 % of the population with the lowest income (lowest quintile). Income must be understood as equivalised disposable income.
Inactivity trap (single)	OECD	The implicit tax on returning to work for inactive persons - measures the part of additional gross wage that is taxed away in the case where an inactive person (single, not entitled to receive unemployment benefits but eligible for income-tested social assistance) takes up a job.
Inactivity trap (second earners)	OECD	Inactivity trap for the second member of a couple: marginal effective tax rate on labour income from a second member of a couple moving from social assistance to work.
In-work poverty	SILC	Share of persons who are at work and have an equivalised disposable income below the AROP threshold, set at 60 % of the national median equivalised disposable income (after social transfers).
Housing cost overburden poor	SILC	Share of the population living in a HH where the total housing costs (net of housing allowances) represent more than 40% of the total disposable HH income (net of housing allowances)
Overcrowding rate poor	SILC	Percentage of the population living in an overcrowded household. A person is considered as living in an overcrowded household if the household does not have at its disposal a minimum of rooms equal to (i) one room for the household; (ii) one room by couple in the household; (iii) one room for each single person aged 18 and more; (iv) one room by pair of single people of the same sex between 12 and 17 years of age; (v) one room for each single person between 12 and 17 years of age and not included in the previous category; (vi) one room by pair of children under 12 years of age.
Housing deprivation poor	SILC	Percentage of the population deprived of each available housing deprivation items. The items considered are: (i) leaking roof, damp walls/floors/foundation, or rot in window frames or floor; (ii) lack of bath or shower in the dwelling; (iii) lack of indoor flushing toilet for sole use of the household; (iv) problems with the dwelling: too dark, not enough light.

Annex B - Country Overviews

Overview of Contents

Figure B.1: Social protection spending and social outcomes in Belgium (2011 and 2008)

Table B.1: Overview Indicators – Actual Values Belgium 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	BE 2011	BE 2008	EU-27 2008
Total expenditure, % of GDP	29.0	30.4	28.3	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	67.3	63.2	69.0
Expenditure healthcare/disability, % of GDP	10.3	10.5	9.6	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	77.1	70.3	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	10.0	9.1	9.6
Expenditure social exclusion, as % of GDP	0.4	0.7	0.7	0.4
Expenditure housing, as % of GDP	0.6	0.2	0.2	0.5

II. Pensions

Indicator	EU-28 2011	BE 2011	BE 2008	EU-27 2008
Relative income ratio	0.91	0.74	0.74	0.86
Aggregate replacement ratio	0.54	0.47	0.45	0.51
AROP 65+, M	12.1	17.7	20.6	14.8
AROP 65+, F	16.4	17.9	22.3	20.0
Employment rate 55-64	48.8	38.7	34.5	45.5
Duration of working life, M	37.6	34.5	34.8	37.3
Duration of working life, F	32.2	29.5	29.2	31.2

III. Unemployment

Indicator	EU-28 2011	BE 2011	BE 2008	EU-27 2008
ALMP exp - % GDP	0.5	1.4	1.1	0.5
Coverage unemployment benefits	30.0	66.4	67.3	31.0
Net repl rate (2 months, single)	58.8	63.0	57.0	
Net repl rate (12 months, single)	37.7	51.0	51.0	
Unemployment trap (single)	74.8	90.7	85.5	74.5
AROP unemployed	46.9	34.0	33.4	45.4
Unemployed in LLL	9.0	8.9	8.7	8.3
Unemployment rate 15+	10.5	7.2	7.0	7.0
Long-term unemployment rate	4.7	3.5	3.3	2.6

IV. Family

Indicator	EU-28 2011	BE 2011	BE 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	7.9	7.4	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	2.2	1.7	3.2
Relative income HHs with children	0.94	1.04	1.00	0.94
Poverty reduction by social transfers, children	34.4	48.0	48.6	40.2
AROP children	20.8	16.7	16.6	20.1
Severe material deprivation children	11.8	8.6	6.5	9.5
Childcare use (0-3 yrs), total	30.0	39.0	33.0	27.0
Childcare use (3-mand), total	83.0	98.0	99.0	84.0
Employment rate of mothers	60.2	68.5	69.7	59.2
Involuntary part-time, F (share of PT employed)	24.9	10.2	15.7	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	BE 2011	BE 2008	EU-27 2008
AROP	17.0	15.0	14.6	16.4
Poverty reduction by social transfers	34.4	45.5	45.3	34.9
Severe material deprivation	9.9	6.5	5.2	8.2
Inactivity trap (single)	56.1	66.8	66.8	54.8
Population in jobless HHs (0-59)	10.3	14.1	12.3	9.1
Housing cost overburden of poor	39.0	45.0	37.1	35.1
Overcrowding rate of poor	29.4	6.4	12.6	30.4

Figure B.2: Social protection spending and social outcomes in Bulgaria (2011 and 2008)

Table B.2: Overview Indicators – Actual Values Bulgaria 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	BG 2011	BG 2008	EU-27 2008
Total expenditure, % of GDP	29.0	17.7	15.5	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	46.5	41.6	69.0
Expenditure healthcare/disability, % of GDP	10.3	5.8	5.6	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	8.0	7.8	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	10.3	6.7	9.6
Expenditure social exclusion, as % of GDP	0.4	0.2	0.3	0.4
Expenditure housing, as % of GDP	0.6	0.0	0.0	0.5

II. Pensions

Indicator	EU-28 2011	BG 2011	BG 2008	EU-27 2008
Relative income ratio	0.91	0.74	0.63	0.86
Aggregate replacement ratio	0.54	0.42	0.34	0.51
AROP 65+, M	12.1	19.3	32.0	14.8
AROP 65+, F	16.4	34.3	44.2	20.0
Employment rate 55-64	48.8	44.6	46.0	45.5
Duration of working life, M	37.6	32.4	34.2	37.3
Duration of working life, F	32.2	29.8	30.6	31.2

III. Unemployment

Indicator	EU-28 2011	BG 2011	BG 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.1	0.3	0.5
Coverage unemployment benefits	30.0	9.2	7.5	31.0
Net repl rate (2 months, single)	58.8	77.0	47.0	
Net repl rate (12 months, single)	37.7	13.0	15.0	
Unemployment trap (single)	74.8	81.6	76.7	74.5
AROP unemployed	46.9	48.5	52.2	45.4
Unemployed in LLL	9.0			8.3
Unemployment rate 15+	10.5	11.3	5.6	7.0
Long-term unemployment rate	4.7	6.3	2.9	2.6

IV. Family

Indicator	EU-28 2011	BG 2011	BG 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	6.5	5.2	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	3.3	1.6	3.2
Relative income HHs with children	0.94	0.96	1.05	0.94
Poverty reduction by social transfers, children	34.4	21.5	17.3	40.2
AROP children	20.8	28.2	24.9	20.1
Severe material deprivation children	11.8	46.6	43.6	9.5
Childcare use (0-3 yrs), total	30.0	7.0	8.0	27.0
Childcare use (3-mand), total	83.0	60.0	55.0	84.0
Employment rate of mothers	60.2	52.7	54.0	59.2
Involuntary part-time, F (share of PT employed)	24.9	44.9	51.3	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	BG 2011	BG 2008	EU-27 2008
AROP	17.0	21.2	21.8	16.4
Poverty reduction by social transfers	34.4	18.2	17.4	34.9
Severe material deprivation	9.9	44.1	41.9	8.2
Inactivity trap (single)	56.1	36.7	39.3	54.8
Population in jobless HHs (0-59)	10.3	12.5	6.9	9.1
Housing cost overburden of poor	39.0	46.0	23.8	35.1
Overcrowding rate of poor	29.4	51.9	50.2	30.4

Figure B.3: Social protection spending and social outcomes in Czech Republic (2011 and 2008)

Table B.3: Overview Indicators – Actual Values Czech Republic 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	CZ 2011	CZ 2008	EU-27 2008
Total expenditure, % of GDP	29.0	20.4	18.0	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	62.2	54.8	69.0
Expenditure healthcare/disability, % of GDP	10.3	7.8	7.2	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	14.6	19.6	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	6.0	6.9	9.6
Expenditure social exclusion, as % of GDP	0.4	0.3	0.2	0.4
Expenditure housing, as % of GDP	0.6	0.1	0.1	0.5

II. Pensions

Indicator	EU-28 2011	CZ 2011	CZ 2008	EU-27 2008
Relative income ratio	0.91	0.84	0.78	0.86
Aggregate replacement ratio	0.54	0.55	0.51	0.51
AROP 65+, M	12.1	2.7	3.0	14.8
AROP 65+, F	16.4	8.4	10.3	20.0
Employment rate 55-64	48.8	47.7	47.6	45.5
Duration of working life, M	37.6	37.2	37.1	37.3
Duration of working life, F	32.2	30.5	30.1	31.2

III. Unemployment

Indicator	EU-28 2011	CZ 2011	CZ 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.2	0.1	0.5
Coverage unemployment benefits	30.0	27.7	17.8	31.0
Net repl rate (2 months, single)	58.8	71.0	53.0	
Net repl rate (12 months, single)	37.7	36.0	30.0	
Unemployment trap (single)	74.8	80.2	68.2	74.5
AROP unemployed	46.9	46.7	46.9	45.4
Unemployed in LLL	9.0	7.5	3.4	8.3
Unemployment rate 15+	10.5	6.7	4.4	7.0
Long-term unemployment rate	4.7	2.7	2.2	2.6

IV. Family

Indicator	EU-28 2011	CZ 2011	CZ 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	5.0	5.9	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	0.5	1.0	3.2
Relative income HHs with children	0.94	0.95	0.97	0.94
Poverty reduction by social transfers, children	34.4	46.5	47.4	40.2
AROP children	20.8	13.9	13.3	20.1
Severe material deprivation children	11.8	8.5	7.4	9.5
Childcare use (0-3 yrs), total	30.0	5.0	3.0	27.0
Childcare use (3-mand), total	83.0	74.0	64.0	84.0
Employment rate of mothers	60.2	39.7	33.0	59.2
Involuntary part-time, F (share of PT employed)	24.9	21.6	16.9	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	CZ 2011	CZ 2008	EU-27 2008
AROP	17.0	9.6	8.6	16.4
Poverty reduction by social transfers	34.4	45.5	52.0	34.9
Severe material deprivation	9.9	6.6	6.1	8.2
Inactivity trap (single)	56.1	62.4	60.4	54.8
Population in jobless HHs (0-59)	10.3	6.8	6.0	9.1
Housing cost overburden of poor	39.0	46.3	43.0	35.1
Overcrowding rate of poor	29.4	43.5	50.8	30.4

Figure B.4: Social protection spending and social outcomes in Denmark (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP
Overcrowding rate of poor (rev)
Expenditure housing - % of GDP
Housing cost overburden of poor (rev)
AROP (rev)
Population in jobless households (0-59) (rev)
Poverty reduction by social transfers
Inactivity trap (single) (rev)
SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)
Duration of working life, F
Relative income ratio
Duration of working life, M
Aggregate replacement ratio
Employment rate 55-64
AROP 65+, M (rev)
AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP
Expenditure housing - % of GDP
Expenditure pensions - % of GDP (adj 65+)
Expenditure social exclusion - % of GDP
Expenditure healthcare/disability - % of GDP
(% of GDP), 7
Expenditure unemployme of GDP (adj unemple

Family

Expenditure family (% of GDP) in cash, adj. 0-17
Involuntary part-time, F (share of pt employed) (rev)
Expenditure family (% of GDP) in kind, adj. 0-17
Employment rate of mothers
Relative income of HHs with children
Childcare use (3-mandatory), total
Poverty reduction children by social transfers
Childcare use (0-3 yrs), total
AROP children (rev)
SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)
Long-term unemployment rate (rev)
Expenditure ALMP - % of GDP
Unemployment rate 15+ (rev)
Coverage unemployment benefits
Unemployed in life-long learning
Net replacement rate (after 2 months, single)
AROP unemployed (rev)
Net replacement rate (after 12 months, single)
Unemployment trap (single) (rev)

······· EU-28 in 2011 ——— DK in 2011 ······· DK in 2008 ⬭ Range best 3 – worst 3 in 2011

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Table B.4: Overview Indicators – Actual Values Denmark 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	DK 2011	DK 2008	EU-27 2008
Total expenditure, % of GDP	29.0	34.2	30.7	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	84.5	81.4	69.0
Expenditure healthcare/disability, % of GDP	10.3	10.9	10.2	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	29.5	31.9	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	16.9	16.3	9.6
Expenditure social exclusion, as % of GDP	0.4	1.0	0.8	0.4
Expenditure housing, as % of GDP	0.6	0.7	0.6	0.5

II. Pensions

Indicator	EU-28 2011	DK 2011	DK 2008	EU-27 2008
Relative income ratio	0.91	0.75	0.71	0.86
Aggregate replacement ratio	0.54	0.42	0.42	0.51
AROP 65+, M	12.1	12.4	18.5	14.8
AROP 65+, F	16.4	15.6	21.3	20.0
Employment rate 55-64	48.8	59.5	58.4	45.5
Duration of working life, M	37.6	41.0	41.7	37.3
Duration of working life, F	32.2	37.9	38.2	31.2

III. Unemployment

Indicator	EU-28 2011	DK 2011	DK 2008	EU-27 2008
ALMP exp - % GDP	0.5	1.5	1.0	0.5
Coverage unemployment benefits	30.0	50.4	39.8	31.0
Net repl rate (2 months, single)	58.8	61.0	62.0	
Net repl rate (12 months, single)	37.7	61.0	62.0	
Unemployment trap (single)	74.8	89.1	88.9	74.5
AROP unemployed	46.9	26.7	41.1	45.4
Unemployed in LLL	9.0	35.1	30.8	8.3
Unemployment rate 15+	10.5	7.6	3.5	7.0
Long-term unemployment rate	4.7	1.8	0.5	2.6

IV. Family

Indicator	EU-28 2011	DK 2011	DK 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	6.6	6.5	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	10.3	9.8	3.2
Relative income HHs with children	0.94	1.15	1.11	0.94
Poverty reduction by social transfers, children	34.4	58.4	56.4	40.2
AROP children	20.8	10.2	10.6	20.1
Severe material deprivation children	11.8	3.6	2.1	9.5
Childcare use (0-3 yrs), total	30.0	74.0	73.0	27.0
Childcare use (3-mand), total	83.0	98.0	84.0	84.0
Employment rate of mothers	60.2	79.7		59.2
Involuntary part-time, F (share of PT employed)	24.9	20.8	16.8	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	DK 2011	DK 2008	EU-27 2008
AROP	17.0	13.1	13.1	16.4
Poverty reduction by social transfers	34.4	53.7	58.0	34.9
Severe material deprivation	9.9	2.8	2.3	8.2
Inactivity trap (single)	56.1	86.6	87.2	54.8
Population in jobless HHs (0-59)	10.3	11.3	8.8	9.1
Housing cost overburden of poor	39.0	72.9	70.5	35.1
Overcrowding rate of poor	29.4	21.0	22.4	30.4

Figure B.5: Social protection spending and social outcomes in Germany (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP
Overcrowding rate of poor (rev)
Expenditure housing - % of GDP
Housing cost overburden of poor (rev)
AROP (rev)
Population in jobless households (0-59) (rev)
Poverty reduction by social transfers
Inactivity trap (single) (rev)
SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)
Duration of working life, F
Relative income ratio
Duration of working life, M
Aggregate replacement ratio
Employment rate 55-64
AROP 65+, M (rev)
AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP
Expenditure housing - % of GDP
Expenditure pensions - % of GDP (adj 65+)
Expenditure social exclusion - % of GDP
Expenditure healthcare/disability - % of GDP
(% of GDP), 7
Expenditure unemployment of GDP (adj unempled)

Family

Expenditure family (% of GDP) in cash, adj. 0-17
Involuntary part-time, F (share of pt employed) (rev)
Expenditure family (% of GDP) in kind, adj. 0-17
Employment rate of mothers
Relative income of HHs with children
Childcare use (3-mandatory), total
Poverty reduction children by social transfers
Childcare use (0-3 yrs), total
AROP children (rev)
SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)
Long-term unemployment rate (rev)
Expenditure ALMP - % of GDP
Unemployment rate 15+ (rev)
Coverage unemployment benefits
Unemployed in life-long learning
Net replacement rate (after 2 months, single)
AROP unemployed (rev)
Net replacement rate (after 12 months, single)
Unemployment trap (single) (rev)

EU-28 in 2011   DE in 2011   DE in 2008   Range best 3 – worst 3 in 2011

Table B.5: Overview Indicators – Actual Values Germany 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	DE 2011	DE 2008	EU-27 2008
Total expenditure, % of GDP	29.0	29.4	28.0	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	55.3	56.7	69.0
Expenditure healthcare/disability, % of GDP	10.3	11.6	10.5	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	28.1	24.3	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	16.9	14.4	9.6
Expenditure social exclusion, as % of GDP	0.4	0.1	0.1	0.4
Expenditure housing, as % of GDP	0.6	0.6	0.6	0.5

II. Pensions

Indicator	EU-28 2011	DE 2011	DE 2008	EU-27 2008
Relative income ratio	0.91	0.88	0.88	0.86
Aggregate replacement ratio	0.54	0.47	0.47	0.51
AROP 65+, M	12.1	13.3	12.9	14.8
AROP 65+, F	16.4	16.6	17.0	20.0
Employment rate 55-64	48.8	59.9	53.7	45.5
Duration of working life, M	37.6	39.8	39.3	37.3
Duration of working life, F	32.2	34.8	33.6	31.2

III. Unemployment

Indicator	EU-28 2011	DE 2011	DE 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.5	0.5	0.5
Coverage unemployment benefits	30.0	83.9	76.2	31.0
Net repl rate (2 months, single)	58.8	59.0	60.0	
Net repl rate (12 months, single)	37.7	34.0	44.0	
Unemployment trap (single)	74.8	73.3	73.9	74.5
AROP unemployed	46.9	69.3	62.0	45.4
Unemployed in LLL	9.0	5.1	5.7	8.3
Unemployment rate 15+	10.5	5.9	7.5	7.0
Long-term unemployment rate	4.7	2.8	4.0	2.6

IV. Family

Indicator	EU-28 2011	DE 2011	DE 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	11.4	10.3	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	5.4	4.1	3.2
Relative income HHs with children	0.94	1.00	0.97	0.94
Poverty reduction by social transfers, children	34.4	50.7	50.8	40.2
AROP children	20.8	15.2	15.0	20.1
Severe material deprivation children	11.8	4.8	7.1	9.5
Childcare use (0-3 yrs), total	30.0	24.0	19.0	27.0
Childcare use (3-mand), total	83.0	90.0	88.0	84.0
Employment rate of mothers	60.2	60.5	53.0	59.2
Involuntary part-time, F (share of PT employed)	24.9	13.1	18.9	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	DE 2011	DE 2008	EU-27 2008
AROP	17.0	16.1	15.5	16.4
Poverty reduction by social transfers	34.4	33.7	35.7	34.9
Severe material deprivation	9.9	4.9	5.4	8.2
Inactivity trap (single)	56.1	65.4	67.0	54.8
Population in jobless HHs (0-59)	10.3	9.9	10.9	9.1
Housing cost overburden of poor	39.0	51.7		35.1
Overcrowding rate of poor	29.4	17.6	21.8	30.4

Figure B.6: Social protection spending and social outcomes in Estonia (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP

Overcrowding rate of poor (rev)

Expenditure housing - % of GDP

Housing cost overburden of poor (rev)

AROP (rev)

Population in jobless households (0-59) (rev)

Poverty reduction by social transfers

Inactivity trap (single) (rev)

SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)

Duration of working life, F

Relative income ratio

Duration of working life, M

Aggregate replacement ratio

Employment rate 55-64

AROP 65+, M (rev)

AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP

Expenditure housing - % of GDP

Expenditure pensions - % of GDP (adj 65+)

Expenditure social exclusion - % of GDP

Expenditure healthcare/disability - % of GDP

... (% of GDP), ...17

Expenditure unemploy... of GDP (adj unemple...

Family

Expenditure family (% of GDP) in cash, adj. 0-17

Involuntary part-time, F (share of pt employed) (rev)

Expenditure family (% of GDP) in kind, adj. 0-17

Employment rate of mothers

Relative income of HHs with children

Childcare use (3-mandatory), total

Poverty reduction children by social transfers

Childcare use (0-3 yrs), total

AROP children (rev)

SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)

Long-term unemployment rate (rev)

Expenditure ALMP - % of GDP

Unemployment rate 15+ (rev)

Coverage unemployment benefits

Unemployed in life-long learning

Net replacement rate (after 2 months, single)

AROP unemployed (rev)

Net replacement rate (after 12 months, single)

Unemployment trap (single) (rev)

········· **EU-28 in 2011** ——— **EE in 2011** ·········**EE in 2008** ☐ **Range best 3 – worst 3 in 2011**

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Table B.6: Overview Indicators – Actual Values Estonia 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	EE 2011	EE 2008	EU-27 2008
Total expenditure, % of GDP	29.0	16.1	14.9	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	40.2	36.6	69.0
Expenditure healthcare/disability, % of GDP	10.3	6.3	6.2	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	5.2	7.2	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	9.6	8.3	9.6
Expenditure social exclusion, as % of GDP	0.4	0.1	0.1	0.4
Expenditure housing, as % of GDP	0.6	0.0	0.0	0.5

II. Pensions

Indicator	EU-28 2011	EE 2011	EE 2008	EU-27 2008
Relative income ratio	0.91	0.72	0.66	0.86
Aggregate replacement ratio	0.54	0.50	0.52	0.51
AROP 65+, M	12.1	11.2	18.9	14.8
AROP 65+, F	16.4	20.1	41.3	20.0
Employment rate 55-64	48.8	57.2	62.4	45.5
Duration of working life, M	37.6	36.4	36.8	37.3
Duration of working life, F	32.2	35.6	34.9	31.2

III. Unemployment

Indicator	EU-28 2011	EE 2011	EE 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.2	0.0	0.5
Coverage unemployment benefits	30.0	16.8	19.2	31.0
Net repl rate (2 months, single)	58.8	54.0	54.0	
Net repl rate (12 months, single)	37.7	23.0	18.0	
Unemployment trap (single)	74.8	63.5	62.6	74.5
AROP unemployed	46.9	55.6	55.1	45.4
Unemployed in LLL	9.0	8.5	7.9	8.3
Unemployment rate 15+	10.5	12.3	5.5	7.0
Long-term unemployment rate	4.7	7.0	1.7	2.6

IV. Family

Indicator	EU-28 2011	EE 2011	EE 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	9.1	7.8	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	0.5	0.5	3.2
Relative income HHs with children	0.94	1.18	1.06	0.94
Poverty reduction by social transfers, children	34.4	40.6	30.6	40.2
AROP children	20.8	17.0	20.6	20.1
Severe material deprivation children	11.8	9.2	7.0	9.5
Childcare use (0-3 yrs), total	30.0	19.0	25.0	27.0
Childcare use (3-mand), total	83.0	92.0	93.0	84.0
Employment rate of mothers	60.2	52.1	52.7	59.2
Involuntary part-time, F (share of PT employed)	24.9	18.6	10.9	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	EE 2011	EE 2008	EU-27 2008
AROP	17.0	17.5	19.7	16.4
Poverty reduction by social transfers	34.4	29.4	23.9	34.9
Severe material deprivation	9.9	9.4	6.2	8.2
Inactivity trap (single)	56.1	49.7	39.3	54.8
Population in jobless HHs (0-59)	10.3	9.1	5.6	9.1
Housing cost overburden of poor	39.0	32.4	14.7	35.1
Overcrowding rate of poor	29.4	22.5	49.9	30.4

Figure B.7: Social protection spending and social outcomes in Ireland (2011 and 2008)

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Table B.7: Overview Indicators – Actual Values Ireland 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	IE 2011	IE 2008	EU-27 2008
Total expenditure, % of GDP	29.0	29.6	21.5	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	57.4	50.9	69.0
Expenditure healthcare/disability, % of GDP	10.3	14.0	9.0	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	32.0	41.0	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	12.4	11.5	9.6
Expenditure social exclusion, as % of GDP	0.4	0.6	0.4	0.4
Expenditure housing, as % of GDP	0.6	0.4	0.4	0.5

II. Pensions

Indicator	EU-28 2011	IE 2011	IE 2008	EU-27 2008
Relative income ratio	0.91	0.86	0.78	0.86
Aggregate replacement ratio	0.54	0.43	0.48	0.51
AROP 65+, M	12.1	11.5	14.4	14.8
AROP 65+, F	16.4	10.5	17.6	20.0
Employment rate 55-64	48.8	50.0	53.7	45.5
Duration of working life, M	37.6	37.9	40.3	37.3
Duration of working life, F	32.2	30.0	30.5	31.2

III. Unemployment

Indicator	EU-28 2011	IE 2011	IE 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.7	0.6	0.5
Coverage unemployment benefits	30.0			31.0
Net repl rate (2 months, single)	58.8	53.0	57.0	
Net repl rate (12 months, single)	37.7	53.0	57.0	
Unemployment trap (single)	74.8	75.9	79.5	74.5
AROP unemployed	46.9	31.8	28.1	45.4
Unemployed in LLL	9.0	6.4	6.1	8.3
Unemployment rate 15+	10.5	14.7	6.4	7.0
Long-term unemployment rate	4.7	8.7	1.7	2.6

IV. Family

Indicator	EU-28 2011	IE 2011	IE 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	10.6	6.6	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	1.8	2.5	3.2
Relative income HHs with children	0.94	0.88	0.86	0.94
Poverty reduction by social transfers, children	34.4	65.2	9.7	40.2
AROP children	20.8	17.1	26.9	20.1
Severe material deprivation children	11.8	10.0	20.9	9.5
Childcare use (0-3 yrs), total	30.0	21.0	19.0	27.0
Childcare use (3-mand), total	83.0	82.0	75.0	84.0
Employment rate of mothers	60.2	55.6	52.6	59.2
Involuntary part-time, F (share of PT employed)	24.9	33.0	60.7	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	IE 2011	IE 2008	EU-27 2008
AROP	17.0	15.2	15.0	16.4
Poverty reduction by social transfers	34.4	61.6	60.0	34.9
Severe material deprivation	9.9	7.8	6.1	8.2
Inactivity trap (single)	56.1	76.7	79.9	54.8
Population in jobless HHs (0-59)	10.3	24.2	20.0	9.1
Housing cost overburden of poor	39.0	27.3	17.3	35.1
Overcrowding rate of poor	29.4	6.7	8.4	30.4

Figure B.8: Social protection spending and social outcomes in Greece (2011 and 2008)

Social Exclusion & Housing

Pensions

Expenditure on social protection

Family

Unemployment

Legend: EU-28 in 2011 · EL in 2011 · EL in 2008 · Range best 3 – worst 3 in 2011
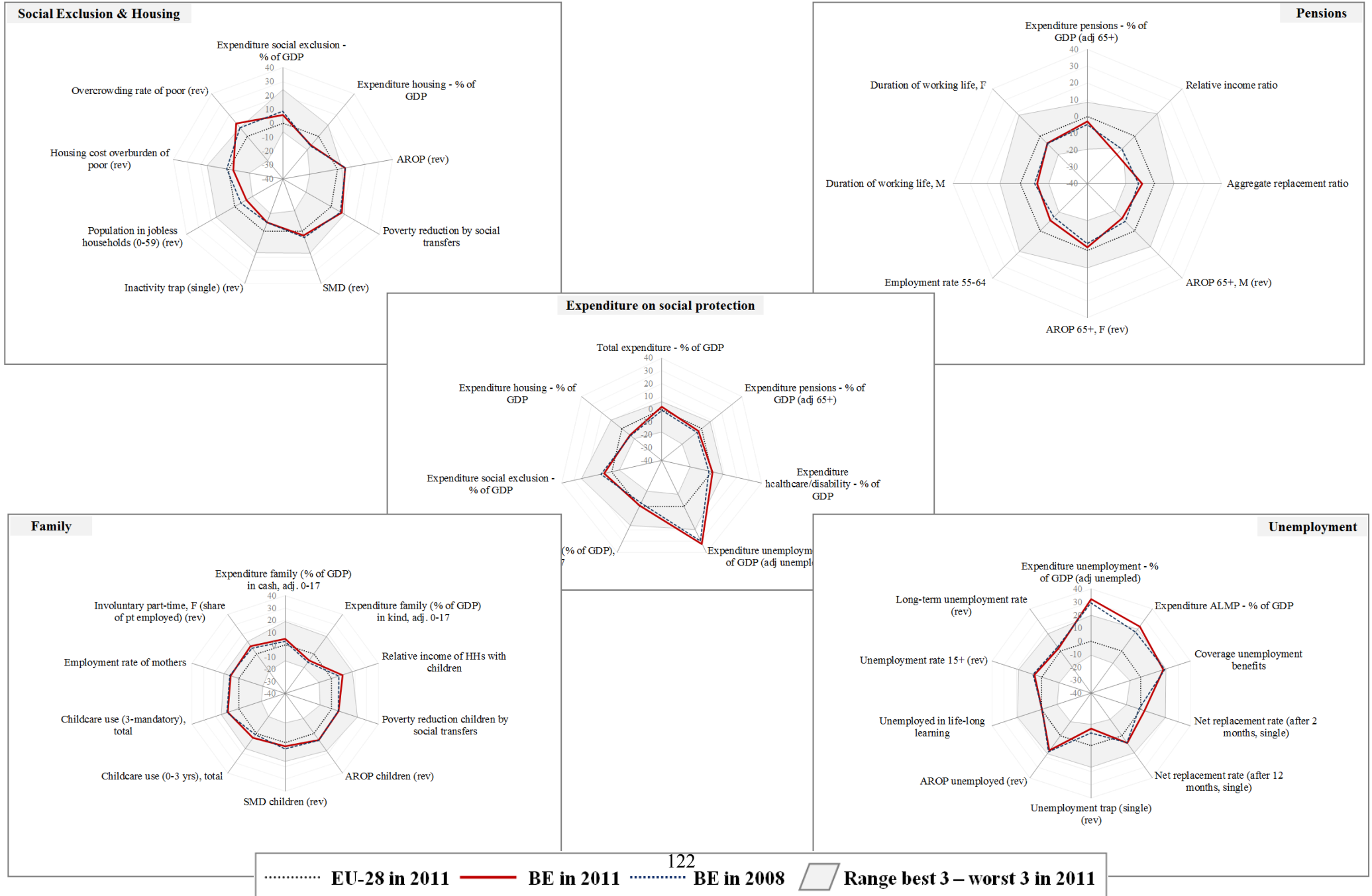
Table B.8: Overview Indicators – Actual Values Greece 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	EL 2011	EL 2008	EU-27 2008
Total expenditure, % of GDP	29.0	30.2	26.2	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	77.7	69.4	69.0
Expenditure healthcare/disability, % of GDP	10.3	8.9	8.6	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	17.3	24.8	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	9.1	8.0	9.6
Expenditure social exclusion, as % of GDP	0.4	0.7	0.6	0.4
Expenditure housing, as % of GDP	0.6	0.4	0.5	0.5

II. Pensions

Indicator	EU-28 2011	EL 2011	EL 2008	EU-27 2008
Relative income ratio	0.91	1.01	0.86	0.86
Aggregate replacement ratio	0.54	0.52	0.41	0.51
AROP 65+, M	12.1	15.9	20.9	14.8
AROP 65+, F	16.4	18.3	21.9	20.0
Employment rate 55-64	48.8	39.4	42.8	45.5
Duration of working life, M	37.6	36.4	37.2	37.3
Duration of working life, F	32.2	27.4	26.3	31.2

III. Unemployment

Indicator	EU-28 2011	EL 2011	EL 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.2	0.1	0.5
Coverage unemployment benefits	30.0	21.8	18.0	31.0
Net repl rate (2 months, single)	58.8	32.0	40.0	
Net repl rate (12 months, single)	37.7	17.0	26.0	
Unemployment trap (single)	74.8	57.8	62.8	74.5
AROP unemployed	46.9	45.8	38.1	45.4
Unemployed in LLL	9.0	2.7	4.9	8.3
Unemployment rate 15+	10.5	17.7	7.7	7.0
Long-term unemployment rate	4.7	8.8	3.6	2.6

IV. Family

Indicator	EU-28 2011	EL 2011	EL 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	6.6	5.5	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	2.5	2.5	3.2
Relative income HHs with children	0.94	0.86	0.94	0.94
Poverty reduction by social transfers, children	34.4	9.7	6.0	40.2
AROP children	20.8	26.9	23.7	20.1
Severe material deprivation children	11.8	20.9	12.2	9.5
Childcare use (0-3 yrs), total	30.0	19.0	11.0	27.0
Childcare use (3-mand), total	83.0	75.0	58.0	84.0
Employment rate of mothers	60.2	52.6	54.1	59.2
Involuntary part-time, F (share of PT employed)	24.9	60.7	47.7	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	EL 2011	EL 2008	EU-27 2008
AROP	17.0	23.1	19.7	16.4
Poverty reduction by social transfers	34.4	13.8	13.2	34.9
Severe material deprivation	9.9	19.5	11.0	8.2
Inactivity trap (single)	56.1	21.5	17.5	54.8
Population in jobless HHs (0-59)	10.3	14.2	6.6	9.1
Housing cost overburden of poor	39.0	90.5	67.1	35.1
Overcrowding rate of poor	29.4	39.4	32.3	30.4

Figure B.9: Social protection spending and social outcomes in Spain (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP

Overcrowding rate of poor (rev)

Expenditure housing - % of GDP

Housing cost overburden of poor (rev)

AROP (rev)

Population in jobless households (0-59) (rev)

Poverty reduction by social transfers

Inactivity trap (single) (rev)

SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)

Duration of working life, F

Relative income ratio

Duration of working life, M

Aggregate replacement ratio

Employment rate 55-64

AROP 65+, M (rev)

AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP

Expenditure housing - % of GDP

Expenditure pensions - % of GDP (adj 65+)

Expenditure social exclusion - % of GDP

Expenditure healthcare/disability - % of GDP

(% of GDP), 7

Expenditure unemployment of GDP (adj unempled)

Family

Expenditure family (% of GDP) in cash, adj. 0-17

Involuntary part-time, F (share of pt employed) (rev)

Expenditure family (% of GDP) in kind, adj. 0-17

Employment rate of mothers

Relative income of HHs with children

Childcare use (3-mandatory), total

Poverty reduction children by social transfers

Childcare use (0-3 yrs), total

AROP children (rev)

SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)

Long-term unemployment rate (rev)

Expenditure ALMP - % of GDP

Unemployment rate 15+ (rev)

Coverage unemployment benefits

Unemployed in life-long learning

Net replacement rate (after 2 months, single)

AROP unemployed (rev)

Net replacement rate (after 12 months, single)

Unemployment trap (single) (rev)

········ **EU-28 in 2011** ——— **ES in 2011** ········ **ES in 2008** ⬭ **Range best 3 – worst 3 in 2011**

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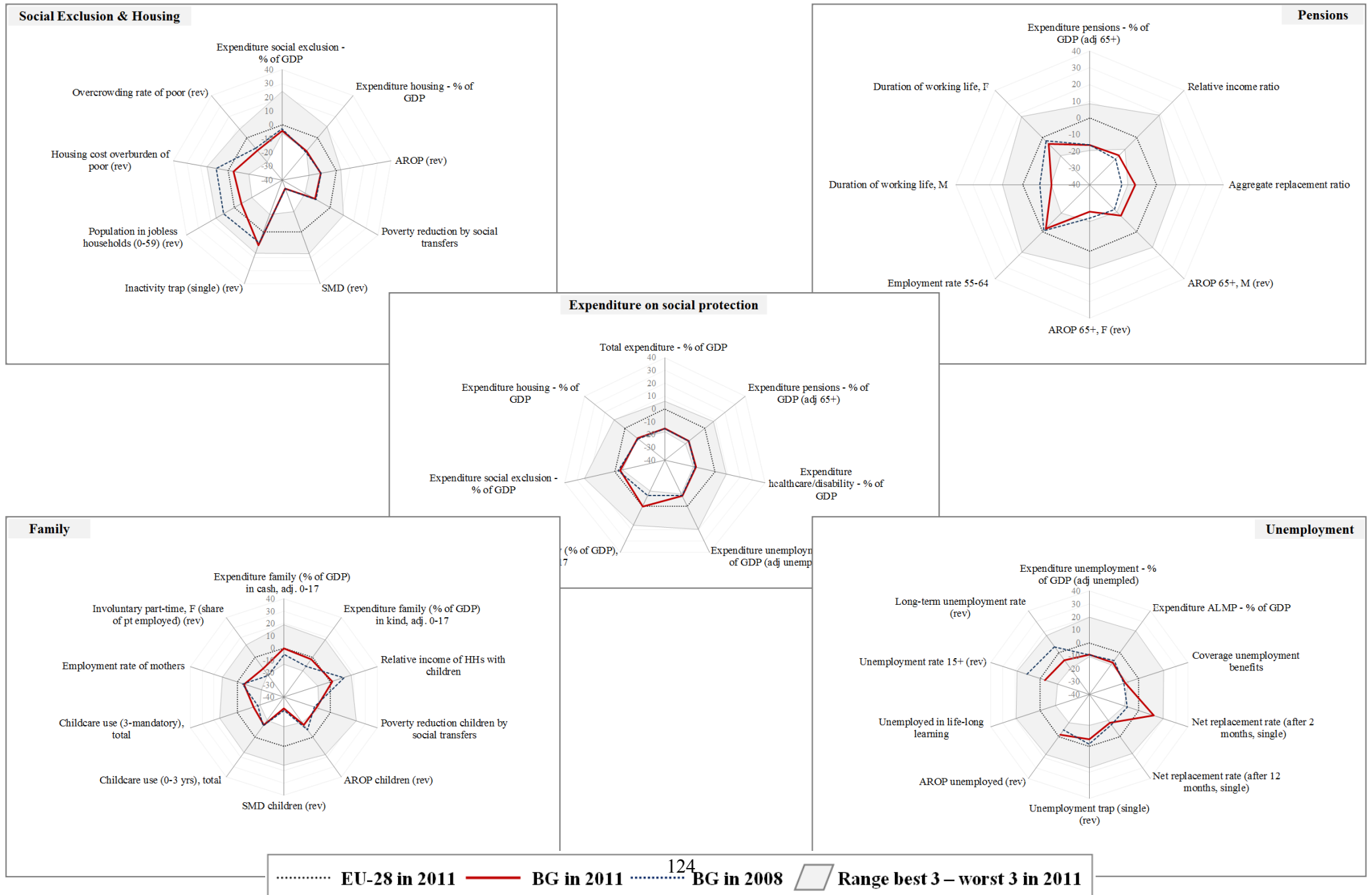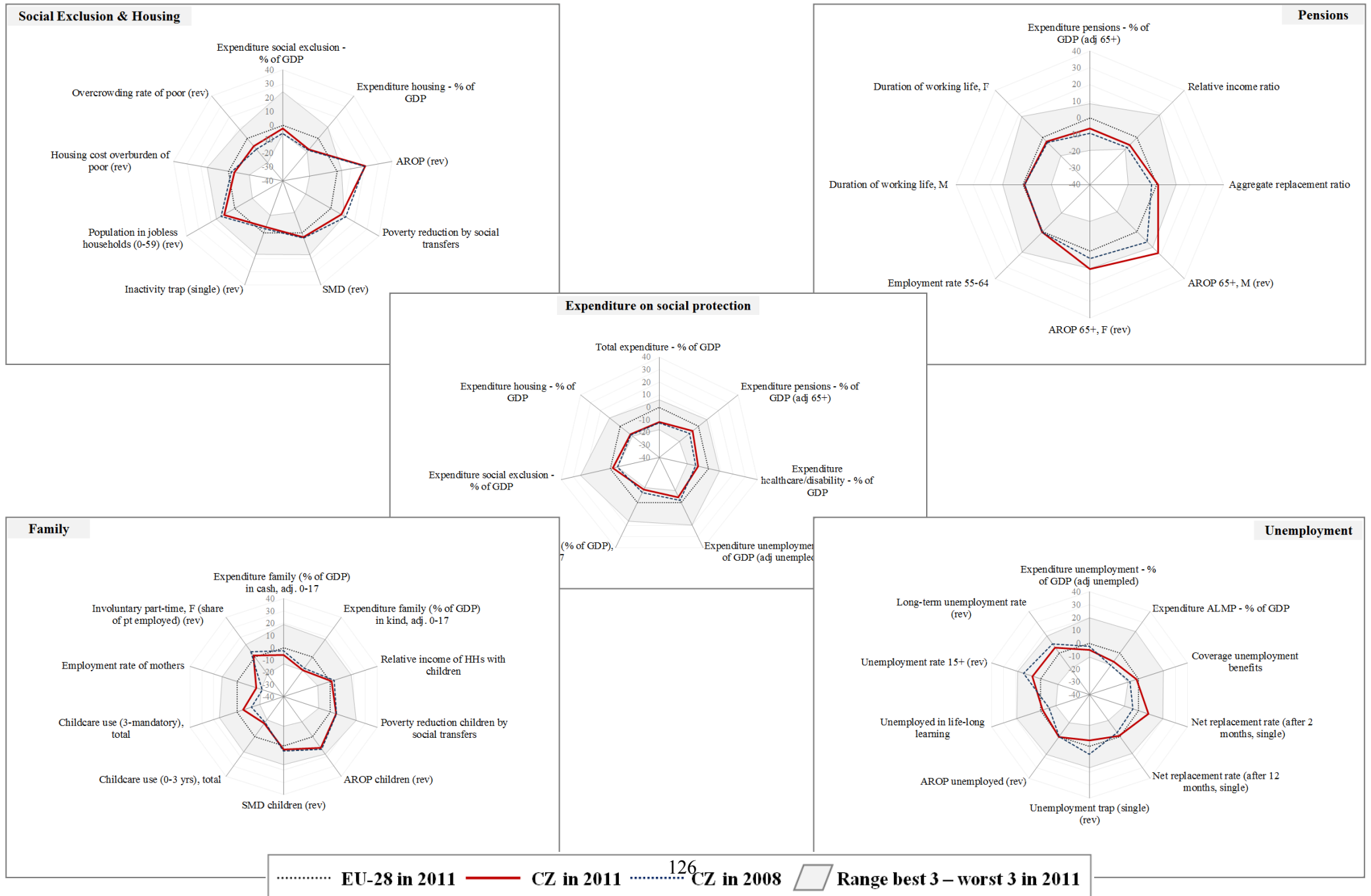*Table B.9: Overview Indicators – Actual Values Spain 2011 and 2008*

I. Orientation of Social Spending

Indicator	EU-28 2011	ES 2011	ES 2008	EU-27 2008
Total expenditure, % of GDP	29.0	26.1	22.2	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	65.5	55.5	69.0
Expenditure healthcare/disability, % of GDP	10.3	8.8	8.4	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	23.0	30.2	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	7.1	7.1	9.6
Expenditure social exclusion, as % of GDP	0.4	0.2	0.2	0.4
Expenditure housing, as % of GDP	0.6	0.2	0.2	0.5

II. Pensions

Indicator	EU-28 2011	ES 2011	ES 2008	EU-27 2008
Relative income ratio	0.91	0.93	0.82	0.86
Aggregate replacement ratio	0.54	0.58	0.50	0.51
AROP 65+, M	12.1	13.6	21.2	14.8
AROP 65+, F	16.4	15.8	24.5	20.0
Employment rate 55-64	48.8	44.5	45.6	45.5
Duration of working life, M	37.6	37.4	38.3	37.3
Duration of working life, F	32.2	31.5	29.7	31.2

III. Unemployment

Indicator	EU-28 2011	ES 2011	ES 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.7	0.6	0.5
Coverage unemployment benefits	30.0	37.8	31.3	31.0
Net repl rate (2 months, single)	58.8	58.0	61.0	
Net repl rate (12 months, single)	37.7	58.0	61.0	
Unemployment trap (single)	74.8	82.7	81.2	74.5
AROP unemployed	46.9	46.0	39.4	45.4
Unemployed in LLL	9.0	13.2	12.3	8.3
Unemployment rate 15+	10.5	21.4	11.3	7.0
Long-term unemployment rate	4.7	9.0	2.0	2.6

IV. Family

Indicator	EU-28 2011	ES 2011	ES 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	2.5	3.1	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	4.0	3.6	3.2
Relative income HHs with children	0.94	0.83	0.88	0.94
Poverty reduction by social transfers, children	34.4	18.8	16.0	40.2
AROP children	20.8	29.9	26.8	20.1
Severe material deprivation children	11.8	7.6	6.7	9.5
Childcare use (0-3 yrs), total	30.0	39.0	36.0	27.0
Childcare use (3-mand), total	83.0	86.0	94.0	84.0
Employment rate of mothers	60.2	57.3	59.5	59.2
Involuntary part-time, F (share of PT employed)	24.9	53.4	35.1	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	ES 2011	ES 2008	EU-27 2008
AROP	17.0	22.2	20.1	16.4
Poverty reduction by social transfers	34.4	25.0	20.2	34.9
Severe material deprivation	9.9	5.8	4.5	8.2
Inactivity trap (single)	56.1	44.2	41.5	54.8
Population in jobless HHs (0-59)	10.3	14.3	7.6	9.1
Housing cost overburden of poor	39.0	48.0	41.2	35.1
Overcrowding rate of poor	29.4	12.1	10.3	30.4

Figure B.10: Social protection spending and social outcomes in France (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP
Expenditure housing - % of GDP
Overcrowding rate of poor (rev)
AROP (rev)
Housing cost overburden of poor (rev)
Poverty reduction by social transfers
Population in jobless households (0-59) (rev)
Inactivity trap (single) (rev)
SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)
Duration of working life, F
Relative income ratio
Duration of working life, M
Aggregate replacement ratio
Employment rate 55-64
AROP 65+, M (rev)
AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP
Expenditure housing - % of GDP
Expenditure pensions - % of GDP (adj 65+)
Expenditure social exclusion - % of GDP
Expenditure healthcare/disability - % of GDP
(% of GDP), 17
Expenditure unemployme of GDP (adj unemple

Family

Expenditure family (% of GDP) in cash, adj. 0-17
Involuntary part-time, F (share of pt employed) (rev)
Expenditure family (% of GDP) in kind, adj. 0-17
Employment rate of mothers
Relative income of HHs with children
Childcare use (3-mandatory), total
Poverty reduction children by social transfers
Childcare use (0-3 yrs), total
AROP children (rev)
SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)
Long-term unemployment rate (rev)
Expenditure ALMP - % of GDP
Unemployment rate 15+ (rev)
Coverage unemployment benefits
Unemployed in life-long learning
Net replacement rate (after 2 months, single)
AROP unemployed (rev)
Net replacement rate (after 12 months, single)
Unemployment trap (single) (rev)

······· **EU-28 in 2011** —— **FR in 2011** ······· **FR in 2008** ☐ **Range best 3 – worst 3 in 2011**
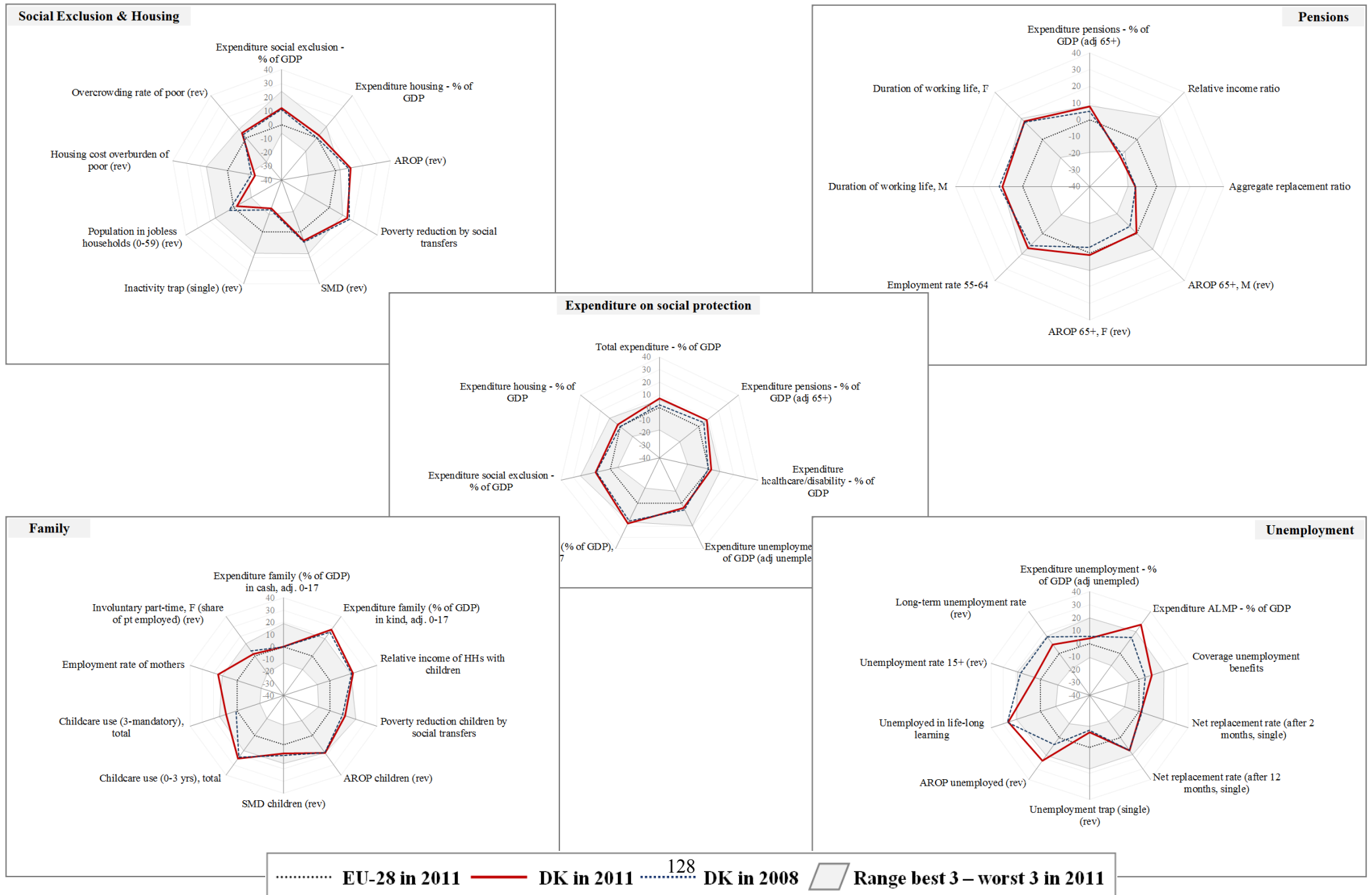
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Table B.10: Overview Indicators – Actual Values France 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	FR 2011	FR 2008	EU-27 2008
Total expenditure, % of GDP	29.0	33.6	31.3	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	86.8	81.7	69.0
Expenditure healthcare/disability, % of GDP	10.3	11.1	10.5	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	32.5	36.7	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	10.5	10.4	9.6
Expenditure social exclusion, as % of GDP	0.4	0.8	0.6	0.4
Expenditure housing, as % of GDP	0.6	0.8	0.8	0.5

II. Pensions

Indicator	EU-28 2011	FR 2011	FR 2008	EU-27 2008
Relative income ratio	0.91	1.00	0.96	0.86
Aggregate replacement ratio	0.54	0.65	0.66	0.51
AROP 65+, M	12.1	8.0	9.6	14.8
AROP 65+, F	16.4	10.5	13.6	20.0
Employment rate 55-64	48.8	41.5	38.2	45.5
Duration of working life, M	37.6	36.1	35.6	37.3
Duration of working life, F	32.2	32.3	31.6	31.2

III. Unemployment

Indicator	EU-28 2011	FR 2011	FR 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.7	0.6	0.5
Coverage unemployment benefits	30.0	39.2	37.5	31.0
Net repl rate (2 months, single)	58.8	66.0	66.0	
Net repl rate (12 months, single)	37.7	66.0	66.0	
Unemployment trap (single)	74.8	77.4	77.2	74.5
AROP unemployed	46.9	36.0	37.0	45.4
Unemployed in LLL	9.0	5.2	6.0	8.3
Unemployment rate 15+	10.5	9.2	7.5	7.0
Long-term unemployment rate	4.7	3.8	2.8	2.6

IV. Family

Indicator	EU-28 2011	FR 2011	FR 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	6.9	7.2	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	3.6	3.2	3.2
Relative income HHs with children	0.94	0.90	0.90	0.94
Poverty reduction by social transfers, children	34.4	44.3	51.5	40.2
AROP children	20.8	19.0	16.8	20.1
Severe material deprivation children	11.8	7.2	6.5	9.5
Childcare use (0-3 yrs), total	30.0	44.0	41.0	27.0
Childcare use (3-mand), total	83.0	95.0	95.0	84.0
Employment rate of mothers	60.2	65.5	67.0	59.2
Involuntary part-time, F (share of PT employed)	24.9	29.7	31.8	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	FR 2011	FR 2008	EU-27 2008
AROP	17.0	14.1	12.9	16.4
Poverty reduction by social transfers	34.4	40.8	46.3	34.9
Severe material deprivation	9.9	5.3	5.6	8.2
Inactivity trap (single)	56.1	54.7	45.0	54.8
Population in jobless HHs (0-59)	10.3	8.4	8.4	9.1
Housing cost overburden of poor	39.0	22.2	14.9	35.1
Overcrowding rate of poor	29.4	23.3	27.2	30.4

Figure B.11: Social protection spending and social outcomes in Croatia (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP
Expenditure housing - % of GDP
Overcrowding rate of poor (rev)
AROP (rev)
Housing cost overburden of poor (rev)
Poverty reduction by social transfers
Population in jobless households (0-59) (rev)
SMD (rev)
Inactivity trap (single) (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)
Duration of working life, F
Relative income ratio
Duration of working life, M
Aggregate replacement ratio
Employment rate 55-64
AROP 65+, M (rev)
AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP
Expenditure housing - % of GDP
Expenditure pensions - % of GDP (adj 65+)
Expenditure social exclusion - % of GDP
Expenditure healthcare/disability - % of GDP
y (% of GDP), 17
Expenditure unemployme of GDP (adj unemple

Family

Expenditure family (% of GDP) in cash, adj. 0-17
Involuntary part-time, F (share of pt employed) (rev)
Expenditure family (% of GDP) in kind, adj. 0-17
Employment rate of mothers
Relative income of HHs with children
Childcare use (3-mandatory), total
Poverty reduction children by social transfers
Childcare use (0-3 yrs), total
AROP children (rev)
SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)
Long-term unemployment rate (rev)
Expenditure ALMP - % of GDP
Unemployment rate 15+ (rev)
Coverage unemployment benefits
Unemployed in life-long learning
Net replacement rate (after 2 months, single)
AROP unemployed (rev)
Net replacement rate (after 12 months, single)
Unemployment trap (single) (rev)

········· **EU-28 in 2011** ——— **HR in 2011** ········· **HR in 2008** ⬜ **Range best 3 – worst 3 in 2011**
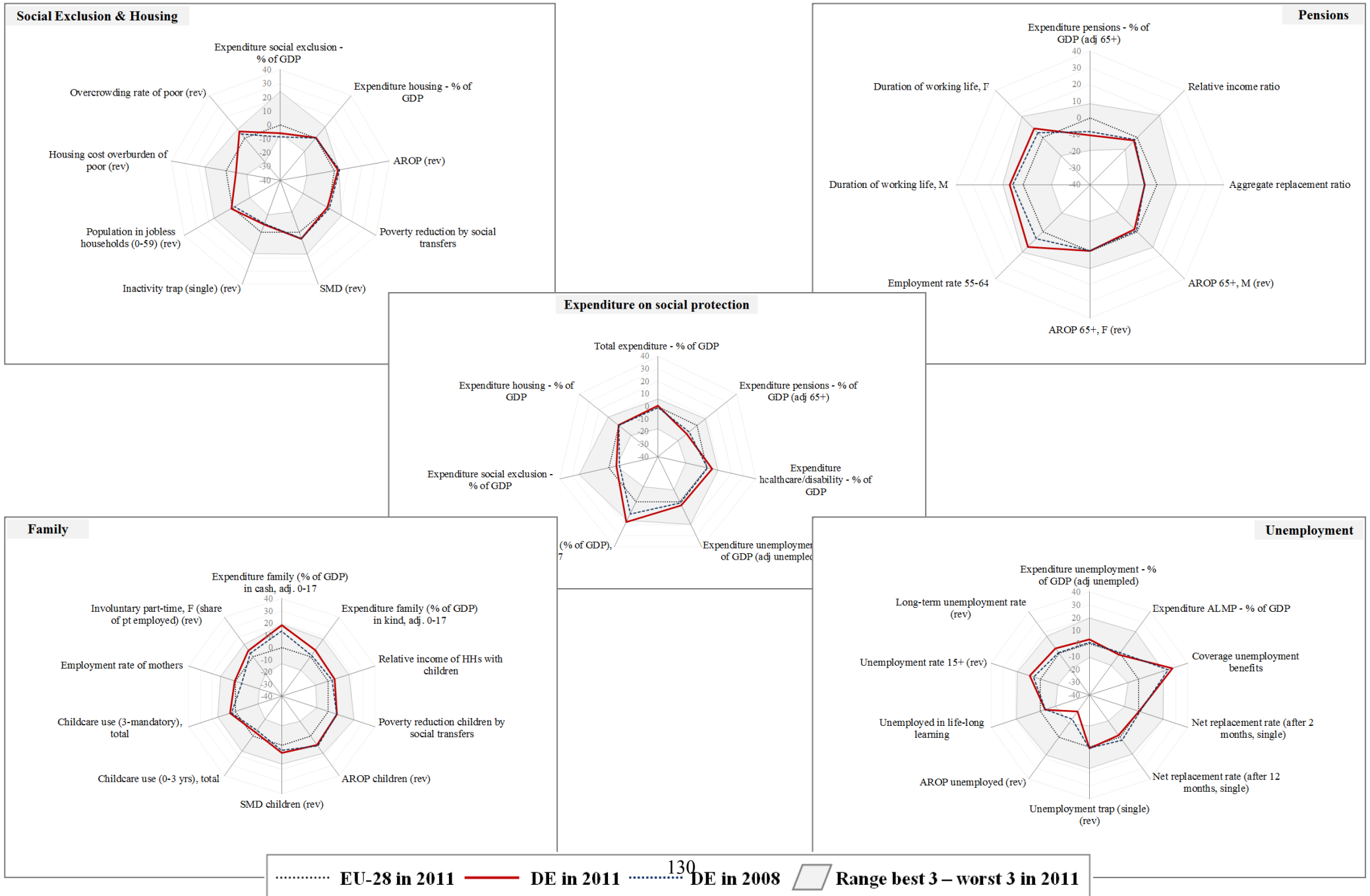
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Table B.11: Overview Indicators – Actual Values Croatia 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	HR 2011	HR 2008	EU-27 2008
Total expenditure, % of GDP	29.0	20.6	18.7	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	43.5	38.8	69.0
Expenditure healthcare/disability, % of GDP	10.3	10.3	9.5	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	6.0	3.7	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	7.6	7.0	9.6
Expenditure social exclusion, as % of GDP	0.4	0.1	0.1	0.4
Expenditure housing, as % of GDP	0.6	0.0	0.0	0.5

II. Pensions

Indicator	EU-28 2011	HR 2011	HR 2008	EU-27 2008
Relative income ratio	0.91	0.86	0.76	0.86
Aggregate replacement ratio	0.54	0.36	0.49	0.51
AROP 65+, M	12.1	21.1	23.9	14.8
AROP 65+, F	16.4	30.4	36.1	20.0
Employment rate 55-64	48.8	37.1	36.7	45.5
Duration of working life, M	37.6	33.7	33.8	37.3
Duration of working life, F	32.2	28.7	29.0	31.2

III. Unemployment

Indicator	EU-28 2011	HR 2011	HR 2008	EU-27 2008
ALMP exp - % GDP	0.5			0.5
Coverage unemployment benefits	30.0	16.3	15.3	31.0
Net repl rate (2 months, single)	58.8			
Net repl rate (12 months, single)	37.7			
Unemployment trap (single)	74.8			74.5
AROP unemployed	46.9	42.9	37.2	45.4
Unemployed in LLL	9.0	1.9	1.8	8.3
Unemployment rate 15+	10.5	13.5	8.4	7.0
Long-term unemployment rate	4.7	8.6	5.3	2.6

IV. Family

Indicator	EU-28 2011	HR 2011	HR 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	7.1	6.5	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	0.5	0.5	3.2
Relative income HHs with children	0.94	0.97		0.94
Poverty reduction by social transfers, children	34.4	34.0	35.3	40.2
AROP children	20.8	22.3	18.7	20.1
Severe material deprivation children	11.8	17.6		9.5
Childcare use (0-3 yrs), total	30.0	15.0		27.0
Childcare use (3-mand), total	83.0	51.0		84.0
Employment rate of mothers	60.2	60.6	67.9	59.2
Involuntary part-time, F (share of PT employed)	24.9	28.9	19.1	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	HR 2011	HR 2008	EU-27 2008
AROP	17.0	20.5	17.9	16.4
Poverty reduction by social transfers	34.4	32.6	29.8	34.9
Severe material deprivation	9.9	15.4		8.2
Inactivity trap (single)	56.1			54.8
Population in jobless HHs (0-59)	10.3	16.2		9.1
Housing cost overburden of poor	39.0	28.2		35.1
Overcrowding rate of poor	29.4	46.1		30.4

Figure B.12: Social protection spending and social outcomes in Italy (2011 and 2008)
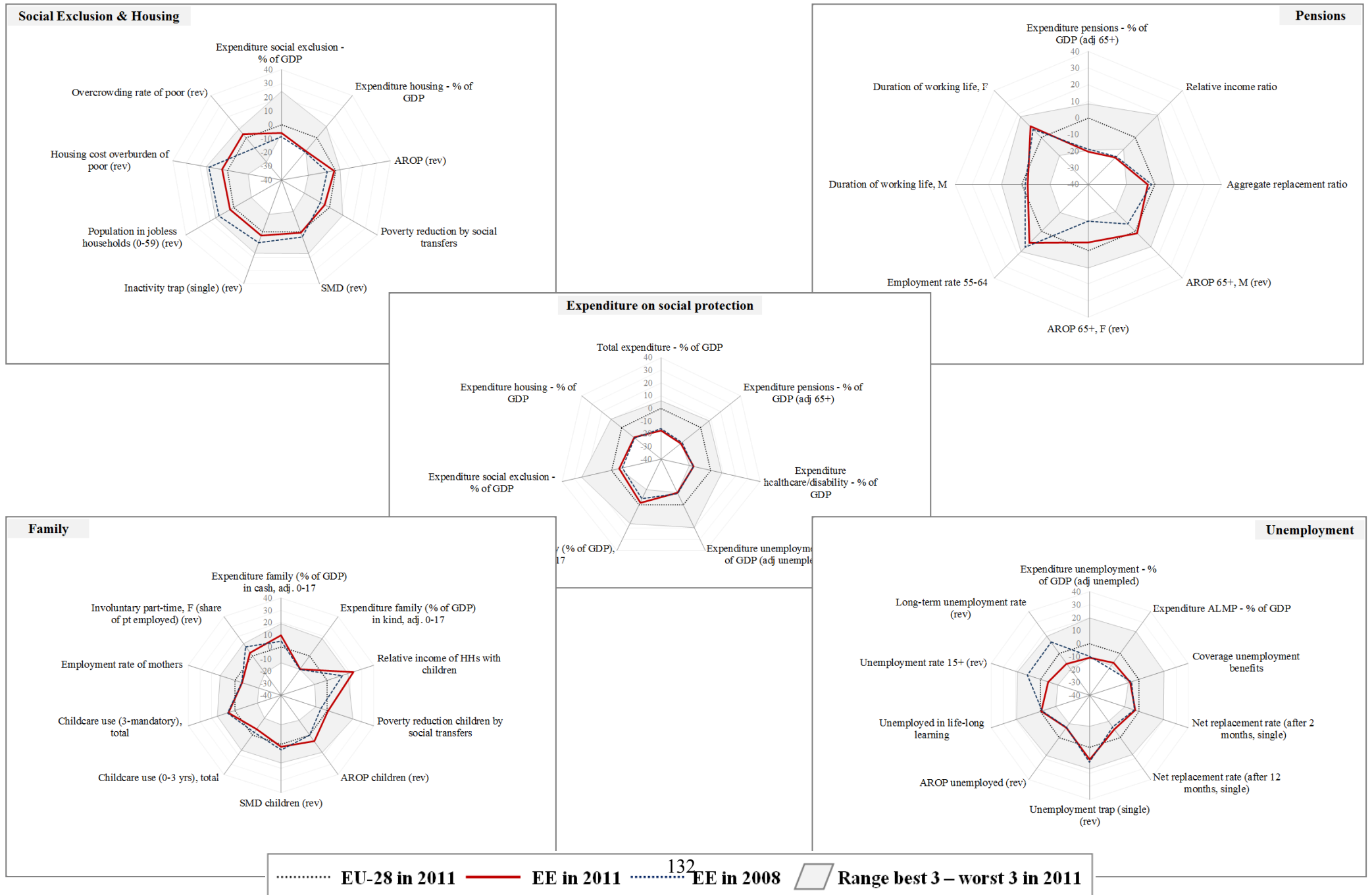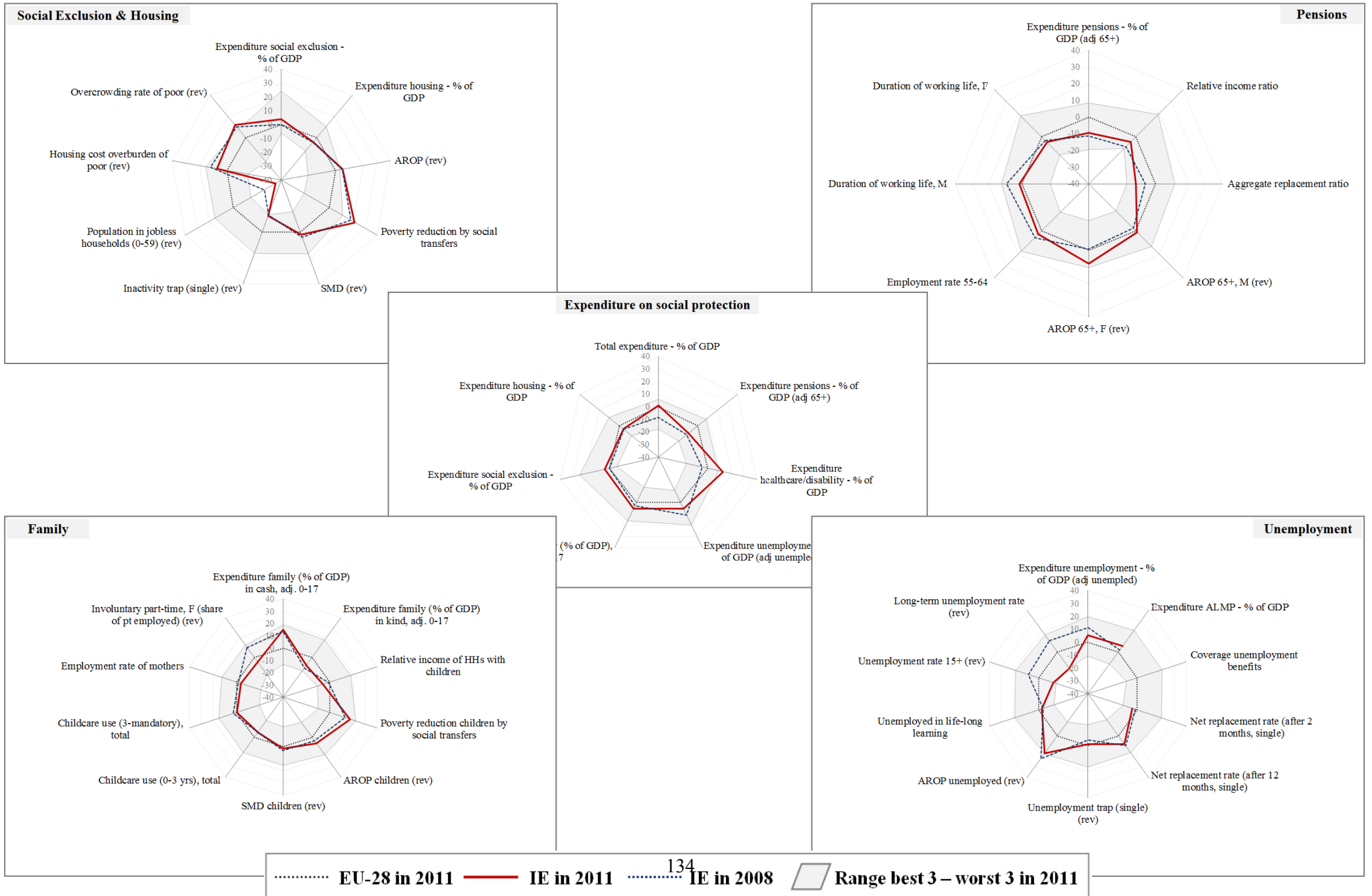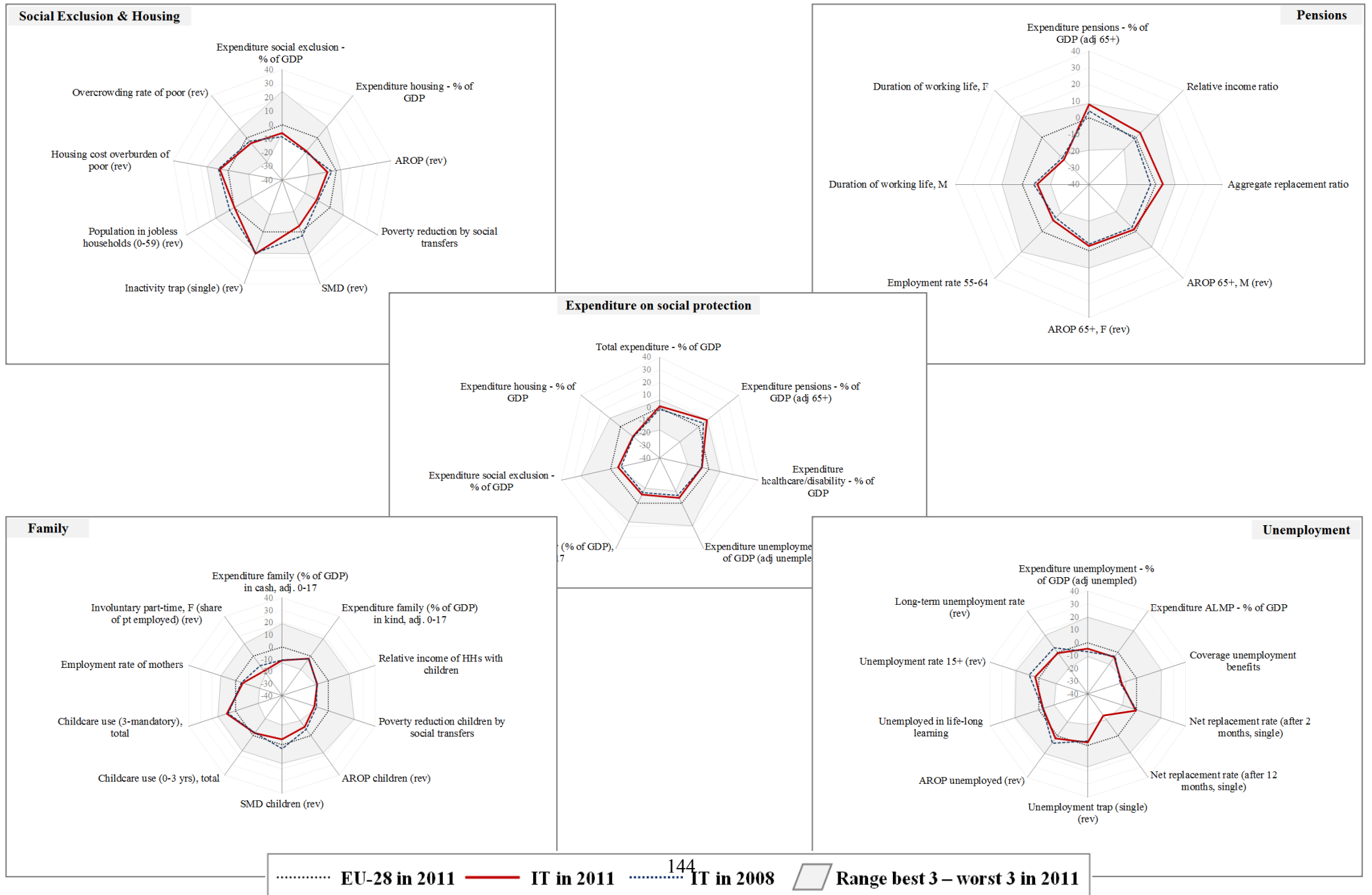
Table B.12: Overview Indicators – Actual Values Italy 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
Total expenditure, % of GDP	29.0	29.7	27.7	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	84.9	79.7	69.0
Expenditure healthcare/disability, % of GDP	10.3	8.7	8.5	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	15.1	11.7	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	7.4	6.8	9.6
Expenditure social exclusion, as % of GDP	0.4	0.1	0.1	0.4
Expenditure housing, as % of GDP	0.6	0.0	0.0	0.5

II. Pensions

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
Relative income ratio	0.91	0.95	0.89	0.86
Aggregate replacement ratio	0.54	0.58	0.51	0.51
AROP 65+, M	12.1	13.1	15.8	14.8
AROP 65+, F	16.4	18.7	22.4	20.0
Employment rate 55-64	48.8	37.9	34.4	45.5
Duration of working life, M	37.6	34.8	35.3	37.3
Duration of working life, F	32.2	24.4	24.4	31.2

III. Unemployment

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.3	0.4	0.5
Coverage unemployment benefits	30.0	6.6	4.9	31.0
Net repl rate (2 months, single)	58.8	57.0	59.0	
Net repl rate (12 months, single)	37.7	0.0		
Unemployment trap (single)	74.8	77.8	78.8	74.5
AROP unemployed	46.9	44.4	40.8	45.4
Unemployed in LLL	9.0	5.5	6.4	8.3
Unemployment rate 15+	10.5	8.4	6.7	7.0
Long-term unemployment rate	4.7	4.4	3.1	2.6

IV. Family

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	3.7	3.7	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	3.2	3.1	3.2
Relative income HHs with children	0.94	0.84	0.85	0.94
Poverty reduction by social transfers, children	34.4	21.5	23.3	40.2
AROP children	20.8	26.0	24.4	20.1
Severe material deprivation children	11.8	16.9	8.3	9.5
Childcare use (0-3 yrs), total	30.0	26.0	25.0	27.0
Childcare use (3-mand), total	83.0	95.0	93.0	84.0
Employment rate of mothers	60.2	52.6	53.9	59.2
Involuntary part-time, F (share of PT employed)	24.9	51.5	38.7	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	IT 2011	IT 2008	EU-27 2008
AROP	17.0	19.4	18.4	16.4
Poverty reduction by social transfers	34.4	20.5	20.7	34.9
Severe material deprivation	9.9	14.5	7.0	8.2
Inactivity trap (single)	56.1	25.4	23.7	54.8
Population in jobless HHs (0-59)	10.3	10.3	8.8	9.1
Housing cost overburden of poor	39.0	29.3	26.8	35.1
Overcrowding rate of poor	29.4	38.8	35.9	30.4

Figure B.13: Social protection spending and social outcomes in Cyprus (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP
Overcrowding rate of poor (rev)
Expenditure housing - % of GDP
Housing cost overburden of poor (rev)
AROP (rev)
Population in jobless households (0-59) (rev)
Poverty reduction by social transfers
Inactivity trap (single) (rev)
SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)
Duration of working life, F
Relative income ratio
Duration of working life, M
Aggregate replacement ratio
Employment rate 55-64
AROP 65+, M (rev)
AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP
Expenditure housing - % of GDP
Expenditure pensions - % of GDP (adj 65+)
Expenditure social exclusion - % of GDP
Expenditure healthcare/disability - % of GDP
(% of GDP), 7
Expenditure unemployment of GDP (adj unempled)

Family

Expenditure family (% of GDP) in cash, adj. 0-17
Involuntary part-time, F (share of pt employed) (rev)
Expenditure family (% of GDP) in kind, adj. 0-17
Employment rate of mothers
Relative income of HHs with children
Childcare use (3-mandatory), total
Poverty reduction children by social transfers
Childcare use (0-3 yrs), total
AROP children (rev)
SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)
Long-term unemployment rate (rev)
Expenditure ALMP - % of GDP
Unemployment rate 15+ (rev)
Coverage unemployment benefits
Unemployed in life-long learning
Net replacement rate (after 2 months, single)
AROP unemployed (rev)
Net replacement rate (after 12 months, single)
Unemployment trap (single) (rev)

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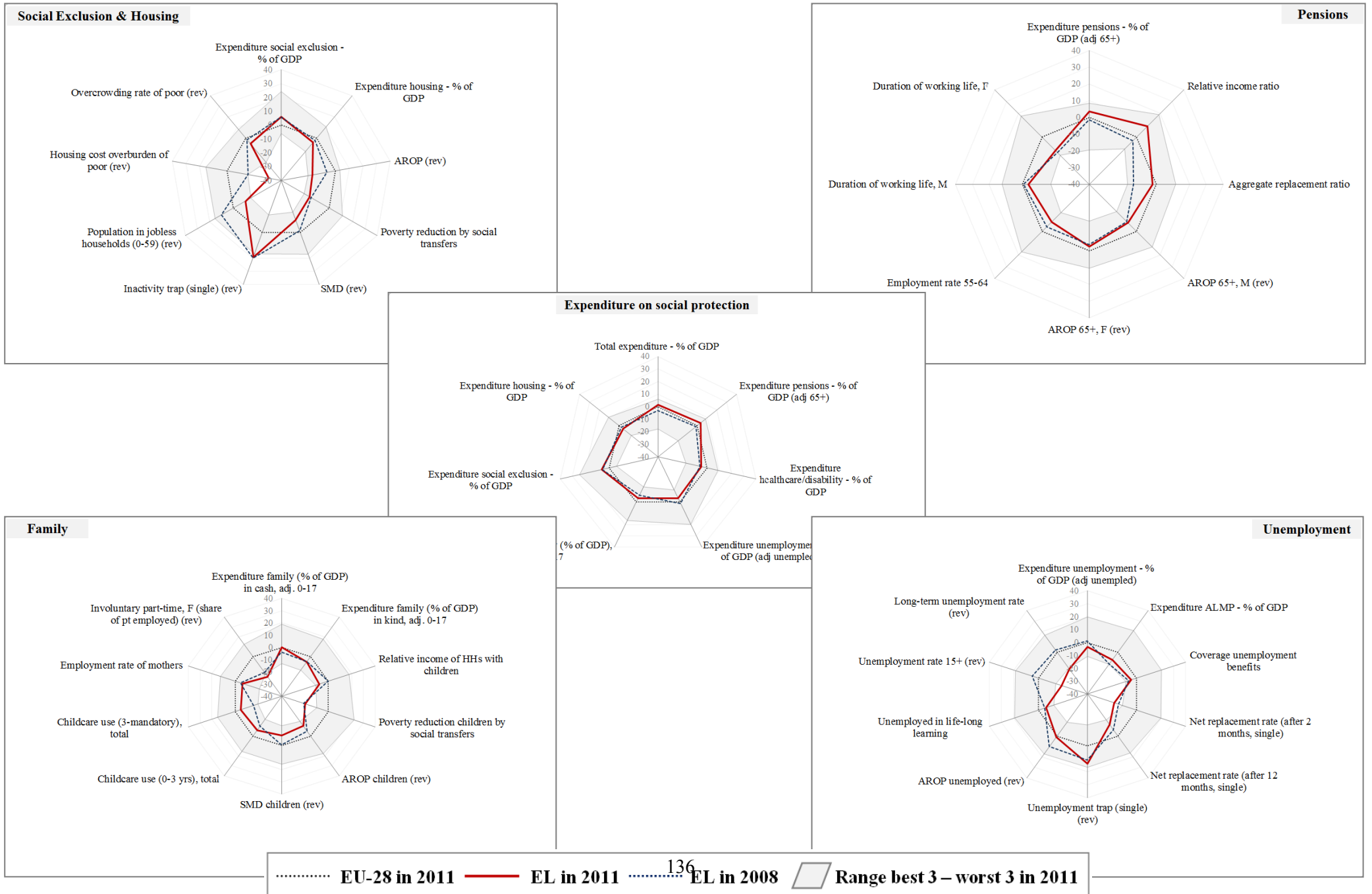······· **EU-28 in 2011** ——— **CY in 2011** ········ **CY in 2008** ☐ **Range best 3 – worst 3 in 2011**

Table B.13: Overview Indicators – Actual Values Cyprus 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	CY 2011	CY 2008	EU-27 2008
Total expenditure, % of GDP	29.0	22.6	19.5	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	84.3	67.7	69.0
Expenditure healthcare/disability, % of GDP	10.3	5.8	5.1	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	20.2	35.8	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	8.2	8.1	9.6
Expenditure social exclusion, as % of GDP	0.4	1.6	1.1	0.4
Expenditure housing, as % of GDP	0.6	1.0	0.8	0.5

II. Pensions

Indicator	EU-28 2011	CY 2011	CY 2008	EU-27 2008
Relative income ratio	0.91	0.70	0.61	0.86
Aggregate replacement ratio	0.54	0.39	0.37	0.51
AROP 65+, M	12.1	24.2	42.4	14.8
AROP 65+, F	16.4	33.6	49.6	20.0
Employment rate 55-64	48.8	54.8	54.8	45.5
Duration of working life, M	37.6	40.2	41.0	37.3
Duration of working life, F	32.2	32.7	31.8	31.2

III. Unemployment

Indicator	EU-28 2011	CY 2011	CY 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.3	0.1	0.5
Coverage unemployment benefits	30.0	21.8	26.2	31.0
Net repl rate (2 months, single)	58.8			
Net repl rate (12 months, single)	37.7			
Unemployment trap (single)	74.8			74.5
AROP unemployed	46.9	31.5	38.3	45.4
Unemployed in LLL	9.0	6.9		8.3
Unemployment rate 15+	10.5	7.9	3.7	7.0
Long-term unemployment rate	4.7	1.6	0.5	2.6

IV. Family

Indicator	EU-28 2011	CY 2011	CY 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	7.4	6.9	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	0.8	1.2	3.2
Relative income HHs with children	0.94	1.01	1.01	0.94
Poverty reduction by social transfers, children	34.4	45.5	51.4	40.2
AROP children	20.8	13.9	12.3	20.1
Severe material deprivation children	11.8	18.1	9.3	9.5
Childcare use (0-3 yrs), total	30.0	23.0	26.0	27.0
Childcare use (3-mand), total	83.0	73.0	78.0	84.0
Employment rate of mothers	60.2	72.2	72.6	59.2
Involuntary part-time, F (share of PT employed)	24.9	50.4	34.7	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	CY 2011	CY 2008	EU-27 2008
AROP	17.0	14.7	15.8	16.4
Poverty reduction by social transfers	34.4	37.5	33.1	34.9
Severe material deprivation	9.9	15.0	9.5	8.2
Inactivity trap (single)	56.1			54.8
Population in jobless HHs (0-59)	10.3	6.5	4.0	9.1
Housing cost overburden of poor	39.0	12.9	9.7	35.1
Overcrowding rate of poor	29.4	7.5	5.2	30.4

Figure B.14: Social protection spending and social outcomes in Latvia (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP
Expenditure housing - % of GDP
Overcrowding rate of poor (rev)
AROP (rev)
Housing cost overburden of poor (rev)
Poverty reduction by social transfers
Population in jobless households (0-59) (rev)
Inactivity trap (single) (rev)
SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)
Duration of working life, F
Relative income ratio
Duration of working life, M
Aggregate replacement ratio
Employment rate 55-64
AROP 65+, M (rev)
AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP
Expenditure housing - % of GDP
Expenditure pensions - % of GDP (adj 65+)
Expenditure social exclusion - % of GDP
Expenditure healthcare/disability - % of GDP
(% of GDP), 7
Expenditure unemployment of GDP (adj unempled)

Family

Expenditure family (% of GDP) in cash, adj. 0-17
Involuntary part-time, F (share of pt employed) (rev)
Expenditure family (% of GDP) in kind, adj. 0-17
Employment rate of mothers
Relative income of HHs with children
Childcare use (3-mandatory), total
Poverty reduction children by social transfers
Childcare use (0-3 yrs), total
AROP children (rev)
SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)
Long-term unemployment rate (rev)
Expenditure ALMP - % of GDP
Unemployment rate 15+ (rev)
Coverage unemployment benefits
Unemployed in life-long learning
Net replacement rate (after 2 months, single)
AROP unemployed (rev)
Net replacement rate (after 12 months, single)
Unemployment trap (single) (rev)

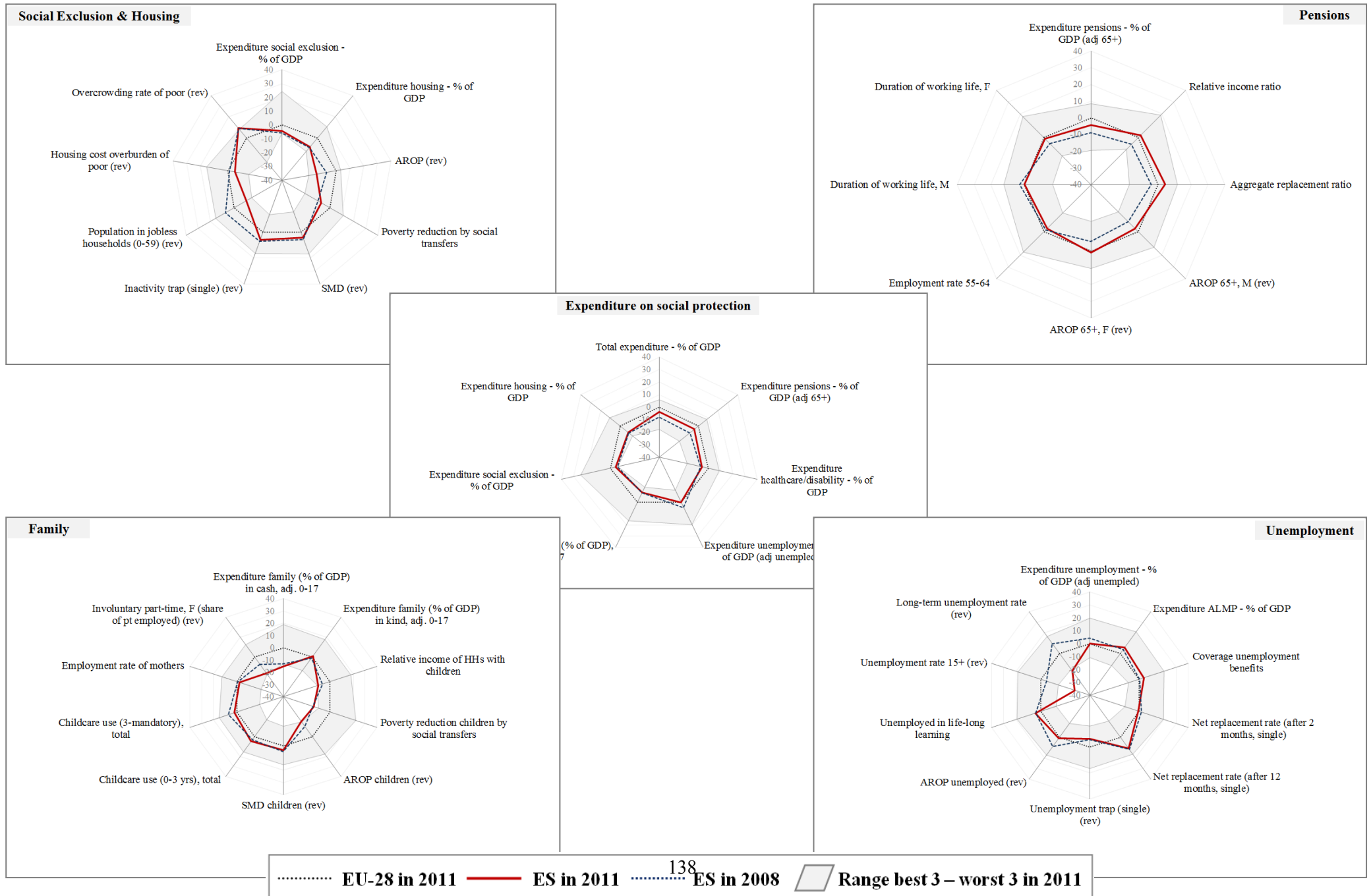EU-28 in 2011 ——— LV in 2011 ·········· LV in 2008 ☐ Range best 3 – worst 3 in 2011

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Table B.14: Overview Indicators – Actual Values Latvia 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	LV 2011	LV 2008	EU-27 2008
Total expenditure, % of GDP	29.0	15.1	12.7	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	44.0	32.4	69.0
Expenditure healthcare/disability, % of GDP	10.3	4.4	4.6	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	5.8	8.7	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	5.5	6.5	9.6
Expenditure social exclusion, as % of GDP	0.4	0.3	0.1	0.4
Expenditure housing, as % of GDP	0.6	0.1	0.2	0.5

II. Pensions

Indicator	EU-28 2011	LV 2011	LV 2008	EU-27 2008
Relative income ratio	0.91	0.80	0.57	0.86
Aggregate replacement ratio	0.54	0.49	0.34	0.51
AROP 65+, M	12.1	8.5	39.2	14.8
AROP 65+, F	16.4	16.4	51.6	20.0
Employment rate 55-64	48.8	50.5	59.4	45.5
Duration of working life, M	37.6	34.6	36.3	37.3
Duration of working life, F	32.2	34.0	35.0	31.2

III. Unemployment

Indicator	EU-28 2011	LV 2011	LV 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.3	0.1	0.5
Coverage unemployment benefits	30.0	10.2	17.5	31.0
Net repl rate (2 months, single)	58.8	87.0	83.0	
Net repl rate (12 months, single)	37.7	27.0	23.0	
Unemployment trap (single)	74.8	89.9	85.5	74.5
AROP unemployed	46.9	51.9	57.4	45.4
Unemployed in LLL	9.0	4.3	3.8	8.3
Unemployment rate 15+	10.5	16.2	7.7	7.0
Long-term unemployment rate	4.7	8.8	2.0	2.6

IV. Family

Indicator	EU-28 2011	LV 2011	LV 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	4.5	5.6	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	1.0	0.9	3.2
Relative income HHs with children	0.94	1.06	1.15	0.94
Poverty reduction by social transfers, children	34.4	28.5	22.0	40.2
AROP children	20.8	24.4	26.3	20.1
Severe material deprivation children	11.8	27.3	24.6	9.5
Childcare use (0-3 yrs), total	30.0	15.0	15.0	27.0
Childcare use (3-mand), total	83.0	73.0	74.0	84.0
Employment rate of mothers	60.2	63.8	67.5	59.2
Involuntary part-time, F (share of PT employed)	24.9	41.6	21.4	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	LV 2011	LV 2008	EU-27 2008
AROP	17.0	19.2	26.4	16.4
Poverty reduction by social transfers	34.4	25.3	14.8	34.9
Severe material deprivation	9.9	25.6	22.1	8.2
Inactivity trap (single)	56.1	57.7	49.7	54.8
Population in jobless HHs (0-59)	10.3	11.7	7.4	9.1
Housing cost overburden of poor	39.0	35.9	28.5	35.1
Overcrowding rate of poor	29.4	48.7	57.8	30.4

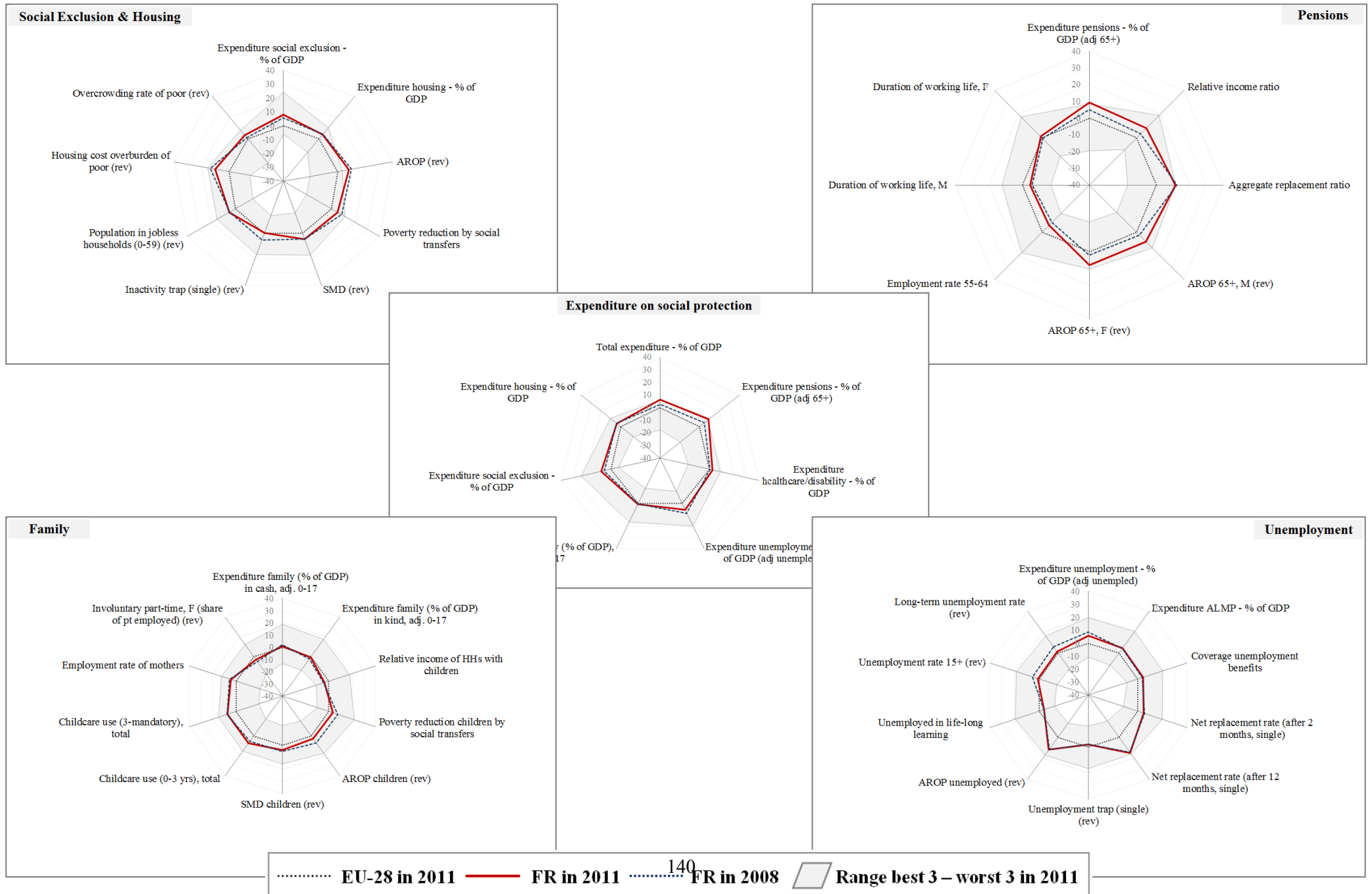Figure B.15: Social protection spending and social outcomes in Lithuania (2011 and 2008)

Table B.15: Overview Indicators – Actual Values Lithuania 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	LT 2011	LT 2008	EU-27 2008
Total expenditure, % of GDP	29.0	17.0	16.1	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	40.2	40.6	69.0
Expenditure healthcare/disability, % of GDP	10.3	6.1	6.3	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	5.4	9.9	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	7.8	7.8	9.6
Expenditure social exclusion, as % of GDP	0.4	0.8	0.2	0.4
Expenditure housing, as % of GDP	0.6	0.0	0.0	0.5

II. Pensions

Indicator	EU-28 2011	LT 2011	LT 2008	EU-27 2008
Relative income ratio	0.91	0.78	0.73	0.86
Aggregate replacement ratio	0.54	0.45	0.48	0.51
AROP 65+, M	12.1	13.8	12.2	14.8
AROP 65+, F	16.4	21.2	29.9	20.0
Employment rate 55-64	48.8	50.2	53.0	45.5
Duration of working life, M	37.6	33.7	32.2	37.3
Duration of working life, F	32.2	33.9	32.0	31.2

III. Unemployment

Indicator	EU-28 2011	LT 2011	LT 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.2	0.2	0.5
Coverage unemployment benefits	30.0	17.6	19.3	31.0
Net repl rate (2 months, single)	58.8	42.0	61.0	
Net repl rate (12 months, single)	37.7	20.0	16.0	
Unemployment trap (single)	74.8	68.5	81.6	74.5
AROP unemployed	46.9	54.4	53.8	45.4
Unemployed in LLL	9.0	3.3		8.3
Unemployment rate 15+	10.5	15.4	5.8	7.0
Long-term unemployment rate	4.7	8.0	1.3	2.6

IV. Family

Indicator	EU-28 2011	LT 2011	LT 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	5.9	6.5	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	1.8	1.7	3.2
Relative income HHs with children	0.94	1.05	1.07	0.94
Poverty reduction by social transfers, children	34.4	41.1	36.3	40.2
AROP children	20.8	20.8	23.3	20.1
Severe material deprivation children	11.8	16.9	15.8	9.5
Childcare use (0-3 yrs), total	30.0	7.0	10.0	27.0
Childcare use (3-mand), total	83.0	65.0	55.0	84.0
Employment rate of mothers	60.2	72.5	68.6	59.2
Involuntary part-time, F (share of PT employed)	24.9	38.7		24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	LT 2011	LT 2008	EU-27 2008
AROP	17.0	18.6	20.3	16.4
Poverty reduction by social transfers	34.4	34.5	29.0	34.9
Severe material deprivation	9.9	19.8	15.6	8.2
Inactivity trap (single)	56.1	43.5	39.6	54.8
Population in jobless HHs (0-59)	10.3	11.4	7.2	9.1
Housing cost overburden of poor	39.0	33.1	20.3	35.1
Overcrowding rate of poor	29.4	24.7	54.7	30.4

Figure B.16: Social protection spending and social outcomes in Luxemburg (2011 and 2008)
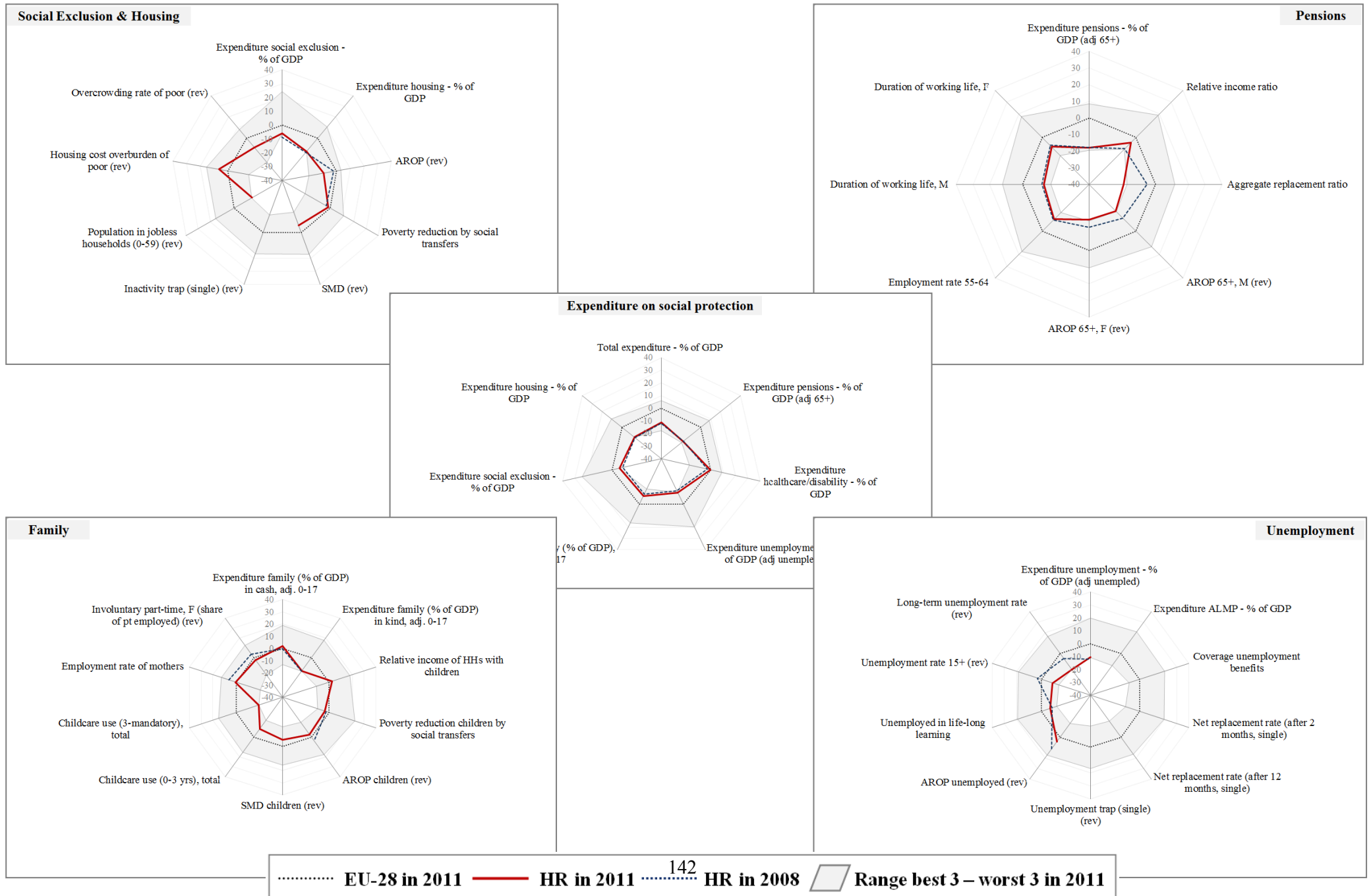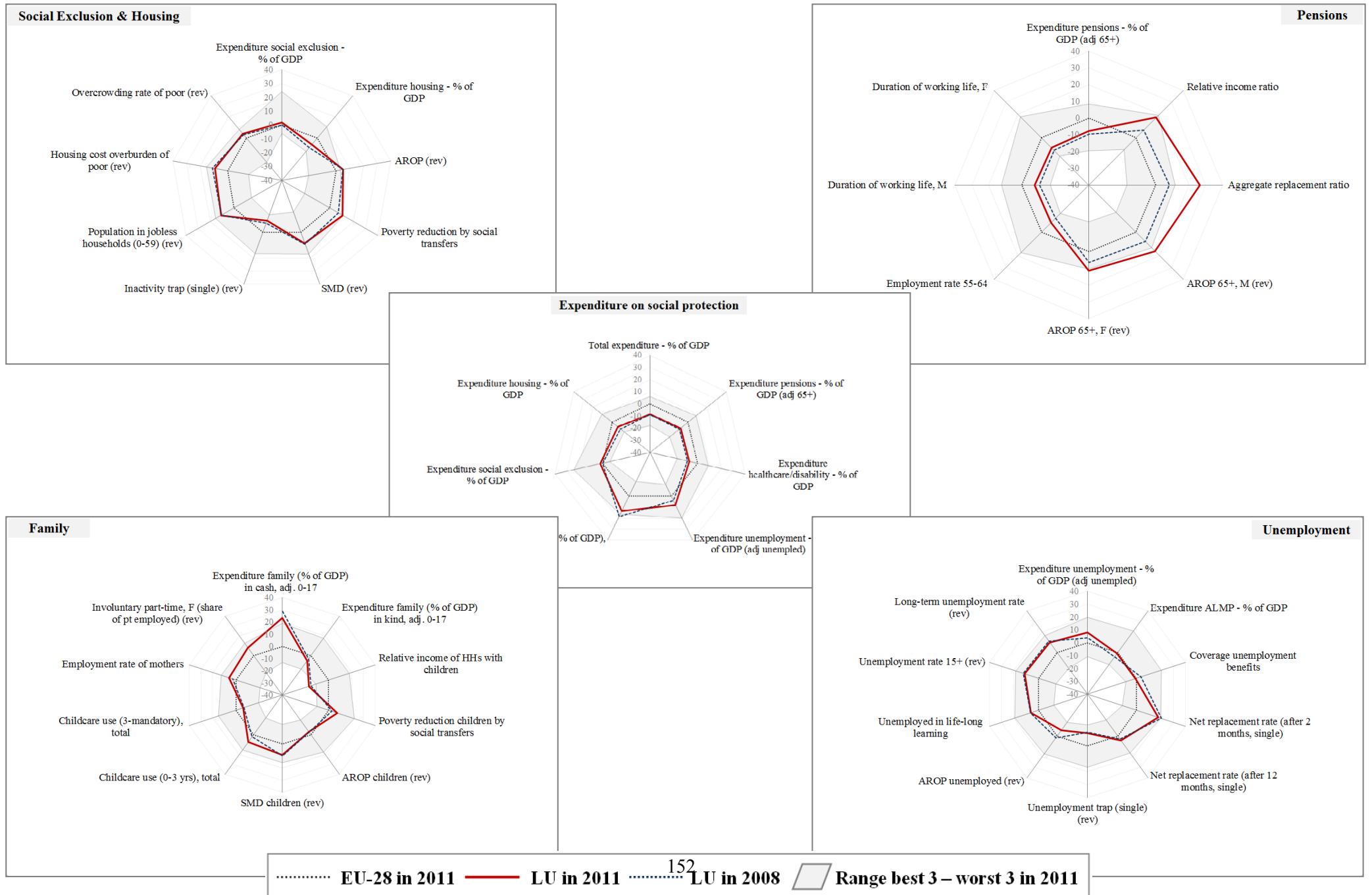
Table B.16: Overview Indicators – Actual Values Luxemburg 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	LU 2011	LU 2008	EU-27 2008
Total expenditure, % of GDP	29.0	22.5	21.4	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	59.7	54.3	69.0
Expenditure healthcare/disability, % of GDP	10.3	8.2	7.7	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	36.1	29.4	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	15.3	17.4	9.6
Expenditure social exclusion, as % of GDP	0.4	0.5	0.4	0.4
Expenditure housing, as % of GDP	0.6	0.3	0.2	0.5

II. Pensions

Indicator	EU-28 2011	LU 2011	LU 2008	EU-27 2008
Relative income ratio	0.91	1.10	1.01	0.86
Aggregate replacement ratio	0.54	0.79	0.62	0.51
AROP 65+, M	12.1	3.6	3.9	14.8
AROP 65+, F	16.4	8.0	7.7	20.0
Employment rate 55-64	48.8	39.3	34.1	45.5
Duration of working life, M	37.6	35.2	34.1	37.3
Duration of working life, F	32.2	28.5	27.3	31.2

III. Unemployment

Indicator	EU-28 2011	LU 2011	LU 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.5	0.4	0.5
Coverage unemployment benefits	30.0	28.8	37.8	31.0
Net repl rate (2 months, single)	58.8	85.0	85.0	
Net repl rate (12 months, single)	37.7	46.0	44.0	
Unemployment trap (single)	74.8	86.7	86.5	74.5
AROP unemployed	46.9	51.9	45.3	45.4
Unemployed in LLL	9.0	15.3	14.5	8.3
Unemployment rate 15+	10.5	4.8	4.9	7.0
Long-term unemployment rate	4.7	1.4	1.6	2.6

IV. Family

Indicator	EU-28 2011	LU 2011	LU 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	12.8	14.5	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	2.6	2.9	3.2
Relative income HHs with children	0.94	0.76	0.80	0.94
Poverty reduction by social transfers, children	34.4	50.7	43.7	40.2
AROP children	20.8	22.6	22.3	20.1
Severe material deprivation children	11.8	1.7	1.2	9.5
Childcare use (0-3 yrs), total	30.0	44.0	34.0	27.0
Childcare use (3-mand), total	83.0	73.0	72.0	84.0
Employment rate of mothers	60.2	67.6	63.8	59.2
Involuntary part-time, F (share of PT employed)	24.9	9.7		24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	LU 2011	LU 2008	EU-27 2008
AROP	17.0	15.1	14.9	16.4
Poverty reduction by social transfers	34.4	47.9	44.8	34.9
Severe material deprivation	9.9	1.3	1.1	8.2
Inactivity trap (single)	56.1	70.5	67.8	54.8
Population in jobless HHs (0-59)	10.3	6.1	6.3	9.1
Housing cost overburden of poor	39.0	23.9	19.2	35.1
Overcrowding rate of poor	29.4	21.4	22.8	30.4

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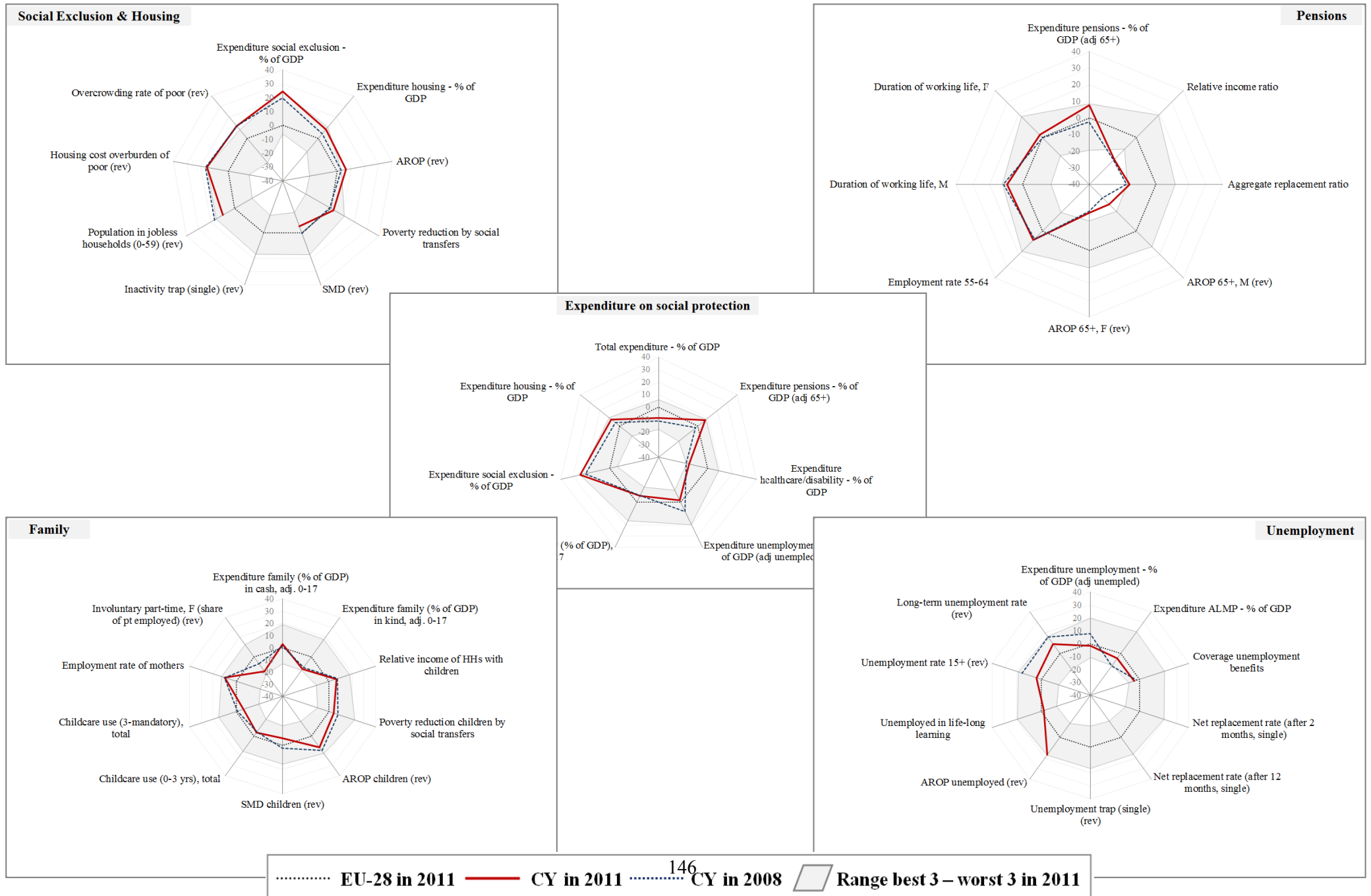Figure B.17: Social protection spending and social outcomes in Hungary (2011 and 2008)

Table B.17: Overview Indicators – Actual Values Hungary 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	HU 2011	HU 2008	EU-27 2008
Total expenditure, % of GDP	29.0	23.0	22.9	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	62.9	63.0	69.0
Expenditure healthcare/disability, % of GDP	10.3	8.0	7.7	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	11.6	16.5	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	14.2	13.7	9.6
Expenditure social exclusion, as % of GDP	0.4	0.1	0.1	0.4
Expenditure housing, as % of GDP	0.6	0.4	0.7	0.5

II. Pensions

Indicator	EU-28 2011	HU 2011	HU 2008	EU-27 2008
Relative income ratio	0.91	0.97	1.02	0.86
Aggregate replacent ratio	0.54	0.58	0.62	0.51
AROP 65+, M	12.1	4.7	3.1	14.8
AROP 65+, F	16.4	6.8	5.4	20.0
Employment rate 55-64	48.8	35.8	31.4	45.5
Duration of working life, M	37.6	31.8	31.1	37.3
Duration of working life, F	32.2	27.4	26.3	31.2

III. Unemployment

Indicator	EU-28 2011	HU 2011	HU 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.4	0.3	0.5
Coverage unemployment benefits	30.0	41.5	42.3	31.0
Net repl rate (2 months, single)	58.8	54.0	59.0	
Net repl rate (12 months, single)	37.7	22.0	24.0	
Unemployment trap (single)	74.8	79.6	80.3	74.5
AROP unemployed	46.9	49.3	47.3	45.4
Unemployed in LLL	9.0	2.0	2.9	8.3
Unemployment rate 15+	10.5	10.9	7.8	7.0
Long-term unemployment rate	4.7	5.2	3.6	2.6

IV. Family

Indicator	EU-28 2011	HU 2011	HU 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	10.7	10.9	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	3.4	2.8	3.2
Relative income HHs with children	0.94	0.92	0.83	0.94
Poverty reduction by social transfers, children	34.4	47.6	55.5	40.2
AROP children	20.8	22.6	20.6	20.1
Severe material deprivation children	11.8	33.4	25.5	9.5
Childcare use (0-3 yrs), total	30.0	8.0	7.0	27.0
Childcare use (3-mand), total	83.0	75.0	74.0	84.0
Employment rate of mothers	60.2	33.7	33.8	59.2
Involuntary part-time, F (share of PT employed)	24.9	43.2	33.7	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	HU 2011	HU 2008	EU-27 2008
AROP	17.0	14.0	12.4	16.4
Poverty reduction by social transfers	34.4	48.3	57.1	34.9
Severe material deprivation	9.9	25.7	20.3	8.2
Inactivity trap (single)	56.1	51.3	46.8	54.8
Population in jobless HHs (0-59)	10.3	12.8	11.3	9.1
Housing cost overburden of poor	39.0	37.7	36.0	35.1
Overcrowding rate of poor	29.4	71.0	68.8	30.4

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Figure B.18: Social protection spending and social outcomes in Malta (2011 and 2008)

Social Exclusion & Housing

- Expenditure social exclusion - % of GDP
- Expenditure housing - % of GDP
- Overcrowding rate of poor (rev)
- Housing cost overburden of poor (rev)
- AROP (rev)
- Population in jobless households (0-59) (rev)
- Poverty reduction by social transfers
- Inactivity trap (single) (rev)
- SMD (rev)

Pensions

- Expenditure pensions - % of GDP (adj 65+)
- Duration of working life, F
- Relative income ratio
- Duration of working life, M
- Aggregate replacement ratio
- Employment rate 55-64
- AROP 65+, M (rev)
- AROP 65+, F (rev)

Expenditure on social protection

- Total expenditure - % of GDP
- Expenditure housing - % of GDP
- Expenditure pensions - % of GDP (adj 65+)
- Expenditure social exclusion - % of GDP
- Expenditure healthcare/disability - % of GDP
- (% of GDP), 7
- Expenditure unemployment of GDP (adj unempled)

Family

- Expenditure family (% of GDP) in cash, adj. 0-17
- Involuntary part-time, F (share of pt employed) (rev)
- Expenditure family (% of GDP) in kind, adj. 0-17
- Employment rate of mothers
- Relative income of HHs with children
- Childcare use (3-mandatory), total
- Poverty reduction children by social transfers
- Childcare use (0-3 yrs), total
- AROP children (rev)
- SMD children (rev)

Unemployment

- Expenditure unemployment - % of GDP (adj unempled)
- Long-term unemployment rate (rev)
- Expenditure ALMP - % of GDP
- Unemployment rate 15+ (rev)
- Coverage unemployment benefits
- Unemployed in life-long learning
- Net replacement rate (after 2 months, single)
- AROP unemployed (rev)
- Net replacement rate (after 12 months, single)
- Unemployment trap (single) (rev)

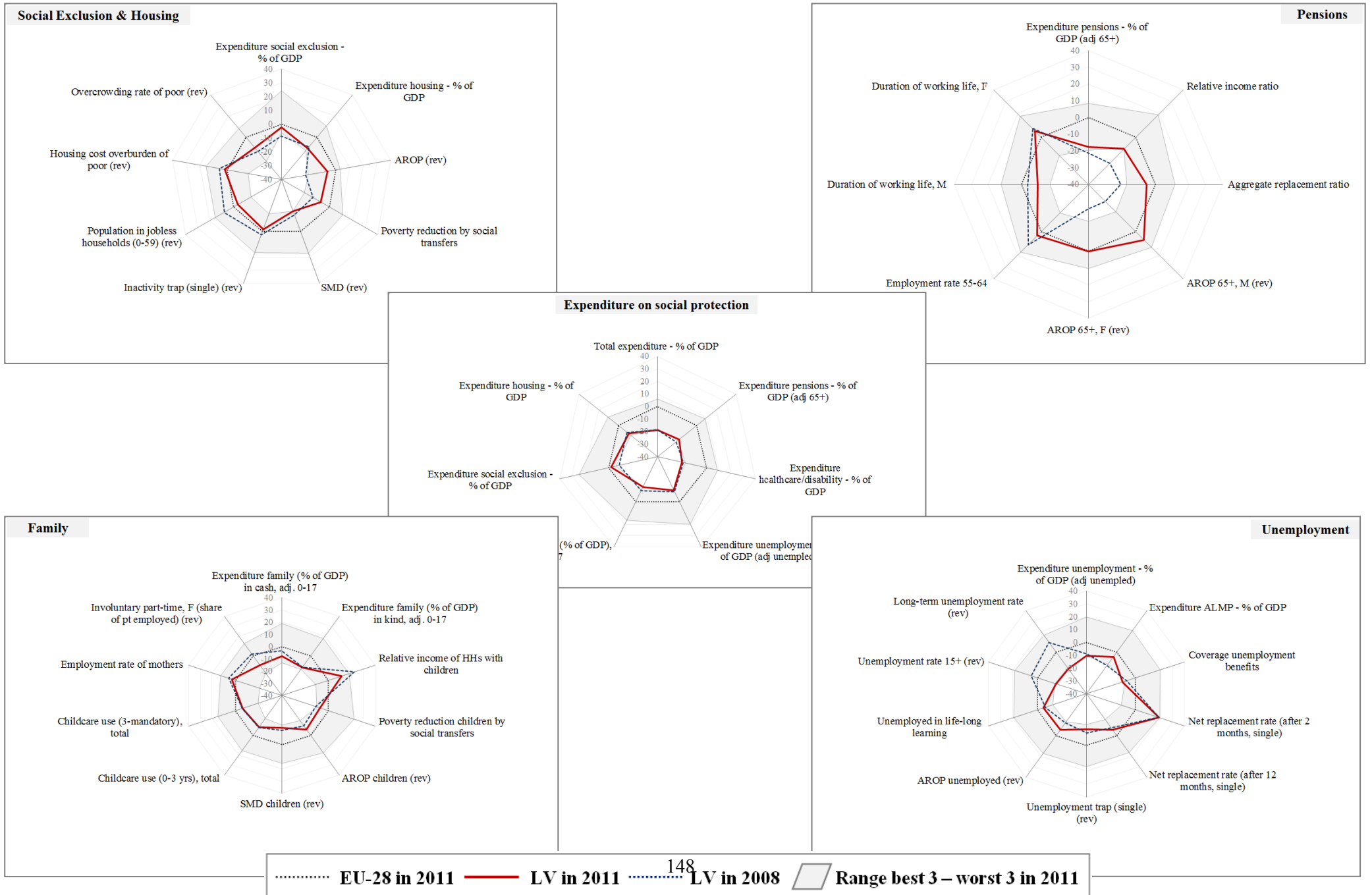········ EU-28 in 2011 ——— MT in 2011 ········ MT in 2008 ▱ Range best 3 – worst 3 in 2011

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Table B.18: Overview Indicators – Actual Values Malta 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	MT 2011	MT 2008	EU-27 2008
Total expenditure, % of GDP	29.0	18.9	18.1	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	65.0	66.9	69.0
Expenditure healthcare/disability, % of GDP	10.3	6.2	6.3	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	12.3	13.9	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	5.6	5.2	9.6
Expenditure social exclusion, as % of GDP	0.4	0.3	0.4	0.4
Expenditure housing, as % of GDP	0.6	0.2	0.2	0.5

II. Pensions

Indicator	EU-28 2011	MT 2011	MT 2008	EU-27 2008
Relative income ratio	0.91	0.80	0.77	0.86
Aggregate replacement ratio	0.54	0.46	0.45	0.51
AROP 65+, M	12.1	19.0	21.0	14.8
AROP 65+, F	16.4	15.9	18.7	20.0
Employment rate 55-64	48.8	31.8	29.3	45.5
Duration of working life, M	37.6	39.1	37.9	37.3
Duration of working life, F	32.2	22.3	20.4	31.2

III. Unemployment

Indicator	EU-28 2011	MT 2011	MT 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.1	0.1	0.5
Coverage unemployment benefits	30.0	25.9	26.7	31.0
Net repl rate (2 months, single)	58.8	39.0	41.0	
Net repl rate (12 months, single)	37.7	39.0	41.0	
Unemployment trap (single)	74.8	55.7	58.3	74.5
AROP unemployed	46.9	48.2	32.5	45.4
Unemployed in LLL	9.0	10.6	9.7	8.3
Unemployment rate 15+	10.5	6.5	6.0	7.0
Long-term unemployment rate	4.7	3.0	2.5	2.6

IV. Family

Indicator	EU-28 2011	MT 2011	MT 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	4.7	4.8	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	0.9	0.4	3.2
Relative income HHs with children	0.94	0.83	0.83	0.94
Poverty reduction by social transfers, children	34.4	36.0	35.0	40.2
AROP children	20.8	23.1	21.2	20.1
Severe material deprivation children	11.8	12.3	7.2	9.5
Childcare use (0-3 yrs), total	30.0	11.0	8.0	27.0
Childcare use (3-mand), total	83.0	73.0	77.0	84.0
Employment rate of mothers	60.2	49.2	40.8	59.2
Involuntary part-time, F (share of PT employed)	24.9	11.9		24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	MT 2011	MT 2008	EU-27 2008
AROP	17.0	15.1	14.9	16.4
Poverty reduction by social transfers	34.4	37.1	34.9	34.9
Severe material deprivation	9.9	9.2	5.0	8.2
Inactivity trap (single)	56.1	56.1	58.4	54.8
Population in jobless HHs (0-59)	10.3	9.0	9.2	9.1
Housing cost overburden of poor	39.0	11.9	10.6	35.1
Overcrowding rate of poor	29.4	6.6	5.1	30.4

Figure B.19: Social protection spending and social outcomes in the Netherlands (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP
Expenditure housing - % of GDP
Overcrowding rate of poor (rev)
AROP (rev)
Housing cost overburden of poor (rev)
Poverty reduction by social transfers
Population in jobless households (0-59) (rev)
SMD (rev)
Inactivity trap (single) (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)
Duration of working life, F
Relative income ratio
Duration of working life, M
Aggregate replacement ratio
Employment rate 55-64
AROP 65+, M (rev)
AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP
Expenditure housing - % of GDP
Expenditure pensions - % of GDP (adj 65+)
Expenditure social exclusion - % of GDP
Expenditure healthcare/disability - % of GDP
(% of GDP), 7
Expenditure unemployment - % of GDP (adj unempl)

Family

Expenditure family (% of GDP) in cash, adj. 0-17
Involuntary part-time, F (share of pt employed) (rev)
Expenditure family (% of GDP) in kind, adj. 0-17
Employment rate of mothers
Relative income of HHs with children
Childcare use (3-mandatory), total
Poverty reduction children by social transfers
Childcare use (0-3 yrs), total
AROP children (rev)
SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)
Long-term unemployment rate (rev)
Expenditure ALMP - % of GDP
Unemployment rate 15+ (rev)
Coverage unemployment benefits
Unemployed in life-long learning
Net replacement rate (after 2 months, single)
AROP unemployed (rev)
Net replacement rate (after 12 months, single)
Unemployment trap (single) (rev)

········· **EU-28 in 2011** ——— **NL in 2011** ┄┄┄┄ **NL in 2008** ▱ **Range best 3 – worst 3 in 2011**
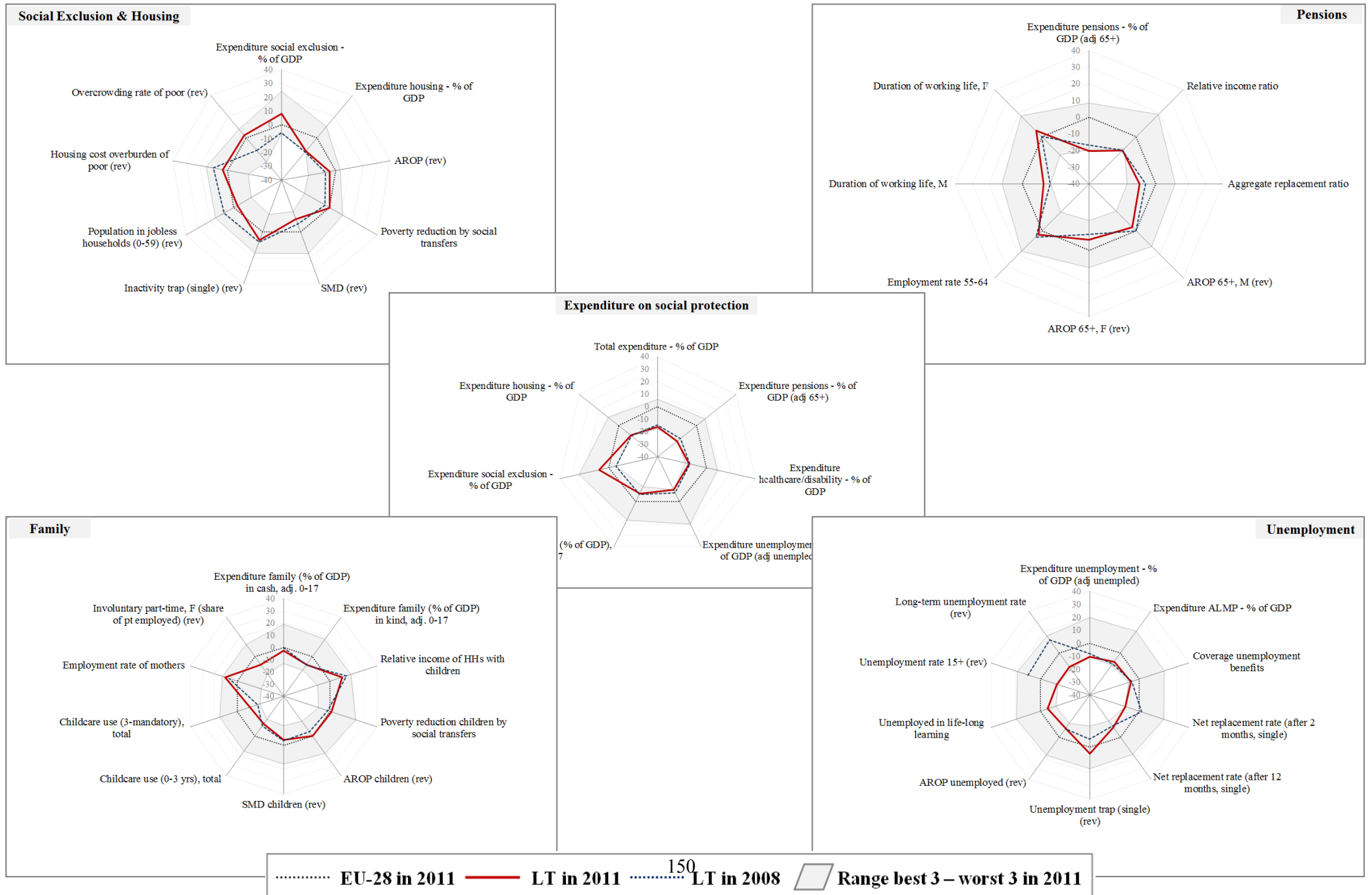
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Table B.19: Overview Indicators – Actual Values Netherlands 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	NL 2011	NL 2008	EU-27 2008
Total expenditure, % of GDP	29.0	32.3	28.5	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	76.9	74.2	69.0
Expenditure healthcare/disability, % of GDP	10.3	13.2	11.8	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	43.5	46.7	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	5.1	5.0	9.6
Expenditure social exclusion, as % of GDP	0.4	2.2	1.7	0.4
Expenditure housing, as % of GDP	0.6	0.4	0.4	0.5

II. Pensions

Indicator	EU-28 2011	NL 2011	NL 2008	EU-27 2008
Relative income ratio	0.91	0.90	0.86	0.86
Aggregate replacement ratio	0.54	0.47	0.44	0.51
AROP 65+, M	12.1	5.5	8.0	14.8
AROP 65+, F	16.4	5.4	7.5	20.0
Employment rate 55-64	48.8	56.1	53.0	45.5
Duration of working life, M	37.6	41.7	42.3	37.3
Duration of working life, F	32.2	36.4	36.3	31.2

III. Unemployment

Indicator	EU-28 2011	NL 2011	NL 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.7	0.7	0.5
Coverage unemployment benefits	30.0			31.0
Net repl rate (2 months, single)	58.8	75.0	74.0	
Net repl rate (12 months, single)	37.7	70.0	70.0	
Unemployment trap (single)	74.8	83.9	83.8	74.5
AROP unemployed	46.9	33.3	41.7	45.4
Unemployed in LLL	9.0	17.3	17.6	8.3
Unemployment rate 15+	10.5	4.4	3.1	7.0
Long-term unemployment rate	4.7	1.5	1.1	2.6

IV. Family

Indicator	EU-28 2011	NL 2011	NL 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	3.0	2.9	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	2.1	2.1	3.2
Relative income HHs with children	0.94	0.94	0.93	0.94
Poverty reduction by social transfers, children	34.4	44.5	38.9	40.2
AROP children	20.8	13.2	15.4	20.1
Severe material deprivation children	11.8	3.3	1.5	9.5
Childcare use (0-3 yrs), total	30.0	52.0	49.0	27.0
Childcare use (3-mand), total	83.0	89.0	87.0	84.0
Employment rate of mothers	60.2	76.1	76.7	59.2
Involuntary part-time, F (share of PT employed)	24.9	7.4	4.6	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	NL 2011	NL 2008	EU-27 2008
AROP	17.0	10.1	11.1	16.4
Poverty reduction by social transfers	34.4	51.0	45.9	34.9
Severe material deprivation	9.9	2.3	1.4	8.2
Inactivity trap (single)	56.1	82.1	83.6	54.8
Population in jobless HHs (0-59)	10.3	8.9	8.5	9.1
Housing cost overburden of poor	39.0	46.6	43.3	35.1
Overcrowding rate of poor	29.4	9.2	5.5	30.4

Figure B.20: Social protection spending and social outcomes in Austria (2011 and 2008)

Social Exclusion & Housing

- Expenditure social exclusion - % of GDP
- Expenditure housing - % of GDP
- Overcrowding rate of poor (rev)
- AROP (rev)
- Housing cost overburden of poor (rev)
- Poverty reduction by social transfers
- Population in jobless households (0-59) (rev)
- SMD (rev)
- Inactivity trap (single) (rev)

Pensions

- Expenditure pensions - % of GDP (adj 65+)
- Duration of working life, F
- Relative income ratio
- Duration of working life, M
- Aggregate replacement ratio
- Employment rate 55-64
- AROP 65+, M (rev)
- AROP 65+, F (rev)

Expenditure on social protection

- Total expenditure - % of GDP
- Expenditure housing - % of GDP
- Expenditure pensions - % of GDP (adj 65+)
- Expenditure social exclusion - % of GDP
- Expenditure healthcare/disability - % of GDP
- (% of GDP), 7
- Expenditure unemployment - % of GDP (adj unempled)

Family

- Expenditure family (% of GDP) in cash, adj. 0-17
- Involuntary part-time, F (share of pt employed) (rev)
- Expenditure family (% of GDP) in kind, adj. 0-17
- Employment rate of mothers
- Relative income of HHs with children
- Childcare use (3-mandatory), total
- Poverty reduction children by social transfers
- Childcare use (0-3 yrs), total
- AROP children (rev)
- SMD children (rev)

Unemployment

- Expenditure unemployment - % of GDP (adj unempled)
- Long-term unemployment rate (rev)
- Expenditure ALMP - % of GDP
- Unemployment rate 15+ (rev)
- Coverage unemployment benefits
- Unemployed in life-long learning
- Net replacement rate (after 2 months, single)
- AROP unemployed (rev)
- Net replacement rate (after 12 months, single)
- Unemployment trap (single) (rev)

········ EU-28 in 2011 ———— AT in 2011 ········ AT in 2008 ▱ Range best 3 – worst 3 in 2011
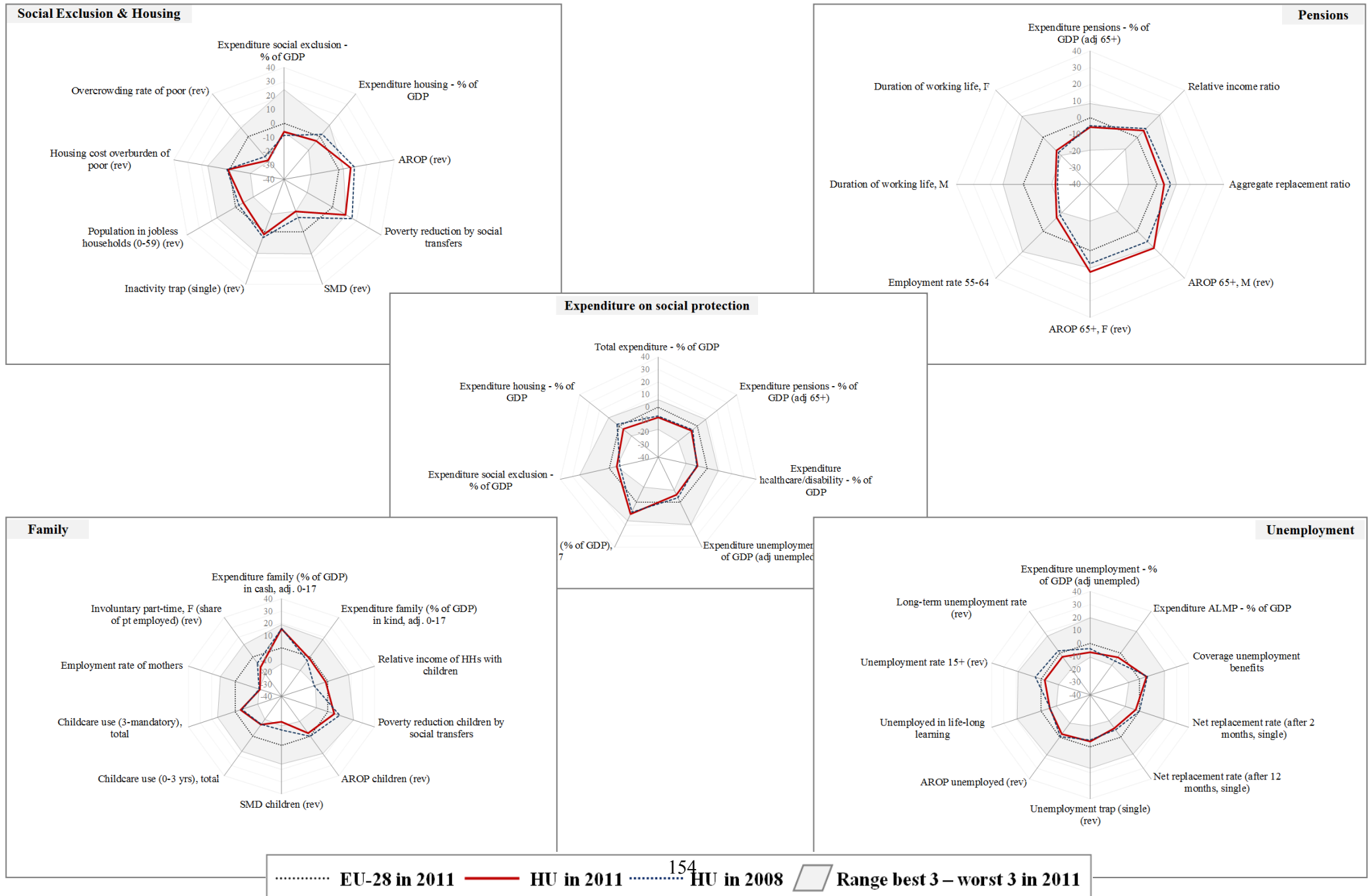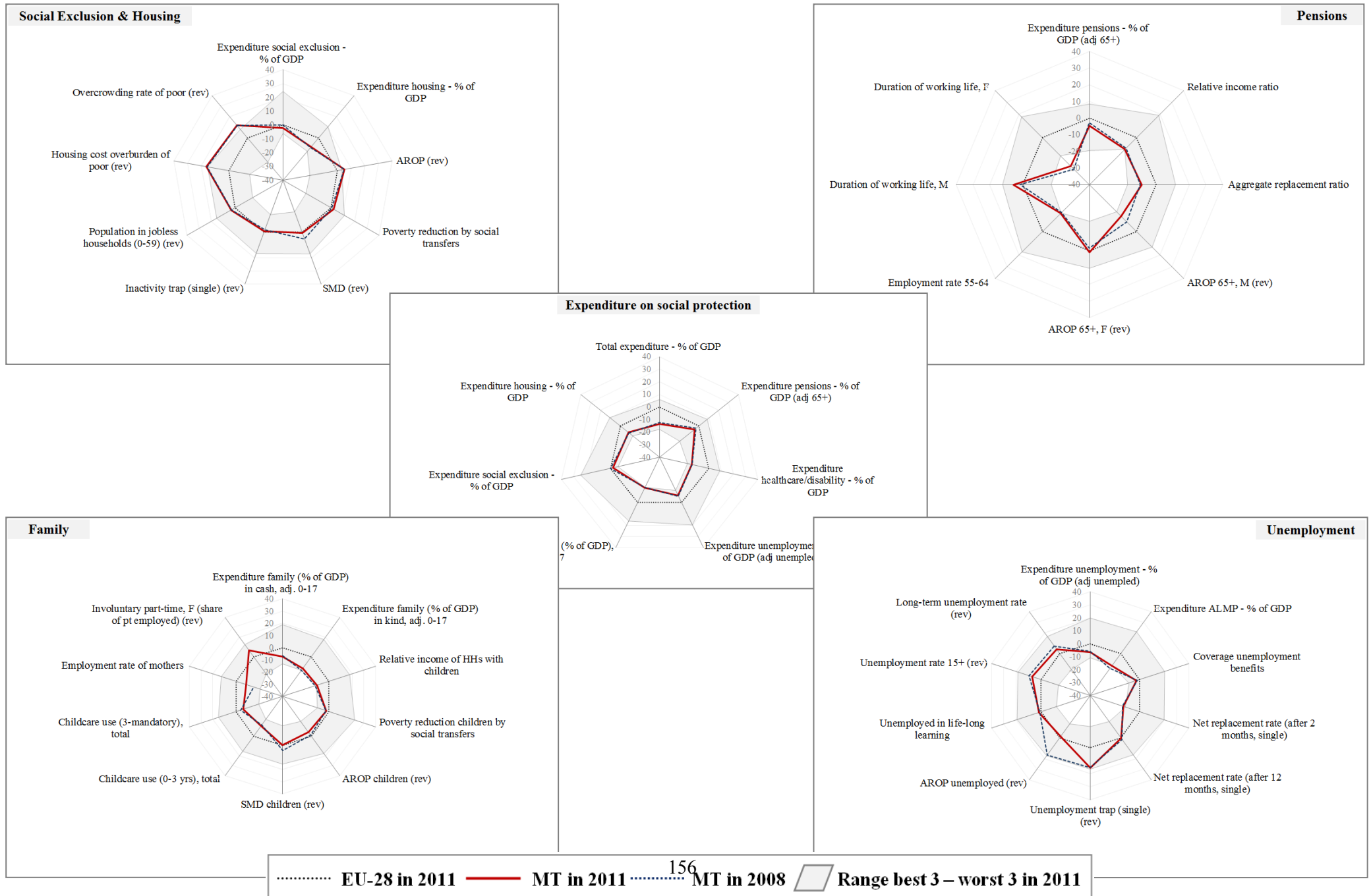
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Table B.20: Overview Indicators – Actual Values Austria 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	AT 2011	AT 2008	EU-27 2008
Total expenditure, % of GDP	29.0	29.5	28.5	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	82.4	79.5	69.0
Expenditure healthcare/disability, % of GDP	10.3	9.4	9.4	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	47.4	47.9	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	13.6	13.1	9.6
Expenditure social exclusion, as % of GDP	0.4	0.3	0.3	0.4
Expenditure housing, as % of GDP	0.6	0.1	0.1	0.5

II. Pensions

Indicator	EU-28 2011	AT 2011	AT 2008	EU-27 2008
Relative income ratio	0.91	0.93	0.91	0.86
Aggregate replacement ratio	0.54	0.58	0.64	0.51
AROP 65+, M	12.1	11.5	10.7	14.8
AROP 65+, F	16.4	17.8	18.4	20.0
Employment rate 55-64	48.8	41.5	41.0	45.5
Duration of working life, M	37.6	39.2	39.1	37.3
Duration of working life, F	32.2	33.8	33.2	31.2

III. Unemployment

Indicator	EU-28 2011	AT 2011	AT 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.6	0.5	0.5
Coverage unemployment benefits	30.0	54.4	58.9	31.0
Net repl rate (2 months, single)	58.8	55.0	55.0	
Net repl rate (12 months, single)	37.7	51.0	51.0	
Unemployment trap (single)	74.8	67.4	67.8	74.5
AROP unemployed	46.9	45.4	38.0	45.4
Unemployed in LLL	9.0	18.6	19.6	8.3
Unemployment rate 15+	10.5	4.2	3.8	7.0
Long-term unemployment rate	4.7	1.1	0.9	2.6

IV. Family

Indicator	EU-28 2011	AT 2011	AT 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	10.2	10.8	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	3.4	2.3	3.2
Relative income HHs with children	0.94	0.85	0.90	0.94
Poverty reduction by social transfers, children	34.4	52.7	62.9	40.2
AROP children	20.8	17.5	13.4	20.1
Severe material deprivation children	11.8	5.8	5.6	9.5
Childcare use (0-3 yrs), total	30.0	14.0	9.0	27.0
Childcare use (3-mand), total	83.0	85.0	79.0	84.0
Employment rate of mothers	60.2	68.2	64.8	59.2
Involuntary part-time, F (share of PT employed)	24.9	8.6	9.6	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	AT 2011	AT 2008	EU-27 2008
AROP	17.0	14.4	12.0	16.4
Poverty reduction by social transfers	34.4	44.2	50.2	34.9
Severe material deprivation	9.9	4.0	4.8	8.2
Inactivity trap (single)	56.1	66.1	66.5	54.8
Population in jobless HHs (0-59)	10.3	7.7	7.2	9.1
Housing cost overburden of poor	39.0	37.0	29.5	35.1
Overcrowding rate of poor	29.4	34.3	29.3	30.4

Figure B.21: Social protection spending and social outcomes in Poland (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP
Overcrowding rate of poor (rev)
Expenditure housing - % of GDP
Housing cost overburden of poor (rev)
AROP (rev)
Population in jobless households (0-59) (rev)
Poverty reduction by social transfers
Inactivity trap (single) (rev)
SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)
Duration of working life, F
Relative income ratio
Duration of working life, M
Aggregate replacement ratio
Employment rate 55-64
AROP 65+, M (rev)
AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP
Expenditure housing - % of GDP
Expenditure pensions - % of GDP (adj 65+)
Expenditure social exclusion - % of GDP
Expenditure healthcare/disability - % of GDP
(% of GDP),
Expenditure unemployment of GDP (adj unempled)

Family

Expenditure family (% of GDP) in cash, adj. 0-17
Involuntary part-time, F (share of pt employed) (rev)
Expenditure family (% of GDP) in kind, adj. 0-17
Employment rate of mothers
Relative income of HHs with children
Childcare use (3-mandatory), total
Poverty reduction children by social transfers
Childcare use (0-3 yrs), total
AROP children (rev)
SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)
Long-term unemployment rate (rev)
Expenditure ALMP - % of GDP
Unemployment rate 15+ (rev)
Coverage unemployment benefits
Unemployed in life-long learning
Net replacement rate (after 2 months, single)
AROP unemployed (rev)
Net replacement rate (after 12 months, single)
Unemployment trap (single) (rev)

········· EU-28 in 2011   ——— PL in 2011   ·······PL in 2008   ▱ Range best 3 – worst 3 in 2011
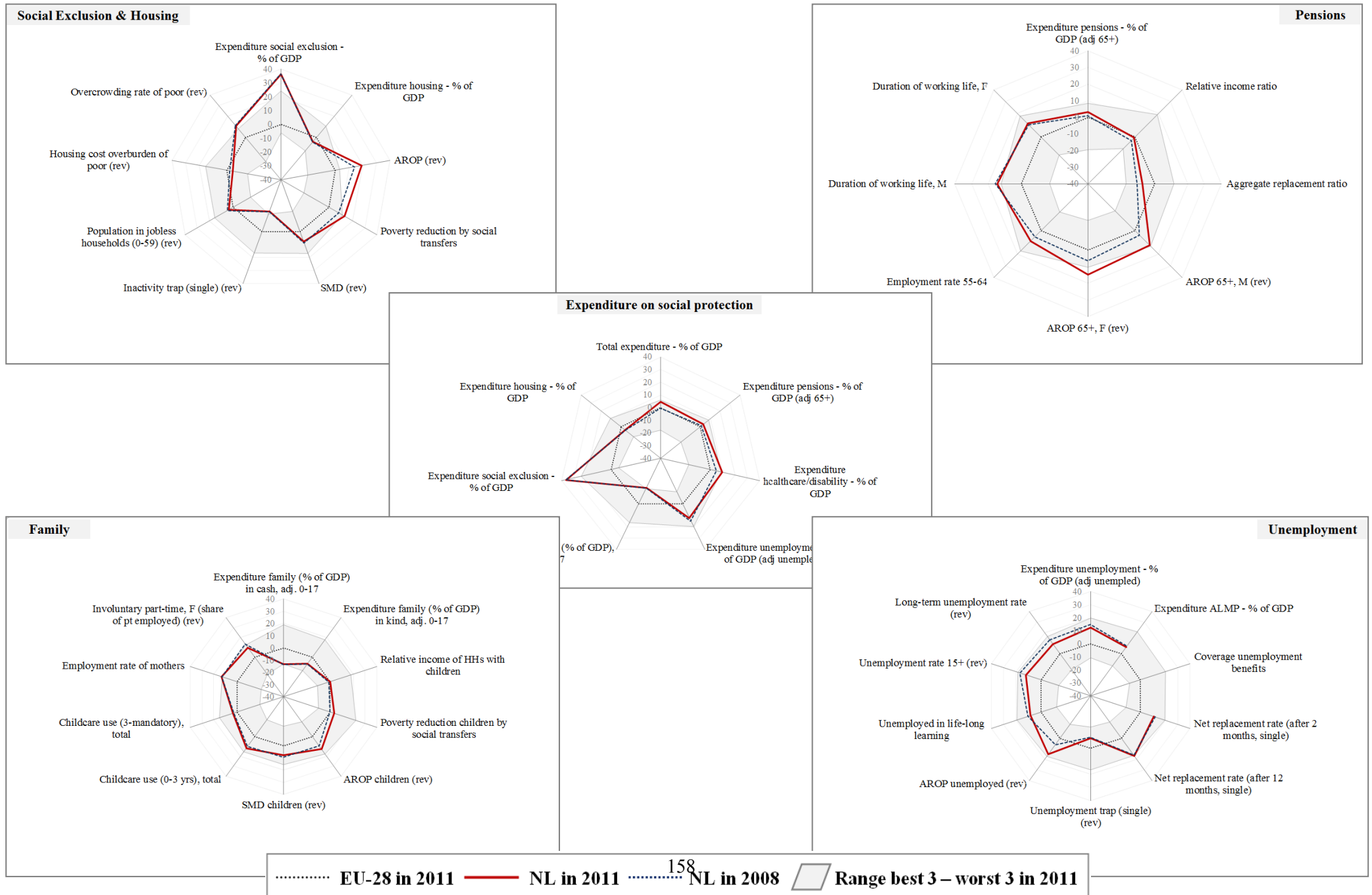
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Table B.21: Overview Indicators – Actual Values Poland 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	PL 2011	PL 2008	EU-27 2008
Total expenditure, % of GDP	29.0	19.2	18.6	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	80.7	80.7	69.0
Expenditure healthcare/disability, % of GDP	10.3	6.0	6.0	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	4.7	8.7	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	6.1	3.1	9.6
Expenditure social exclusion, as % of GDP	0.4	0.2	0.2	0.4
Expenditure housing, as % of GDP	0.6	0.1	0.1	0.5

II. Pensions

Indicator	EU-28 2011	PL 2011	PL 2008	EU-27 2008
Relative income ratio	0.91	0.95	0.92	0.86
Aggregate replacement ratio	0.54	0.58	0.56	0.51
AROP 65+, M	12.1	9.4	10.9	14.8
AROP 65+, F	16.4	16.8	16.5	20.0
Employment rate 55-64	48.8	36.9	31.6	45.5
Duration of working life, M	37.6	34.3	33.2	37.3
Duration of working life, F	32.2	29.1	27.8	31.2

III. Unemployment

Indicator	EU-28 2011	PL 2011	PL 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.3	0.5	0.5
Coverage unemployment benefits	30.0	10.7	10.3	31.0
Net repl rate (2 months, single)	58.8	50.0	46.0	
Net repl rate (12 months, single)	37.7	21.0	24.0	
Unemployment trap (single)	74.8	80.7	76.2	74.5
AROP unemployed	46.9	42.5	42.1	45.4
Unemployed in LLL	9.0	4.7	4.6	8.3
Unemployment rate 15+	10.5	9.7	7.1	7.0
Long-term unemployment rate	4.7	3.6	2.4	2.6

IV. Family

Indicator	EU-28 2011	PL 2011	PL 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	3.7	3.1	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	2.8	0.0	3.2
Relative income HHs with children	0.94	0.88	0.89	0.94
Poverty reduction by social transfers, children	34.4	25.6	23.6	40.2
AROP children	20.8	21.5	23.0	20.1
Severe material deprivation children	11.8	13.7	15.3	9.5
Childcare use (0-3 yrs), total	30.0	3.0	2.0	27.0
Childcare use (3-mand), total	83.0	43.0	39.0	84.0
Employment rate of mothers	60.2	59.6	60.8	59.2
Involuntary part-time, F (share of PT employed)	24.9	32.2	24.0	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	PL 2011	PL 2008	EU-27 2008
AROP	17.0	17.1	17.1	16.4
Poverty reduction by social transfers	34.4	25.3	27.5	34.9
Severe material deprivation	9.9	13.5	15.0	8.2
Inactivity trap (single)	56.1	50.1	52.8	54.8
Population in jobless HHs (0-59)	10.3	6.9	6.9	9.1
Housing cost overburden of poor	39.0	36.1	28.3	35.1
Overcrowding rate of poor	29.4	60.8	64.9	30.4

Figure B.22: Social protection spending and social outcomes in Portugal (2011 and 2008)
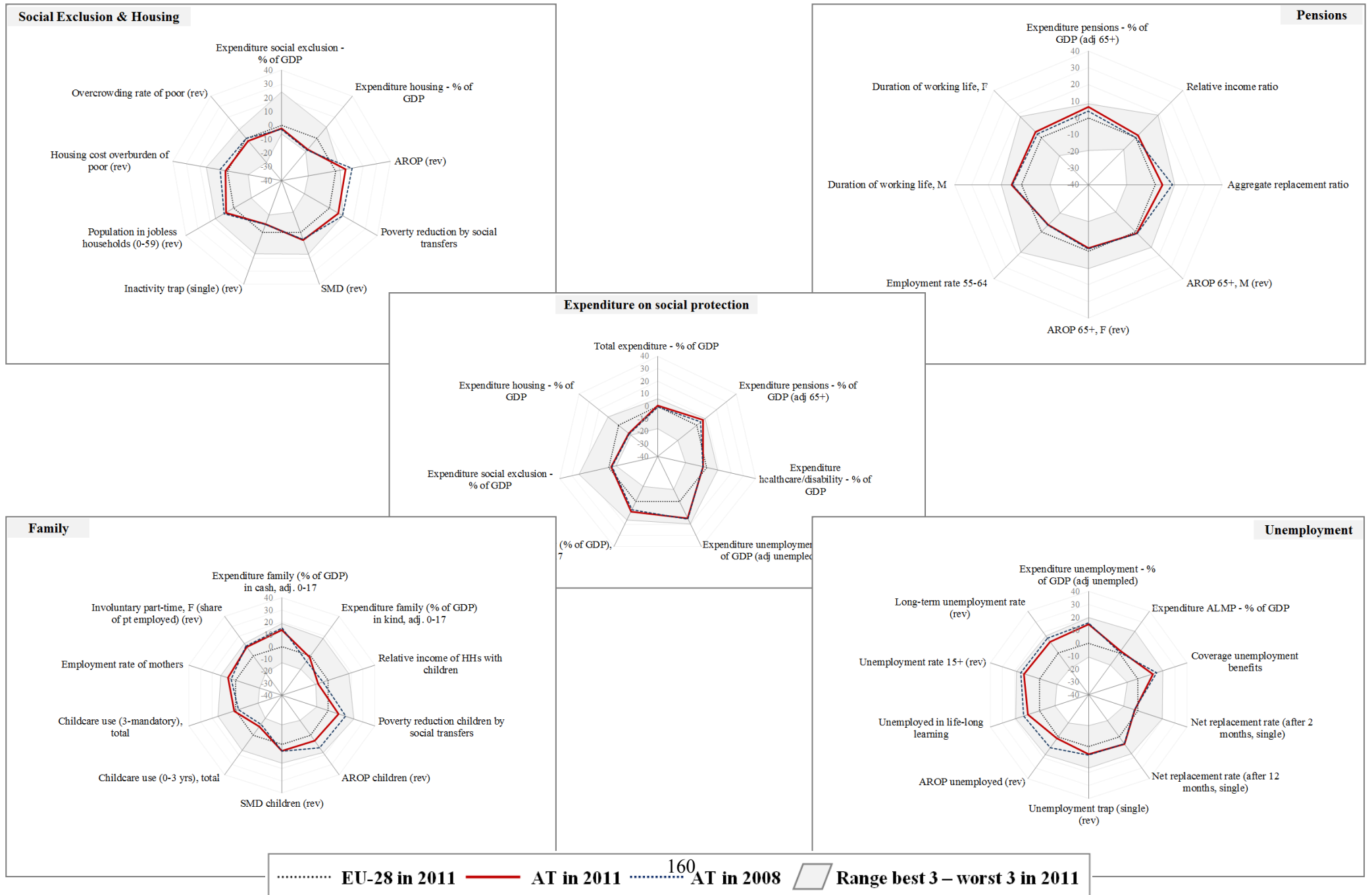
Table B.22: Overview Indicators – Actual Values Portugal 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	PT 2011	PT 2008	EU-27 2008
Total expenditure, % of GDP	29.0	26.5	24.3	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	73.8	67.2	69.0
Expenditure healthcare/disability, % of GDP	10.3	8.3	8.6	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	14.1	16.6	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	5.9	6.2	9.6
Expenditure social exclusion, as % of GDP	0.4	0.3	0.3	0.4
Expenditure housing, as % of GDP	0.6	0.0	0.0	0.5

II. Pensions

Indicator	EU-28 2011	PT 2011	PT 2008	EU-27 2008
Relative income ratio	0.91	0.92	0.85	0.86
Aggregate replacement ratio	0.54	0.58	0.50	0.51
AROP 65+, M	12.1	16.0	17.7	14.8
AROP 65+, F	16.4	18.4	21.8	20.0
Employment rate 55-64	48.8	47.9	50.8	45.5
Duration of working life, M	37.6	38.9	39.3	37.3
Duration of working life, F	32.2	34.7	34.8	31.2

III. Unemployment

Indicator	EU-28 2011	PT 2011	PT 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.5	0.4	0.5
Coverage unemployment benefits	30.0	31.9	34.2	31.0
Net repl rate (2 months, single)	58.8	75.0	83.0	
Net repl rate (12 months, single)	37.7	75.0	83.0	
Unemployment trap (single)	74.8	79.0	81.1	74.5
AROP unemployed	46.9	38.3	37.0	45.4
Unemployed in LLL	9.0	17.1	5.5	8.3
Unemployment rate 15+	10.5	12.9	8.5	7.0
Long-term unemployment rate	4.7	6.2	4.0	2.6

IV. Family

Indicator	EU-28 2011	PT 2011	PT 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	3.9	3.8	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	2.0	2.4	3.2
Relative income HHs with children	0.94	0.88	0.89	0.94
Poverty reduction by social transfers, children	34.4	26.7	25.4	40.2
AROP children	20.8	21.7	22.9	20.1
Severe material deprivation children	11.8	10.3	10.5	9.5
Childcare use (0-3 yrs), total	30.0	35.0	36.0	27.0
Childcare use (3-mand), total	83.0	81.0	81.0	84.0
Employment rate of mothers	60.2	73.1	74.4	59.2
Involuntary part-time, F (share of PT employed)	24.9	59.7	50.7	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	PT 2011	PT 2008	EU-27 2008
AROP	17.0	17.9	17.9	16.4
Poverty reduction by social transfers	34.4	29.0	26.3	34.9
Severe material deprivation	9.9	8.6	9.1	8.2
Inactivity trap (single)	56.1	37.1	37.0	54.8
Population in jobless HHs (0-59)	10.3	10.1	7.0	9.1
Housing cost overburden of poor	39.0	28.9	21.5	35.1
Overcrowding rate of poor	29.4	16.9	23.4	30.4

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Figure B.23: Social protection spending and social outcomes in Romania (2011 and 2008)

Social Exclusion & Housing

- Expenditure social exclusion - % of GDP
- Expenditure housing - % of GDP
- Overcrowding rate of poor (rev)
- AROP (rev)
- Housing cost overburden of poor (rev)
- Poverty reduction by social transfers
- Population in jobless households (0-59) (rev)
- SMD (rev)
- Inactivity trap (single) (rev)

Pensions

- Expenditure pensions - % of GDP (adj 65+)
- Duration of working life, F
- Relative income ratio
- Aggregate replacement ratio
- Duration of working life, M
- AROP 65+, M (rev)
- Employment rate 55-64
- AROP 65+, F (rev)

Expenditure on social protection

- Total expenditure - % of GDP
- Expenditure housing - % of GDP
- Expenditure pensions - % of GDP (adj 65+)
- Expenditure social exclusion - % of GDP
- Expenditure healthcare/disability - % of GDP
- (% of GDP), ?
- Expenditure unemployment of GDP (adj unempled)

Family

- Expenditure family (% of GDP) in cash, adj. 0-17
- Expenditure family (% of GDP) in kind, adj. 0-17
- Involuntary part-time, F (share of pt employed) (rev)
- Relative income of HHs with children
- Employment rate of mothers
- Poverty reduction children by social transfers
- Childcare use (3-mandatory), total
- AROP children (rev)
- Childcare use (0-3 yrs), total
- SMD children (rev)

Unemployment

- Expenditure unemployment - % of GDP (adj unempled)
- Long-term unemployment rate (rev)
- Expenditure ALMP - % of GDP
- Unemployment rate 15+ (rev)
- Coverage unemployment benefits
- Unemployed in life-long learning
- Net replacement rate (after 2 months, single)
- AROP unemployed (rev)
- Net replacement rate (after 12 months, single)
- Unemployment trap (single) (rev)

Legend: ········· EU-28 in 2011 ——— RO in 2011 ·········· RO in 2008 ▭ Range best 3 – worst 3 in 2011
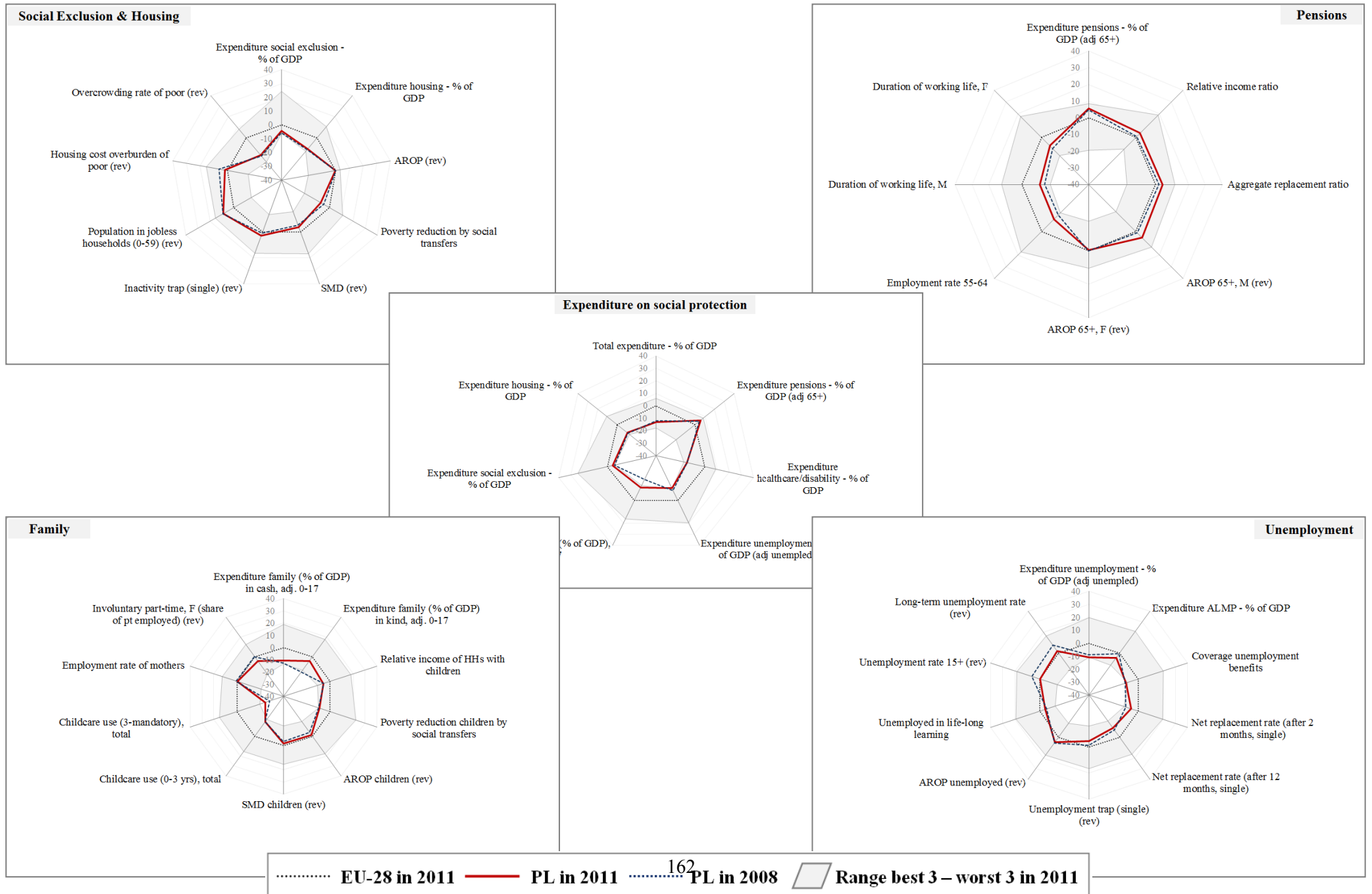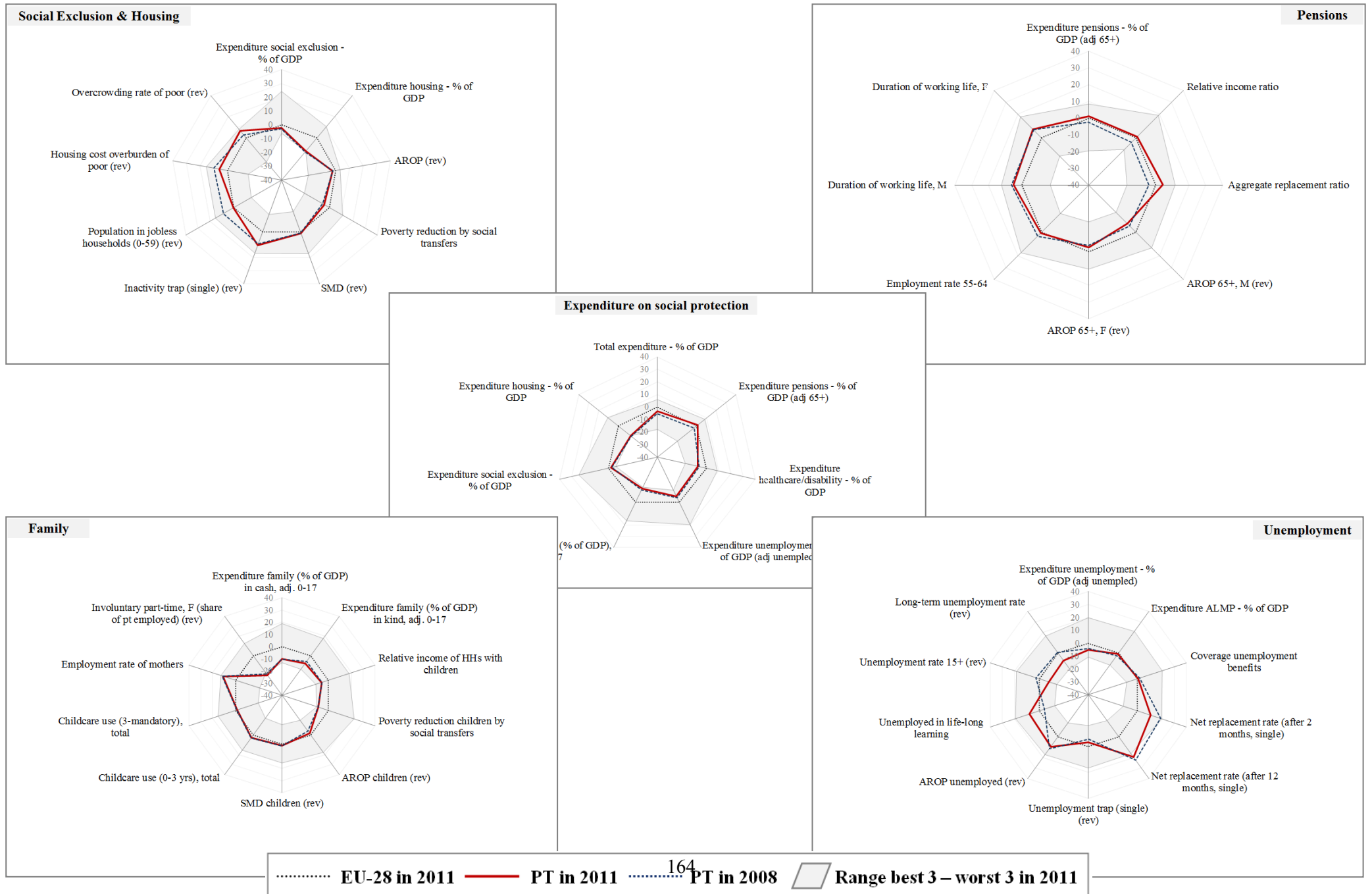
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Table B.23: Overview Indicators – Actual Values Romania 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	RO 2011	RO 2008	EU-27 2008
Total expenditure, % of GDP	29.0	16.3	14.3	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	53.4	44.9	69.0
Expenditure healthcare/disability, % of GDP	10.3	5.5	4.9	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	6.2	5.2	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	6.7	6.9	9.6
Expenditure social exclusion, as % of GDP	0.4	0.2	0.3	0.4
Expenditure housing, as % of GDP	0.6	0.0	0.0	0.5

II. Pensions

Indicator	EU-28 2011	RO 2011	RO 2008	EU-27 2008
Relative income ratio	0.91	1.01	0.93	0.86
Aggregate replacement ratio	0.54	0.67	0.55	0.51
AROP 65+, M	12.1	9.6	14.7	14.8
AROP 65+, F	16.4	19.8	25.3	20.0
Employment rate 55-64	48.8	40.0	43.1	45.5
Duration of working life, M	37.6	33.8	34.1	37.3
Duration of working life, F	32.2	29.1	28.9	31.2

III. Unemployment

Indicator	EU-28 2011	RO 2011	RO 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.0	0.1	0.5
Coverage unemployment benefits	30.0	16.3	9.9	31.0
Net repl rate (2 months, single)	58.8	37.0	42.0	
Net repl rate (12 months, single)	37.7	8.0	8.0	
Unemployment trap (single)	74.8	53.8	56.9	74.5
AROP unemployed	46.9	51.8	46.4	45.4
Unemployed in LLL	9.0	1.5		8.3
Unemployment rate 15+	10.5	7.4	5.8	7.0
Long-term unemployment rate	4.7	3.1	2.4	2.6

IV. Family

Indicator	EU-28 2011	RO 2011	RO 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	4.8	4.1	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	1.9	2.7	3.2
Relative income HHs with children	0.94	0.76	0.81	0.94
Poverty reduction by social transfers, children	34.4	18.0	21.9	40.2
AROP children	20.8	34.6	32.9	20.1
Severe material deprivation children	11.8	37.9	40.3	9.5
Childcare use (0-3 yrs), total	30.0	2.0	5.0	27.0
Childcare use (3-mand), total	83.0	41.0	63.0	84.0
Employment rate of mothers	60.2	61.5	62.5	59.2
Involuntary part-time, F (share of PT employed)	24.9	52.2	47.6	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	RO 2011	RO 2008	EU-27 2008
AROP	17.0	22.6	22.4	16.4
Poverty reduction by social transfers	34.4	19.3	23.0	34.9
Severe material deprivation	9.9	29.9	32.2	8.2
Inactivity trap (single)	56.1	36.5	34.5	54.8
Population in jobless HHs (0-59)	10.3	7.4	7.7	9.1
Housing cost overburden of poor	39.0	41.4	37.1	35.1
Overcrowding rate of poor	29.4	63.7	64.8	30.4

Figure B.24: Social protection spending and social outcomes in Slovenia (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP
Overcrowding rate of poor (rev)
Expenditure housing - % of GDP
Housing cost overburden of poor (rev)
AROP (rev)
Population in jobless households (0-59) (rev)
Poverty reduction by social transfers
Inactivity trap (single) (rev)
SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)
Duration of working life, F
Relative income ratio
Duration of working life, M
Aggregate replacement ratio
Employment rate 55-64
AROP 65+, M (rev)
AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP
Expenditure housing - % of GDP
Expenditure pensions - % of GDP (adj 65+)
Expenditure social exclusion - % of GDP
Expenditure healthcare/disability - % of GDP
(% of GDP), ?
Expenditure unemployment of GDP (adj unempled)

Family

Expenditure family (% of GDP) in cash, adj. 0-17
Involuntary part-time, F (share of pt employed) (rev)
Expenditure family (% of GDP) in kind, adj. 0-17
Employment rate of mothers
Relative income of HHs with children
Childcare use (3-mandatory), total
Poverty reduction children by social transfers
Childcare use (0-3 yrs), total
AROP children (rev)
SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)
Long-term unemployment rate (rev)
Expenditure ALMP - % of GDP
Unemployment rate 15+ (rev)
Coverage unemployment benefits
Unemployed in life-long learning
Net replacement rate (after 2 months, single)
AROP unemployed (rev)
Net replacement rate (after 12 months, single)
Unemployment trap (single) (rev)

EU-28 in 2011 ——— SI in 2011 ·········· SI in 2008 ☐ Range best 3 – worst 3 in 2011

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Table B.24: Overview Indicators – Actual Values Slovenia 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	SI 2011	SI 2008	EU-27 2008
Total expenditure, % of GDP	29.0	25.0	21.4	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	70.3	58.9	69.0
Expenditure healthcare/disability, % of GDP	10.3	9.5	8.7	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	13.7	12.4	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	11.5	9.2	9.6
Expenditure social exclusion, as % of GDP	0.4	0.6	0.4	0.4
Expenditure housing, as % of GDP	0.6	0.0	0.0	0.5

II. Pensions

Indicator	EU-28 2011	SI 2011	SI 2008	EU-27 2008
Relative income ratio	0.91	0.87	0.86	0.86
Aggregate replacement ratio	0.54	0.47	0.45	0.51
AROP 65+, M	12.1	11.7	11.4	14.8
AROP 65+, F	16.4	25.0	25.5	20.0
Employment rate 55-64	48.8	31.2	32.8	45.5
Duration of working life, M	37.6	35.1	35.4	37.3
Duration of working life, F	32.2	32.1	32.4	31.2

III. Unemployment

Indicator	EU-28 2011	SI 2011	SI 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.3	0.1	0.5
Coverage unemployment benefits	30.0	33.0	24.8	31.0
Net repl rate (2 months, single)	58.8	76.0	64.0	
Net repl rate (12 months, single)	37.7	31.0	33.0	
Unemployment trap (single)	74.8	89.7	83.4	74.5
AROP unemployed	46.9	46.9	43.6	45.4
Unemployed in LLL	9.0	16.4	13.1	8.3
Unemployment rate 15+	10.5	8.2	4.4	7.0
Long-term unemployment rate	4.7	3.6	1.9	2.6

IV. Family

Indicator	EU-28 2011	SI 2011	SI 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	8.3	6.6	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	2.6	2.6	3.2
Relative income HHs with children	0.94	1.03	1.00	0.94
Poverty reduction by social transfers, children	34.4	47.7	53.7	40.2
AROP children	20.8	13.5	11.2	20.1
Severe material deprivation children	11.8	5.9	5.4	9.5
Childcare use (0-3 yrs), total	30.0	37.0	31.0	27.0
Childcare use (3-mand), total	83.0	92.0	89.0	84.0
Employment rate of mothers	60.2	81.9	82.5	59.2
Involuntary part-time, F (share of PT employed)	24.9	10.0	8.9	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	SI 2011	SI 2008	EU-27 2008
AROP	17.0	13.5	11.3	16.4
Poverty reduction by social transfers	34.4	46.4	48.6	34.9
Severe material deprivation	9.9	6.6	6.1	8.2
Inactivity trap (single)	56.1	59.6	63.0	54.8
Population in jobless HHs (0-59)	10.3	7.5	5.6	9.1
Housing cost overburden of poor	39.0	26.0	21.7	35.1
Overcrowding rate of poor	29.4	27.1	44.4	30.4

Figure B.25: Social protection spending and social outcomes in Slovakia (2011 and 2008)
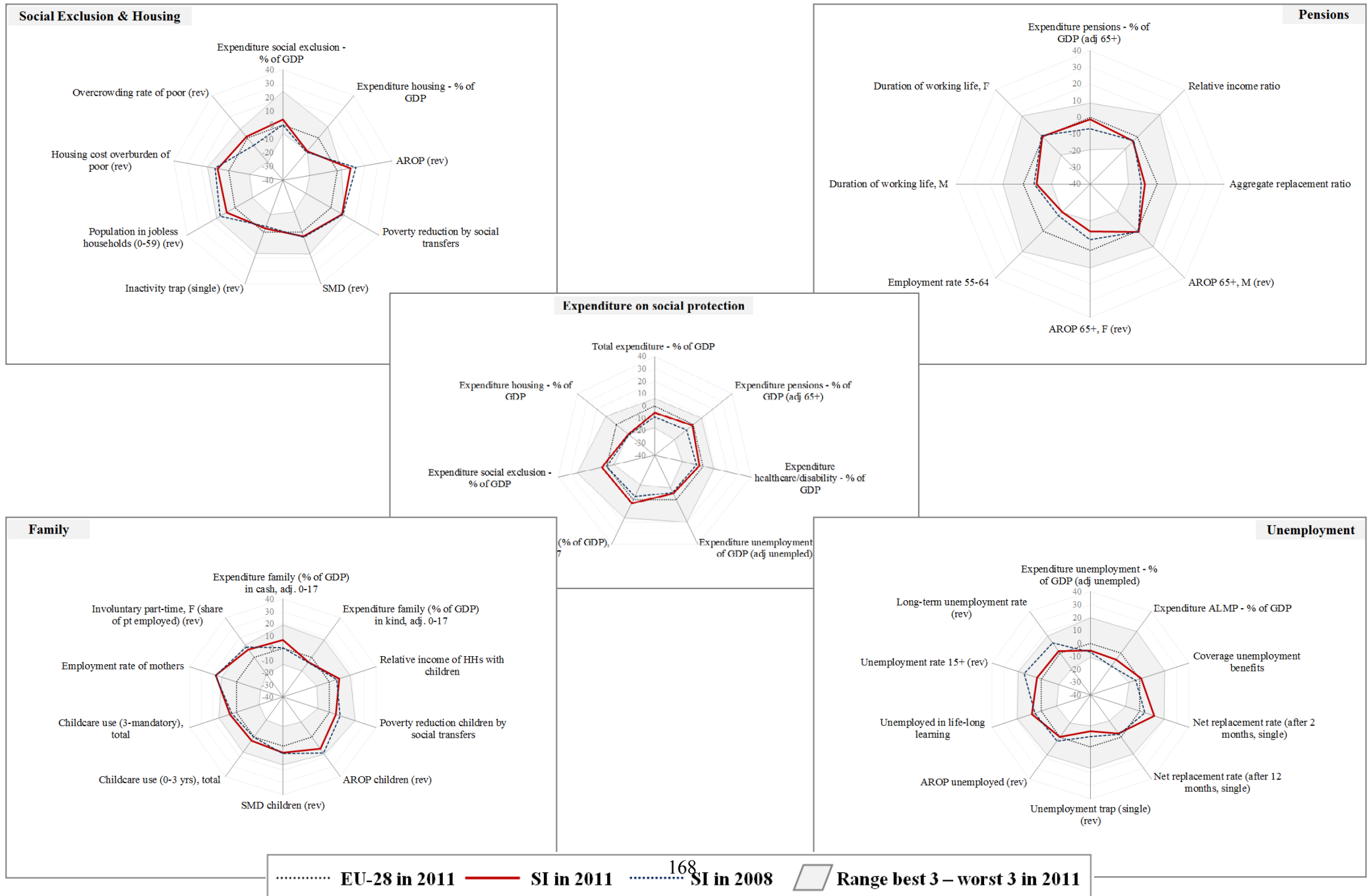
Table B.25: Overview Indicators – Actual Values Slovakia 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	SK 2011	SK 2008	EU-27 2008
Total expenditure, % of GDP	29.0	18.2	16.1	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	61.1	54.6	69.0
Expenditure healthcare/disability, % of GDP	10.3	7.0	6.5	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	8.5	9.2	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	8.2	6.5	9.6
Expenditure social exclusion, as % of GDP	0.4	0.4	0.4	0.4
Expenditure housing, as % of GDP	0.6	0.0	0.0	0.5

II. Pensions

Indicator	EU-28 2011	SK 2011	SK 2008	EU-27 2008
Relative income ratio	0.91	0.81	0.81	0.86
Aggregate replacement ratio	0.54	0.56	0.55	0.51
AROP 65+, M	12.1	5.9	4.5	14.8
AROP 65+, F	16.4	9.0	14.8	20.0
Employment rate 55-64	48.8	41.3	39.2	45.5
Duration of working life, M	37.6	35.4	35.1	37.3
Duration of working life, F	32.2	29.4	29.4	31.2

III. Unemployment

Indicator	EU-28 2011	SK 2011	SK 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.2	0.2	0.5
Coverage unemployment benefits	30.0	7.9	5.4	31.0
Net repl rate (2 months, single)	58.8	65.0	65.0	
Net repl rate (12 months, single)	37.7	19.0	19.0	
Unemployment trap (single)	74.8	44.3	44.3	74.5
AROP unemployed	46.9	44.6	48.6	45.4
Unemployed in LLL	9.0	1.7	1.9	8.3
Unemployment rate 15+	10.5	13.7	9.6	7.0
Long-term unemployment rate	4.7	9.3	6.7	2.6

IV. Family

Indicator	EU-28 2011	SK 2011	SK 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	7.3	5.6	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	0.5	0.4	3.2
Relative income HHs with children	0.94	0.94	0.93	0.94
Poverty reduction by social transfers, children	34.4	29.8	30.3	40.2
AROP children	20.8	21.9	16.8	20.1
Severe material deprivation children	11.8	11.9	12.7	9.5
Childcare use (0-3 yrs), total	30.0	4.0	3.0	27.0
Childcare use (3-mand), total	83.0	75.0	76.0	84.0
Employment rate of mothers	60.2	36.9	39.5	59.2
Involuntary part-time, F (share of PT employed)	24.9	26.2		24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	SK 2011	SK 2008	EU-27 2008
AROP	17.0	13.2	11.0	16.4
Poverty reduction by social transfers	34.4	34.0	35.7	34.9
Severe material deprivation	9.9	10.5	11.1	8.2
Inactivity trap (single)	56.1	29.6	28.3	54.8
Population in jobless HHs (0-59)	10.3	7.2	5.6	9.1
Housing cost overburden of poor	39.0	36.3	40.5	35.1
Overcrowding rate of poor	29.4	52.4	58.3	30.4

Figure B.26: Social protection spending and social outcomes in Finland (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP

Expenditure housing - % of GDP

Overcrowding rate of poor (rev)

AROP (rev)

Housing cost overburden of poor (rev)

Poverty reduction by social transfers

Population in jobless households (0-59) (rev)

Inactivity trap (single) (rev)

SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)

Duration of working life, F

Relative income ratio

Duration of working life, M

Aggregate replacement ratio

Employment rate 55-64

AROP 65+, M (rev)

AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP

Expenditure housing - % of GDP

Expenditure pensions - % of GDP (adj 65+)

Expenditure social exclusion - % of GDP

Expenditure healthcare/disability - % of GDP

(% of GDP), 7

Expenditure unemployment - % of GDP (adj unempled)

Family

Expenditure family (% of GDP) in cash, adj. 0-17

Involuntary part-time, F (share of pt employed) (rev)

Expenditure family (% of GDP) in kind, adj. 0-17

Employment rate of mothers

Relative income of HHs with children

Childcare use (3-mandatory), total

Poverty reduction children by social transfers

Childcare use (0-3 yrs), total

AROP children (rev)

SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)

Long-term unemployment rate (rev)

Expenditure ALMP - % of GDP

Unemployment rate 15+ (rev)

Coverage unemployment benefits

Unemployed in life-long learning

Net replacement rate (after 2 months, single)

AROP unemployed (rev)

Net replacement rate (after 12 months, single)

Unemployment trap (single) (rev)

········· EU-28 in 2011   ——— FI in 2011   ·········· FI in 2008   ☐ Range best 3 – worst 3 in 2011
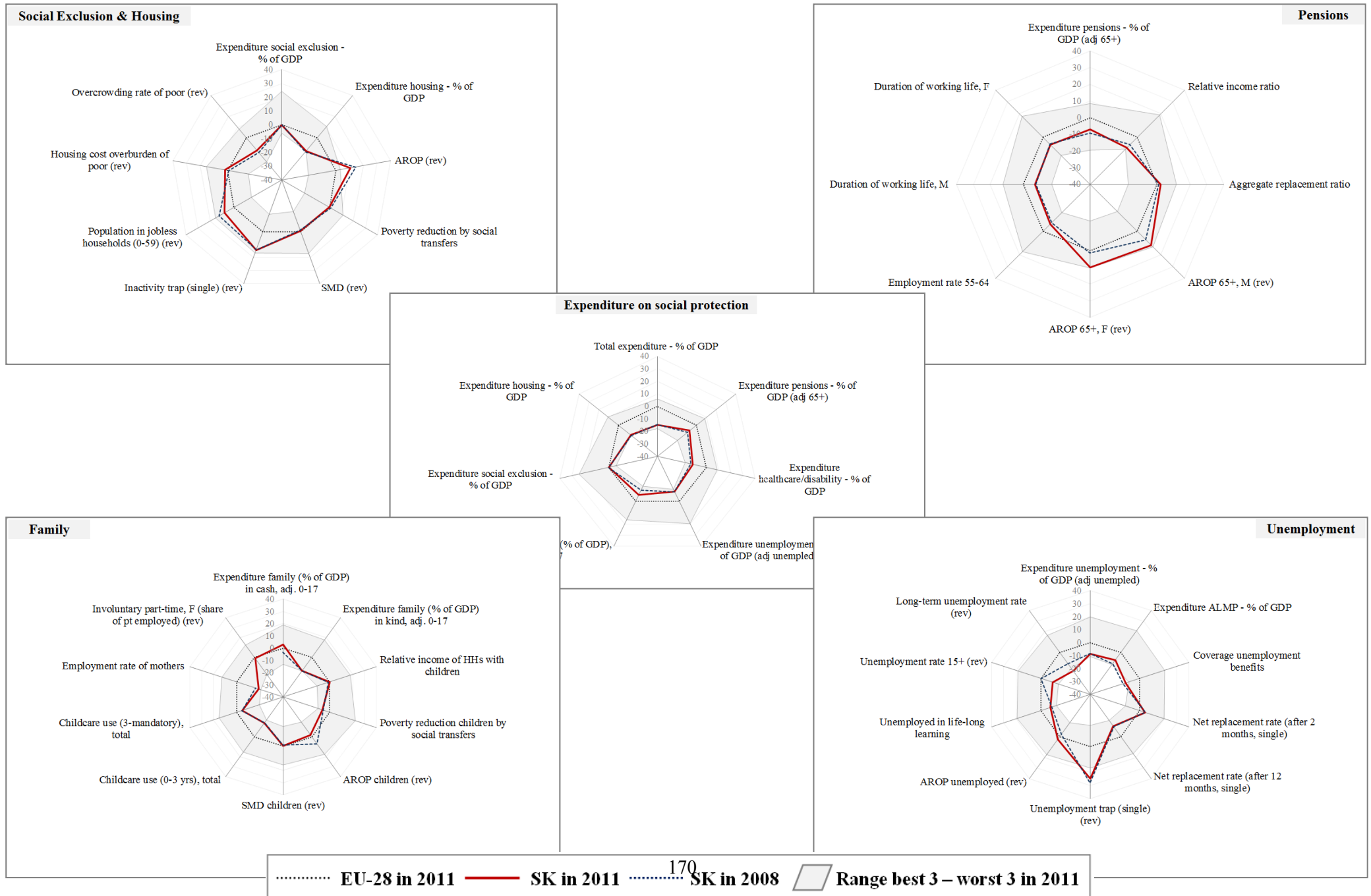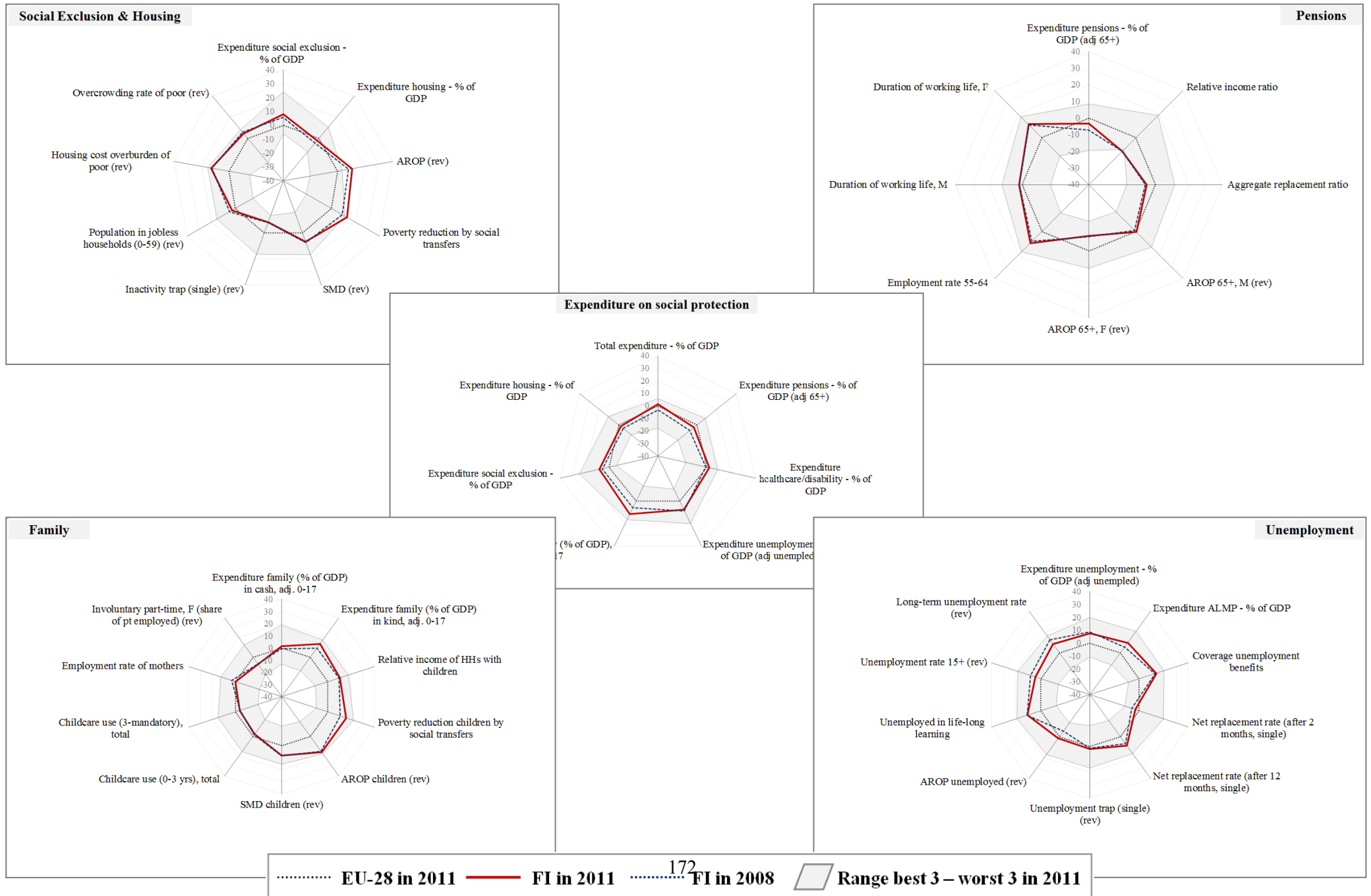
Table B.26: Overview Indicators – Actual Values Finland 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	FI 2011	FI 2008	EU-27 2008
Total expenditure, % of GDP	29.0	30.0	26.2	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	66.9	58.2	69.0
Expenditure healthcare/disability, % of GDP	10.3	10.9	10.0	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	35.5	37.0	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	14.5	12.6	9.6
Expenditure social exclusion, as % of GDP	0.4	0.8	0.6	0.4
Expenditure housing, as % of GDP	0.6	0.5	0.4	0.5

II. Pensions

Indicator	EU-28 2011	FI 2011	FI 2008	EU-27 2008
Relative income ratio	0.91	0.78	0.73	0.86
Aggregate replacement ratio	0.54	0.49	0.48	0.51
AROP 65+, M	12.1	11.9	13.1	14.8
AROP 65+, F	16.4	23.3	28.4	20.0
Employment rate 55-64	48.8	57.0	56.5	45.5
Duration of working life, M	37.6	38.0	38.0	37.3
Duration of working life, F	32.2	36.4	36.5	31.2

III. Unemployment

Indicator	EU-28 2011	FI 2011	FI 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.9	0.7	0.5
Coverage unemployment benefits	30.0	57.7	55.0	31.0
Net repl rate (2 months, single)	58.8	54.0	51.0	
Net repl rate (12 months, single)	37.7	54.0	51.0	
Unemployment trap (single)	74.8	72.3	73.3	74.5
AROP unemployed	46.9	45.5	51.4	45.4
Unemployed in LLL	9.0	19.7	18.2	8.3
Unemployment rate 15+	10.5	7.8	6.4	7.0
Long-term unemployment rate	4.7	1.7	1.2	2.6

IV. Family

Indicator	EU-28 2011	FI 2011	FI 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	7.1	6.5	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	7.1	6.1	3.2
Relative income HHs with children	0.94	1.05	1.03	0.94
Poverty reduction by social transfers, children	34.4	63.0	56.5	40.2
AROP children	20.8	11.1	12.1	20.1
Severe material deprivation children	11.8	2.8	2.5	9.5
Childcare use (0-3 yrs), total	30.0	26.0	27.0	27.0
Childcare use (3-mand), total	83.0	77.0	77.0	84.0
Employment rate of mothers	60.2	60.3	64.2	59.2
Involuntary part-time, F (share of PT employed)	24.9	37.2	34.2	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	FI 2011	FI 2008	EU-27 2008
AROP	17.0	13.2	13.8	16.4
Poverty reduction by social transfers	34.4	50.9	47.3	34.9
Severe material deprivation	9.9	2.9	2.8	8.2
Inactivity trap (single)	56.1	69.0	69.9	54.8
Population in jobless HHs (0-59)	10.3	9.3	8.4	9.1
Housing cost overburden of poor	39.0	17.2	17.1	35.1
Overcrowding rate of poor	29.4	20.6	16.9	30.4

Figure B.27: Social protection spending and social outcomes in Sweden (2011 and 2008)

Social Exclusion & Housing

- Expenditure social exclusion - % of GDP
- Expenditure housing - % of GDP
- Overcrowding rate of poor (rev)
- AROP (rev)
- Housing cost overburden of poor (rev)
- Poverty reduction by social transfers
- Population in jobless households (0-59) (rev)
- Inactivity trap (single) (rev)
- SMD (rev)

Pensions

- Expenditure pensions - % of GDP (adj 65+)
- Duration of working life, F
- Relative income ratio
- Duration of working life, M
- Aggregate replacement ratio
- Employment rate 55-64
- AROP 65+, M (rev)
- AROP 65+, F (rev)

Expenditure on social protection

- Total expenditure - % of GDP
- Expenditure housing - % of GDP
- Expenditure pensions - % of GDP (adj 65+)
- Expenditure social exclusion - % of GDP
- Expenditure healthcare/disability - % of GDP
- (% of GDP), ?
- Expenditure unemployment of GDP (adj unempled)

Family

- Expenditure family (% of GDP) in cash, adj. 0-17
- Involuntary part-time, F (share of pt employed) (rev)
- Expenditure family (% of GDP) in kind, adj. 0-17
- Employment rate of mothers
- Relative income of HHs with children
- Childcare use (3-mandatory), total
- Poverty reduction children by social transfers
- Childcare use (0-3 yrs), total
- AROP children (rev)
- SMD children (rev)

Unemployment

- Expenditure unemployment - % of GDP (adj unempled)
- Long-term unemployment rate (rev)
- Expenditure ALMP - % of GDP
- Unemployment rate 15+ (rev)
- Coverage unemployment benefits
- Unemployed in life-long learning
- Net replacement rate (after 2 months, single)
- AROP unemployed (rev)
- Net replacement rate (after 12 months, single)
- Unemployment trap (single) (rev)

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······· EU-28 in 2011 ——— SE in 2011 ········ SE in 2008 ☐ Range best 3 – worst 3 in 2011
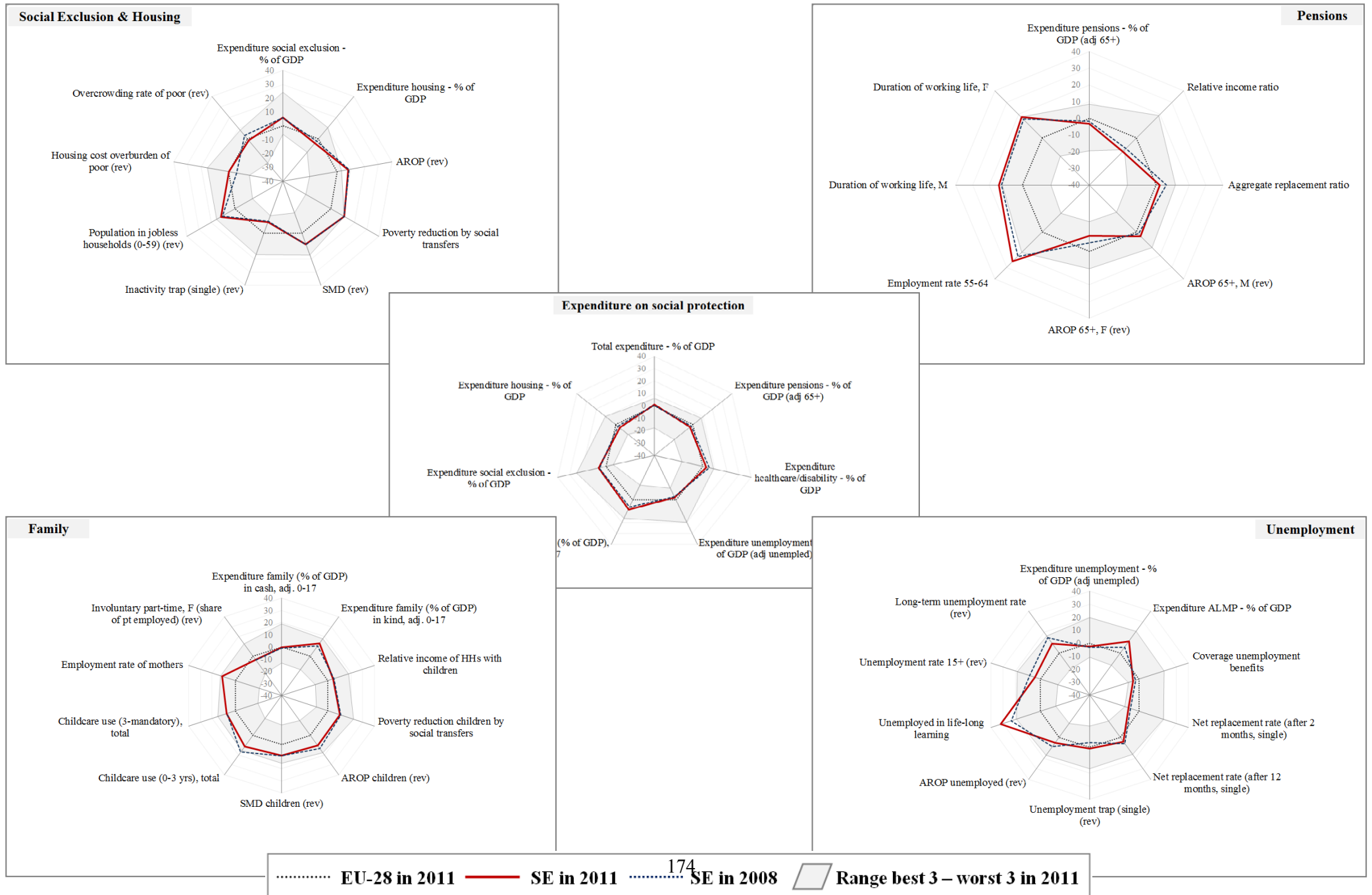
Table B.27: Overview Indicators – Actual Values Sweden 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	SE 2011	SE 2008	EU-27 2008
Total expenditure, % of GDP	29.0	29.6	29.5	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	67.0	68.6	69.0
Expenditure healthcare/disability, % of GDP	10.3	11.2	11.9	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	18.8	18.0	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	13.4	12.7	9.6
Expenditure social exclusion, as % of GDP	0.4	0.7	0.6	0.4
Expenditure housing, as % of GDP	0.6	0.4	0.5	0.5

II. Pensions

Indicator	EU-28 2011	SE 2011	SE 2008	EU-27 2008
Relative income ratio	0.91	0.78	0.77	0.86
Aggregate replacement ratio	0.54	0.56	0.60	0.51
AROP 65+, M	12.1	10.2	10.4	14.8
AROP 65+, F	16.4	23.5	23.6	20.0
Employment rate 55-64	48.8	72.0	70.1	45.5
Duration of working life, M	37.6	41.6	41.3	37.3
Duration of working life, F	32.2	38.9	38.7	31.2

III. Unemployment

Indicator	EU-28 2011	SE 2011	SE 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.9	0.7	0.5
Coverage unemployment benefits	30.0	21.0	25.3	31.0
Net repl rate (2 months, single)	58.8	46.0	50.0	
Net repl rate (12 months, single)	37.7	46.0	50.0	
Unemployment trap (single)	74.8	73.7	78.8	74.5
AROP unemployed	46.9	42.2	39.0	45.4
Unemployed in LLL	9.0	41.0	28.1	8.3
Unemployment rate 15+	10.5	7.8	6.2	7.0
Long-term unemployment rate	4.7	1.5	0.8	2.6

IV. Family

Indicator	EU-28 2011	SE 2011	SE 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	6.5	6.3	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	6.9	6.3	3.2
Relative income HHs with children	0.94	0.99	0.99	0.94
Poverty reduction by social transfers, children	34.4	54.7	56.9	40.2
AROP children	20.8	14.6	13.1	20.1
Severe material deprivation children	11.8	1.4	1.7	9.5
Childcare use (0-3 yrs), total	30.0	51.0	63.0	27.0
Childcare use (3-mand), total	83.0	95.0	94.0	84.0
Employment rate of mothers	60.2	74.1		59.2
Involuntary part-time, F (share of PT employed)	24.9	31.0	29.9	24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	SE 2011	SE 2008	EU-27 2008
AROP	17.0	14.1	13.3	16.4
Poverty reduction by social transfers	34.4	48.5	50.0	34.9
Severe material deprivation	9.9	1.3	1.6	8.2
Inactivity trap (single)	56.1	69.7	71.8	54.8
Population in jobless HHs (0-59)	10.3	5.7	6.4	9.1
Housing cost overburden of poor	39.0	39.3	49.5	35.1
Overcrowding rate of poor	29.4	32.1	23.2	30.4

Figure B.28: Social protection spending and social outcomes in the United Kingdom (2011 and 2008)

Social Exclusion & Housing

Expenditure social exclusion - % of GDP
Overcrowding rate of poor (rev)
Expenditure housing - % of GDP
Housing cost overburden of poor (rev)
AROP (rev)
Population in jobless households (0-59) (rev)
Poverty reduction by social transfers
Inactivity trap (single) (rev)
SMD (rev)

Pensions

Expenditure pensions - % of GDP (adj 65+)
Duration of working life, F
Relative income ratio
Duration of working life, M
Aggregate replacement ratio
Employment rate 55-64
AROP 65+, M (rev)
AROP 65+, F (rev)

Expenditure on social protection

Total expenditure - % of GDP
Expenditure housing - % of GDP
Expenditure pensions - % of GDP (adj 65+)
Expenditure social exclusion - % of GDP
Expenditure healthcare/disability - % of GDP
(% of GDP), 7
Expenditure unemployment of GDP (adj unempled

Family

Expenditure family (% of GDP) in cash, adj. 0-17
Involuntary part-time, F (share of pt employed) (rev)
Expenditure family (% of GDP) in kind, adj. 0-17
Employment rate of mothers
Relative income of HHs with children
Childcare use (3-mandatory), total
Poverty reduction children by social transfers
Childcare use (0-3 yrs), total
AROP children (rev)
SMD children (rev)

Unemployment

Expenditure unemployment - % of GDP (adj unempled)
Long-term unemployment rate (rev)
Expenditure ALMP - % of GDP
Unemployment rate 15+ (rev)
Coverage unemployment benefits
Unemployed in life-long learning
Net replacement rate (after 2 months, single)
AROP unemployed (rev)
Net replacement rate (after 12 months, single)
Unemployment trap (single) (rev)

········· EU-28 in 2011 ——— UK in 2011 ········· UK in 2008 ▱ Range best 3 – worst 3 in 2011
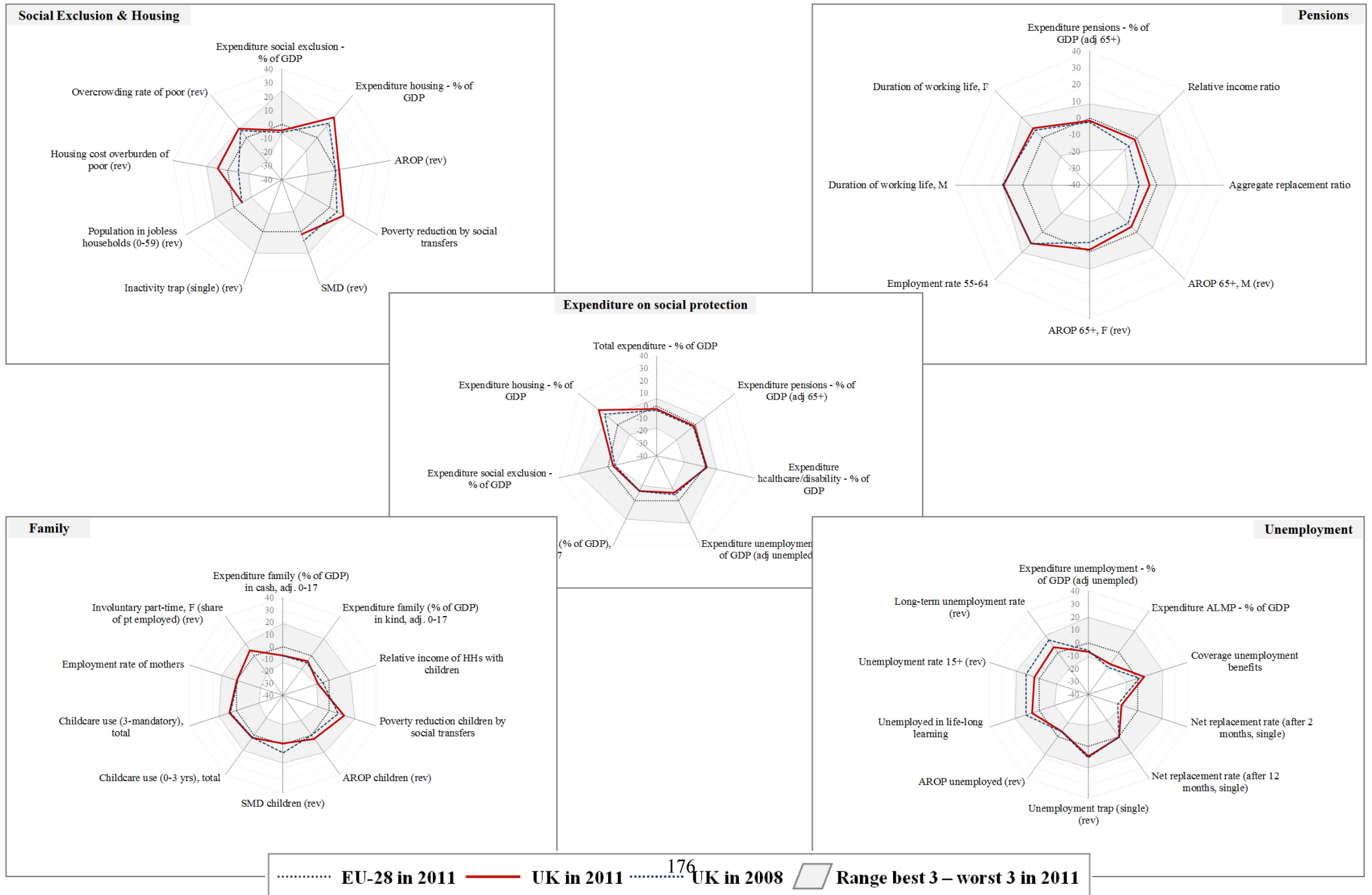
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Table B.28: Overview Indicators – Actual Values United Kingdom 2011 and 2008

I. Orientation of Social Spending

Indicator	EU-28 2011	UK 2011	UK 2008	EU-27 2008
Total expenditure, % of GDP	29.0	27.3	25.8	26.7
Expenditure pensions, % of GDP (adj. 65+)	72.6	69.5	67.3	69.0
Expenditure healthcare/disability, % of GDP	10.3	10.7	10.4	9.7
Exp. unemployment, % of GDP (adj. unempl.)	23.0	11.3	13.9	25.9
Expenditure family, as % of GDP (adj. 0-19)	10.4	7.1	7.0	9.6
Expenditure social exclusion, as % of GDP	0.4	0.2	0.2	0.4
Expenditure housing, as % of GDP	0.6	1.5	1.2	0.5

II. Pensions

Indicator	EU-28 2011	UK 2011	UK 2008	EU-27 2008
Relative income ratio	0.91	0.89	0.80	0.86
Aggregate replacement ratio	0.54	0.50	0.44	0.51
AROP 65+, M	12.1	14.5	20.0	14.8
AROP 65+, F	16.4	17.4	24.1	20.0
Employment rate 55-64	48.8	56.7	58.0	45.5
Duration of working life, M	37.6	40.8	41.1	37.3
Duration of working life, F	32.2	35.0	34.6	31.2

III. Unemployment

Indicator	EU-28 2011	UK 2011	UK 2008	EU-27 2008
ALMP exp - % GDP	0.5	0.1	0.0	0.5
Coverage unemployment benefits	30.0	41.1	32.9	31.0
Net repl rate (2 months, single)	58.8	39.0	38.0	
Net repl rate (12 months, single)	37.7	39.0	38.0	
Unemployment trap (single)	74.8	65.7	65.2	74.5
AROP unemployed	46.9	51.4	50.9	45.4
Unemployed in LLL	9.0	14.8	17.8	8.3
Unemployment rate 15+	10.5	8.0	5.6	7.0
Long-term unemployment rate	4.7	2.7	1.4	2.6

IV. Family

Indicator	EU-28 2011	UK 2011	UK 2008	EU-27 2008
Exp family - %GDP (adj 0-19) cash	6.6	4.6	4.5	6.4
Exp family - %GDP (adj 0-19) in-kind	3.8	2.5	2.1	3.2
Relative income HHs with children	0.94	0.84	0.89	0.94
Poverty reduction by social transfers, children	34.4	58.5	51.6	40.2
AROP children	20.8	18.5	20.7	20.1
Severe material deprivation children	11.8	12.5	4.4	9.5
Childcare use (0-3 yrs), total	30.0	35.0	35.0	27.0
Childcare use (3-mand), total	83.0	93.0	91.0	84.0
Employment rate of mothers	60.2	59.5	58.4	59.2
Involuntary part-time, F (share of PT employed)	24.9	14.5		24.4

V. Social Exclusion and Housing

Indicator	EU-28 2011	UK 2011	UK 2008	EU-27 2008
AROP	17.0	16.2	17.3	16.4
Poverty reduction by social transfers	34.4	49.2	43.1	34.9
Severe material deprivation	9.9	7.8	3.3	8.2
Inactivity trap (single)	56.1			54.8
Population in jobless HHs (0-59)	10.3	13.0	12.7	9.1
Housing cost overburden of poor	39.0	26.8	53.5	35.1
Overcrowding rate of poor	29.4	13.6	15.7	30.4

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