

***National Accounts Seminar for
Latin America and The Caribbean
Santiago, November 10, 2016***



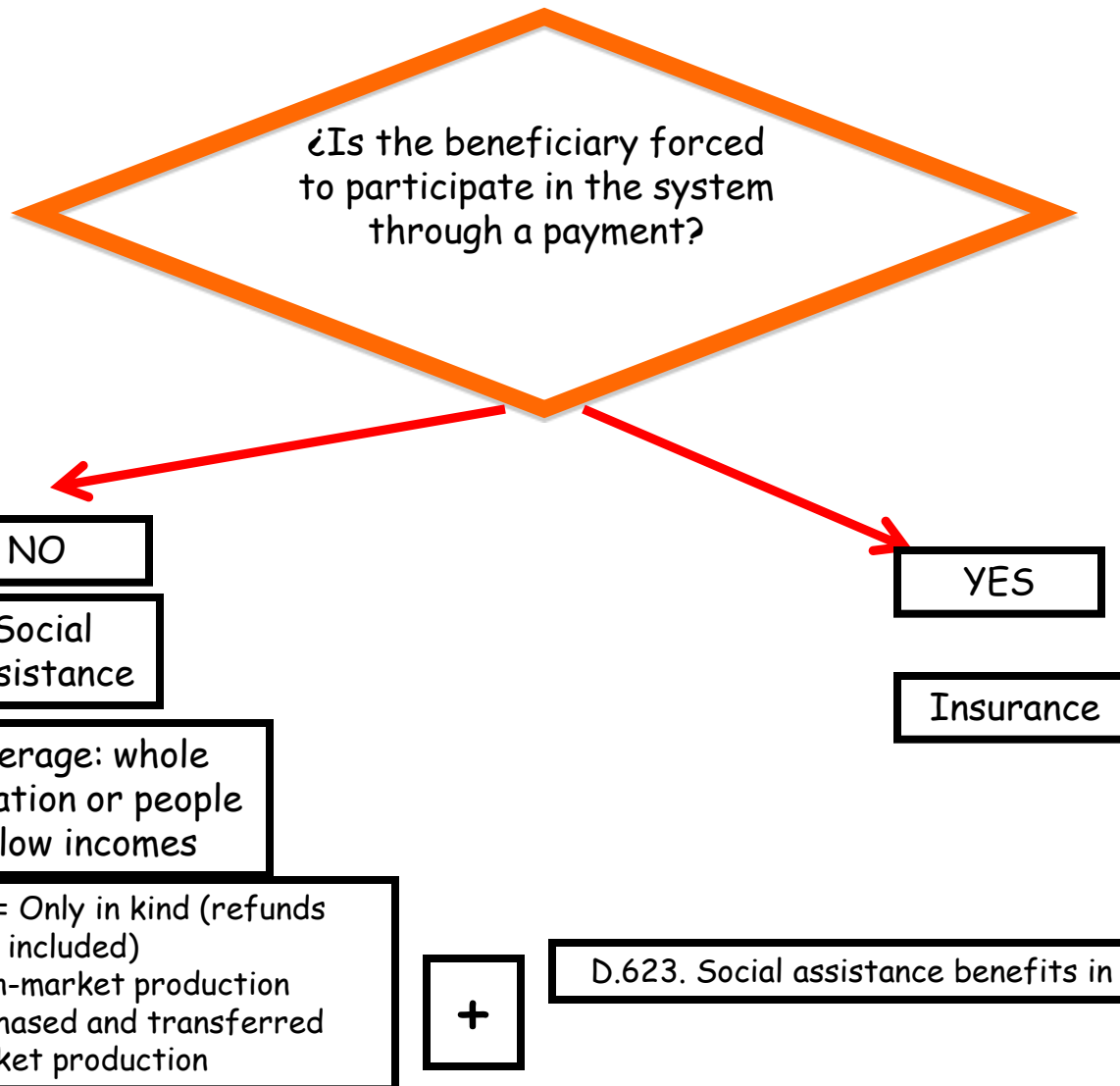
Social Security in National Accounts

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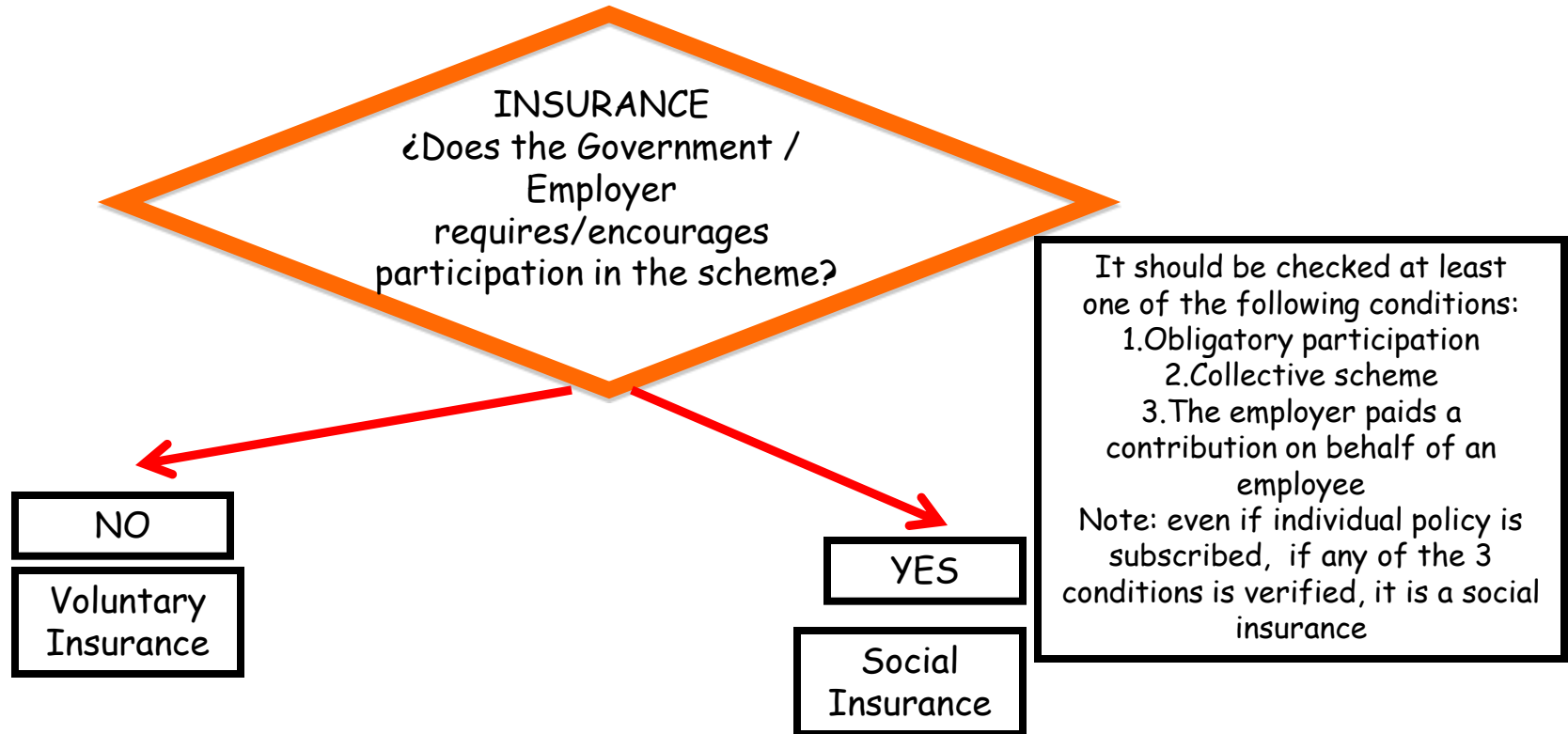
Outline

- Overview of the SNA 2008 on social insurance with focus on social security

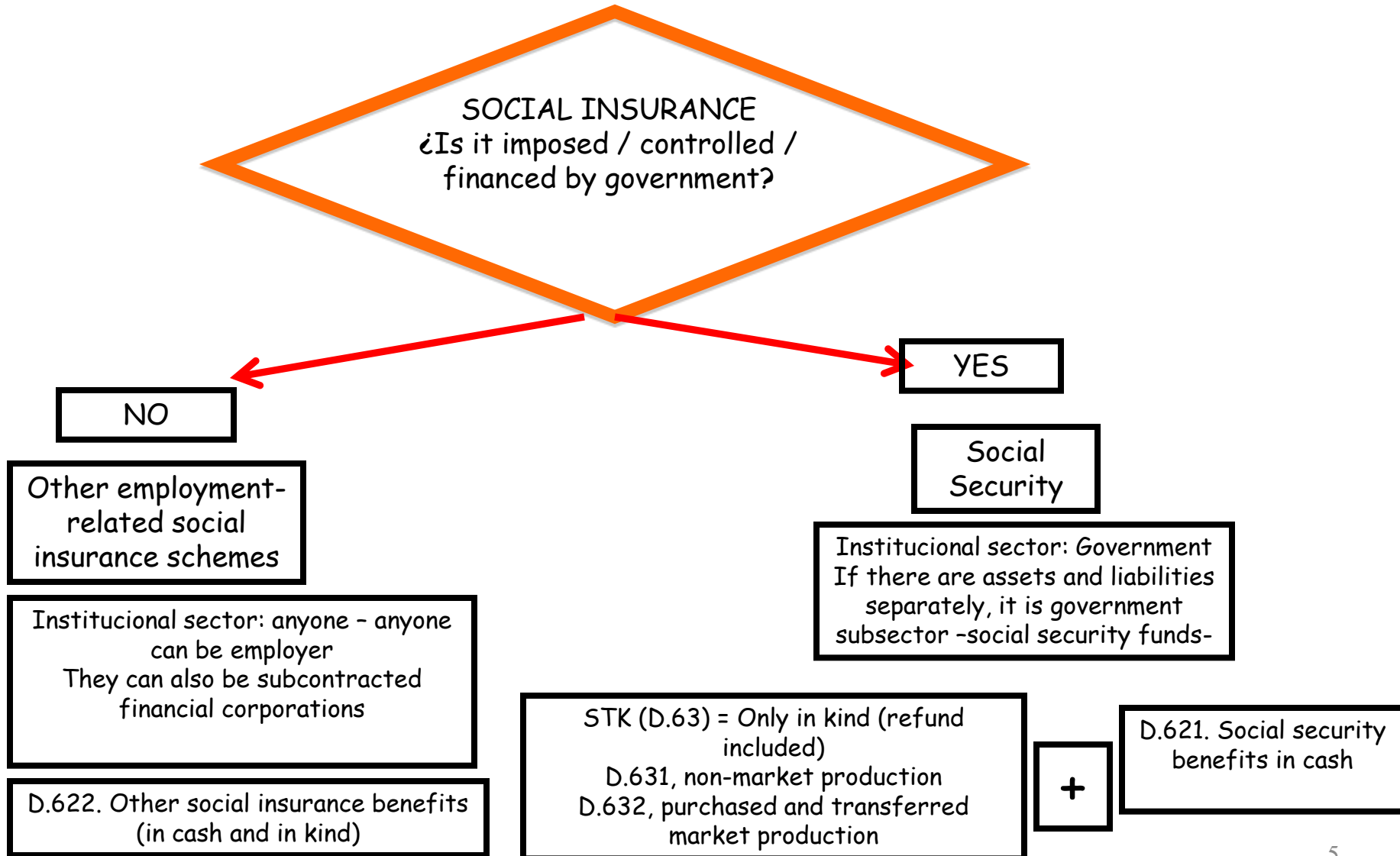
Social Assistance and Insurance



Voluntary Insurances and Social Insurance Scheme



Other employment-related social insurance schemes and social security



Social Security in National Accounts

- The concept of “social security” varies considerably from country to country
 - Distinction between social security and other employment-related social insurance scheme is difficult
- Two particular topics:
 - Social security and social insurance schemes organized by government units for their own employees
 - Social security and compulsory social insurance schemes imposed by government but operated by private units

Social Security and Social Insurance Schemes organized by government units for their own employees

- SNA 2008 recommends, if possible, that should be included in the group of other employment-related schemes and not remain within social security schemes (SNA, 8.76)
 - However, many times the national accounts of some countries considers these systems as an integral part of government social security, provided they are controlled and financed by government

Social Security and Compulsory Social Insurance Schemes imposed by government but operated by private units

- Social security is often associated with social insurance is **compulsory / imposed by the government**
- Social Security includes not only social security operated by the government but also to the system operated by private units to the extent that there is **compulsory** participation
- Compulsory = Government
- Arguments
 - Compulsory social contributions imposed on government employees obey government public policies
 - These schemes need to be included even if management companies are private insurance companies

Social Security and Compulsory Social Insurance Schemes imposed by government but operated by private units

- Response from the SNA 2008 perspective
 - The concepts "public" and "government" are bounded to income and expenditures and do not extend the scope of policies
 - If social contributions made by employees are not government revenue or
 - If social benefits paid are not part of government spending or
 - If the entity does not receive transfers from the government
 - Then this entity does not belong to the government social security even when it has been established by public policy mandatory
- Social Security on SNA always is
 - Associated with the general government
 - A general government subsector
- The General Government institutional sector
 - Means government assets and liabilities, and revenue and outlays
 - Not means public policies
- "Social security is the name give to the social insurance scheme operated by general government" (SNA, 17.82)

Social Security and Compulsory Social Insurance Schemes imposed by government but operated by private units

- Social Security does not exist outside the government
 - Social Security excludes private entities that manage the social insurance of the population, which fall within the other employment-related social insurance scheme
 - In order for this entity to be considered as part of the social security contributions should at least receive transfers from the government or specific tax revenues
- If no such payments, then the entity is not part of the social security and is classified as other employment-related social insurance scheme
- In general it can be said that the "social insurance" concept used by the SNA 2008 is synonymous with the term "social security" used by users
- If you want to change these concepts it is advisable to be performed in the context of a satellite account, explicitly indicating the change introduced, but not in the central framework of the SNA

Thank you