

A rise in social security outlay totalling €36.2 million was recorded during 2017.

## Government Expenditure on Social Security Benefits: January-December 2017

### Social Security Benefits Expenditure

In 2017, €936.9 million was spent by the Government to cover social security benefits. This reflected a 4.0 per cent rise when compared to 2016 and was the result of a €37.5 million hike in Contributory outlay. Conversely, a slight decrease of €1.3 million was reported under Non-Contributory expenditure (Table 1).

The total Contributory Benefits outlay in 2017 was €749.7 million, 5.3 per cent higher than 2016. Pensions in respect of Retirement recorded the largest increase in expenditure with €29.7 million more spent in 2017, mainly to cover the rise in Two-thirds Pension (€28.8 million). Further increases were reported under Pensions in respect of Widowhood (€9.1 million), the catalyst being a €6.1 million rise in Survivors' Pension, and Contributory Bonus (€2.7 million). On the other hand, drops in outlay were registered by Pensions in respect of Invalidity (€2.9 million), Other Benefits (€1.1 million) and Benefits in respect of Industrial Injuries and Gratuities (€0.1 million; Table 2).

In 2017, Non-Contributory expenditure amounted to €187.2 million, reflecting a slight drop of 0.7 per cent when compared to 2016. The decline followed €7.1 million less being spent on Social Assistance, the result of a €4.3 million drop in Unemployment Assistance outlay. Child Allowance also recorded a decrease totalling €1.1 million, as did Non-Contributory Bonus (€0.2 million). These drops were partially offset by rises in outlay reported under Old Age Pension (€3.4 million), Disability Pension/Allowance (€2.2 million), Supplementary Assistance (€1.3 million), In-Work Benefit (€0.2 million) and Medical Assistance (€0.1 million; Table 3).

Between October and December 2017, €233.7 million was spent on Social Security Benefits, 80.4 per cent of which was used to cover Contributory benefits. Contributory expenditure rose by €2.8 million, the outcome of a €10.0 million surge in Pensions in respect of Retirement (Table 4). As was the case for the whole of 2017, a €1.3 million downturn was reported in Non-Contributory spending. Drops of €1.9 million and €1.3 million in Social Assistance and Medical Assistance contributed to this development (Table 5).

### Social Security Beneficiaries<sup>1</sup>

In 2017 a total of 48,345 persons received a Two-Thirds Pension (Table 2), making this social benefit the one with the largest number of recipients among all the social benefits during the reference year. In addition, the Two-Thirds Pension registered the biggest increase in Contributory beneficiaries with 2,848 more pensioners than 2016. Conversely, the largest drops in recipients were reported under the Sickness (501) and Unemployment Benefits (492).

The largest share of Non-Contributory recipients consisted of Children's Allowance (43,753), followed by Supplementary Assistance (25,340). It was the latter that recorded the largest rise in beneficiaries with 1,096 more than 2016 and slightly higher than the increase of 1,077 persons registered by the In-Work Benefit. The Unemployment Assistance reported the biggest decline in recipients with 1,644 less recipients (Table 3).

Between October and December 2017, Two-Thirds pensioners contributed the largest share of Contributory beneficiaries with 46,840 recipients (Table 4) while the Children's Allowance formed the greatest cohort of Non-Contributory recipients (40,956; Table 5) ■

<sup>1</sup> Refer to methodological note 3.

Table 1. Comparative Social Security Benefits: January-December

Description	Jan-Dec 2015	Jan-Dec 2016	Jan-Dec 2017	Jan-Dec 2017 / Jan-Dec 2016	
				Change	% change
	€ 000				
Contributory Benefits	668,200	712,205	749,668	37,463	5.3
Non-Contributory Benefits	200,178	188,495	187,214	-1,281	-0.7
<b>Total Social Security Benefits</b>	<b>868,378</b>	<b>900,700</b>	<b>936,882</b>	<b>36,182</b>	<b>4.0</b>

Chart 1. Social Security Benefits Expenditure: January - December 2000-2017

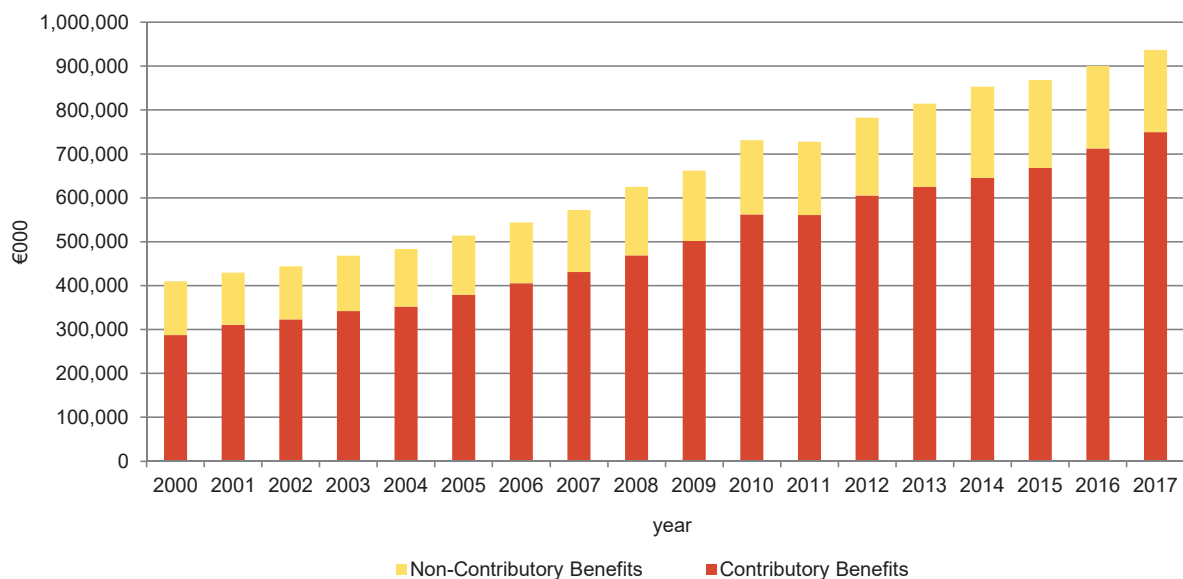


Chart 2. Social Security Benefits Expenditure by ESSPROS functions for January - December 2017

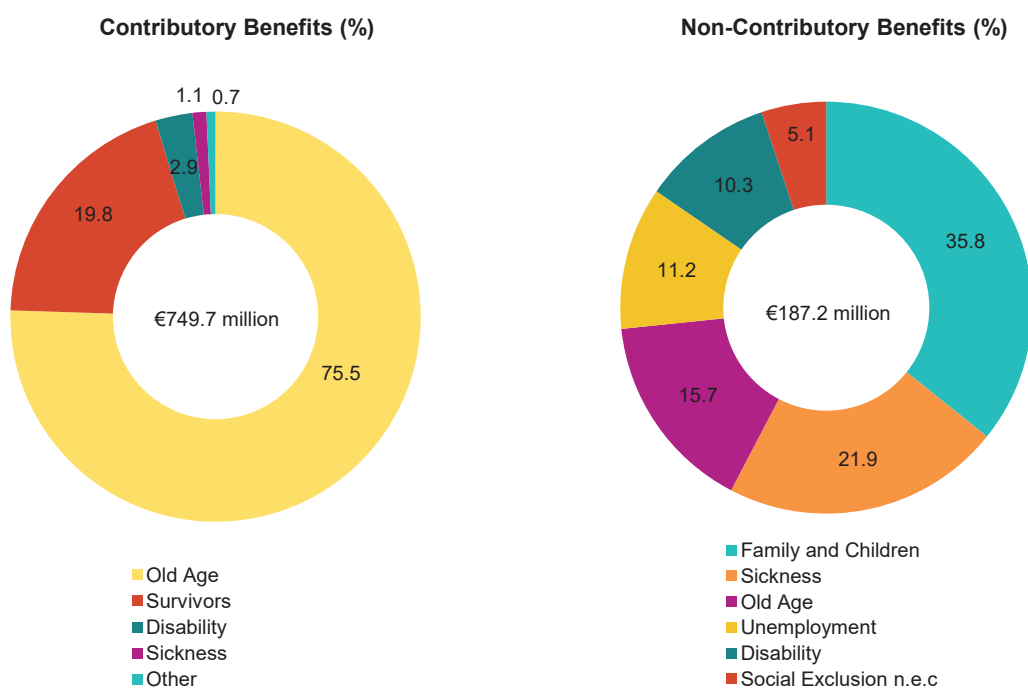


Table 2. Comparative Social Security Contributory Benefits: January-December

Description	Jan-Dec 2015		Jan-Dec 2016		Jan-Dec 2017	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
<b>Contributory Benefits</b>	-	<b>668,200</b>	-	<b>712,205</b>	-	<b>749,668</b>
Pensions in respect of Retirement	-	444,806	-	479,228	-	508,938
Retirement Pension	6,786	31,946	6,799	32,862	7,096	33,370
National Minimum Pension	5,866	31,035	6,184	35,870	6,544	36,652
Increased Retirement Pension	959	7,174	860	7,048	827	6,892
Two-thirds Pension	43,422	359,044	45,497	386,441	48,345	415,234
Increased National Minimum Pension	1,872	15,268	1,868	16,641	1,868	16,406
Decreased National Minimum Pension	54	338	59	365	68	385
Pensions in respect of Invalidity	-	24,332	-	24,870	-	22,010
Invalidity Pension	298	1,162	246	1,022	206	842
Increased Invalidity Pension	131	730	117	708	97	545
National Minimum Invalidity Pension	4,173	22,409	4,021	23,112	3,770	20,602
Decreased National Minimum Invalidity Pension	6	31	6	29	3	21
Pensions in respect of Widowhood	-	118,359	-	124,687	-	133,801
Widows' Pension	221	1,658	215	1,786	230	1,746
Early Survivors' Pension	1,697	13,290	1,827	14,290	1,831	14,741
Survivors' Pension	7,373	58,165	7,845	62,248	8,297	68,374
National Minimum Widows' Pension	6,823	45,245	6,874	46,363	6,799	48,939
Pension of Widows with Children <sup>1</sup>	1	-	0	0	0	0
Benefit in respect of Industrial Injuries and Gratuities	-	1,563	-	1,807	-	1,718
Injury Benefit	1,885	1,155	1,941	1,334	2,006	1,332
Injury Pension	277	345	269	411	255	330
Injury Gratuity	34	63	29	62	26	57
Other Benefits	-	12,945	-	12,545	-	11,418
Unemployment Benefit	2,160	1,236	1,713	1,003	1,221	697
Special Unemployment Benefit	487	446	351	291	210	185
Maternity Benefit	3,579	3,327	3,601	3,403	3,693	3,470
Sickness Benefit	19,339	6,413	20,317	6,307	19,816	6,095
Orphans' Allowance	17	83	15	80	20	117
Marriage Grant	3,247	881	3,272	896	3,065	849
Re-Marriage Gratuity <sup>2</sup>	90	559	92	565	91	5
Bonus	-	66,195	-	69,068	-	71,782

<sup>1</sup> For confidentiality reasons, 2015 expenditure for Pension of Widows with Children is included under Widows' Pension.

<sup>2</sup> After the first payment of 2017, the Re-Marriage Gratuity became inactive with recipients being converted to a Widows Pension.

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

Description	Jan-Dec 2015		Jan-Dec 2016		Jan-Dec 2017	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
<b>Non-Contributory Benefits</b>	-	<b>200,178</b>	-	<b>188,495</b>	-	<b>187,214</b>
Child Allowance	-	41,662	-	40,825	-	39,679
Children's Allowance	43,244	40,170	43,481	39,410	43,753	38,371
Foster Child Allowance	204	1,492	189	1,414	179	1,308
Old Age Pension	-	23,520	-	23,550	-	26,967
Age Pension	5,418	21,611	5,328	21,499	5,160	21,946
Carers Pension <sup>1</sup>	134	573	102	490	-	-
Increased Carers' Allowance <sup>1</sup>	-	-	-	-	527	3,310
Blind Pension / Assistance Visually Impaired <sup>2</sup>	283	1,336	321	1,562	349	1,712
Disability Pension/Allowance	-	15,329	-	17,132	-	19,337
Disability Child Allowance	1,168	1,271	1,304	1,428	1,352	1,452
Disability Pension <sup>3</sup>	2,105	10,683	2,193	11,280	-	-
Severely Disability Pension <sup>4</sup>	707	3,374	887	4,424	-	-
Severe Disability Assistance <sup>4</sup>	-	-	-	-	3,275	16,885
Increased Severe Disability Assistance <sup>4</sup>	-	-	-	-	244	699
Disability Assistance <sup>3</sup>	-	-	-	-	80	300
Total Social Assistance	-	74,875	-	69,037	-	61,977
Drug Addicts Allowance	63	26	80	37	70	58
Social Assistance	6,972	28,454	6,302	27,910	5,997	26,812
Social Assistance for Carers <sup>5</sup>	329	1,134	307	1,093	-	-
Carer's Allowance <sup>5</sup>	-	-	-	-	299	1,248
Social Assistance for Single Parents	4,006	16,107	3,495	14,804	3,262	13,948
Unemployment Assistance	4,814	17,091	3,598	10,293	1,954	6,005
Social Assistance Board	26	37	7	9	6	5
Unemployment Assistance Taper	2,101	5,441	3,060	8,391	3,601	8,135
Subsidiary Unemployment Assistance	2,439	6,584	2,311	6,500	1,874	5,767
Medical Assistance	-	18,239	-	18,308	-	18,411
Sickness Assistance	13,259	18,112	12,941	18,199	12,740	18,297
Leprosy Assistance	32	67	29	65	28	63
Milk Grant	113	60	82	44	82	51
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary Assistance	24,881	7,375	24,244	7,736	25,340	8,988
In-Work Benefit <sup>6</sup>	1,359	1,062	2,294	2,259	3,371	2,446
Child Supplementary Benefit <sup>7</sup>	14,289	7,836	-	-	-	-
Bonus	-	10,280	-	9,650	-	9,409

<sup>1</sup> In 2017, Carers Pension was replaced by Increased Carers' Allowance.

<sup>2</sup> In 2017, Blind Pension was renamed Assistance Visually Impaired.

<sup>3</sup> In 2017, Disability Pension was replaced by Disability Assistance.

<sup>4</sup> In 2017, Severely Disability Pension was replaced by Severely Disability Assistance and Increased Severely Disability Assistance.

<sup>5</sup> In 2017, Social Assistance for Carers was replaced by Carer's Allowance.

<sup>6</sup> Paid for the first time in April 2015.

<sup>7</sup> One-time payment made in September 2015.

Table 4. Comparative Social Security Contributory Benefits: October-December

Description	Oct-Dec 2015		Oct-Dec 2016		Oct-Dec 2017	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
<b>Contributory Benefits</b>	-	<b>172,247</b>	-	<b>185,156</b>	-	<b>187,975</b>
Pensions in respect of Retirement	-	105,573	-	113,636	-	123,698
Retirement Pension	6,411	7,482	6,600	7,718	6,384	7,715
National Minimum Pension	5,573	7,498	5,963	10,128	6,268	11,153
Increased Retirement Pension	851	1,566	794	1,510	725	1,636
Two-thirds Pension	42,317	85,242	44,262	89,675	46,840	98,099
Increased National Minimum Pension	1,761	3,710	1,733	4,521	1,754	4,999
Decreased National Minimum Pension	49	75	53	85	62	97
Pensions in respect of Invalidity	-	5,539	-	6,867	-	6,565
Invalidity Pension	232	246	194	270	185	248
Increased Invalidity Pension	117	164	104	180	83	165
National Minimum Invalidity Pension	3,700	5,122	3,526	6,412	3,348	6,144
Decreased National Minimum Invalidity Pension	5	7	3	6	3	7
Pensions in respect of Widowhood	-	36,090	-	38,454	-	31,776
Widows' Pension	213	495	193	452	212	399
Early Survivors' Pension	1,668	4,157	1,760	4,643	1,711	3,465
Survivors' Pension	7,055	17,813	7,468	19,478	7,767	16,316
National Minimum Widows' Pension	6,446	13,624	6,374	13,881	6,298	11,597
Pension of Widows with Children	0	0	0	0	0	0
Benefit in respect of Industrial Injuries and Gratuities	-	416	-	483	-	447
Injury Benefit	614	325	644	354	634	340
Injury Pension	264	78	259	100	241	96
Injury Gratuity	7	13	12	28	4	11
Other Benefits	-	3,059	-	3,272	-	3,095
Unemployment Benefit	730	273	556	216	422	192
Special Unemployment Benefit	168	89	109	53	61	42
Maternity Benefit	875	747	1,023	846	1,072	944
Sickness Benefit	6,830	1,519	7,143	1,690	6,719	1,663
Orphans' Allowance	15	26	14	24	15	23
Marriage Grant	824	224	903	247	837	232
Re-Marriage Gratuity <sup>1</sup>	88	180	92	195	0	0
Bonus	-	21,570	-	22,444	-	22,393

<sup>1</sup> After the first payment of 2017, the Re-Marriage Gratuity became inactive with recipients being converted to a Widows Pension.

Table 5. Comparative Social Security Non-Contributory Benefits: October-December

Description	Oct-Dec 2015		Oct-Dec 2016		Oct-Dec 2017	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
<b>Non-Contributory Benefits</b>	-	<b>48,113</b>	-	<b>47,023</b>	-	<b>45,725</b>
Child Allowance	-	9,855	-	9,812	-	9,680
Children's Allowance	40,769	9,547	40,789	9,343	40,956	9,269
Foster Child Allowance	188	309	163	469	168	411
Old Age Pension	-	5,523	-	5,270	-	6,831
Age Pension	5,013	5,075	4,866	4,793	4,766	5,075
Carers Pension <sup>1</sup>	95	122	85	108	-	-
Increased Carers' Allowance <sup>1</sup>	-	-	-	-	484	1,345
Blind Pension / Assistance Visually Impaired <sup>2</sup>	278	326	309	368	324	410
Disability Pension/Allowance	-	3,766	-	4,163	-	4,771
Disability Child Allowance	1,107	358	1,238	372	1,266	393
Disability Pension <sup>3</sup>	2,059	2,515	2,160	2,646	-	-
Severely Disability Pension <sup>4</sup>	696	893	873	1,145	-	-
Severe Disability Assistance <sup>4</sup>	-	-	-	-	3,089	3,905
Increased Severe Disability Assistance <sup>4</sup>	-	-	-	-	241	362
Disability Assistance <sup>3,5</sup>	-	-	-	-	80	111
Total Social Assistance	-	17,262	-	15,835	-	13,940
Drug Addicts Allowance	28	7	33	10	15	4
Social Assistance	5,642	6,372	5,430	6,423	5,104	6,021
Social Assistance for Carers <sup>5</sup>	275	253	272	261	-	-
Carer's Allowance <sup>5</sup>	-	-	-	-	250	288
Social Assistance for Single Parents	3,254	3,519	3,001	3,360	2,748	3,082
Unemployment Assistance	3,193	3,797	1,837	2,169	1,130	1,338
Social Assistance Board <sup>6</sup>	10	8	4	6	1	-
Unemployment Assistance Taper	1,867	1,729	2,618	1,935	2,769	1,848
Subsidiary Unemployment Assistance	1,704	1,576	1,600	1,672	1,321	1,358
Medical Assistance	-	5,588	-	5,578	-	4,236
Sickness Assistance	12,351	5,552	12,107	5,541	11,857	4,216
Leprosy Assistance	29	20	28	20	26	14
Milk Grant	45	16	33	17	16	6
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary allowance	23,917	2,037	23,359	2,030	24,397	2,168
In-Work Benefit <sup>7</sup>	1,336	432	1,973	1,039	2,704	859
Child Supplementary Benefit <sup>8</sup>	84	118	-	-	-	-
Bonus	-	3,532	-	3,296	-	3,241

<sup>1</sup> In 2017, Carers Pension was replaced by Increased Carers' Allowance.

<sup>2</sup> In 2017, Blind Pension was renamed Assistance Visually Impaired.

<sup>3</sup> In 2017, Disability Pension was replaced by Disability Assistance.

<sup>4</sup> In 2017, Severely Disability Pension was replaced by Severely Disability Assistance and Increased Severely Disability Assistance.

<sup>5</sup> In 2017, Social Assistance for Carers was replaced by Carer's Allowance.

<sup>6</sup> For confidentiality reasons, 2016 and 2017 outlays for Social Assistance Board have been included under corresponding Unemployment Assistance.

<sup>7</sup> Paid for the first time in April 2015.

<sup>8</sup> One-time payment made in September 2015.

## 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 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: <http://nso.gov.mt/statdb/start>  
Glossary: [http://nso.gov.mt/en/nso/Sources\\_and\\_Methods/Unit\\_A2/Public\\_Finance/Pages/Government-Expenditure-on-Social-Security-Benefits.aspx](http://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](https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx)