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By the end of 2019, a €32.7 million increase was registered in Social Security Benefits outlay over 2018.

Government Expenditure on Social Security Benefits: January-December 2019

Social Security Benefits Expenditure

Social Security Benefits spending totalled €997.9 million during 2019, 3.4 per cent higher than the previous year. An increase in expenditure was witnessed in both Contributory and Non-Contributory Benefits, the former accounting for €31.9 million, or 97.6 per cent, of the total rise in social outlay (Table 1).

Contributory Benefits outlay amounted to €810.9 million, a 4.1 per cent increase from 2018. The main reason for the growth was a €27.5 million rise reported under Pensions in respect of Retirement, which is due to a higher number of Two-Thirds pensioners. Further increases were registered in Contributory Bonus (€2.6 million), Pensions in respect of Widowhood (€2.5 million), Benefits in respect of Industrial Injuries and Gratuities, and Other Benefits (both €0.1 million). A €0.8 million drop in Pensions in respect of Invalidity marginally offset the abovementioned rise in Contributory outlay (Table 2).

Total Non-Contributory spending for 2019 was €187.1 million, a 0.4 per cent increase from 2018. The biggest increases in Non-Contributory expenditure were reported under Disability Pensions/Allowance (€2.7 million) and Old Age Pension (€2.6 million). In addition, there was also positive growth witnessed under In-Work Benefit (€0.7 million), Child Allowance and Medical Assistance (both €0.2 million). On the other hand, Total Social Assistance and Supplementary Allowance spending dropped by €5.3 million and €0.3 million respectively (Table 3).

In comparison to the last quarter of 2018, between October and December 2019 Social Security Benefits outlay rose by €5.8 million and totalled €245.0 million. Contributory Benefits accounted for €199.7 million, or 81.5 per cent, of this expenditure that reflected a €5.6 million rise from the €194.1 million reported in the last quarter of 2018. Non-Contributory outlay exhibited a minimal increase of €0.2 million during the same period (Tables 4 and 5).

Social Security Beneficiaries

In 2019, the Two-Thirds Pension represented the largest cohort of recipients standing at 51,258 persons. Furthermore, the same benefit also reported the biggest annual rise in Contributory beneficiaries (2,271). This was in stark contrast to the National Minimum Widows' Pension that reported the largest drop in recipients, with 707 less persons reported (Table 2).

The largest share of Non-Contributory recipients was registered under Children's Allowance (42,679), despite reporting the largest drop in beneficiaries of 1,238. On the other end of the spectrum, In-Work Benefit recipients exhibited the largest increase of 621 and amounted to 5,135 persons (Table 3).

Similar developments were recorded in the last quarter of 2019, with the Two-Thirds Pension (49,768) and Children's Allowance (40,223) reporting the largest cohorts of Contributory and Non-Contributory beneficiaries respectively (Tables 4 and 5) ■

Table 1. Comparative Social Security Benefits: January-December

Description	Jan-Dec 2017	Jan-Dec 2018	Jan-Dec 2019	Jan-Dec 2019 / Jan-Dec 2018	
				Change	% change
	€ 000				
Contributory Benefits	749,668	778,936	810,874	31,938	4.1
Non-Contributory Benefits	187,214	186,293	187,066	773	0.4
Total Social Security Benefits	936,882	965,229	997,940	32,711	3.4

Chart 1. Social Security Benefits Expenditure: January - December 2002-2019

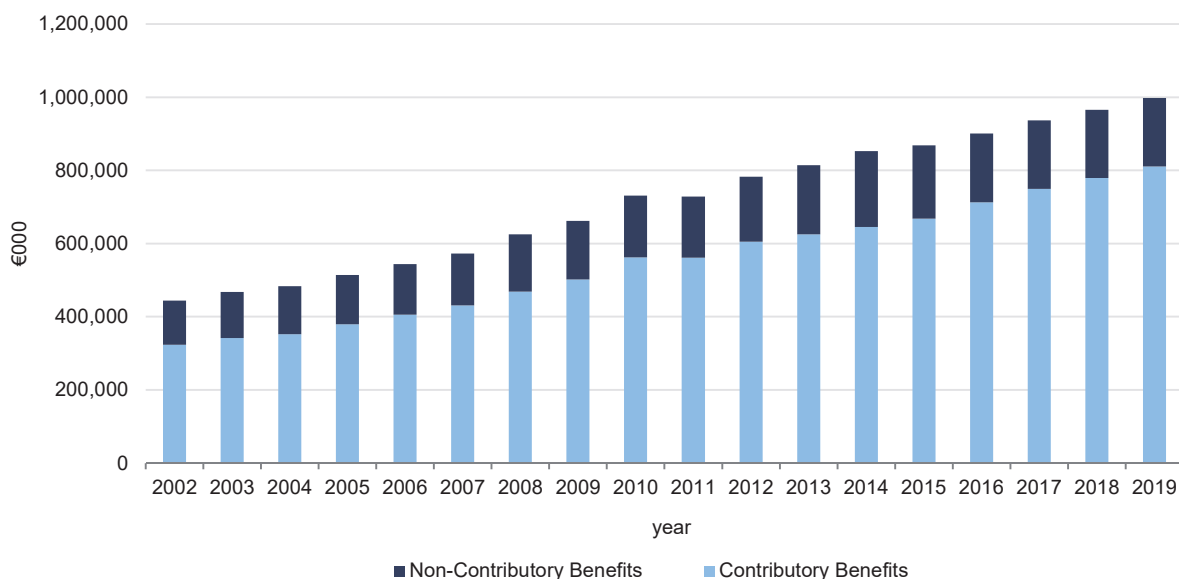


Chart 2. Social Security Benefits Expenditure by ESSPROS functions for January - December 2019

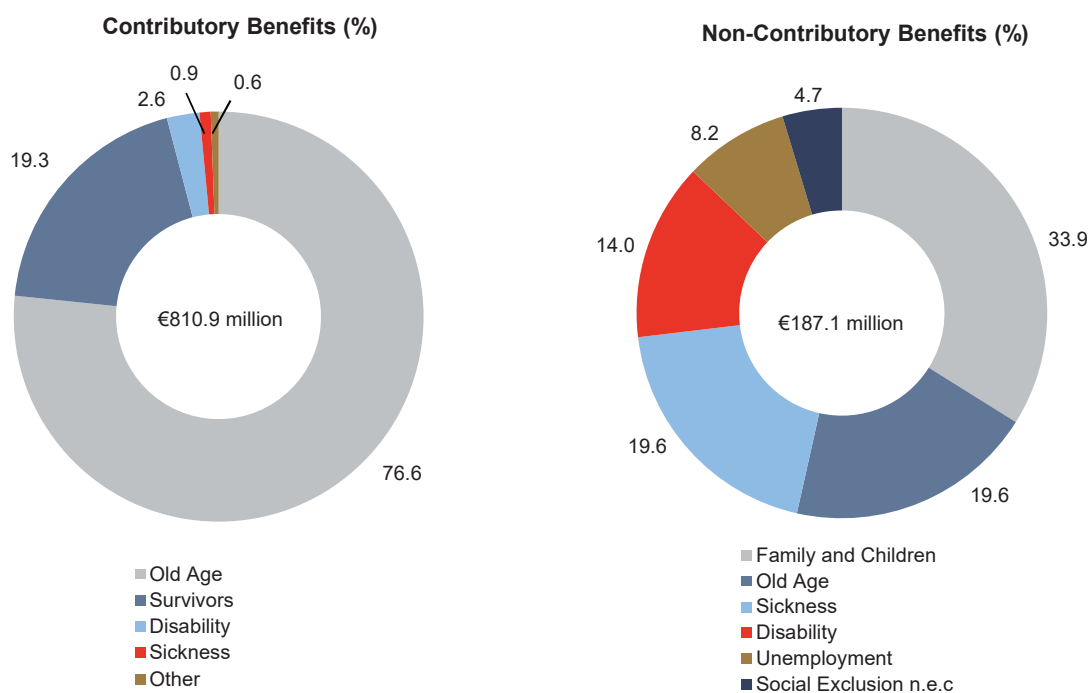


Table 2. Comparative Social Security Contributory Benefits: January-December

Description	Jan-Dec 2017		Jan-Dec 2018		Jan-Dec 2019	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	749,668	-	778,936	-	810,874
Pensions in respect of Retirement	-	508,938	-	531,145	-	558,608
Retirement Pension	7,096	33,370	6,333	31,470	6,029	28,345
National Minimum Pension	6,544	36,652	6,535	37,909	6,657	38,753
Increased Retirement Pension	827	6,892	724	6,345	654	5,931
Two-Thirds Pension	48,342	415,234	48,987	438,276	51,258	467,655
Increased National Minimum Pension	1,868	16,406	1,881	16,749	1,892	17,542
Decreased National Minimum Pension	68	385	61	397	63	381
Pensions in respect of Invalidity	-	22,010	-	21,716	-	20,957
Invalidity Pension	206	842	193	801	170	744
Increased Invalidity Pension	97	545	78	473	69	483
National Minimum Invalidity Pension	3,770	20,602	3,598	20,419	3,473	19,717
Decreased National Minimum Invalidity Pension ¹	3	21	3	23	3	12
Pensions in respect of Widowhood	-	133,801	-	139,678	-	142,138
Widows' Pension	230	1,746	217	1,628	204	1,647
Early Survivors' Pension	1,831	14,741	1,878	15,321	1,922	16,055
Survivors' Pension	8,296	68,374	8,840	72,155	8,994	77,201
National Minimum Widows' Pension	6,799	48,939	6,958	50,574	6,251	47,235
Pension of Widows with Children	0	0	0	0	0	0
Benefits in respect of Industrial Injuries and Gratuities	-	1,718	-	1,724	-	1,815
Injury Benefit	2,006	1,332	2,031	1,346	2,005	1,463
Injury Pension	255	330	242	318	236	302
Injury Gratuity	26	57	24	61	23	51
Other Benefits	-	11,418	-	10,612	-	10,673
Unemployment Benefit	1,219	697	1,067	604	1,130	785
Special Unemployment Benefit	210	185	183	124	171	127
Maternity Benefit	3,693	3,470	3,551	3,383	3,586	3,375
Sickness Benefit	19,815	6,095	20,302	5,585	20,283	5,542
Orphans' Allowance	20	117	16	86	12	67
Marriage Grant	3,065	849	2,958	830	2,751	778
Re-Marriage Gratuity ²	91	5	-	-	-	-
Bonus	-	71,782	-	74,061	-	76,683

¹ In May 2019, an amount was recouped from Government homes due to overpayments.

² 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 2017		Jan-Dec 2018		Jan-Dec 2019	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	187,214	-	186,293	-	187,066
Child Allowance	-	39,679	-	39,312	-	39,511
Childrens Allowance	43,752	38,371	43,917	37,547	42,679	37,665
Foster Child Allowance	179	1,308	191	1,766	191	1,846
Old Age Pension	-	26,967	-	29,252	-	31,818
Age Pension	5,160	21,946	5,084	22,016	5,034	22,626
Increased Carers' Allowance	527	3,310	819	5,388	1,146	7,240
Assistance Visually Impaired	349	1,712	361	1,848	389	1,953
Disability Pensions/Allowance	-	19,337	-	22,001	-	24,742
Disability Child Allowance	1,352	1,452	1,497	1,709	1,652	2,234
Disability Assistance	80	300	137	514	169	624
Severe Disability Assistance	3,275	16,885	3,238	16,353	3,291	17,212
Increased Severe Disability Assistance	244	699	538	3,425	670	4,673
Total Social Assistance	-	61,977	-	55,442	-	50,096
Drug Addicts Allowance	70	58	63	38	60	48
Social Assistance	5,996	26,812	5,520	24,522	4,992	22,410
Carers' Allowance	298	1,248	252	957	271	1,030
Social Assistance for Single Parents	3,261	13,948	2,961	12,896	2,735	12,087
Unemployment Assistance	1,954	6,005	1,392	4,664	1,099	3,886
Social Assistance Board ¹	6	5	2	-	6	7
Unemployment Assistance Taper	3,601	8,135	3,473	7,018	2,710	6,083
Subsidiary Unemployment Assistance	1,874	5,767	1,660	5,346	1,354	4,546
Medical Assistance	-	18,411	-	18,334	-	18,505
Sickness Assistance	12,739	18,297	12,576	18,226	12,227	18,410
Leprosy Assistance	28	63	24	56	23	54
Milk Grant	82	51	81	52	55	41
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary Allowance	25,339	8,988	24,967	8,986	24,262	8,706
In-Work Benefit	3,371	2,446	4,514	3,754	5,135	4,430
Bonus	-	9,409	-	9,213	-	9,258

¹ 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 2017		Oct-Dec 2018		Oct-Dec 2019	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	187,975	-	194,066	-	199,678
Pensions in respect of Retirement	-	123,698	-	126,923	-	133,632
Retirement Pension	6,384	7,715	5,818	7,060	4,989	6,150
National Minimum Pension	6,264	11,153	6,160	11,194	6,318	11,871
Increased Retirement Pension	725	1,636	646	1,430	578	1,340
Two-Thirds Pension	46,830	98,099	47,443	102,151	49,768	108,902
Increased National Minimum Pension	1,753	4,999	1,732	4,990	1,770	5,283
Decreased National Minimum Pension	62	97	56	97	55	85
Pensions in respect of Invalidity	-	6,565	-	6,529	-	6,292
Invalidity Pension	185	248	163	235	145	224
Increased Invalidity Pension	83	165	70	156	63	152
National Minimum Invalidity Pension	3,347	6,144	3,285	6,131	3,079	5,917
Decreased National Minimum Invalidity Pension ¹	3	7	3	7	2	-
Pensions in respect of Widowhood	-	31,776	-	34,294	-	32,968
Widows' Pension	212	399	202	395	195	383
Early Survivors' Pension	1,711	3,465	1,749	3,622	1,848	3,745
Survivors' Pension	7,762	16,316	8,085	17,824	8,629	18,265
National Minimum Widows' Pension	6,293	11,597	6,201	12,453	5,658	10,575
Pension of Widows with Children	0	0	0	0	0	0
Benefits in respect of Industrial Injuries and Gratuities	-	447	-	473	-	529
Injury Benefit	634	340	588	361	679	428
Injury Pension	241	96	239	95	225	91
Injury Gratuity	4	11	8	17	5	9
Other Benefits	-	3,095	-	2,798	-	2,734
Unemployment Benefit	421	192	324	158	435	175
Special Unemployment Benefit	61	42	60	32	55	31
Maternity Benefit	1,072	944	1,072	970	1,011	911
Sickness Benefit	6,718	1,663	6,403	1,413	6,744	1,408
Orphans' Allowance	15	23	13	20	10	14
Marriage Grant	837	232	728	206	691	195
Bonus	-	22,393	-	23,049	-	23,523

¹ For confidentiality reasons, 2019 outlay for Decreased National Minimum Invalidity Pension has been included under National Minimum Invalidity Pension.

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

Description	Oct-Dec 2017		Oct-Dec 2018		Oct-Dec 2019	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	45,725	-	45,164	-	45,316
Child Allowance	-	9,680	-	9,414	-	9,566
Childrens Allowance	40,954	9,269	41,326	8,900	40,223	9,095
Foster Child Allowance	168	411	175	514	176	471
Old Age Pension	-	6,831	-	6,908	-	7,553
Age Pension	4,763	5,075	4,746	5,213	4,644	5,285
Increased Carers' Allowance	484	1,345	723	1,254	1,027	1,783
Assistance Visually Impaired	324	410	348	441	380	485
Disability Pensions/Allowance	-	4,771	-	5,442	-	6,010
Disability Child Allowance	1,266	393	1,405	506	1,570	597
Disability Assistance	80	111	129	170	159	148
Severe Disability Assistance	3,088	3,905	3,019	3,883	3,134	4,066
Increased Severe Disability Assistance	241	362	527	884	662	1,199
Total Social Assistance	-	13,940	-	12,424	-	11,294
Drug Addicts Allowance	14	4	22	11	31	12
Social Assistance	5,102	6,021	4,663	5,472	4,236	4,937
Carers' Allowance	249	288	193	175	225	264
Social Assistance for Single Parents	2,745	3,082	2,525	2,905	2,336	2,738
Unemployment Assistance	1,130	1,338	896	1,093	742	893
Social Assistance Board ¹	1	-	1	-	3	3
Unemployment Assistance Taper	2,769	1,848	2,240	1,490	1,781	1,378
Subsidiary Unemployment Assistance	1,320	1,358	1,145	1,277	933	1,069
Medical Assistance	-	4,236	-	4,578	-	4,248
Sickness Assistance	11,855	4,216	11,650	4,555	11,331	4,221
Leprosy Assistance	26	14	23	14	22	12
Milk Grant	16	6	21	8	26	15
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary Allowance	24,396	2,168	24,015	2,128	23,356	2,231
In-Work Benefit	2,704	859	3,373	1,129	3,601	1,294
Bonus	-	3,241	-	3,142	-	3,119

¹ For confidentiality reasons, 2017 and 2018 outlays for Social Assistance Board have been included under corresponding Unemployment Assistance expenditures.

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: <https://nso.gov.mt/statdb/start>
Glossary: 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