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During the first six months of 2021, Government outlay towards Social Security Benefits rose by €27.4 million.

Government Expenditure on Social Security Benefits: January-June 2021

Social Security Benefits Expenditure

Between January and June 2021, spending on Social Security Benefits totalled €582.8 million, a 4.9 per cent rise from the previous year. A €21.7 million rise in Contributory expenditure was the primary reason behind the increase in spending, together with a €5.7 million increase in Non-Contributory outlay (Table 1).

Government spending towards Contributory Benefits amounted to €478.8 million, 4.7 per cent higher than 2020. Pensions in respect of Retirement recorded the largest increase of €20.9 million, mainly the result of a rise in the number of Two-Thirds pensioners (2,109). Further increases were registered under Pensions in respect of Widowhood (€12.2 million) and Contributory Bonus (€3.0 million). In contrast, lower expenditure was reported under COVID-19 Benefits (€13.0 million), Other Benefits (€0.8 million), Pensions in respect of Invalidity (€0.4 million) and Benefits in respect of Industrial Injuries and Gratuities (€0.1 million) (Table 2).

By the end of June 2021, €103.9 million went towards Non-Contributory Benefits, a 5.8 per cent rise in comparison to 2020. Increases were reported under Disability Pensions/Allowance (€1.6 million), Child Allowance (€1.6 million), Supplementary Allowance (€1.4 million), Medical Assistance (€1.0 million) and Total In-Work Benefit (€0.9 million). Conversely, lower outlay was recorded under Old Age Pension (€0.4 million), Non-Contributory Bonus (€0.2 million) and Total Social Assistance (€0.2 million) (Table 3).

During the second quarter of 2021, social benefits expenditure totalled €330.1 million, 82.8 per cent of which covered Contributory Benefits (€273.5 million). Contributory outlay rose by €10.6 million, the result of reported increases in Pensions in respect of Retirement (€11.6 million) and Widowhood (€11.5 million), partially offset by the drop in COVID-19 Benefits (€13.0 million) (Table 4). On the other hand, a €7.2 million increase was witnessed under Non-Contributory Benefits (Table 5).

Social Security Beneficiaries

Between January and June 2021, the largest number of Contributory beneficiaries was recorded under the Two-Thirds Pension (53,703). Furthermore, the 2,109 increase in Two-Thirds pensioners was the highest reported among the Contributory benefits. On the other hand, the biggest drop in recipients was registered under the COVID-19 Parent Benefit (3,417) (Table 2).

Children's Allowance reported the highest number of Non-Contributory recipients, with 42,663 families in receipt of the benefit. The same benefit recorded the largest increase (810) in beneficiaries, while the highest drop in recipients was witnessed under Supplementary Allowance (541) (Table 3).

Similar developments were recorded during the second quarter of 2021, with the Two-Thirds Pension (53,093) and Children's Allowance (41,596) reporting the largest number 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. Social Security Benefits Expenditure by period and description

Description	Jan-Jun 2019	Jan-Jun 2020	Jan-Jun 2021	Jan-Jun 2021 / Jan-Jun 2020	
				Change	% change
				€ 000	
Contributory Benefits	415,289	457,147	478,839	21,691	4.7
Non-Contributory Benefits	96,736	98,183	103,912	5,729	5.8
Total Social Security Benefits	512,025	555,330	582,751	27,420	4.9

Chart 1. Social Security Benefits Expenditure: January-June 2012-2021

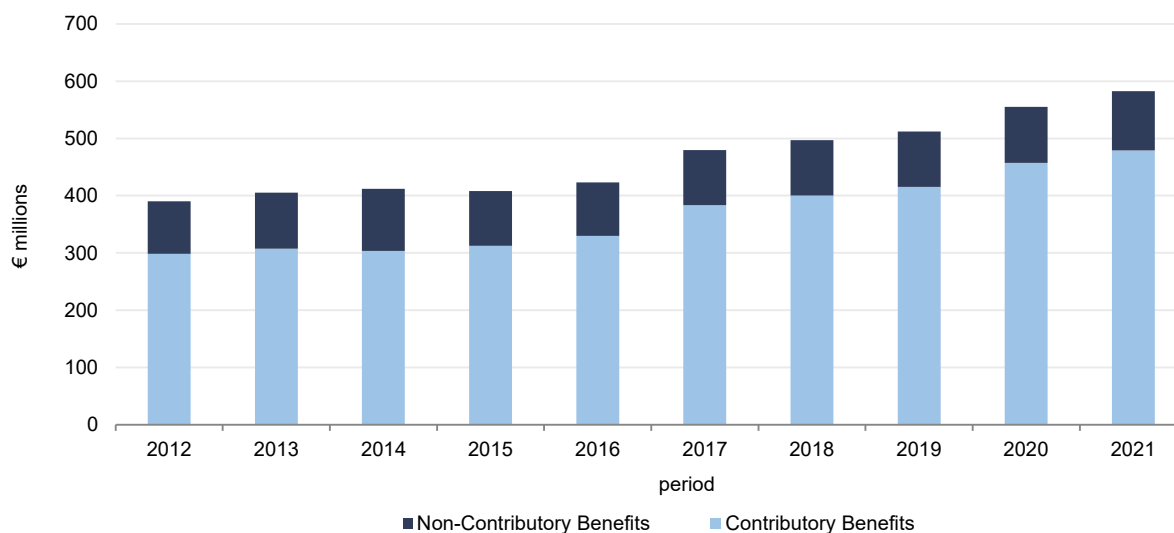


Chart 2. Social Security Benefits Expenditure by ESSPROS functions for January-June 2021

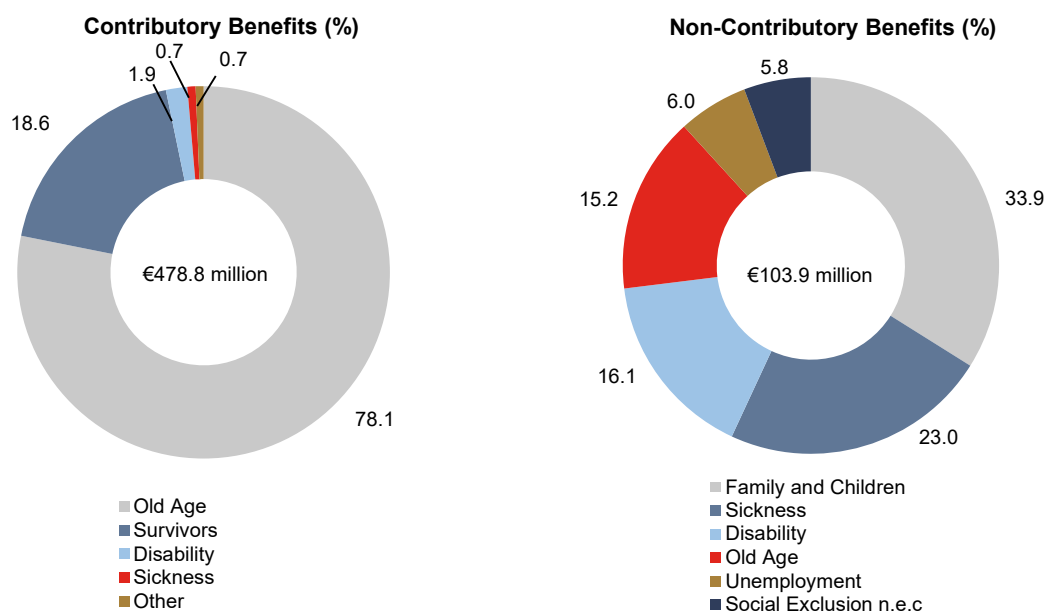


Table 2. Social Security Contributory Benefits by period and description

Description	Jan-Jun 2019		Jan-Jun 2020		Jan-Jun 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	415,289	-	457,147	-	478,839
Pensions in respect of Retirement	-	293,609	-	314,722	-	335,576
Retirement Pension	5,907	15,498	5,575	17,034	5,627	18,870
National Minimum Pension	6,291	17,690	6,581	19,818	7,444	22,124
Increased Retirement Pension	650	3,184	1,093	3,940	1,070	4,786
Two-Thirds Pension	49,764	249,014	51,594	263,946	53,703	277,220
Increased National Minimum Pension	1,796	8,022	2,152	9,780	2,702	12,343
Decreased National Minimum Pension	61	202	56	205	69	232
Pensions in respect of Invalidity	-	9,873	-	9,358	-	8,966
Invalidity Pension	164	351	130	247	111	259
Increased Invalidity Pension	69	224	56	186	45	156
National Minimum Invalidity Pension	3,298	9,293	2,994	8,925	2,768	8,551
Decreased National Minimum Invalidity Pension ¹	3	4	2	c	2	c
Pensions in respect of Widowhood	-	65,493	-	68,881	-	81,045
Widows' Pension	204	778	193	580	151	606
Early Survivors' Pension	1,838	7,333	1,889	7,645	1,816	7,941
Survivors' Pension	8,475	34,931	9,148	39,002	10,096	49,750
National Minimum Widows' Pension	6,165	22,451	5,664	21,654	5,332	22,747
Benefits in respect of Industrial Injuries and Gratuities	-	840	-	770	-	682
Injury Benefit	967	665	857	620	765	530
Injury Pension	231	140	222	143	212	136
Injury Gratuity	15	34	3	7	8	16
Other Benefits	-	5,231	-	6,391	-	5,625
Unemployment Benefit ²	684	408	3,224	1,622	1,391	731
Special Unemployment Benefit	101	73	130	111	132	104
Maternity Benefit	1,753	1,587	1,775	1,616	1,687	1,589
Sickness Benefit	12,954	2,842	11,383	2,823	11,137	2,922
Orphans' Allowance	12	31	11	32	8	26
Marriage Grant	1,028	290	656	188	832	253
COVID-19 Benefits³	-	-	-	13,649	-	607
Additional Unemployment Benefit	-	-	2,162	1,933	-	-
Disability Benefit	-	-	379	525	-	-
Medical Benefit	-	-	1,680	2,475	-	-
Parent Benefit	-	-	4,573	8,716	1,156	607
Bonus	-	40,243	-	43,376	-	46,338

^cconfidential

¹For confidentiality reasons, 2020 and 2021 outlay for Decreased National Minimum Invalidity Pension has been included under National Minimum Invalidity Pension.

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

³Introduced 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. Social Security Non-Contributory Benefits by period and description

Description	Jan-Jun 2019		Jan-Jun 2020		Jan-Jun 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	96,736	-	98,183	-	103,912
Child Allowance	-	19,885	-	20,382	-	21,969
Childrens Allowance	40,546	18,995	41,853	19,267	42,663	18,670
Foster Child Allowance	178	890	177	759	184	947
Child Benefit Bonus ¹	-	-	1,173	355	1,613	604
Children's Allowance Supplement ²	-	-	-	-	42,265	1,749
Old Age Pension	-	16,881	-	18,038	-	17,648
Age Pension	4,865	12,130	4,783	12,489	4,581	12,344
Increased Carers' Allowance	1,010	3,758	1,133	4,348	1,274	4,209
Assistance Visually Impaired	374	993	401	1,201	411	1,095
Disability Pensions/Allowance	-	12,885	-	14,229	-	15,843
Disability Child Allowance	1,507	1,065	1,648	1,141	1,688	1,195
Disability Assistance	154	323	169	358	225	521
Severe Disability Assistance	3,157	9,147	3,233	9,665	3,445	10,601
Increased Severe Disability Assistance	599	2,350	735	3,066	817	3,526
Total Social Assistance	-	27,316	-	25,068	-	24,899
Drug Addicts Allowance	38	23	44	29	55	28
Social Assistance	4,763	12,332	4,358	11,620	4,210	11,593
Carers' Allowance	224	516	297	734	359	914
Social Assistance for Single Parents	2,578	6,593	2,433	6,405	2,468	6,484
Unemployment Assistance	945	2,056	843	1,734	842	1,746
Social Assistance Board ³	3	3	3	3	2	c
Unemployment Assistance Taper	2,392	3,439	1,834	2,351	1,321	1,720
Subsidiary Unemployment Assistance	1,210	2,355	1,038	2,192	1,150	2,414
Medical Assistance	-	8,601	-	8,831	-	9,867
Sickness Assistance	11,790	8,561	11,461	8,796	11,377	9,822
Leprosy Assistance	23	25	21	26	18	24
Milk Grant	25	15	22	9	42	21
Supplementary Allowance	23,542	4,321	22,940	4,571	22,399	5,964
Total In-Work Benefit	-	1,985	-	2,061	-	2,925
In-Work Benefit	4,123	1,985	4,386	2,061	5,122	2,546
In-Work Supplement	-	-	-	-	1,506	379
Bonus	-	4,861	-	5,003	-	4,796

^cconfidential

¹Introduced in 2020.

²Supplementary payment to Children's Allowance recipients, first payments made in January 2021.

³For confidentiality purposes, Social Assistance Board 2021 outlay has been included under Unemployment Assistance.

Table 4. Social Security Contributory Benefits by quarter and description

Description	Apr-Jun 2019		Apr-Jun 2020		Apr-Jun 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	233,209	-	262,895	-	273,458
Pensions in respect of Retirement	-	167,204	-	179,109	-	190,660
Retirement Pension	5,256	8,424	5,472	10,114	5,035	10,268
National Minimum Pension	6,135	8,833	6,441	10,069	7,298	11,604
Increased Retirement Pension	617	1,799	1,066	2,575	886	2,512
Two-Thirds Pension	49,264	143,973	50,692	151,122	53,093	160,030
Increased National Minimum Pension	1,752	4,061	2,114	5,116	2,526	6,125
Decreased National Minimum Pension	57	114	54	113	68	121
Pensions in respect of Invalidity	-	4,847	-	4,621	-	4,460
Invalidity Pension	153	172	118	120	107	131
Increased Invalidity Pension	66	109	52	90	44	78
National Minimum Invalidity Pension	3,129	4,567	2,847	4,411	2,651	4,251
Decreased National Minimum Invalidity Pension ^{1,2}	3	-2	2	c	2	c
Pensions in respect of Widowhood	-	32,825	-	34,630	-	46,120
Widows' Pension	201	391	187	264	149	376
Early Survivors' Pension	1,808	3,693	1,855	3,781	1,654	4,318
Survivors' Pension	8,340	17,715	9,019	19,824	9,917	28,821
National Minimum Widows' Pension	5,924	11,025	5,518	10,760	5,140	12,605
Benefits in respect of Industrial Injuries and Gratuities	-	400	-	346	-	356
Injury Benefit	545	312	415	273	431	278
Injury Pension	226	70	222	73	208	70
Injury Gratuity	10	19	0	0	4	8
Other Benefits	-	2,538	-	3,648	-	2,717
Unemployment Benefit	413	247	2,942	1,397	783	302
Special Unemployment Benefit	60	39	82	61	73	42
Maternity Benefit	873	734	1,011	870	953	894
Sickness Benefit	6,249	1,344	4,974	1,240	6,144	1,305
Orphans' Allowance	11	15	11	18	8	14
Marriage Grant	567	160	214	62	486	160
COVID-19 Benefits³	-	-	-	13,649	-	607
Additional Unemployment Benefit	-	-	2,153	1,933	-	-
Disability Benefit	-	-	379	525	-	-
Medical Benefit	-	-	1,680	2,475	-	-
Parent Benefit	-	-	4,561	8,716	1,151	607
Bonus	-	25,396	-	26,894	-	28,539

^cconfidential

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

²For confidentiality reasons, 2020 and 2021 outlays for Decreased National Minimum Invalidity Pension has been included under National Minimum Invalidity Pension.

³Introduced 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. Social Security Non-Contributory Benefits by quarter and description

Description	Apr-Jun 2019		Apr-Jun 2020		Apr-Jun 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	49,083	-	49,455	-	56,640
Child Allowance	-	9,996	-	10,606	-	10,915
Childrens Allowance	39,703	9,623	40,963	9,992	41,596	9,293
Foster Child Allowance	173	373	173	363	181	466
Child Benefit Bonus ¹	-	-	828	251	848	273
Children's Allowance Supplement ²	-	-	-	-	41,320	882
Old Age Pension	-	7,595	-	7,860	-	9,213
Age Pension	4,687	5,330	4,656	5,448	4,345	6,591
Increased Carers' Allowance	960	1,795	1,077	1,885	1,195	2,082
Assistance Visually Impaired	369	469	396	528	402	541
Disability Pensions/Allowance	-	5,769	-	6,268	-	8,681
Disability Child Allowance	1,467	547	1,614	552	1,648	610
Disability Assistance	149	150	164	161	221	224
Severe Disability Assistance	3,102	4,000	3,172	4,216	3,393	5,884
Increased Severe Disability Assistance	594	1,072	723	1,340	805	1,963
Total Social Assistance	-	15,133	-	13,942	-	14,125
Drug Addicts Allowance	30	15	33	16	38	16
Social Assistance	4,495	6,954	4,125	6,599	4,011	7,022
Carers' Allowance	213	317	281	436	338	168
Social Assistance for Single Parents	2,439	3,722	2,327	3,665	2,362	3,805
Unemployment Assistance	812	994	701	895	694	903
Social Assistance Board ⁴	3	2	2	c	2	c
Unemployment Assistance Taper	2,095	1,969	1,558	1,230	1,145	962
Subsidiary Unemployment Assistance	1,032	1,160	928	1,101	1,052	1,249
Medical Assistance	-	4,274	-	4,479	-	5,583
Sickness Assistance	11,459	4,254	11,181	4,463	11,055	5,558
Leprosy Assistance	22	12	20	13	17	13
Milk Grant	21	8	10	2	33	11
Supplementary Allowance	23,170	2,157	22,605	2,279	21,966	2,978
Total In-Work Benefit	-	906	-	715	-	1,709
In-Work Benefit	2,496	906	1,742	715	2,721	1,571
In-Work Supplement	-	-	-	-	511	138
Bonus	-	3,253	-	3,304	-	3,436

^cconfidential

¹Introduced in 2020.

²Supplementary payment to Children's Allowance recipients, first payments made in January 2021.

³For confidentiality reasons, Social Assistance Board outlays for 2020 and 2021 have 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. For every benefit, the corresponding beneficiaries reflect any person who has received the benefit at least once during the reference period. 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 2019 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://statdb.nso.gov.mt/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