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During 2021, Government outlay towards Social Security Benefits rose by €38.3 million in comparison to 2020.

Government Expenditure on Social Security Benefits: January-December 2021

Social Security Benefits Expenditure

By the end of 2021, spending on Social Security Benefits totalled €1,115.2 million, 3.6 per cent higher than the previous year. A €35.9 million rise in Contributory expenditure was the primary reason behind the increase in spending, while Non-Contributory outlay increased by €2.4 million (Table 1).

Government spending towards Contributory Benefits amounted to €914.2 million, a 4.1 per cent rise from 2020. Pensions in respect of Retirement recorded the largest increase of €43.1 million, following a rise in the number of Two-Thirds pensioners (2,071). Further increases were registered under Pensions in respect of Widowhood (€5.1 million) and Contributory Bonus (€2.2 million). In contrast, lower expenditure was reported under COVID-19 Benefits (€13.9 million), Other Benefits (€0.5 million) and Benefits in respect of Industrial Injuries and Gratuities (€0.1 million) (Table 2).

In 2021, €201.0 million went towards Non-Contributory Benefits, a 1.2 per cent increase in comparison to the previous year. Supplementary Allowance exhibited the largest rise at €4.2 million, with higher annual spending also reported under Child Allowance (€2.1 million), Non-Contributory Bonus (€0.5 million), Total In-Work Benefit, (€0.5 million) and Disability Pensions/Allowance (€0.4 million). Conversely, lower outlay was recorded under Old Age Pension (€3.7 million), Total Social Assistance (€1.3 million) and Medical Assistance (€0.2 million) (Table 3).

In the final quarter of 2021, social benefits expenditure totalled €271.5 million, 81.3 per cent of which went towards Contributory Benefits (€220.6 million). In comparison to 2020, Contributory spending increased by €12.9 million, largely driven by a €10.2 million rise registered under Pensions in respect of Retirement (Table 4). On the other hand, Non-Contributory outlay totalled €50.9 million, reflecting a €2.2 million drop from the previous year (Table 5).

Social Security Beneficiaries

Between January and December 2021, the largest number of Contributory beneficiaries was recorded under the Two-Thirds Pension (55,568). Furthermore, the 2,071 increase in Two-Thirds pensioners was the highest reported among the Contributory benefits. On the other hand, the biggest drop in recipients was registered under the COVID-19 Parent Benefit (3,438) (Table 2).

Children's Allowance reported the highest number of Non-Contributory recipients, with 44,490 families in receipt of the benefit. The In-Work Benefit recorded the largest increase in beneficiaries of 1,909, while the highest drop in recipients was witnessed under Children's Allowance (1,116) (Table 3).

Similar developments were recorded during the last quarter of 2021, with the Two-Thirds Pension (53,874 persons, 3,218 higher than in 2020) and Children's Allowance (41,515 persons, 250 more than 2020) reporting the largest number of Contributory and Non-Contributory beneficiaries, respectively (Tables 4 and 5) ■

Statistics in this News Release should be interpreted in the context of the COVID-19 situation.

Table 1. Social Security Benefits Expenditure by period and description

Description	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2021	Jan-Dec 2021 / Jan-Dec 2020	
				Change	% change
	€ 000				
Contributory Benefits	810,874	878,270	914,219	35,949	4.1
Non-Contributory Benefits	187,066	198,641	200,998	2,357	1.2
Total Social Security Benefits	997,940	1,076,911	1,115,217	38,306	3.6

Chart 1. Social Security Benefits Expenditure: January-December 2012-2021

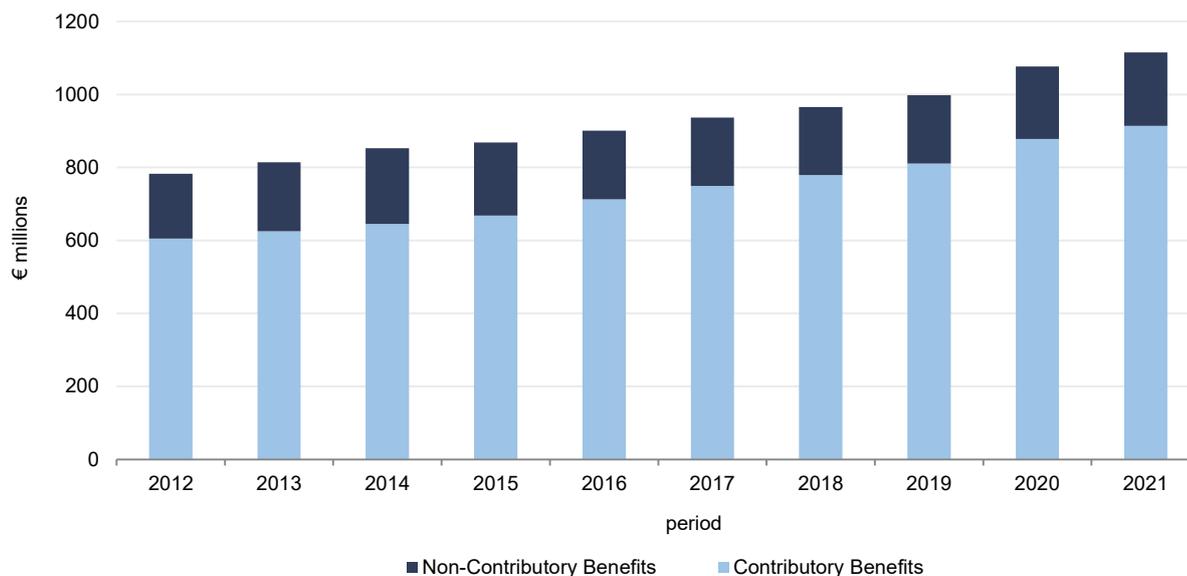


Chart 2. Social Security Benefits Expenditure by ESSPROS functions for January-December 2021

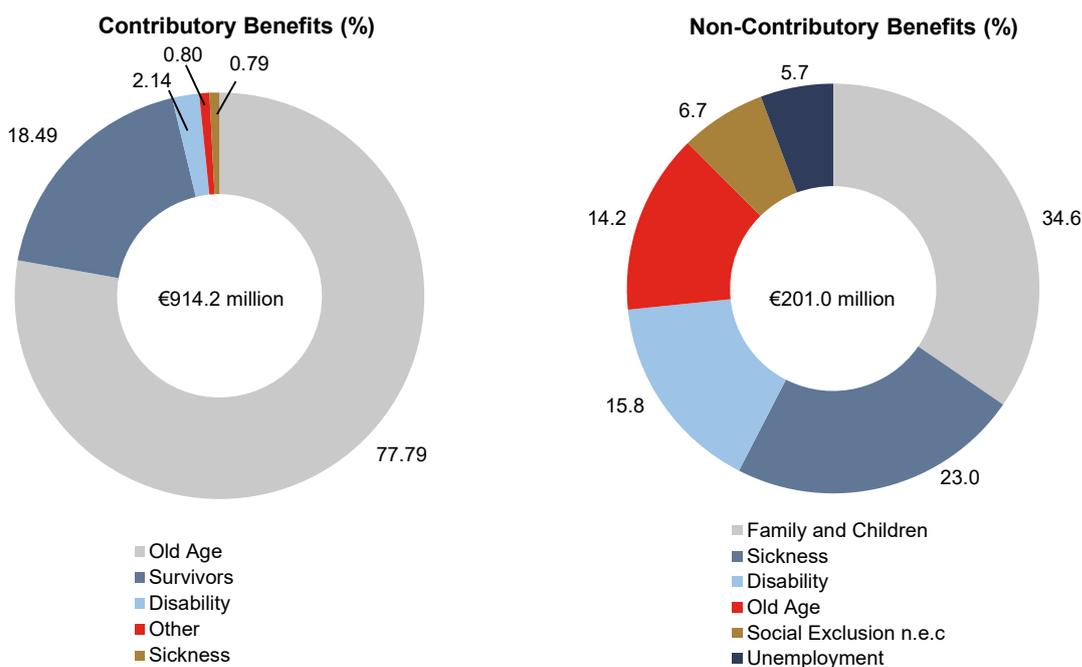


Table 2. Social Security Contributory Benefits by period and description

Description	Jan-Dec 2019		Jan-Dec 2020		Jan-Dec 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	810,874	-	878,270	-	914,219
Pensions in respect of Retirement	-	558,608	-	598,231	-	641,365
Retirement Pension	6,029	28,345	5,773	32,167	5,733	30,661
National Minimum Pension	6,656	38,753	7,160	42,876	8,009	47,151
Increased Retirement Pension	653	5,931	1,154	8,994	1,080	7,574
Two-Thirds Pension	51,254	467,655	53,497	490,741	55,568	529,178
Increased National Minimum Pension	1,891	17,542	2,650	23,076	2,832	26,389
Decreased National Minimum Pension	63	381	69	377	73	414
Pensions in respect of Invalidity	-	20,957	-	19,698	-	19,718
Invalidity Pension	170	744	132	524	114	640
Increased Invalidity Pension	69	483	57	387	47	267
National Minimum Invalidity Pension	3,472	19,717	3,123	18,787	2,932	18,811
Decreased National Minimum Invalidity Pension ¹	3	12	2	c	2	c
Pensions in respect of Widowhood	-	142,138	-	148,783	-	153,902
Widows' Pension	204	1,647	204	1,346	155	1,224
Early Survivors' Pension	1,922	16,055	1,990	16,103	1,916	13,944
Survivors' Pension	8,993	77,201	9,795	85,892	10,908	97,030
National Minimum Widows' Pension	6,246	47,235	5,840	45,442	5,436	41,704
Benefits in respect of Industrial Injuries and Gratuities	-	1,815	-	1,495	-	1,406
Injury Benefit	2,000	1,463	1,567	1,165	1,456	1,061
Injury Pension	236	302	223	300	212	315
Injury Gratuity	23	51	15	29	16	30
Other Benefits	-	10,673	-	13,347	-	12,832
Unemployment Benefit ²	1,118	785	4,296	3,491	1,864	2,384
Special Unemployment Benefit	171	127	298	274	183	153
Maternity Benefit	3,587	3,375	3,454	3,318	3,325	3,345
Sickness Benefit	20,267	5,542	18,366	5,760	19,132	6,120
Orphans' Allowance	12	67	11	62	8	47
Marriage Grant	2,749	778	1,505	440	3,057	782
COVID-19 Benefits³	-	0	-	14,522	-	614
Additional Unemployment Benefit	-	-	2,163	2,133	-	-
Disability Benefit	-	-	380	523	-	-
Medical Benefit	-	-	1,706	2,505	-	-
Parent Benefit	-	-	4,601	9,361	1,163	614
Bonus	-	76,683	-	82,195	-	84,383

^cConfidential

¹For confidentiality reasons, 2020 and 2021 outlay for Decreased National Minimum Invalidity Pension has been included under National Minimum Invalidity Pension.

²The increase in unemployment benefit beneficiaries in 2020 is related to the introduction of the COVID-19 Additional Unemployment Benefit, with payments first made in April 2020.

³Introduced to aid individuals working in the private sector who, as a result of the COVID-19 pandemic, became unemployed or unable to go to work due to medical or family reasons.

Table 3. Social Security Non-Contributory Benefits by period and description

Description	Jan-Dec 2019		Jan-Dec 2020		Jan-Dec 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	187,066	-	198,641	-	200,998
Child Allowance	-	39,511	-	41,795	-	43,876
Children's Allowance	42,678	37,665	45,606	39,346	44,490	38,158
Foster Child Allowance	191	1,846	187	1,638	197	1,989
Child Benefit Bonus ¹	-	-	2,986	811	3,230	999
Children's Allowance Supplement ²	-	-	-	-	43,655	2,730
Old Age Pension	-	31,818	-	36,170	-	32,425
Age Pension	5,031	22,626	4,906	24,898	4,671	21,767
Increased Carers' Allowance	1,145	7,240	1,266	8,868	1,416	8,480
Assistance Visually Impaired	389	1,953	413	2,403	424	2,178
Disability Pensions/Allowance	-	24,742	-	29,121	-	29,516
Disability Child Allowance	1,652	2,234	1,716	2,305	1,866	2,887
Disability Assistance	169	624	205	813	260	906
Severe Disability Assistance	3,289	17,212	3,398	19,553	3,704	19,425
Increased Severe Disability Assistance	670	4,673	787	6,450	872	6,297
Total Social Assistance	-	50,096	-	47,357	-	46,040
Drug Addicts Allowance	59	48	70	52	87	50
Social Assistance	4,987	22,410	4,598	21,521	4,444	20,144
Carers' Allowance	271	1,030	356	1,418	407	3,656
Social Assistance for Single Parents	2,734	12,087	2,616	12,055	2,597	11,509
Unemployment Assistance	1,099	3,886	1,107	3,696	933	2,889
Social Assistance Board	6	7	4	6	3	4
Unemployment Assistance Taper	2,710	6,083	2,010	4,025	1,625	3,212
Subsidiary Unemployment Assistance	1,350	4,546	1,236	4,584	1,284	4,575
Medical Assistance	-	18,505	-	18,525	-	18,287
Sickness Assistance	12,226	18,410	11,969	18,446	11,859	18,191
Leprosy Assistance	23	54	21	51	18	37
Milk Grant	55	41	58	28	64	58
Supplementary Allowance	24,254	8,706	23,405	9,299	22,949	13,480
Total In-Work Benefit	-	4,430	-	6,522	-	7,013
In-Work Benefit	5,133	4,430	5,337	5,869	7,246	6,373
In-Work Supplement ³	-	-	3,276	653	2,541	641
Bonus	-	9,258	-	9,852	-	10,362

¹Introduced in 2020.

²Supplementary payment to Children's Allowance recipients, first payments made in January 2021.

³Supplementary payment to In-Work Benefit recipients, introduced in 2020.

Table 4. Social Security Contributory Benefits by quarter and description

Description	Oct-Dec 2019		Oct-Dec 2020		Oct-Dec 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	199,678	-	207,728	-	220,610
Pensions in respect of Retirement	-	133,632	-	140,468	-	150,700
Retirement Pension	4,989	6,150	5,516	7,962	4,603	5,342
National Minimum Pension	6,317	11,871	6,858	10,252	7,670	9,339
Increased Retirement Pension	577	1,340	1,090	2,541	517	1,354
Two-Thirds Pension	49,763	108,902	50,656	113,595	53,874	128,543
Increased National Minimum Pension	1,770	5,283	2,540	6,031	2,497	6,030
Decreased National Minimum Pension	55	85	64	87	64	91
Pensions in respect of Invalidity	-	6,292	-	4,456	-	4,977
Invalidity Pension	145	224	105	134	90	208
Increased Invalidity Pension	63	152	46	96	38	36
National Minimum Invalidity Pension	3,078	5,917	2,765	4,227	2,610	4,733
Decreased National Minimum Invalidity Pension ¹	2	c	2	c	2	c
Pensions in respect of Widowhood	-	32,968	-	34,793	-	35,838
Widows' Pension	195	383	153	535	142	315
Early Survivors' Pension	1,848	3,745	1,753	3,667	1,443	3,056
Survivors' Pension	8,626	18,265	9,372	20,413	10,351	23,227
National Minimum Widows' Pension	5,658	10,575	5,365	10,177	4,791	9,241
Benefits in respect of Industrial Injuries and Gratuities	-	529	-	349	-	357
Injury Benefit	679	428	478	274	438	262
Injury Pension	225	91	215	67	201	88
Injury Gratuity	5	9	5	8	5	7
Other Benefits	-	2,734	-	3,293	-	4,594
Unemployment Benefit	434	175	1,419	578	432	1,454
Special Unemployment Benefit	55	31	122	79	41	27
Maternity Benefit	1,012	911	1,009	863	901	1,092
Sickness Benefit	6,744	1,408	6,319	1,607	7,191	1,815
Orphans' Allowance	10	14	8	11	8	9
Marriage Grant	691	195	550	154	1,037	198
COVID-19 Benefits²	-	-	-	48	-	1
Additional Unemployment Benefit	-	-	-	-	-	-
Disability Benefit	-	-	-	-	-	-
Medical Benefit	-	-	16	17	-	-
Parent Benefit	-	-	24	31	3	1
Bonus	-	23,523	-	24,321	-	24,143

^cConfidential

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

²Introduced to aid individuals working in the private sector who, as a result of the COVID-19 pandemic, became unemployed or unable to go to work due to medical or family reasons.

Table 5. Social Security Non-Contributory Benefits by quarter and description

Description	Oct-Dec 2019		Oct-Dec 2020		Oct-Dec 2021	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	45,316	-	53,010	-	50,860
Child Allowance	-	9,566	-	10,712	-	11,152
Children's Allowance	40,224	9,095	41,265	10,132	41,515	9,471
Foster Child Allowance	176	471	176	420	185	621
Child Benefit Bonus ¹	-	-	978	160	868	163
Children's Allowance Supplement ²	-	-	-	-	41,336	897
Old Age Pension	-	7,553	-	10,220	-	7,795
Age Pension	4,644	5,285	4,580	6,969	4,159	4,397
Increased Carers' Allowance	1,027	1,783	1,138	2,564	1,209	2,860
Assistance Visually Impaired	380	485	397	687	409	538
Disability Pensions/Allowance	-	6,010	-	8,484	-	6,568
Disability Child Allowance	1,570	597	1,626	618	1,761	995
Disability Assistance	159	148	193	264	249	141
Severe Disability Assistance	3,133	4,066	3,256	5,704	3,591	4,225
Increased Severe Disability Assistance	662	1,199	764	1,898	847	1,208
Total Social Assistance	-	11,294	-	11,116	-	10,353
Drug Addicts Allowance	31	12	27	13	31	8
Social Assistance	4,235	4,937	4,041	4,968	3,858	3,657
Carers' Allowance	225	264	293	345	343	2,344
Social Assistance for Single Parents	2,336	2,738	2,355	2,844	2,244	2,179
Unemployment Assistance	742	893	802	965	486	416
Social Assistance Board ³	3	3	1	c	0	0
Unemployment Assistance Taper	1,781	1,378	1,239	818	1,114	745
Subsidiary Unemployment Assistance	932	1,069	985	1,162	959	1,004
Medical Assistance	-	4,248	-	4,342	-	4,215
Sickness Assistance	11,328	4,221	11,184	4,320	10,920	4,180
Leprosy Assistance	22	12	19	10	17	3
Milk Grant	26	15	31	12	21	31
Supplementary Allowance	23,357	2,231	22,547	2,463	21,942	4,567
Total In-Work Benefit	-	1,294	-	2,158	-	1,919
In-Work Benefit	3,602	1,294	3,290	1,949	5,935	1,778
In-Work Supplement ⁴	-	-	831	209	554	140
Bonus	-	3,119	-	3,516	-	4,291

^cConfidential

¹Introduced in 2020.

²Supplementary payment to Children's Allowance recipients, first payments made in January 2021.

³For confidentiality reasons, Social Assistance Board outlay for 2020 has been included under corresponding Unemployment Assistance expenditure.

⁴Supplementary payment to In-Work Benefit recipients, introduced in 2020.

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's Unique Beneficiaries Report.
3. For every benefit, the corresponding beneficiaries reflect any person who has received the benefit at least once during the reference period. 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 2019 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://statdb.nso.gov.mt/start>
Sources and Methods:
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