

SOCIAL PROTECTION ACCOUNT. Advance. 2019

In 2019, expenditure on social protection in the Basque Country reached almost 20,000 million euros, up 5.9% on the previous year

Expenditure on social protection per inhabitant stood at 8,918 euros, 5.4% more than in 2018

Expenditure on social protection in the Basque Country stood at 19,564 million euros in 2019, 1,094 million – or 5.9% – more than in 2018, according to Eustat data. With this increase, it accounted for 24.6% of GDP. Another reference indicator, expenditure per capita, increased by 5.4% to 8,918 euros.

The Social Protection Account is prepared using the methodology of the European System of Integrated Social Protection Statistics (ESSPROS) and calculates the income and expenditure of the **social protection systems in the Basque Country for any public or private body**.

Main data and indicators of social protection in the Basque Country. 2010-2019

	2010	2017	2018	2019 (a)	2018/2017 (%)	2019(a)/2018 (%)
TOTAL EXPENDITURE ON SOCIAL PROTECTION						
In millions euros	16.092	17.835	18.470	19.564	3,6	5,9
In % of GDP p.m.	24,2	24,2	24,0	24,6	-0,2*	0,6*
In euros per inhabitant	7.410	8.188	8.456	8.918	3,3	5,4
In PPP per inhabitant	7.509	8.802	9.022	:	2,5	:
EXPENDITURE ON SOCIAL BENEFITS BY FUNCTION (million euros)						
TOTAL	15.775	17.578	18.221	19.312	3,7	6,0
Illness/Healthcare	4.443	4.627	4.740	5.088	2,4	7,3
Invalidity	1.052	1.239	1.271	1.313	2,6	3,3
Old age	6.004	7.685	8.123	8.570	5,7	5,5
Survivors	1.473	1.703	1.764	1.896	3,6	7,5
Family/Children	596	619	644	676	4,1	5,1
Unemployment	1.681	999	948	1.035	-5,1	9,1
Housing	118	147	160	163	8,7	1,8
Social exclusion	408	558	570	572	2,2	0,3
INDICATORS (in euros)						
Expenditure on social benefits per inhabitant	7.264	8.070	8.342	8.803	3,4	5,5
Expenditure on social benefits per inhabitant in PPP	7.361	8.675	8.900	:	2,6	:
Expenditure on the "Illness/Healthcare" per inhabitant	2.046	2.124	2.170	2.319	2,1	6,9
Expenditure on the "Old age" per person aged 65 or over	14.304	16.163	16.816	17.470	4,0	3,9
Expenditure on the "Unemployment" per registered jobless person	12.693	7.492	7.680	8.959	2,5	16,6
GDP ESA2010. Base 2015. (thousands of euros)	66.569,4	73.697,4	76.888,2	79.445,5	4,3	3,3
Population (01-07)	2.171.536	2.178.134	2.184.233	2.193.864	0,3	0,4

(:) data not available

(*) Difference in percentage points

Source: Eustat. Social protection account

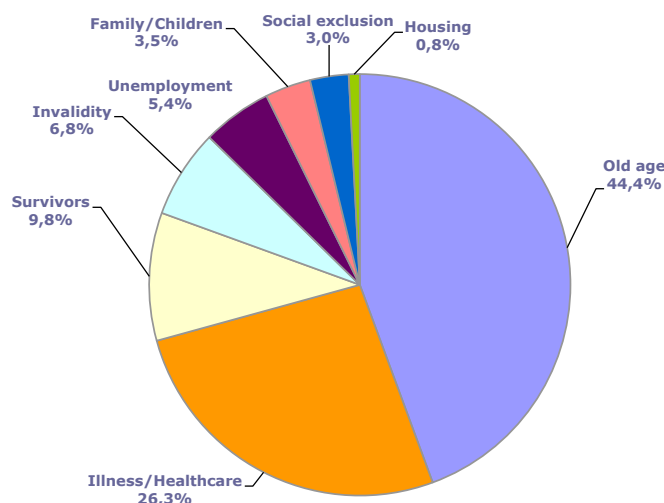
Expenditure on social protection includes administrative expenses derived from the management and administration of protection systems and spending on social benefits, which is the biggest expense. **Social benefits include cash payments and benefits in kind that households receive from the social protection systems.**

In the course of 2019, expenditure on social benefits in the Basque Country reached 19,312 million euros, 6.0% more than in 2018, the largest increase in the last ten years.

The functions with the highest social benefit spending were “Old Age” and “Illness/Healthcare”

Breaking down **expenditure on benefits by function** allows an analysis of the needs on which the money is spent. As in previous years, the function that received the largest spending was still “Old Age”, which includes expenditure on pensions, financial benefits related to dependence and other benefits in kind, such as residential services and home care. In 2019, expenditure on “Old Age” accounted for 44.4% of spending, with 8,570 million euros, 5.5% more than in 2018 (a year that also saw significant growth of 5.7%, reaching 8,123 million).

Distribution of expenditure on social benefits by functions. 2019 (a)



Source: Eustat. Social protection account

In third place, 9.8% of expenditure went on the “Survivors” function, which includes financial benefits for widows and orphans, reached 1,896 million euros in 2019, up 7.5% on 2018 (when it was up 3.6% on 2017).

In 2019, “Unemployment” spending accounted for 5.4% of expenditure on social benefits. This function has been on a downward trend since 2014 and is associated with the decline in unemployment and the number of people on unemployment benefits. In 2018, it reached the lowest level since 2008, with 948 million euros (down 5.1% on the previous year). While the number of unemployed people continued to decrease in 2019, expenditure on “Unemployment” increased by 9.1% to 1,035 million euros. This rise was essentially due to improvements made to unemployment assistance and the increase in the amount of contributory benefits. In 2019, the total number of recipients of unemployment benefits rose by 6.6% and the average amount of contributory benefits was up 2.0%.

The other functions also grew in 2019, though to a lesser extent. “Disability” was up 3.3% at 1,313 million euros. Expenditure on the “Family/Children” function, which includes maternity and child-rearing grants, was 676 million euros, 5.1% more than in 2018. Spending on “Social Exclusion” remained at levels similar to the previous year, with 572 million euros, and was the function with the lowest growth, 0.3% compared to 2018. Expenditure on “Housing” was still the lowest, with 163 million euros, 1.8% more than in 2018, when it grew 8.7%.

Expenditure per group of institutional units and year (million €). 2015-2019

	2016	2017	2018	2019 (a)	Annual variation rate (%)		
					2017/16	2018/17	2019 (a)/18
Social Security System and State Administration	10.480	10.815	11.236	11.926	3,2	3,9	6,1
Basque Administration	5.676	5.773	5.947	6.285	1,7	3,0	5,7
Private Institutions	1.242	1.248	1.287	1.353	0,5	3,1	5,1
Total expenditure on social protection	17.397	17.835	18.470	19.564	2,5	3,6	5,9

Source: Eustat. Social protection account

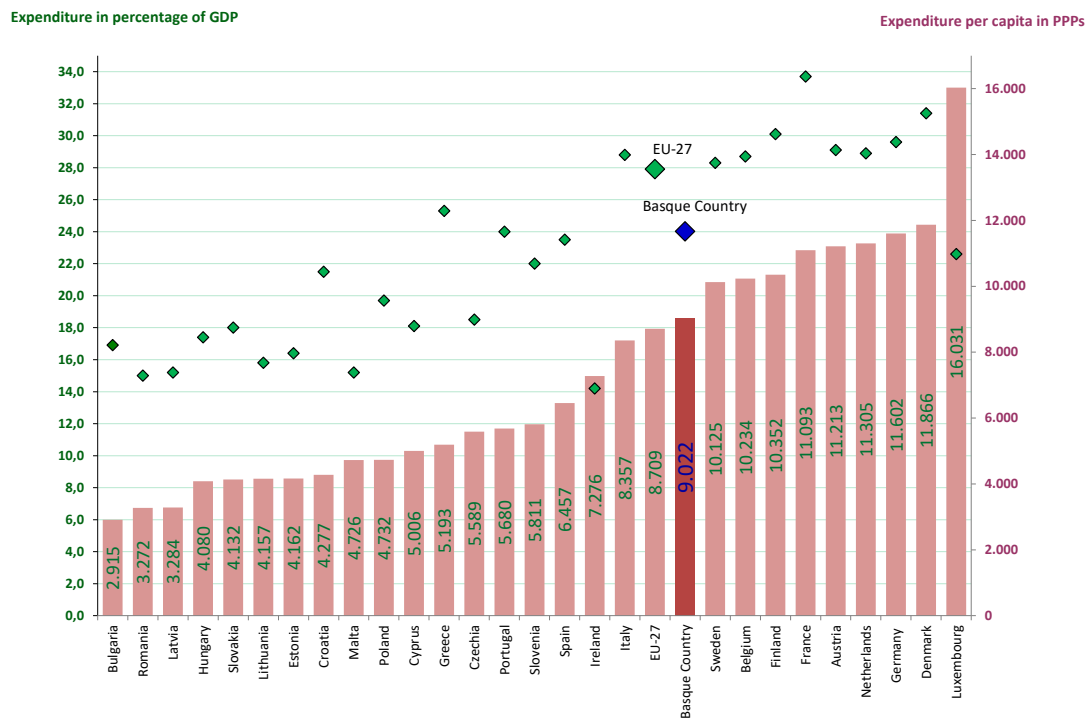
With regard to the **institutional units** that spent money on social protection, spending by **the Social Security System and State Administrations** accounted for 61.0% of the total in 2019 and was up 6.1% on 2018, i.e. 690 million euros more, mostly due to the increase in financial benefits for “Old Age” and “Survivors”.

Expenditure by the **Basque Administrations** accounted for 32.1% of the total, reaching 6,285 million euros, 5.7% more than in 2018. **This growth is primarily due to the increase in expenditure by the public health system**, which was up 7.0%, reaching 3,986 million euros. The remaining expenditure went on the public system of social benefits, which includes the institutions of the Basque Government, Provincial Councils and Local Administrations, and reached 2,299 million euros, 3.4% more than in 2018.

Lastly, spending on **Private Institutions** remained at 6.9% of the total, with 1,353 million euros.

For the comparison with Europe, we analysed the latest data published by Eustat, corresponding to 2018. The indicator for **expenditure on social protection per inhabitant**, measured in terms of Purchasing Power Parity (PPP), stood at 9,022 in the Basque Country, above the average for the EU-27, with 8,709, and countries such as Spain (6,457) or Ireland (7,276). At the very top of the table are Luxembourg (16,031) and Denmark (11,866).

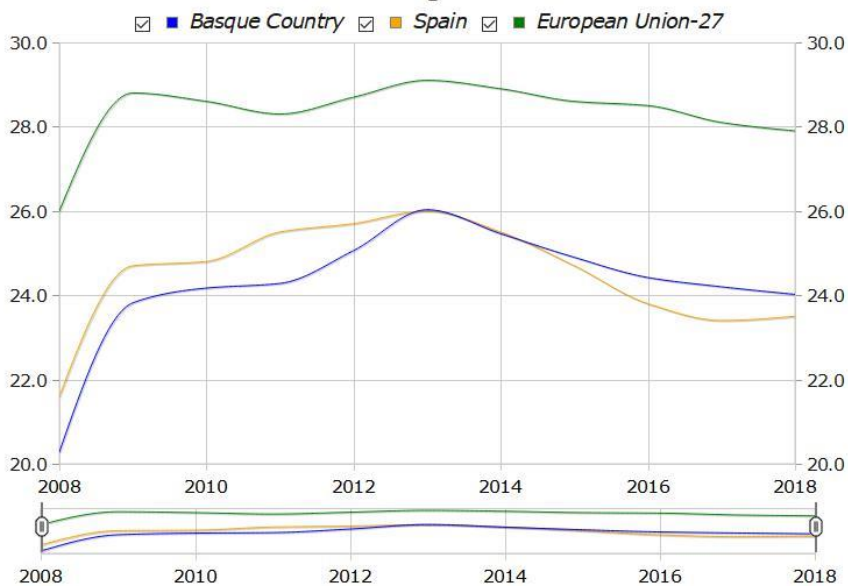
Indicators of social protection spending by country. 2018



Source: Eustat. Social protection account and Eurostat. Social protection ESSPROS

Furthermore, **social protection expenditure as a percentage of GDP** in the Basque Country stood at 24.0% in 2018, below the EU-27 average (27.9%) but above Spain (23.5%) and also Luxembourg (22.6%) which, as mentioned above, was at the top of the table for expenditure per inhabitant.

Total expenditure on social protection. International comparison Percentage of GDP



Source: Eustat. Social protection account

For further information:

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