

ANNEX II: DESCRIPTION OF 1997 QUESTIONNAIRE

1. Important guidelines

1.1. General

For the Cost of Social Security Inquiry the questionnaire is to be completed with *National data*, aggregated social security expenditure and receipt data at the National level (i.e. if more than one institution provides -for example- old age pensions, then it is the sum of the expenditure and of the receipts of these institutions which should be provided). However, it is foreseen that in a subsequent version of the Cost of Social Security Inquiry data at the Institutional level will form the base for future inquiries.

It is requested that data be provided on the basis of a *calendar year* (e.g. from 1 January to 31 December). If this is not possible, please indicate the exact accounting period for which the data is provided.

One set - comprising the General Information form and the Receipt, Expenditure and Balancing Item tables - should be completed for each year covered under the Inquiry.

It is highly recommended to include *remarks wherever supplementary explanations* are needed in order to correctly interpret the data provided.

1.2. Data on Expenditure and Receipts

In order to maintain international comparability of statistical data *gross expenditure* data is to be provided. This method has been adopted in order to circumvent the problems arising from varying national tax laws.

Data should be *disaggregated* as requested in the questionnaire. However, if it is not possible to do so in the detail requested, please indicate with comments what is included in the data which are being provided.

1.3. Data on protected persons, beneficiaries and contributors

Data on the *number of persons protected* for each of the specified risks/contingencies as well as the *number of beneficiaries* should be recorded in the social protection expenditure table I. For all recurrent benefits, the average annual number of recipients should be given. For all other benefits, the number of cases should be reported (e.g. for unemployment benefits the average annual cases awarded should be reported).

Data on the *number of contributors* (i.e. the average annual number of protected persons who have contributed during the accounting period for which the questionnaire is established) should be recorded in the social protection income table II.

In certain cases the above information may not be available for *individuals* but for *households* (e.g. in the case of housing benefits). Please indicate when the data refer to categories other than individuals.

If data cannot be provided as average annual figures then numbers of persons or cases at the

middle of the reference period should be submitted. Please indicate in each case the time definition used.

Definitions of the terms used are as follows :

Protected persons: individuals protected in their own right who, when a contingency arises, acquire a right to a benefit in their own name or give rise to a benefit which will be acquired by a third person (i.e. dependent). In general the notion of protected person is related to the payment of contributions, i.e. the individuals in whose name contributions are paid. Thus, the concept of protected persons with respect to:

- old-age, survivors', invalidity, employment injury, family, unemployment, housing and social assistance benefit categories refers to individuals covered in their own right;
- survivors' benefit category covers the individual whose death gives rise to a survivors' benefit;
- sickness, health and maternity benefit category covers also dependents of protected persons as they are entitled to benefits in their own right.

Dependents: individuals whose relationship with a protected person gives them the right to acquire a social security benefit based on the protected persons rights.

Beneficiaries: protected persons receiving benefits under the various risk categories. Thus, the concept of protected persons with respect to:

- old-age, invalidity, employment injury, family benefits, unemployment, housing and social assistance benefit categories : refers to individuals who receive a benefit acquired in their own right;
- the survivors' benefit category (including survivors in the employment injury category) : covers dependents who acquire the right to a social security benefit on the death of a protected person.

2. General concepts

Prior to providing a detailed description of items to be filled out in the questionnaire, a certain number of concepts which are used in the questionnaire are clarified below:

- The term “Prescribed” means determined by or in virtue of national legislation;
- Periodic cash benefits paid on a regular basis differ from other cash benefits in their nature. The former is provided during a given time period, recurring at regular intervals (generally on a monthly, quarterly basis e.g. pensions) and whose main “raison d’etre” is to provide income replacement by restoring, up to a reasonable level, income which is lost by reason of inability to work. The latter is paid generally at irregular intervals or once for each occurrence (e.g. funeral grant) and whose primary aim is that of providing cash assistance and not that of providing income replacement;
- Periodic cash benefits paid on a regular basis differ from periodic cash payments as the latter is paid with the primary aim of providing cash assistance and not that of providing income replacement (e.g. periodic cash payments provided under the family function to assist families to meet the costs of raising children and of looking after other dependents). However, as these cash payments are made at recurring regular intervals they do not fall under the category of other cash benefits;
- Total receipts and total expenditure should balance, a difference between receipts and expenditure should be recorded in the balancing item (see point 5);

- Periodic family/dependent supplements paid to persons who receive benefits under the various functions are recorded under the main risk which is covered not under the family function (i.e. family allowances paid to old-age pension beneficiaries are included under the old-age function). This method has been adopted to maintain international data comparability, as in many countries it is not possible to separate these payments from the main benefit paid. However, where possible, please indicate this amount in the separate line provided for this purpose;
- Medical care benefits are to be included under the sickness and health function and are to be excluded from all other functions except employment-injury (when they are provided as a consequence of work-related injury/disease).
- Reimbursements of expenditures are always considered as benefits-in-kind. Furthermore, any cash payments which are not made directly to the protected person or to a dependent of a protected person are considered as benefits-in-kind (e.g. payment to health care providers);
- Lump sums are one-time capital payments to members of a scheme designed to provide only capital sums upon retirement, invalidity or death of a protected person (i.e. provident funds);
- All fiscal expenditure (such as tax exemptions reimbursable or not) are excluded. However, cash transfers from the government are recorded under Social Protection Receipts;
- The statement “of which” refers to information to be provided only if available.
- The benefits included and the benefits not included boxes provide a non-exhaustive list of examples.

3. Supplementary description of expenditure items

3.1. Social Protection Benefits

Social protection benefits are transfers by social protection schemes which aim at relieving want and destitution as a consequence of one of the nine identified risks or needs.

The types of benefits provided are limited to cash and in-kind benefits which do not involve a reciprocal provision of service by the beneficiary:

- Cash benefits are defined as those provided in cash such as income replacement and income support benefits, lump-sum payments from provident funds, allowances and other cash payments which are not reimbursements (i.e. which do not require beneficiaries to show evidence of expenditure). This excludes remuneration for work (wages, salaries and allowances related to work such as cost of living allowances), except in the case of salary and wages paid to employees during periods of inability to work. Furthermore, costs supported by the protected person and not reimbursed by the provider (such as co-payments for health care) are also excluded from the scope of this inquiry;
- In-kind benefits are goods and services provided directly to the recipients as well as in the form of cash reimbursements. Reimbursements require recipients to show evidence of expenditure (e.g. funeral costs, home care costs).

3.1.1. Old-age

This function covers all benefits paid to persons who have withdrawn from the labour market due to retirement. Old-age benefits are payable to persons who meet a certain number of qualifying conditions. These are:

- the attainment of a specified standard retirement age, as defined by the statutes of the scheme or by National Law, following which insured active persons cease normal covered employment. In most countries the standard retirement age is between 55 and 65 years of age, e.g. in Switzerland the standard retirement age currently for men is 65 and for women is 62 (with a gradual increase to 63 from year 2001 and 64 from year 2005). Retirement prior to this standard age results in a reduction of the pension benefits provided;
- the completion of a certain minimum period of contributions. In many countries this minimum period is set at between 10-15 years of contributory service. In certain countries protected persons are entitled to an old-age pension after the completion of a certain period of contributory service prior to attaining the standard age of retirement (e.g. Morocco after 21 years of contributory service, in French-speaking Africa after 30 years of contributory service);
- residence or nationality requirements (e.g. schemes which cover only nationals against the various risks).

Examples of benefits included:

- Periodic family allowances for dependents paid to beneficiaries of old age pensions.
 - Disability benefits paid to beneficiaries who have reached the legal age of retirement of the scheme, even though in certain schemes they continue to be recorded under the invalidity function (e.g. Trinidad and Tobago).
 - Partial retirement pensions which are to be included under either the normal retirement pension or the early retirement pension.
 - Special old-age benefits provided to public employees through special schemes.
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Examples of benefits not included:

- Programmes of early retirement for labour market reasons which are classified under the unemployment function and programmes of early retirement for health reasons which are classified under the invalidity function.
 - Medical benefits which are recorded under the sickness and health function.
 - Allowances for assistance in subsidizing rent, not specifically related to the retired status of the beneficiary, which are recorded under the housing function.
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1. Cash benefits:

- Normal retirement pension : periodic cash benefits paid on a regular basis as income replacement to persons who leave the labour market as a result of having attained the standard retirement age as defined by the statutes of the scheme or national law. This category also includes those who had taken early retirement and have now reached the standard age of retirement of the scheme (i.e. transfer of this category of pensions from the category of early retirement pension to the category of normal retirement pension).
 - Early retirement pension: periodic cash benefits paid on a regular basis as income replacement to
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persons who leave the labour market prior to attaining the standard retirement age. This includes persons who have either attained the minimum age requirement for early retirement or fulfill any other appropriate requirement or condition. (e.g. a scheme which provides the early retirement option after 21 years of contribution whatever the age of the insured : Régime collectif des allocations de retraite, Morocco).

- Lump sum payments: payments of capital in the form of a lump-sum benefit payable to those who were members of a scheme designed to provide only capital sums at retirement (i.e. provident fund schemes).
- Retirement grants: one-time cash payment to members of a social insurance scheme who do not meet the eligibility criteria for a periodic pension benefit.
- Other cash benefits: cash payments such as allowances for assistance provided by a third party for accomplishing household tasks (e.g. allowances for home-care).

2. *Benefits-in-kind:*

- Goods and services provided to the retired (e.g. reductions in prices for certain cultural activities to beneficiaries of the AVS (Assurance vieillesse et survivant) in Switzerland; transport services);
- Accommodation and assistance: reimbursements for services-in-kind provided by a third party (e.g. for household assistance) as well as accommodation in specialized nursing homes specifically catering for persons of old-age.

3.1.2. *Survivors'*

This function covers benefits arising from the death of a protected person.

Examples of benefits included:

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- Periodic family allowances for dependents paid to beneficiaries of survivors' pensions.
 - Pensions paid to disabled orphans beyond the prescribed age¹ for receipt of orphans pensions.
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1. *Cash benefits :*

- Survivors' pension: periodic cash benefits paid on a regular basis to any entitled dependent:
 - widow(er)s' pension: pension payments made to the spouse;
 - orphans' pension: pension payments made to dependent children generally up to a prescribed age¹ laid down in the statutes of the scheme;
 - other dependents' pension: pension payments made to dependent parents/siblings or other

Example of educational benefit (e.g. an educational allowance is provided to orphans who continue their education in Panama). These benefits are, however, not included in the scope of this questionnaire.

- Medical care offered to survivors which should be recorded under the sickness and health function.

persons.

- Lump sum payments: payments of capital in the form of a lump sum benefit payable to those who were members of scheme designed to provide only capital sums on death of a protected person (i.e.

¹ In most countries the prescribed age up to which an orphan is entitled to receive an orphans' pension is set taking into account the compulsory school leaving age (e.g. between 16-18 years of age in many countries). However, if the orphan continues further studies the age limit for the receipt of orphans' pension is normally extended (e.g. until 21 years of age).

provident fund schemes).

- Survivors grants: one-time cash payment to survivors of members of a social insurance scheme who do not meet the eligibility criteria for a periodic survivors' benefit.
- Other cash benefits: other cash benefits which are not reimbursements for goods or services provided such as allowances, defined funeral grants, lump-sum grants on remarriage of widows.

2. *Benefits-in-kind:*

- Funeral expenses: reimbursement for funeral expenses of the deceased insured person.
- Other: other benefits-in-kind provided to survivors (reduction in prices, tariffs).

3.1.3. *Invalidity/Disability*

This function covers any benefit arising from the partial or total inability of an protected person to participate in gainful employment due to a non-occupational chronic condition owing to disease or injury or by reason of the loss of a member or a function

Examples of benefits included:

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- Benefits provided by programmes of early retirement due to invalidity.
 - Periodic family allowances for dependents paid to beneficiaries of invalidity pensions.
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Examples of benefits not included:

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- Benefits paid to invalid orphans (even if they continue beyond the prescribed age for receipt of an orphans' pension) which are to be recorded under the survivors' function.
 - Partial or total invalidity arising from work-related causes is recorded under the employment injury function.
 - Medical care : prosthesis and medical rehabilitation are registered under the sickness and health function.
 - Pension payments to beneficiaries of invalidity benefits on attaining the standard retirement age, are to be recorded under the old-age function.
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1. *Cash benefits :*

- Full invalidity pension: Periodic cash benefits paid on a regular basis as income replacement for income which is lost by reason of inability to work due to total disability. Beneficiaries are entitled to 100 percent of the invalidity pension.
 - Partial invalidity pension: Periodic cash benefits paid on a regular basis as income replacement to beneficiaries whose ability to work is considered to be diminished by less than 100 percent.
 - Early retirement pension: Periodic cash benefits paid on a regular basis as income replacement to beneficiaries who leave the labour market prior to attaining the standard retirement age due to partial inability to work (e.g. through programmes of early retirement for health reasons).
 - Lump sum payments: Payments of capital in the form of a lump-sum benefit payable to those who were members of a scheme designed to provide only capital sums at retirement (i.e. provident fund schemes).
 - Invalidity grant: One-time cash payment to members of a social insurance who do not meet the eligibility requirements for a periodic pension benefit.
 - Other cash benefits: Allowance and other cash benefits which are not reimbursements for goods and services provided (e.g. allowances for home care).
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2. *Benefits-in-kind:*

- Reimbursements for goods and services provided (e.g. home care, placement services and vocational training for the disabled, transport, cultural activities, accommodation in specialized establishments).

3.1.4. *Employment injury*

This function covers any benefit paid by a work injury program for work-related injury, disease, incapacity and death of a protected person. It also covers the injury, disease, incapacity and death of a protected person occurring even following the cessation of the employment which caused the state.

Example of benefits included to work injury and occupational disease.

- Periodic family allowances for dependents paid to beneficiaries of employment injury benefits.
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Example of benefits included to work injury and occupational disease.

- *Example of benefits included to work injury and occupational disease.* Injury and disease, invalidity and death resulting from non-occupational causes which should be recorded under the sickness and health function, the invalidity function and the survivors' function.

- Health care services provided to survivors (of a protected person, deceased due to work-related injury or disease) which should be recorded under the sickness and health function.
 - Leave taken on injury /illness of a dependent child, recorded under the sickness and health function.
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1. *Cash benefits to the insured:*

- Temporary cash benefit: Periodic cash benefits paid on a regular basis as income replacement for income lost by reason of inability to work due to an employment-related impairment; the inability to work is likely to be either temporary or to continue for a limited period of time - generally specified in the national legislation (e.g. 13 weeks in Luxembourg).
- Long-term cash benefit (pensions): Periodic cash benefits paid on a regular basis as income replacement for income which is lost by reason of inability to work due to an employment-related impairment which is likely to be either permanent or continues to persist after the period covered by temporary cash benefits (e.g. from the 14th week onwards in Luxembourg).
- Other cash benefits: Any other cash payments (e.g. the lump-sum indemnity added to the periodic payments paid to workers who have sustained a permanent physical or mental impairment due to work related injury by Quebec's CSST, allowances for home care).

2. *Cash benefits to survivors:*

- Periodic benefits: Periodic cash benefits paid on a regular basis to the dependents of protected persons deceased due to work-related injury or occupational disease. This benefit may be provided to the spouse, orphan(s) and other dependent family members.
- Other cash benefit: All other cash benefits to survivors which are not reimbursements for goods or services provided (e.g. funeral grants).

3. *Benefits-in-kind:*

- Medical care : All medical care and pharmaceutical goods provided which are directly linked to restoring the health of a protected person who suffers from a work-related injury or disease. It includes therapy, medical visits and treatment, prosthesis.
- Other benefits in-kind : Any other goods and services provided (reimbursement for damaged clothing, funeral expenses) and other benefits in-kind directly related to the status of the beneficiary

(e.g. transportation, reduction of fares, cultural activities).

3.1.5. *Sickness and health*

This function covers any benefit provided “with a view to maintaining, restoring or improving the health of the person protected and his ability to work and to attend to his personal needs” (ILO Convention 130, article 9). It includes benefits paid for the loss of earnings due to absence from work necessitated by an acute condition due to disease or injury requiring medical treatment or supervision (ILO Recommendation 67, part 1, art. 9).

Examples of benefits included:

- Continued salary and wages paid to employees during periods of inability to work.
 - Periodic family allowances for dependents paid to beneficiaries of sickness benefits.
 - Sick leave taken by parents during illness of a child /dependent.
 - Prosthetic and orthopaedic appliances which are to be recorded either under out-patient or in-patient care depending on which type of service they were provided in (in-patient or out-patient care).
 - Medical care provided to beneficiaries of old-age, invalidity, survivors’ and unemployment benefits are all included under this function. Rehabilitation provided through medical care to disabled/invalid persons is recorded under benefits-in-kind.
 - All public health campaigns which provide medical care and medical support.
 - Preventive care is covered (e.g. medical check-ups) and family planning is also to be included.
 - All pre-natal and post-natal medical care provided for maternity.
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Examples of benefits not included :

- Reimbursement of health-care costs of the poor is included under the social assistance function.
 - Health care related to work injury is recorded under the employment injury function.
 - Sickness benefit for a single illness is generally paid for a limited period of time (e.g. for a maximum of 52-78 weeks in Mexico). Following this maximum prescribed period, if the disability/sickness continues and invalidity benefits are paid, these should then be registered under the invalidity function.
 - Birth grants are to be recorded under the family function.
 - Nursing allowances paid at the time of childbirth are to be recorded under the family function.
 - Any paternal benefit paid to a father who stays home to look after an infant child is classified under the family function.
 - Any participation in medical costs supported by the protected person (co-payments, franchise, patient’s contribution) do not fall under the scope of this inquiry and should be omitted.
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1. *Cash benefits:*

- Sickness benefits: Periodic cash benefits paid on a regular basis as income replacement for income which is lost by reason of temporary inability to work caused by illness and/or injury. They also include periodic benefits paid to a protected person for looking after a dependent (e.g. sick-leave taken by parents for child's illness).
 - Other cash benefits: Allowances for intensive care, special bonuses, allowances paid to tuberculosis patients.
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2. *Benefits-in-kind*: any goods and services provided to protected persons.

- Inpatient care: Any covered medical service provided to protected persons which entails a stay of at least one night in a medical or rehabilitation establishment -hospital- (e.g. it includes doctors' fees, specialists' fees, surgery costs, pharmaceutical product costs). Treatment given in convalescent establishments which receive patients after hospital care are also included.
- Outpatient care: Any covered medical service provided to protected persons which does not entail an overnight stay in a medical establishment (e.g. medical service at doctors' consulting room, services provided in the outpatient department of hospitals, services offered in ambulatory care units such as clinics and dispensaries). It also includes home visits made by medical professionals to the home of protected persons.
 - Physician services: fees for services provided by medical professionals
 - Pharmaceuticals: costs for purchase of pharmaceutical products.
- Other benefits-in-kind: Orthopaedic appliances, non medical benefits such as transportation, home-help.

3.1.6. *Family*

This function covers benefits which are provided to families in order to meet with costs and needs related to child-raising and the support of other dependents. Generally family benefits are provided for children up to a certain age limit (usually linked to the compulsory school leaving age or the age at which higher studies are completed). Furthermore, in many countries no age limit is set for family benefits

Examples of benefits included :

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- Nursing allowances paid at the time of childbirth.
 - Any paternal benefit paid to a father who stays home to look after an infant child.
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provided for the support of a handicapped child.

1. *Cash benefits*:

- Maternity benefits: Periodic cash benefits paid on a regular basis as income replacement for income which is lost by reason of inability to work before and after childbirth for a specified period of time as prescribed by the benefit provider. In general the duration of the benefit is for between 12 to 14 weeks (e.g. for 90 days in Argentina, for up to 6 weeks before and 8 weeks after confinement in

Example Family allowances are provided to recipients of benefits under the old age, invalidity, survivors', employment injury, sickness and health and unemployment functions which are to be recorded under their respective function.

- Health-care services provided during maternity which are to be included under the sickness and health function.
 - Allowances for assistance in subsidizing rent or accommodation which are linked to assisting families in supporting costs of housing which are recorded under the housing function.
 - Allowance or benefits paid as an educational grant are not covered by the scope of this inquiry and should therefore not be included in the questionnaire.
 - Services provided towards family planning which are to be recorded under the sickness and health function.
 - Sick leave taken by a protected person during the illness of a child/dependent is to be recorded under the sickness and health function.
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Benin).

- Periodic payments: Cash benefits paid on a regular basis to families with children and/or other dependents to support the costs related to their maintenance. They include:
 - Paternity benefit (paid to the spouse during the period of confinement of the pregnant woman for paternal leave);
 - Periodic allowances for handicapped children or disabled children (e.g. as in the Ukraine where a benefit is provided for caring for a disabled child under the age of 16);
 - Benefit paid during parental leave, in the event of interruption of work taken in order to bring up a child.
- Other cash benefits: Cash payments to assist families in the raising of children or support of dependents. They include:
 - Maternity grant/birth grant paid at the birth of child; adoption grant; prenatal grant. It also includes nursing cash allowances which are paid in certain countries over and above the maternity benefit (e.g. a nursing cash allowance for up to 4 months if the mother is not nursing her child in Costa Rica²), and Layette grants (e.g. provided in Ecuador, Mexico);
 - Specific cash allowances provided during the illness of a child or dependent to a parent (other than benefits paid during sick leave taken by employee to look after a dependent);
 - Other one-time cash allowances (e.g. burial allowance for child under the age of 19 in Bolivia).

2. *Benefits-in-kind:*

- Any goods, services and reimbursement of expenditures related to the support of children and/or dependents. It includes also nursing assistance in-kind which is provided in certain countries (e.g. nursing assistance provided in-kind for up to 6 months after delivery in Mexico).
- Day-care services: For pre-school children (e.g. nurseries), dependent children, other dependents.
- For accommodation provided by foster families; nursing homes.
- Reductions in tariffs, fares, etc. (leisure centres, holidays centres, etc.).

3.1.7. *Unemployment*

This function covers any benefit provided to a protected person arising from the loss of gainful employment.

Examples of benefits included :

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- Early retirement programs established for labour market reasons and not financed by pension funds.
 - Periodic family allowances for dependents paid to beneficiaries of unemployment benefits.
 - Means-tested unemployment cash or in-kind assistance provided to the unemployed.
 - Vocational training measures aimed at those individuals who are or could be in receipt of unemployment benefits (i.e. this therefore excludes those who have never been employed before).
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² Social Security Administration: Social Security Programs throughout the World - 1995, Washington, 1995.

Example Benefits paid on loss of gainful employment due to invalidity or sickness which are to be recorded under their respective functions.

- Training for youths who have never been employed, in the form of cash allowances or in-kind benefits.

- Educational allowances or grants not falling under the scope of this inquiry. Educational allowances/benefits are not to be confused with vocational training allowances/benefits. The latter is provided to individuals who have been or are in employment, with the aim of improving skills to better their prospects of finding employment. Whereas the former is generally provided to support costs for formal training (e.g. schooling, university).

- Staff training provided to employees for career development and for job training are not to be included as they fall outside the scope of this inquiry.

- Subsidies provided by the government in order to support the costs of employment for the unemployed fall outside the scope of this inquiry (e.g. tax reductions to enterprises employing the unemployed).

- Cash benefits provided during maternity leave which are recorded under the family function (e.g. Québec's maternity benefits are in part provided through the unemployment programme and should as such be recorded under the family function).

1. *Cash benefits:*

- Regular unemployment benefit: Periodic cash benefits paid on a regular basis as income replacement for income which is lost by reason of loss of gainful employment and falls within the conditions of entitlement laid down by the scheme. This category includes full (on the loss of employment) and partial (on part-time unemployment) benefits. The benefits are paid to protected persons available for and seeking regular employment.
- Special periodic payments: Any periodic cash benefit paid to those who are not eligible under the general conditions of entitlement laid down by the scheme to a regular unemployment benefit (e.g. those who are no longer eligible to receive the regular unemployment benefit; periodic financial assistance to long-term unemployed; unemployment assistance supplementing regular unemployment benefits).
- Severance/redundancy payments: One-time cash payment to protected persons who have been dismissed from employment through no fault of their own.
- Other cash benefits: Any cash payments and allowances made to eligible individuals which are not reimbursements (e.g. vocational training allowance).

2. *Benefits-in-kind:*

- Active labour market services: Any service provided to employed persons in order to support technically or logistically their search for an employment (e.g. placement offices).
- Training: Any skill formation, skill improvement or skill acquisition services provided.
- Other benefits-in-kind: Benefits-in-kind not classified elsewhere, specially means-tested benefits linked to the unemployed status of the beneficiary (e.g. unemployment assistance, food, clothing, housing).

3.1.8. *Housing*

Any means-tested benefit provided in order to directly help a household meet the costs of housing.

The recipient under this function is a household, not an individual.

Examples of benefits included :

- Include under benefits-in-kind the difference in cost between the theoretical:
 - market-value of the property and the sale price which the household pays;
 - commercial rent which should be charged for the property and the actual rent paid by the household;
 - commercial mortgage interest and the mortgage interest charged to the household.
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Examples of benefits not included :

- Housing benefits which are linked directly to one of the other functions (e.g. the accommodation of old-age benefit recipients in nursing-homes, accommodation provided to the unemployed) which are to be recorded under the specific function they relate to.
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1. *Cash benefits:*

- Rent support: Rent allowance paid to eligible households (e.g. fixed periodic or lump-sum cash benefit)

2. *Benefits-in-kind:*

- Rent support: Subsidized rental housing.
- Subsidies to home-owners: Subsidies and services provided to home-owners (e.g. below market-level interest rates, subsidies for mortgage debt, building material).
- Other benefits-in-kind: Other goods and services provided (e.g. real estate advertising).

3.1.9. Social assistance and others

Benefits in cash or in kind provided to individuals or certain targeted groups who require specific assistance in order to obtain a defined minimum level of income and to meet minimum subsistence requirements. The majority of these benefits are provided on a means-tested basis to individuals whose income (whether from active employment or from pension benefits) falls below the poverty line level.

Examples of benefits included:

- Rehabilitation of drug and alcohol abusers under benefits-in-kind.
 - Accommodation provided to certain vulnerable and needy categories of society (e.g. shelters for refugees).
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Example of means-tested benefits which are provided to recipients of benefits provided under the other functions and thus linked to other risks (e.g. unemployment assistance, food, clothing, housing provided on a means-tested basis to beneficiaries of unemployment benefits).

- Housing benefits provided to households to meet with the costs and needs related to their accommodation requirements.
 - Benefits and assistance provided by private charitable organizations (e.g. benefits-in-kind provided by the International Red Cross/Crescent Organization) do not fall under the coverage scope of this inquiry.
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1. *Cash benefits:*

- Periodic cash payment: Any periodic cash benefit paid on a regular basis in order to provide a defined minimum level of income to individuals in need (e.g. Revenu minimum d'insertion (RMI) in France).
- Other cash benefit : Cash allowances, lump-sum payments and subsidies paid to individuals in need on an ad-hoc basis to alleviate specific needs.

2. *Benefits-in-kind:*

- Any goods and services provided to eligible individuals. This function includes any accommodation (e.g. shelters for refugees).
- Other goods and services (e.g. clothing, counselling services, food through meals-on-wheels programs (e.g. in the United States of America), food stamps, etc.).

3.2. Administrative expenditure

This category includes any management and administrative expenditure incurred by the scheme directly responsible for the provision of social protection benefits. In order to be able to analyse the costs related to each risk covered, a break-down of administrative expenditure for each of the functions should be recorded (i.e. for the old-age, invalidity, survivors, sickness and health, unemployment, family, housing and social assistance functions).

Example of administrative costs of institutions providing benefits and collecting contributions (e.g. salary and allowances of administrative staff including employers' social insurance contributions, running expenses of administrative offices, reinsurance expenditure...)

- Depreciation of fixed assets
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Examples of costs not included:

- Medical and para-medical staff salaries which are to be recorded in the sickness and health function.
 - Interest payable on loans which are to be classified under the other expenditure category
 - Tax expenditure which are to be classified under the other expenditure category
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In the case where the Social Security Institution manages its own medical establishments, it is not always easy to distinguish between administrative expenditure and expenditure for medical care services provided. Therefore, as a rule, all direct operating expenditure (e.g. pharmaceutical items) should be

recorded under the sickness and health function³.

3.3. Other expenditure

Within this category should be included all other miscellaneous expenditure by social protection schemes such as interest on loans, taxes on income and wealth, and other miscellaneous expenditure not recorded elsewhere.

3.4. Transfers to reserves

Legally required transfers: Transfers to reserves are specified amounts or proportions of expenditure/income which according to the statutes of a scheme are to be transferred each year to the reserves or transfers made to achieve or maintain a certain prescribed level of reserves. Transfers to reserves include “Contingency Reserves” which are established to cover financial needs during unexpected economic downturns of the economy as well as to guard against the consequences of unexpected increases in the frequency and severity of the risks insured against (e.g. schemes providing short-term benefits for sickness, maternity and employment injury almost always set up a legal contingency reserve requirement)⁴. They also include “Technical Reserves” which are built up to smoothen future increases of contribution rates.

4. Supplementary description of receipts items

Social protection receipts are classified by program (i.e. systems which cover the risk/need specified):

- Old-age, invalidity and survivors' program;
- Employment injury program;
- Sickness and health program;
- Unemployment program;
- Family program;
- Housing and social assistance program.

For each program (with the exception of the Housing and social assistance program which is subsidized by the government and therefore only tax income are recorded) receipts are classified into four categories indicating the type/source of income:

Social contributions;
Taxes;
Other receipts;
Transfers from reserves.

4.1. Social contributions

³ ILO: Scheme of statistical tables for the practical application of a minimum programme of social security statistics, *Revue internationale d'actuariat et de statistique de la sécurité sociale* no. 8, Geneva, 1992 (p.43-91).

⁴ ILO: Handbook of Social Insurance Administration, Accounting and Financial Control (Volume III), Geneva, 1962.

Payments made by or on behalf of insured persons to social security schemes/institutions in order to guarantee coverage against one of the nine previously identified risks.

If the share of contributions between protected persons and employers is not available, estimates should be made (e.g. based on the provisions of the relevant legislation). In this case, please provide an explanatory note.

4.1.1. Employers' contributions.

1. *Actual social insurance contribution*: cash payments by employers to social security schemes to secure entitlement to social benefits for employees, former employees and their dependents.

- From private employers
- From government: Contributions paid by the state or any other public authority in its capacity as an employer.

2. *Imputed social insurance contributions*: Fictitious contributions which should have been made in cash to cover direct benefit expenditure (e.g. in the case of an employer providing benefits directly). In this case it is necessary to estimate the contributions which would have been needed to cover the benefits provided (e.g. in the case of public civil servants in Germany who do not pay social contributions for coverage by their employer against the risks of old-age, invalidity, death, unemployment, employment injury, sickness, health and maternity).

4.1.2. Contributions paid by protected persons

1. *Contributions by employees*: Payments by employed persons to social security schemes in order to guarantee coverage against certain risks.

2. *Contributions by self-employed persons*: Payments made by individuals working on their own account (e.g. employers and own-account workers) to guarantee coverage against certain risks, for themselves or on behalf of their dependants.

3. *Contributions by pensioners*: Payments by any category of recipient of benefits in order to obtain protection against special risks (e.g. old-age pensioners contributing for health care in Panama, or unemployment benefit recipients contributing to the social security scheme providing old-age, invalidity and survivors' benefits in Switzerland).

4. *Contributions by other protected persons (voluntary)*: Payments by other categories of persons (e.g. housewives insured on a voluntary basis to the social security scheme providing old-age, invalidity and survivors' benefits in Switzerland).

4.2. Taxes

This category includes the cost of goods and services provided by the government to protected persons in the form of means-tested benefits, as well as payments to social security institutions to cover deficits and to support expenditure related to guaranteeing minimum benefit levels.

4.2.1. Earmarked taxes

Levies and specially designated taxes raised to finance specific social security benefits. As opposed to contributions, these taxes do not give rise to specific entitlements to those who pay them. In the context of the Government accounts there is a direct link between income (taxes raised) and expenditure (social security benefits provided).

These levies and special taxes can be a certain proportion of taxes on alcohol and beverages (e.g. as is

the case for old-age benefits in Argentina), a certain proportion of the federal income tax receipts (e.g. as transferred to the Family Allowances Equalization Fund in Austria), proceeds from the surcharge on automobile insurance and on hospitalization insurance premiums and the tax on profits made on reimbursable drugs (e.g. for medical care in Belgium) and Government contributions from earmarked taxes (e.g. for old-age and unemployment benefits in Brazil).

4.2.2. General revenues

Government financing from sources other than earmarked taxes.

4.3. Other receipts

Miscellaneous receipts of social security schemes.

4.3.1. Income from investments

Includes income derived from investments of the scheme (i.e. interest income on deposits with banks or other financial institutions, income from securities).

4.3.2. Other receipts

Includes miscellaneous income, such as fines on late payments, insurance claims and gifts.

4.4. Transfers from reserves

Income derived from a reduction of reserves, which becomes necessary to cover a current shortage of income from other sources.

5. Supplementary description of the Balancing Item

In the accounting structure of risk-covering institutions, which collect social contributions from employers and protected persons and which are therefore not totally financed by public resources, the Balancing Item represents - with respect to expenditure - either the surplus of income (surplus) or the shortfall of income (deficit), indicated accordingly by a plus or minus sign.