

By the end of September 2021, Government outlay towards Social Security Benefits rose by €27.2 million in comparison to the preceding year.

Government Expenditure on Social Security Benefits: January-September 2021

Social Security Benefits Expenditure

Between January and September 2021, spending on Social Security Benefits totalled €843.7 million, 3.3 per cent higher than in 2020. A €23.1 million rise in Contributory expenditure was the primary reason behind the increase in spending, together with a €4.1 million increase in Non-Contributory outlay (Table 1).

Government spending towards Contributory Benefits amounted to €693.6 million, a 3.4 per cent rise from the previous year. Pensions in respect of Retirement recorded the largest increase of €32.9 million, following a rise in the number of Two-Thirds pensioners (2,280). Further increases were registered under Pensions in respect of Widowhood (€4.1 million) and Contributory Bonus (€2.4 million). In contrast, lower expenditure was reported under COVID-19 Benefits (€13.9 million), Other Benefits (€1.8 million), Pensions in respect of Invalidity (€0.5 million) and Benefits in respect of Industrial Injuries and Gratuities (€0.1 million) (Table 2).

During the first nine months of 2021, €150.1 million went towards Non-Contributory Benefits, a 2.8 per cent rise in comparison to 2020. Increases were reported under Disability Pensions/Allowance (€2.3 million), Supplementary Allowance (€1.8 million), Child Allowance (€1.6 million) and Total In-Work Benefit (€0.6 million). Conversely, lower outlay was recorded under Old Age Pension (€1.3 million), Total Social Assistance (€0.6 million), Non-Contributory Bonus (€0.3 million) and Medical Assistance (€0.1 million) (Table 3).

In the third quarter of 2021, social benefits expenditure totalled €261.0 million, 82.3 per cent of which went towards Contributory Benefits (€214.8 million). In comparison to the previous year, minor changes were reported under both Contributory (+€1.4 million) (Table 4) and Non-Contributory Benefits (-€1.6 million) (Table 5).

Social Security Beneficiaries

Between January and September 2021, the largest number of Contributory beneficiaries was recorded under the Two-Thirds Pension (54,870). Furthermore, the 2,280 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 (3,418) (Table 2).

Children's Allowance reported the highest number of Non-Contributory recipients, with 43,587 families in receipt of the benefit. The In-Work Benefit recorded the largest increase in beneficiaries of 1,306, while the highest drop in recipients was witnessed under Children's Allowance (819) (Table 3).

Similar developments were recorded during the third quarter of 2021, with the Two-Thirds Pension (53,663 persons, 3,315 higher than in 2020) and Children's Allowance (41,520 persons, 524 more than 2020) 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-Sep 2019	Jan-Sep 2020	Jan-Sep 2021	Jan-Sep 2021 / Jan-Sep 2020	
				Change	% change
	€ 000				
Contributory Benefits	611,196	670,542	693,609	23,067	3.4
Non-Contributory Benefits	141,750	145,991	150,138	4,147	2.8
Total Social Security Benefits	752,947	816,533	843,747	27,214	3.3

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

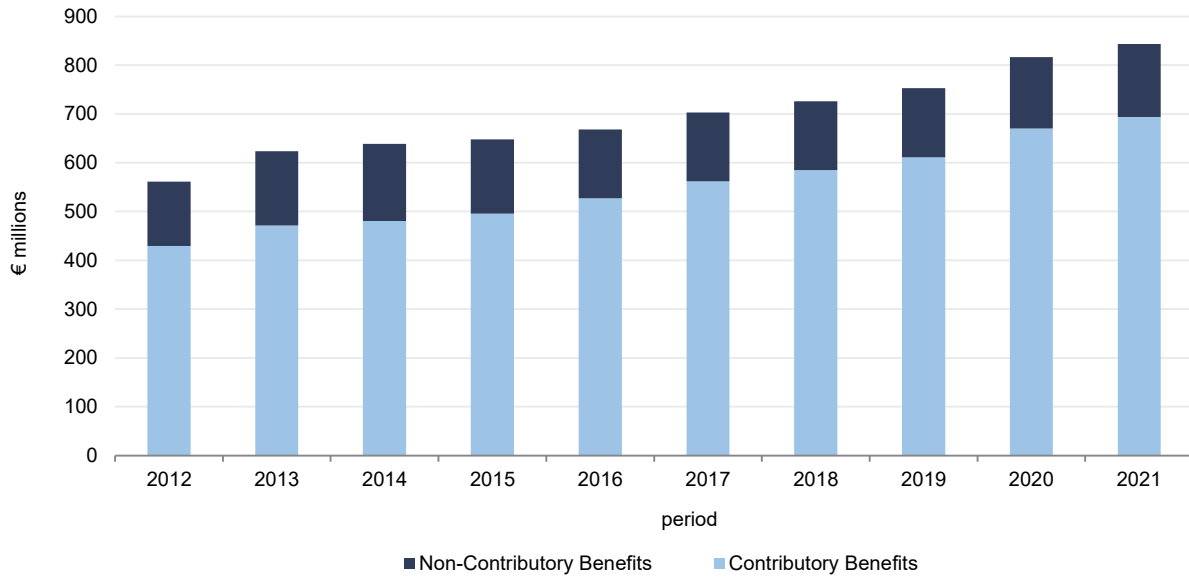


Chart 2. Social Security Benefits Expenditure by ESSPROS functions for January-September 2021

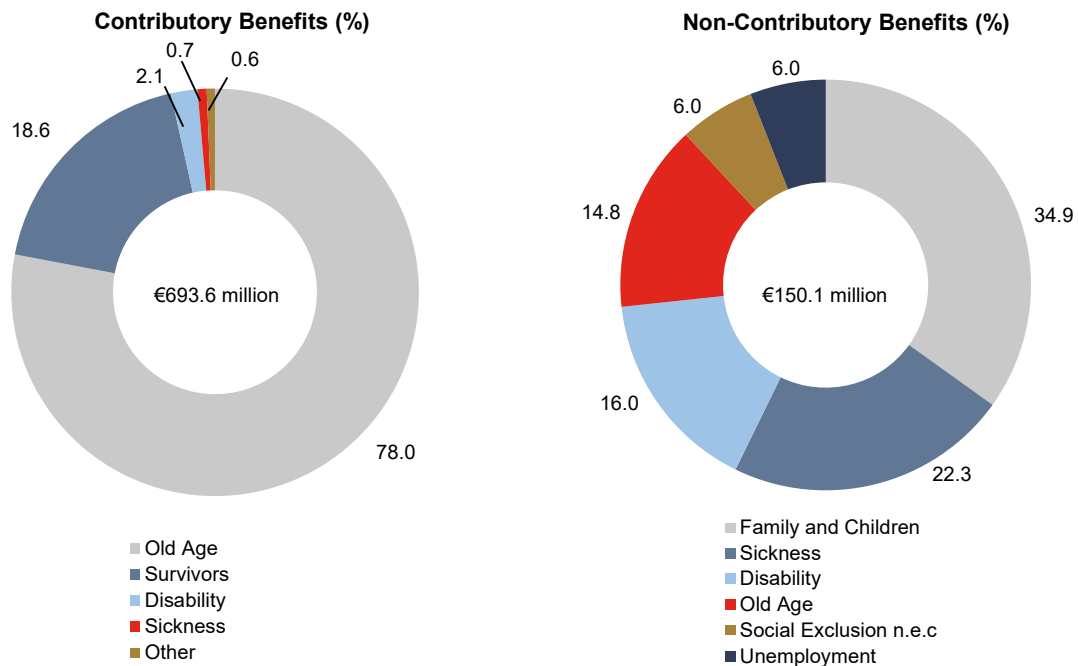


Table 2. Social Security Contributory Benefits by period and description

Description	Jan-Sep 2019		Jan-Sep 2020		Jan-Sep 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	611,196	-	670,542	-	693,609
Pensions in respect of Retirement	-	424,976	-	457,763	-	490,665
Retirement Pension	5,971	22,195	5,712	24,206	5,692	25,318
National Minimum Pension	6,443	26,882	6,932	32,624	7,756	37,812
Increased Retirement Pension	652	4,591	1,138	6,453	1,079	6,220
Two-Thirds Pension	50,558	358,753	52,590	377,146	54,870	400,635
Increased National Minimum Pension	1,859	12,259	2,419	17,044	2,765	20,358
Decreased National Minimum Pension	63	296	69	290	71	322
Pensions in respect of Invalidity	-	14,665	-	15,242	-	14,741
Invalidity Pension	167	521	130	390	113	432
Increased Invalidity Pension	69	331	56	291	47	231
National Minimum Invalidity Pension	3,360	13,805	3,042	14,561	2,826	14,078
Decreased National Minimum Invalidity Pension ¹	3	7	2	c	2	c
Pensions in respect of Widowhood	-	109,170	-	113,990	-	118,064
Widows' Pension	204	1,264	202	811	154	909
Early Survivors' Pension	1,891	12,310	1,945	12,436	1,873	10,888
Survivors' Pension	8,778	58,936	9,518	65,479	10,733	73,803
National Minimum Widows' Pension	6,215	36,660	5,789	35,265	5,397	32,464
Benefits in respect of Industrial Injuries and Gratuities	-	1,286	-	1,146	-	1,049
Injury Benefit	1,446	1,034	1,182	891	1,115	799
Injury Pension	233	210	223	233	212	228
Injury Gratuity	18	42	10	21	11	23
Other Benefits	-	7,939	-	10,054	-	8,237
Unemployment Benefit ²	878	609	3,783	2,913	1,627	930
Special Unemployment Benefit	132	96	220	195	154	126
Maternity Benefit	2,647	2,464	2,526	2,455	2,516	2,253
Sickness Benefit	16,215	4,133	14,374	4,154	14,481	4,305
Orphans' Allowance	12	52	11	51	8	38
Marriage Grant	2,059	583	955	286	2,023	584
COVID-19 Benefits³	-	-	-	14,474	-	612
Additional Unemployment Benefit	-	-	2,163	2,134	-	-
Disability Benefit	-	-	380	524	-	-
Medical Benefit	-	-	1,691	2,488	-	-
Parent Benefit	-	-	4,579	9,327	1,161	612
Bonus	-	53,160	-	57,875	-	60,240

^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-Sep 2019		Jan-Sep 2020		Jan-Sep 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	141,750	-	145,991	-	150,138
Child Allowance	-	29,944	-	31,084	-	32,724
Children's Allowance	41,612	28,570	44,406	29,214	43,587	28,687
Foster Child Allowance	181	1,374	183	1,219	190	1,368
Child Benefit Bonus ¹	-	-	2,008	651	2,365	836
Children's Allowance Supplement ²	-	-	-	-	42,942	1,833
Old Age Pension	-	24,265	-	25,950	-	24,629
Age Pension	4,948	17,341	4,858	17,928	4,622	17,369
Increased Carers' Allowance	1,076	5,457	1,199	6,305	1,354	5,620
Assistance Visually Impaired	381	1,467	403	1,717	416	1,640
Disability Pensions/Allowance	-	18,732	-	20,637	-	22,947
Disability Child Allowance	1,589	1,636	1,658	1,687	1,731	1,892
Disability Assistance	160	476	185	549	242	765
Severe Disability Assistance	3,229	13,147	3,277	13,849	3,590	15,201
Increased Severe Disability Assistance	632	3,473	769	4,552	844	5,089
Total Social Assistance	-	38,802	-	36,242	-	35,687
Drug Addicts Allowance	46	36	56	40	73	41
Social Assistance	4,880	17,473	4,474	16,553	4,334	16,490
Carers' Allowance	255	766	331	1,073	387	1,312
Social Assistance for Single Parents	2,664	9,349	2,522	9,211	2,539	9,331
Unemployment Assistance	1,021	2,993	981	2,732	891	2,473
Social Assistance Board	4	4	3	5	3	2
Unemployment Assistance Taper	2,561	4,706	1,906	3,207	1,492	2,467
Subsidiary Unemployment Assistance	1,287	3,476	1,118	3,422	1,224	3,571
Medical Assistance	-	14,256	-	14,183	-	14,072
Sickness Assistance	12,068	14,189	11,666	14,127	11,676	14,011
Leprosy Assistance	23	42	21	40	18	34
Milk Grant	42	26	30	16	53	27
Supplementary Allowance	23,865	6,475	23,153	7,069	22,652	8,913
Total In-Work Benefit	-	3,136	-	4,492	-	5,094
In-Work Benefit	4,625	3,136	4,818	4,048	6,124	4,594
In-Work Supplement ³	-	-	2,589	443	1,988	500
Bonus	-	6,139	-	6,335	-	6,071

¹Introduced in 2020.

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

³Supplementary payment to In-Work Benefit recipients, introduced in 2020.

Table 4. Social Security Contributory Benefits by quarter and description

Description	Jul-Sep 2019		Jul-Sep 2020		Jul-Sep 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	195,907	-	213,395	-	214,770
Pensions in respect of Retirement	-	131,367	-	143,041	-	155,090
Retirement Pension	4,999	6,698	5,519	7,172	4,711	6,449
National Minimum Pension	6,201	9,192	6,710	12,806	7,519	15,688
Increased Retirement Pension	597	1,406	1,092	2,513	622	1,433
Two-Thirds Pension	49,482	109,740	50,348	113,200	53,663	123,415
Increased National Minimum Pension	1,772	4,237	2,351	7,265	2,484	8,015
Decreased National Minimum Pension	58	94	65	85	66	90
Pensions in respect of Invalidity	-	4,792	-	5,884	-	5,775
Invalidity Pension	150	170	106	143	99	173
Increased Invalidity Pension	66	107	49	105	42	75
National Minimum Invalidity Pension	3,085	4,515	2,787	5,635	2,617	5,527
Decreased National Minimum Invalidity Pension ¹	2	c	2	c	2	c
Pensions in respect of Widowhood	-	43,678	-	45,109	-	37,019
Widows' Pension	201	486	190	231	148	303
Early Survivors' Pension	1,841	4,977	1,756	4,791	1,493	2,947
Survivors' Pension	8,534	24,005	9,268	26,477	10,380	24,052
National Minimum Widows' Pension	5,775	14,209	5,500	13,611	4,986	9,717
Benefits in respect of Industrial Injuries and Gratuities	-	446	-	375	-	368
Injury Benefit	584	369	422	271	425	269
Injury Pension	225	70	220	90	204	92
Injury Gratuity	3	8	7	14	3	7
Other Benefits	-	2,707	-	3,662	-	2,612
Unemployment Benefit	396	201	2,465	1,292	497	199
Special Unemployment Benefit	51	23	123	84	34	22
Maternity Benefit	956	877	831	839	899	665
Sickness Benefit	5,249	1,292	4,633	1,330	5,191	1,384
Orphans' Allowance	11	21	11	19	8	12
Marriage Grant	1,032	293	299	98	1,191	331
COVID-19 Benefits²	-	-	-	825	-	5
Additional Unemployment Benefit	-	-	1,691	201	-	-
Disability Benefit ³	-	-	1	c	-	-
Medical Benefit	-	-	17	14	-	-
Parent Benefit	-	-	3,810	610	5	5
Bonus	-	12,917	-	14,499	-	13,902

^cconfidential

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

²Introduced 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.

³For confidentiality reasons, Disability Benefit for 2020 is included under Parent Benefit.

Table 5. Social Security Non-Contributory Benefits by quarter and description

Description	Jul-Sep 2019		Jul-Sep 2020		Jul-Sep 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	45,014	-	47,808	-	46,226
Child Allowance	-	10,060	-	10,702	-	10,755
Children's Allowance	40,003	9,575	40,996	9,947	41,520	10,017
Foster Child Allowance	171	485	177	459	179	421
Child Benefit Bonus ¹	-	-	835	296	754	233
Children's Allowance Supplement ²	-	-	-	-	41,259	84
Old Age Pension	-	7,384	-	7,911	-	6,982
Age Pension	4,681	5,211	4,640	5,439	4,259	5,025
Increased Carers' Allowance	990	1,699	1,114	1,957	1,204	1,410
Assistance Visually Impaired	374	474	394	515	403	546
Disability Pensions/Allowance	-	5,847	-	6,408	-	7,104
Disability Child Allowance	1,538	571	1,599	546	1,666	697
Disability Assistance	152	153	178	191	234	244
Severe Disability Assistance	3,139	4,000	3,176	4,184	3,503	4,600
Increased Severe Disability Assistance	625	1,123	751	1,487	823	1,564
Total Social Assistance	-	11,486	-	11,173	-	10,788
Drug Addicts Allowance	24	12	22	11	33	13
Social Assistance	4,334	5,141	4,060	4,933	3,929	4,897
Carers' Allowance	221	251	287	338	341	398
Social Assistance for Single Parents	2,370	2,756	2,336	2,806	2,292	2,847
Unemployment Assistance	755	938	785	1,000	575	728
Social Assistance Board ³	2	c	2	c	1	c
Unemployment Assistance Taper	1,882	1,267	1,331	856	1,129	747
Subsidiary Unemployment Assistance	1,001	1,121	993	1,230	987	1,158
Medical Assistance	-	5,655	-	5,352	-	4,204
Sickness Assistance	11,496	5,627	11,170	5,331	11,076	4,189
Leprosy Assistance	22	16	20	15	17	10
Milk Grant	33	12	9	7	24	5
Supplementary Allowance	23,201	2,154	22,548	2,498	21,914	2,948
Total In-Work Benefit	-	1,151	-	2,431	-	2,169
In-Work Benefit	3,160	1,151	2,507	1,987	4,525	2,048
In-Work Supplement ⁴	-	-	2,445	443	481	121
Bonus	-	1,277	-	1,332	-	1,275

^cconfidential

¹Introduced in 2020.

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

³For confidentiality reasons, Social Assistance Board outlay has been included under corresponding Unemployment Assistance expenditure.

⁴Supplementary payment to In-Work Benefit recipients, introduced in 2020.

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>
Sources and Methods:
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