

Documentation of statistics for Social protection expenditure 2024

1 Introduction

The purpose of the Social Expenditure Statistics is to illuminate expenditure connected to social protection targeting individuals and households. Social protection encompasses a society's interventions intended to relieve individuals and households of the financial burden of a defined set of risks or needs, e.g. illness. The statistics provide an overview of the development in expenditures related to social protection in Denmark and can be used to compare the level of social protection internationally. The statistics have been compiled since 2007 and are based on a European statistics system.

2 Statistical presentation

The statistics are an annual statement of expenditures on benefits connected to social protection assessed in DKK million. Social benefits are benefits intended to relieve households and individuals of the financial burden of a defined set of risks or needs, e.g. illness or unemployment. The statement includes both cash benefits and benefits in kind (e.g. free health care services). The statistics are divided into eight main areas and includes the whole of Denmark as well as some Danish pensioners abroad. The benefits include both public and private expenses.

2.1 Data description

The Statistics illuminate expenditures connected to social protection targeting individuals and/or households. The statistic is a part of the common European statistics framework, [ESSPROS](#)-statistik (European System of Integrated Social PROtection Statistics), which aim is to compare national, administrative data on social protection; comprising social benefits for individuals and/or households as well as the financial part behind the benefits. The statistic is thus comparable with other European countries as well as other countries reporting to Eurostat on social protection.

Social protection encompasses a society's social schemes and benefits, which aim is to relieve households and individuals of the financial burden of a defined set of risks or needs. These risks – and relevant benefits – are categorized in eight main areas:

1. Sickness/Health care (e.g. Sickness benefit, free health care)
2. Disability (e.g. Early retirement pension, senior pension)
3. Old age (e.g. Old age pension, anticipated old age pension)
4. Survivors (e.g. Funeral expenses, compensations)
5. Family/Children (e.g. Maternity leave benefit, child benefit)
6. Unemployment (e.g. Unemployment benefit, cash benefit)
7. Housing (e.g. Housing benefit for families or pensioners)
8. Social exclusion not elsewhere classified (e.g. subsistence income for people outside the labour market)

The statistics cover expenditures on social schemes and benefits determined in grant acts in central government and in financial accounts of municipal authorities. Education is not included in the scope of the statistic, unless it is part of social assistance to needy families with children. In addition to expenditures, the statistic encompasses relevant administration benefits and the receipts of relevant schemes and benefits.

The statistic embraces payments in cash, coverage of expenditure paid and delivery of goods and services. It is not essential whether the benefits are provided under the auspices of private or public bodies. The statistic distinguishes between cash benefits and benefits in kind; the latter can e.g. entail dentist-treatments, free health care services or medicine.

In addition to the premise of one or more of the above-mentioned social risks or needs, payment of social benefits is effected through collectively schemes organized by the government and/or implemented through collective agreements. It is essential for inclusion in the statistics that there is no compulsory trade-off in connection with the measure. In accordance with the [ESSPROS manual](#) social benefits cover all types of public and private measures, alleviating the financial burden of private individuals or households in connection with a range of socially related risks or needs on the assumption that there is not a simultaneous form of trade-off or an individual scheme.

For practical reasons, some types of assistance, which do not require regular accounting (e.g. Christmas collections, ad hoc humanitarian assistance and relief aid) are not covered by the definition of social measures.

The statistic is presented in gross figures and in net figures, meaning before and after tax is subtracted from the social benefits. Specific, relevant tax-rates are received from the Ministry of Finance.

2.2 Classification system

These statistics use the [classification on social protection expenditure](#) which is based on the concepts that are defined in the [European System of Integrated Social Protection Statistics \(ESSPROS\)](#) classification.

The classification divides social protection expenditures into eight main areas of risks or needs: sickness and health care, disability, old age, survivors, family and children, unemployment, housing, and social exclusion not elsewhere classified. The statistic distinguishes between cash benefits and benefits in kind; the latter can e.g. entail dentist-treatments, free health care services or medicine.

Sickness and health

Income maintenance and support in cash or kind intended to maintain the citizen's loss of income in connection with sickness and to restore or improve the health of the people protected irrespective of the origin of the disorder. In Denmark the function covers national health insurance service, incl. school and children's dental services and home nurses; sickness benefits paid by local governments; employers' estimated expenditure on unemployment benefits; hospital and health services; preventive public health service incl. maternity service and medical checks of children.

Disability

Income maintenance and support in cash or kind (except health care) in connection with the inability of physically and mentally disabled people to engage in economic and social activities. In Denmark the function covers, e.g. early retirement pensioners, maximum and intermediate early retirement pension; welfare services for the disabled; rehabilitation; assistance for the care of disabled children or adults in their own home; occupational injury insurance; institutions, home help for the disabled; support for aids for the disabled.

Old age

Income maintenance and support in cash or kind (except health care) in connection with old age. In Denmark the function covers, e.g. old age pension, partial pension; supplementary labour market pension (abbreviated ATP), civil servants' pension; pension funds; early retirement pay; nursing homes for pensioners; day institutions and other welfare work; home help, support for aids for the elderly. Private pensions are registered on a net basis, i.e. after deductions of social contributions.

Survivors

Income maintenance and support in cash or kind in connection with the death of a family member. In Denmark the function covers, e.g. funeral help and certain insurance companies.

Family and children

Support in cash or kind (except health care) related to families with children. In Denmark the function covers, e.g. maternity benefits, family allowance, child benefits, advance payments of child maintenance, day and residential institutions for children and young people and measures intended for preventing the placement of children outside their family home.

Unemployment

Income maintenance and support in cash or kind in connection with unemployment. In Denmark the function covers unemployment benefits, recipients of cash benefits participating in job training programs, compensation for loss of income during education/retraining provided by the central government, job-creation measures and job centers, etc.

Housing

Help towards the cost of housing. In Denmark, the function covers ordinary rent subsidies and rent allowance.

Social exclusion not elsewhere classified

Benefits in cash or kind (except health care) specifically intended to combat social exclusion and where the persons concerned are not covered by one of the above-mentioned functions. In Denmark, the function covers social assistance in accordance with the Danish Social Assistance Act, including help to refugees, various integration efforts, the Employees' Guarantee Fund, institutions for the homeless and treatment of alcohol and drug abuse, etc.

2.3 Sector coverage

General Government and part of the financial sector.

2.4 Statistical concepts and definitions

Social expenditure: These statistics covers social expenditure encompassing social benefits aimed at individuals and households cf. the following description of social benefits. The expenditures are defined as transfers in cash or in kind.

Social benefits aimed at individuals and households: : Benefits relieving individuals and households of economic burdens in relation to a socially conditioned set of risks or needs, e.g. illness or unemployment. The risks or needs, that may give rise to social protection, are divided in eight categories (Sickness and health care, Disability, Old age, Survivors, Family and children, Unemployment, Housing, and Social exclusion not elsewhere classified) and are based in the European statistical system of [ESSPROS](#), which this statistics builds upon.

Social protection aimed at individuals and households: Encompasses the social benefits and schemes of a society intended to relieve individuals and households of economic burdens in relation to e.g. illness or unemployment, and thus protects persons against e.g. social exclusion.

2.5 Statistical unit

The statistical units of the statistics are the expenditures.

2.6 Statistical population

The population for this statistics is the total expenditure on social protection.

2.7 Reference area

Denmark, and some persons living abroad receiving Danish social benefits, e.g. pensioners or persons receiving highly specialized treatment.

2.8 Time coverage

2007 and on.

2.9 Base period

Not relevant for these statistics.

2.10 Unit of measure

Mill. DKK

2.11 Reference period

The calendar year.

2.12 Frequency of dissemination

Annually.

2.13 Legal acts and other agreements

The information is collected in accordance with the Act on Statistics Denmark, cf. section 6 of Act no. 599 of 22nd June 2000 with amendments in accordance with Act no. 431 of 6th June 2005.

Council Regulation (EC) No. 458/2007 of 25 April 2007. Commission Regulations No. 1332/2007 of 12 November 2007 and No. 10/2008 of 8 January 2008.

2.14 Cost and burden

There is no response burden as the primary data are already available at Statistics Denmark.

2.15 Comment

Please contact Statistics Denmark for further information. More information is available on the subject page for [Social expenditures](#).

3 Statistical processing

The data for this statistic is collected yearly via the main sources: central and local accounts. It is supplemented with internal data deliveries from insurance- and pensions subsectors, application matrixes, hours and days of absence from work, and an external data delivery on tax rates used for enumerating the statistic from the Ministry of Finance.

The collected data is validated via removal of potential errors, coding, and treatment processes leading to the final result, which, amongst other things, demands reviews and quality assurance of codes, expenditures and developments over time.

3.1 Source data

The main sources of the statistic are central and local accounts. This data is originally collected with the aim of mapping Government Finances. Supplementing data sources are insurance- and pensions subsectors in the financial sector, application matrixes from national accounts, hours and days of absence from work from the absence-statistics, and data on tax rates used for enumerating the statistic from the Ministry of Finance.

3.2 Frequency of data collection

Annually.

3.3 Data collection

The main sources of the statistics are originally collected with the aim of mapping Government Finances. This data is supplemented with data deliveries from insurance- and pensions subsectors, application matrixes, hours and days of absence from work and tax rates.

3.4 Data validation

Data is validated after data collection, in coding and potential estimation, and before data is published. Data is validated by reviewing and quality checking schemes, items, expenditures and developments in expenditures for individual years and time series.

The central and local accounts are modified every year, which demands consistent check-ups of relevant schemes, benefits and expenditures, and their actuality, in every data production.

3.5 Data compilation

When data is collected, it gets integrated via coding and potential estimates. Data is grouped, classified and coded according to the eight main areas of the statistics: Sickness/Health care, Disability, Old age, Survivors, Family/Children, Unemployment, Housing and Social exclusion not elsewhere classified.

Data is validated by reviewing and quality checking schemes, items, expenditures and developments in expenditures for individual years and time series. This validation process is applied when data is collected, during the coding-process and before data is published in the form of [two tables in the statistics bank](#).

Data is treated and validated anew for every production. In every production, data is validated and potentially corrected two years back in time.

3.6 Adjustment

Data is treated and validated anew for every production. In every production, data is validated and potentially corrected two years back in time.

4 Relevance

Data on social expenditure is in big demand from international organizations, e.g. from Eurostat and Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL).

4.1 User Needs

The national users are the Ministry of Social Affairs and Integration, municipalities, regions, private companies and the media. The primary international user is Eurostat. Secondary international users are [Directorate-General for Employment, Social Affairs and Inclusion](#) (DG EMPL), [Directorate-General for Economic and Financial Affairs](#) (DG ECFIN), [The Organization for Economic Co-operation and Development](#) (OECD) and [The Nordic Social Statistical Committee](#) (NOSOSCO).

4.2 User Satisfaction

Feedback is received from the primary, international user, Eurostat, a couple of times throughout a year.

4.3 Data completeness rate

All published data meet the current requirements of manuals and EU regulations.

5 Accuracy and reliability

This statistic is based on the statistic for General Government Finances, and is relevant for users interested in expenditures connected to social protection (expenditures linked to education are excluded from this statistic).

The statistic is published on a yearly basis and is revised two years back in time in every production, which ensures consistency and transparency in the data.

In regards to possible uncertainties, the level of the total social expenditures to be slightly underestimated.

5.1 Overall accuracy

The statistic aims at describing the total social expenditures connected to social protection in Denmark, including specific benefits for Danish old age pensioners living outside of Denmark.

Possible risks related to the description of the statistics include: - The possibility of a benefit being misplaced in one of the primary sources (central and local accounts, etc.) or in the classification system of the statistic, e.g. if a benefit is placed under the function of old age instead of housing. - The possibility for minor quarterly or yearly changes in the primary sources, which can be overlooked and thus not incorporated into the statistics, e.g. if a benefit is moved or merged with another benefit, which leads to structural changes in the source. - A risk for unknown or inaccessible private, collective, social schemes, as is the actual case with private employers' sickness benefits.

These mentioned risks are rare and are typically picked up in the validation processes.

Considering these risks might lead the level of the total social expenditures to be slightly underestimated.

5.2 Sampling error

Not relevant for these statistics.

5.3 Non-sampling error

The statistics are coded anew every year, leaving a natural risk of erroneous coding, e.g. that a benefit can be classified in a wrong function (Old age instead of Housing, for instance).

Other non-sampling errors can be linked to the possibility of a benefit being misplaced in one of the primary sources (central and local accounts, etc.). There is also a possibility for minor quarterly or yearly changes in the primary sources, which can be overlooked and thus not incorporated into the statistics. Furthermore there can be social expenditures not known or without available data.

5.4 Quality management

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.

5.5 Quality assurance

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.

5.6 Quality assessment

This statistic is based on the statistic for General Government Finances, and is relevant for users interested in expenditures connected to social protection. The statistics' outcome reflects the social expenditures in Denmark (except the expenditures linked to education), including some social benefits for Danish persons living abroad, on a relative accurate level. The statistic is published on a yearly basis and is revised two years back in time in every production, which ensures consistency and transparency in the data.

The statistics is comparable from 2007 and onwards. It is a part of the internationally comparable ESSPROS system ([European System of integrated Social PROtection Statistics](#)) within Eurostat.

The statistics are available in [StatBank](#) and relevant [metadata-classifications](#).

5.7 Data revision - policy

Statistics Denmark revises published figures in accordance with the [Revision Policy for Statistics Denmark](#). The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

5.8 Data revision practice

The statistics follows the revision rhythm of the [National Accounts](#) where the three most recent years are revised every year. For this specific statistic, possible revisions typically concern small changes in expenditures, not visible to the user. In 2024 the national accounts have undergone a benchmark revision.

In 2018 and 2019, coherent revisions were implemented for the whole time series from 2007 and onward. The revisions resulted in changes in some benefits' placement in the classification system, e.g. a movement from the function of Sickness/Health care to Disability, or other internal changes, which typically are not visible for the users of the statistics. Thus, the implemented revisions did not have great impact on the total social expenditures.

6 Timeliness and punctuality

The statistics are published annually, approximately 10 months after the end of the calendar year. The statistics are usually published without delay in relation to the scheduled date.

6.1 Timeliness and time lag - final results

The statistics are published annually, the year after a given accounting period. Data follows the National Accounts' audit rhythm and does not become final until three years after the end of the accounting period.

6.2 Punctuality

The statistics are usually published without delay in relation to the scheduled date.

7 Comparability

The statistic is comparable from 2007 and onwards. It is comparable to the statistic for General Government Finances, which follows the principles of National Accounts.

The statistic is regulated by order by the EU and is also published by Eurostat via the [ESSPROS](#)-system (European System of Integrated Social PROtection Statistics), albeit in slightly different categories than those presented in the Danish Stat bank. This makes the statistic internationally comparable with statistics in other countries reporting to the ESSPROS system in Eurostat.

7.1 Comparability - geographical

The statistic is regulated by order by the EU and is also published by Eurostat via the [ESSPROS](#)-system (European System of Integrated Social PROtection Statistics), albeit in slightly different categories than those presented in the Danish Stat bank.

This makes the statistic internationally comparable with statistics in other countries reporting to the ESSPROS system in Eurostat.

7.2 Comparability over time

The European ESSPROS statistics ([European System of integrated Social PROtection Statistics](#)) - whose legislation and manuals are the base of this statistic - was developed by Eurostat in the late 1970'ies. Since then Eurostat has continuously been developing and designing the guidelines and methodological framework for the statistical system of ESSPROS, with which Eurostat – and EU – want to compare statistical, national data on social protection internationally. [The current manual for the statistics is from 2019.](#)

In 2007 an EU regulation was accepted in regards to the ESSPROS statistics, ensuing the restructuring of the predecessor of this statistic in 2012, which resulted in todays Social Protection Expenditure statistics.

The data in this statistic is also used in the work of the working group NOSOSCO ([Nordic Health & Welfare Statistics](#)), which makes comparable Nordic social statistics.

7.3 Coherence - cross domain

The statistic is comparable to the statistic for [General Government Finances](#), which follows the principles of [National Accounts](#). The statistic has comparable classifications with [COFOG](#) (Classification of the functions of government), which is a classification of government finances divided by functions.

Other relevant statistics, which describe other aspects of some of this statistic's benefits, are:

- [Cash benefits](#)
- [Sickness benefits](#)
- [Maternity leave benefits](#)
- [Old age and early retirement pensioners](#)
- [Disability](#)
- [Family allowances and child support](#)
- [Housing benefit](#)
- [Social benefits for elderly](#)
- [Unemployed persons](#)

7.4 Coherence - internal

The statistic is internally consistent. Consistency in sources is ensured via quality checks and assurances and via three-year validation in the yearly data collection.

8 Accessibility and clarity

The statistic is published annually in the form of two statistics tables in the [Statbank](#) and a Danish news release in [Nyt fra Danmarks Statistik](#).

In addition, internationally comparable figures for this statistic are available in the Social protection expenditures available on [Eurostat's website](#).

More information is available on the page of Social Expenditures at [Statistics Denmark's website](#), as well as on the [site on classifications](#), where e.g. codes, categories and manuals in for the statistic are accessible.

8.1 Release calendar

The publication date appears in the release calendar. The date is confirmed in the weeks before.

8.3 User access

Statistics are always published at 8:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published.

8.2 Release calendar access

The Release Calendar can be accessed on our English website: [Release Calendar](#).

8.4 News release

These statistics are published in a Danish press release on [Nyt fra Danmarks Statistik](#).

8.5 Publications

Publications only in Danish.

8.6 On-line database

The statistics are published in the StatBank under [Social protection expenditure](#) in the following tables:

- [ESSPROS1](#): Social expenditure by measure, type of benefits and time
- [ESSPROS2](#): Social expenditure by purpose, financing source and time

8.7 Micro-data access

The Micro-data of the statistics is not accessible.

8.8 Other

The statistics are reported annually - in moderated versions - to Eurostat in the form of early estimates, social expenditure and net social expenditure, and are published under [Social Protection Statistics](#).

8.9 Confidentiality - policy

[Data Confidentiality Policy](#) for Statistics Denmark is followed.

8.10 Confidentiality - data treatment

The statistics are published at a level of detail that does not require further discretion.

8.11 Documentation on methodology

The statistic follows the guidelines described in the [ESSPROS Manual and user guidelines](#).

8.12 Quality documentation

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

9 Contact

The administrative placement of these statistics is in the division of Government Finances, Economic Statistics. The contact person is Marianne Ahle Møller, tel.: + 45 2466 0028, and e-mail: MNM@dst.dk.