

Malta

Exchange rate: US\$1.00 = 0.92 euros (€).

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1956 (old age and survivors), 1956 (social assistance), 1965 (disability), and 1979 (earnings-related pension).

Current laws: 1987 (social security) and 2006 (pension system reform).

Type of program: Social insurance and social assistance system.

Coverage

Residents, citizens employed abroad by foreign employers with a business in Malta, and students in certain work-study programs.

Exclusions: Married persons not gainfully employed and full-time students.

Source of Funds

Insured person: 10% of covered wages; €6.62 a week if younger than age 18 with earnings up to the legal weekly minimum wage.

The legal weekly minimum wage is €168.01.

The minimum weekly contribution is €16.80.

The maximum weekly contribution is €34.49 for persons born before January 1, 1962 and €42.57 for persons born on or after January 1, 1962.

The maximum annual earnings used to calculate contributions are €17,933 for persons born before January 1, 1962, and €22,138 for persons born on or after January 1, 1962.

The insured's contributions also finance cash sickness, work injury, and unemployment benefits.

Self-employed person: From €28.73 to €63.86 a week, depending on net income from self-employment. Different rates apply for farmers and persons who receive income from rents, investments, or other income.

The maximum annual net income used to calculate contributions is €17,933 for persons born before January 1, 1962 and €22,138 for persons born on or after January 1, 1962.

The self-employed person's contributions also finance cash sickness and work injury benefits.

Employer: 10% of covered payroll; €6.62 a week for employees younger than age 18 with earnings up to the legal weekly minimum wage.

The legal weekly minimum wage is €168.01.

The minimum weekly contribution for each employee is €16.80.

The maximum weekly contribution for each employee is €42.57.

The employer's contributions also finance cash sickness, work injury, and unemployment benefits.

Government: 50% of the value of total contributions.

The government's contributions also finance cash sickness, work injury, and unemployment benefits.

Qualifying Conditions

Old-age pension

Contributory old-age pension (social insurance, two-thirds pension): Age 62 if born from 1952 to 1955; age 63 if born from 1956 to 1958; age 64 if born from 1959 to 1961; age 65 if born in 1962 or later. Paid to all workers who were first insured on or after January 16, 1979.

Must have at least 156 weeks of paid contributions, including an annual average of at least 50 weeks of paid or credited contributions for 35 years; must have been gainfully employed for the 10 years immediately prior to retirement.

Partial pension: Meets the age requirement for the contributory old-age pension (social insurance, two-thirds pension) and has an annual average of at least 15 weeks of contributions.

Child-raising credits: For an insured parent (including adoptive parents) born from 1952 to 1961, two years of contributions toward old-age benefits are credited for each child raised up to age six (four years of contributions up to age 10 if the child is disabled) for up to three children; from the fourth child onwards, one year of contributions is credited on the condition that the parent returns to work for at least one year.

For an insured parent (including adoptive parents) born in 1962 or later, four years of contributions toward old-age benefits are credited for each child raised up to age six (four years of contributions up to age 10 if the child is disabled) for up to three children; from the fourth child onwards, two years of contributions are credited on the condition that the parent returns to work for at least two years.

The parents must have legal custody. The credited periods can be shared between the parents.

Contributions may also be credited for periods of sickness, unemployment, widowhood, and disability.

Early pension: Age 61, regardless of date of birth. Must have at least 1,820 weeks of paid or credited contributions since age 18 (age 19 if born before May 5, 1958) if born from 1952 to 1961; 2,080 weeks of paid or credited contributions since age 18 if born in 1962 or later.

Employment must cease.

Deferred pension: The pension may be deferred until age 65.

The old-age pension is payable abroad.

Contributory old-age pension (social insurance, flat-rate pension): Age 62 if born from 1952 to 1955; age 63 if born from 1956 to 1958; age 64 if born from 1959 to 1961; age 65 if born in 1962 or later. Paid to persons who were insured under the old National Insurance Act prior to 1979 who also receive a service pension and have a low pensionable income (the flat-rate pension is higher than the two-thirds pension minus the service pension).

Child-raising credits: For persons born between 1952 and 1961, two years of contributions toward old-age benefits are credited to an insured parent (including adoptive parents) for each child raised up to age six up to three children; from the fourth child onwards one year of contributions is credited on the condition that the parent returns to work for at least one year; four years of contributions, and up to age 10 if the child is disabled. The parents must have legal custody. The credited periods can be shared between the parents.

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Deferred pension: The pension may be deferred until age 65.

The old-age pension is payable abroad.

Contributory retirement grant for non-pensioners (social insurance): Age 62 to 74 with at least 52 weeks of contributions but less than the minimum required number of contributions for a contributory pension.

Supplementary allowance (social assistance, means tested): Paid to a head of a household whose annual income is less than €8,921 (single) or €11,089 (couples).

Noncontributory age pension (social assistance, means tested): Paid if the insured does not meet the contribution conditions for the contributory old-age pensions.

Means test: Assets must not exceed €14,000; €23,300 for a married couple.

The noncontributory age pension is not payable abroad.

Senior citizen grant (social assistance): Paid to persons aged 75 or older if they reside on their own, or with relatives, in Malta or Gozo.

Disability pension

Contributory disability pension (social insurance): Must be aged 16 or older but younger than retirement age, assessed with a total and permanent incapacity for full-time or part-time work (at least a 90% disability), and have at least 250 weeks of paid or credited contributions including an annual average of at least 50 weeks of contributions. The insured must have been gainfully employed continuously in the 12 months before the date of the claim.

Contributions may also be credited for periods of sickness, unemployment, widowhood, and disability.

Partial disability: Assessed with a 20% to 89% incapacity for work.

Partial pension: Must have an annual average of at least 20 weeks of contributions.

The disability pension is payable abroad.

Noncontributory disability pension (universal): Must be aged 16 or older but younger than retirement age, assessed as having a disability, and not entitled to the contributory disability pension.

Noncontributory blind pension (social assistance, means tested): Paid for visually impaired persons aged 14 or older.

The noncontributory blind pension is not payable abroad.

Noncontributory carer's pension (social assistance, means tested): Paid to a single person or a widow(er) who cares full-time for a disabled parent or parent-in-law, grandparent, brother or brother-in-law, sister or sister-in-law, uncle, or aunt who lives in the same household. The carer's assets must not exceed €14,000.

Survivor pension

Spouse's pension (social insurance, two-thirds pension): Paid to a widow(er) whose deceased spouse was of retirement age or had at least 156 weeks of paid contributions at the time of death, with an annual average of at least 50 weeks of paid or credited contributions from age 19.

Partial pension: The deceased had an annual average of at least 15 weeks of contributions.

Spouse's pension (social insurance, flat-rate pension): Paid to a widow(er) whose deceased spouse was of retirement age or had at least 156 weeks of paid contributions at the time of death, with an annual average of at least 50 weeks of paid or credited contributions from age 19.

Partial pension: The deceased had an annual average of at least 20 weeks of contributions.

Orphan's pension: Paid to full orphans. One parent must have been insured with at least one week of contributions at the time of death.

Survivor benefits are payable abroad.

Old-Age Benefits

Contributory old-age pension (social insurance, two-thirds pension): Up to 66.7% of the insured's annual average earnings in the best three consecutive years in the last 10 years before retirement (last 11 years for persons born from 1952 to 1955; last 12 years for persons born from 1956 to 1958; last 13 years for persons born from 1959 to 1961; or the average of the highest basic salaries earned in any ten years during the 40 years prior to retirement for persons born in 1962 or after) is paid to employed persons.

For self-employed persons, up to 66.7% of the insured's annual average declared net income during the last 10 calendar years (last 11 years for persons born from 1952 to 1955; last 12 years for persons born from 1956 to 1958; last 13 years for persons born from 1959 to 1962) is paid.

Partial pension: A percentage of the full pension is paid, according to the annual average of weeks of contributions.

Early pension: Calculated in the same way as the contributory old-age (two-thirds) pension. The benefit is not reduced.

Deferred pension: Calculated in the same way as the contributory old-age (two-thirds) pension. The benefit is not increased.

The minimum pension is €56.00 a week.

The maximum pension is €230.32 a week.

Contributory old-age pension (social insurance, flat-rate pension): €96.70 to €141.83 a week is paid depending on the insured's marital status and the average weeks of contributions.

Early pension: Calculated in the same way as the contributory old-age (flat-rate) pension. The benefit is not reduced.

Deferred pension: Calculated in the same way as the contributory old-age (flat-rate) pension. The benefit is not increased.

Contributory retirement grant for non-pensioners (social insurance): €100 a year is paid until age 75 with 50 to 259 weeks of paid contributions; €200 a year with at least 260 weeks of paid contributions.

Supplementary allowance (social assistance, means tested): 2.268% multiplied by the difference between €25,046 and the insured's annual income is paid to a couple; 1.7% multiplied by the difference between €20,386 and the insured's annual income to a single person.

Noncontributory age pension (social assistance, means tested): €106.12 is paid to a single person, and €134.66 is paid to a married couple. When only one member of a couple qualifies, €88.51 is paid.

Benefit adjustment: Benefits are adjusted according to increases in the cost of living allowance set annually by the government.

Senior citizen grant (universal): A lump sum of €300 a year is paid; for the first year the amount is pro-rata from the 75th birthday until the end of the year.

Permanent Disability Benefits

Contributory disability pension (social insurance): The pension varies depending on whether an occupational service pension is paid and whether the insured is married and has a dependent spouse.

The minimum flat-rate weekly pension for a single person is €96.27; €101.97 if married.

The maximum flat-rate weekly pension for a single person is €119.86; €139.43 if married.

Partial disability: €15.67 to €69.75 a week is paid depending on the degree of disability.

Partial pension: A percentage of the full or partial disability pension is paid, according to the annual average of weeks of contributions.

Noncontributory disability pension and blind pension (social assistance, income tested): €100.96 is paid for a single person or for a couple if only one member of the couple qualifies; €201.92 for a couple if both members of the couple qualify.

Noncontributory carer's pension (social assistance, income tested): €105.30 a week is paid; €76.53 a week is paid if the carer was not engaged in gainful activity before the start of the benefit.

Benefit adjustment: Benefits are adjusted according to increases in the cost of living allowance set annually by the government.

Survivor Benefits

Spouse's pension (two-thirds pension): Up to 55.6% of the deceased's annual average earnings in the best three consecutive years in the last 11 years before the spouse's death or retirement is paid; 55.6% of average annual earnings in the best 10 consecutive years in the last 11 years before the spouse's death or retirement if the insured was self-employed.

From 2016, a widow(er) entitled to an old-age pension is entitled to up to 66.7% of the spouse's pension as compensation for forfeiting the old-age pension.

Partial pension: A percentage of the full pension is paid, according to the annual average of weeks of contributions.

Spouse's supplement: €4.54 a week is paid for each child if the child is entitled to the child allowance (see Family Allowances). An additional €9.32 a week a child is paid if the child is younger than age 18 and the surviving spouse is not gainfully employed.

Upon remarriage, the spouse's pension (two-thirds pension) is replaced by the spouse's pension (flat-rate pension).

Spouse's pension (flat-rate pension): €96.70 to €130.30 a week is paid.

Spouse's supplement: €4.54 a week is paid for each child if the child is entitled to the child allowance (see Family Allowances). An additional €9.32 a week for each child is paid if the child is younger than age 18 and the surviving spouse is not gainfully employed.

Orphan's pension: €58.60 a week is paid for each orphan younger than age 16; €100.94 for each orphan aged 16 to 21 who is not gainfully employed. If the orphan is gainfully employed but gross earnings are less than the legal minimum wage, the allowance is reduced so that the allowance and gross earnings combined are equal to the legal weekly minimum wage.

The legal weekly minimum wage is €168.01.

Benefit adjustment: Benefits are adjusted according to increases in prices.

Administrative Organization

Ministry for the Family and Social Solidarity (<https://mfss.gov.mt>) provides general supervision.

Department of Social Security (<http://socialsecurity.gov.mt>) administers the program.

Sickness and Maternity

Regulatory Framework

First laws: 1956 (sickness) and 1981 (maternity).

Current law: 1987 (social security).

Type of program: Social insurance (cash sickness), employer-liability (maternity), and universal (medical benefits and maternity) system.

Coverage

Cash sickness benefits (social insurance): Employed and self-employed persons.

Cash maternity benefits (employer liability): Employed persons.

Cash maternity benefits (universal): Residents of Malta.

Medical benefits (universal): Residents of Malta.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: See source of funds under Old Age, Disability, and Survivors, for cash sickness benefits. Maternity and medical benefits are funded from general revenue.

Qualifying Conditions

Cash sickness benefits (social insurance): Must have at least 50 weeks of paid contributions, including at least 20 weeks of paid or credited contributions in the two years before the year in which the claim is made.

Cash maternity benefit (employer liability): Must be entitled to maternity leave under the Employment and Industrial Relations Act.

Cash maternity benefit (universal): Must be unemployed or self-employed and not entitled to the employer-liability maternity benefit.

Cash maternity leave benefit (universal): Must be employed and entitled to the employer-liability maternity benefit or must be self-employed and entitled to the universal cash maternity benefit.

Medical benefits (universal): There is no minimum qualifying period.

Sickness and Maternity Benefits

Sickness benefits (social insurance): €20.09 a day is paid for a married person or a person supporting a spouse who is not employed full time; €13.00 a day is paid for other persons. The benefit is paid from the fourth day of incapacity for up to 156 days a year; up to 312 days a year if the person undergoes major surgery, suffers a severe injury (not work related), or has a serious disease requiring long-term treatment before resuming work.

During a two-year period, the total number of benefit days is 468 days. The total number of benefit days must not exceed the total number of contributions paid since the person first entered the system.

Maternity benefit (employer liability): 100% of the insured's previous weekly earnings are paid for 14 weeks by the employer.

Maternity benefit (universal): €89.10 is paid for 14 weeks (at least five weeks must be taken after childbirth).

Maternity leave benefit (universal): €168.01 a week is paid for four weeks.

Workers' Medical Benefits

Public hospitals and clinics provide benefits and health services. Public hospitals provide inpatient treatment, including medicine and medical devices, free of charge. Public primary care services and outpatient treatment are free of charge. Persons diagnosed with a chronic disease receive

free medicine. Outpatients, except for low-income persons, pay for medicine and medical devices.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Administrative Organization

Ministry for the Family and Social Solidarity (<https://mfss.gov.mt>) supervises cash benefits.

Department of Social Security (<http://socialsecurity.gov.mt>) administers the program.

Ministry for Health (<https://ehealth.gov.mt/HealthPortal/default.aspx>) is responsible for in-kind and medical benefits.

Health Division administers the in-kind benefits.

Work Injury

Regulatory Framework

First law: 1929.

Current law: 1987 (social security).

Type of program: Social insurance system.

Coverage

Employed and self-employed persons.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: See source of funds under Old Age, Disability, and Survivors.

Qualifying Conditions

Work injury benefits: Must have at least one week of contributions.

Temporary Disability Benefits

€30.15 a day is paid for a single or married person supporting a spouse who is not in full-time employment; €22.68 a day is paid for other insured persons. The benefit is paid from the fourth day of disability for up to 12 months.

Permanent Disability Benefits

For an assessed degree of disability of at least 90%, a full disability pension is paid regardless of the number of paid

or credited contributions. Benefits vary depending on the insured's marital status and if an occupational service pension is paid. Benefits range from €68.73 to €129.60 a week.

For an assessed degree of disability from 20% to 89%, the pension ranges from €15.67 to €69.75 a week.

For an assessed degree of disability from 1% to 19%, a lump sum is paid ranging from €241.89 to €4,592.02.

Benefit adjustment: Benefits are adjusted according to increases in prices and wages.

Workers' Medical Benefits

Benefits include medical, surgical, and rehabilitative treatment and medicine.

Survivor Benefits

Spouse's pension: Up to 55.6% of the deceased's annual average earnings in the best three consecutive years in the last 11 years before the spouse's death or retirement is paid; 55.6% of annual average earnings in the best 10 consecutive years in the last 11 years before the spouse's death or retirement if the insured was self-employed.

From 2016, a widow(er) entitled to an old-age pension is entitled to up to 66.7% of the spouse's pension as compensation for forfeiting the old-age pension.

The maximum flat-rate pension for the survivor of a deceased person who paid contributions only before January 22, 1979, is €130.30 a week.

Spouse's supplement: €4.54 a week is paid for each child if the child is entitled to the child allowance (see Family Allowances). An additional €9.32 a week a child is paid if the child is younger than age 18 and the surviving spouse is neither employed nor self-employed.

Upon remarriage, the spouse's pension (two-thirds pension) is replaced by the spouse's pension (flat-rate pension).

Benefit adjustment: Benefits are adjusted according to increases in prices and wages.

Orphan's pension: €58.60 a week is paid for each orphan younger than age 16; €100.94 for each orphan aged 16 to 21 who is not gainfully employed. If the orphan is gainfully employed but gross earnings are less than the legal minimum wage, the allowance is reduced so that the allowance and gross earnings combined are equal to the legal weekly minimum wage.

The legal weekly minimum wage is €168.01.

Dependent parent's pension: €132.42 is paid for a married, dependent father who is supporting a wife; €112.42 for all other persons.

Benefit adjustment: Benefits are adjusted according to increases in prices.

Administrative Organization

Ministry for the Family and Social Solidarity (<https://mfss.gov.mt>) provides general supervision.

Department of Social Security (<http://socialsecurity.gov.mt>) administers the program.

Unemployment

Regulatory Framework

First law: 1956.

Current law: 1987 (social security).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Employed persons.

Exclusions: Self-employed persons.

Social assistance: Citizens of Malta.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors.

Self-employed person: Not applicable.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: See source of funds under Old Age, Disability, and Survivors.

Qualifying Conditions

Unemployment benefit (social insurance): Must have at least 50 weeks of paid contributions, including at least 20 weeks of paid or credited contributions in the two years before the year in which the claim is made. The insured must be registered as unemployed and be capable of, and available for, work. No benefit is paid for six months if unemployment is voluntary or the result of misconduct.

Contributions may also be credited for periods of sickness, unemployment, widowhood, and disability.

Special unemployment benefit (social assistance, means tested): Paid instead of the unemployment benefit to the head of household who satisfies a means test.

Means test: Assets must not exceed €23,300 in the case of a married couple or €14,000 in other cases.

Unemployment assistance (social assistance, means tested): Paid to persons aged 23 or above who are not entitled to the unemployment benefit and are registered as unemployed and be capable of, and available for, work and satisfy a means test.

Means test: Assets must not exceed €23,300 in the case of a married couple or €14,000 in other cases.

Unemployment Benefits

Unemployment benefit (social insurance): €12.18 a day is paid to a single parent or a married person whose spouse is not employed full time; €7.97 a day is paid for other insured persons. The benefit is paid for up to 156 days. The total number of days must not exceed the total number of contributions paid since the person first entered the system.

Special unemployment benefit (social assistance, means tested): €20.47 a day is paid to a single parent or a married person whose spouse is not employed full time; €13.50 a day for other insured persons. The benefit is paid from the first day of unemployment for up to 156 days; thereafter, only if insured has worked for at least 13 weeks. The total number of benefit days must not exceed the total number of contributions paid since the person first entered the system.

Unemployment assistance (social assistance, means tested): Up to €102.04 a week is paid. The benefit is reduced by all annual income derived from investments exceeding €102.04. If weekly income exceeds the weekly benefit, no benefit is paid.

Administrative Organization

Ministry for the Family and Social Solidarity (<https://mfss.gov.mt>) provides general supervision.

Department of Social Security (<http://socialsecurity.gov.mt>) administers the program.

Family Allowances

Regulatory Framework

First laws: 1974 (child allowances), 1977 (special allowances), 1988 (disabled child allowances and parental allowances), and 1989 (family bonuses).

Current law: 1987 (social security).

Type of program: Universal system.

Coverage

Resident citizens of Malta, residents of Malta covered by the European Social Charter, and citizens of the European Union

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Child allowance (income tested): All households with children younger than age 21, if the income of both parents does not exceed €24,742. For children aged 16 to 21, the child must be a full-time student, not receive a stipend for studying, never have been in gainful employment, not be registered as unemployed, and not be entitled to any other social assistance benefits.

Care allowance for foster children: The child is certified by a competent authority as a foster child or under the care of an institution. Paid up to age 21 provided the foster child is still under the care of the foster parents.

Disabled child allowance (no means test): Paid to all households caring for a child with an assessed physical or mental disability. The child must not receive any other social security benefit for the disability.

The allowance ceases at age 16 (age 14 for a child with a visual impairment) and may be replaced by the non-contributory disability pension or blind pension.

In-Work benefit (social assistance, means tested): Paid to parents with children younger than age 23 who are living at the same address. For couples with two employed parents, must have annual household earnings from €10,000 to €20,400, and the individual annual earnings of each parent must be at least €3,000. For couples with one employed parent and for employed single parents, must have annual household earnings from €6,600 to €13,000.

Family Allowance Benefits

Child allowance: The benefit for one child is calculated as the difference between €24,742 and the couple's income multiplied by 6%. The benefit increases by another 6% for each child. If household income does exceed €17,242, a flat rate of €8.66 a week for each child is paid.

Care allowance for fostered children: €70 a week is paid.

Disabled child allowance (no means test): €20 a week is paid.

In-Work benefit (social assistance, means tested): From €190 to €1,000 a year is paid for each child for couples with two employed parents; from €52 to €150 a year is paid for each child for couples with one employed parent; and from €680 to €1,200 a year is paid for each child for employed single parents.

Administrative Organization

Ministry for the Family and Social Solidarity (<https://mfss.gov.mt>) provides general supervision.

Department of Social Security (<http://socialsecurity.gov.mt>) administers the program.