



# Statistics in focus

## POPULATION AND SOCIAL CONDITIONS

THEME 3 – 19/2003

## POPULATION AND LIVING CONDITIONS

### Contents

Per capita cash benefits vary widely between the countries ..1

National legislation on cash family benefits is not uniform ..2

Family benefits in cash increased by almost 36% in Europe, in spite of the decline in the birth rate .....2



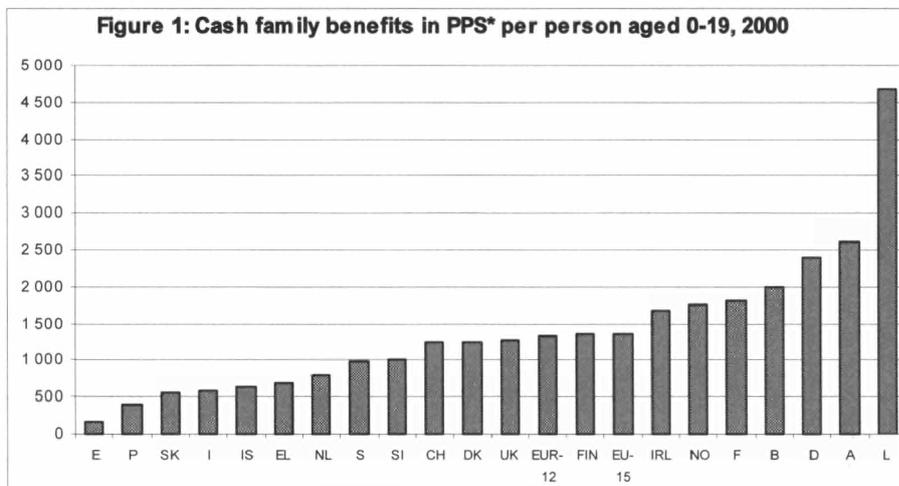
Manuscript completed on: 2.07.2003  
ISSN 1024-4352  
Catalogue number: KS-NK-03-019-EN-C  
© European Communities, 2003

# Social Protection: cash family benefits<sup>1</sup> in Europe

*Gérard Abramovici*

Accounting for roughly 5% of social protection benefits in 2000, cash family benefits vary widely between the countries of the EU. On average, and at constant prices, these benefits increased by nearly 36% during the 1990s. The impact on benefits of the falling birth rate in this period was more than offset by the implementation of more generous legislation in the area of national family policies.

Figure 1: Cash family benefits in PPS\* per person aged 0-19, 2000



Source: Eurostat-ESSPROS.

\*Purchasing Power Standards (PPS): independent unit of any national currency that removes the distortions due to price level differences. The PPS value are derived by using Purchasing Power Parities (PPPs) that are obtained as a weighted average of relative price ratios for a homogeneous basket of goods and services, comparable and representative for each Member State.

### Per capita cash benefits vary widely between the countries

In 2000, cash family benefits per person aged 0 to 19, expressed in PPS, showed marked differences between the Member States (*Figure 1*). Compared with the EU-average of 1 361 PPS, Luxembourg had the highest expenditure (4 687 PPS), whereas the southern European countries spent less than 700 PPS. Luxembourg constitutes a special case insofar as a quarter of its family benefits are paid to persons living abroad; correcting for this anomaly, the figure falls to approximately 3 400 PPS.

The variation between countries primarily reflects the different organisation of family benefits in the Member States and the relative weight of cash benefits and benefits in kind<sup>2</sup> (*Table 1*) and maternity benefits. Thus, countries above the European average in *per capita (age 0-19)* cash benefits provide more than 70% of family/child benefits in the form of cash payments as defined in this study. By contrast, payments in kind combined with income replacement

<sup>1</sup> See definition in Box on page 3.

<sup>2</sup> Benefits in kind include day centres (crèches, nursery facilities), accommodation (nursing homes, foster families), home help and other benefits in kind (goods and services provided for holidays or cultural and recreational activities).

**Table 1: Cash family benefits<sup>(1)</sup> in 2000**

	As % of GDP	As % of total benefits	As % of Family/children benefits	At constant prices (2): index 1991=100
<b>EU 15</b>	<b>1,4</b>	<b>5,5</b>	<b>67,2</b>	<b>135,8</b>
<b>EUR 12</b>	<b>1,5</b>	<b>5,7</b>	<b>68,8</b>	<b>136,6</b>
B	2,0	7,7	84,6	116,2
DK	1,1	4,0	30,3	146,6
D	2,1	7,5	70,9	181,1
EL	1,0	3,8	51,8	167,0
E	0,2	0,9	34,6	147,3
F	2,0	7,0	73,0	115,4
IRL	1,5	11,2	85,9	166,4
I	0,5	2,0	52,2	128,6
L	2,6	12,9	77,6	255,8
NL	0,8	2,9	64,4	86,3
A	2,3	8,2	77,5	133,6
P	0,5	2,7	48,9	115,4
FIN	1,4	5,8	45,8	119,1
S	1,0	3,2	30,0	:
UK	1,4	5,5	78,4	120,2
IS	0,8	4,0	34,7	65,5
NO	1,4	5,7	44,4	127,0
CH	1,1	4,2	81,3	120,1
SK	1,5	7,9	84,2	:
SI	1,5	5,9	63,9	:

(<sup>1</sup>) see definitions in the "Methods and concepts" box.

(<sup>2</sup>) See calculation method on page 3.

Source: Eurostat-ESSPROS.

during maternity leave account for more than 65% of all family benefits in countries such as Denmark, Spain and Sweden.

Additionally, in some countries family/child tax allowances are an important component of family benefits; with very few exceptions (see Box p. 3) these tax benefits are not regarded as social benefits.

### National legislation on cash family benefits is not uniform

The level of *per capita* cash benefits also depends on national legislation (*Table 3*).

Thus, there are wide variations in family allowances, which are the main component of cash benefits. The age limit for receipt of this benefit ranges from 16 in Ireland, Portugal, Sweden, the UK and Iceland to 20 in France, although some countries continue to make payments to young people still in training or education.

National variations also derive from the adjustment of benefits as a function of age and, less systematically, income.

Finally, the monthly amount of family benefit varies widely depending on whether the amount paid is per child or per selected age-group; birth order may also be taken into account.

**Table 2: Demographic data**

	Change of the population aged 0-19 between 1991 and 2000 (index 1991=100)	Proportion of the population aged 0-19 in 2000	Total fertility rate in 1991	Total fertility rate in 2000
<b>EU 15</b>	<b>94,2</b>	<b>22,9</b>	<b>1,53</b>	<b>1,48</b>
<b>EUR 12</b>	<b>92,4</b>	<b>22,4</b>	<b>1,46</b>	<b>1,43</b>
B	98,4	23,6	1,66	1,66
DK	102,4	23,7	1,68	1,77
D	100,9	21,3	1,33	1,36
EL	84,7	21,8	1,38	1,29
E	78,5	21,4	1,33	1,23
F	96,6	25,6	1,77	1,88
IRL	90,9	30,8	2,08	1,89
IT	85,1	19,8	1,31	1,24
L	119,4	24,4	1,60	1,78
NL	103,1	24,4	1,61	1,72
A	98,9	22,8	1,49	1,34
P	83,7	23,0	1,57	1,52
FIN	100,0	24,7	1,79	1,73
S	101,1	24,2	2,11	1,54
UK	101,7	25,3	1,81	1,64
IS	101,8	31,1	2,18	2,10
NO	104,3	25,9	1,92	1,85
CH	105,1	23,2	1,60	1,50
SK	82,4	28,1	2,05	1,30
SI	85,3	23,2	1,42	1,26

Source: Eurostat - Demography.

Even in the absence of complex calculations of average family allowance per child, however, it is clear that a less favourable situation prevails in Southern European countries.

### Family benefits in cash increased by almost 36% in Europe, in spite of the decline in the birth rate

Between 1991 and 2000, the total fertility rate in Europe, and most of the constituent countries, declined (*Table 2*).

Over the same period, the population aged less than 20 years in the EU-15 fell from 9.1 to 8.6 million (which represents a decrease of 6%). The proportion of the population aged 0-19 years changed from 25.1% of the total EU-15 population in 1991 to 22.9% in 2000.

However, at the same time, family benefits at constant prices increased by almost 36% in the EU-15 (*Table 1*). Part of this change is attributable to the increase in family allowances. This was particularly important in Spain and in Luxembourg. Other contributing factors include large-scale reforms (for example the abolition of the income-related component of allowances in Germany in 1996), and the implementation or the extension of new benefits (such as child care allowances in France).

**Table 3 : Principal general statutory provisions <sup>(1)</sup> concerning family benefits in Europe in 2000**

Country	Family benefits			parental leave, education allowance	Other legal family benefits
	Age limit	variation according to income	variation with age		
Belgium	18 years (vocational training, further education: 25 years)	no	yes	no	birth grants, adoption allowance
Denmark	18 years	yes (only for the supplementary allowance)	yes	yes	birth grants, adoption allowance, child care allowance, allowance for single parent
Germany	18 years (unemployed people : 21 years; vocational training, further education: 27 years)	no	no	yes	advance payment of maintenance
Greece	18 years (further education: 22 years)	no	no	no	allowance for single parent
Spain	18 years	yes	no	yes	birth grants (for the third child and multiple births)
France	20 years (from the second child)	no	yes	yes	birth grants, adoption allowance, child care allowance, allowance for single parent, allowance at beginning of the school year, advance payment of maintenance, family supplement
Ireland	16 years (further education: 19 years)	no	no	no	birth grants, allowance for single parent, family supplement
Italy	18 years	yes	no	no	birth grants (from the third child), adoption allowance
Luxembourg	18 years (vocational training, further education: 27 years)	non	yes	yes	birth grants, allowance at beginning of the school year, advance payment of maintenance
Austria	19 years (unemployed people: 21 years; vocational training: 26 years)	no	yes	yes	birth grants, allowance for single parent, advance payment of maintenance, special unemployment assistance
The Netherlands	17 years (vocational training, further education: 24 years)	no	yes	no	
Portugal	16 years (vocational training, further education: 24 years)	yes	yes	no	funeral grant
Finland	17 years	no	no	yes	birth grants, adoption allowance, child care allowance, allowance for single parent, advance payment of maintenance
Sweden	16 years (further education: 20 years, children in secondary school)	no	no	yes	adoption allowance, advance payment of maintenance
United-Kingdom	16 years (further education: 19 years)	no	no	no	birth grants and adoption allowance, child care allowance, "working families' tax credit", advance payment of maintenance
Iceland	16 years	yes	yes	no	child care allowance, allowance for single parent, educational pension, advance payment of maintenance
Norway	18 years	no	yes	yes	birth grants and adoption allowance, child care allowance, allowance for single parent, advance payment of maintenance

<sup>(1)</sup> There are additional specific benefits (legal and voluntary), mostly paid by the employers.

Source : MISSOC (European Commission)

#### Methods and concepts

The expenditure on cash family benefits presented in this publication is calculated in accordance with the methodology of the European System of Integrated Social PROtection Statistics, the "1996 ESSPROS Manual".

The Manual defines social protection as follows: "Social protection encompasses all interventions from public or private bodies intended to relieve households and individuals of the burden of a defined set of risk 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 fixed by convention as follows: sickness/healthcare, disability, old age, survivors, family/children, unemployment, housing and social exclusion not elsewhere classified."

In this publication, the "cash family benefits" aggregate is defined as the sum of the following social benefits in the family/children function:

- 1) Birth grant: benefit normally paid as a lump sum or by instalments in case of childbirth or adoption.
- 2) Parental leave benefit: benefits paid to either mother or father in case of interruption of work or reduction of working time in order to bring up a child, normally of young age.
- 3) Family or child allowance: periodical payments to a member of a household with dependent children to help with the costs of raising children.
- 4) Other cash benefits: benefits paid independently of family allowances to support households and help them meet specific costs, such as costs arising from specific needs of lone parent families or families with handicapped children.

This aggregate does not include cash benefits paid as income maintenance in the event of childbirth.

In accordance with ESSPROS, expenditure is registered without any deduction of taxes or other compulsory levies payable on them by beneficiaries. "Tax benefits" (tax reductions granted to households in the context of social protection) are excluded unless they satisfy the following three conditions: they are in conformity with the definition of social protection; they are all-inclusive; they are paid in cash if taxable household income is too low for them to be applied directly (as with German family allowances).

#### Remarks concerning the data

The Eurozone (EUR-12) is made up of Belgium (B), Germany (D), Greece (EL), Spain (E), France (F), Ireland (IRL), Italy (I), Luxembourg (L), Netherlands (NL), Austria (A), Portugal (P) and Finland (FIN).

The European Union (EU-15) includes the Eurozone countries together with Denmark (DK), Sweden (S) and the United Kingdom (UK).

Eurostat estimated EU-15 values where necessary (no data available for Sweden in 1990 - 1992 period).

The data selected are taken from "European Social Statistics - Social Protection - Expenditure and receipts 1991-2000".

The 2000 data are provisional for B, D, EL, E, F, I, NL, P, FIN, S, UK and SK.

Belgium: Other cash benefits: data in respect of certain schemes are not available for the 1990-1996 period. Greece: Other cash benefits: data in respect of certain schemes are not available for the 1990-1999 period. Spain: Other cash benefits: data are not available for the 1993-2000 period.

#### Calculation of constant price indices in Table 1

Owing to the great annual variation in conversion rates between the ECU/euro and national currencies, an ECU/euro index was not adopted in this table.

- 1) The indices are quoted in national currency for each country and EUR-12 (EUR-12 = euro).
- 2) Indices for EU-15 are obtained by applying the respective 1995 national expenditure weightings in ECU/euro in EU-15 to the national currency indices of each country.

# Further information:

## ➤ Reference publications

Title European Social Statistics : Social protection - Expenditure and receipts - Data 1991 - 2000  
 Catalogue No KS-DC-03-001-EN-C Price EUR 45

## ➤ Databases

NewCronos, Theme 3, Domain: sespros

To obtain information or to order publications, databases and special sets of data, please contact the **Data Shop** network:

DANMARK	DEUTSCHLAND	ESPAÑA	FRANCE	ITALIA - Roma
<b>DANMARKS STATISTIK Bibliotek og Information Eurostat Data Shop</b> Sejroegade 11 DK-2100 KØBENHAVN Ø Tlf. (45) 39 17 30 30 Fax (45) 39 17 30 03 E-mail: bib@dst.dk URL: http://www.dst.dk/bibliotek	<b>STATISTISCHES BUNDESAMT Eurostat Data Shop Berlin</b> Otto-Braun-Straße 70-72 (Eingang: Karl-Marx-Allee) D-10178 BERLIN Tel. (49) 1888-644 94 27/28 (49) 611 75 94 27 Fax (49) 1888-644 94 30 E-Mail: datashop@destatis.de URL: http://www.eu-datashop.de/	<b>INE Eurostat Data Shop</b> Paseo de la Castellana, 183 Despacho 011B Entrada por Estébanez Calderón E-28046 MADRID Tel. (34) 915 839 167/ 915 839 500 Fax (34) 915 830 357 E-mail: datashop.eurostat@ine.es URL: http://www.ine.es/prodysers/datashop/index.html	<b>INSEE Info Service Eurostat Data Shop</b> 195, rue de Bercy Tour Gamma A F-75582 PARIS CEDEX 12 Tél. (33) 1 53 17 88 44 Fax (33) 1 53 17 88 22 E-mail: datashop@insee.fr	<b>ISTAT Centro di Informazione Statistica Sede di Roma, Eurostat Data Shop</b> Via Cesare Balbo, 11a I-00184 ROMA Tel. (39) 06 46 73 32 28 Fax (39) 06 46 73 31 01/07 E-mail: datashop@istat.it URL: http://www.istat.it/Prodotti-e/Allegati/Eurostatdatashop.html
ITALIA - Milano	NETHERLAND	NORGE	PORTUGAL	SCHWEIZ/SUISSE/SVIZZERA
<b>ISTAT Ufficio Regionale per la Lombardia Eurostat Data Shop</b> Via Fieno 3 I-20123 MILANO Tel. (39) 02 80 61 32 460 Fax (39) 02 80 61 32 304 E-mail: mileuro@tin.it URL: http://www.istat.it/Prodotti-e/Allegati/Eurostatdatashop.html	<b>Centraal Bureau voor de Statistiek Eurostat Data Shop-Voorburg</b> Postbus 4000 2270 JM VOORBURG Nederland Tel. (31-70) 337 49 00 Fax (31-70) 337 59 84 E-mail: datashop@cbs.nl URL: www.cbs.nl/eurodatashop	<b>Statistics Norway Library and Information Centre Eurostat Data Shop</b> Kongens gate 6 Boks 8131 Dep. N-0033 OSLO Tel. (47) 21 09 46 42/43 Fax (47) 21 09 45 04 E-mail: Datashop@esb.no URL: http://www.ssb.no/biblioteket/datashop/	<b>Eurostat Data Shop Lisboa INE/Serviço de Difusão</b> Av. António José de Almeida, 2 P-1000-043 LISBOA Tel. (351) 21 842 61 00 Fax (351) 21 842 63 64 E-mail: data.shop@ine.pt	<b>Statistisches Amt des Kantons Zürich, Eurostat Data Shop</b> Bleicherweg 5 CH-8090 Zürich Tel. (41) 1 225 12 12 Fax (41) 1 225 12 99 E-mail: datashop@statistik.zh.ch URL: http://www.statistik.zh.ch
SUOMI/FINLAND	SVERIGE	UNITED KINGDOM	UNITED STATES OF AMERICA	
<b>STATISTICS FINLAND Eurostat Data Shop Helsinki Tilastokirjasto</b> PL 2B FIN-00022 Tilastokeskus Työpajakatu 13 B, 2. kerros, Helsinki P. (358-9) 17 34 22 21 F. (358-9) 17 34 22 79 Sähköposti: datashop@stat.fi URL: http://tilastokeskus.fi/tk/kk/datashop/	<b>STATISTICS SWEDEN Information service Eurostat Data Shop</b> Karlavägen 100 - Box 24 300 S-104 51 STOCKHOLM Tfn (46-8) 50 69 48 01 Fax (46-8) 50 69 48 99 E-post: infoservice@scb.se URL: http://www.scb.se/tjanster/datashop/datashop.asp	<b>Eurostat Data Shop Office for National Statistics</b> Room 1.015 Cardiff Road Newport NP10 8XG South Wales United Kingdom Tel. (44-1633) 81 33 69 Fax (44-1633) 81 33 33 E-mail: eurostat.datashop@ons.gov.uk	<b>Haver Analytics Eurostat Data Shop</b> 60 East 42nd Street Suite 3310 NEW YORK, NY 10165 USA Tel. (1-212) 986 93 00 Fax (1-212) 986 69 81 E-mail: eurodata@haver.com URL: http://www.haver.com/	

### Media Support Eurostat (for professional journalists only):

Bech Building Office A4/017 • L-2920 Luxembourg • Tel. (352) 4301 33408 • Fax (352) 4301 35349 • e-mail: eurostat-mediasupport@cec.eu.int

### For information on methodology:

Gérard Abramovici, Eurostat/E4, L-2920 Luxembourg,  
 Tel. (352) 4301 33824, Fax (352) 4301 35979,  
 ORIGINAL: French

Co-author: Flavio Bianconi  
 Database: Carlo Cadolino  
 Layout: Madeleine Larue

Please visit our web site at [www.europa.eu.int/comm/eurostat/](http://www.europa.eu.int/comm/eurostat/) for further information!

A list of worldwide sales outlets is available at the **Office for Official Publications of the European Communities**.

2 rue Mercier - L-2985 Luxembourg  
 Tel. (352) 2929 42118 Fax (352) 2929 42709  
 URL: http://publications.eu.int  
 E-mail: info-info-opoce@cec.eu.int

BELGIQUE/BELGIË - DANMARK - DEUTSCHLAND - GREECE/ELLADA - ESPAÑA - FRANCE - IRELAND - ITALIA - LUXEMBOURG - NEDERLAND - ÖSTERREICH  
 PORTUGAL - SUOMI/FINLAND - SVERIGE - UNITED KINGDOM - ISLAND - NORGE - SCHWEIZ/SUISSE/SVIZZERA - BALGARIJA - CESHÁ REPUBLIKA - CYPRUS  
 EESTI - HRVATSKA - MAGYARORSZÁG - MALTA - POLSKA - ROMÁNIA - RUSSIA - SLOVAKIA - SLOVENIA - TÜRKIYE - AUSTRALIA - CANADA - EGYPT - INDIA  
 ISRAËL - JAPAN - MALAYSIA - PHILIPPINES - SOUTH KOREA - THAILAND - UNITED STATES OF AMERICA

## Order form

I would like to subscribe to Statistics in focus (from 1.1.2003 to 31.12.2003):  
 (for the Data Shop and sales office addresses see above)  
 All 9 themes (approximately 200 issues)

- Paper: EUR 240  
 Language required:  DE  EN  FR

Statistics in focus can be downloaded (pdf file) free of charge from the Eurostat web site. You only need to register. For other solutions, contact your Data Shop.

- Please send me a free copy of 'Eurostat mini-guide' (catalogue containing a selection of Eurostat products and services)  
 Language required:  DE  EN  FR
- I would like a free subscription to 'Statistical References', the information letter on Eurostat products and services  
 Language required:  DE  EN  FR

Mr  Mrs  Ms

(Please use block capitals)

Surname: \_\_\_\_\_ Forename: \_\_\_\_\_

Company: \_\_\_\_\_ Department: \_\_\_\_\_

Function: \_\_\_\_\_

Address: \_\_\_\_\_

Post code: \_\_\_\_\_ Town: \_\_\_\_\_

Country: \_\_\_\_\_

Tel.: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

### Payment on receipt of invoice, preferably by:

- Bank transfer  
 Visa  Eurocard

Card No: \_\_\_\_\_ Expires on: \_\_\_\_/\_\_\_\_/\_\_\_\_

**Please confirm your intra-Community VAT number:  
 If no number is entered, VAT will be automatically applied. Subsequent reimbursement will not be possible.**