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In the first nine months of 2016, the outlay on social security benefits increased by €20.5 million when compared to 2015 outlay.

Government Expenditure on Social Security Benefits: January-September 2016

Social Security Benefits Expenditure

Total social security benefits amounted to €668.5 million during the first three quarters of 2016, reflecting a 3.2 per cent rise from the corresponding period in 2015. The increase in expenditure was due to a €31.1 million rise in Contributory Benefits outlay. On the other hand, Non-Contributory Benefits expenditure declined by €10.6 million (Table 1).

Contributory Benefits 2016 outlay totalled €527.0 million by the end of September, 6.3 per cent higher than the same period in 2015. The rise in outlay was mainly due to a €26.4 million rise in Pensions in respect of Retirement. Further increases in expenditure were registered under Pensions in respect of Widowhood (€4.0 million), Contributory Bonus (€2.0 million) and Benefits in respect of Industrial Injuries and Gratuities (€0.2 million). Conversely, declines were recorded under both Pensions in respect of Invalidity (€0.8 million) and Other Benefits (€0.6 million) (Table 2).

Non-Contributory Benefits expenditure decreased by 7.0 per cent during the first nine months of 2016, amounting to €141.5 million. The main reason behind the decline was due to the one-time Child Supplementary Benefit paid in September 2015, accounting for €7.7 million of the Non-Contributory outlay for the third quarter of that year. Further decreases were recorded under Social Assistance (€4.4 million), Child Allowance (€0.8 million) and Non-Contributory Bonus (€0.4 million). The decline in outlay was slightly offset by increases being recorded under Disability Pension/Allowance (€1.4 million), In-Work Benefit (€0.6 million), Supplementary Allowance (€0.4 million), Old Age Pension (€0.3 million) and Medical Assistance (€0.1 million) (Table 3).

During the third quarter of 2016, social security benefits expenditure totalled €245.4 million, reflecting a 2.2 per cent increase when compared to the corresponding quarter in 2015. The rise in outlay was due to a €13.4 million rise in Contributory benefits expenditure, mainly due to a €11.6 million increase in Pensions in respect of Retirement (Table 4). Non-Contributory outlay declined by €8.2 million in the third quarter of 2016 (Table 5).

Social Security Beneficiaries¹

Compiled by:

Unit A2: Public Finance

Further information on data:

Mr Mark GALEA

T. +356 2599 7240

E. mark.b.galea@gov.mt

During the first nine months of 2016, the largest cohort of Social Security Contributory Beneficiaries was registered under the Two-Thirds Pension (44,753). In comparison to the corresponding period in 2015, the largest increase in beneficiaries was also recorded under the Two-Thirds Pension (2,053) while the biggest decline was registered under the Unemployment Benefit with 339 fewer recipients (Table 2).

Non-Contributory Benefits mainly consisted of Children's Allowance and Supplementary Allowance with 42,542 and 23,779 recipients respectively. Unemployment Assistance Taper recorded the largest rise in beneficiaries, with 999 more recipients than 2015, while Unemployment Assistance registered the largest decline with 1,179 less beneficiaries (Table 3) ■

¹ Refer to methodological note 2

Table 1. Comparative Social Security Benefits: January-September

Description	Jan-Sep 2014	Jan-Sep 2015	Jan-Sep 2016	Jan-Sep 2016 / Jan-Sep 2015	
				Change	% change
	€ 000				
Contributory Benefits	480,371	495,952	527,049	31,096	6.3
Non-Contributory Benefits	158,203	152,065	141,473	-10,592	-7.0
Total Social Security Benefits	638,575	648,017	668,522	20,504	3.2

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

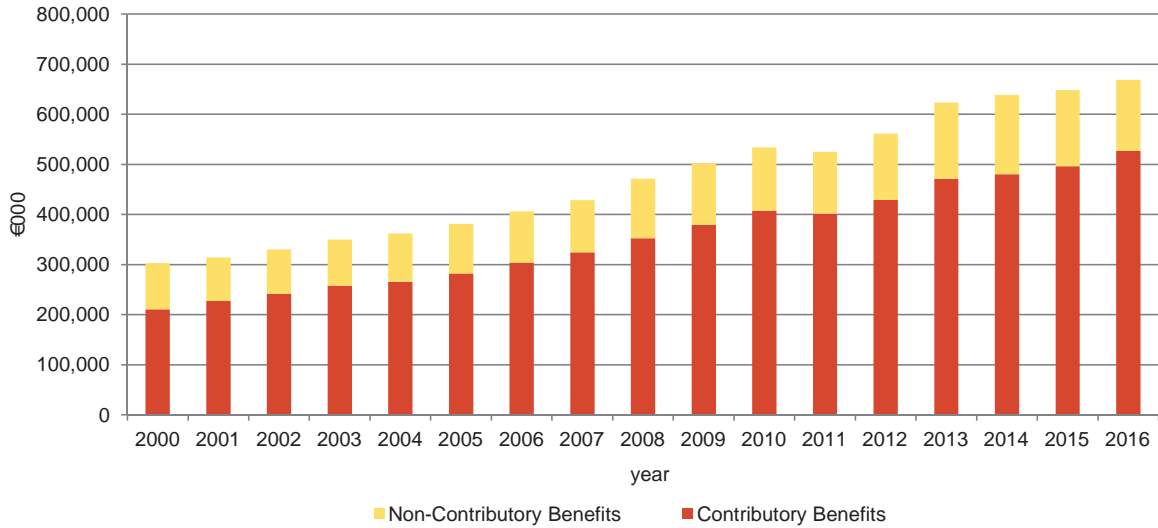


Chart 2. Social Security Benefits Expenditure by ESSPROS functions for January-September 2016

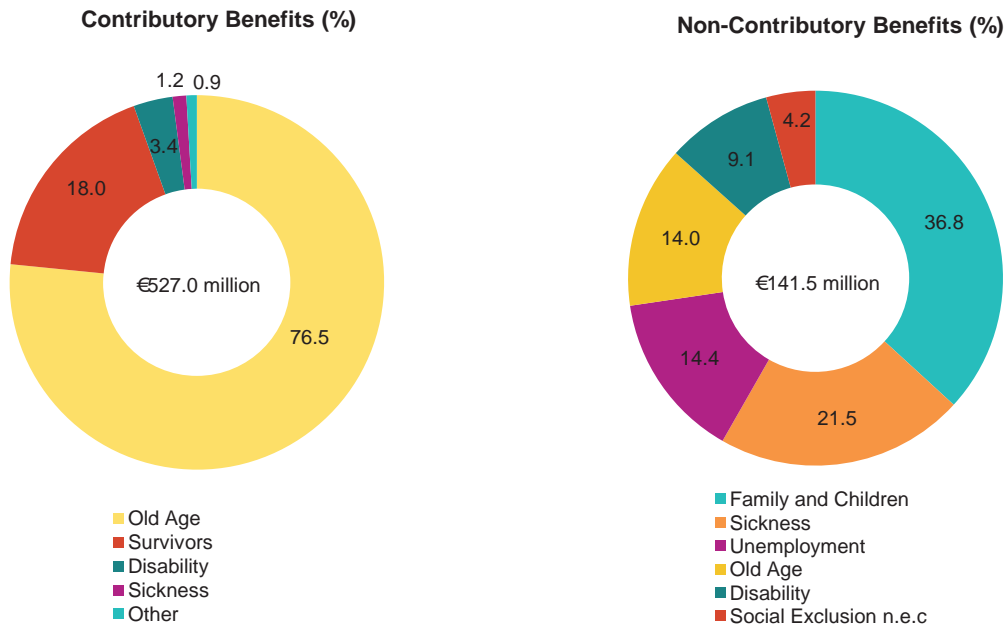


Table 2. Comparative Social Security Contributory Benefits: January-September

Description	Jan-Sep 2014		Jan-Sep 2015		Jan-Sep 2016	
	Beneficiaries	€000	Beneficiaries	€000	Beneficiaries	€000
Contributory Benefits	-	480,371	-	495,952	-	527,049
Pensions in respect of Retirement	-	325,184	-	339,233	-	365,592
Retirement Pension	6,828	32,338	6,664	24,464	6,705	25,144
National Minimum Pension	5,610	22,885	5,752	23,538	6,016	25,743
Increased Retirement Pension	1,055	5,529	925	5,609	851	5,539
Two-thirds Pension	40,679	252,977	42,700	273,802	44,753	296,765
Increased National Minimum Pension	1,800	11,170	1,838	11,558	1,833	12,120
Decreased National Minimum Pension	67	285	54	263	58	280
Pensions in respect of Invalidity	-	19,731	-	18,793	-	18,002
Invalidity Pension	355	1,209	294	916	238	752
Increased Invalidity Pension	133	598	131	565	116	528
National Minimum Invalidity Pension	4,201	17,900	4,034	17,287	3,904	16,700
Decreased National Minimum Invalidity Pension	6	24	6	25	6	23
Pensions in respect of Widowhood	-	80,937	-	82,269	-	86,233
Widows' Pension ¹	225	5,912	217	1,163	215	1,333
Early Survivors' Pension	1,611	8,693	1,652	9,133	1,738	9,647
Survivors' Pension	6,945	36,796	7,217	40,352	7,550	42,771
National Minimum Widows' Pension	6,722	29,515	6,692	31,621	6,641	32,482
Pension of Widows with Children ²	9	20	1	-	0	0
Benefit in respect of Industrial Injuries and Gratuities	-	1,164	-	1,146	-	1,324
Injury Benefit	1,459	850	1,389	830	1,423	979
Injury Pension	288	270	277	267	267	311
Injury Gratuity	30	45	28	50	17	34
Other Benefits	-	9,797	-	9,886	-	9,273
Unemployment Benefit	2,299	1,234	1,759	963	1,420	787
Special Unemployment Benefit	627	582	394	358	287	238
Maternity Benefit	2,524	2,181	2,857	2,580	2,749	2,557
Sickness Benefit	15,170	4,813	15,458	4,894	16,132	4,617
Orphans' Allowance	18	61	17	57	15	56
Marriage Grant	2,213	596	2,424	656	2,369	649
Re-Marriage Gratuity	77	329	84	379	90	369
Bonus	-	43,557	-	44,625	-	46,624

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-September

Description	Jan-Sep 2014		Jan-Sep 2015		Jan-Sep 2016	
	Beneficiaries	€000	Beneficiaries	€000	Beneficiaries	€000
Non-Contributory Benefits	-	158,203	-	152,065	-	141,473
Child Allowance	-	41,109	-	31,807	-	31,012
Children's Allowance	43,439	39,752	42,413	30,624	42,542	30,067
Foster Child Allowance	213	1,357	197	1,183	187	945
Old Age Pension	-	17,802	-	17,997	-	18,281
Age Pension	5,217	16,326	5,306	16,536	5,260	16,705
Carers Pension	146	551	128	450	100	382
Blind Pension	241	924	274	1,011	312	1,194
Disability Pension/Allowance	-	10,819	-	11,563	-	12,969
Disability Child Allowance	990	1,034	1,075	913	1,248	1,056
Disability Pension	2,008	7,939	2,076	8,169	2,149	8,634
Severely Disability Pension	485	1,846	660	2,481	827	3,279
Total Social Assistance	-	61,049	-	57,613	-	53,202
Drug Addicts Allowance	53	23	45	19	63	27
Social Assistance	9,675	30,743	6,772	22,082	6,094	21,486
Social Assistance for Carers	339	908	320	881	301	832
Social Assistance for Single Parents	3,471	11,491	3,941	12,588	3,410	11,444
Unemployment Assistance	5,674	17,240	4,612	13,294	3,433	8,124
Social Assistance Board	13	17	24	29	4	4
Unemployment Assistance Taper ¹	380	628	1,786	3,712	2,785	6,456
Subsidiary Unemployment Assistance ²	2	-	2,279	5,008	2,117	4,828
Medical Assistance	-	13,129	-	12,651	-	12,730
Sickness Assistance	13,409	13,040	13,008	12,559	12,725	12,658
Leprosy Assistance	34	49	32	47	29	45
Milk Grant	91	41	93	44	56	27
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary allowance	25,372	7,095	24,401	5,338	23,779	5,706
In-Work Benefit ³	-	-	1,247	630	1,783	1,220
Child Supplementary Benefit ⁴	-	-	14,301	7,718	-	-
Bonus	-	7,201	-	6,749	-	6,354

¹Paid for the first time in July 2014.

²Paid for the first time in September 2014. Furthermore, for confidentiality reasons, 2014 outlay has been included under Unemployment Assistance.

³Paid for the first time in April 2015.

⁴Paid in September 2015.

Table 4. Comparative Social Security Contributory Benefits: July-September

Description	July-Sep 2014		July-Sep 2015		July-Sep 2016	
	Beneficiaries	€000	Beneficiaries	€000	Beneficiaries	€000
Contributory Benefits	-	176,839	-	183,629	-	197,034
Pensions in respect of Retirement	-	128,288	-	134,274	-	145,917
Retirement Pension	6,452	13,123	6,338	9,770	6,571	10,187
National Minimum Pension	5,427	7,168	5,529	7,202	5,844	8,146
Increased Retirement Pension	921	2,114	853	2,158	818	2,431
Two-thirds Pension	39,996	102,304	41,973	111,463	43,992	121,266
Increased National Minimum Pension	1,703	3,477	1,754	3,580	1,731	3,778
Decreased National Minimum Pension	56	101	51	102	54	109
Pensions in respect of Invalidity	-	5,888	-	5,634	-	5,337
Invalidity Pension	308	369	249	269	200	214
Increased Invalidity Pension	116	156	120	166	107	151
National Minimum Invalidity Pension	3,866	5,356	3,684	5,191	3,517	4,968
Decreased National Minimum Invalidity Pension	6	8	5	7	3	4
Pensions in respect of Widowhood	-	26,989	-	28,072	-	29,540
Widows' Pension ¹	216	1,765	212	407	203	369
Early Survivors' Pension	1,579	2,920	1,628	3,052	1,682	3,238
Survivors' Pension	6,784	12,372	7,004	13,763	7,311	14,952
National Minimum Widows' Pension	6,507	9,927	6,420	10,850	6,361	10,981
Pension of Widows with Children	5	5	0	0	0	0
Benefit in respect of Industrial Injuries and Gratuities	-	356	-	363	-	452
Injury Benefit	592	272	575	271	569	341
Injury Pension	277	78	265	77	259	96
Injury Gratuity	6	6	7	15	5	15
Other Benefits	-	3,258	-	3,360	-	3,056
Unemployment Benefit	966	371	679	246	612	240
Special Unemployment Benefit	236	147	134	79	110	57
Maternity Benefit	951	782	1,093	915	989	867
Sickness Benefit	5,742	1,536	5,541	1,606	5,601	1,407
Orphans' Allowance	16	21	15	17	15	19
Marriage Grant	1,121	303	1,352	367	1,245	342
Re-Marriage Gratuity	74	99	82	129	89	126
Bonus	-	12,060	-	11,927	-	12,731

¹ 2014 Widows' Pension outlay includes welfare payments.

Table 5. Comparative Social Security Non-Contributory Benefits: July-September

Description	July-Sep 2014		July-Sep 2015		July-Sep 2016	
	Beneficiaries	€000	Beneficiaries	€000	Beneficiaries	€000
Non-Contributory Benefits	-	49,482	-	56,557	-	48,319
Child Allowance	-	10,340	-	10,638	-	10,724
Children's Allowance	40,653	9,979	40,870	10,313	40,824	10,463
Foster Child Allowance	196	361	188	324	181	260
Old Age Pension	-	5,455	-	5,536	-	5,585
Age Pension	4,958	5,035	4,996	5,082	4,901	5,108
Carers Pension	129	157	96	129	88	107
Blind Pension	233	264	269	325	303	370
Disability Pension/Allowance	-	3,218	-	3,644	-	4,063
Disability Child Allowance	951	246	1,030	296	1,190	360
Disability Pension	1,983	2,414	2,043	2,519	2,126	2,663
Severely Disability Pension	471	558	652	829	817	1,039
Total Social Assistance	-	22,885	-	21,114	-	19,768
Drug Addicts Allowance	26	8	30	10	34	12
Social Assistance	8,788	11,940	5,828	8,458	5,533	8,410
Social Assistance for Carers	302	363	290	337	277	321
Social Assistance for Single Parents	3,280	4,512	3,415	4,827	3,097	4,459
Unemployment Assistance	4,970	5,430	3,319	3,973	1,997	2,236
Social Assistance Board ¹	9	4	10	8	2	-
Unemployment Assistance Taper ²	371	628	1,671	1,762	2,554	2,791
Subsidiary Unemployment Assistance ³	2	-	1,786	1,739	1,569	1,540
Medical Assistance	-	4,351	-	4,190	-	4,250
Sickness Assistance	12,857	4,316	12,282	4,158	12,105	4,226
Leprosy Assistance	33	17	29	15	28	15
Milk Grant	57	17	47	17	24	8
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary allowance	22,708	1,746	23,706	1,795	23,150	2,005
In-Work Benefit ⁴	-	-	1,243	387	1,381	545
Child Supplementary Benefit ⁵	-	-	14,301	7,718	-	-
Bonus	-	1,487	-	1,533	-	1,379

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. Furthermore, for confidentiality reasons, 2014 outlay has been included under Unemployment Assistance.

⁴Paid for the first time in April 2015.

⁵Paid for the first time 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