

A €43.3 million rise was reported in Social Security Benefits outlay in the period January-June 2020.

Government Expenditure on Social Security Benefits: January-June 2020

Social Security Benefits Expenditure

Spending on Social Security Benefits totalled €555.3 million during the first half of 2020, 8.5 per cent higher than the corresponding period in 2019. Both Contributory and Non-Contributory benefits reported an increase in outlay, the former accounting for €41.9 million, or 96.7 per cent, of the total rise in social outlay (Table 1).

Government spending towards Contributory Benefits amounted to €457.1 million, €13.6 million of which comprised the COVID-19 social benefits. Total Contributory spending rose by 10.1 per cent from the previous year. In addition to the COVID-19 social expenses, higher spending was reported on Pensions in respect of Retirement (€21.1 million), Widowhood (€3.4 million), Contributory Bonus (€3.1 million) and Other Benefits (€1.2 million). In contrast, lower expenditure was reported under Pensions in respect of Invalidity (€0.5 million) and Benefits in respect of Industrial Injuries and Gratuities (€0.1 million) (Table 2).

By the end of June 2020, Non-Contributory expenditure reached €98.2 million, a 1.5 per cent increase from 2019. Disability Pensions/Allowance registered the highest rise at €1.3 million, followed by Old Age Pension (€1.2 million), Child Allowance (€0.5 million), Supplementary Allowance (€0.3 million), Medical Assistance (€0.2 million), Non-Contributory Bonus and In-Work Benefit (both €0.1 million). Conversely, spending towards Total Social Assistance declined by €2.2 million (Table 3).

In the second quarter of 2020, social benefits expenditure was €30.1 million higher than the same period in 2019 and totalled €312.4 million. Contributory spending rose by €29.7 million, stemming from the introduction of the COVID-19 benefits together with €11.9 million additional spending towards Pensions in respect of Retirement (Table 4). A marginal increase of €0.4 million was exhibited under Non-Contributory expenditure (Table 5).

Social Security Beneficiaries

During the first half of 2020, the largest number of Contributory beneficiaries was reported under the Two-Thirds Pension (51,601). In comparison to 2019, the Unemployment and Sickness benefits reported the biggest increase (2,537) and decrease (1,570) in recipients, respectively. Furthermore, there were 8,791 individuals who benefitted from the COVID-19 social benefits (Table 2).

Children's Allowance reported the highest share of Non-Contributory recipients, with 41,854 families in receipt of the benefit. The same benefit recorded the largest increase (1,308) in beneficiaries, while the highest drop (600) in recipients was witnessed under Supplementary Allowance.

Similar developments were recorded between April and June 2020, with the Two-Thirds Pension (50,701) and Children's Allowance (40,965) reporting the largest cohorts of Contributory and Non-Contributory beneficiaries, respectively (Tables 4 and 5) ■

Statistics in this News Release should be interpreted in the context of the COVID-19 situation.

Table 1. Comparative Social Security Benefits: January-June

Description	Jan-Jun 2018	Jan-Jun 2019	Jan-Jun 2020	Jan-Jun 2020 / Jan-Jun 2019	
				Change	% change
	€ 000				
Contributory Benefits	400,060	415,289	457,147	41,858	10.1
Non-Contributory Benefits	96,962	96,736	98,183	1,447	1.5
Total Social Security Benefits	497,023	512,025	555,330	43,305	8.5

Chart 1. Social Security Benefits Expenditure: January-June 2003-2020

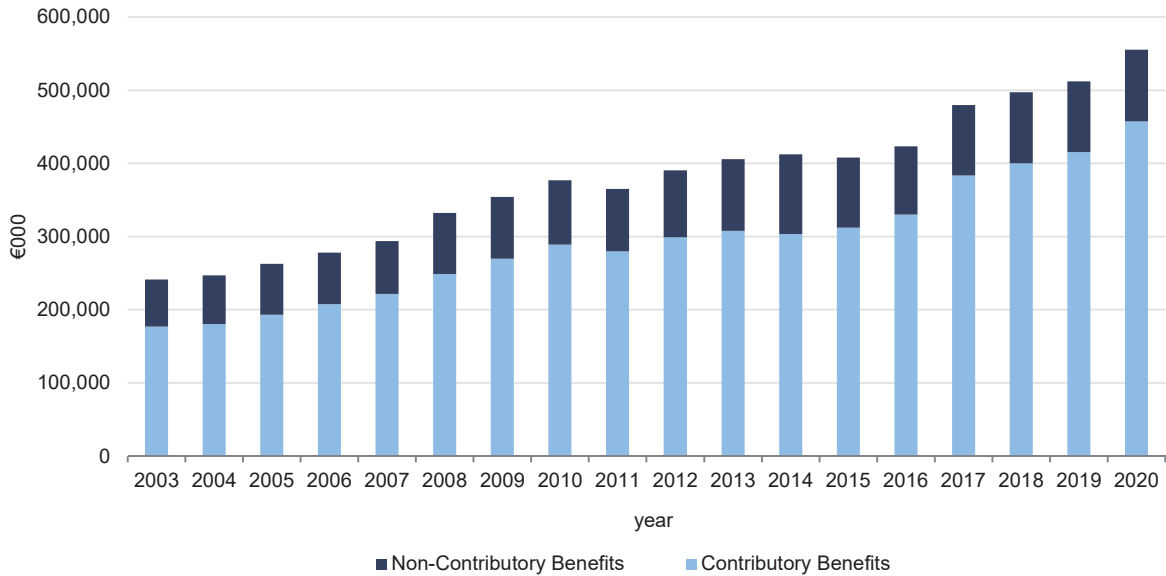


Chart 2. Social Security Benefits Expenditure by ESSPROS functions for January-June 2020

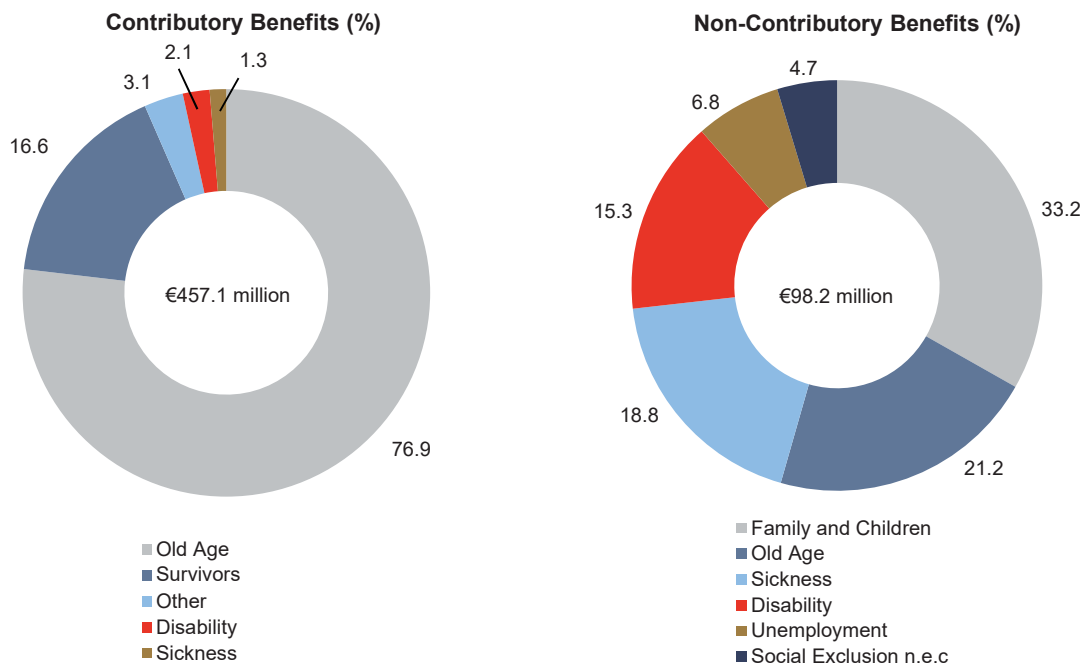


Table 2. Comparative Social Security Contributory Benefits: January-June

Description	Jan-Jun 2018		Jan-Jun 2019		Jan-Jun 2020	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	400,060	-	415,289	-	457,147
Pensions in respect of Retirement	-	280,474	-	293,609	-	314,722
Retirement Pension	6,210	16,896	5,907	15,498	5,575	17,034
National Minimum Pension	6,340	17,764	6,291	17,690	6,582	19,818
Increased Retirement Pension	714	3,415	650	3,184	1,094	3,940
Two-Thirds Pension	47,812	234,400	49,764	249,014	51,601	263,946
Increased National Minimum Pension	1,820	7,786	1,796	8,022	2,152	9,780
Decreased National Minimum Pension	60	212	61	202	56	205
Pensions in respect of Invalidity	-	10,141	-	9,873	-	9,358
Invalidity Pension	184	376	164	351	130	247
Increased Invalidity Pension	78	203	69	224	56	186
National Minimum Invalidity Pension	3,397	9,551	3,298	9,293	2,995	8,925
Decreased National Minimum Invalidity Pension ¹	3	12	3	4	2	-
Pensions in respect of Widowhood	-	64,531	-	65,493	-	68,881
Widows' Pension	211	775	204	778	193	580
Early Survivors' Pension	1,778	7,085	1,838	7,333	1,889	7,645
Survivors' Pension	8,178	33,081	8,476	34,931	9,151	39,002
National Minimum Widows' Pension	6,603	23,590	6,166	22,451	5,665	21,654
Benefits in respect of Industrial Injuries and Gratuities	-	804	-	840	-	770
Injury Benefit	1,005	630	967	665	857	620
Injury Pension	240	146	231	140	222	143
Injury Gratuity	11	27	15	34	3	7
Other Benefits	-	5,345	-	5,231	-	6,391
Unemployment Benefit ²	670	320	684	408	3,221	1,622
Special Unemployment Benefit	113	67	101	73	130	111
Maternity Benefit	1,876	1,699	1,753	1,587	1,775	1,616
Sickness Benefit	13,322	2,896	12,954	2,842	11,384	2,823
Orphans' Allowance	14	40	12	31	11	32
Marriage Grant	1,149	323	1,028	290	656	188
COVID-19 Benefits³	-	-	-	-	-	13,649
Additional Unemployment Benefit	-	-	-	-	2,159	1,933
Disability Benefit	-	-	-	-	379	525
Medical Benefit	-	-	-	-	1,680	2,475
Parent Benefit	-	-	-	-	4,573	8,716
Bonus	-	38,765	-	40,243	-	43,376

¹ For confidentiality reasons, 2020 outlay for Decreased National Minimum Invalidity Pension has been included under National Minimum Invalidity Pension.

² The increase in unemployment benefit beneficiaries is related to the introduction of the COVID-19 Additional Unemployment Benefit, with payments first made in April 2020.

³ Introduced to aid individuals working in the private sector who, as a result of the COVID-19 pandemic, became unemployed or unable to go to work due to medical or family reasons.

Table 3. Comparative Social Security Non-Contributory Benefits: January-June

Description	Jan-Jun 2018		Jan-Jun 2019		Jan-Jun 2020	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	96,962	-	96,736	-	98,183
Child Allowance	-	19,944	-	19,885	-	20,382
Childrens Allowance	42,035	19,112	40,546	18,995	41,854	19,267
Foster Child Allowance	176	832	178	890	177	759
Child Benefit Bonus ¹	-	-	-	-	1,172	355
Old Age Pension	-	15,600	-	16,881	-	18,038
Age Pension	4,906	11,722	4,865	12,130	4,784	12,489
Increased Carers' Allowance	716	2,890	1,010	3,758	1,133	4,348
Assistance Visually Impaired	351	988	374	993	401	1,201
Disability Pensions/Allowance	-	11,388	-	12,885	-	14,229
Disability Child Allowance	1,379	778	1,507	1,065	1,648	1,141
Disability Assistance	108	240	154	323	169	358
Severe Disability Assistance	3,070	8,688	3,157	9,147	3,233	9,665
Increased Severe Disability Assistance	486	1,682	599	2,350	735	3,066
Total Social Assistance	-	30,405	-	27,316	-	25,068
Drug Addicts Allowance	39	20	38	23	46	29
Social Assistance	5,279	13,482	4,763	12,332	4,358	11,620
Carers' Allowance	243	557	224	516	297	734
Social Assistance for Single Parents	2,830	7,055	2,578	6,593	2,433	6,405
Unemployment Assistance	1,209	2,481	945	2,056	843	1,734
Social Assistance Board ²	0	0	3	3	3	3
Unemployment Assistance Taper	3,119	3,972	2,392	3,439	1,834	2,351
Subsidiary Unemployment Assistance	1,489	2,838	1,210	2,355	1,039	2,192
Medical Assistance	-	8,490	-	8,601	-	8,831
Sickness Assistance	11,994	8,434	11,790	8,561	11,464	8,796
Leprosy Assistance	24	27	23	25	21	26
Milk Grant	50	30	25	15	22	9
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary Allowance	24,165	4,667	23,542	4,321	22,942	4,571
In-Work Benefit	3,497	1,624	4,123	1,985	4,386	2,061
Bonus	-	4,844	-	4,861	-	5,003

¹ Introduced in 2020.

Table 4. Comparative Social Security Contributory Benefits: April-June

Description	Apr-Jun 2018		Apr-Jun 2019		Apr-Jun 2020	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	223,833	-	233,209	-	262,895
Pensions in respect of Retirement	-	158,361	-	167,204	-	179,109
Retirement Pension	6,101	9,530	5,256	8,424	5,473	10,114
National Minimum Pension	6,220	8,894	6,135	8,833	6,442	10,069
Increased Retirement Pension	694	1,905	617	1,799	1,067	2,575
Two-Thirds Pension	47,295	134,024	49,264	143,973	50,701	151,122
Increased National Minimum Pension	1,763	3,894	1,752	4,061	2,115	5,116
Decreased National Minimum Pension	57	113	57	114	54	113
Pensions in respect of Invalidity	-	4,984	-	4,847	-	4,621
Invalidity Pension	172	185	153	172	118	120
Increased Invalidity Pension	77	90	66	109	52	90
National Minimum Invalidity Pension	3,272	4,704	3,129	4,567	2,848	4,411
Decreased National Minimum Invalidity Pension ^{1,2}	3	4	3	-2	2	-
Pensions in respect of Widowhood	-	32,649	-	32,825	-	34,630
Widows' Pension	205	380	201	391	188	264
Early Survivors' Pension	1,743	3,630	1,808	3,693	1,855	3,781
Survivors' Pension	7,957	16,748	8,341	17,715	9,027	19,824
National Minimum Widows' Pension	6,357	11,891	5,925	11,025	5,524	10,760
Benefits in respect of Industrial Injuries and Gratuities	-	377	-	400	-	346
Injury Benefit	560	295	545	312	415	273
Injury Pension	239	72	226	70	222	73
Injury Gratuity	4	9	10	19	0	0
Other Benefits	-	2,661	-	2,538	-	3,648
Unemployment Benefit	376	159	413	247	2,939	1,397
Special Unemployment Benefit	66	32	60	39	82	61
Maternity Benefit	1,033	907	873	734	1,011	870
Sickness Benefit	5,947	1,361	6,249	1,344	4,975	1,240
Orphans' Allowance	12	18	11	15	11	18
Marriage Grant	653	183	567	160	214	62
COVID-19 Benefits³	-	-	-	-	-	13,649
Additional Unemployment Benefit	-	-	-	-	2,150	1,933
Disability Benefit	-	-	-	-	379	525
Medical Benefit	-	-	-	-	1,680	2,475
Parent Benefit	-	-	-	-	4,561	8,716
Bonus	-	24,802	-	25,396	-	26,894

¹ In May 2019, an amount was recouped from Government homes due to overpayments.

² For confidentiality reasons, 2020 outlay for Decreased National Minimum Invalidity Pension has been included under National Minimum Invalidity Pension.

³ Introduced to aid individuals working in the private sector who, as a result of the COVID-19 pandemic, became unemployed or unable to go to work due to medical or family reasons.

Table 5. Comparative Social Security Non-Contributory Benefits: April-June

Description	Apr-Jun 2018		Apr-Jun 2019		Apr-Jun 2020	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	49,335	-	49,083	-	49,455
Child Allowance	-	10,082	-	9,996	-	10,606
Childrens Allowance	41,210	9,661	39,703	9,623	40,965	9,992
Foster Child Allowance	169	421	173	373	173	363
Child Benefit Bonus ¹	-	-	-	-	827	251
Old Age Pension	-	6,882	-	7,595	-	7,860
Age Pension	4,746	5,216	4,687	5,330	4,660	5,448
Increased Carers' Allowance	666	1,220	960	1,795	1,077	1,885
Assistance Visually Impaired	347	445	369	469	396	528
Disability Pensions/Allowance	-	5,088	-	5,769	-	6,268
Disability Child Allowance	1,338	393	1,467	547	1,614	552
Disability Assistance	106	109	149	150	164	161
Severe Disability Assistance	2,916	3,752	3,102	4,000	3,172	4,216
Increased Severe Disability Assistance	483	834	594	1,072	724	1,340
Total Social Assistance	-	16,573	-	15,133	-	13,942
Drug Addicts Allowance	28	11	30	15	34	16
Social Assistance	4,956	7,555	4,495	6,954	4,125	6,599
Carers' Allowance	227	315	213	317	281	436
Social Assistance for Single Parents	2,678	3,979	2,439	3,722	2,327	3,665
Unemployment Assistance	1,008	1,246	812	994	701	-
Social Assistance Board ²	0	0	3	2	2	-
Unemployment Assistance Taper	2,674	2,064	2,095	1,969	1,558	1,230
Subsidiary Unemployment Assistance	1,297	1,403	1,032	1,160	928	1,101
Medical Assistance	-	4,238	-	4,274	-	4,479
Sickness Assistance	11,697	4,209	11,459	4,254	11,188	4,463
Leprosy Assistance	24	13	22	12	21	13
Milk Grant	34	15	21	8	10	2
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary Allowance	23,774	2,215	23,170	2,157	22,609	2,279
In-Work Benefit	2,239	964	2,496	906	1,742	715
Bonus	-	3,293	-	3,253	-	3,304

¹ Introduced in 2020.

² For confidentiality reasons, 2020 outlay for Social Assistance Board has been included under corresponding Unemployment Assistance expenditure.

Methodological Notes

1. Expenditure data provided in this news release is extracted from the administrative records of the Social Security Department, and is based on the Government's Consolidated Fund.
2. Beneficiaries data is obtained from the Department of Social Security's Unique Beneficiaries Report.
3. The number of beneficiaries may not be aggregated since persons obtaining two or more different benefits during the same period are listed once under each benefit. Furthermore, it should also be noted that the annual number of beneficiaries is not equal to the sum of the quarters since beneficiaries obtaining the same benefit in more than one quarter are only counted once.
4. The functions provided in chart 2 are in line with the European System of Integrated Social Protection Statistics (ESSPROS) Manual 2012 Edition (ISBN 978-92-79-24751-4). This methodology is mandatory for all EU Member States.
5. Expenditure data is not normally subject to revision, while beneficiaries data may be revised.
6. Figures may not add up exactly due to rounding.
7. More information relating to this news release may be accessed at:

Statistical Database: <https://nso.gov.mt/statdb/start>
Glossary: https://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A2/Public_Finance/Pages/Government-Expenditure-on-Social-Security-Benefits.aspx
8. References to this news release are to be cited appropriately.
9. A detailed news release calendar is available on:
https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx