

## Social protection expenditure in the Basque Country exceeded 22,000 million euros, with expenditure per inhabitant amounting to 10,346 euros in 2022

***The "Old Age" and "Illness/Healthcare" functions accounted for 71.5% of the total expenditure on social benefits***

Total expenditure on social protection in the Basque Country in 2022 stood at 22,663 million euros, 652 million euros higher than in 2021, an increase of 3.0% according to Eustat data. Expenditure per inhabitant grew by 2.9%, to a level of 10,346 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. 2020-2022

	2020	2021	2022 (a)	2021/2020 (%)	2022 (A)/2021 (%)
<b>TOTAL EXPENDITURE ON SOCIAL PROTECTION</b>					
Millions Euros	21.464	22.011	22.663	2.5	3.0
In % of GDP p.m	29.9	28.2	26.3	-1.7*	-1.9*
In Euros per inhabitant	9.772	10.051	10.346	2.9	2.9
PPP per inhabitant	9.857	10.183	:	3.3	:
<b>EXPENDITURE ON SOCIAL BENEFITS BY FUNCTION (million euros)</b>					
TOTAL	21.199	21.746	22.391	2.6	3.0
Illness/Health care	5.557	5.955	6.258	7.2	5.1
Invalidity	1.316	1.368	1.388	4.0	1.4
Old age	8.843	9.281	9.767	5.0	5.2
Survivors	1.933	1.997	2.062	3.3	3.2
Family/ Children	715	770	800	7.6	3.9
Unemployment	2.037	1.493	1.160	-26.7	-22.3
Housing	150	191	174	27.6	-8.8
Social exclusion	648	690	782	6.5	13.3
<b>INDICATORS (euros)</b>					
Expenditure on social benefits per inhabitant	9.652	9.930	10.222	2.9	2.9
Expenditure on social benefits per inhabitant in PPC(1)	9.736	10.060	:	3.3	:
Expenditure on the function "Illness / health care" per inhabitant	2.530	2.719	2.857	7.5	5.1
Expenditure on the function "Old Age" per person aged 65 and over	17.714	18.367	19.101	3.7	4.0
GDP ESA2010. Base 2015. (thousands of euros)	71.829	78.039	86.266	8.6	10.5
Population (01-07)	2.196.455	2.189.858	2.190.468	-0.3	0.0

(1) Purchasing Power Parity

(\*) difference in percentage points

(a) Advanced data

(:) data not available

Date December 29, 2023

Source: Eustat. Social Welfare Account

Expenditure on **social protection** covers administrative expenses and the cost of social benefits, with the latter including both cash payments and benefits in kind received by households from the social protection systems.

Out of the total expenditure on social protection, 22,391 million corresponded to expenditure on social benefits, and 272 million to administrative expenses.

### ***Almost all functions increased their expenditure, except for "Unemployment" and "Housing"***

Expenditure on **social benefits** grew by 3.0% in 2022 and this increase was 0.5 percentage points higher than that registered in 2021. All functions except for "Unemployment" and "Housing" registered growth.

The "Old Age" and "Illness/Healthcare" functions registered the greatest growth in absolute values, continuing the same trend as the previous year. Specifically, expenditure on "Old Age" increased by 485 million compared with 2021, up 5.2%, amounting to 9,767 million in 2022. This was followed by the "Illness/Healthcare" function, where expenditure rose by 303 million compared with 2021, an increase of 5.1%, reaching 6,258 million euros; of which 4,947 million euros corresponded to expenditure on healthcare services, and 1,311 million to cash benefits (benefits for temporary unfitness for work).

Other functions that performed positively were: the "Social Exclusion" function, with an increase of 92 million euros, registering expenditure of 782 million in 2022, 13.3% higher than the expenditure of the previous year. Within this expenditure, the greatest increase corresponded to cash benefits (including guaranteed basic income, emergency social provisions, minimum subsistence income and others), which increased by 56 million euros.

The "Family/Children" function grew by 3.9%, 30 million more than in 2021, amounting to 800 million in 2022, while the "Surviving Relatives" function increased by 1.4%, 20 million more than the previous year.

Meanwhile, expenditure on the "Unemployment" function continued the downward trend seen in 2021. The drop in 2021 was 26.7%, with a slightly lower fall of 22.3% in 2022. This reduction was essentially the result of the decline in cash benefits, which were down 329 million euros. In turn, expenditure on "Housing" was 8.8% lower in 2022, following a substantial increase of 27.6% in 2021.

### ***The percentage distribution of the expenditure on benefits remained similar to previous years***

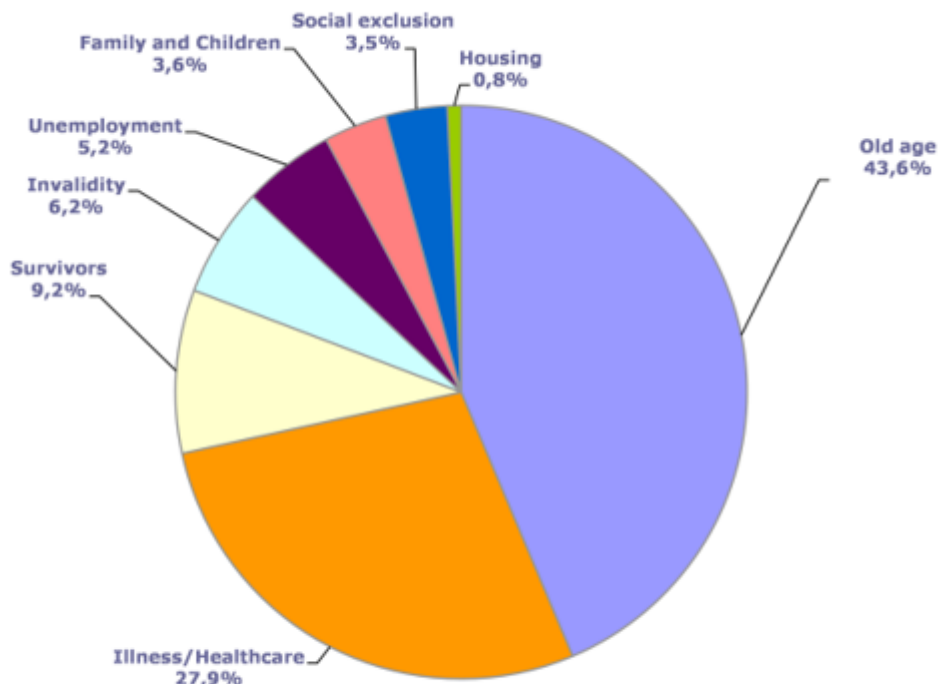
The "Old Age" function, which includes the expenditure dedicated to pensions, dependency-related economic benefits and other benefits in kind, such as residential services and home care, continued to represent the greatest overall proportion. In 2022 this function accounted for 43.6% of social benefits, 0.9 percentage points more than in 2021.

The next greatest increase in expenditure corresponded to the "Illness/Healthcare" function, with 6,258 million in 2022, or 27.9% of benefit expenditure, with its share increasing by 0.5 percentage points compared with 2021.

The "Surviving Relatives" and "Disability" functions maintained the same proportion out of the total, with the expenditure of 2,062 million on the former representing 9.2% of benefits, while the 1,388 million euros spent on the latter accounted for 6.2%. The same performance

was seen in "Family and Children", representing 3.6%; "Social Exclusion", 3.5%; and "Housing", 0.8%.

### Distribution of expenditure on social benefits by functions. 2022 (a)



(a) Advance

Source: Eustat. Social protection account

The "Unemployment" function continued registering a downward trend, with expenditure of 1,160 million euros, accounting for 6.9% of the total in 2021, compared with 5.2% in 2022.

In relation to the **institutional units** that spend money on social protection, the amount spent by the **Social Security System and State Administration** in 2022 represented 60.8% of the total, and increased by 2.1% in respect of 2021.

### Expenditure by group of institutional units and year (million euros). 2019-2022

	2019	2020	2021	2022 (a)	Annual variation rate (%)		
					2020/19	2021/20	2022 (a)/21
Social Security System and State Administration	11.926	13.380	13.487	13.772	12,2	0,8	2,1
Basque Administration	6.285	6.665	7.064	7.394	6,0	6,0	4,7
Private Institutions	1.350	1.419	1.459	1.496	5,1	2,8	2,5
<b>TOTAL EXPENDITURE ON SOCIAL PROTECTION</b>	<b>19.561</b>	<b>21.464</b>	<b>22.011</b>	<b>22.663</b>	<b>9,7</b>	<b>2,5</b>	<b>3,0</b>

(a)Advanced data

Date December 29, 2023

Source: Eustat. Social Welfare Account

Expenditure by the **Basque Administrations** accounted for 32.6% of the total, reaching 7,394 million euros, 4.7% more than in 2021. This growth corresponded, on the one hand, to the increase in public health system expenditure, which rose by 3.2% to reach 4,666 million euros; and on the other to expenditure by the public social service system, which includes the institutions of the Basque Government, Provincial Councils and Local Administrations, which accounted for a total of 2,728 million euros, 7.3% more than in 2021.

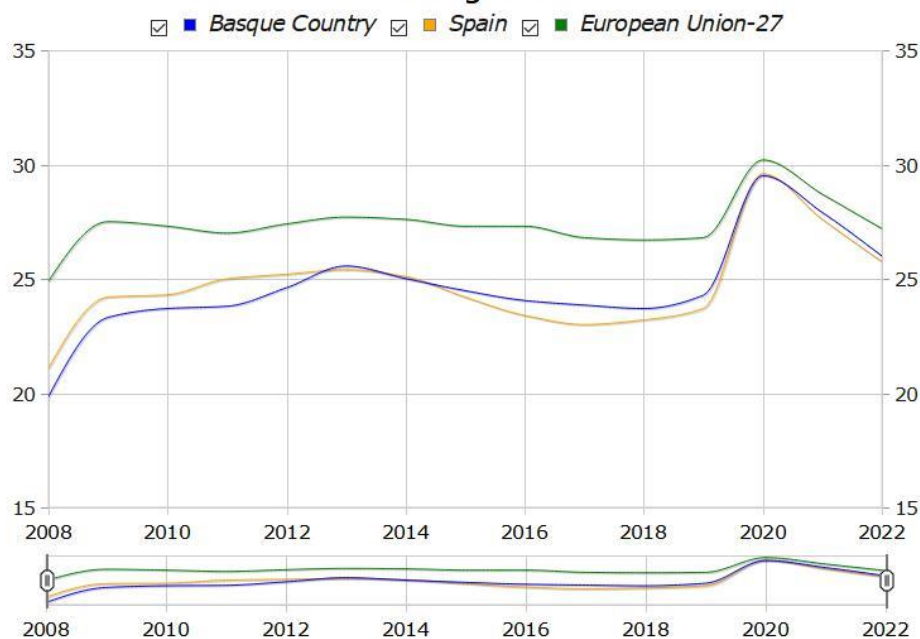
Lastly, the expenditure of **Private Institutions**, with a total expenditure of 1,496 million euros, represented 6.6% of the total and registered an increase of 2.5%.

A **comparison with Europe** revealed that the evolution of **expenditure on social benefits in terms of GDP** in the Basque Country is similar to that seen in other European countries.

The expenditure on social benefits in 2022 in the Basque Country represented 26.0% in terms of GDP. Eurostat estimates for 2022 indicate that the EU-27 average for expenditure on social benefits amounted to 27.2% of GDP, while in Spain the figure stood at 25.8% of GDP.

### Expenditure on social protection benefits of the Basque Country. International comparison

Percentage of GDP

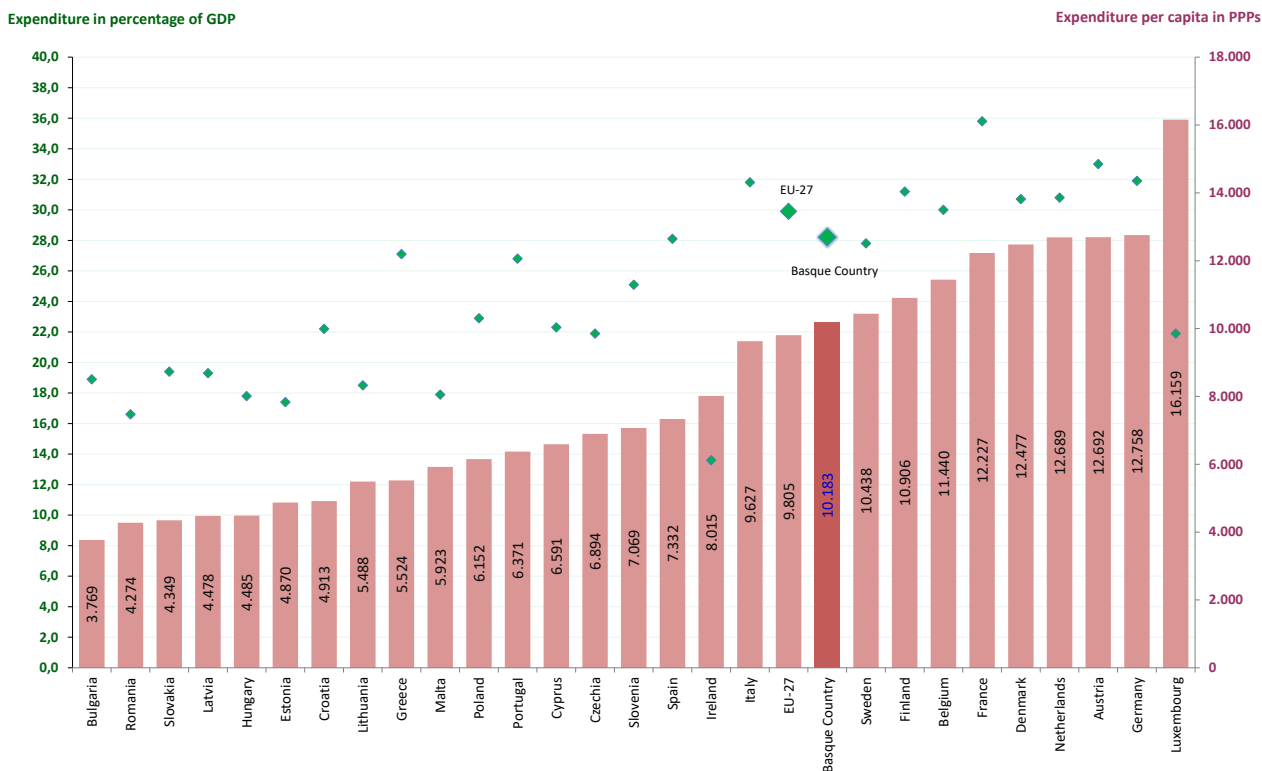


Source: Eustat. Social protection account

As for the indicator **total expenditure on social protection per inhabitant** measured by Purchasing Power Parity (PPP), the most recent Eurostat data available correspond to 2021. Total expenditure on social protection per inhabitant measured in Purchasing Power Parity (PPP) in the Basque Country was 10,183, higher than the averages for the EU-27 (9,805), Spain (7,332) and Ireland (8,015), among others. At the very top of the table were Luxembourg (16,159) and Germany (12,758).

Meanwhile, in 2021 **total expenditure on social protection as a percentage of GDP** in the Basque Country stood at 28.2%, lower than the EU-27 average (29.9%), but higher than Spain (28.1%) and countries near the top of the rankings for expenditure per inhabitant, such as Sweden (27.8%) and Luxembourg (21.9%).

### Social protection spending by country. 2021



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

#### For further information:

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