EU PolicyWatch

Database of national-level policy measures

Eurofound's EU PolicyWatch collates information on the responses of government and social partners to the COVID-19 crisis, the war in Ukraine, rising inflation, as well as gathering examples of company practices aimed at mitigating the social and economic impacts.

Overview		Factsheet for measure MT-2021-12/1805 – measures in Malta	
<u>War in Ukraine</u>			
<u>Countries</u>	~	Parent Benefit 2021	
<u>Types</u>	~		
<u>Categories</u>	~		
		Country	Malta, applies nationwide
Target groups	~	Time period	Temporary, 15 March 2021 – 11 April 2021
<u>Search database</u>		Context	COVID-19
Related content		Туре	Other initiatives or policies
Eurofound website		Category	Income protection beyond short-time work– Support for parents and carers (financial or in kind)
Topic: Stand with			Mila)
<u>Ukraine</u>		Author	Luke Anthony Fiorini (University of Malta) and
Topic: COVID-19			Eurofound
<u>10pic. COVID-13</u>		Measure added	02 April 2021 (updated 20 June 2022)

Background information

COVID-19 cases in Malta began to increase in July 2020. Despite a brief reprise in November 2020, these began increasing again in December 2020 to levels previously unseen in Malta, with active cases reaching 3,000 in March 2021 for the first time and healthcare unions warning that the healthcare system was on the verge of collapse.

Consequently, Government announced a range of new measures to reverse the number of COVID-19 cases. Amongst these measures, it was announced that schools would close from March 15 till April 11, 2021. Schooling at all levels could only take

place by means of remote methods.

This presented working parents of young children who were unable to work remotely with an issue, with some parents having to stop work and take unpaid leave in order to care for children. The Government therefore announced a social measure to support such families, termed the 'Parent Benefit'. Such a benefit had also been previously offered between 9 March 2020 and June 2020 - when schools had last been closed.

Content of measure

The measure targeted parents employed in the private sector on a full-time or parttime basis who have children under the age of 16, are unable to work from home, and who due to their caring duties cannot go to work, resulting in unpaid leave.

Parents eligible for this benefit will receive a direct payment of €166.15 per week if they work full-time or €103.85 per week if they work part-time. Furthermore, successful applicants also have their Social Security Contribution paid for them, their future contributory pension rights safeguarded, continue to be entitled to the Children's Allowance and their rate will be adjusted to take into consideration their new income earned. If such parents were entitled to other government benefits such as the 'Work Benefit' or 'Tapering of Benefits' eligible parents will continue to receive this without any deductions.

The measure is administered by the Social Security Department.

Use of measure

On March 25 it was announced that 934 people had applied for the benefit, with 418 applications assessed so far. Of the analysed applications, 70 have been rejected, 270 will receive their first payment that week, 70 others were awaiting authorisation, a further 70 were asked to provide more information, whilst 446 were waiting to start the claims process.

It is estimated that the cost of applications received will amount to about €320,000, with €32,000 more in social security payments.

An National Statistics Office (NSO, 2021) report highlighted that between January and September 2021, 1,160 individuals made use of the Parent Benefit, with a total outlay of €612,000. This is a substantial reduction when compared to the Parent Benefit offered during the first year of the pandemic, where €9.3 million was spent on this measure between January and September 2020.

Target groups

Workers	Businesses	Citizens
Parents in employment	Does not apply to businesses	Does not apply to citizens

Actors and funding

Actors	Funding
National government Social insurance	National funds

Social partners

Social partners' role in **designing the measure** and form of involvement:

	Trade unions	Employers' organisations
Role	Unknown	Unknown
Form	Not applicable	Not applicable

Social partners' role in the implementation, monitoring and assessment phase:

- No involvement
- Main level of involvement: Unknown

Involvement

No social partner involvement was announced or highlighted when this measure was introduced. The measure was announced by the Minister of Finance along with the Family Minister. In terms of implementation, parents apply with the social security department directly who analyse the application. A statement from the employer stating that the worker cannot work from home must also be submitted. Payment takes place directly between this department and the concerned parent.

Views and reactions

No views or reactions by the social partners to this measure were identified.

Sources

- 15 March 2021: COVID-19 Parent Benefit (socialsecurity.gov.mt)
- 25 March 2021: Families set to receive €105,000 in first tranche of 'parent benefit' (<u>timesofmalta.com</u>)
- 27 October 2021: NSO Government Expenditure on Social Security Benefits: January-September 2021 (nso.gov.mt)

Citation

Eurofound (2021), *Parent Benefit 2021, measure MT-2021-12/1805 (measures in Malta),* EU PolicyWatch, Dublin,

https://static.eurofound.europa.eu/covid19db/cases/MT-2021-12_1805.html