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In the first half of 2016, the outlay on social security benefits increased by €15.3 million when compared to 2015 outlay.

Government Expenditure on Social Security Benefits: January-June 2016

Social Security Benefits Expenditure

Total social security benefits amounted to €423.2 million during the first six months of 2016, 3.8 per cent higher than the corresponding period in 2015. The increase in expenditure was due to a €17.7 million rise in Contributory Benefits outlay. On the other hand, Non-Contributory Benefits expenditure declined by €2.4 million (Table 1).

Contributory Benefits outlay totalled €330.0 million, 5.7 per cent higher than the first half of 2015. The rise in outlay was mainly due to a €14.7 million rise in Pensions in respect of Retirement. Further increases in expenditure were registered under Pensions in respect of Widowhood (€2.5 million), Contributory Bonus (€1.2 million) and Benefits in respect of Industrial Injuries and Gratuities (€0.1 million). Conversely, declines were recorded under both Pensions in respect of Invalidity (€0.5 million) and Other Benefits (€0.3 million) (Table 2).

Non-Contributory Benefits expenditure decreased by 2.5 per cent during the first six months of 2016, totalling €93.2 million. A €3.1 million decline in Social Assistance was the main reason behind such a decrease, followed by drops in outlay for Child Allowance (€0.9 million) and Non-Contributory Bonus (€0.2 million). On the other hand, a rise in outlay was recorded under Disability Pension/Allowance (€1.0 million), In-Work Benefit (€0.4 million), Old Age Pension and Supplementary Allowance (both €0.2 million) (Table 3).

During the second quarter of 2016, social security benefits expenditure totalled €216.6 million, reflecting a 2.7 per cent increase from the second quarter of 2015. The rise in outlay was due to a €7.3 million rise in Contributory benefits expenditure, mainly due to a €7.7 million increase in Pensions in respect of Retirement (Table 4). Non-Contributory declined by €1.7 million in the second quarter of 2016, following a €1.8 million decline in Social Assistance outlay (Table 5).

Social Security Beneficiaries¹

During the first half of 2016, the largest cohort of Social Security Contributory Beneficiaries was recorded under the Two-Thirds Pension (43,893). In comparison to the corresponding period in 2015, the largest increase in beneficiaries was also registered under the Two-Thirds Pension (2,063) while the biggest decline was registered under the Unemployment Benefit with 318 less recipients (Table 2).

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Non-Contributory Benefits mainly consisted of Children's Allowance (41,589) and Supplementary Assistance (23,460) recipients. The largest rise in beneficiaries was recorded under Unemployment Assistance Taper (1,094) while Unemployment Assistance registered the largest decline with 1,161 less recipients (Table 3) ■

¹ Refer to methodological note 2

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Table 1. Comparative Social Security Benefits: January-June

Description	Jan-Jun 2014	Jan-Jun 2015	Jan-Jun 2016	Jan-Jun 2016 / Jan-Jun 2015	
				Change	% change
	€ 000				
Contributory Benefits	303,532	312,323	330,014	17,691	5.7
Non-Contributory Benefits	108,721	95,508	93,154	-2,354	-2.5
Total Social Security Benefits	412,253	407,831	423,169	15,338	3.8

Chart 1. Social Security Benefits Expenditure: January-June 2000-2016

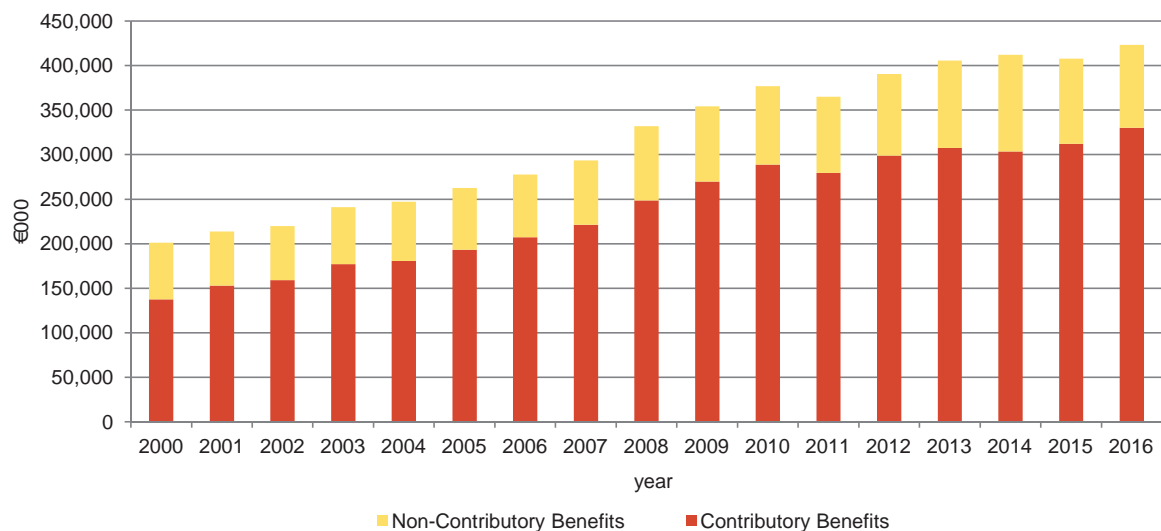


Chart 2. Social Security Benefits Expenditure by ESSPROS functions for January-June 2016

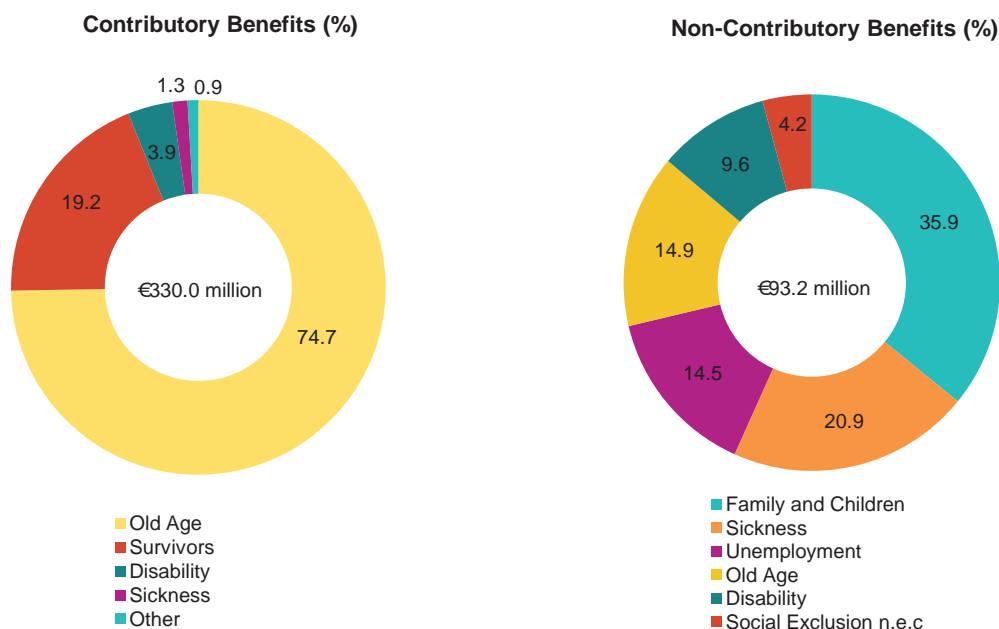


Table 2. Comparative Social Security Contributory Benefits: January-June

Description	Jan-Jun 2014		Jan-Jun 2015		Jan-Jun 2016	
	Beneficiaries	€000	Beneficiaries	€000	Beneficiaries	€000
Contributory Benefits	-	303,532	-	312,323	-	330,014
Pensions in respect of Retirement	-	196,896	-	204,959	-	219,675
Retirement Pension	6,711	19,215	6,561	14,694	6,599	14,957
National Minimum Pension	5,512	15,716	5,657	16,336	5,899	17,597
Increased Retirement Pension	1,046	3,416	920	3,451	848	3,108
Two-thirds Pension	39,834	150,673	41,830	162,339	43,893	175,499
Increased National Minimum Pension	1,766	7,693	1,813	7,978	1,814	8,342
Decreased National Minimum Pension	66	184	54	161	57	172
Pensions in respect of Invalidity	-	13,843	-	13,159	-	12,665
Invalidity Pension	351	841	284	647	235	538
Increased Invalidity Pension	133	442	131	399	114	377
National Minimum Invalidity Pension	4,114	12,544	3,926	12,095	3,792	11,731
Decreased National Minimum Invalidity Pension	6	17	6	18	6	19
Pensions in respect of Widowhood	-	53,948	-	54,197	-	56,693
Widows' Pension ¹	224	4,148	216	756	212	965
Early Survivors' Pension	1,588	5,773	1,640	6,081	1,707	6,409
Survivors' Pension	6,838	24,424	7,100	26,589	7,313	27,818
National Minimum Widows' Pension	6,625	19,588	6,581	20,771	6,513	21,501
Pension of Widows with Children ²	8	15	1	-	0	0
Benefit in respect of Industrial Injuries and Gratuities	-	808	-	783	-	872
Injury Benefit	965	578	924	559	968	638
Injury Pension	286	192	277	190	266	215
Injury Gratuity	24	38	21	35	12	19
Other Benefits	-	6,538	-	6,527	-	6,217
Unemployment Benefit	1,807	862	1,414	717	1,096	547
Special Unemployment Benefit	515	436	326	278	221	181
Maternity Benefit	1,673	1,399	1,887	1,665	1,858	1,691
Sickness Benefit	11,750	3,277	12,199	3,287	12,766	3,210
Orphans' Allowance	16	40	17	40	15	37
Marriage Grant	1,093	293	1,072	289	1,124	307
Re-Marriage Gratuity	75	230	81	250	89	244
Bonus	-	31,498	-	32,698	-	33,893

¹ 2014 Widows' Pension outlay includes welfare payments.

² For confidentiality reasons, 2015 expenditure for Pension of Widows with Children is included under Widows' Pension.

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

Description	Jan-Jun 2014		Jan-Jun 2015		Jan-Jun 2016	
	Beneficiaries	€000	Beneficiaries	€000	Beneficiaries	€000
Non-Contributory Benefits	-	108,721	-	95,508	-	93,154
Child Allowance	-	30,769	-	21,170	-	20,288
Children's Allowance	41,537	29,773	41,349	20,310	41,589	19,604
Foster Child Allowance	212	996	194	859	187	684
Old Age Pension	-	12,346	-	12,461	-	12,695
Age Pension	5,093	11,292	5,194	11,454	5,169	11,598
Carers Pension	142	394	122	321	99	275
Blind Pension	228	660	261	686	304	823
Disability Pension/Allowance	-	7,601	-	7,918	-	8,906
Disability Child Allowance	949	788	1,032	617	1,212	696
Disability Pension	1,985	5,524	2,037	5,650	2,109	5,971
Severely Disability Pension	465	1,289	603	1,652	785	2,239
Total Social Assistance	-	38,163	-	36,499	-	33,433
Drug Addicts Allowance	42	15	30	9	43	16
Social Assistance	9,038	18,802	6,487	13,624	5,829	13,080
Social Assistance for Carers	319	544	311	544	286	511
Social Assistance for Single Parents	3,341	6,979	3,849	7,761	3,306	6,985
Unemployment Assistance	5,412	11,809	4,422	9,320	3,261	5,889
Social Assistance Board ¹	12	13	20	21	2	-
Unemployment Assistance Taper ²	-	-	1,330	1,950	2,424	3,665
Subsidiary Unemployment Assistance ³	-	-	2,015	3,269	1,974	3,288
Medical Assistance	-	8,778	-	8,460	-	8,481
Sickness Assistance	13,152	8,723	12,794	8,401	12,489	8,432
Leprosy Assistance	34	31	32	32	29	30
Milk Grant	61	24	66	27	46	18
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary allowance	24,799	5,349	24,055	3,542	23,460	3,700
In-Work Benefit ⁴	-	-	939	242	1,571	675
Bonus	-	5,714	-	5,215	-	4,975

¹For confidentiality reasons, 2016 expenditure for Pension of Social Assistance Board is included under Social Assistance.

²Paid for the first time in July 2014.

³Paid for the first time in September 2014.

⁴Paid for the first time in April 2015.

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

Description	Apr-Jun 2014		Apr-Jun 2015		Apr-Jun 2016	
	Beneficiaries	€000	Beneficiaries	€000	Beneficiaries	€000
Contributory Benefits	-	154,829	-	160,642	-	167,983
Pensions in respect of Retirement	-	98,004	-	101,936	-	109,612
Retirement Pension	6,373	9,569	6,272	7,290	6,542	7,492
National Minimum Pension	5,416	7,246	5,517	7,173	5,791	7,811
Increased Retirement Pension	935	1,633	880	1,683	829	1,536
Two-thirds Pension	39,469	75,932	41,421	82,160	43,526	89,035
Increased National Minimum Pension	1,698	3,524	1,757	3,550	1,747	3,649
Decreased National Minimum Pension	56	99	53	81	55	88
Pensions in respect of Invalidity	-	6,108	-	5,617	-	5,363
Invalidity Pension	321	391	264	275	210	215
Increased Invalidity Pension	123	218	125	172	109	173
National Minimum Invalidity Pension	3,920	5,492	3,727	5,162	3,549	4,966
Decreased National Minimum Invalidity Pension	6	7	6	7	5	9
Pensions in respect of Widowhood	-	26,943	-	27,433	-	28,378
Widows' Pension ¹	218	2,111	213	380	207	377
Early Survivors' Pension	1,575	2,892	1,625	3,035	1,683	3,208
Survivors' Pension	6,752	12,214	6,996	13,491	7,191	14,007
National Minimum Widows' Pension	6,501	9,721	6,433	10,526	6,380	10,786
Pension of Widows with Children	5	6	0	0	0	0
Benefit in respect of Industrial Injuries and Gratuities	-	395	-	380	-	449
Injury Benefit	572	285	484	272	583	353
Injury Pension	278	88	273	84	264	78
Injury Gratuity	14	22	12	24	12	19
Other Benefits	-	3,304	-	3,134	-	3,066
Unemployment Benefit	1,073	417	798	292	658	269
Special Unemployment Benefit	297	205	183	108	116	75
Maternity Benefit	858	700	934	797	917	772
Sickness Benefit	6,446	1,656	6,738	1,613	7,060	1,637
Orphans' Allowance	16	20	15	17	15	19
Marriage Grant	674	183	648	175	616	169
Re-Marriage Gratuity	72	123	81	132	89	125
Bonus	-	20,076	-	22,141	-	21,114

¹ 2014 Widows' Pension outlay includes welfare payments.

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

Description	Apr-Jun 2014		Apr-Jun 2015		Apr-Jun 2016	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	51,132	-	50,330	-	48,594
Child Allowance	-	10,130	-	10,607	-	10,071
Children's Allowance	40,726	9,743	40,529	10,144	40,764	9,604
Foster Child Allowance	203	387	188	463	185	466
Old Age Pension	-	7,224	-	7,161	-	7,261
Age Pension	4,978	6,611	5,034	6,584	4,955	6,635
Carers Pension	133	230	101	166	91	157
Blind Pension	225	383	258	412	301	470
Disability Pension/Allowance	-	4,226	-	4,612	-	5,091
Disability Child Allowance	925	292	1,005	318	1,190	341
Disability Pension	1,973	3,203	2,023	3,259	2,097	3,442
Severely Disability Pension	459	731	599	1,036	785	1,308
Total Social Assistance	-	19,201	-	17,911	-	16,143
Drug Addicts Allowance	30	9	22	5	29	7
Social Assistance	8,555	9,646	5,896	6,678	5,521	6,486
Social Assistance for Carers	299	282	296	276	271	255
Social Assistance for Single Parents	3,201	3,458	3,524	3,775	3,127	3,431
Unemployment Assistance	4,774	5,801	3,703	4,363	2,231	2,490
Social Assistance Board ¹	6	5	13	10	1	-
Unemployment Assistance Taper ²	-	-	1,288	1,198	2,293	1,839
Subsidiary Unemployment Assistance ³	-	-	1,765	1,606	1,725	1,636
Medical Assistance	-	4,370	-	4,188	-	4,230
Sickness Assistance	12,856	4,341	12,354	4,157	12,108	4,207
Leprosy Assistance	33	14	30	16	28	15
Milk Grant	46	15	45	16	30	8
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary allowance	24,412	1,712	23,652	1,771	23,088	1,840
In-Work Benefit ⁴	-	-	939	242	828	309
Bonus	-	4,270	-	3,838	-	3,649

¹For confidentiality reasons, 2016 expenditure for Pension of Social Assistance Board is included under Social Assistance.

²Paid for the first time in July 2014.

³Paid for the first time in September 2014.

⁴Paid for the first time in April 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