

During the first quarter of 2020, the outlay on Social Security Benefits rose by €13.2 million over the same period in 2019.

Government Expenditure on Social Security Benefits: January-March 2020

Social Security Benefits Expenditure

Social Security Benefits spending amounted to €243.0 million between January and March 2020, reflecting a 5.8 per cent rise from the first quarter of 2019. Both Contributory and Non-Contributory benefits reported an increase in outlay, the former accounting for €12.2 million, or 91.9 per cent, of the total rise in social outlay (Table 1). It should be noted that the rise in social outlay was not in relation to the newly introduced COVID-19 benefits, as these payments started in April.

The Contributory Benefits outlay totalled €194.3 million, 6.7 per cent higher than in 2019. A €9.2 million rise reported under Pensions in respect of Retirement, in turn the result of a higher number of Two-Thirds pensioners, proved to be the main catalyst for the increased outlay. Further increases were registered in Contributory Bonus, Pensions in respect of Widowhood (both €1.6 million) and Other Benefits (€0.1 million). A €0.3 million drop in Pensions in respect of Invalidity marginally offset the abovementioned rise in Contributory outlay (Table 2).

By the end of March 2020, total Non-Contributory spending reached €48.7 million, a 2.3 per cent increase over 2019. Increases were reported under Old Age Pension (€0.9 million), Disability Pensions/ Allowance (€0.8 million), In-Work Benefit (€0.3 million), Supplementary Allowance and Non-Contributory Bonus (both €0.1 million). In contrast, spending towards Total Social Assistance and Child Allowance fell by €1.1 million and €0.1 million respectively (Table 3).

Social Security Beneficiaries

Between January and March 2020, the largest number of Contributory beneficiaries was found under the Two-Thirds Pension (50,233). Furthermore, the same benefit also reported the biggest rise (2,019). On the other hand, the biggest drop in beneficiaries was recorded under the Retirement Pension, amounting to 709 less than in the first quarter of 2019 (Table 2).

The largest share of Non-Contributory recipients was registered under Children's Allowance (40,320), followed by Supplementary Allowance with 22,558 beneficiaries. These two benefits reported the biggest positive and negative changes in recipients from 2019, with 1,246 more persons obtaining Children's Allowance, while Supplementary Allowance beneficiaries dropped by 518 ■

Together with this news release, the National Statistics Office is today also publishing the Social Protection 2020 publication, presenting a comprehensive five-year analysis (2014-2018) of Malta's social expenditure based on the European System of Integrated Social Protection Statistics (ESSPROS) and includes a detailed assessment of the beneficiaries of Social Security Benefits by locality for 2018.

Table 1. Comparative Social Security Benefits: January-March

Description	Jan-Mar 2018	Jan-Mar 2019	Jan-Mar 2020	Jan-Mar 2020 / Jan-Mar 2019	
				Change	% change
	€ 000				
Contributory Benefits	176,228	182,080	194,252	12,173	6.7
Non-Contributory Benefits	47,627	47,654	48,728	1,074	2.3
Total Social Security Benefits	223,855	229,733	242,980	13,247	5.8

Chart 1. Social Security Benefits Expenditure: January - March 2003-2020

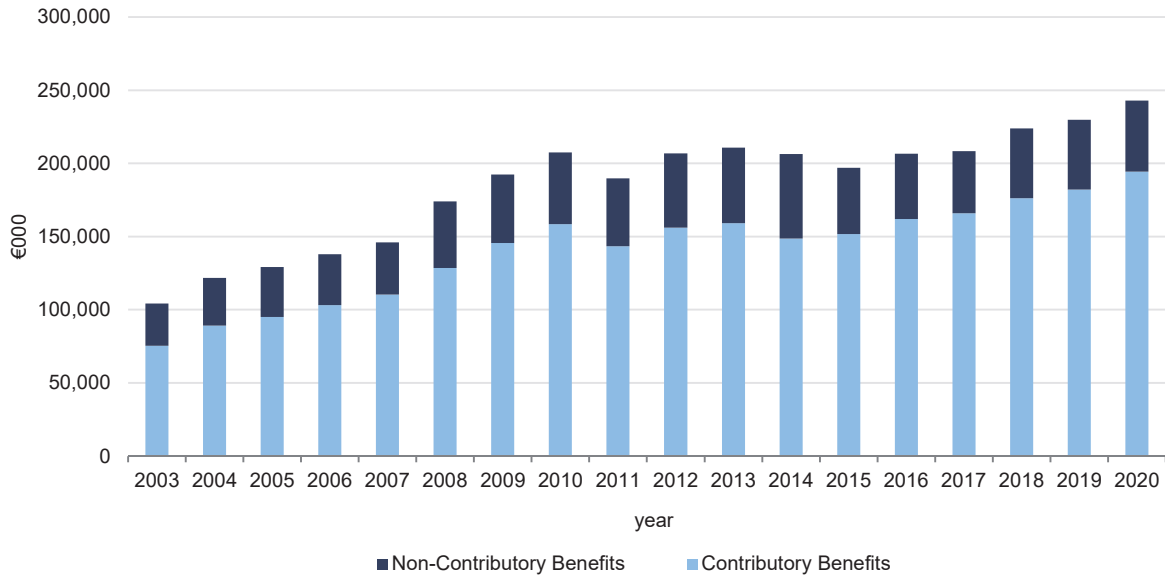


Chart 2. Social Security Benefits Expenditure by ESSPROS functions for January - March 2020

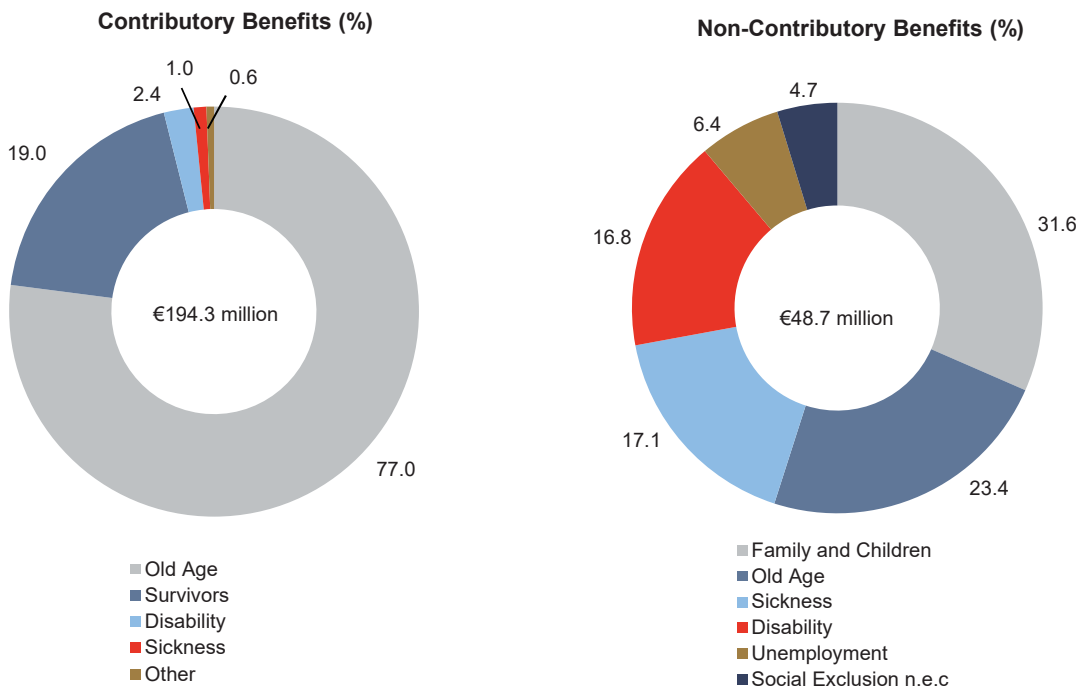


Table 2. Comparative Social Security Contributory Benefits: January-March

Description	Jan-Mar 2018		Jan-Mar 2019		Jan-Mar 2020	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Contributory Benefits	-	176,228	-	182,080	-	194,252
Pensions in respect of Retirement	-	122,113	-	126,405	-	135,613
Retirement Pension	6,128	7,366	5,791	7,074	5,082	6,920
National Minimum Pension	6,271	8,871	6,159	8,857	6,401	9,749
Increased Retirement Pension	703	1,509	635	1,385	599	1,365
Two-Thirds Pension	47,047	100,376	48,214	105,041	50,233	112,824
Increased National Minimum Pension	1,775	3,892	1,740	3,961	1,959	4,664
Decreased National Minimum Pension	60	99	56	87	54	92
Pensions in respect of Invalidity	-	5,158	-	5,026	-	4,737
Invalidity Pension	182	191	161	179	126	127
Increased Invalidity Pension	78	113	69	115	56	96
National Minimum Invalidity Pension	3,314	4,846	3,223	4,726	2,942	4,514
Decreased National Minimum Invalidity Pension ¹	3	7	3	6	2	-
Pensions in respect of Widowhood	-	31,883	-	32,668	-	34,252
Widows' Pension	210	395	200	387	193	316
Early Survivors' Pension	1,724	3,455	1,783	3,640	1,859	3,864
Survivors' Pension	7,826	16,333	8,183	17,216	8,778	19,177
National Minimum Widows' Pension	6,357	11,699	6,100	11,426	5,610	10,894
Pension of Widows with Children	0	0	0	0	0	0
Benefits in respect of Industrial Injuries and Gratuities	-	427	-	440	-	425
Injury Benefit	542	335	514	354	543	347
Injury Pension	240	74	230	71	222	70
Injury Gratuity	7	18	5	15	3	7
Other Benefits	-	2,684	-	2,693	-	2,744
Unemployment Benefit ²	462	161	434	162	703	224
Special Unemployment Benefit	66	34	64	34	75	51
Maternity Benefit	927	792	953	853	861	746
Sickness Benefit	9,159	1,535	8,465	1,498	7,762	1,583
Orphans' Allowance	14	22	12	16	10	14
Marriage Grant	496	140	461	129	442	126
Bonus	-	13,963	-	14,848	-	16,482

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

² The 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.

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

Description	Jan-Mar 2018		Jan-Mar 2019		Jan-Mar 2020	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
Non-Contributory Benefits	-	47,627	-	47,654	-	48,728
Child Allowance	-	9,861	-	9,889	-	9,775
Childrens Allowance	40,906	9,451	39,074	9,372	40,320	9,275
Foster Child Allowance	167	410	170	517	175	396
Child Benefit Bonus ¹	-	-	-	-	345	104
Old Age Pension	-	8,718	-	9,286	-	10,178
Age Pension	4,808	6,505	4,756	6,800	4,681	7,041
Increased Carers' Allowance	616	1,670	857	1,963	1,070	2,463
Assistance Visually Impaired	332	543	365	524	395	673
Disability Pensions/Allowance	-	6,300	-	7,116	-	7,961
Disability Child Allowance	1,325	385	1,437	518	1,618	589
Disability Assistance	94	132	140	173	164	197
Severe Disability Assistance	3,003	4,936	3,069	5,147	3,175	5,449
Increased Severe Disability Assistance	404	847	550	1,278	700	1,726
Total Social Assistance	-	13,832	-	12,184	-	11,125
Drug Addicts Allowance	22	8	23	9	27	13
Social Assistance	5,060	5,927	4,547	5,378	4,163	5,021
Carers' Allowance	229	242	183	199	247	298
Social Assistance for Single Parents	2,693	3,077	2,477	2,871	2,319	2,740
Unemployment Assistance	1,080	1,235	873	1,061	706	842
Social Assistance Board ²	0	0	1	-	1	-
Unemployment Assistance Taper	2,818	1,907	2,143	1,470	1,685	1,121
Subsidiary Unemployment Assistance	1,353	1,435	1,081	1,196	928	1,091
Medical Assistance	-	4,253	-	4,327	-	4,352
Sickness Assistance	11,777	4,225	11,574	4,307	11,360	4,332
Leprosy Assistance	24	13	23	13	21	12
Milk Grant	24	14	15	7	20	8
Tuberculosis Assistance	0	0	0	0	0	0
Supplementary Allowance	23,561	2,452	23,076	2,164	22,558	2,292
In-Work Benefit	2,963	660	3,584	1,079	3,924	1,346
Bonus	-	1,551	-	1,608	-	1,699

¹ Introduced in 2020.

² For confidentiality reasons, 2019 and 2020 outlays for Social Assistance Board have been included under 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. Data on beneficiaries 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