

WELFARE BUDGET OF LATVIA

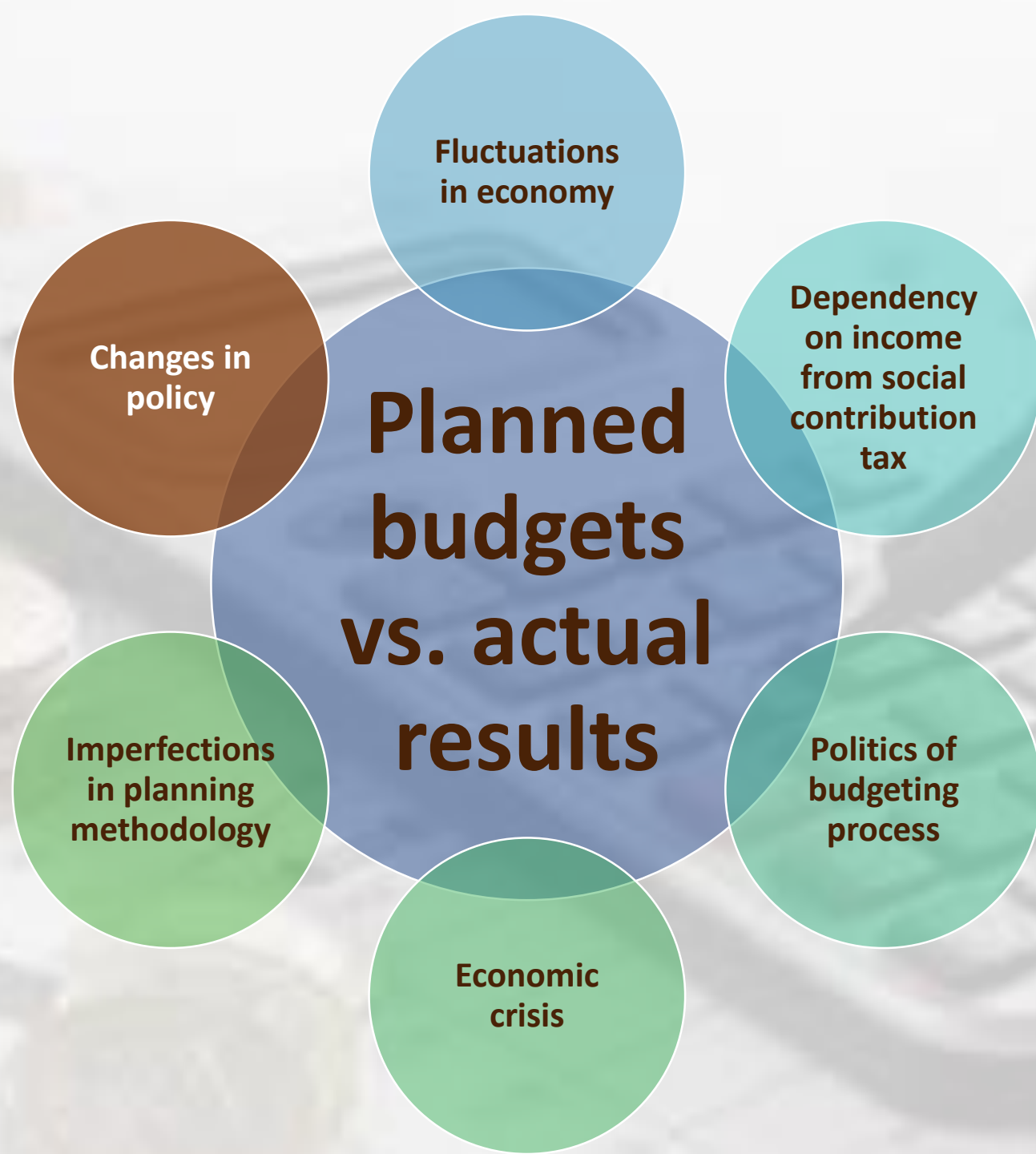
- PLANNED BUDGETS, ACTUAL RESULTS,
DEVIATIONS
- DEVIATIONS EXPLAINED BY POLICY
CHANGES



LATVIJAS REPUBLIKAS
FISKĀLĀS DISCIPLĪNAS PADOME

20.07.2015

WELFARE BUDGET



PURPOSE OF THE SURVEY

- 1) To present deviations of actual results from planned budgets of welfare budget in Latvia
- 2) To evaluate to what extent deviations can be explained by policy changes

Four budgets of State special budget:

- Employment social benefit special budget
- Disability, maternity and illness social benefit special budget
- Work accident social benefit special budget
- State pension special budget

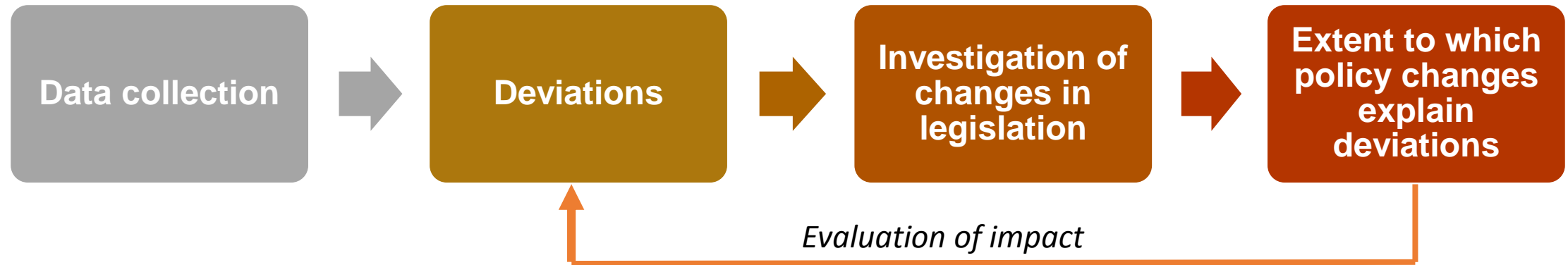
Deviations presented: **2003 – 2014**

Policy change impact analyzed for **2008 – 2014**

CONTENTS

1. Methodology
2. Planned budgets, actual results and deviations
3. Policy changes that explain deviations of actual results from planned budgets
4. Discussion and further steps

METHODOLOGY AND SCOPE



Main sources of information

1. Planned budgets for 2003 – 2014 (Saeima regulatory enactment data base www.saeima.lv).
2. Actual budget results data for 2003 – 2014 (Treasury data base www.kase.gov.lv)
3. Policy changes for 2008 – 2014 (regulatory enactment amendments) (www.likumi.lv and Saeima regulatory enactment data base)

Survey covers

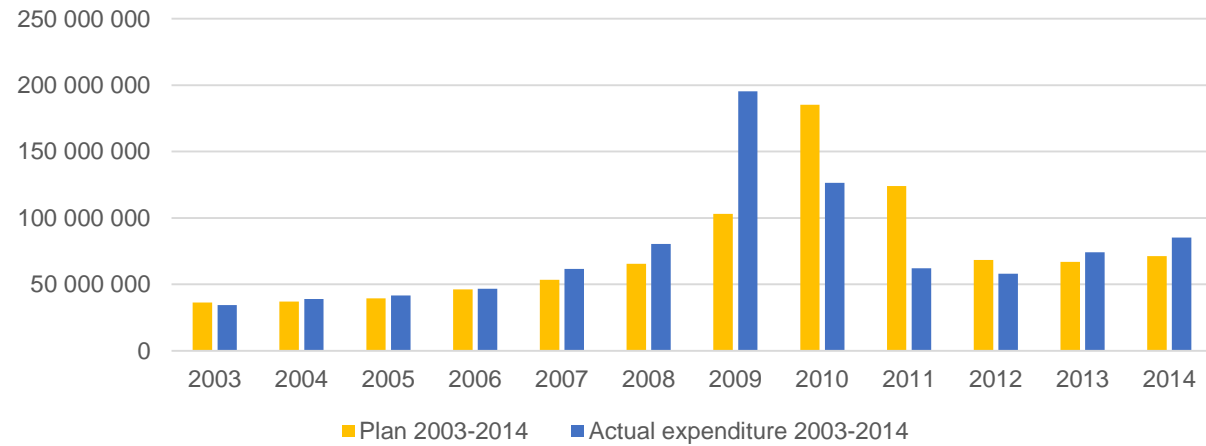
92% of State special budget
29% of State consolidated budget

PLANNED BUDGETS, ACTUAL RESULTS, DEVIATIONS

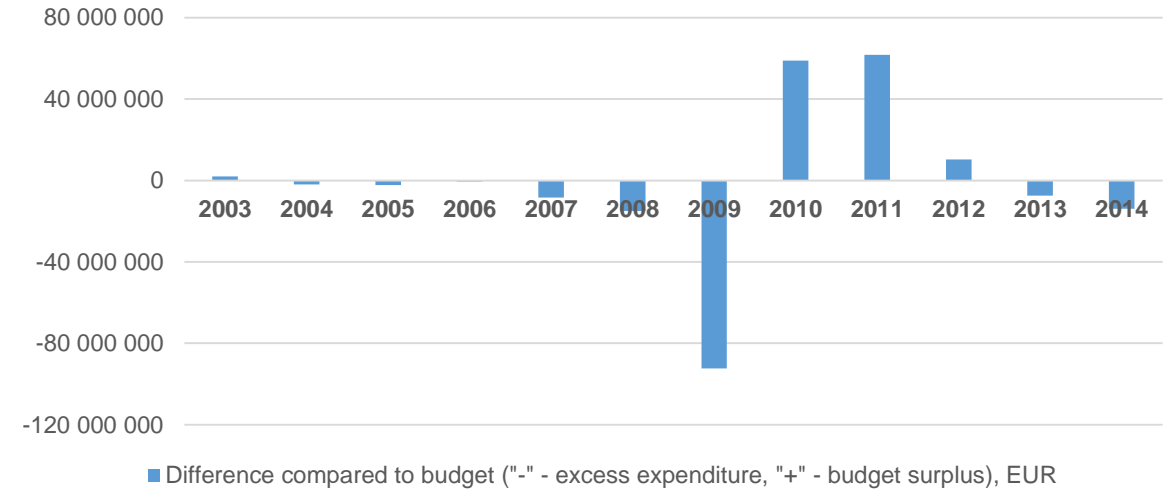
2003 - 2014

EMPLOYMENT SOCIAL BENEFIT BUDGET, 2003-2014 EUR

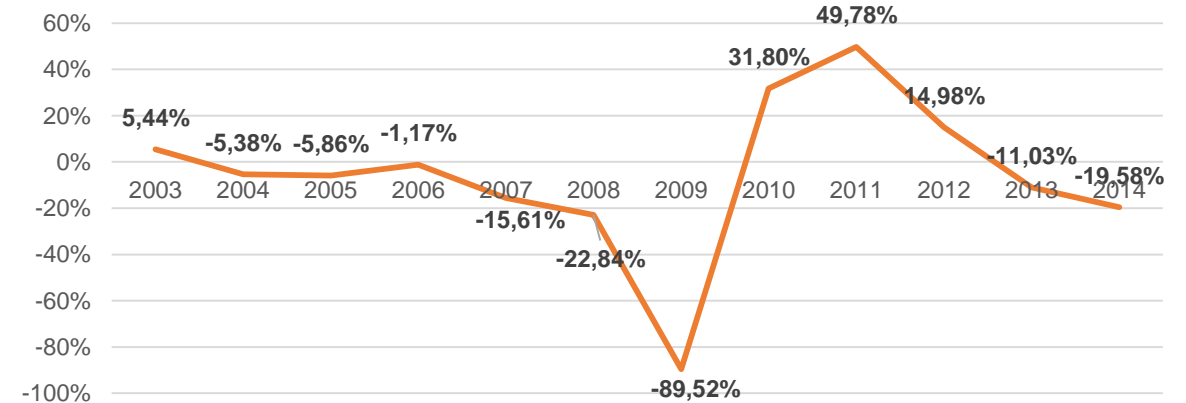
Employment social benefits 2003-2014, EUR



Employment social benefits



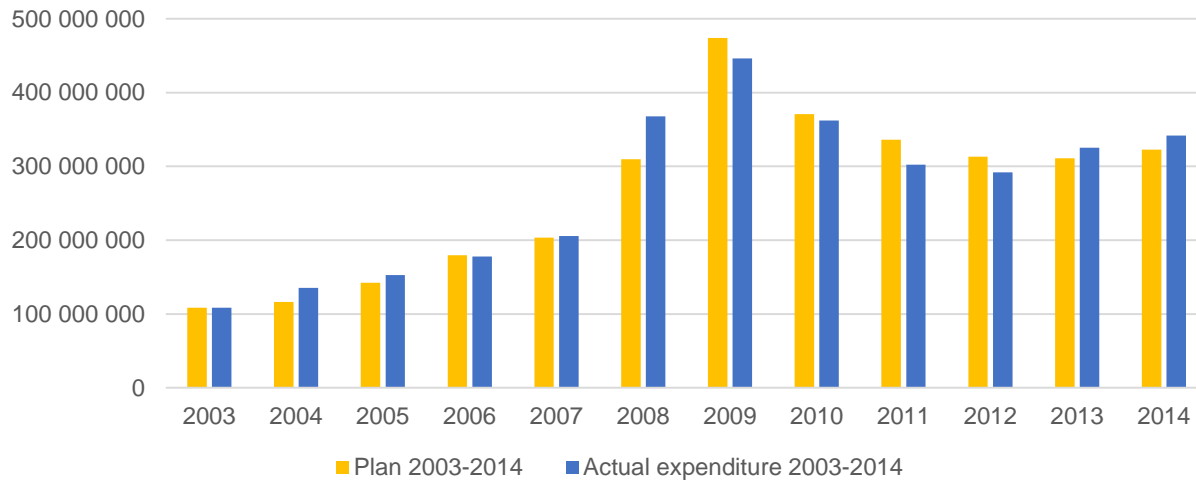
Employment social benefits: difference compared to budget: "-" - excess expenditure, "+" - budget surplus (% from planned budget)



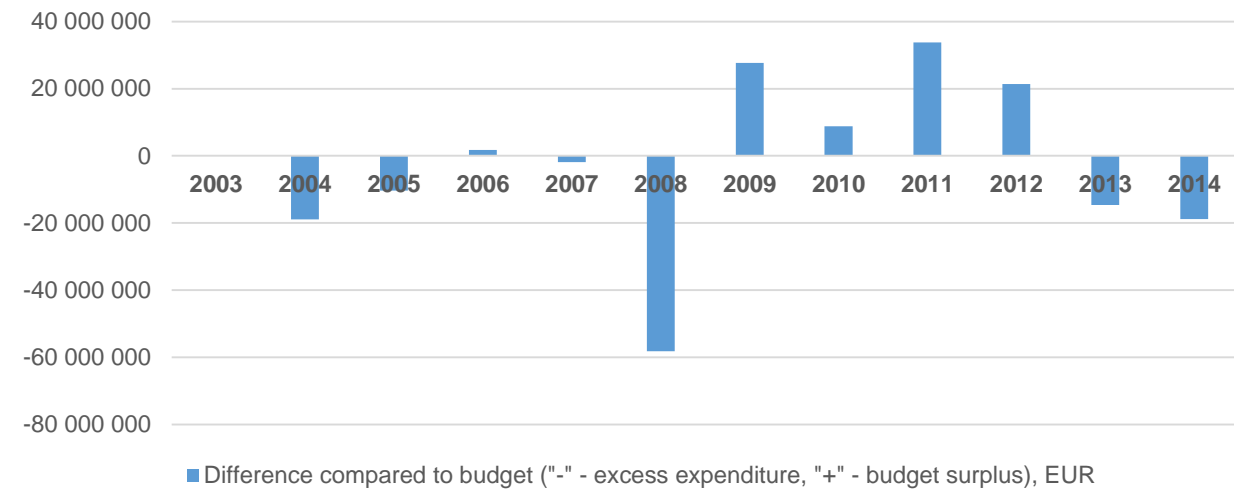
DISABILITY, MATERNITY AND ILLNESS SOCIAL BENEFIT SPECIAL BUDGET, 2003-2014

EUR

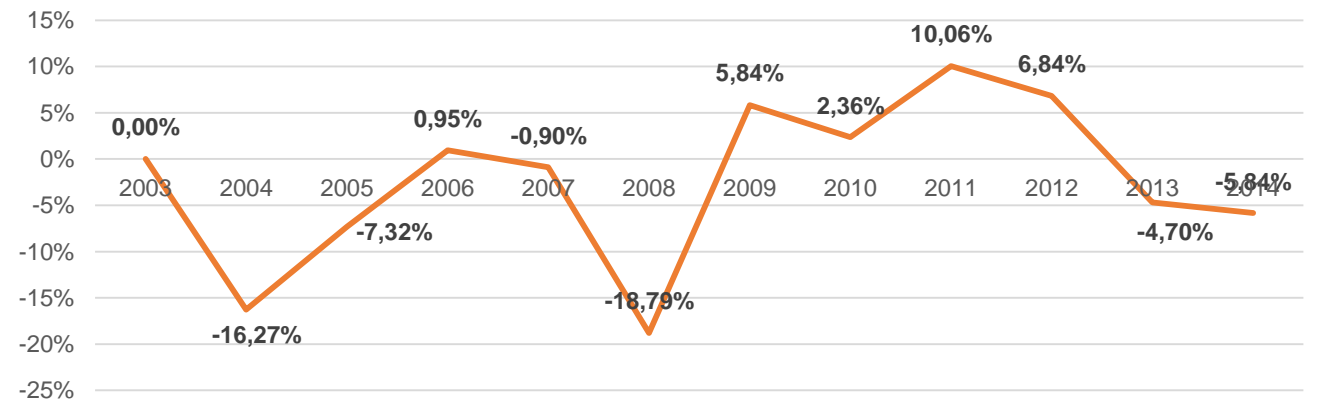
Disability, maternity and illness social benefits 2003-2014, EUR



Disability, maternity and illness social benefits

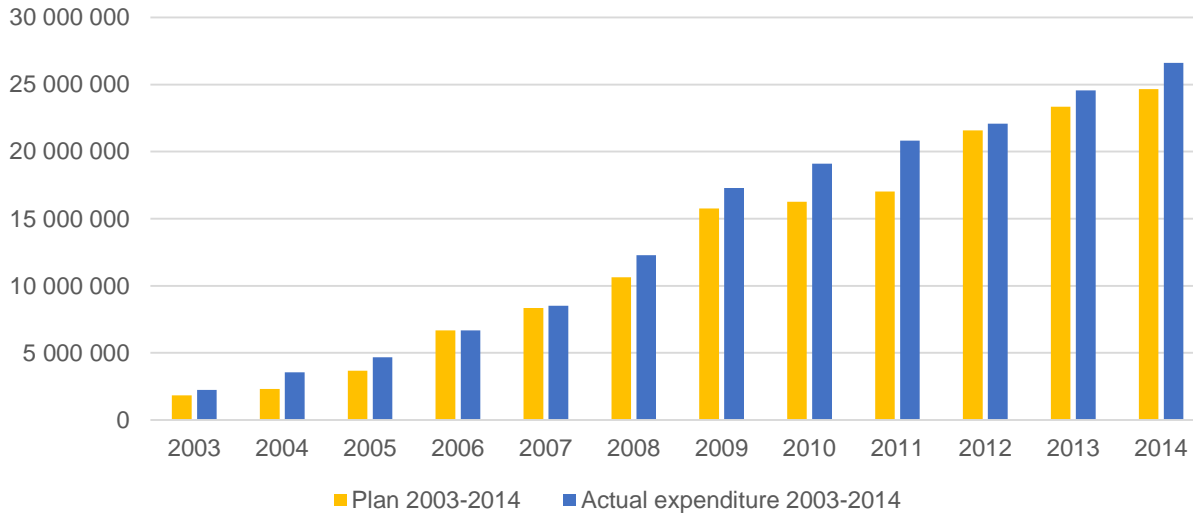


Disability, maternity and illness social benefits: difference compared to budget: "-" - excess expenditure, "+" - budget surplus (% from planned budget)

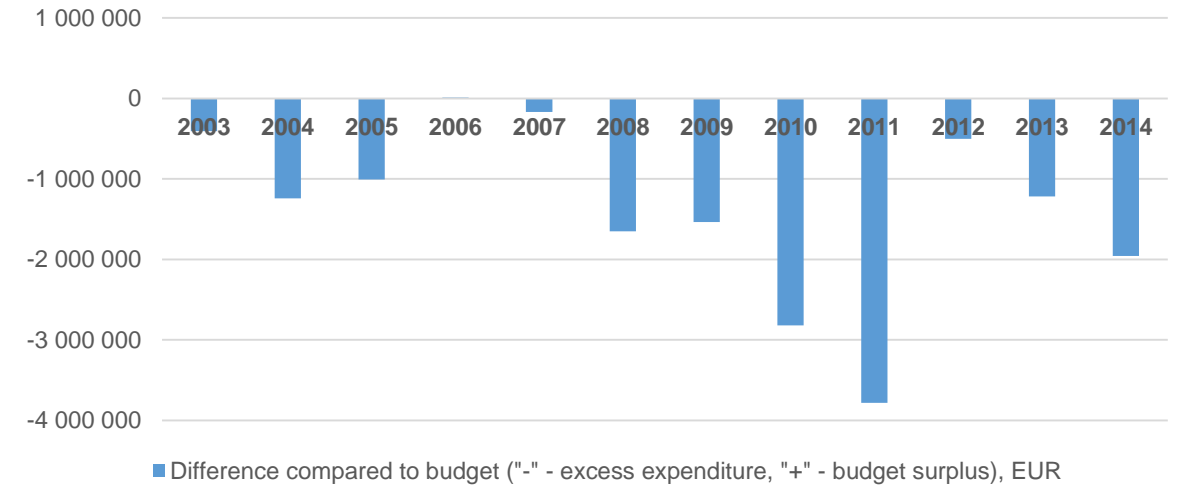


WORK ACCIDENT SOCIAL BENEFIT SPECIAL BUDGET, 2003-2014 EUR

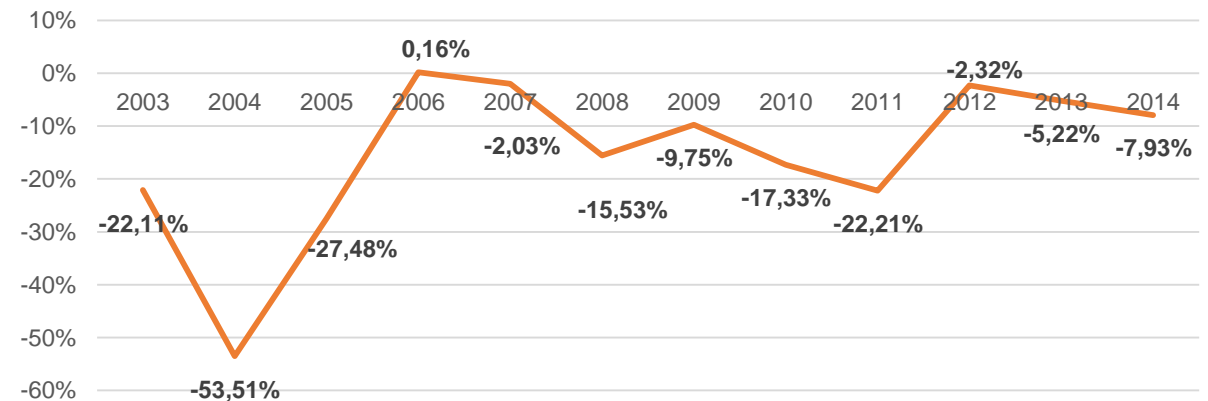
Work accident social benefits 2003-2014, EUR



Work accident social benefits

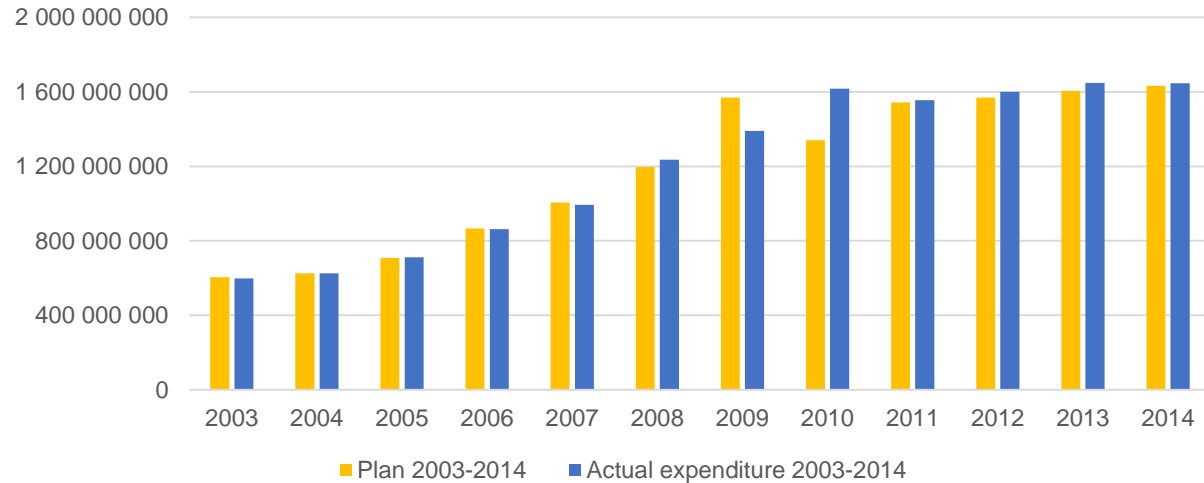


Work accident social benefits: difference compared to budget: '-' - excess expenditure, '+' - budget surplus (% from planned budget)

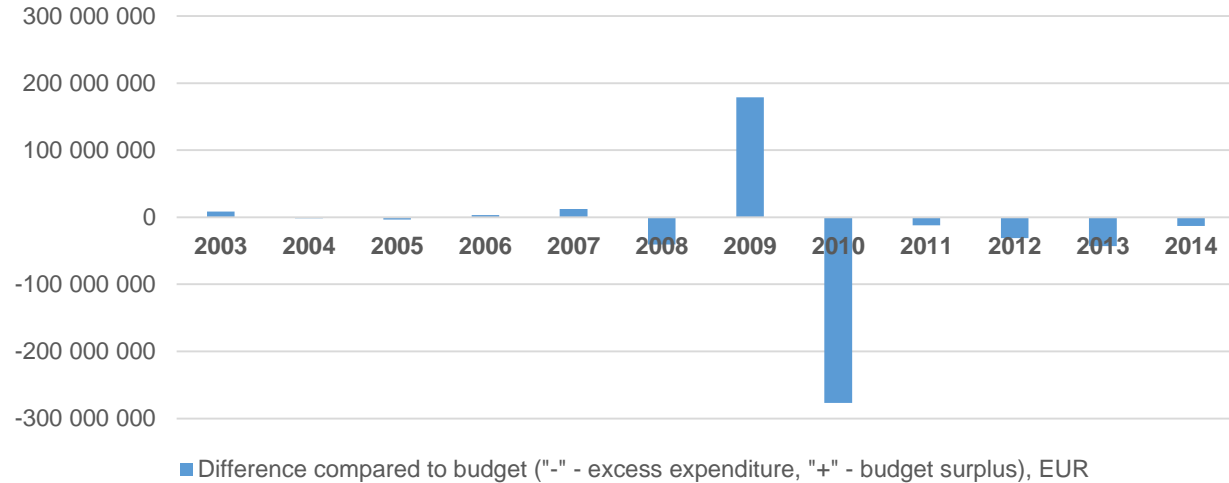


STATE PENSION SPECIAL BUDGET, 2003-2014 EUR

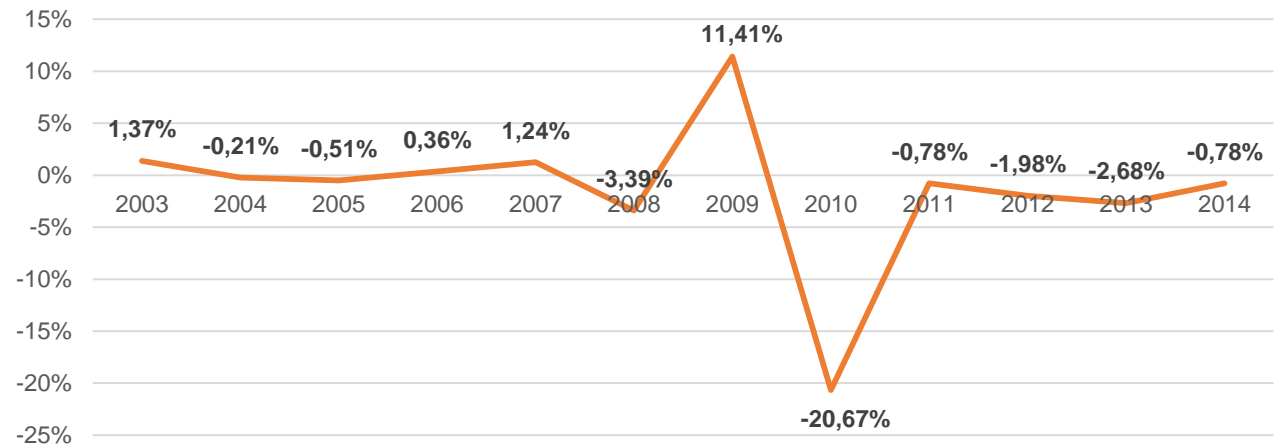
State pensions 2003-2014, EUR



State pensions



State pensions: difference compared to budget: "-" - excess expenditure, "+" - budget surplus (% from planned budget)



EVALUATION OF EXTENT TO WHICH POLICY CHANGES EXPLAIN DEVIATIONS

2008 - 2014

POLICY CHANGES: DEFINITION

- **Amendments in social laws** that were not taken into consideration during the budgeting process and that have impacted actual results of the year
- Amendments in social laws that were implemented during the year and that affected expenditure of 1) employment, 2) disability, maternity and illness, 3) work accident and 4) state pension special budgets during the current year
 - 17 regulatory enactments
 - 159 amendments to regulatory enactments



PERCENTAGE OF ACTUAL RESULTS DEVIATION FROM PLANNED BUDGET EXPLAINED BY POLICY CHANGES

Employment social benefits, EUR

	2008	2009	2010	2011	2012	2013	2014
Deviation	-14 943 145	-92 324 125	58 956 934	61 735 899	10 247 548	-7 380 820	-13 970 080
Adjusted deviation	-14 943 145	-87 141 741	58 956 934	61 735 899	10 247 548	-7 380 820	-13 970 080
% of deviation explained by policy changes	0,00%	5,61%	0,00%	0,00%	0,00%	0,00%	0,00%

Disability, maternity and illness social benefits, EUR

	2008	2009	2010	2011	2012	2013	
Deviation	-58 195 614	27 690 833	8 766 898	33 797 162	21 432 695	-14 605 490	-18 858 363
Adjusted deviation	-58 195 614	23 014 707	8 766 898	33 797 162	21 432 695	-13 224 166	-18 858 363
% of deviation explained by policy changes	0,00%	16,89%	0,00%	0,00%	0,00%	9,46%	0,00%

Work accident social benefits, EUR

	2008	2009	2010	2011	2012	2013	
Deviation	-1 652 129	-1 536 632	-2 820 373	-3 783 427	-500 908	-1 218 367	-1 956 163
Adjusted deviation	-1 652 129	-1 640 786	-2 820 373	-3 783 427	-500 908	-1 108 237	-1 956 163
% of deviation explained by policy changes	0,00%	-6,78%	0,00%	0,00%	0,00%	9,04%	0,00%

State pensions, EUR

	2008	2009	2010	2011	2012	2013	
Deviation	-40 573 326	178 944 107	-276 840 755	-12 015 850	-31 043 696	-42 921 966	-12 788 498
Adjusted deviation	-24 629 763	54 421 480	-14 178 619	-12 015 850	-31 043 696	-29 765 524	-11 063 569
% of deviation explained by policy changes	39,30%	69,59%	94,88%	0,00%	0,00%	30,65%	13,49%

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THANK YOU!



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