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Government outlay towards Social Security Benefits rose by €79.0 million between January and December 2020.

## Government Expenditure on Social Security Benefits: January-December 2020

### Social Security Benefits Expenditure

In 2020, spending on Social Security Benefits totalled €1,076.9 million, 7.9 per cent higher than the previous year. Both Contributory and Non-Contributory benefits reported an increase, the former accounting for €67.4 million, or 85.3 per cent, of the total rise in social expenditure (Table 1).

Government spending towards Contributory Benefits amounted to €878.3 million, €14.5 million of which covered the COVID-19 social benefits. Total Contributory spending rose by 8.3 per cent from 2019. In addition to the COVID-19 social expenses, higher spending was also reported under Pensions in respect of Retirement (€39.6 million), €23.1 million of which was the result of a higher number of Two-Thirds pensioners. Further increases were registered under Pensions in respect of Widowhood (€6.6 million), Contributory Bonus (€5.5 million) and Other Benefits (€2.7 million). In contrast, lower expenditure was reported under Pensions in respect of Invalidity (€1.3 million) and Benefits in respect of Industrial Injuries and Gratuities (€0.3 million) (Table 2).

Between January and December 2020, Non-Contributory expenditure reached €198.6 million, a 6.2 per cent rise in comparison to 2019. The largest increases were registered under Disability Pensions/Allowance and Old Age Pension (both €4.4 million). Higher outlay was also reported under Child Allowance (€2.3 million), Total In-Work Benefit (€2.1 million), Supplementary Allowance and Non-Contributory Bonus (both €0.6 million). Conversely, spending towards Total Social Assistance declined by €2.7 million (Table 3).

During the fourth quarter of 2020, social benefits expenditure was €15.7 million higher than the corresponding quarter in 2019 and totalled €260.7 million. Contributory spending rose by €8.1 million, following €6.8 million additional spending towards Pensions in respect of Retirement (Table 4). A €7.7 million increase was witnessed under Non-Contributory expenditure, mainly due to higher expenditure towards Old Age Pension (€2.7 million) and Disability Pensions/Allowance (€2.5 million) (Table 5).

### Social Security Beneficiaries

In 2020, the largest number of Contributory beneficiaries was reported under the Two-Thirds Pension (53,499). In comparison to 2019, the Unemployment Benefit reported the highest increase in beneficiaries (3,172), following the introduction of the COVID-19 Additional Unemployment Benefit, while the largest decrease was recorded under the Sickness Benefit (1,916). Furthermore, there were 8,850 individuals who benefitted from the COVID-19 social benefits (Table 2).

Children's Allowance reported the highest share of Non-Contributory recipients, with 45,607 families in receipt of the benefit. The same benefit recorded the largest increase (2,926) in beneficiaries, while the highest drop in recipients was witnessed under Supplementary Allowance (855).

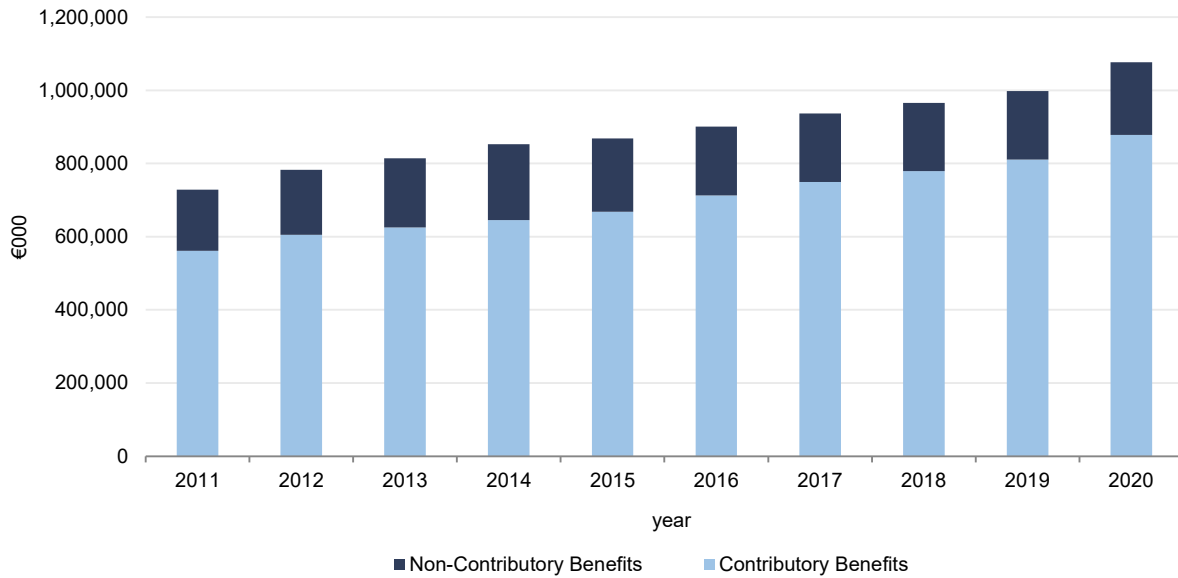
Similar developments were recorded during the last quarter of 2020, with the Two-Thirds Pension (50,656) and Children's Allowance (41,265) reporting the largest number of Contributory and Non-Contributory beneficiaries, respectively (Tables 4 and 5) ■

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

**Table 1. Comparative Social Security Benefits: January-December**

Description	Jan-Dec 2018	Jan-Dec 2019	Jan-Dec 2020	Jan-Dec 2020 / Jan-Dec 2019	
				Change	% change
	€ 000				
Contributory Benefits	778,936	810,874	878,270	67,396	8.3
Non-Contributory Benefits	186,293	187,066	198,641	11,575	6.2
<b>Total Social Security Benefits</b>	<b>965,229</b>	<b>997,940</b>	<b>1,076,911</b>	<b>78,971</b>	<b>7.9</b>

**Chart 1. Social Security Benefits Expenditure: January-December 2011-2020**



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

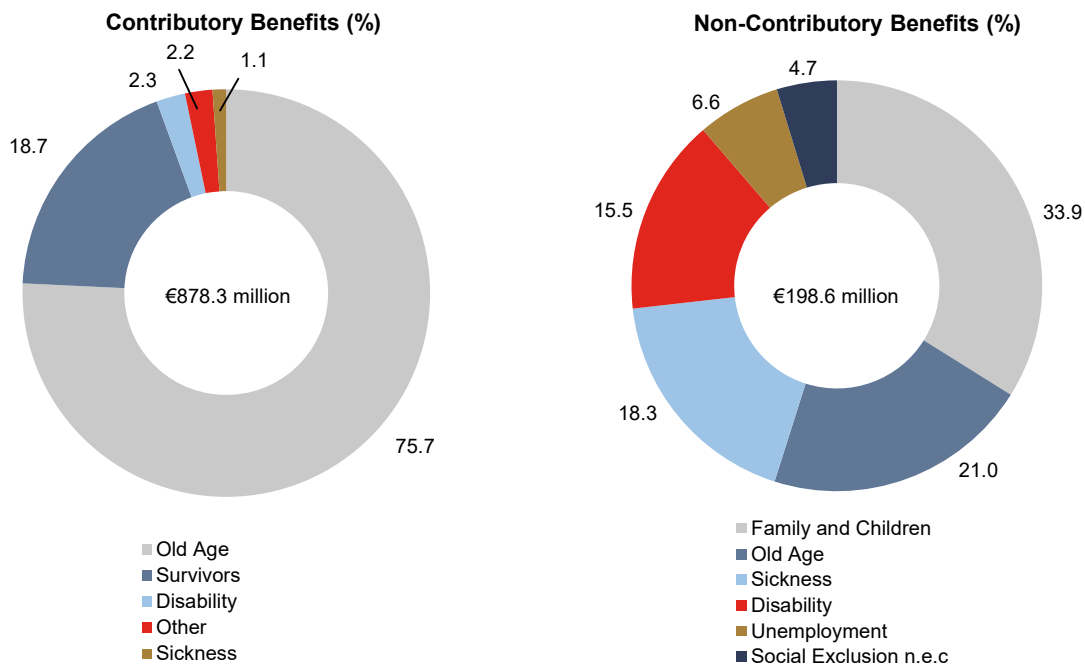


Table 2. Social Security Contributory Benefits by period and description

Description	Jan-Dec 2018		Jan-Dec 2019		Jan-Dec 2020	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
<b>Contributory Benefits</b>	-	<b>778,936</b>	-	<b>810,874</b>	-	<b>878,270</b>
<b>Pensions in respect of Retirement</b>	-	<b>531,145</b>	-	<b>558,608</b>	-	<b>598,231</b>
Retirement Pension	6,333	31,470	6,029	28,345	5,773	32,167
National Minimum Pension	6,531	37,909	6,657	38,753	7,160	42,876
Increased Retirement Pension	724	6,345	654	5,931	1,154	8,994
Two-Thirds Pension	48,977	438,276	51,259	467,655	53,499	490,741
Increased National Minimum Pension	1,880	16,749	1,892	17,542	2,650	23,076
Decreased National Minimum Pension	61	397	63	381	69	377
<b>Pensions in respect of Invalidity</b>	-	<b>21,716</b>	-	<b>20,957</b>	-	<b>19,698</b>
Invalidity Pension	193	801	170	744	132	524
Increased Invalidity Pension	78	473	69	483	57	387
National Minimum Invalidity Pension	3,597	20,419	3,472	19,717	3,123	18,787
Decreased National Minimum Invalidity Pension <sup>1</sup>	3	23	3	12	2	-
<b>Pensions in respect of Widowhood</b>	-	<b>139,678</b>	-	<b>142,138</b>	-	<b>148,783</b>
Widows' Pension	217	1,628	204	1,647	203	1,346
Early Survivors' Pension	1,878	15,321	1,922	16,055	1,990	16,103
Survivors' Pension	8,839	72,155	8,993	77,201	9,795	85,892
National Minimum Widows' Pension	6,956	50,574	6,249	47,235	5,841	45,442
<b>Benefits in respect of Industrial Injuries and Gratuities</b>	-	<b>1,724</b>	-	<b>1,815</b>	-	<b>1,495</b>
Injury Benefit	2,028	1,346	2,005	1,463	1,567	1,165
Injury Pension	242	318	236	302	223	300
Injury Gratuity	24	61	23	51	15	29
<b>Other Benefits</b>	-	<b>10,612</b>	-	<b>10,673</b>	-	<b>13,347</b>
Unemployment Benefit <sup>2</sup>	1,053	604	1,128	785	4,300	3,491
Special Unemployment Benefit	183	124	171	127	298	274
Maternity Benefit	3,551	3,383	3,587	3,375	3,454	3,318
Sickness Benefit	20,282	5,585	20,283	5,542	18,367	5,760
Orphans' Allowance	16	86	12	67	11	62
Marriage Grant	2,957	830	2,751	778	1,505	440
<b>COVID-19 Benefits<sup>3</sup></b>	-	-	-	-	-	<b>14,522</b>
Additional Unemployment Benefit	-	-	-	-	2,163	2,133
Disability Benefit	-	-	-	-	380	523
Medical Benefit	-	-	-	-	1,706	2,505
Parent Benefit	-	-	-	-	4,601	9,361
<b>Bonus</b>	-	<b>74,061</b>	-	<b>76,683</b>	-	<b>82,195</b>

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

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

<sup>3</sup> Introduced 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 2018		Jan-Dec 2019		Jan-Dec 2020	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
<b>Non-Contributory Benefits</b>	-	<b>186,293</b>	-	<b>187,066</b>	-	<b>198,641</b>
<b>Child Allowance</b>	-	<b>39,312</b>	-	<b>39,511</b>	-	<b>41,795</b>
Childrens Allowance	43,911	37,547	42,681	37,665	45,607	39,346
Foster Child Allowance	191	1,766	191	1,846	187	1,638
Child Benefit Bonus <sup>1</sup>	-	-	-	-	2,987	811
<b>Old Age Pension</b>	-	<b>29,252</b>	-	<b>31,818</b>	-	<b>36,170</b>
Age Pension	5,082	22,016	5,034	22,626	4,907	24,898
Increased Carers' Allowance	819	5,388	1,146	7,240	1,266	8,868
Assistance Visually Impaired	361	1,848	389	1,953	413	2,403
<b>Disability Pensions/Allowance</b>	-	<b>22,001</b>	-	<b>24,742</b>	-	<b>29,121</b>
Disability Child Allowance	1,497	1,709	1,652	2,234	1,716	2,305
Disability Assistance	137	514	169	624	205	813
Severe Disability Assistance	3,238	16,353	3,290	17,212	3,400	19,553
Increased Severe Disability Assistance	538	3,425	670	4,673	787	6,450
<b>Total Social Assistance</b>	-	<b>55,442</b>	-	<b>50,096</b>	-	<b>47,357</b>
Drug Addicts Allowance	62	38	59	48	70	52
Social Assistance	5,518	24,522	4,991	22,410	4,598	21,521
Carers' Allowance	252	957	271	1,030	356	1,418
Social Assistance for Single Parents	2,959	12,896	2,734	12,087	2,616	12,055
Unemployment Assistance	1,390	4,664	1,099	3,886	1,107	3,696
Social Assistance Board <sup>2</sup>	2	-	6	7	4	6
Unemployment Assistance Taper	3,473	7,018	2,710	6,083	2,010	4,025
Subsidiary Unemployment Assistance	1,657	5,346	1,354	4,546	1,237	4,584
<b>Medical Assistance</b>	-	<b>18,334</b>	-	<b>18,505</b>	-	<b>18,525</b>
Sickness Assistance	12,573	18,226	12,227	18,410	11,970	18,446
Leprosy Assistance	24	56	23	54	21	51
Milk Grant	81	52	55	41	58	28
Tuberculosis Assistance	0	0	0	0	0	0
<b>Supplementary Allowance</b>	<b>24,957</b>	<b>8,986</b>	<b>24,263</b>	<b>8,706</b>	<b>23,408</b>	<b>9,299</b>
<b>Total In-Work Benefit</b>	-	<b>3,754</b>	-	<b>4,430</b>	-	<b>6,522</b>
In-Work Benefit	4,513	3,754	5,136	4,430	5,337	5,869
In-Work Supplement <sup>3</sup>	-	-	-	-	3,276	653
<b>Bonus</b>	-	<b>9,213</b>	-	<b>9,258</b>	-	<b>9,852</b>

<sup>1</sup> Introduced in 2020.

<sup>2</sup> For confidentiality reasons, 2018 outlay for Social Assistance Board has been included under corresponding Unemployment Assistance expenditure.

<sup>3</sup> One-time payment made in 2020 to In-Work Benefit beneficiaries.

Table 4. Social Security Contributory Benefits by quarter and description

Description	Oct-Dec 2018		Oct-Dec 2019		Oct-Dec 2020	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
<b>Contributory Benefits</b>	-	<b>194,066</b>	-	<b>199,678</b>	-	<b>207,728</b>
<b>Pensions in respect of Retirement</b>	-	<b>126,923</b>	-	<b>133,632</b>	-	<b>140,468</b>
Retirement Pension	5,818	7,060	4,989	6,150	5,516	7,962
National Minimum Pension	6,159	11,194	6,317	11,871	6,858	10,252
Increased Retirement Pension	646	1,430	577	1,340	1,090	2,541
Two-Thirds Pension	47,435	102,151	49,763	108,902	50,656	113,595
Increased National Minimum Pension	1,731	4,990	1,770	5,283	2,540	6,031
Decreased National Minimum Pension	56	97	55	85	64	87
<b>Pensions in respect of Invalidity</b>	-	<b>6,529</b>	-	<b>6,292</b>	-	<b>4,456</b>
Invalidity Pension	163	235	145	224	105	134
Increased Invalidity Pension	70	156	63	152	46	96
National Minimum Invalidity Pension	3,285	6,131	3,078	5,917	2,765	4,227
Decreased National Minimum Invalidity Pension <sup>1</sup>	3	7	2	-	2	-
<b>Pensions in respect of Widowhood</b>	-	<b>34,294</b>	-	<b>32,968</b>	-	<b>34,793</b>
Widows' Pension	202	395	195	383	153	535
Early Survivors' Pension	1,749	3,622	1,848	3,745	1,753	3,667
Survivors' Pension	8,082	17,824	8,626	18,265	9,372	20,413
National Minimum Widows' Pension	6,199	12,453	5,658	10,575	5,365	10,177
<b>Benefits in respect of Industrial Injuries and Gratuities</b>	-	<b>473</b>	-	<b>529</b>	-	<b>349</b>
Injury Benefit	588	361	679	428	478	274
Injury Pension	239	95	225	91	215	67
Injury Gratuity	8	17	5	9	5	8
<b>Other Benefits</b>	-	<b>2,798</b>	-	<b>2,734</b>	-	<b>3,293</b>
Unemployment Benefit	319	158	434	175	1,419	578
Special Unemployment Benefit	60	32	55	31	122	79
Maternity Benefit	1,072	970	1,012	911	1,009	863
Sickness Benefit	6,394	1,413	6,744	1,408	6,319	1,607
Orphans' Allowance	13	20	10	14	8	11
Marriage Grant	727	206	691	195	550	154
<b>COVID-19 Benefits<sup>2</sup></b>	-	-	-	-	-	<b>48</b>
Additional Unemployment Benefit	-	-	-	-	0	0
Disability Benefit	-	-	-	-	0	0
Medical Benefit	-	-	-	-	16	17
Parent Benefit	-	-	-	-	24	31
<b>Bonus</b>	-	<b>23,049</b>	-	<b>23,523</b>	-	<b>24,321</b>

<sup>1</sup> For confidentiality reasons, 2019 and 2020 outlays for Decreased National Minimum Invalidity Pension has been included under National Minimum Invalidity Pension.

<sup>2</sup> Introduced 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 2018		Oct-Dec 2019		Oct-Dec 2020	
	Beneficiaries	€ 000	Beneficiaries	€ 000	Beneficiaries	€ 000
<b>Non-Contributory Benefits</b>	-	<b>45,164</b>	-	<b>45,316</b>	-	<b>53,010</b>
<b>Child Allowance</b>	-	<b>9,414</b>	-	<b>9,566</b>	-	<b>10,712</b>
Childrens Allowance	41,319	8,900	40,224	9,095	41,265	10,132
Foster Child Allowance	175	514	176	471	176	420
Child Benefit Bonus <sup>1</sup>	-	-	-	-	978	160
<b>Old Age Pension</b>	-	<b>6,908</b>	-	<b>7,553</b>	-	<b>10,220</b>
Age Pension	4,744	5,213	4,644	5,285	4,580	6,969
Increased Carers' Allowance	723	1,254	1,027	1,783	1,138	2,564
Assistance Visually Impaired	348	441	380	485	397	687
<b>Disability Pensions/Allowance</b>	-	<b>5,442</b>	-	<b>6,010</b>	-	<b>8,484</b>
Disability Child Allowance	1,405	506	1,570	597	1,626	618
Disability Assistance	129	170	159	148	193	264
Severe Disability Assistance	3,019	3,883	3,133	4,066	3,256	5,704
Increased Severe Disability Assistance	527	884	662	1,199	764	1,898
<b>Total Social Assistance</b>	-	<b>12,424</b>	-	<b>11,294</b>	-	<b>11,116</b>
Drug Addicts Allowance	22	11	31	12	27	13
Social Assistance	4,660	5,472	4,235	4,937	4,041	4,968
Carers' Allowance	193	175	225	264	293	345
Social Assistance for Single Parents	2,523	2,905	2,336	2,738	2,355	2,844
Unemployment Assistance	894	1,093	742	893	802	965
Social Assistance Board <sup>2</sup>	1	-	3	3	1	-
Unemployment Assistance Taper	2,240	1,490	1,781	1,378	1,239	818
Subsidiary Unemployment Assistance	1,142	1,277	932	1,069	985	1,162
<b>Medical Assistance</b>	-	<b>4,578</b>	-	<b>4,248</b>	-	<b>4,342</b>
Sickness Assistance	11,650	4,555	11,328	4,221	11,184	4,320
Leprosy Assistance	23	14	22	12	19	10
Milk Grant	21	8	26	15	31	12
Tuberculosis Assistance	0	0	0	0	0	0
<b>Supplementary Allowance</b>	<b>23,983</b>	<b>2,128</b>	<b>23,357</b>	<b>2,231</b>	<b>22,547</b>	<b>2,463</b>
<b>Total In-Work Benefit</b>	-	<b>1,129</b>	-	<b>1,294</b>	-	<b>2,158</b>
In-Work Benefit	3,372	1,129	3,602	1,294	3,290	1,949
In-Work Supplement <sup>3</sup>	-	-	-	-	831	209
<b>Bonus</b>	-	<b>3,142</b>	-	<b>3,119</b>	-	<b>3,516</b>

<sup>1</sup> Introduced in 2020.

<sup>2</sup> For confidentiality reasons, Social Assistance Board outlays for 2018 and 2020 have been included under corresponding Unemployment Assistance expenditure.

<sup>3</sup> One-time payment made in 2020 to In-Work Benefit beneficiaries.

## 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 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://statdb.nso.gov.mt/start>  
Glossary: [https://nso.gov.mt/en/nso/Sources\\_and\\_Methods/Unit\\_A2/Public\\_Finance/Pages/Government-Expenditure-on-Social-Security-Benefits.aspx](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](https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx)