Data questionnaire for the International Social Benefit Recipiency database

DEFINITIONS AND METHODOLOGY

DEFINITIONS

About the kind of benefits we are interested in:

- **Social benefits** covered by this database include only:
  - **Main income replacement benefits**, i.e. benefits paid in the event of a loss of income or earnings which aim primarily at replacing earned income to reach a certain minimum level of resources (like assistance benefits) or a certain percentage of past income (like insurance benefits), and which are not merely supplements that top-up other benefits or income.
  - **Some supplements** which can sometimes complement or substitute for income replacement programmes: **housing and food benefits, as well as in-work benefits** designed to help working families and individuals.

- These benefits need to be **paid:**
  - **In cash** (i.e. not in kind), except for housing and food benefits which are usually considered as in kind benefits.
  - **On a periodic and regular basis** (i.e. not lump sum or grants paid on a one-off basis).

- The benefit recipients may be **working or not working**:
  - People receiving income replacement benefits are most of the time **out of work** but can also be working (most often **part-time)** in some cases. Indeed, even though they are not primarily designed as in-work programmes, income replacement benefits can sometimes be cumulated with some labour income over the reference period up to a certain amount. Since this top-up may be substantial, we would like to know whether the individual receiving the benefit is working or not.
  - People receiving specifically in-work benefits **work either full-time or part-time.**
  - People receiving housing and food benefits can be **working or not working.**

- Benefits cover **different categories of social risk** which are represented by distinct "branches" of social protection systems : **Old-age**, **Survivors**, **Incapacity** (i.e. Sickness and Disability), **Unemployment**, **Family** (such as lone parent, parental leave, maternity), and **Housing**. Many countries also have social assistance benefits which are conditional on need and not restricted to a particular social risk, among those listed above; these types of non-categorical benefits are accounted for the "**Other social areas**" branch. All these branches of social protection are consistent with the way the Eurostat-ESSPROS / OECD-SOCX databases[1] are organized. We added a specific category for **In-work** benefits which aim at avoiding poverty at work and can sometimes substitute for some income replacement benefits.

- **Means-tested** benefits: benefits for which the eligibility and the amount are conditional on the recipient's current income or assets, and that are aimed at preventing income to fall below a certain level (also called assistance benefits). This definition is consistent with the one provided in Carcillo-Grubb (2006)[2].

- **Non means-tested** benefits: benefits that are available to all citizens for which the eligibility and the amount may depend on past contributions to an insurance scheme (insurance benefits). Another kind of non means-tested benefits are universal benefits which target specific categories of the population regardless of their income.

About the figures and statistics we are interested in:

- **Period:** the year or the quarter depending on data availability.

- **Caseloads (i.e. stock of beneficiaries):** total number of direct individual recipients of the considered benefit at a given date (typically the end of the period - preferred) or as an average over the period. By individual recipient we mean only the beneficiary whose social risk (e.g. unemployment or disability) generates the entitlement to benefit, even if the person has dependents (we count direct recipients only). In some cases an individualization of benefits may be needed (see below). Please indicate if the recipient definition you use differs from ours and cannot be changed; e.g. a number of payments/orders or a number of households (a household might sometimes include several direct recipients) instead of a number of recipients.

- **Inflows:** number of people who enter the programme and start receiving the benefit over the period, whatever the duration of recipiency.

- **Outflows:** number of people who exit the programme and stop receiving the benefit over the period, whatever the duration of recipiency.

- **Average Amount (rate) of Benefit:** average amount (or rate) of benefit for people entitled to a full or partial benefit during the period. The average amount of the benefit is expressed in local currency for a given period of time (for exemple in EUROS per month).

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[1] *For more information check the manuals of SOCX and ESSPROS databases respectively at http://stats.oecd.org/OECDStatDownloadFiles/OECDSOCX2007InterpretativeGuide_En.pdf and http://ec.europa.eu/eurostat/ramon/statmanuals/files/KS-RA-07-027-EN.pdf*

[2] *S. Carcillo, D. Grubb (2006), «From Inactivity to Work: The Role of Active Labour Market Policies, » OECD Social Employment and Migration Working Papers, No. 36, OECD Publishing.*

- **Caseloads adjusted for partial recipiency and without double counting:**
  - **Caseloads adjusted for part-time recipiency:** number of full-time recipients plus the adjusted (pro rata temporis) number of recipients who are only eligible for a fraction of the full benefit because of eligibility conditions (e.g. if the beneficiary works a part-time and is entitled to a disability pension). If part-time recipiency is not an issue for a given programme, please just repeat the "gross" caseload figures. See below for more details on methodological issues.
  - **Caseloads adjusted for double counting** are the number of recipients of at least one benefit **within one branch** of social protection (e.g. a person who receives an insurance-based old-age pensionand the minimum social assistance, should be counted only once: in the caseload corresponding to what is considered as the main benefit) **and across several branches** (e.g. a person who receives a disability benefit and an unemployment benefit, should be counted only once in the caseload corresponding to what is considered as the main benefit). If multiple recipiency is not an issue for a given programme, just repeat the "gross" caseload figures. See below for more details on methodological issues. Please remark that the caseload adjustement must be done in the following order : first the adjustement for part-time recipiency and then, among the persons at 100%, the adjustment for double counting.

PARTIAL RECIPIENCY

Because of the need to split up individuals into separate categories (e.g. full-time worker, full-time student, full-time benefit recipient), partial recipency must be identified to be able to count beneficiaries on a full-time equivalent basis. Partial recipiency can occur (mainly but not exclusively) in some **Disability** and **Unemployment** programmes.

- For instance, disability benefits can be sometimes pro-rated with the degree of invalidity - in that case disabled persons are considered able to work (and sometimes work) for a certain percentage (e.g 50%) of their time over the reference period. In such a case, a beneficiary must be counted for 50% in the beneficiary caseload and for 50% in the active population. Without this adjustement, the person will be counted twice at 100%: a first time as member of the active population (either as a worker or as a job seeker) and a second time as a recipient of the concerned programme.
- Similarly, unemployment benefits can in some cases be paid, although often at a reduced rate, when people registered as unemployed work a few hours over the reference period - in that case the situation of unemployment only happens for a certain percentage of hours over the reference period. Without the adjustement for partial recipiency, the person will be counted twice at 100%: a first time as “worker” and a second time as a recipient of the unemployment programme.

In these situations, the double-counting treatment mentioned above can eliminate double-counts within income replacement benefits (in principle), but it will not always prevent double-counting between benefit recipiency and employment. Some overlap between measures of benefit dependency and employment will arise unless these recipients are counted pro-rata temporis to calculate a full-time equivalent. If a person works 30% of a full-time and yet receives unemployment benefits, she must be counted for 30% as a worker and for 70% in the beneficiary caseload.
Example : Consider the case of an invalidity pension, at some point in time:
raw caseloads = 100, of which
- 60 receiving the full benefit
- 40 receiving the benefit at a reduced 50% rate

The adjusted caseload by partial recipiency will be: 60*100% + 40*50% = 80, instead of 100.

Note that these adjusted caseloads do not depend on the average duration of the benefit. They are instantaneous measures at one point in time.

DOUBLE COUNTING TREATMENT

In order to avoid double counting of recipients when aggregating numbers across programmes, it is necessary to identify or estimate the number of beneficiaries who get more than one income replacement benefit. Double-counting of beneficiaries can happen when one main benefit (e.g. social assistance) is topped-up with another income-replacement benefit (e.g. unemployment benefits or disability benefits). Information on the number of persons receiving two or more benefits at the same time need to be retrieved to reduce double-counting. In principle, once caseloads are adjusted for double counting, one person counts for no more than one full-time equivalent benefit dependent even if he/she receives two benefits at the full normal rate. The elimination of double counts can be achieved by allocating people only to their "main" benefit category (unless people have already been counted on a full-time equivalent basis in case of partial recipiency), thus reducing the caseloads of all the other programmes from which the person also receives benefits. In any case, double counting must be spotted and treated at all stages of the aggregation process (see for example ESSPROS Manual, Appendix 3, point 28). Therefore, the following method should be applied:

To avoid individuals being counted twice, each recipient – except those already accounted on a pro-rata basis because of partial benefits - must fall in one and only one programme according to the following priority across programmes:

(i) Old age programmes >* Disability programmes > Survivors programmes > Unemployment programmes > programmes from other branches
(ii) If (i) is not enough to decide, then: Insurance programmes> Assistance programmes
(iii) If (ii) is still not enough to decide, then Income replacement programmes > Supplements
(iv) If (iii) is still not enough to decide, then Larger benefits (in monetary terms) > Smaller benefits

* > should be intended as "has higher priority than"

INDIVIDUALISATION OF BENEFITS

Some benefits are designed to replace family rather than individual income and, in some cases, caseloads provided by administrative databases count all household members as beneficiaries. ”
For instance if a benefit is paid to a household of, say, 4 people, and if the administrative database records 4 beneficiaries (on the ground for instance that the benefit amount is adjusted to protect the whole family), the individualization means that you should only count 1 beneficiary instead of 4. Usually, in that case, you only count the person who claimed the benefit.

COVERAGE

In principle, the reference population is the working-age population, i.e. age 15-64, plus people aged over 65 for some countries. Indeed, due to varying retirement ages across countries, the definition of the working-age population may vary as well. In order to build an internationally comparable database, we need to gather information for the whole population above 15, including people aged over 65.

TIMING OF DATA COLLECTION/PERIODICITIES OF MEASURMENT

The questionnaire requires both **quarterly** data and **yearly** data.

We would prefer to have point-in-time figures, measured, for example, at the end of the period. Average figures over a period are also good estimates of caseloads and can be provided if point-in-time figures are not available. Should you have quarterly data for example, we would be looking for the number of reciepients at the end of each quarter (e.g. 31 March, 30 June, 30 September and 31 December) rather than the average number of recipients over each quarter. The same applies to yearly data. In any case, please specify the measurement unity you are providing.

If you have “end of period data” recorded by:

- **month:** report only data recorded on the last day of each quarter, so only the data from the last day of March, June, September and December.
- **quarter**: report all data recorded at the end of each quarter.
- **year:** report data recorded at the end of the year.

Regarding the average amount and the average duration of the benefits, the reference time period we prefer is the month, i.e. average amounts expressed in local currency by month and average duration expressed in months. If you do not use the month, please specify the reference period you are using.

AGGREGATE *VS.* DETAILED INFORMATION

The questionnaire requires both **aggregate** measures of recipiency for the various branches of social protection, as well as **detailed** measures for each individual programme.

If you do not have both information, or if you only have partial information, please report what is available and in the case of partial aggregate measures (e.g. for a group of programmes but not for all programmes within the branch), please explain what they are composed of.

Thus, three cases may arise:

- if you have all detailed programme-level figures and aggregate information, just report everything,
- if you only have one aggregate measure for all programmes within a category, report the aggregate measure and add a note explaining what programmes are included in it,
- if you have detailed programme-level figures only for some programmes but you also have aggregate information, report the detailed data that you have and, when reporting the aggregate data, make sure you add a note explaining what programmes are included in it.