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During 2018, a €28.3 million increase was recorded in Social Security Benefits expenditure when compared to 2017.

Government Expenditure on Social Security Benefits: January-December 2018

Social Security Benefits Expenditure

Social Security Benefits amounted to €965.2 million by the end of 2018, 3.0 per cent higher than that of 2017. A €29.3 million rise in Contributory Benefits spending was the reason for the abovementioned rise in Social Security Benefits expenditure, while Non-Contributory Benefits outlay dropped by €0.9 million (Table 1).

Contributory Benefits outlay totalled €778.9 million, reflecting a 3.9 per cent increase from 2017. A €22.2 million rise in Pensions in respect of Retirement, the result of a higher amount of Two-Thirds pensioners being reported throughout the year, led to the increase in Contributory spending. Further increases were recorded by Pensions in respect of Widowhood (€5.9 million) and Contributory Bonus (€2.3 million). On the other hand, drops in outlay of €0.8 million and €0.3 million were reported under Other Benefits and Pensions in respect of Invalidity respectively (Table 2).

Non-Contributory outlay amounted to €186.3 million, 0.5 per cent lower than that of 2017. Total Social Assistance registered the biggest drop in expenditure of €6.5 million, while minor drops were reported under Child Allowance (€ 0.4 million), Non-Contributory Bonus (€0.2 million) and Medical Assistance (€0.1 million). Conversely, higher spending was reported under Disability Pension/Allowance (€2.7 million), Old Age Pension (€2.3 million) and In-Work Benefit (€1.3 million) (Table 3).

Between October and December 2018, the Government spent €239.2 million on Social Security Benefits, 81.1 per cent of which covered Contributory Benefits. Contributory expenditure rose by €6.1 million following increases reported under Pensions in respect of Retirement (€3.2 million) and Widowhood (€2.5 million) (Table 4). Conversely, Non-Contributory outlay dropped by €0.6 million, following a €1.5 million decline in Social Assistance slightly offset by increases recorded under Disability Pension/Allowance (€0.7 million) and Medical Assistance (€0.3 million) (Table 5).

Social Security Beneficiaries¹

In 2018, the largest cohort of Contributory beneficiaries was reported under the Two-Thirds Pension (48,987), which coincidentally also recorded the biggest rise in beneficiaries with 645 more recipients than 2017. On the other hand, the Retirement Pension reported the highest drop in beneficiaries with 763 less persons than that of the previous year (Table 2).

The majority of Non-Contributory recipients consisted of Children's Allowance (43,917), followed by Supplementary Assistance (24,967). The In-Work Benefit recorded the largest increase in beneficiaries with 1,143 more recipients than 2017. Conversely, the biggest drop was reported by the Unemployment Assistance (562) (Table 3).

Quarter-wise a similar picture was shown with Two-Thirds pensioners containing the largest share of Contributory beneficiaries with 47,447 recipients (Table 4) and the biggest cohort of Non-Contributory recipients falling under Childrens Allowance (41,329) (Table 5) ■

¹ Refer to methodological note 3.

Table 1. Comparative Social Security Benefits: January-December

Description	Jan-Dec 2016	Jan-Dec 2017	Jan-Dec 2018	Jan-Dec 2018 / Jan-Dec 2017	
				Change	% change
Contributory Benefits	712,205	749,668	778,936	29,268	3.9
Non-Contributory Benefits	188,495	187,214	186,293	-921	-0.5
Total Social Security Benefits	900,700	936,882	965,229	28,347	3.0

Chart 1. Social Security Benefits Expenditure: January - December 2001-2018

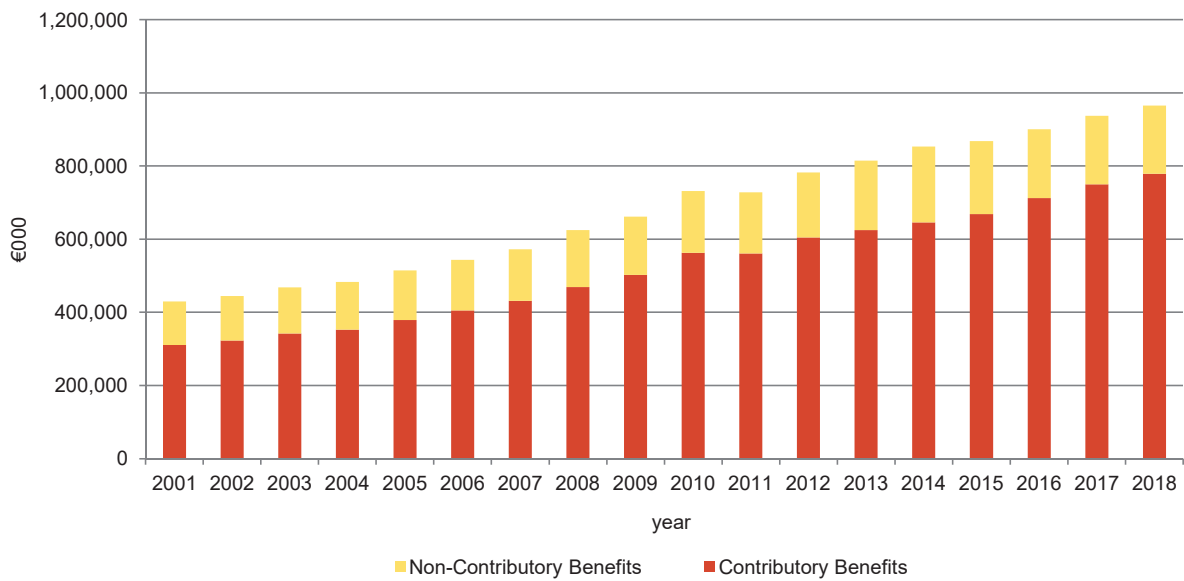


Chart 2. Social Security Benefits Expenditure by ESSPROS functions for January - December 2018

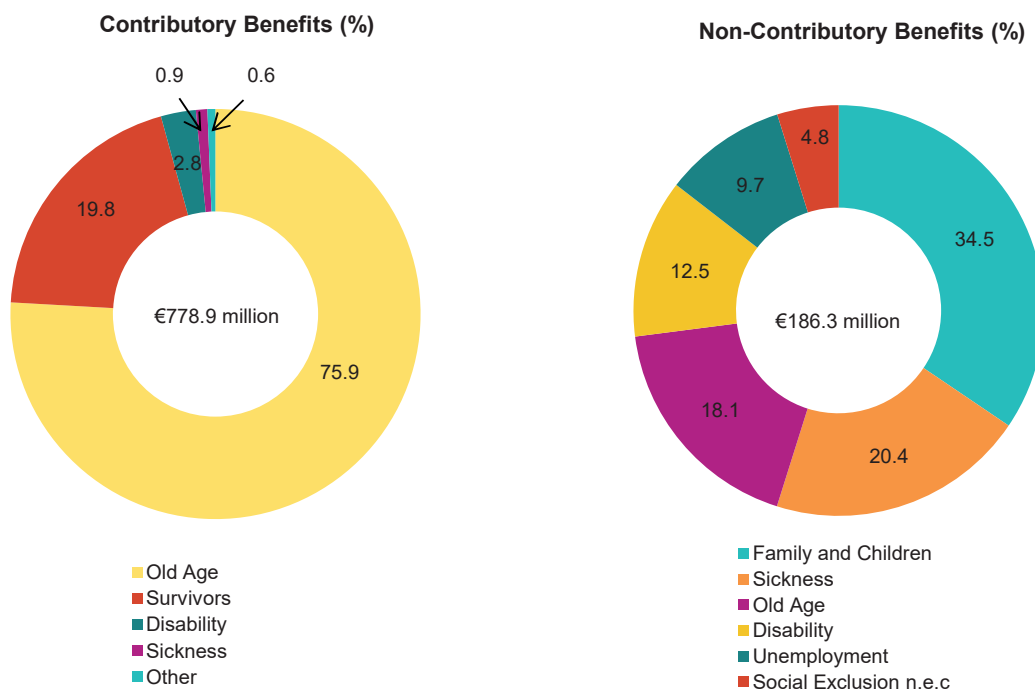


Table 2. Comparative Social Security Contributory Benefits: January-December

Description	Jan-Dec 2016		Jan-Dec 2017		Jan-Dec 2018	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	712,205	-	749,668	-	778,936
Pensions in respect of Retirement	-	479,228	-	508,938	-	531,145
Retirement Pension	6,799	32,862	7,096	33,370	6,333	31,470
National Minimum Pension	6,182	35,870	6,544	36,652	6,535	37,909
Increased Retirement Pension	858	7,048	827	6,892	724	6,345
Two-thirds Pension	45,491	386,441	48,342	415,234	48,987	438,276
Increased National Minimum Pension	1,868	16,641	1,868	16,406	1,881	16,749
Decreased National Minimum Pension	59	365	68	385	61	397
Pensions in respect of Invalidity	-	24,870	-	22,010	-	21,716
Invalidity Pension	246	1,022	206	842	193	801
Increased Invalidity Pension	117	708	97	545	78	473
National Minimum Invalidity Pension	4,021	23,112	3,770	20,602	3,598	20,419
Decreased National Minimum Invalidity Pension	6	29	3	21	3	23
Pensions in respect of Widowhood	-	124,687	-	133,801	-	139,678
Widows' Pension	215	1,786	230	1,746	217	1,628
Early Survivors' Pension	1,827	14,290	1,831	14,741	1,878	15,321
Survivors' Pension	7,842	62,248	8,296	68,374	8,840	72,155
National Minimum Widows' Pension	6,874	46,363	6,799	48,939	6,958	50,574
Pension of Widows with Children	0	0	0	0	0	0
Benefit in respect of Industrial Injuries and Gratuities	-	1,807	-	1,718	-	1,724
Injury Benefit	1,940	1,334	2,006	1,332	2,031	1,346
Injury Pension	269	411	255	330	242	318
Injury Gratuity	29	62	26	57	24	61
Other Benefits	-	12,545	-	11,418	-	10,612
Unemployment Benefit	1,702	1,003	1,219	697	1,067	604
Special Unemployment Benefit	351	291	210	185	183	124
Maternity Benefit	3,601	3,403	3,693	3,470	3,551	3,383
Sickness Benefit	20,297	6,307	19,815	6,095	20,302	5,585
Orphans' Allowance	15	80	20	117	16	86
Marriage Grant	3,272	896	3,065	849	2,958	830
Re-Marriage Gratuity ¹	92	565	91	5	0	0
Bonus	-	69,068	-	71,782	-	74,061

¹ 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 2016		Jan-Dec 2017		Jan-Dec 2018	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	188,495	-	187,214	-	186,293
Child Allowance	-	40,825	-	39,679	-	39,312
Childrens Allowance	43,477	39,410	43,752	38,371	43,917	37,547
Foster Child Allowance	189	1,414	179	1,308	191	1,766
Old Age Pension	-	23,550	-	26,967	-	29,252
Age Pension	5,326	21,499	5,160	21,946	5,084	22,016
Carers' Pension ¹	102	490	-	-	-	-
Increased Carers' Allowance ¹	-	-	527	3,310	819	5,388
Blind Pension / Assistance Visually Impaired ²	321	1,562	349	1,712	361	1,848
Disability Pension/Allowance	-	17,132	-	19,337	-	22,001
Disability Child Allowance	1,304	1,428	1,352	1,452	1,497	1,709
Disability Pension ³	2,193	11,280	-	-	-	-
Disability Assistance ³	-	-	80	300	137	514
Severely Disability Pension ⁴	887	4,424	-	-	-	-
Severe Disability Assistance ⁴	-	-	3,275	16,885	3,238	16,353
Increased Severe Disability Assistance ⁴	-	-	244	699	538	3,425
Total Social Assistance	-	69,037	-	61,977	-	55,442
Drug Addicts Allowance	78	37	70	58	63	38
Social Assistance	6,301	27,910	5,996	26,812	5,520	24,522
Social Assistance for Carers ⁵	307	1,093	-	-	-	-
Carers' Allowance ⁵	-	-	298	1,248	252	957
Social Assistance for Single Parents	3,494	14,804	3,261	13,948	2,961	12,896
Unemployment Assistance	3,594	10,293	1,954	6,005	1,392	4,664
Social Assistance Board ⁶	7	9	6	5	2	-
Unemployment Assistance Taper	3,060	8,391	3,601	8,135	3,473	7,018
Subsidiary Unemployment Assistance	2,309	6,500	1,874	5,767	1,660	5,346
Medical Assistance	-	18,308	-	18,411	-	18,334
Sickness Assistance	12,940	18,199	12,739	18,297	12,576	18,226
Leprosy Assistance	29	65	28	63	24	56
Milk Grant	82	44	82	51	81	52
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary Assistance	24,235	7,736	25,339	8,988	24,967	8,986
In-Work Benefit	2,112	2,259	3,371	2,446	4,514	3,754
Bonus	-	9,650	-	9,409	-	9,213

¹ In 2017, Carers' Pension was replaced by Increased Carers' Allowance.

² In 2017, Blind Pension was renamed as Assistance Visually Impaired.

³ In 2017, Disability Pension was replaced by Disability Assistance.

⁴ In 2017, Severely Disability Pension was replaced by Severely Disability Assistance and Increased Severely Disability Assistance.

⁵ In 2017, Social Assistance for Carers was replaced by Carers' Allowance.

⁶ For confidentiality reasons, 2018 outlay for Social Assistance Board has been included under Unemployment Assistance.

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

Description	Oct-Dec 2016		Oct-Dec 2017		Oct-Dec 2018	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	185,156	-	187,975	-	194,066
Pensions in respect of Retirement	-	113,636	-	123,698	-	126,923
Retirement Pension	6,599	7,718	6,384	7,715	5,818	7,060
National Minimum Pension	5,961	10,128	6,265	11,153	6,160	11,194
Increased Retirement Pension	794	1,510	725	1,636	646	1,430
Two-thirds Pension	44,255	89,675	46,830	98,099	47,447	102,151
Increased National Minimum Pension	1,733	4,521	1,753	4,999	1,732	4,990
Decreased National Minimum Pension	53	85	62	97	56	97
Pensions in respect of Invalidity	-	6,867	-	6,565	-	6,529
Invalidity Pension	194	270	185	248	163	235
Increased Invalidity Pension	103	180	83	165	70	156
National Minimum Invalidity Pension	3,526	6,412	3,347	6,144	3,285	6,131
Decreased National Minimum Invalidity Pension	3	6	3	7	3	7
Pensions in respect of Widowhood	-	38,454	-	31,776	-	34,294
Widows' Pension	193	452	212	399	202	395
Early Survivors' Pension	1,760	4,643	1,711	3,465	1,749	3,622
Survivors' Pension	7,465	19,478	7,763	16,316	8,087	17,824
National Minimum Widows' Pension	6,373	13,881	6,293	11,597	6,204	12,453
Pension of Widows with Children	0	0	0	0	0	0
Benefit in respect of Industrial Injuries and Gratuities	-	483	-	447	-	473
Injury Benefit	644	354	634	340	588	361
Injury Pension	259	100	241	96	239	95
Injury Gratuity	12	28	4	11	8	17
Other Benefits	-	3,272	-	3,095	-	2,798
Unemployment Benefit	551	216	421	192	324	158
Special Unemployment Benefit	109	53	61	42	60	32
Maternity Benefit	1,023	846	1,072	944	1,072	970
Sickness Benefit	7,137	1,690	6,718	1,663	6,403	1,413
Orphans' Allowance	14	24	15	23	13	20
Marriage Grant	903	247	837	232	728	206
Re-Marriage Gratuity ¹	92	195	0	0	0	0
Bonus	-	22,444	-	22,393	-	23,049

¹ 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 2016		Oct-Dec 2017		Oct-Dec 2018	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	47,023	-	45,725	-	45,164
Child Allowance	-	9,812	-	9,680	-	9,414
Childrens Allowance	40,786	9,343	40,955	9,269	41,329	8,900
Foster Child Allowance	163	469	168	411	175	514
Old Age Pension	-	5,270	-	6,831	-	6,908
Age Pension	4,861	4,793	4,764	5,075	4,746	5,213
Carers' Pension ¹	85	108	-	-	-	-
Increased Carers' Allowance ¹	-	-	484	1,345	723	1,254
Blind Pension / Assistance Visually Impaired ²	309	368	324	410	348	441
Disability Pension/Allowance	-	4,163	-	4,771	-	5,442
Disability Child Allowance	1,238	372	1,266	393	1,405	506
Disability Pension ³	2,160	2,646	-	-	-	-
Disability Assistance ³	-	-	80	111	129	170
Severely Disability Pension ⁴	873	1,145	-	-	-	-
Severe Disability Assistance ⁴	-	-	3,089	3,905	3,019	3,883
Increased Severe Disability Assistance ⁴	-	-	241	362	527	884
Total Social Assistance	-	15,835	-	13,940	-	12,424
Drug Addicts Allowance	32	10	14	4	23	11
Social Assistance	5,429	6,423	5,102	6,021	4,663	5,472
Social Assistance for Carers ⁵	271	261	-	-	-	-
Carers' Allowance ⁵	-	-	249	288	193	175
Social Assistance for Single Parents	3,001	3,360	2,746	3,082	2,526	2,905
Unemployment Assistance	1,835	2,169	1,130	1,338	896	1,093
Social Assistance Board ⁶	4	6	1	-	1	-
Unemployment Assistance Taper	2,618	1,935	2,769	1,848	2,240	1,490
Subsidiary Unemployment Assistance	1,598	1,672	1,320	1,358	1,145	1,277
Medical Assistance	-	5,578	-	4,236	-	4,578
Sickness Assistance	12,104	5,541	11,855	4,216	11,650	4,555
Leprosy Assistance	28	20	26	14	23	14
Milk Grant	33	17	16	6	21	8
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary allowance	23,324	2,030	24,396	2,168	24,016	2,128
In-Work Benefit	1,720	1,039	2,704	859	3,373	1,129
Bonus	-	3,296	-	3,241	-	3,142

¹ In 2017, Carers Pension was replaced by Increased Carers' Allowance.

⁵ In 2017, Social Assistance for Carers was replaced by Carers' Allowance.

³ In 2017, Disability Pension was replaced by Disability Assistance.

⁴ In 2017, Severely Disability Pension was replaced by Severely Disability Assistance and Increased Severely Disability Assistance.

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

⁶ For confidentiality reasons, 2017 and 2018 outlays for Social Assistance Board have been included under corresponding Unemployment Assistance.

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
8. Kindly indicate source when quoting from this release.
9. The advanced news release calendar may be accessed at www.nso.gov.mt