



GOVERNMENT OF MALTA
MINISTRY FOR SOCIAL POLICY
AND CHILDREN'S RIGHTS

NATIONAL STRATEGY

2025-2035

for Poverty Reduction
and Social Inclusion.



THRIVING TOGETHER: EMPOWERING PATHWAYS TO OPPORTUNITY

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MINISTER'S FORWARD



Poverty and social exclusion are profound challenges that hinder the well-being and development of individuals and society. Despite the significant progress made in recent years, the ever-changing landscape constantly introduces new and intricate challenges, requiring sustained and strategic efforts to confront emerging issues effectively.

Recognising the critical need to address the complex issues stemming from poverty and social exclusion, Government has developed this comprehensive Strategy that aspires to position Malta among the EU countries with the lowest rates of poverty or social exclusion by 2035. By addressing the root causes of the main challenges and by promoting social equity, this Strategy envisions a future where community cohesion, empowerment, solidarity, and dignity continue to define our society, ensuring that every individual has the opportunity to thrive.

Through collaboration with the Organisation for Economic Cooperation and Development, the new Strategy employs a strategic foresight approach to understand and anticipate future impacts of current trends. This forward-thinking approach ensures that policies are well-informed and adaptable. By doing so, Government aims to stay ahead and effectively address future challenges.

This strategy is also the culmination of thorough pre-consultation with leading experts and key stakeholders in the social sector. Recognising that everyone has an important role to play, the Government engaged in extensive discussions to ensure diverse perspectives and expertise informed the approach. This collaborative effort has led to the development of several tangible measures that are expected to make a significant impact on the lives of the most disadvantaged groups.

This public consultation will further enrich the Strategy with valuable insights, ensuring it is comprehensive and effectively addresses the needs of all citizens.

The road ahead is challenging, but with sustained collaboration and investment in social welfare, we can cultivate greater inclusivity and equality. I therefore invite all stakeholders and citizens to engage actively in this mission. Your engagement is crucial to our success, and I look forward to our collective efforts in shaping a brighter future for all citizens in Malta.

MESSAGE FROM THE PERMANENT SECRETARY



The renewed National Strategy for Poverty Reduction and Social Inclusion 2025-2035, now being presented for public consultation, will serve as the Government's primary framework for further future initiatives aimed at addressing poverty and social exclusion. This strategic plan not only sets the direction for addressing poverty and enhancing social inclusion but also embodies Government's continuous commitment to building a more equitable and inclusive society.

Despite diverse challenges presented by international dynamics, over the past years we have achieved notable progress reducing the rate of persons 'At Risk of Poverty or Social Exclusion' from 22.2% in 2015 to 19.8% in 2023. While these results are promising, we are cognisant that the fight against poverty and social exclusion will remain ongoing and will require further sustained and intensified efforts to address remaining gaps and further advance social equity.

By outlining clear objectives and actionable measures, this Strategy aims to create significant and lasting improvements in the lives of the most disadvantaged groups. A range of targeted measures have been developed to tackle unique challenges and will lead to further enhancing access to essential services, strengthening support systems, and providing financial assistance to the most disadvantaged cohorts. The use of strategic foresight has been pivotal in shaping these measures, enabling us to anticipate future needs and emerging trends effectively. By employing this forward-thinking approach, the measures are designed to offer substantial relief and create opportunities for individuals to enhance their socio-economic conditions. I am confident that these actions will advance social inclusion and equity, ensuring that the benefits of economic progress are more broadly shared and that no one is left behind.

It must be acknowledged that addressing the complexities of poverty and social exclusion necessitates a collective effort, with crucial contributions from various Ministries, stakeholders, and society at large. The development of this public consultation already involved rigorous consultation with Government bodies, NGOs, and other key stakeholders – over 50 bi-lateral pre-consultation meetings were held in this regard. Looking forward, I remain convinced that everyone has a vital role to play in this endeavour, to ensure that efforts are coordinated and impactful.

Significant progress has been made, but much remains to be accomplished. The prevention and reduction of poverty and social exclusion have been central to the Ministry's social policy agenda for many years. Our unwavering commitment will continue to drive efforts towards reducing poverty and enhancing social inclusion, with the ultimate goal of improving overall well-being and raising the quality of life for everyone.

I look forward to all contributions. By working together, we will make meaningful progress in overcoming persistent challenges.

EXECUTIVE SUMMARY

Addressing poverty and social exclusion requires steadfast commitment to prioritise the welfare of every citizen, especially amidst evolving societal realities. This National Strategy for Poverty Reduction and Social Inclusion 2025-2035 envisions a future where community cohesion, empowerment, solidarity, and dignity define our collective well-being. Despite strides made, the evolving landscape presents new and complex realities, necessitating continued efforts to confront emerging challenges effectively.

Poverty and social exclusion are complex issues intertwined with societal inequalities, encompassing more than just income disparities. Recognising this, the Strategy adopts a comprehensive approach, focusing on broader well-being, beyond economic indicators.

This strategic endeavour presents a proactive stride towards fulfilling national commitments, aiming for a 3.1% reduction in the AROPE by 2030 and a targeted decrease of approximately 6% in children at risk of poverty or social exclusion by the same year. By comprehensively grasping the multifaceted dimensions of poverty and social exclusion, the strategy endeavours to tackle their fundamental causes. Through tailored interventions, such as bolstering access to education, healthcare, and employment opportunities, and fortifying social support structures, the Government aspires to tangibly enhance the well-being of disadvantaged individuals and communities. This concerted effort, coupled with sustained collaboration and investment in social welfare, seeks to cultivate greater inclusivity and equality, thereby advancing towards a more prosperous and equitable society.

The methodological framework for developing the new National Strategy for Poverty Reduction and Social Inclusion 2025-2035 involved extensive pre-consultation sessions with Government departments, agencies and voluntary organisations. By partnering with the Organisation for Economic Cooperation and Development, the Ministry for Social Policy and Children's Rights gained access to expertise and methodologies for conducting strategic foresight exercises. This collaboration enabled the strategy development to identify emerging trends, uncertainties, and potential disruptions that could impact poverty and social exclusion in Malta over the coming years. To foster a 'bottom-up' approach, a number of focus groups were organised, to provide a platform for engaging directly with individuals experiencing poverty and social exclusion.

Drawing on previous strategies and policies, the Strategy seeks to refine and optimise interventions to better meet the evolving needs of society. By building on the foundation laid by previous strategies, the new approach seeks to foster greater coherence, efficiency, and impact in efforts to combat poverty and promote social inclusion.

The National Strategy for Poverty Reduction and Social Inclusion 2025-2035 is guided by five key principles:

1. **Thriving Together:** Creating an inclusive environment where everyone can flourish, fostering strong social connections and a resilient community.
2. **Empowerment:** Providing individuals with the tools and opportunities to achieve self-sufficiency and a good quality of life.
3. **Opportunity:** Ensuring equal access to essential resources such as education, healthcare, and employment, fostering a fair and inclusive society.
4. **Solidarity:** Promoting mutual support and shared responsibility to prevent disadvantaged members of society from being overlooked.
5. **Dignified Quality of Life:** Respecting the dignity of all individuals and ensuring access to basic needs without economic pressure, fostering financial stability and progress for all.

Based on the principles outlined above, the National Strategy for Poverty Reduction and Social Inclusion presents a number of recommendations that aim to address the current challenges while also preparing for future needs. By focusing on long-term impact and sustainability, the Strategy seeks to build on past work for a society where individuals and communities can flourish for generations to come.

The proposed implementation and governance framework outlined in the National Strategy for Poverty Reduction and Social Inclusion 2025-2035 emphasises administrative leadership, Ministerial coordination and strategic partnerships with voluntary organisations and the private sector.

The Strategy's duration of ten years reflects the recognition that the implementation of its measures and actions will require significant time and effort to yield substantial impacts, many of which may extend across generations. However, given the rapid pace of global change and the unpredictability of future events, such as population growth and geopolitical shifts, it is crucial to periodically review and adapt the Strategy to evolving circumstances. A proposed ongoing review process (every 3 years) will ensure that the Strategy remains responsive and relevant to the changing needs and challenges faced by society, thereby maximising its effectiveness in addressing poverty and social exclusion over the course of its tenure.

LIST OF ABBREVIATIONS

ACE	Adverse Childhood Experience
ADHD	Attention-Deficit / Hyperactivity Disorder
AI	Artificial Intelligence
AROP	At-Risk of Poverty
AROPE	At-Risk of Poverty or Social Exclusion
ATP	Assistive Technology Passports
CBM	Central Bank of Malta
CBR	Crude Birth Rate
CDAU	Child Development Assessment Unit
CHP	Community Health Professionals
CRPD	Commission for the Rights of Persons with Disability
CSW-Impl	Cost of Social Welfare-Strategy Implementation
CSW-NC	Cost of Social Welfare - no change
CYPS	Child and Young People's Services
DPI	Directorate for Programme Implementation
EC	European Commission
ECEC	Early Childhood Education and Care
EPD	Economic Policy Department
ERDF	European Regional Development Fund
EU	European Union
EUC	European Union Citizens
EUSP	EU Social Pillar
FSWS	Foundation for Social Welfare and Services
GDP	Gross Domestic Product
GGH	Gozo General Hospital
GPG	Gender Pay Gap
HCO	Housing Cost Overburden
HICP	Harmonised Index of Consumer Prices
HLC-PRSI	High-Level Committee for Poverty Reduction and Social Inclusion
HPDPD	Health Promotion and Disease Prevention Directorate
HPI	House Price Index
KPI	Key Performance Indicators
KPT	Key Performance Target

LIST OF ABBREVIATIONS

MEEP	Ministry for the Economy, Enterprise and Strategic Projects
MEER	Ministry for the Environment, Energy and the Regeneration of the Grand Harbour
MEYR	Ministry for Education, Sport, Youth, Research and Innovation
MFIN	Ministry for Finance
MGP	Ministry for Gozo and Planning
MHA	Ministry for Health and Active Ageing
MHSE	Ministry for Home Affairs, Security and Employment
MIC	Ministry Implementing Coordinator
MIV	Ministry for Inclusion and the Voluntary Sector
MJR	Ministry for Justice and Reform of the Construction Sector
MO	Met Office
MS	Member States
MSAA	Ministry for Social and Affordable Accommodation
MSD	Material and Social Deprivation
MSPC	Ministry for Social Policy and Children's Rights
NAO	National Audit Office
NEI	National Equivalised Income
nGDP	Nominal Gross Domestic Product
NGO	Non-Governmental Organisations
NMW	National Minimum Wage
NSO	National Statistics Office
NSPRI	National Strategic Policy for Poverty Reduction and for Social Inclusion: Malta – 2014-2024 ¹
NSPRI 2025-2035	National Strategic Policy for Poverty Reduction and Social Inclusion: Malta – 2025-2025
OECD	Organisation for Economic Cooperation and Development
OPM-EES	Office of the Prime Minister – Parliamentary Secretariat for Social Dialogue and Parliamentary Secretariat for Equality and Reforms
OSS	One Stop Shop Information Service
PAYG	Pay-As-You-Go
PDIAD	Policy Development and International Affairs Directorate
PISI-TF	Poverty and Inclusion Strategy Implementation Task Force
POYC	Pharmacy of Your Choice
pp	percentage points

¹ Accessed at: <https://familja.gov.mt/wp-content/uploads/2023/04/Poverty-Strategy-14-EN.pdf>

LIST OF ABBREVIATIONS

PPI	Property Price Index
PRID	Poverty Reduction and Inclusion Dashboard
SC	Steering Committee
SDG	Sustainable Development Goals
SID	Strategy and Implementation Division
SMSD	Severe Material and Social Deprivation
SPH	Superintendence of Public Health
STiK	Social Transfers in Kind
SVM	A Social Vision for Malta 2035: Shaping the Future of our Society ²
TCN	Third Country Nationals
TFR	Total Fertility Rate
UN	United Nations
VLWI	Very Low Work Intensity
WHODAS	World Health Organisation Disability Assessment Schedule



² Accessed at: <https://familja.gov.mt/wp-content/uploads/2023/04/Social-Vision-for-Malta-2035-Policy-Documents-EN.pdf>

CHAPTER 1

A COMPREHENSIVE APPROACH:
FOCUSING ON SOCIAL WELLBEING

CHAPTER 1

A COMPREHENSIVE APPROACH: FOCUSING ON SOCIAL WELLBEING

1.1 Introduction

Tackling the enduring hurdles of poverty and social exclusion requires steadfast commitment centred on prioritising the welfare of every citizen. Despite strides made, the evolving landscape presents new and complex realities, necessitating continued efforts to confront emerging challenges effectively. Cognisant of the critical importance of sustained intervention, the vision set for this Strategy is that of:

Creating a future where thriving together is the cornerstone of our community, driven by empowerment, enriched with opportunities, bonded by solidarity, and aimed at achieving a dignified quality of life for all.

Poverty and social exclusion are complex and multifaceted issues that are deeply intertwined with broader societal inequalities. While income disparities are a significant aspect, addressing poverty and social exclusion requires a comprehensive understanding of various interconnected factors, including access to education, healthcare, employment opportunities, and social support systems. By recognising the intricate web of influences at play, Government aims to develop an effective strategy to tackle these challenges and foster a more inclusive and equitable society.

This strategic initiative represents a proactive step towards fulfilling the national commitment to achieve a 3.1% decrease in AROPE (At Risk of Poverty or Social Exclusion Rate) by 2030. Government also targets to reduce the rate of children at risk of poverty or social exclusion by approximately 6% by 2030. With a comprehensive understanding of the multifaceted nature of poverty and social exclusion, this Strategy is designed to address the main root causes of challenges faced by society. By implementing targeted interventions, including policies to enhance access to education, healthcare, and employment opportunities, as well as strengthening social support systems, Government aims to create tangible improvements in the lives of disadvantaged individuals and communities. Through sustained collaboration and investment in social welfare, this Strategy also seeks to foster greater inclusivity and equality, ultimately contributing to the realisation of a more prosperous and equitable society.

1.2 Understanding Poverty and Social Exclusion

Poverty occurs when individuals or groups fall so far behind socially that they struggle to meet essential standards of living. Poverty is often operationalised and measured in income or consumption poverty. Poverty lines can be based on what people absolutely need or on the relative social norms of a specific society. While poverty is a relatively static definition of disadvantage, social exclusion is more dynamic: both a process and a result³. As a process, it pushes certain individuals to the edges of society, stopping them from fully participating in social, economic, cultural, and political activities. As a result, social exclusion describes the status and traits of these excluded individuals⁴.

³ Guide on Poverty Measurement, UNECE, UN, 2017 Pg 19. Accessed at: <https://unece.org/DAM/stats/publications/2018/ECECESSTAT20174.pdf>

⁴ Ibid.

In aligning this Strategy with the approach taken in the 2014 National Strategy for Poverty Reduction and Social Inclusion (NSPRI 2014-2024), the strategic approach moves beyond the conventional notion that societal well-being is measured solely by economic indicators such as the Gross Domestic Product (GDP). This National Strategy for Poverty Reduction and Social Inclusion - 2025-2035 (NSPRI 2025-2035) recognises that poverty and inclusion should be based on a broader understanding - one that incorporates society's wellbeing beyond national wealth, and which also accounts for disparities in income, wealth distribution, or access to resources, which are important aspects of poverty and exclusion.

As challenges and realities evolve, so do the determinant factors behind poverty and exclusion. The Strategy acknowledges this dynamic nature and adapts its approach accordingly. Informed by consultation sessions, focus groups, and strategic foresight planning with the OECD, the Strategy is shaped to address these shifting determinants effectively. Figure 1 (below) represents the current core determinants identified.

Figure 1: Core Determinants of Poverty and Social Exclusion



The key outcomes concerning these core determinants of poverty and social exclusion are presented in Chapter 3. A number of these core determinants of poverty and exclusion align with the EU Social Pillar (EUSP) principles - which consists of 20 key principles⁵.

⁵ The EU Social Pillars are presented in the Working Paper to this Strategy titled 'Measuring Poverty and Determining a Minimum Income for a Quality of Life and Decent Living for Low-Income Households in Malta'.

1.2.1 Factors Influencing Life Chances of Experiencing Disadvantage

Understanding how and why people become disadvantaged is complex: many factors influence a person's chances of experiencing disadvantage, which may lead to poverty or exclusion – making it difficult to disentangle how the various factors interact and establish causality⁶. It is not just about financial shortage. A person's life outcomes depend on its capabilities (such as financial resources, education, health, social networks, and personal traits like motivation and confidence), the opportunities it has (like learning, working, and influencing decisions), and life events, including those beyond its control⁷. Family, community, and broader economic and social contexts also shape a person's capabilities and opportunities⁸:

- Families contribute to developing key competences and lifelong support.
- Communities influence attitudes and aspirations and provide social connections and access to services.
- The broader environment affects the availability of jobs, education, health services, and infrastructure.

This broader environment too often establishes the structural and systematic influences of how class, identity, age, sex, gender, etc., are viewed⁹. These, in turn, shape the economic and social behaviour which result or can tilt a person or cohorts of the population into poverty or exclusion.

The concept of intersectionality underscores the importance for the strategy to recognise and address the interconnected nature of various social identities and experiences. Individuals' circumstances are shaped not only by economic and social factors but also by intersecting aspects such as race, gender, sexuality, and ability. Therefore, the strategy aims to adopt a comprehensive approach that takes into account these intersecting dimensions of identity to effectively address the diverse forms of discrimination and disadvantage faced by marginalised groups.

⁶ Pg 94, McLachlan, R., et al., Deep and Persistent Disadvantage in Australia, Productivity Commission Staff Working Paper, Productivity Commission, Australian Government, 2013. Accessed at: <https://www.pc.gov.au/research/supporting/deep-persistent-disadvantage/deep-persistent-disadvantage.pdf>

⁷ Pg 95, Ibid

⁸ Ibid.

⁹ Pg 96, Ibid

1.3 Building on the Existing Strategies for Future Success

In recent years, Government launched a series of 'vertical' strategies or policies on determinants of poverty and exclusion. Each of these strategies present recommendations. Most of these strategies have a ten-year horizon, up to and over 2030, whilst others have a 3 to 5-year horizon. Figure 2 presents examples of strategies and policies issued by the Ministry for Social Policy and Children's Rights in this regard.

Figure 2: Examples of Strategies and Policies Issued by the Ministry for Social Policy and Children's Rights Related to Poverty and Social Inclusion

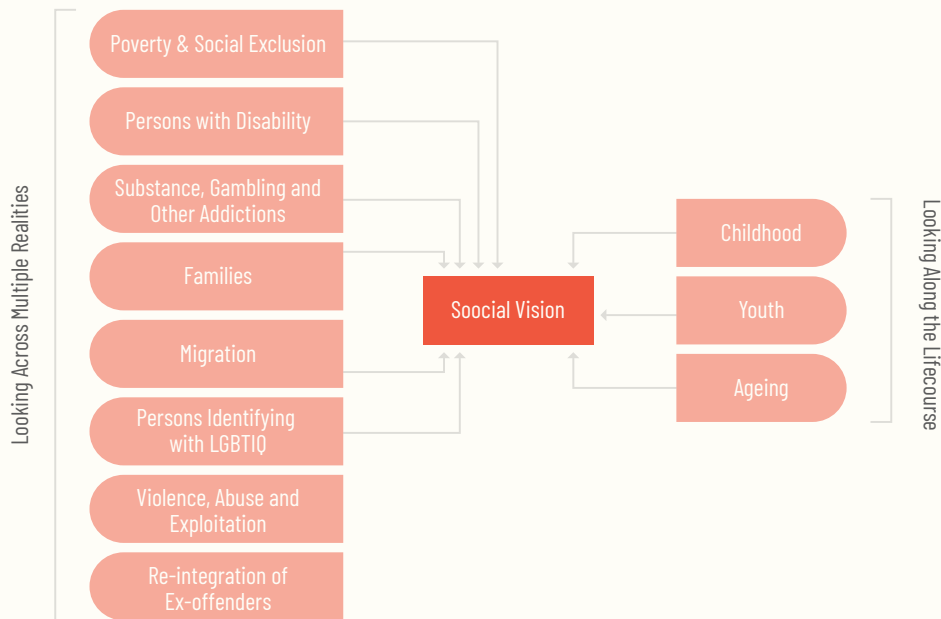


A Social Vision for Malta 2035

In particular, in 2022, the Government published Malta's Social Vision 2035 centred on 11 main themes as described in Figure 3. The Social Vision is based on the principles of social justice and seeks to guarantee the full and equal participation of all groups in a society that is mutually shaped to meet their needs¹⁰. The Social Vision is directed towards meeting policy goals developed to address existing gaps as well as future social challenges with the aim of enhancing social inclusion and resilience, at both individual and societal levels¹¹. Building on existing strategies, while embracing the principle of leaving no one behind, this vision is designed to address the aspirations of Maltese society within a framework of sustainable development goals¹².

Malta's Social Vision is oriented towards the amelioration of social resilience with the aim to attenuate future risks with a view of striking a balance between Malta's social market economy and protection of persons in need¹³. In doing so, the Social Vision seeks to ensure that citizens, particularly disadvantaged groups, obtain the necessary support to actively participate in the economy and have access to better life chances, including being equipped with the necessary skills to address future challenges while grasping the opportunities for social prosperity¹⁴.

Figure 3: The Axes Underpinning the Social Vision 2035



¹⁰ Pg 7, A Social Vision for Malta 2035: Shaping the future of our society, Consultation Document, Ministry for Social Policy and Children's Rights, 2022. Accessed at: <https://familja.gov.mt/wp-content/uploads/2023/04/Social-Vision-for-Malta-2035-Policy-Documents-EN.pdf>

¹¹ Pg 9, Ibid.

¹² Pg 11, Ibid.

¹³ Pg 18, Ibid.

¹⁴ Ibid.

Figure 4¹⁵ (below) showcases examples of other national strategies and policies developed by other Ministries in addressing societal wellbeing. The recommendations derived from these Government strategies also address facets concerning poverty reduction and inclusion. Replicating all relevant proposals from these strategies would result in an unwieldy document, likely unreadable and of limited utility to most stakeholders. Conversely, a strategy lacking emphasis on key principles, determinants, and actions would fail to provide the necessary guidance throughout its implementation.

Figure 4: Examples of Strategies and Policies Issued by Other Ministries relating to Determinants of Poverty and Social Inclusion



¹⁵ The strategies and / or policies presented in Figure 04, apart from the NPSI and the SVM, are:

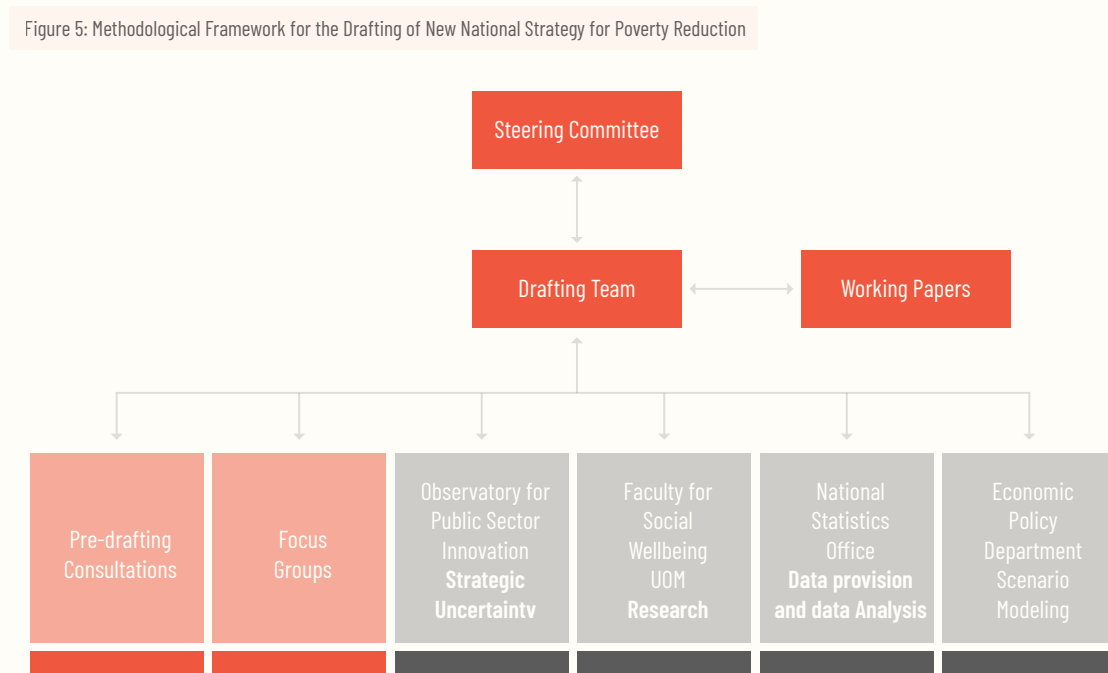
- A review of the implementation of Sustainable Development Goal 1: Malta's efforts at alleviating poverty, National Audit Office, 2020. Accessed at: <https://nao.gov.mt/2020/12/27/a-review-of-implementation-of-sustainable-development-goal-1-maltas-efforts-at-alleviating-poverty-download/>
- National Strategic Policy for Active Ageing 2023-2030: <https://activeageing.gov.mt/national-strategic-policy-for-active-ageing-2023-2030/>.
- National Education Strategy, Visioning the Future by Transforming Education, 2024-2030: <https://education.gov.mt/wp-content/uploads/2023/12/NATIONAL-EDUCATION-BOOKLET-DEC-2023-2030.pdf>.
- A Mental Health Strategy for Malta, Building Resilience Transforming Services: 2020-2030: https://health.gov.mt/wp-content/uploads/2023/04/Building_Resilience_Transforming_Services_A_Mental_Health_Strategy_for_Malta_2020-2030_EN.pdf.
- Migrant Integration Strategy & Action Plan, Vision 2020: <https://humanrights.gov.mt/en/Documents/Integration%20Equals%20Belonging%20EN.pdf>
- The National Employment Policy, 2021-2030: <https://finanzi.gov.mt/wp-content/uploads/2023/06/nep.pdf>.
- Early Childhood Education and Care October 2021 (0-7 years) National Policy Framework for Malta and Gozo, 2021: <https://educationservices.gov.mt/en/dqse/Documents/publications/NPF%20Early%20Childhood%20Education%20and%20Care%20ENG%20-%20A4%20Oct21.pdf>.
- A future proof Malta: A nation of courage, compassion and achievement, Malta's Economic Vision, 2021-2023: <https://mimcol.com.mt/wp-content/uploads/2021/06/A-Future-Proof-Malta-Consultation-Document.pdf>.
- Gozo Regional Development Strategy, 2023: https://grda.mt/wp-content/uploads/2023/09/GRDA_RDS-Documents_A4_VH_2023_Web.pdf.
- A National Health System Strategy for Malta, 2023-2030: https://health.gov.mt/wp-content/uploads/2023/04/A_National_Health_Systems_Strategy_for_Malta_2023_-_2030_Investing_Successfully_for_a_Healthy_Future_EN.pdf.
- Malta's Sustainable Development Strategy for 2050: <https://sustainabledevelopment.gov.mt/maltas-sustainable-development-strategy-for-2050/>.
- Gender equality and mainstreaming strategy action plan, 2022-2027: <https://humanrights.gov.mt/en/Documents/Gender%20Equality.pdf>.
- Freedom to Live, Malta's 2021-2030 National Strategy on the Rights of Disabled Persons: <https://inclusion.gov.mt/wp-content/uploads/2023/04/Disability-Doc-ENG-SEP-21.pdf>

Furthermore, in late 2020, the National Audit Office (NAO) also conducted a study titled 'A review of the implementation of Sustainable Development Goal 1: Malta's efforts at alleviating poverty'. The Sustainable Development Goals (SDGs), adopted by all United Nations (UN) Member States in 2015, represent a global commitment to eradicate poverty, preserve the environment, and foster peace and prosperity by 2030. SDG 1, as outlined in the 2030 Agenda for Sustainable Development, aims to "end poverty in all its forms everywhere".

1.4 Our Approach: The Methodological Framework Adopted for A New Strategy: 2025-2035

The present National Strategic Policy for Poverty Reduction and for Social Inclusion 2014-2024 has a time span of 10 years, reaching its end in 2024.

In September 2023, the Policy Development and International Affairs Directorate within the Ministry for Social Policy and Children's Rights initiated the process of drafting this Strategy to be presented for public consultation. The methodology applied in drafting this Strategy is presented in Figure 5¹⁶.



¹⁶ The Terms of Reference (ToR) of the Steering Committee are presented in Appendix 1.

1.4.1 Consultations:

Between Q4 2023 and Q1 2024 extensive pre-consultation sessions were conducted by the Ministry for Social Policy and Children's Rights with various government agencies, departments, and non-governmental organisations (NGOs), totalling over 50 pre-consultation sessions¹⁷. These sessions aimed to:

(a) Identify Evolving Determinants: Understand the evolving determinants of poverty and exclusion since 2014, pinpointing those that remain relevant today and are likely to shape the discourse and landscape throughout the Strategy's term.

(b) Address Strategic Concerns: Identify measures and actions to reduce poverty and enhance inclusion. Despite existing strategies and policies, these areas demand sustained attention and specific focus for successful implementation.

Several of the recommendations presented in the consultation sessions can be found in other strategies that directly or indirectly concern poverty reduction and social exclusion. The fact that the stakeholders who were consulted emphasised these recommendations suggests that their implementation was not as effective as desired, the targeted outcomes are not being reached, and that progress is not picking up as expected. In identifying implementation measures and actions, this Strategy replicates certain recommendations presented in other strategies.

Strategic Foresight: In preparing the Strategy, the Ministry for Social Policy and Children's Rights also collaborated with the Organisation for Economic Cooperation and Development (OECD) to pilot the application of strategic foresight as a strategy and policy design tool. A unique approach was taken to address unpredictability in government planning. Strategic foresight is the ability to constantly perceive, make sense of, and act on ideas of the future emerging in the present. This enabled the strategy to address possible future challenges that might arise.

A document describing the application of strategic foresight, and the identified uncertainties is presented in Appendix 3.

Working Papers: The outcomes of the pre-consultation sessions and the work with OECD identified several determinants and uncertainties impacting poverty and exclusion today and are expected to continue doing so in the future. The Policy Development and International Affairs Directorate (PDIAD) developed Working Papers for seven of these determinants. This approach allowed for an in-depth examination of each determinant without overwhelming the Strategy document with excessive detail. The analyses conducted in these Working Papers were instrumental in shaping the formulation of the Strategy. The Working Papers are:

(a) Older persons, Poverty and Inclusion (Appendix 4).

(b) Early Childhood Education and Care and Potential Impacts on Future Behaviour (Appendix 5).

(c) Affordable and Social Housing (Appendix 6).

¹⁷ The list of entities engaged in these pre-drafting consultations is provided in Appendix 2.

- (d)** Migrants, Poverty and Inclusion (Appendix 7).
- (e)** Workers in the Gig, Platform Economy and Poverty (Appendix 8).
- (f)** Measuring Poverty and Determining a Minimum Income for a Quality of Life and Decent Living for Low-Income Households in Malta (Appendix 9).
- (g)** Gender Equality, Inclusion and Poverty (Appendix 10).
- (h)** Socio-Economic Gozo Regional Analysis regarding the National Poverty Reduction and Social Inclusion Strategy: 2025-2035 (Appendix 11)

Focus Groups: A number of focus groups were organised, primarily facilitated by NGOs. These sessions aimed to provide a platform for PDIAD to engage directly with individuals experiencing poverty or social exclusion. By incorporating these voices, the Strategy embraces a 'bottom-up' approach to ensure representation in its design process. The focus groups were carried out with (a) older persons, (b) persons on the poverty line, (c) youths, (d) migrants, and (e) persons with a disability.

A National Steering Committee: In order to bring together diverse perspectives and expertise, the Ministry for Social Policy and Children Rights also established a Steering Committee (SC)¹⁸ that contributed to the design and drafting of this public consultation for a National Strategy for Poverty Reduction and Social Inclusion 2025-2035.

Collaboration with Entities: The drafting team worked closely with the National Statistics Office (NSO) to provide the data required for the Strategy and supporting documents. The Economic Policy Department (EPD) within the Ministry for Finance (MFIN) assisted the drafting team in modelling the national economic impact of a select number of poverty reduction measures. The PDIAD commissioned the Faculty for Social Well-being at the University of Malta to research intergenerational poverty.

A Regional Analysis: The drafting team conducted a socio-economic Gozo regional analysis to establish whether the NSPRI 2025-2035 should incorporate recommendations and action measures tailored for Gozo. Whilst Gozo has its unique challenges, primarily stemming from the impacts of double insularity and its small size, the core determinants of poverty and exclusion today (and as expected to evolve between 2025 and 2035 for both Islands), are generally the same for both Malta and Gozo. For this purpose, the proposed recommendations and action measures do not differentiate between Malta and Gozo, other than on one exception. The exception is the redevelopment of the Gozo General Hospital (GGH). The NSPRI 2025-2035 views the reconstruction of the GGH as an important measure for Gozitans' increased well-being and quality of life. The Socio-Economic Gozo Regional Analysis is presented in Appendix 11.

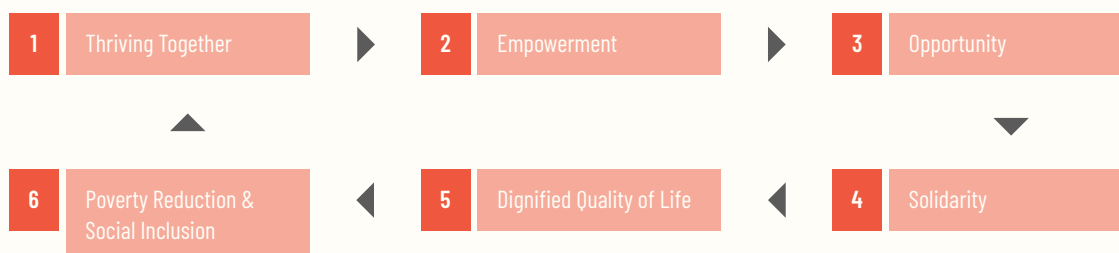
¹⁸ The SC consisted of representatives from the Ministry for Finance (MFIN), Ministry for Health and Active Ageing (MHA), Ministry for Social and Affordable Accommodation (MSAA), Ministry for Education, Sport, Youth, Research and Innovation (MEYR), Ministry for Home Affairs, Security and Employment (MHSE), and the Malta National Statistics Office (NSO Malta).

1.5 Underlying Principles and Recommendations

The NSPRI 2025-2035 seeks to foster a community bonded by social solidarity, that strives to empower individuals with equal opportunities for a dignified quality of life. Through prioritising social cohesion and inclusivity, every member is valued and supported, upholding a society where each person can contribute to collective wellbeing.

Five important principles anchor the vision as presented in Figure 6 and introduced below. Further down in this document, these principles are discussed together with recommendations pertaining to them in Chapter 5.

Figure 6: Key Principles Underpinning the New Strategy for Poverty Reduction and Social Inclusion



Thriving Together

The NSPRI 2025-2035 aims to create an environment where everyone thrives, leaving no one behind. Fostering inclusivity and a community that respects and understands each other and works together, reduces poverty and social exclusion. This approach builds strong social connections and a sense of belonging, nurturing a resilient community where individuals flourish and contribute to societal well-being.

Empowerment

Empowerment is meant to limit dependency on government or charity benefits and on the contrary contribute to the individual's self-sufficiency while living a good quality of life. Providing individuals with the tools and opportunities they need to thrive and make their own decisions is what empowerment entails. This requires collaboration among various stakeholders, including Government, NGOs and the private sector.

Opportunity

Opportunity forms the cornerstone of a fair society, ensuring access to essential resources like education, healthcare, employment, and childcare. Providing such access embodies equality for all, breaking down systemic barriers based on gender, race, ability, nationality, socio-economic status and more. Beyond poverty reduction, opportunity makes inclusivity tangible for everyone, regardless of their circumstances. Thus, opportunity fosters a fair, diverse and inclusive society where all individuals can lead a good quality of life.

Solidarity

Solidarity entails mutual support and shared responsibility so that the disadvantaged members are not overlooked in Malta's society. This Strategy, thus aims to cultivate a compassionate society through robust social protection measures.

Dignified Quality of Life

Malta's shift to a diverse and multicultural society highlights the need for respecting the dignity of all persons, regardless of nationality or any other characteristic. People should have access to their basic needs like food, housing, and healthcare, without having to neglect any of their essentials due to economic pressures. A dignified quality of life is ensured when financial stability, security and progress for wellbeing are shared among every member of Malta's diverse community.



CHAPTER 2

BACKGROUND AND CONTEXT

CHAPTER 2

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2.1 Overview of Malta's Performance in Reducing Poverty

The At-Risk-of-Poverty or Social Exclusion (AROPE) is the baseline indicator allowing the European Commission (EC) to gauge poverty and social exclusion in the Member States (MS) of the European Union (EU). In 2023, the AROPE rate in Malta stood at 19.8%, thus registering a decrease of 2.4% from 2015. Table 1 shows the AROPE rates for males and females between 2015 and 2023. AROPE rates for females were higher in each of the provided years compared to their male counterparts.

Table 1: AROPE in Malta for 2015-2023, by sex

Indicator	Variable	Year			
		2015	2018	2022	2023
AROPE ¹⁹	Total Population	22.2%	19.2%	20.1%	19.8%
	Males	21.3%	17.3%	18.9%	18.7%
	Females	23.2%	21.1%	21.3%	21.1%

Breaking down AROPE rates by district allows for the identification of regional disparities in poverty and social exclusion, enabling more targeted and effective interventions which address the specific needs of each area. This approach ensures a detailed understanding of local conditions and promotes equitable development across regions.

The AROPE rates for 2023 for different districts in Malta are presented in Figure 7. The lowest AROPE rate was recorded in the South Eastern district, at 15.2%, while the highest AROPE rate was recorded in the Gozo and Comino district, at 26.4%.

¹⁹ Persons at risk of poverty or social exclusion by age and sex. Eurostat online data code: **ilc_peps01n**. It is important to note that there was a break in series for the data issued for 2023, therefore the results for 2023 presented throughout this Chapter may not be directly comparable to previous years due to changes in how recent data were collected or defined NSO. 24 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

Figure 7: Distribution of AROPE by District in 2023²⁰



2.2 AROPE – Statistical Detail

1) At-Risk-of-Poverty (ARP)

The at-risk-of-poverty rate refers to the amount of people who have an income below a certain threshold, which increases their risk of falling into poverty. This threshold is typically set at 60% of the median equivalised disposable income after social support.

By quantifying the proportion of the population whose income falls below the defined threshold, the ARP rate highlights the prevalence of monetary poverty within a nation. This metric underscores the imperative for targeted policy interventions to support those vulnerable to poverty.

The ARP rate is an important indicator used in the strategic and effective planning of social and economic policies aimed at decreasing poverty rates and inequality. It facilitates the monitoring of the progress of social inclusion and the efficiency of implemented programmes and social welfare benefits. ARP rates are influenced by several factors, namely, the population income levels, the effectiveness of social welfare programmes, employment rates, and household incomes.

In 2023, Malta had an ARP of 16.6% which is comparable with the EU ARP 2023 rate of 16.2%²¹.

²⁰ NSO. 24 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

²¹ Eurostat. (2023). Living conditions in Europe - poverty and social exclusion - Statistics Explained. Retrieved from ec.europa.eu.

Table 2 below provides the ARP rates for Malta from 2015 to 2023.

Table 2: ARP in Malta for 2015-2023, by sex

Indicator	Variable	Year			
		2015	2018	2022	2023
ARP ²²	Total Population	16.6%	16.8%	16.7%	16.6%
	Males	16.3%	15.6%	15.8%	15.7%
	Females	16.9%	18.1%	17.8%	17.6%

2) Severe Material and Social Deprivation (SMSD)

Severe material and social deprivation (SMSD) refers to a situation where individuals or households are unable to access essential basic needs required to lead a good quality life. This includes the inability to afford sufficient food, clean water, clothing, stable and warm housing, adequate heating, and the necessary healthcare. It signifies a state of extreme economic distress, where fundamental material needs are unmet, severely affecting overall well-being and living conditions.

The severity of material deprivation is measured against a list of 13 specific items or conditions (Table 4). A person is considered materially and socially deprived (MSD) if they lack 5 or more of the specified 13 deprivation items. In contrast, severe material and social deprivation (SMSD) is defined as experiencing a deficiency in 7 or more of these items²³. Concerning MSD and SMSD, latest local figures of 2023 for the total population show that these rates have seen an overall decline to 9.2% and 4.1%²⁴ respectively (Table 3).

Table 3: SMSD and MSD in Malta for 2015-2023, by sex

Indicator	Variable	Year			
		2015	2018	2022	2023
SMSD ²⁵	Total Population	8.2%	4.7%	4.9%	4.1%
	Males	8.1%	4.1%	4.3%	3.7%
	Females	8.3%	5.4%	5.7%	4.6%
MSD ²⁶	Total Population	16.0%	9.6%	9.6%	9.2%
	Males	15.5%	8.5%	8.0%	8.6%
	Females	16.5%	10.6%	11.4%	9.9%

²² At-risk-of-poverty rate by poverty threshold, age and sex - EU-SILC and ECHP surveys. Eurostat online data code: **ilc_li02**.

²³ These items include a set of specific goods, services, or social activities that are considered by most people essential for an adequate quality of life.

²⁴ NSO. 24 April 2024. News Release 073/2024: EU-SILC 2023: Estimates of Material Deprivation and Housing Problems. Accessed at: **NSO Malta | EU-SILC 2023: Estimates of Material Deprivation and Housing Problems - NSO Malta (gov.mt)**.

²⁵ Severe material and social deprivation rate by sex. Eurostat online data code: **tepsr_lm420**.

²⁶ Material and social deprivation rate by age and sex. Eurostat online data code: **ilc_md07**.

Table 4 below presents the main items of deprivation of Malta's population between 2015 and 2023, along with the difference experienced over from 2022 to 2023. The sub-indicators²⁷ track the percentage of the population experiencing specific forms of deprivation.

The minimal reductions in most of the deprivation items from 2022 to 2023, particularly the 3.3pp decrease in the inability to afford a one-week annual holiday, may indicate some progress in improving quality of life, financial stability, and social inclusion. These changes positively impact mental health, consumer spending, and employment opportunities while broadly highlighting the effectiveness of the social welfare system.

However, the persistence of deprivation underscores the need for continued support and targeted interventions to further reduce poverty and social exclusion. According to the latest data, 15.9% of the population in Malta lacks the financial means to cover unexpected expenses, and 9.4% cannot afford nutritious meals that include meat, chicken, fish, or a vegetarian alternative every other day. Malta has seen a slight increase in the population experiencing these challenges. Such challenges can have profound impacts on individuals' well-being and mental health, leading to increased stress, anxiety, and a diminished quality of life.



²⁷ Forming part of material and social deprivation (MSD) indicator.

Table 4: Rates of persons living in households by perceived capacity to afford various Material and Social Deprivation Items for 2015-2023

Material and Social Deprivation Item	2015 ²⁸ % population	2018 ²⁹ % population	2022 ³⁰ % population	2023 ³¹ % population	2022-2023 Difference
Household cannot face unexpected financial expenses	21.1	13.9	15.5	15.9	+0.5pp
Household cannot pay for one week's annual holiday away from home	44.3	30.6	33.3	30.0	-3.3pp
Arrears on mortgage or rent payments, utility bills, hire purchase instalments or other loan payments	10.2	7.0	6.1	5.7	+0.4pp
Household cannot afford a meal with meat, chicken, fish, or vegetarian equivalent every second day	13.1	5.7	7.5	9.4	+1.9pp
Household cannot keep the home adequately warm in winter	13.9	7.6	7.6	6.8	-0.8pp
Household cannot afford a car	3.1	2.0	1.5	1.6	+0.1pp
Household cannot replace worn-out furniture	-	-	15.4	14.2	+1.2pp
Person cannot replace worn-out clothes with some new ones	-	-	6.3	5.7	-0.6pp
Person cannot afford to have two pairs of properly fitting shoes	-	-	6.6	5.6	-1.0pp
Person cannot afford to spend a small amount of money each week on him/herself ("pocket money")	-	-	12.3	11.9	-0.4pp
Person does not have regular leisure activities	-	-	10.9	11.1	0.2pp

²⁸ NSO. 22 September 2016. News Release 152/2016: EU-SILC 2015: Salient Indicators. Accessed at: [News2016_152.indd \(gov.mt\)](#)

²⁹ NSO. 07 August 2019. News Release 128/2019: EU-SILC 2018: Salient Indicators. Accessed at: [News2019_128.indd \(gov.mt\)](#)

³⁰ NSO. 13 June 2023. News Release 103/2023: EU-SILC 2022: Salient Indicators. Accessed at: [NSO Malta | EU-SILC 2022: Salient Indicators - NSO Malta \(gov.mt\)](#)

³¹ NSO. 12 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at: <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

3) Very Low Work Intensity (VLWI)

The concept of Very Low Work Intensity (VLWI) is used to pinpoint situations where working-age individuals (up to 64 years old) in a household are minimally engaged in the labour market, whether due to unemployment, part-time work, or complete inactivity.

Specifically, VLWI applies to those working-age individuals who worked 20% or less of their potential work time in the past year. Households experiencing VLWI face heightened risks of poverty and social exclusion because insufficient income prevents them from meeting financial obligations.

Certain groups within the population are particularly vulnerable to VLWI, including people with disabilities, low-skilled workers, single parents, migrants, and refugees. Effective strategies to combat VLWI must be tailored to address the unique challenges faced by each of these groups.

Table 5 below represents Malta's VLWI rates from 2015 to 2023.

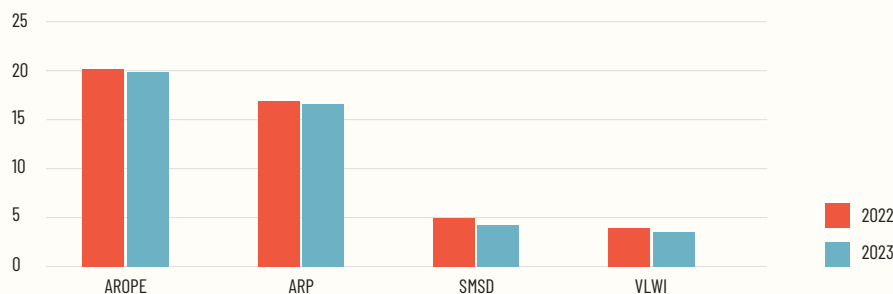
Table 5: VLWI in Malta for 2015-2023, by sex

Indicator	Variable	Year			
		2015	2018	2022	2023
VLWI ³²	Total Population	9.2%	5.3%	3.8%	3.6%
	Males	8.6%	4.1%	3.5%	3.1%
	Females	8.6%	4.1%	3.5%	3.1%

Malta has made significant strides in reducing VLWI rates in recent years, driven by factors such as increased economic growth creating more job opportunities for individuals to engage in the labour market, as well as targeted social policies aimed at supporting the most disadvantaged groups. In fact, the latest data for 2023 indicates the lowest percentage of the population experiencing VLWI in recent years.

Figure 8 is a graphical representation of the AROPE rates, and the three sub-indicators described above for the year 2022 and 2023.

Figure 8: AROPE and its Sub-Indicators for 2022 and 2023



³² People living in households with very low work intensity by sex. Eurostat online data code: [tepsr_lm430](#).

2.3 AROPE: Disadvantaged Groups

When investigating issues regarding poverty and social exclusion, it is necessary to delve deeper into different population groups, as these may face unique challenges and risks. By understanding the specific needs of each group, a targeted approach can be used to better allocate resources and design policy interventions. Stratification also facilitates the monitoring and evaluation of implemented interventions by examining trends over time within specific groups.

Table 6 below shows the AROPE³³ data for different age and disadvantaged groups, stratified further by sex, from 2015 to 2023. The selected groups are the main disadvantaged groups in Malta targeted by the National Strategic Policy for Poverty Reduction and for Social Inclusion 2014-2024. Hence, the data in Table 6 presents changes in the vulnerability to poverty and social exclusion of different age groups, genders and employment status over time.

Table 6: AROPE³⁴ of the Main Disadvantaged Groups in Malta targeted by the National Strategic Policy for Poverty Reduction and for Social Inclusion 2014-2024, by sex, 2015-2022

Material and Social Deprivation Item	2015	2018	2022	2023
Children (under 18 years) AROPE ³⁵	27.8%	23.3%	23.1%	25.2%
Males	28.3%	23.7%	24%	24.5%
Females	27.2%	23.0%	22.2%	25.9%
Young Persons (18-24 years) AROPE ³⁶	16.6%	14.2%	11.4%	14.7%
Males	17.8%	17.2%	12.3%	13.0%
Females	15.3%	10.6%	10.5%	16.6%
Elderly Persons (65 years or over) AROPE ³⁷	24.6%	27.8%	33.3%	31.4%
Males	23.6%	24.6%	29.8%	29.7%
Females	25.5%	30.6%	36.5%	33.0%

³³ Only in the case of persons experiencing in-work poverty, ARP is provided instead of AROPE.

³⁴ AROPE for Persons experiencing In-Work Poverty is not available. In view of this, data for In-Work ARP is being presented.

³⁵ Persons at risk of poverty or social exclusion by age and sex. Eurostat online data code: **ILC_PEPSOIN**.

³⁶ Persons at risk of poverty or social exclusion by age and sex. Eurostat online data code: **ILC_PEPSOIN_custom_7077797**.

³⁷ Persons at risk of poverty or social exclusion by age and sex. Eurostat online data code: **ILC_PEPSOIN**.

Material and Social Deprivation Item	2015	2018	2022	2023
Unemployed Persons (18-64 years) AROPE ³⁸	58.0%	59.6%	34.9%	42.3%
Males	61.0%	59.6.7%	37.1%	47.2%
Females	44.5%	59.4%	31.7%	35.6%
In-Work At-Risk-of-Poverty (18-64 years) ³⁹	5.5%	6.4%	7.2%	5.4%
Males	6.8%	7.6%	9.2%	9.0%
Females	3.5%	4.5%	4.1%	5.4%

Children (under 18 years) - From 2015 to 2022, children at risk of poverty or social exclusion in Malta experienced a decrease, indicating potential improvements in social and economic welfare. Despite these improvements, males consistently exhibit slightly higher vulnerability rates compared to females, with the gender gap remaining relatively stable over the years. Moreover, while the AROPE rate for male children has been consistently higher than that for female children, the decrease in risk has been more pronounced among females. However, the latest data for 2023 show a slight overall increase in the AROPE rate among children, with a more pronounced increase among females. This underscores the need for improved and more effective targeted interventions to enhance the well-being of children in Malta.

Young persons (18-24 years) - The AROPE rate for this group experienced a notable decline from 2015 to 2022, suggesting possible enhancements in access to education, employment opportunities, or social support systems. This trend is evident for both genders. Furthermore, while vulnerability rates for young males have shown a gradual decrease, females consistently exhibit lower vulnerability rates, indicating potential gender-specific challenges or interventions. As seen in the previous group, the most recent data of 2023 also showed an increase in the total AROPE rate, with a significant increase among females.

Elderly Persons (65 years or over) - The vulnerability to the risk of poverty or social exclusion among elderly persons has shown a significant increase over the years, particularly between 2018 and 2022. This suggests potential challenges in pension systems, healthcare accessibility, or rising living costs, impacting both genders. Yet, females consistently exhibit higher vulnerability rates compared to males, indicating potential gender-specific issues such as longer life expectancy, lower pension benefits, or higher healthcare expenses. In a positive development, in 2023, elderly persons at risk of poverty or social exclusion decreased marginally, suggesting a potential positive impact of the enhancements in the pension system.

³⁸ At-risk-of-poverty rate by poverty threshold and most frequent activity in the previous year - EU-SILC and ECHP surveys. Eurostat online data code: **ILC_LI04**.

³⁹ In-work at-risk-of-poverty rate by age and sex - EU-SILC survey. Eurostat online data code: **ILC_IW01**.

Unemployed Persons (18-64 years) - The risk of poverty or social exclusion among unemployed persons decreased substantially from 2015 to 2022, indicating potential improvements in labour market conditions, social safety nets, or reactivation programmes. This improvement is evident for both genders. While unemployed males decreased across these indicated eight years, unemployed females exhibited more fluctuation, with a notable decrease from 2018 to 2022. This may suggest potential gender-specific challenges in accessing employment opportunities or social support. 2023 data show that there was an increase in the population of unemployed persons who are at risk of poverty and social exclusion, with a significantly higher increase among males.

In-Work At-Risk-of-Poverty (18-64 years) - Individuals who are in-work poor have shown a gradual increase over the years, indicating challenges in addressing low wages, precarious employment, or insufficient social protection. This trend is consistent across genders. However, males consistently exhibit higher vulnerability rates compared to females, highlighting potential disparities in wages or occupational segregation. Comparable to other disadvantaged groups, data for 2023 also indicate a marginal increase in this population's AROPE.

2.3.1 AROPE by Household Type

Stratifying AROPE by household type identifies which households are at a higher risk of poverty and social exclusion. Disadvantaged households such as single-parent, elderly, or large family households are more prone to poverty and social exclusion due to limited income or financial constraints. By recognising the unique challenges faced by each specific household, Government can develop tailored interventions and ensure a more targeted resource allocation.

Table 7 compares the AROPE rates by household type for the indicated years. The data highlights the diverse vulnerability levels across different household types, with significant variations based on factors such as age, household composition, and dependency status. However, it is pertinent to note that the AROPE indicator excludes Social Transfers in Kind (STiK), which refer to non-cash benefits provided by the government to individuals and households. Malta has a social welfare system that provides generous social solidarity support through free health, free education, home care, elderly residential care and community services, and free pharmaceuticals, amongst others. Therefore, the non-inclusion of STiK in this indicator presents an inaccurate picture of how Malta performs in poverty reduction and inclusion and hence, cannot be used to assess the effectiveness of poverty reduction measures and inclusive socio-economic development.



Table 7: AROPE in Malta by Household Type for 2015-2023⁴⁰

Household Type	2015	2018	2022	2023
One person household, under 65 years	38.2%	28.2%	30.9%	28.1%
One person household, over 65 years	24.6%	30.6%	44.2%	42.7%
Two adults younger than 65 years	17.5%	13.4%	12.1%	10.3%
Two adults, at least one aged 65 years or older	29.4%	29.9%	35.4%	35.7%
Households without dependent children	21.8%	19.1%	21.6%	18.7%
One person with dependent children	58%	52.1%	52.4%	48.3%
Two adults, one dependent child	16.2%	13.3%	15.3%	17.7%
Two adults, two dependent children	19.5%	17.6%	18.0%	19.0%
Two adults, three or more dependent children	38.8%	29.9%	39.9%	32.1%
Two or more adults with dependent children	20.7%	16.7%	16.2%	11.7%

Among one-person households, a decrease in AROPE rates is observed among persons aged under 65 years, from 38.2% in 2015 to 28.1% in 2023. Conversely, a notable increase in AROPE rates is seen among persons aged over 65 years, from 24.6% in 2015 to 42.7% in 2023, indicating a significant rise in vulnerability among elderly individuals living alone.

Among two-person households, a steady decline in AROPE rates is observed among persons aged younger than 65 years, from 17.5% in 2015 to 10.3% in 2023, indicating improved economic conditions or social support for this household type. Conversely, a consistent increase in AROPE rates is seen among households with at least one person aged 65 years or over, from 29.4% in 2015 to 35.7% in 2023, highlighting the vulnerability of households with elderly members.

Among other household types, a decrease in AROPE rates is observed over the years in households without dependent children, with a decrease from 21.8% in 2015 to 18.7% in 2023. On the other hand, in households with dependent children, various trends are observed based on the number of dependent children:

- A decrease in AROPE rates is seen for one-person households with dependent children (from 58% in 2015 to 48.3% in 2023).

⁴⁰ Persons at risk of poverty or social exclusion by income quantile and household composition. Eurostat online data code: **ilc_peps03n**.

- A slight increase in AROPE rates for the two-person household with two dependent children is observed between 2022 and 2023 (from 18.0% to 19.0%). In contrast, a pronounced decrease in AROPE rates for two-person household with three dependent children is observed for the same years (from 39.9% in 2022 to 32.1% in 2023).
- Two or more adults with dependent children show a consistent decrease in AROPE rates over the years.

2.4 Other Indicators

While the AROPE (At Risk of Poverty or Social Exclusion) indicator provides valuable insights into poverty levels, it should not be the sole measure for gauging poverty in Malta. The complexity of poverty requires a multifaceted approach, as AROPE may not capture the full scope of economic hardship and social deprivation experienced by the population. National contexts demand more tailored indicators that consider local economic conditions, cultural factors, and specific vulnerabilities that AROPE might overlook. Hence, relying exclusively on AROPE can sometimes be inadequate for fully understanding and addressing poverty within the country.

This section provides an overview of other main indicators related to poverty or social exclusion, in particular:

1) Household Income and indicators related to the National Equivalised Income (NEI)

The data in Tables 8 and 9 below offers insights into the household income indicators, including average household incomes and at-risk-of-poverty (ARP) indicators related to the National Equivalised Income (NEI)⁴¹ from 2015 to 2023.

Table 8: Main Household Income

Indicator	Year			
	2015 ⁴²	2018 ⁴³	2022 ⁴⁴	2023 ⁴⁵
Average household gross income (€)	31,429	34,627	43,186	46,976
Average household disposable income (€)	25,960	28,505	34,814	37,275

There has been a significant increase in both the average household gross income and the average household disposable income, rising by approximately 49.5% and 43.6% from 2015 to 2023 respectively. This indicates economic growth, better financial stability, possibly improved earnings and increased disposable income for households.

⁴¹ The NEI of a household is defined as the household's total disposable income divided by its 'equivalent size' (also referred to as consumption units). The NEI takes into account the size and age distribution of household members.

⁴² NSO. 22 September 2016. News Release 152/2016: Statistics on Income and Living Conditions 2015: Salient Indicators. Accessed at: [News2016_152.indd \(gov.mt\)](#)

⁴³ NSO. 20 August 2020. News Release: 135/2020: EU-SILC 2019: Salient Indicators. Accessed at: https://nso.gov.mt/wp-content/uploads/News2020_135.pdf

⁴⁴ NSO. 13 June 2023. News Release 103/2023: EU-SILC 2022: Salient Indicators. Accessed at: [NSO Malta | EU-SILC 2022: Salient Indicators - NSO Malta \(gov.mt\)](#)

⁴⁵ NSO. 12 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at: <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

Table 9: At-risk-of-poverty indicators related to the National Equivalised Income (NEI)

At-risk-of-poverty indicators related to the National Equivalised Income (NEI)	Year							
	2015 ⁴⁶		2018 ⁴⁷		2022 ⁴⁸		2023 ⁴⁹	
	Value (£)	Share of persons below the threshold	Value (£)	Share of persons below the threshold	Value (£)	Share of persons below the threshold	Value (£)	Share of persons below the threshold
Median National Equivalised Income (NEI)	12,787	50.0%	14,781	50.0%	18,155	50.0%	18,940	50.0%
40% median NEI	5,115	2.4%	5,912	3.5%	7,262	3.6%	7,576	5.8%
50% median NEI	6,394	8.4%	7,390	8.7%	9,078	8.4%	9,470	11.1%
60% median NEI	7,672	15.9%	8,868	16.8%	10,893	16.7%	11,364	16.6%
70% median NEI	8,951	25.7%	10,346	25.2%	12,709	24.8%	13,258	26.4%

⁴⁶ NSO. 22 September 2016. News Release 152/2016: Statistics on Income and Living Conditions 2015. Salient Indicators. Accessed at: [News2016_152.indd \(gov.mt\)](https://nso.gov.mt/News2016_152.indd)

⁴⁷ NSO. 7 August 2019. News Release: 128/2019: EU-SILC 2018: Salient Indicators. Accessed at: [News2019_128.indd \(gov.mt\)](https://nso.gov.mt/News2019_128.indd)

⁴⁸ NSO. 13 June 2023. News Release 103/2023: EU-SILC 2022: Salient Indicators. Accessed at: [NSO Malta | EU-SILC 2022: Salient Indicators - NSO Malta \(gov.mt\)](https://nso.gov.mt/News2023-103)

⁴⁹ NSO. 12 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at: <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

The data indicates overall economic growth with increasing household incomes, both gross and disposable. Despite these improvements, certain segments of the population continue to face challenges, particularly those below the 40% and 60% median NEI thresholds.

The median NEI has increased by approximately 48% from 2015 to 2023, indicating a rise in the standard of living and general income levels. At the same time, the percentage of persons below the 40%, 50% and 60% median NEI thresholds increased slightly or remained relatively stable, showing a consistent level of poverty among these groups. On the other hand, the percentage of persons below the 70% median NEI threshold showed a slight decline from 25.7% in 2015 to 24.8% in 2022, rising again in 2023 standing at 26.4%.

2) Income Quintile Share Ratio (S80/S20)

The S80/S20 ratio⁵⁰, also referred to as the income quintile share ratio, is a measurement of income inequality within a population. Table 10 demonstrates the income disparity between the wealthiest and poorest 20% of households in Malta which increased from 4.15 in 2015 to 5.30 in 2023.

All ratio variables have increased from 2015 to 2022 and showed further substantial increases in 2023. Such substantial growing income inequality during the last two years may have been influenced by the Covid-19 impact.

Fluctuations in gender and age have been noticed. Whilst the ratio for males was higher than that of females in 2015 and 2023, the ratio for females was higher than that of males in 2018 and 2022. The elderly category (persons aged 65 years or over) showed a slight ratio downfall in 2018, suggesting that economic conditions and policies affecting the elderly, such as pensions and social security, have had varying impacts.

Table 10: Income quintile share ratio S80/S20 for disposable income by sex and age group⁵¹

Variable	Year			
	2015	2018	2022	2023
Ratio Total	4.15	4.28	4.75	5.30
Ratio Males	4.21	4.21	4.58	5.41
Ratio Females	4.09	4.35	4.90	5.22
Ratio Total of persons aged less than 65 years	4.23	4.41	4.79	5.29
Ratio Total of persons aged 65 years or over	3.41	3.10	3.62	4.29

⁵⁰ The S80/S20 ratio is calculated as the ratio of total income received by the 20% of the population with the highest income (the top quintile) to that received by the 20% of the population with the lowest income (the bottom quintile).

⁵¹ Income quintile share ratio S80/S20 for disposable income by sex and age group - EU-SILC survey. Eurostat online data code: **ilc_dif1**.

3) Persistent Poverty Rate

Table 11 illustrates Malta's progress in reducing persistent poverty. Children (under 18 years) and young people (18-24 years) in persistent poverty decreased from 2015 to 2022, opposing the significant increase for persons aged 65 years and over that thus demand immediate attention and targeted interventions. Nevertheless, a different scenario is presented for 2023, for which rate increased for all age groups, with significant increases for children and young people.

Table 11: Persistent Poverty Rate between 2015 and 2023⁵²

Age Group	Year			
	2015	2018	2022	2023
<18 years	20.1%	▼ 15.6%	▼ 15.4%	▲ 21.3%
18 - 24 years	8.4%	▲ 9.2%	▼ 6.6%	▲ 10.6%
65+ years	12.5%	▲ 17.8%	▲ 26.0%	▲ 26.2%

The decreasing trend from 2015 to 2022 among children suggests potential improvements in social welfare programs, educational opportunities, and economic conditions that contribute to lifting children out of persistent poverty. However, the significant increases among this age group in 2023 show that persistent poverty still affects a significant portion of children, indicating the need for continued efforts to address underlying factors such as intergenerational poverty, family income instability, access to quality education, and healthcare.

The decrease in persistent poverty rates for young adults from 2015 to 2022 may be attributed to factors such as increased educational attainment, improved access to employment opportunities, and targeted youth-focused policies and programs. Despite the decline, 2023 data shows that persistent poverty remains a concern for some young adults, highlighting the importance of continued support in areas such as vocational training, job placement, and affordable housing.

In contrast to the improving trends seen among children and young adults, the rise in persistent poverty among the elderly suggests challenges related to retirement security, healthcare costs, and social support systems, especially in Malta's current ageing population scenario.

⁵² Persistent at-risk-of poverty rate by age group - EU-SILC survey. Eurostat online data code: **tessi022**

2.5 Social Change

The Implementation and Evaluation Reports of 2017-2019 and 2020-2022 of the National Strategic Policy for Poverty Reduction and for Social Inclusion 2014-2024 each presented a table with social changes over time from 2013 which is the baseline year of data within the National Strategic Policy for Poverty Reduction and for Social Inclusion 2014-2024 to the latest available data. As from 2020, new AROPE, MSD and SMSD indicators are being used instead of the previous indicators for which data was reported within the National Strategic Policy for Poverty Reduction and for Social Inclusion 2014-2024 and its first two Implementation and Evaluation Reports. The new indicators use a new definition which data is available from 2015 onwards, and thus data for AROPE, MSD and SMSD in the latest Implementation and Evaluation report 2020-2022 are being compared to the first available data of this indicator – that of 2015 – instead of 2013.

Table 12 below presents the Social Changes Over Time updated with differences between 2015 and 2023. This table shows that Malta achieved significant positive impacts concerning employment, unemployment, social mobility away from social assistance, ARP, SMSD, MSD and AROPE. The only exception to such positive developments was the increase in the percentage and number of elderly persons (aged 65 years and over) at-risk-of-poverty or social exclusion. The increase in at-risk-of-poverty or social exclusion among those aged 65 years and over may suggest that this group is not benefiting equally from general improvements, highlighting the need for targeted interventions to address these challenges.



Table 12: Social Changes Over Time 2015-2023⁵³

2015 - 2023	
Average Household Disposable Income ⁵⁴	+€11,315 +43.6%
At-Risk-of-Poverty threshold (for a single adult) ⁵⁵	+€2,574 +41%
At-Risk-of-Poverty threshold (for a couple) ⁵⁶	+€3,415 +44%
At-Risk-of-Poverty threshold (for a single parent + at least 1 child) ⁵⁷	+€1,935 +38%
At-Risk-of-Poverty threshold (for a couple + at least 1 child) ⁵⁸	+€2,588 +29%
At-Risk-of-Poverty ⁵⁹	0 pp ⁶⁰
Not At-Risk-of-Poverty	+86,360 persons
Living on social assistance ⁶¹	-3,000 persons
Very Low Work Intensity (0-64 years) ⁶²	-5.6 pp
Unemployment rate ⁶³	-1 pp
Registering for work ⁶⁴	-3,660 persons
At-Risk-of-Poverty or Social Exclusion (whole population) ⁶⁵	-2.4 pp
Not At-Risk-of-Poverty or Social Exclusion	+93,360 persons

⁵³ The difference between the Maltese population in a particular year and the number of persons in AROPE, in ARP and in SMSD (separately) yields the estimated number of persons not in AROPE, Not ARP and Not SMSD.

Population on 1 January by age and sex. Eurostat online data code: **DEMO_PJAN**

⁵⁴ NSO. News Release 152/2016: Statistics on Income and Living Conditions 2015: Salient Indicators. Accessed at: https://nso.gov.mt/wp-content/uploads/News2016_152.pdf
NSO. 12 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at: <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

⁵⁵ Data provided by NSO.

⁵⁶ Data provided by NSO.

⁵⁷ Data provided by NSO.

⁵⁸ Data provided by NSO.

⁵⁹ At-risk-of-poverty rate by poverty threshold, age and sex - EU-SILC and ECHP surveys. Eurostat online data code: **ILC_LI02**

⁶⁰ pp = percentage points.

⁶¹ NSO. News Release 053/2016: Government Expenditure on Social Security Benefits: January-December 2015. Accessed at:

https://nso.gov.mt/wp-content/uploads/News2016_053.pdf

NSO. News Release 061/2024: Government Expenditure on Social Security Benefits: January-December 2023. Accessed at:

<https://nso.gov.mt/government-expenditure-on-social-security-benefits-january-december-2023/>.

⁶² Persons living in households with very low work intensity by age and sex (population aged 0 to 64 years). Eurostat online data code: **ILC_LVHLTI**

⁶³ Total unemployment rate. Eurostat online data code: **TPS00203**

⁶⁴ NSO. News Release 020/2024: Registered Unemployment: November-December 2024. Accessed at

<https://nso.gov.mt/registered-unemployment-november-and-december-2023/>

NSO. News Release 012/2016: Registered Unemployed: December 2015. Accessed at: https://nso.gov.mt/wp-content/uploads/News2016_012.pdf

⁶⁵ Persons at risk of poverty or social exclusion by age and sex. Eurostat online data code: **ILC_PEPS01N**.

Table 12: Continued

2015 - 2023	
Severe Material and Social Deprivation ⁶⁶	-4.1 pp
Not in Severe Material and Social Deprivation	+115,360 persons
Material and Social Deprivation ⁶⁷	-6 pp
At-Risk-of-Poverty or Social Exclusion – Children (0-17 years) ⁶⁸	-4.7 pp
Not At-Risk-of-Poverty or Social Exclusion – Children (0-17 years)	+ 7,230 persons
At-Risk-of-Poverty or Social Exclusion – Persons aged 18-24 years ⁶⁹	-3.6 pp
Not At-Risk-of-Poverty or Social Exclusion – Persons aged 18-24 years	+ 600 persons
At-Risk-of-Poverty or Social Exclusion – Persons aged 65+ years ⁷⁰	+1.8 pp
Not At-Risk-of-Poverty or Social Exclusion – Persons aged 65+ years	+17,190 persons
Severe Material and Social Deprivation – Persons aged 65+ years ⁷¹	-1.2 pp
Not in Severe Material and Social Deprivation – Persons aged 65+ years	+ 20,960 persons
At-Risk-of-Poverty or Social Exclusion – Unemployed Persons ⁷²	-15.5 pp

⁶⁶ Severe material and social deprivation rate by age and sex. Eurostat online data code: **ILC_MDS011**

⁶⁷ Material and social deprivation rate by age and sex. Eurostat online data code: **ILC_MDS007**

⁶⁸ Persons at risk of poverty or social exclusion by age and sex. Eurostat online data code: **ILC_PEPS01N**

⁶⁹ Persons at risk of poverty or social exclusion by age and sex. Eurostat online data code: **ILC_PEPS01N**.

⁷⁰ Persons at risk of poverty or social exclusion by age and sex. Eurostat online data code: **ILC_PEPS01N**.

⁷¹ Severe material and social deprivation rate by age and sex. Eurostat online data code: **ILC_MDS011**

⁷² At-risk-of-poverty rate by poverty threshold and most frequent activity in the previous year - EU-SILC and ECHP surveys. Eurostat online data code: **ILC_LI04**

CHAPTER 3

STRATEGIC FORESIGHT:
STRENGTHENING A CULTURE OF
PREPAREDNESS THROUGH AN
EVIDENCE-BASED ANTICIPATORY
POLICYMAKING

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STRATEGIC FORESIGHT: STRENGTHENING A CULTURE OF PREPAREDNESS THROUGH AN EVIDENCE-BASED ANTICIPATORY POLICYMAKING

Unforeseen challenges often disrupt planned strategies, creating significant obstacles for achieving long-term goals. Anticipation also allows for seizing opportunities early, making well-informed and robust decisions, innovating, and taking action on emerging issues while they are still relatively easy to navigate.

In Q4 2023, the Ministry for Social Policy and Children Rights (MSPC) partnered with the Organisation for Economic Cooperation and Development (OECD)⁷⁵ to develop a unique approach to address unpredictability in Government planning. By leveraging strategic foresight, this collaboration aimed to anticipate future challenges and identify emerging opportunities.

3.1 What is Strategic Foresight?

Strategic foresight involves exploring and anticipating potential future developments and evaluating their potential impact to make robust decisions and leverage actions in the present allowing for positive outcomes in the future. It leverages collective intelligence through structured and systematic approaches⁷⁶.

No one can predict the future. A decade ago, no one could have foreseen the COVID-19 pandemic or the war in Ukraine. Unlike predicting the future, strategic foresight examines various potential and foreseeable future scenarios, including their associated opportunities and challenges. Its primary goal is to empower policymakers to take present actions that strategically influence and shape the trajectory of future outcomes and develop policy options that account for many possible future scenarios.

By preparing for and anticipating future shocks and opportunities, strategic foresight empowers Government to better allocate resources, design effective interventions, identify uncertainties to monitor, and mitigate risks, ensuring that policies, plans, and strategies remain relevant and effective over time. This proactive approach helps to build resilience within social systems, improve the quality of life, promoting equitable and sustainable development.

3.2 A National Uncertainty Scan: Gathering Intelligence

The concept of 'uncertainty' is fundamental in describing change and development. Uncertainty scans are systematic processes used to identify and analyse the various unknowns and potential disruptions that could impact future scenarios.

⁷⁵ As part of a multi-country project (LIMinal) funded by the European Commission's Technical Support Instrument, the OECD has been working with partners in Malta on a pilot case, a short-term action research activity.

⁷⁶ European Commission: "Strategic Foresight". Accessed at: https://commission.europa.eu/strategy-and-policy/strategic-planning/strategic-foresight_en

Critical uncertainties can be identified by questioning the assumptions stakeholders hold about future developments and exploring the multiple pathways they can take⁷⁷. They involve comprehensive assessments of emerging trends, technological advancements, geopolitical shifts, and societal changes that may create uncertainty.

From December 2023 to January 2024, MSPC together with OECD, embarked in a national 'Uncertainty Scan', a three-step initiative designed to reveal unexamined assumptions and "ghost scenarios"⁷⁸ that often go unnoticed in strategic planning. This initiative aimed to introduce the concept of uncertainties to MSPC and key external stakeholders, refine their understanding of specific uncertainties that may affect social policy in Malta, assess their impact, and, most notably, introduce an innovative tool inspired by the European Commission⁷⁹: the Uncertainty Dashboard. This prototype will serve to enable MSPC to systematically monitor and evaluate uncertainties that are critical for Government's strategic direction. The national 'Uncertainty Scan' was held in three Sessions as follows⁸⁰:

Session 1: Reframing Trends into Uncertainties

In the first virtual workshop on 6 December 2023, uncertainties around different topics and systems were identified based on international and Malta-specific future developments affecting poverty and social inclusion. This information was collated by the OECD through desk research, interviews and the pre-drafting consultation conducted by the Policy Development and International Affairs Directorate within MSPC. The purpose was to provide an opportunity for experimentation and learning, with the objective of gaining insights into the process of formulating trends into critical uncertainties, and to facilitate discussions on the impact that uncertainties can have on the National Strategy for Poverty Reduction and Social Inclusion 2025-2035.

Session 2: Analysing and Managing the Different Dimensions of Uncertainty

During the second virtual workshop on 17 January 2024, participants analysed and clarified the underlying meaning of uncertainties that had been identified in the first part of the process, preparing them for subsequent use in an 'Uncertainty Dashboard'. Participants were asked to review the previously identified uncertainties and fine-tune wording and selection, as necessary. The OECD outlined the purpose and function of the Uncertainty Dashboard to participants, who collaborated on the sensemaking process of uncertainties by further providing intelligence in relation to dashboard indicators and variables.

⁷⁷ "The Art of the Long View: Planning for the Future in an Uncertain World", April 15, 1996: Peter Schwartz

⁷⁸ Ghost scenarios are potential future scenarios that are not immediately obvious or considered in strategic planning. They are often overlooked or dismissed due to their perceived improbability or lack of immediate relevance. However, these scenarios can have significant impacts if they materialize. The term highlights the idea that these scenarios are "ghosts" in the planning process—present but not fully acknowledged or examined.

⁷⁹ European Commission: "Resilience Dashboard". Accessed at:

https://commission.europa.eu/strategy-and-policy/strategic-planning/strategic-foresight/2020-strategic-foresight-report/resilience-dashboards_en

⁸⁰ A more detailed presentation on the methodology applied for strategic foresight is being attached in Appendix 3





Session 3: Development of an Uncertainty Dashboard

The final and third workshop held on 24 January 2024 assessed the work of previous sessions with more external stakeholders invited for a pre-drafting consultation session. The purpose was to review the populated draft Uncertainty Dashboard and explore practical responses to the uncertainties that may influence the implementation of strategic objectives and actions for the Ministry’s renewed strategy.









The Uncertainty Dashboard is a visual tool designed to assist Government policymakers and decision-makers manage and understand identified uncertainties that could impact strategies and operations. The Uncertainty Dashboard provides a framework to consolidate data from various sources and presents it in an easily interpretable format, enabling users to identify, monitor, and respond to potential risks and opportunities.













The following Uncertainty Dashboard (Light Version) is a simplified version of the extensive dashboard. Due to its size and complexity, the full dashboard cannot be fully included in this public consultation document. This light version aims to provide a comprehensive overview that summarises the key elements and insights for stakeholder review.





3.3 The National Uncertainty Dashboard (Light Version)









Priority Level	Uncertainties	Assessment			
Very High, High, Medium, Low	Description	Impact Very High, High, Medium, Low	Knowledge High, Moderate, Low	Available Indicators (Monitoring Uncertainty)	Main Desired Impacts
 Very High	Adequate income, Social Welfare, and Equal Wealth Distribution	 Very High	 Very High		<ul style="list-style-type: none"> • Equitable Income Growth: Ensuring that income growth is distributed fairly across all economic segments to mitigate wealth inequalities. • Increased Financial Resilience: Enhancing the ability of households to withstand economic shocks and inflationary pressures. • Free high quality service provision (social, educational and health in particular).







Priority Level	Uncertainties	Assessment			
Very High, High, Medium, Low	Description	Impact Very High, High, Medium, Low	Knowledge High, Moderate, Low	Available Indicators (Monitoring Uncertainty)	Main Desired Impacts
 <p>Very High</p>	Children's Mental Health	 <p>High</p>	 <p>Medium</p>		<ul style="list-style-type: none"> • Better prospects for children and society, including better educational and employability outcomes; increased productivity and potential of future workforce; enhanced personal social development; reduced social isolation and increased social cohesion; and reduced strain on mental health services. • Fewer children at risk of poverty or social exclusion by further providing the needed resources to those who are disadvantaged. • Government prioritization of mental health starting from childhood, primarily through prevention and early intervention of mental health challenges within children.
 <p>Very High</p>	Affordable Housing	 <p>High</p>	 <p>Very High</p>		<ul style="list-style-type: none"> • Decreased financial burden of housing costs, ensuring that a smaller percentage of household income is spent on rent or mortgage payments. • Further investment in social housing through adequate schemes. • Addressing homelessness. • Boosting investment in affordable housing projects from both public and private sectors. • Reduced stress of housing insecurity contributing to less mental and physical health repercussions.

Priority Level	Uncertainties	Assessment			
Very High, High, Medium, Low	Description	Impact Very High, High, Medium, Low	Knowledge High, Moderate, Low	Available Indicators (Monitoring Uncertainty)	Main Desired Impacts
 <p>Very High</p>	Ageing and Pensionable Income (and retirement savings)	 <p>High</p>	 <p>Very High</p>		<ul style="list-style-type: none"> Increased pensionable income and retirement savings, ensuring pension adequacy and financial stability for older adults. Enhanced retirement planning. Improved health and wellbeing of elderly persons. Increased digital and financial literacy. Sustainability of pensions, social services and healthcare.
 <p>High</p>	Impacts of Increased Migration in Malta	 <p>Very High</p>	 <p>High</p>		<ul style="list-style-type: none"> Better integration and social cohesion. Better skills for the labour market. Better resource management and equitable access. Less stress on service provision and infrastructure. Increased economic growth and improved overall quality of life for all.
 <p>Medium</p>	Intergenerational Poverty	 <p>Medium</p>	 <p>Low</p>		<ul style="list-style-type: none"> Breaking the cycle of poverty. Attain further socioeconomic equality and enhance economic mobility. Increase access to opportunities, primarily those related to education and employment. Address physical and mental health issues, that contribute to poverty.

Priority Level	Uncertainties	Assessment			
		Impact Very High, High, Medium, Low	Knowledge High, Moderate, Low	Available Indicators (Monitoring Uncertainty)	Main Desired Impacts
 High	Low Fertility Rates	 High	 Low		<ul style="list-style-type: none"> Higher birth rates leading to a stronger work force and pension sustainability, contributing to economic and social resilience as well as sustainable development. Improved family-friendly policies and infrastructure to support work-life balance and stabilize fertility rates. Better monitoring of population size, fertility determinants and demographic complexities.
					<ul style="list-style-type: none"> Promotion of ethical behaviour, respect for the rights of others, and strengthened social cohesion. A supportive, just and inclusive society, through the promotion of voluntary work but not only, where individuals help each other, reducing marginalisation and poverty. Long-term stability and fairness as social and moral values are prioritised alongside financial goals. Financial interests do not overshadow social and moral values, as focus is maintained on well-being over economic gain. Avoidance of practices that exacerbate inequality and neglect disadvantaged populations.

Priority Level	Uncertainties	Assessment			
Very High, High, Medium, Low	Description	Impact Very High, High, Medium, Low	Knowledge High, Moderate, Low	Available Indicators (Monitoring Uncertainty)	Main Desired Impacts
 <p>Medium</p>	<p>Impacts of Artificial Intelligence and the Digital Transformation</p>	 <p>High</p>	 <p>Low</p>		<ul style="list-style-type: none"> • Equitable access to technology. • Enhanced access to and delivery of services through AI. • Revolutionized learning by AI-powered educational tools. • Reskilling and upskilling programs helping workers transition into new roles created by AI advancements, while maintaining social safety nets. • Implementation of ethical AI and sustainable development practices in the face of rapid AI advancements. • Understand AI's impact, that is continuously evolving, through monitoring and research.
 <p>Medium</p>	<p>Impacts from Environment and Climate Change</p>	 <p>High</p>	 <p>Low</p>		<ul style="list-style-type: none"> • Prevention of poverty among rural communities and other economic hardships, by agricultural resilience, food security, improved water management, an infrastructure that withstands extreme weather events, coastal protection, sustainable urban planning, and climate resilience. • Healthcare systems are enhanced to address climate-related health impacts, reducing health disparities among disadvantaged groups. • Inclusive and equitable climate action responsive to the needs of disadvantaged populations.

Priority Level	Uncertainties	Assessment			
Very High, High, Medium, Low	Description	Impact Very High, High, Medium, Low	Knowledge High, Moderate, Low	Available Indicators (Monitoring Uncertainty)	Main Desired Impacts
 High	Shortage in Professionals in the social sector	 Medium	 Medium		<ul style="list-style-type: none"> Proactive measures attract, train, and retain social sector professionals. A resilient workforce of professionals characterised by effective resource allocation, reduced workforce strain, improved working conditions, competitive remuneration, improved strategic education and professional development. Improved service delivery characterised by high quality, timely and accessible services. Such service delivery contributes to prevention of health and socio-economic issues. Meet the increasing demand for professionals in the social sector driven by an aging population, a rise in mental health issues, and socio-economic disparities. Overall wellbeing and social stability.



High availability of indicators



Medium availability of indicators



Low or no availability of indicators

3.4 Continuous Monitoring

The development of the Uncertainty Dashboard was only the first step. To achieve strategic alignment and progress, continuous foresight is crucial to reassess uncertainties and their possible impacts. This will support policymaking by transitioning from uncertainty scanning and signal identification to understanding drivers of change and uncovering both potential challenges and promising opportunities.

By consistently monitoring identified uncertainties and trends (through selected indicators or data as well as collective sense-making), Government policymakers can track changes, developments, and significant implications, that could impact the ability to deliver on policy goals. This enables policymakers to take a proactive and informed response to evolving challenges and opportunities, fostering resilience and long-term strategic success.

As part of its commitment to continuous improvement, Government will conduct a structured review of this Strategy. During these planned reviews, the MSPC will use foresight methodologies to explore uncertainties and also update the Uncertainty Dashboard. This approach will effectively manage and address uncertainties, ensuring the strategy remains responsive and relevant throughout the review cycle.

3.5 Strategic Foresight 2035

This Strategic Foresight Section investigates the crucial intersections between social and economic factors affecting poverty or social exclusion, aiming to clarify the potential decisions and compromises Malta might face in the future. Leveraging insights from an inclusive foresight exercise (outlined in the previous section), it examines the key challenges that will influence the evolution of society and economy towards a model that preserves competitiveness, fortifies social foundations, and builds resilience.

The following section will highlight the main thematic areas identified as priorities (or critical uncertainties) during the technical activities of Malta's strategic foresight for the Strategy for Poverty Reduction and Social Inclusion 2025-2035. These thematic areas, also incorporated in the National Uncertainty Dashboard (as per above), have been carefully selected based on their potential impact on poverty reduction and social inclusion. The main selected indicators (or data) for continuous foresight monitoring will also be presented, providing a robust framework for tracking progress and adapting strategies as needed. These indicators will serve as essential tools for policymakers to monitor trends, assess the effectiveness of interventions, and respond proactively to emerging challenges and opportunities.

3.5.1 Adequate Income, Social Welfare, and Equal Wealth Distribution

The interconnected concepts of adequate income, social welfare, and equal wealth distribution are pivotal elements for shaping future trajectories. These pillars not only reflect societal aspirations for fairness and inclusivity, but also serve as critical lenses through which to anticipate and navigate forthcoming developments.

Ensuring adequate and improved income levels will be critically important for Malta to mitigate the risks posed by potential future international shocks, particularly those that may drive inflation. Addressing fair wages is also crucial to protect citizens from wage-price inflation, which can reduce purchasing power and widen economic disparities. To combat these risks, Government must continue implementing strategies promoting productivity growth, enhancing workforce skills, and fostering innovation. Through better recalibration of adequate and improved income, individuals will have the means to thrive and contribute, fostering economic stability and resilience.

Better incomes will also strengthen social welfare frameworks to extend stability by safeguarding against vulnerabilities and inequalities, thereby nurturing a cohesive and empowered society. It is vital to maintain and strengthen a robust social welfare model to ensure continued social justice for the most disadvantaged groups also in future, ensuring that no-one is left behind. This involves further strengthening comprehensive social support systems and further guaranteeing equitable access to essential services like healthcare, education and housing in particular.

The importance of social and economic sustainability in Malta necessitates consideration for a new economic model centred on the welfare of people and the environment. Over-reliance on purely economic indicators, neglecting the quality of life, will foster unsustainable production and consumption habits. To address these issues, Malta must prioritise equitable wealth distribution, address systemic inequalities, and encourage sustainable development that ensures benefits for all citizens while safeguarding natural resources.

By strategically integrating these principles in Government policymaking will steer towards a future characterised by prosperity and equity.

The following indicators have been selected for continuous foresight monitoring for tracking progress and adapting strategies as needed.

3.5.1.1 Income

3.5.1.1.1 Household Income

The financial income generated by independent households is one of the most important indicators of national wealth, encapsulating economic activity, employment, and opportunities. In 2023, Malta's annual employment income generated by households was nearly nine billion euros, equivalent to 85.1% of the nation's gross income. Table 15 below represents the main household income for 2022 and 2023⁸¹.

Table 15: Main Household Income for 2022 and 2023

Indicator	Year	
	2022	2023
Average Household Gross Income	€43,186	€46,976
Average Household Disposable Income	€34,814	€37,275

⁸¹ NSO. 24 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

3.5.1.1.2 Median National Equivalised Income

The Median National Equivalised Income (NEI) is a pivotal indicator that denotes the middle point of household incomes across a country, adjusted to account for variations in household size and composition. The median NEI provides a standardised view of economic well-being and living standards, economic conditions, and income distribution within a nation. This metric aids in shaping effective social policies and economic strategies and offers insights into future economic performance. A rising median NEI often indicates improving economic stability and consumer confidence, whereas stagnation or decline may signal challenges like income inequality or economic vulnerability, prompting targeted interventions for sustained growth. Malta experienced a rise in the median NEI over recent years, from €18,155 in 2022 to €18,940 in 2023, suggesting improved economic stability.

Table 16: Median National Equivalised Income 2020-2023⁸²

Median NEI	Year			
	2020	2021	2022	2023
	€16,240	€17,036	€18,155	€18,940

3.5.1.1.3 National Minimum Wage

The National Minimum Wage (NMW) is the regulatory restriction on the lowest wage rate that employers can legally pay workers, set by government regulations to ensure workers earn a sufficient employment income to support themselves and their families. Monitoring the NMW rate is therefore crucial to ensure its adequacy. The NMW in Malta in 2024 is €925.34 monthly or €11,104 annually⁸³. As presented in Table 17, the NMW in Malta had been increasing by 1% till 2022, but then increased by over 5% in 2023 and doubled to over 10% in 2024. This, however, does not include the social security contributory and non-contributory benefits and allowances.

Table 17: National Minimum Wage 2020-2024⁸⁴

Monthly Wage	Year				
	2020	2021	2022	2023	2024
	€777.10	€784.68	€792.26	€835.16	€925.34

3.5.1.1.4 Inflation

As highlighted above, a key uncertainty that requires attention and addressing is price inflation, as it significantly affects income and can exacerbate wealth inequality. In the context of strategic foresight, it was deemed essential to anticipate and mitigate the impacts of inflation, ensuring that income gains are not eroded by rising living costs. By incorporating inflation trends into predictive models and policy planning, Government can develop more resilient strategies that safeguard the purchasing power of disadvantaged populations, maintaining the effectiveness of poverty reduction initiatives.

⁸² NSO. 24 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

⁸³ Minimum wages. Eurostat online data code: [tps00155](#).

⁸⁴ Ibid.

The Harmonised Index of Consumer Prices (HICP) is a standardised measure of inflation used in the European Union that tracks changes in the prices of goods and services purchased by households, ensuring comparability across EU member states. Monitoring the HICP is fundamental, especially for lower-income and retired households as these households spend a larger proportion of their income on essential goods and services.

The COVID-19 pandemic, and subsequent supply-chain disruptions in 2021 led to rising prices in Europe, worsening in early 2022 due to the Russian war in Ukraine, particularly impacting energy, and food markets⁸⁵. In 2022, inflation in the Euro area averaged 9.2%, with significant spikes in energy, food, and transport prices, but began to decline by 2023⁸⁶. The same trend was experienced in Malta, where the inflation rate for 2022 rose to 6.1%, and subsequently declined to 5.6% in 2023.

Table 18: Harmonised Index of Consumer Prices 2020-2023⁸⁷

HICP Annual Average Rate of Change	Year			
	2020	2021	2022	2023
	0.8%	0.7%	6.1%	5.6%

3.5.1.2 Social Welfare

Malta's robust social welfare system plays a crucial role in safeguarding individuals from poverty or social exclusion through a range of financial benefits, non-financial benefits (STiKs), and other essential social services. Household income in Malta does not only involve earnings from employment but may also include other social protection sources such as contributory and/or non-contributory benefits and allowances⁸⁸. Monitoring social security benefits and the number of beneficiaries in the National Uncertainty Dashboard is thus essential for assessing economic health, ensuring social stability, and maintaining the long-term sustainability of social welfare systems.

Government expenditures detailed in Tables 19 and 20 highlight the significant investment in social security during 2023. Contributory benefits totalled €1,038.7 million by December, marking a 7.5% increase from the previous year, while non-contributory expenditures reached €269.5 million, reflecting an 11.1% rise over 2022⁸⁹. These figures underscore Malta's proactive approach to enhancing social safety nets and supporting individuals through comprehensive welfare initiatives.

⁸⁵ Roberto A. De Santis, "Supply Chain Disruption and Energy Supply Shocks: Impact on Euro Area Output and Prices," Working Paper Series, No. 2884, European Central Bank, 2024. Accessed at: <https://www.ecb.europa.eu/pub/pdf/scpwps/ecb.wp2884-7f960ce21b.en.pdf>

⁸⁶ Pg 21, Employment and Social Developments in Europe 2023, Directorate-General for Employment, Social Affairs and Inclusion Directorate F, European Commission, July 2023.

⁸⁷ HICP - inflation rate. Eurostat online data code: **tec00118**

⁸⁸ NSO. Social Security Benefits Glossary. Accessed at: <https://nso.gov.mt/wp-content/uploads/Social-Security-Benefits-Glossary.pdf>

⁸⁹ NSO. 8 April 2024. News Release 061/2024: Government Expenditure on Social Security Benefits: January-December 2023. Accessed at <https://nso.gov.mt/government-expenditure-on-social-security-benefits-january-december-2023/>

Table 19: Expenditure and Beneficiaries of Social Security Contributory Benefits from January to December 2023

Description of Contributory Benefit	€ 000	Beneficiaries
Pensions in respect of Retirement	722,266	74,995
Pensions in respect of Invalidity	18,761	2,664
Pensions in respect of Widowhood	176,145	18,497
Benefits in respect of Industrial Injuries and Gratuities of which:	1,526	1,595
Injury Benefit	1,145	1,381
Injury Pension	282	196
Injury Gratuity	98	18
Other Benefits of which:	10,963	28,541
Unemployment Benefit	896	1,171
Special Unemployment Benefit	95	109
Maternity Benefit	3,230	3,281
Sickness Benefit	5,747	20,914
Orphans' Allowance	32	7
Marriage Grant	964	3,059
Bonus	109,007	-
Total Contributory Benefits	1,038,668	126,292

Table 20: Expenditure and Beneficiaries of Social Security Non-Contributory Benefits from January to December 2023

Description of Non-Contributory Benefit	€ 000	Beneficiaries
Child Allowance	52,193	92,482
Age Pension	22,129	4,110
Disability Pensions/Allowance	39,864	8,146
Total Social Assistance of which:	46,364	9,785
Social Assistance for Single Parents	12,248	2,281
Social Assistance	21,114	3,974
Drug Addicts Allowance	64	116
Unemployment Assistance	1,517	445
Subsidiary Unemployment Assistance	8,136	1,757
Unemployment Assistance Taper	3,284	1,212
Medical Assistance	18,100	11,036
Carers Allowances/Grants	14,288	2,427
Total Supplementary Allowance	37,329	117,282
Assistance to Help the Elderly Live Independently	13,953	42,611
Total In-Work Benefit	14,588	25,111
Bonus	10,690	-
Total Non-Contributory Benefits	269,497	312,991

The rising mental health difficulties among children poses significant risks for the country's future. These issues can severely impact the wellbeing of future generations and also impact other aspects such as the students' academic achievement, leading to lower educational outcomes and limiting future career opportunities for affected individuals. Furthermore, impaired social development can result in long-term difficulties in forming and maintaining relationships, contributing to social isolation and decreased community cohesion. The overall wellbeing of these children, if left unaddressed, will strain mental health services and reduce the productivity and potential of the future workforce. Addressing these mental health challenges is crucial for ensuring a healthier, more resilient society.

Government already prioritises the mental health of disadvantaged children and their families, in particular, through the Mental Health Strategy 2020-2030, the National Action Plan for a Child Guarantee (2022-2030), as well as in the Children's Policy Framework 2024-2030. Building on these policy documents, further efforts are required to effectively address the mental health needs of all children and their families. Furthermore, focus on early intervention and prevention strategies, integrating mental health education into the school curriculum, and promoting awareness and destigmatisation of mental health issues will be crucial.

Measuring the mental health status of young people in a country is complex and challenging because it relies heavily on self-reported data, which is inherently subjective. The WHO-5 Well-Being Index is an established and validated measure developed to evaluate an individual's overall psychological state and quality of life. It provides insights into how people are feeling in terms of their mental and emotional health. Higher scores of the WHO-5 Well-Being Index reflect better mental well-being.

In 2022, female youths in Malta reported lower mental well-being scores compared to their male counterparts. When compared to other European countries, the mental well-being of females in Malta was below average set at 61, while the mental well-being of males was slightly above the European average⁹². Additionally, lower mental well-being scores were observed in both female and male youths from lower affluence families⁹³. These scores are represented in Table 22 below:

Table 22: Malta's WHO-5 Mean Well-Being Index Score 2022, by sex and family affluence

Sex	Family Affluence	
	Low Family Affluence	High Family Affluence
Female	50	58
Male	62.8	68.2

⁹² Health Behaviour in School-aged Children study (2023), Data browser (findings from the 2021/22 international HBSC survey). Accessed at: <https://data-browser.hbsc.org>.

⁹³ Ibid.

Another method for monitoring the mental well-being status of a country is to examine the utilisation of mental health services. The Children and Young People Services (CYPS), which provide specialised clinics for children and adolescents with mental health difficulties is composed of a multidisciplinary team comprising psychiatrists, psychologists, nurses, occupational therapists, social workers, and speech and language therapists. This team works collaboratively to address the diverse mental health needs of young people, offering a comprehensive approach to mental health care. The number of individuals who attended these services is provided in Table 23 below:

Table 23: Children and Young People Services Attendees⁹⁴

Number of Individuals attending CYPS	Year					
	2017	2018	2019	2020	2021	2022
	138	292	533	362	430	591

3.5.2.1 Childcare Services and the Impact on Children's Mental Health

As societies evolve, so too must our systems for supporting families, particularly through childcare. The transition towards a more robust childcare system is essential for facilitating female workforce participation while simultaneously ensuring high-quality care that supports children's socio-emotional development. The balance and complementarity between the two fields of active employment and high-quality childcare is a significant challenge. Strategic foresight identifies this balance as a key uncertainty because of its complex implications for children's immediate well-being and long-term development. The challenge lies in creating a system that supports working parents while also meeting the developmental needs of children. Such a system will eventually impact society as a whole and particularly the risk-of-poverty or social exclusion.

3.5.2.1.1 Addressing Socio-Economic Disparities: Increased Disposable Income for Families through Employment and Childcare

Childcare has long been recognised as a pivotal factor in supporting working parents, especially women, who are often the primary caregivers. Female workforce participation boosts economic growth and family income. Without adequate childcare support, women may leave the workforce or reduce their working hours, leading to loss of talent, reduced economic productivity and income. Supporting women at work promotes gender equality, narrows the gender pay gap, and aids career advancement. Flexible work policies and high-quality childcare ease the stress of juggling professional and family responsibilities, while promoting a fair distribution of family duties.

The introduction of free childcare services in Malta in 2014 marked a significant step forward, increasing access and participation⁹⁵. Today, half of children under three years attend childcare centres⁹⁶, reflecting a growing reliance on these services.

⁹⁴ Agenzija Appogg – Interim Half-Yearly Statistical Report January to June 2023. Accessed at: [https://fsws.gov.mt/en/Documents/StatisticalReports%20by%20Agency/Appogg/APPOGG%20Yearly%20report%202023%20\(f\).pdf](https://fsws.gov.mt/en/Documents/StatisticalReports%20by%20Agency/Appogg/APPOGG%20Yearly%20report%202023%20(f).pdf)

⁹⁵ Jobsplus. 2024. Free Childcare Scheme. Accessed at: [Explore personal schemes - New opportunities for you \(gov.mt\)](#)

⁹⁶ Children aged less than 3 years in formal childcare. Eurostat online data code: **TEPSR_SP210**.

However, the focus of childcare has traditionally been on providing basic supervision rather than on educational quality⁹⁷. Recent reforms aim to address this gap by integrating childcare more holistically into the educational system⁹⁸. The transition involves not only increasing the number of childcare facilities, but also improving their quality. This includes establishing new standards for staff qualifications, reducing staff turnover, and aligning practices with European Commission recommendations to enhance accessibility and curriculum development⁹⁹.

3.5.2.1.2 Ensuring High-Quality Early Childhood Education and Care (ECEC)

Ensuring that all families, regardless of their economic situation, can benefit from quality childcare is vital. Disadvantaged groups, such as low-income families and those facing social risks, often face the greatest challenges in accessing quality care. While the free childcare scheme in Malta helps to bridge the gap of affordable childcare between low and high affluent families, the issue of childcare quality remains¹⁰⁰.

The benefits of childcare extend beyond mere supervision¹⁰¹. For children, poor-quality childcare can result in developmental delays and reduced educational attainment. Quality ECEC services are linked to better developmental outcomes, improved behaviour, and enhanced social skills¹⁰². Disadvantaged children benefit particularly from high-quality ECEC in socially mixed groups¹⁰³. High-quality ECEC not only benefits children from disadvantaged backgrounds by reducing disparities in language, cognitive and socio-emotional development, but also contributes to their long-term success in education and employment¹⁰⁴. In contrast, low-quality care can impede development and exacerbate inequalities. Thus, ensuring that all children have access to high-quality ECEC is crucial for their future success and well-being¹⁰⁵.

⁹⁷ Parliament ta' Malta. Family Affairs Committee. 8th November 2023. Information by DQSE to the Family Affairs Committee of the House of Representatives. Accessed at: <https://c.connectedviews.com/01/SitePlayer/parliamentmalta?session=121094>.

⁹⁸ Ministry for Education. October 2021. Early Childhood Education and Care (0–7 years): National Policy Framework for Malta and Gozo. Accessed at: <https://educationservices.gov.mt/en/dqse/Documents/publications/NPF%20Early%20Childhood%20Education%20and%20Care%20ENG%20-%20AA4%20Oct21.pdf>

⁹⁹ Ministry for Education. October 2021. National Standards for Early Childhood Education and Care Services (0–3 Years). Accessed at: <https://educationservices.gov.mt/en/dqse/Documents/publications/MFED%20National%20Standards%20ECEC%20ENG%20Oct21.pdf>

¹⁰⁰ Parliament ta' Malta. Family Affairs Committee. 8th November 2023. Information by DQSE to the Family Affairs Committee of the House of Representatives. Accessed at: <https://c.connectedviews.com/01/SitePlayer/parliamentmalta?session=121094>.

¹⁰¹ UK Parliament. 2021. Early Childhood Education and Care, Post Note, Number 649. Accessed at: <https://researchbriefings.files.parliament.uk/documents/POST-PN-0649/POST-PN-0649.pdf>

¹⁰² Australian Institute of Health and Welfare 2015. Literature review of the impact of early childhood education and care on learning and development: working paper. Cat. no. CWS 53. Canberra: AIHW. Accessed at: <https://www.aihw.gov.au/getmedia/321201fc-ca0c-4c20-9582-7c3dc5c9d1b9/19438.pdf.aspx?inline=true>

¹⁰³ Melhuish, E., and Gardiner, J. 2020. Study of Early Education and Development (SEED): Impact Study on Early Education Use and Child Outcomes up to age five years. Study for Early Education & Development and Social Science in Government, Department for Education. Accessed at: https://assets.publishing.service.gov.uk/media/5e4e5c10e90e074dcd5bd213/SEED_AGE_5_REPORT_FEB.pdf

¹⁰⁴ UK Parliament. 2021. Early Childhood Education and Care, Post Note, Number 649. Accessed at: <https://researchbriefings.files.parliament.uk/documents/POST-PN-0649/POST-PN-0649.pdf>

Melhuish, E., and Gardiner, J. 2020. Study of Early Education and Development (SEED): Impact Study on Early Education Use and Child Outcomes up to age five years. Study for Early Education & Development and Social Science in Government, Department for Education. Accessed at: https://assets.publishing.service.gov.uk/media/5e4e5c10e90e074dcd5bd213/SEED_AGE_5_REPORT_FEB.pdf

University of Sheffield. 2024. Unlocking Potential: Investigating the Prolonged Impact of Formal Childcare Intensity on Non-Cognitive Skills. Accessed at: <https://www.sheffield.ac.uk/media/57321/download?attachment>

¹⁰⁵ Ibid.

Features of high-quality ECEC include well-trained staff, appropriate child-staff ratios, and a curriculum that supports both cognitive and emotional growth¹⁰⁶. In Malta, the qualifications required for Early Childhood Education and Care (ECEC) staff are relatively low compared to other European countries¹⁰⁷, while 70% of childcare centres did not meet the child-staff ratios set in the National Standards for Early Childhood Education and Care Services (0-3 Years)¹⁰⁸. Data collection and availability on these three factors in Malta is fragmented, requiring a unified system which regularly publishes the rate of high-quality childcare centres in line with national standards, disaggregated by the above-mentioned features.

3.5.2.1.3 Balancing Childcare and Parental Bonding

While the expansion of childcare services offers many advantages, it is also important to consider the potential impact on the parent-child relationship. Excessive time spent in formal childcare settings can affect children's attachment to their primary caregivers and may lead to socio-emotional challenges. Spending extensive hours away from parents or primary caregivers and prolonged hours in childcare settings may result in a negative impact on children, especially during the formative years, and may contribute to emotional and behavioural challenges later in life¹⁰⁹. The 2020 University of Oxford study¹¹⁰ revealed that while early and extensive hours in ECEC improved certain outcomes for the most disadvantaged children, it was also associated with poorer behaviour and emotional regulation.

¹⁰⁶ Ibid.

¹⁰⁷ European Commission / EACEA / Eurydice, 2023. Structural indicators for monitoring education and training systems in Europe - 2023: Early childhood education and care. Eurydice report. Luxembourg: Publications Office of the European Union. Accessed at:

<https://op.europa.eu/en/publication-detail/-/publication/faa62d85-932d-11ee-8aa6-01aa75ed71a1/language-en>

¹⁰⁸ Parliament ta' Malta. Family Affairs Committee. 8th November 2023. Information by DQSE to the Family Affairs Committee of the House of Representatives. Accessed at:

<https://c.connectedviews.com/01/SitePlayer/parliamentmalta?session=121094>.

¹⁰⁹ Vandell, D. L., Belsky, J., Burchinal, M., Steinberg, L., Vandergrift, N., & NICHD Early Child Care Research Network. (2010). Do effects of early child care extend to age 15 years? Results from the NICHD study of early child care and youth development. *Child development*, 81(3), 737-756. Accessed at: <https://pubmed.ncbi.nlm.nih.gov/20573102/>

¹¹⁰ Melhuish, E., and Gardiner, J. 2020. Study of Early Education and Development (SEED): Impact Study on Early Education Use and Child Outcomes up to age five years. Study for Early Education & Development and Social Science in Government, Department for Education. Accessed at:

https://assets.publishing.service.gov.uk/media/5e4e5c10e90e074dcd5bd213/SEED_AGE_5_REPORT_FEB.pdf

Within the European Union, attending formal childcare for 30 hours or more per week is considered high use¹¹¹. More behavioural problems have been observed in children attending formal childcare for more than 30 hours¹¹² or 35 hours¹¹³ per week than those spending less hours. However, this trend was especially noticeable in lower-quality daycare environments and was less significant when parent-child interactions were of high quality¹¹⁴. Furthermore, while there is no universally accepted ideal number of daycare hours, most experts recommend that children under five years spend between 20 to 30 hours per week in such settings¹¹⁵. This correlates with the 30 hours being the maximum amount provided free of charge per week for each child as part of Malta's free Childcare Scheme¹¹⁶.

In Malta, families are more likely to leave their children who are aged three to five years of age in formal childcare or education for 30 hours or more per week than the average EU family¹¹⁷ since kindergarten within schools is offered and encouraged¹¹⁸. On the same lines, although to date, childcare is offered to working parents or those pursuing education, the rates of children in Malta aged less than 3 years that attend formal childcare for 1 to 29 hours and for 30 hours or more per week, exceed the EU average¹¹⁹, as presented in Table 24 below. In 2023, almost one third of children aged less than three years in Malta attended formal childcare for 30 hours or more per week. However, the average number of weekly hours in formal childcare is lower in Malta compared to the EU average.

¹¹¹ Children in formal childcare or education by age group and duration - % over the population of each age group - EU-SILC survey. Eurostat online data code: **ilc_caindformal**

¹¹² NICHD Early Child Care Research Network. (2003). Does amount of time spent in child care predict socioemotional adjustment during the transition to kindergarten? *Child Development*, 74(4), 976-1005. Accessed at: **Does amount of time spent in child care predict socioemotional adjustment during the transition to kindergarten? - PubMed (nih.gov)**

¹¹³ Melhuish, E., and Gardiner, J. 2020. Study of Early Education and Development (SEED): Impact Study on Early Education Use and Child Outcomes up to age five years. Study for Early Education & Development and Social Science in Government, Department for Education. Accessed at: **https://assets.publishing.service.gov.uk/media/5e4e5c10e90e074dcd5bd213/SEED_AGE_5_REPORT_FEB.pdf**

¹¹⁴ Ibid.

¹¹⁵ Brooks-Gunn, J., Han, W. J., & Waldfogel, J. (2010). First-year maternal employment and child development in the first seven years. *Monographs of the Society for Research in Child Development*, 75(2), 7-9. Accessed at: **First-Year Maternal Employment and Child Development in the First Seven Years - PMC (nih.gov)**

¹¹⁶ European Commission / EACEA / Eurydice, 2023. Structural indicators for monitoring education and training systems in Europe - 2023: Early childhood education and care. Eurydice report. Luxembourg: Publications Office of the European Union. Accessed at: **<https://op.europa.eu/en/publication-detail/-/publication/faa62d85-932d-11ee-8aa6-01aa75ed71a1/language-en>**

¹¹⁷ Children in formal childcare or education by age group and duration - % over the population of each age group - EU-SILC survey. Eurostat online data code: **ilc_caindformal**

¹¹⁸ European Commission / EACEA / Eurydice, 2023. Structural indicators for monitoring education and training systems in Europe - 2023: Early childhood education and care. Eurydice report. Luxembourg: Publications Office of the European Union. Accessed at: **<https://op.europa.eu/en/publication-detail/-/publication/faa62d85-932d-11ee-8aa6-01aa75ed71a1/language-en>**

¹¹⁹ Ibid.

Table 24: Indicators measuring the extent of Childcare utilisation by children aged less than 3 years in Malta and the EU

Indicators	Year 2023	
	Malta	EU
Children aged less than 3 years in formal childcare or education for 1-29 hours per week ¹²⁰	21.0%	14.2%
Children aged less than 3 years in formal childcare or education for 30 hours or over per week ¹²¹	30%	23.3%
Average number of weekly hours of formal care of children aged less than 3 years ¹²²	26.5 hrs	30.4 hrs

Despite this data, further research is needed to differentiate the age groups of children aged less than 3 years, the daily duration of children's attendance in childcare, and their daily duration of time spent with parents, since the impact of childcare on children's development and wellbeing varies upon the correlation of such variables. Hence, to better understand the complex interactions between childcare, parental bonding, children's development, and mental health, a comprehensive longitudinal study should be conducted to analyse these correlations over time.

3.5.3 Affordable Housing

Between 2010 and 2024, in Malta, house prices increased by approximately 68% and rents and rental prices by 56%¹²³. The rising cost of housing has been identified as a trend that will impact future planning and policy decisions due to its significant impact on poverty and economic stability. Rising property prices and moderate wage growth intensify financial pressures, especially on low-income households, making it essential to address this issue for social inclusion and sustainable development.

Malta is at a crucial juncture where a joint push from policymakers and relevant stakeholders is necessary to ensure housing affordability for all, particularly in light of future challenges, such as demographic shifts and economic volatility identified during the foresight uncertainty scans. The following indicators have been selected for continuous foresight monitoring.

¹²⁰ Children in formal childcare or education by age group and duration - % over the population of each age group - EU-SILC survey. Eurostat online data code: **ilc_caindformal**

¹²¹ Children in formal childcare or education by age group and duration - % over the population of each age group - EU-SILC survey. Eurostat online data code: **ilc_caindformal**

¹²² Average number of weekly hours of formal care by age group - children with at least 1 hour of formal care - EU-SILC survey. Eurostat online data code: **ilc_camnfor0**

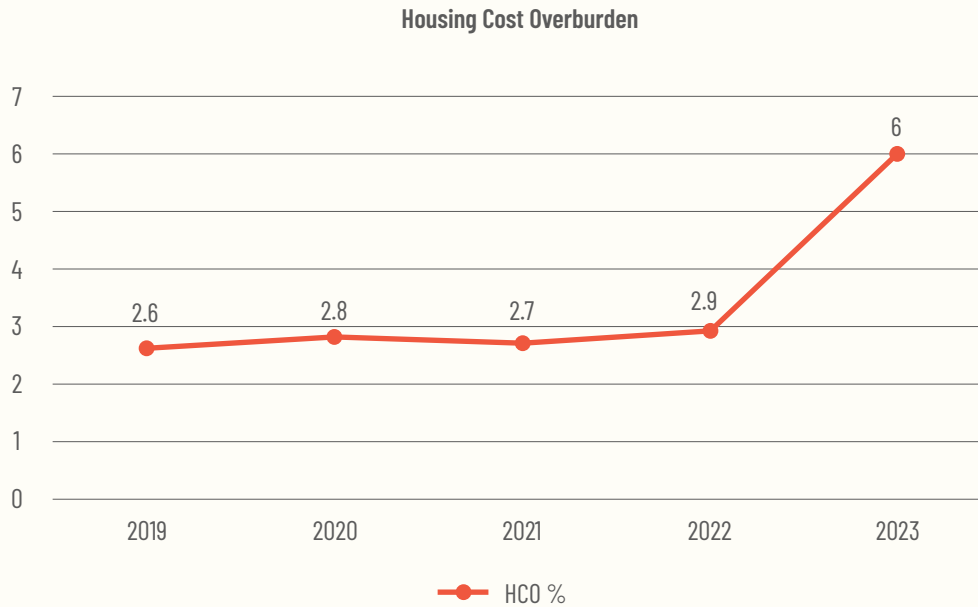
¹²³ Eurostat (5th July, 2024). House prices and rents rose between Q4 2023 and Q1 2024. Accessed at

https://ec.europa.eu/eurostat/en/web/products-eurostat-news/w/ddn-20240705-1?fbclid=IwZXh0bgNhZWQCMTEAAR3j4SojJ_U56NEA70iYrIWLC_pz4jVRbMvWyCkV0sm1KHlipFy9leTViq4_aem_fa-J8DF5Acx-Y0xaojKV9Q

3.5.3.1 Housing Cost Overburden (HCO)

The Housing Cost Overburden (HCO) Rate is an important indicator of housing affordability. The HCO rate indicators show that households spending more than 40% (in line with Eurostat methodology) of their disposable income on housing costs, whether this concerns a purchased or rented property, are at risk of poverty (AROP). This results in limited spending on other essential matters, a lower standard of living, and risk exposure to financial or budget crises arising from shocks outside of their control. In 2023 Malta's housing cost overburden rate stood at 6% (lower than the EU average of 8.9%)¹²⁴.

Figure 9: Housing cost overburden rate for Malta¹²⁵



3.5.3.2 House Price Index (HPI)

The House Price Index (HPI) or Property Price Index (PPI) is another important indicator that tracks the percentage change in residential housing prices across time¹²⁶. According to the House Price Index, the prices of properties in Malta increased by 52.04% in 2023 since the baseline year 2015¹²⁷. In 2023, the average residential property sold for a median price of €228,000¹²⁸ going up from €209,000 in 2022, and €195,000 in 2021¹²⁹.

¹²⁴ Housing cost overburden rate by age, sex and poverty status - EU-SILC survey . Eurostat online data code: ilc_lvho07a

¹²⁵ Ibid.

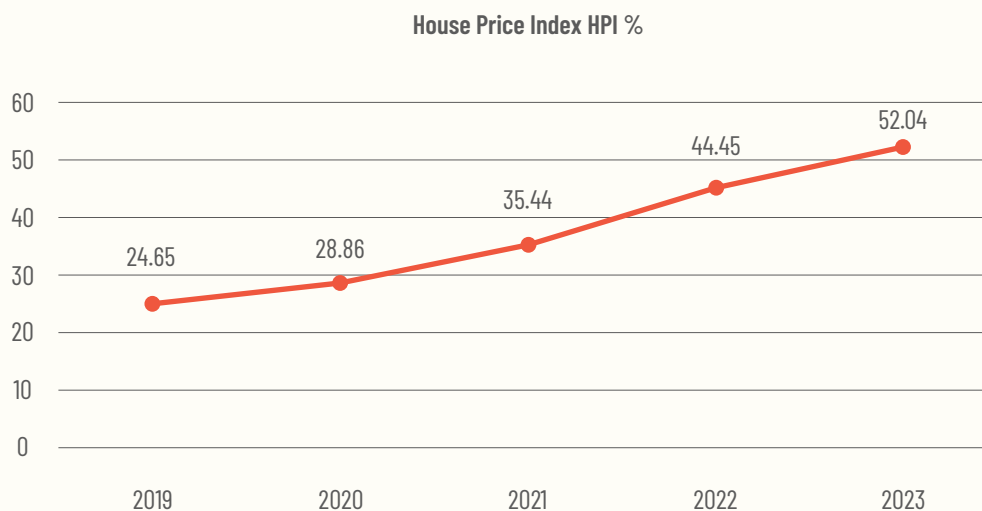
¹²⁶ Eurostat recommends using 2015 as the base year for HPI calculations.

¹²⁷ House price index (2015 = 100) - annual data. Eurostat online data code: prc_hpi_a

¹²⁸ NSO Residential Property Transactions May 2024 Accessed at: <https://nso.gov.mt/residential-property-transactions-may-2024/>

¹²⁹ Ibid.

Figure 10: House Price Index¹³⁰



3.5.3.3 HICP - Actual Rentals for Housing

Since the 2015 baseline year, residential rental prices in Malta have increased by 38.3% in 2023, 25 percentage points higher than the 13.29%¹³¹ EU average. Among those who rent, the burden of housing costs is disproportionately harsh on young people, foreign nationals, low-income earners, older persons, and persons who were on pre-1995 rental agreements, amongst others.

Specifically, the housing cost-to-income ratio exceeds 30% for:

- 63% of individuals under 35 years old.
- 69% of non-Maltese citizens.
- 63% of those earning less than €12,000 per annum.

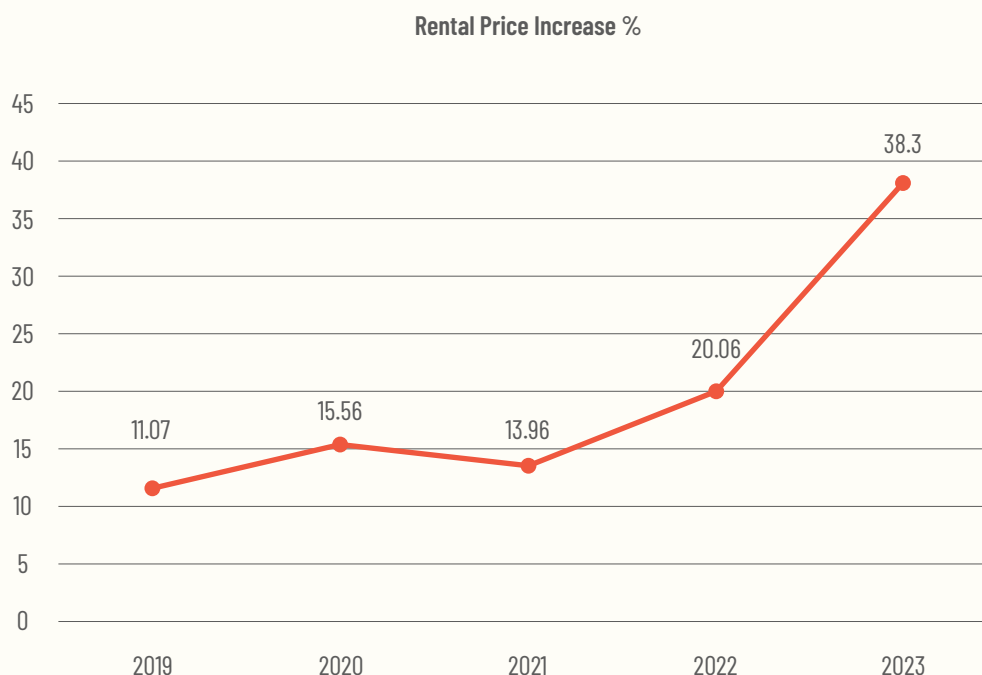
Overall, about one-third of households that rent at market rates have a housing cost-to-income ratio exceeding 30%¹³².

¹³⁰ House price index (2015 = 100) - annual data. Eurostat online data code: [prc_hpi_a](#)

¹³¹ HICP - annual data (average index and rate of change). Eurostat online data code: [prc_hicp_auid](#)

¹³² Foundation for Affordable Housing. Housing Affordability in Post Boom Malta. The Case for the Third Sector. Accessed at: <https://cdn-others.timesofmalta.com/3efb3e72416c31d38daa7db49099fd24bcf0cd17.pdf>

Figure 11: HICP - Actual Rentals for Housing¹³³



3.5.3.4 Affordability of Purchasing a Home

The affordability of purchasing a home by first time buyers depends on three key components:

- the ability to save the required 10% down payment minimum;
- the ability to secure a loan from a bank to finance the purchase; and
- the ability to meet the monthly mortgage repayments.

Before 2023, young individuals with a gross annual income of less than €25,000 could potentially get a loan for an average-priced residence. This option is becoming more challenging due to rising property prices. Similarly, older prospective homeowners need over €35,000 annually to qualify for an average-priced dwelling with an average 25-year loan, compared to €30,000 annually they needed to qualify just 2 years ago¹³⁴.

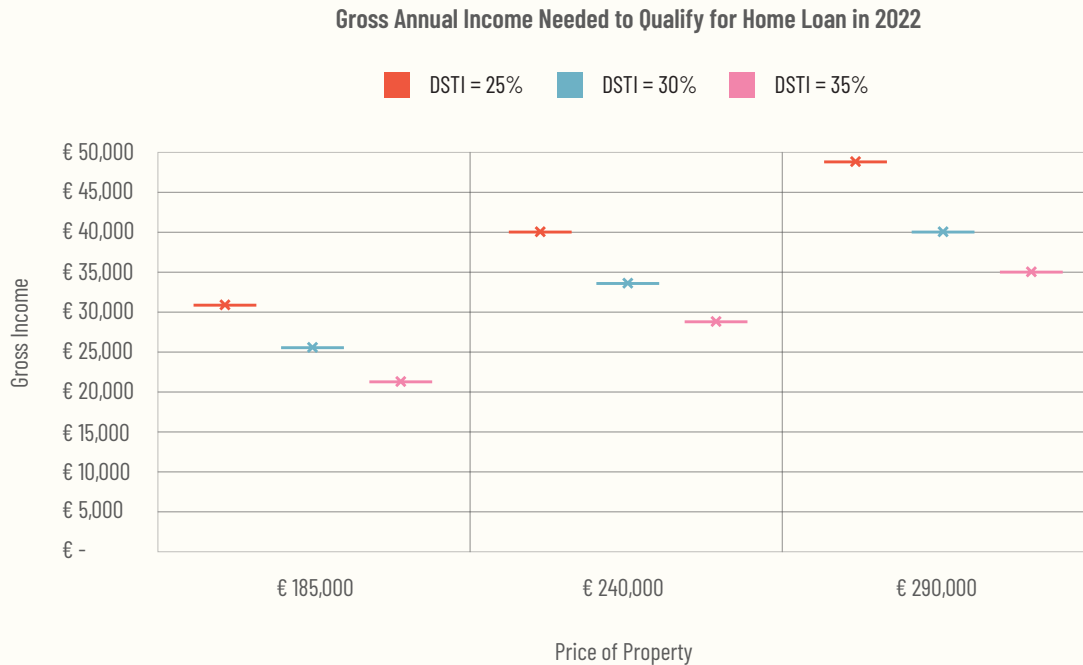
Figure 12 models the minimum income required by a first-time buyer under different debt-service to-income scenarios of 25%, 30% and 35% (of disposable income), assuming an interest mortgage rate of 3.0%, a down payment of 10% (i.e. Loan to Value Ratio of 90%), and a mortgage term of 35 years¹³⁵.

¹³³ HICP - annual data (average index and rate of change). Eurostat online data code: **prc_hicp_aind**

¹³⁴ Foundation for Affordable Housing. Housing Affordability in Post Boom Malta. The Case for the Third Sector. Accessed at: <https://cdn-others.timesofmalta.com/3efb3e72416c31d38daa7db49099fd24bcf0cd17.pdf>

¹³⁵ Minimum Income Required to Purchase a Property: Conceptual Framework and Application to Malta (2022). Accessed at: <https://www.centralbankmalta.org/conceptual-framework-application-2022>

Figure 12: Scenario: Purchasing a Property: Affordable Accommodation (2022)¹³⁶



3.5.3.5 Persons on Waiting Lists for Alternative Accommodation

The number of persons on a waiting list for alternative accommodation by the Housing Authority was more than halved between 2018 and 2022 – reduced from 3,172 in 2018 to 1,437 in 2022, or by 54.7%¹³⁷. Of the 1,437 applications on the waiting list, 529, or 36.8%, relate to priority applications.

3.5.4 Ageing and Pensionable Income

An ageing population will have a significant impact on Malta's socio-economic landscape, presenting uncertainties such as increased strain on social security systems and healthcare services, amongst others. The growing number of retirees will lead to higher expenditures on pensions and medical care, potentially affecting the country's priorities in the short- and long-term fiscal spending.

¹³⁶ Foundation for Affordable Housing. Housing Affordability in Post Boom Malta. The Case for the Third Sector. Accessed at:

<https://cdn-others.timesofmalta.com/3efb3e72416c31d38daa7db49099fd24bcf0cd17.pdf>

¹³⁷ Pg 9, Annual Report – 2022, Housing Authority. Accessed at: <https://housingauthority.gov.mt/wp-content/uploads/2023/05/HA-ANNUAL-REPORT-2022.pdf>

Addressing these challenges will require strategic planning to ensure the sustainability of social services and the healthcare sector. Additionally, a shrinking workforce will challenge economic productivity and growth, emphasising the need for policies that support labour market participation, such as retraining and upskilling programs and incentives for longer¹³⁸ and more meaningful working lives. The population of working-age in Malta, defined as individuals aged 15 to 64 years, totalled 372,121¹³⁹ out of which 78.2%¹⁴⁰ were employed (290,998) in 2023. It is crucial to consider not only the quantity of workers in the Maltese labour market, but also the nature of their employment. A predominance of low-skilled, low-paying jobs will weaken the pension system's revenue. This scenario impacts both the revenue side, through reduced contributions, and the expenditure side, as beneficiary income in old age is tied to the wages and wage growth achieved by individuals throughout their careers.

Table 25 provides the latest demographic information of the working-age population (15-64 years) and the population of older persons (65 and over) in Malta, by sex for both Maltese and non-Maltese populations, highlighting the distribution across different age groups.

Table 25: Malta's Demographic Profile by Age, Sex and Broad Group of Citizenship in 2023¹⁴¹

Age	Maltese		Non-Maltese	
	Sex			
	Male	Female	Male	Female
15-24	20,328	19,291	8,434	5,112
25-34	26,935	25,596	29,318	17,476
35-44	29,039	27,606	21,305	13,235
45-54	26,648	25,598	9,903	6,461
55-64	26,190	26,288	4,324	3,034
65-74	25,830	26,952	1,959	1,636
75-84	14,254	17,786	947	748
85-94	3,400	6,267	146	175
95 and over	155	477	4	14
Totals	172,779	175,861	76,340	47,891
	348,640		124,231	
	472,871			

¹³⁸ By considering introducing flexible pathways to retirement, but not only.

¹³⁹ Population on 1 January by age group, sex and citizenship. Eurostat online data code: **migr_pop1ctz**

¹⁴⁰ Employment rate by age. Eurostat online data code: **tepsr_wc110**

¹⁴¹ Ibid.

Malta already provides a comprehensive framework targeted to safeguard older persons. The Malta Pension Action Plan for 2021-2027 focuses on pension adequacy and sustainability¹⁴². To address both aims, incremental changes have been introduced, which include, among other things: annual rises in pension rates and bonuses; allowing for contribution gaps to be remedied in certain circumstances; increasing the disregard of other income when calculating pension entitlement; incentivising longer working lives; and encouraging supplementary pensions through improved tax credits and personal savings through government bonds exclusively for those aged 62 years and over. Ensuring that the elderly have an adequate pensionable income will remain of paramount importance to prevent poverty in old age. Further promoting supplementary pension schemes will become more crucial to provide additional financial security in retirement, helping individuals cover expenses such as long-term care and maintain their quality of life. Securing the affordability of necessary long-term care for pensioners and encouraging younger adults to plan for these future expenses is becoming an increasingly urgent challenge due to demographic ageing. As the demographic shifts, maintaining the sustainability of statutory pensions and ensuring that retirees can uphold an adequate standard of living becomes a critical national priority. This will involve re-evaluating pension schemes and implementing policies that support the financial stability and wellbeing of older persons in Malta¹⁴³. The 2025 national strategic review on the solidarity, sustainability and adequacy of the pensions system mandated by the Social Security Act (to be carried out every five years) will be crucial.

To monitor the adequacy of the pensionable income and the government expenditure on pensions and other benefits related to old age, the following indicators will be monitored:

1. Two Thirds Pension Rate

The Two-Thirds Pension is an earnings-related benefit available to individuals insured in Malta post-1979. To qualify, individuals must have been in insurable employment for a minimum of 10 years before retirement and must meet the contribution requirements specified in the Social Security Act (Cap. 318)¹⁴⁴. The amount of the Two-Thirds Pension is largely determined by the average of paid or credited contributions and the individual's pensionable income. There are established maximum and minimum rates for the Two-Thirds Pension, based on the individual's annual contribution average.

¹⁴²Recommendations 18-21 and 23, strictly focus on the sustainability side of the pension system.

¹⁴³It is important to evaluate all monetary and in-kind benefits earned during old age, as strictly focusing on pension income may provide an incorrect picture of one's standard of living. Such indicators have been mentioned in other areas of the strategy and will not be repeated in this section.

¹⁴⁴Social Security Act Cap. 318. Accessed at: <https://legislation.mt/eli/cap/318/eng/pdf>

Table 26: Two-Thirds Pension Rate 2021-2024

	Year			
	2021	2022	2023	2024
Maximum Weekly Rate (Persons born pre-1962) ¹⁴⁵	€248.23	€252.65	€261.85	€282.05
Maximum Weekly Rate (Persons born post-1962) ¹⁴⁶	€323.83	€333.16	€343.99	€354.86

2. National Minimum Pension

The primary purpose of the National Minimum Pension is to provide a safety net for individuals who might not have accrued enough contributions to qualify for a higher pension, ensuring that all retirees have access to a minimum standard of living in retirement.

National Minimum Pension Rate 2021-2024¹⁴⁷

	Year			
	2021	2022	2023	2024
Weekly Single Rate	€148.62	€153.04	€162.24	€172.97
Weekly Married Rate	€164.38	€168.80	€178.00	€188.73

3. Increased Retirement Pension

The Increased Retirement Pension is provided to individuals who continue to work and pay social security contributions beyond the standard retirement age. This pension aims to reward those who delay their retirement and continue contributing to the social security system, thereby increasing their eventual pension benefits.

Increased Retirement Pension Rate 2021-2024¹⁴⁸

	Year			
	2021	2022	2023	2024
Weekly Single Rate	€141.72	€146.14	€155.34	€166.07
Weekly Married Rate	€166.15	€170.57	€179.77	€190.50

¹⁴⁵ Calculated by MSPC

¹⁴⁷ mySocialSecurity - Schedule of Benefit Rates. Accessed at: <https://mysocialsecurity.gov.mt/BenefitPaymentRates.aspx>

¹⁴⁸ mySocialSecurity - Schedule of Benefit Rates. Accessed at: <https://mysocialsecurity.gov.mt/BenefitPaymentRates.aspx>

4. Age Pension Rate

Persons who are residents in Malta, over sixty (60) years of age and do not qualify for a contributory retirement pension because they do not have the minimum number of contributions paid or credited, may be entitled to a Non-Contributory Age Pension if they satisfy the capital and income means test.

Table 27: Age Pension Rate 2021-2024¹⁴⁹

Year	2021	2022	2023	2024
Weekly Single Rate	€124.44	€128.86	€138.06	€148.79
Weekly Married Rate	€157.21	€161.63	€170.83	€181.56

5. Number of Beneficiaries

Table 28 below shows the number of beneficiaries of the Two-thirds Pension, Age Pension, National Minimum Pension, and Increased Retirement Pension for 2020-2023.

Table 28: Pension Beneficiaries 2020-2023

Year	Jan-Dec 2020 ¹⁵⁰ Beneficiaries	Jan-Dec 2021 ¹⁵¹ Beneficiaries	Jan-Dec 2022 ¹⁵² Beneficiaries	Jan-Dec 2023 ¹⁵³ Beneficiaries
Two-Thirds Pension	53,499	55,565	57,932	59,660
Age Pension	4,907	4,667	4,295	4,110
National Minimum Pension	7,160	8,009	8,190	8,605
Increased Retirement Pension	1,154	1,080	566	482
Total	58,406	60,232	62,227	63,770

¹⁴⁹ mySocialSecurity - Schedule of Benefit Rates. Accessed at: <https://mysocialsecurity.gov.mt/BenefitPaymentRates.aspx>

¹⁵⁰ NSO. (2024). Social Protection 2024. Accessed at: <https://nso.gov.mt/wp-content/uploads/Social-Protection-2024.pdf>

¹⁵¹ NSO. Government Expenditure on Social Security Benefits: January-December 2023. Accessed at:

<https://nso.gov.mt/government-expenditure-on-social-security-benefits-january-december-2023/#:~:text=During%202023%2C%20the%20largest%20number,pensioners%20when%20compared%20to%202022>

¹⁵² Ibid

¹⁵³ Ibid

3.5.5 Impacts of Increased Migration in Malta

Migration is significantly impacting Maltese society, and the strategic foresight has thoroughly examined both the benefits and challenges arising from this phenomenon.

Given Malta's high per capita immigration rate, one of the highest in the EU, it is clear that strategic and timely action is necessary. Effectively managing the benefits and challenges of migration is essential for ensuring social cohesion and sustainable development within society. By proactively managing migration, Malta can harness the potential contributions of migrants to the economy. Strategic action in this sector is therefore essential to prepare for future demographic shifts and to maintain a balanced and inclusive society.

Comprehensive policies are key to address integration and economic opportunities. Migration has become essential for meeting the needs of the Maltese industry and economy. Migration plays a vital role in Malta's economy by addressing skills shortages and contributing to economic growth. Foreign workers fill essential gaps in various sectors, ensuring the functionality of the labour market. Therefore, effective integration policies are crucial for the successful assimilation of migrants and the maximisation of these economic benefits.

However, maintaining a delicate balance between population growth and resource availability is also crucial for Malta, given its status as the most densely populated Member State in the EU. Overpopulation can exacerbate challenges related to poverty and social exclusion, as increased demand for housing, healthcare, education, and employment can strain public services and infrastructure. This strain can lead to greater demand for limited resources, disproportionately affecting marginalised groups and increasing the risk of poverty. Addressing these challenges requires strategic planning and robust policies that ensure equitable access to resources and opportunities for all residents, thereby fostering social inclusion and preventing the deepening of socio-economic divides.

Today's decisions on migration will shape Malta's future, making it vital to maintain this balance and focus on effective integration strategies.

The following indicators have been identified to effectively monitor changes on migration in Malta:



Table 29: Main Indicators on Migration in Malta by Citizenship 2020-2023

Description	Year							
	Citizenship 2020		Citizenship 2021		Citizenship 2022		Citizenship 2023	
	EUCs	TCNs	EUCs	TCNs	EUCs	TCNs	EUCs	TCNs
Migrant population (no. of persons) ¹⁵⁴	-	-	42,718	61,000	44,957	62,417	42,610	94,766
Employment rate – 15 years or over (%) ¹⁵⁵	84.8	62.4	82.9	66.6	80.2	72.9	83.2	81.4
Unemployment rate – 15 to 74 years (%) ¹⁵⁶	4.9	9.0	4.0	5.9	3.8	6.9	-	4.4
Migrants at risk of poverty or social exclusion – 18 years or over (%) ¹⁵⁷	18.1	28.2	22.0	30.4	23.2	30.6	19.3	32.0
Long term residence permits for TCNs (%) ¹⁵⁸	7.01		21.3		16.82		-	
First permits issued for family reasons\to TCNs (no. of persons) ¹⁵⁹	8021		10685		11718		-	

3.5.5.1 Intergenerational Poverty

Intergenerational poverty was identified as a key uncertainty area in Malta's strategic foresight due to its profound implications for future socio-economic stability. Intergenerational poverty can entrench social inequalities and hinder economic mobility. Addressing intergenerational poverty is crucial to breaking this cycle and ensuring a more equitable and prosperous future for all citizens. Without targeted interventions, challenges and setbacks in life may perpetuate the cycle of poverty, making it more difficult for future generations to achieve economic stability and improve their quality of life.

Intergenerational poverty is typically defined as a situation in which at least two generations of a family are impoverished, with the second generation either being born into poverty or enduring it throughout adolescence and maturity¹⁶⁰. This cycle raises concerns that impoverished children will become impoverished adults, and that material disadvantage is passed down through generations. Intergenerational poverty is caused by economic problems such as low income, limited employment opportunities, and insufficient social safety systems.

¹⁵⁴ Population on 1 January by age group, sex and citizenship - Eurostat online data code: **migr_pop1ctz**

¹⁵⁵ Employment rates by sex, age and citizenship - Eurostat online data code: **ifsa_ergan**

¹⁵⁶ Unemployment rates by sex, age and citizenship - Eurostat online data code: **ifsa_urgan**

¹⁵⁷ Persons at risk of poverty or social exclusion by group of citizenship - Eurostat online data code: **ilc_peps05n**

¹⁵⁸ Long-term residents among all non-EU citizens holding residence permits by citizenship on 31 December. Eurostat online data code: **migr_resshare**

¹⁵⁹ All valid permits by reason, length of validity and citizenship on 31 December of each year. Eurostat online data code: **migr_resvalid**

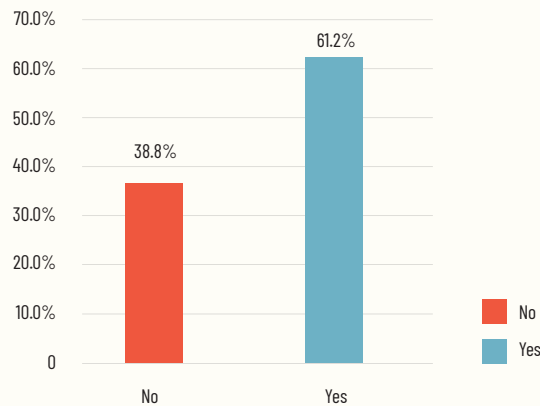
¹⁶⁰ Duncan, G. J., & Brooks-Gunn, J. (2000). Family poverty, welfare reform, and child development. *Child Development*, 71(1), 188-196.

Socioeconomic factors such as lack of access to education, limited social networks, and systemic prejudice may further contribute to the intergenerational transmission of poverty¹⁶¹.

In 2024, the Ministry for Social Policy and Children's Rights concluded an internal study on "Tackling and Minimising the Impact of Intergenerational Poverty in Malta and Gozo" (Appendix 14). One of the main aims of the study was to examine the various factors that influence the transmission of poverty across generations on a national scale, along with assessing the accompanying economic and social impacts.

The study found that 61.2% of those who currently receive social benefits, have received them in the past, or have parents who received social benefits coming from two generations of social benefits dependency and hence can be considered as intergenerationally poor (Figure 13 below refers)¹⁶². Of this group, 36.9% only work part-time, and 32.5% are pensioners. Only 5.1% are in full time employment and 3.9% are unemployed.

Figure 13: Two Generations of Social Benefits in Malta in 2023

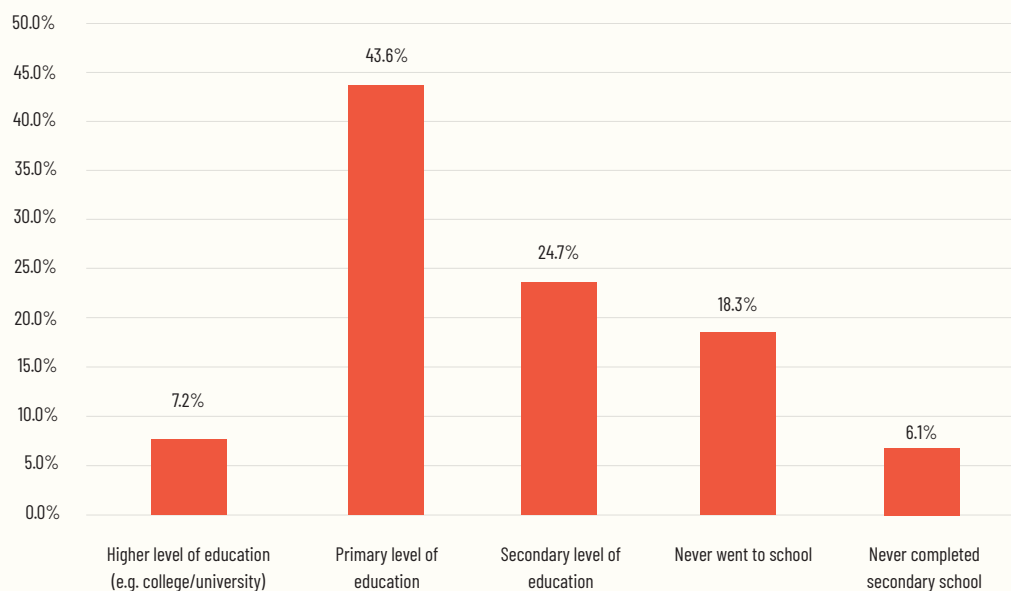


In examining the educational attainment of the respondents and their parents, the study specifically inquired whether the parents of the respondents had achieved a comparable level of education or a higher level than the respondents themselves. The findings reveal that the most common level of education completed by parents of the respondents was primary education, with 43.6% of respondents indicating this as their parents' highest level of educational attainment. This was followed by secondary education, reported by 24.7% of respondents as the highest level achieved by their parents. When comparing the highest level of education of the respondents with that of their parents, it was observed that all those who never attended school have parents who also have no schooling.

¹⁶¹ Ibid.

¹⁶² The final sample size for this phase of the study comprised 412 individuals from the Maltese population aged 18 years and above. The survey's statistical parameters included a confidence level of 95% and a confidence interval of +/- 4.9%. The sample was further stratified based on age, gender, and district to ensure a representative cross-section of the population. Data collection was carried out in January 2024, providing current and relevant insights into the state of intergenerational poverty in Malta.

Figure 14: Educational Attainment of Respondents and their Parents 2023



The respondents were also asked if they believe that education is important for achieving financial stability and upward mobility. The majority (95.6%) stated that yes, they do believe that education is important for achieving financial stability and upward mobility.

In relation to health challenges, it is worth noting that 34.9% of the respondent stated that their family members or themselves have experienced some chronic health conditions, including mental health issues. 34.7% of which stated that these conditions have contributed to their descent into poverty.

3.5.5.2 Selected Indicators for Monitoring

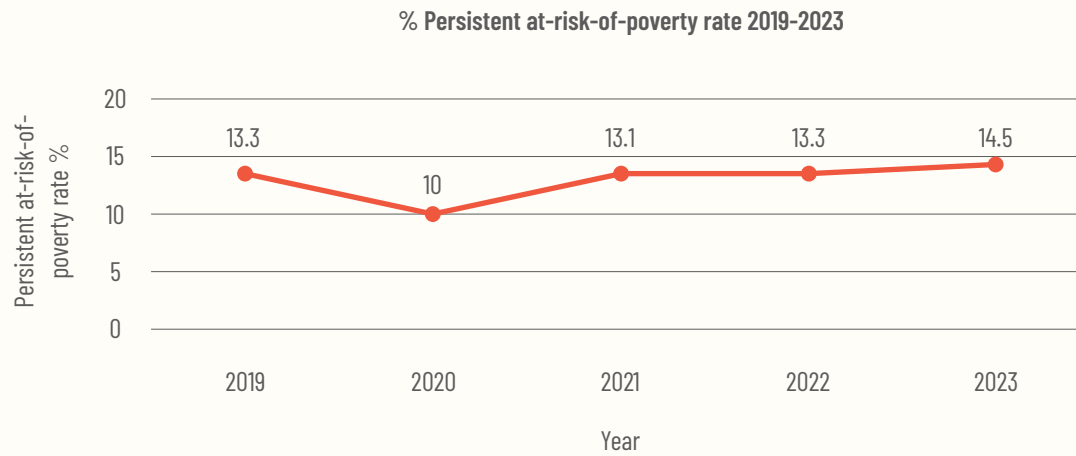
The persistent poverty indicator is a specific measure used to capture the long-term aspect of poverty, focusing on individuals or families whose equivalised disposable income¹⁶³ is below the risk-of-poverty threshold¹⁶⁴ and who remain in poverty over an extended period of time. This indicator is crucial for understanding intergenerational poverty because it highlights the enduring nature of economic hardship across generations. In 2023 Malta had "Persistent Poverty Rate" of 14.5%¹⁶⁵.

¹⁶⁴ This is the total income of a household, after taxes and other deductions, adjusted for the household size and composition. This adjustment allows for a fair comparison across different household types.

¹⁶⁵ This threshold is set at 60% of the national median equivalised disposable income.

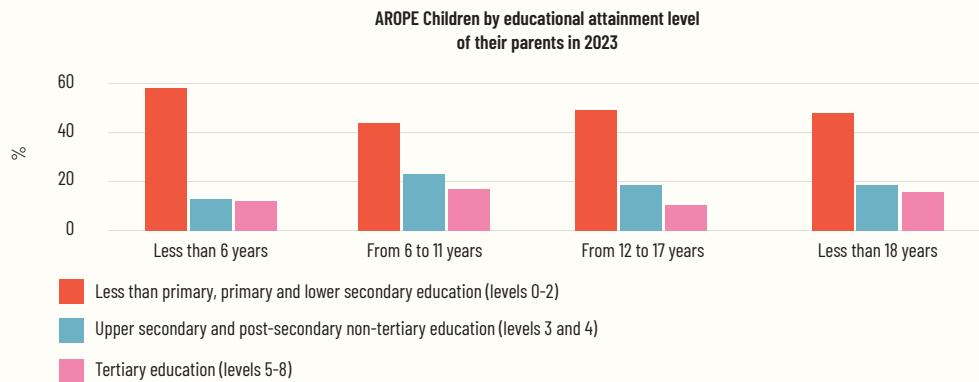
¹⁶⁶ Persistent at-risk-of-poverty rate by sex and age - EU-SILC and ECHP surveys. Eurostat online data code: **ilc_li21**

Figure 15: Persistent at-risk-of-poverty rate¹⁶⁶



The Children at Risk of Poverty or Social Exclusion by Educational Attainment Level of Their Parents indicator highlights the correlation between the parents' education levels and the likelihood of their children experiencing poverty or social exclusion. In Malta in 2023 around 50% of children whose parents have a lower secondary education level or less were at risk of poverty or social exclusion. In contrast, less than 15% of children born to parents with higher levels of education face the same risk¹⁶⁷.

Figure 16: Share of children at risk of poverty or social exclusion in Malta, by age group, by educational attainment level of their parents in 2023¹⁶⁸



¹⁶⁶ Ibid.

¹⁶⁷ Children at risk of poverty or social exclusion by educational attainment level of their parents (population aged 0 to 17 years). Eurostat online data code: [ilc_peps60n](#)

¹⁶⁸ Ibid.

3.5.6 Fertility Rate

Malta is currently confronting a critical demographic challenge marked by persistently low fertility rates, posing significant uncertainties for both present and future prospects. This demographic trend not only impacts population dynamics but also reverberates through the labour market, thereby influencing the overall competitiveness of the national economy. The declining fertility rate presents a substantial risk to the long-term sustainability of pensions, compounding the urgency of addressing this issue.

Malta's Social Plan for the Family 2024-2030 highlights the underlying factors and uncertainties related to fertility. In recent years, Malta has seen a transformation in family structures, shifting from traditional setups to a variety of modern arrangements. At the same time, attitudes toward marriage and parenthood have changed, with more people focusing on personal and career goals rather than starting a family. Economic challenges, including job instability - especially during crises like the COVID-19 pandemic - and difficulties with housing affordability, have further delayed family formation and childbearing. Additionally, the demanding nature of career pursuits and associated life stressors have significantly influenced this trend.

At this pivotal moment, Malta requires a concerted effort from Government and stakeholders across various sectors to devise comprehensive solutions that take into account diverse pro-natal perspectives and interventions. While no single measure can comprehensively resolve the issue, adopting a holistic approach and implementing targeted strategies can pave the way for fostering a sustainable trajectory of population growth. In line with the Social Plan for the Family 2024-2030, investing in family-friendly policies and infrastructure to support work-life balance can help to stabilise fertility rates over the long term. These strategic interventions will ensure economic resilience and social stability in the face of shifting demographic trends.

Addressing data gaps and research are important to understand and address fertility trends. Establishing a population register to track changes in population size and structure would enable better monitoring of fertility patterns and determinants.

By aligning efforts towards this goal, Malta can navigate these demographic complexities effectively and promote sustainable development for the future.

3.5.6.1 Total fertility rate

The most widely used indicator of fertility is the total fertility rate (TFR)¹⁶⁹.

In recent years, Malta has witnessed a persistent decline in its TFR, resulting in the lowest fertility rate among EU countries and one of the lowest globally. This trend is illustrated in figure 17, showing a widening gap between Malta's TFR and the EU average the past 5 years. By 2022, Malta's TFR had dropped to 1.08, significantly lower than the EU average of 1.46¹⁷⁰. This declining trend raises concerns as a TFR of around 1.5 is considered a critical threshold.

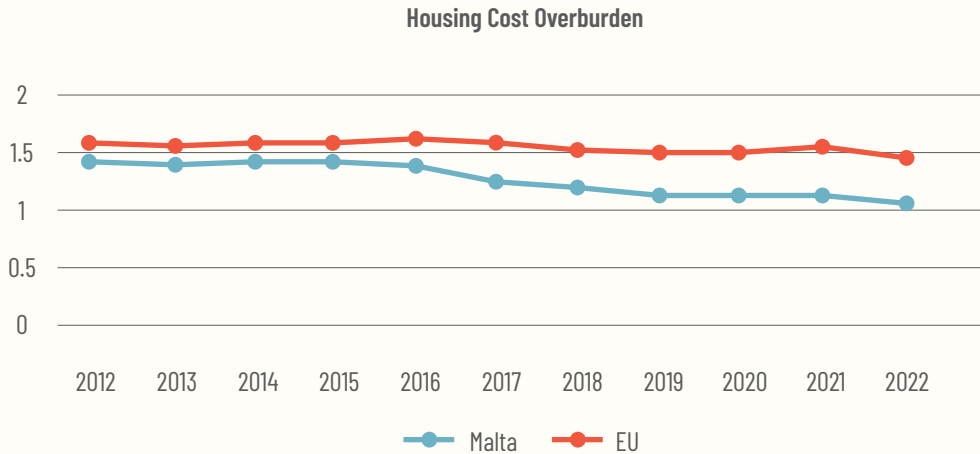
¹⁶⁹ The mean number of children that would be born alive to a woman during her lifetime if she were to survive and pass through her childbearing years conforming to the fertility rates by age of a given year"

Total Fertility Rate. Eurostat online data code: **tps00199**

¹⁷⁰ Ibid.

Below this level, there is a risk of entering a self-perpetuating cycle where low fertility rates lead to even lower birth rates in the future¹⁷¹.

Figure 17: Fertility Rates of Malta and the EU 2012-2022



3.5.6.2 Crude birth rate

The crude birth rate (CBR) is an essential metric in understanding population dynamics as it directly quantifies the number of live births occurring within a given year per 1,000 individuals in a population¹⁷². This measure is fundamental in assessing the rate at which a population is growing or declining. High birth rates typically signal a growing population, which can result from various factors such as higher fertility rates, cultural preferences for larger families, or younger age distributions. Conversely, low birth rates may indicate an aging population, potential socioeconomic challenges, or ineffective family planning practices.

Malta has seen a decline in the crude birth rate (from 9.7 in 2015 to 8.1 in 2022)¹⁷³. This demographic trend signals an ageing population, potentially leading to challenges such as workforce shortages and heightened demands on healthcare and pension systems. Economically, this may place pressure on public finances through increased costs for the care of older persons, increased pension expenditure and potential reductions in tax revenues adding further pressures on the fiscal sustainability of public finances. Moreover, the decline underscores evolving family structures and societal norms, including trends towards delayed marriage and smaller family sizes. Addressing these demographic shifts requires strategic planning and policy initiatives to sustain societal well-being and economic resilience in Malta's future.

¹⁷¹ OECD Factbook 2015-2016. Economic, Environmental and Social Statistics. Accessed at:

<https://www.oecd-ilibrary.org/docserver/factbook-2015-en.pdf?expires=1722853895&id=id&accname=guest&checksum=C74879241296F9EDB2C673138DEB0220>

¹⁷² World Health Organisation. Crude Birth Rate (per 1000 population). Accessed at: <https://www.who.int/data/gho/indicator-metadata-registry/imr-details/2978>

¹⁷³ Live births and crude birth rate. Eurostat online data code: **tps00204**

3.5.6.3 The average age of parents at the time of giving birth

The increase in the average age of parents at the time of giving birth, rising to 31.21 years in 2022 from 29.8 in 2012¹⁷⁴, signals significant shifts in societal and demographic trends. This trend reflects a growing preference for delayed childbearing, potentially influenced by factors such as higher education attainment, career advancement, and evolving family dynamics. It also underscores changing societal norms regarding family planning and personal priorities. As parental age increases, implications extend to fertility rates, healthcare needs, and economic planning, necessitating strategic foresight to accommodate these demographic changes effectively.

3.5.7 Social and Moral Values

Social and moral values play a critical role in shaping Malta's approach to poverty and social exclusion. Strong social values, such as community support, solidarity, and inclusiveness, foster a society where individuals are more likely to help one another, reducing the marginalisation of disadvantaged groups. These values encourage charitable actions, volunteerism, and community initiatives that directly support those in need, helping to alleviate poverty and prevent social exclusion.

At times, financial interests can overshadow social and moral values, leading to decisions that prioritise economic gain over the well-being of individuals and communities. When financial considerations take precedence, it can result in practices that exacerbate inequality, neglect disadvantaged populations, and undermine social cohesion. This imbalance not only harms those who are marginalised or disadvantaged but also erodes the ethical foundations of society, ultimately jeopardising long-term stability and fairness.

Prioritising social and moral values alongside financial goals will be essential for fostering a just and inclusive society that upholds the dignity and rights of all its members.

3.5.8 Impacts of Artificial Intelligence and the Digital Transformation

Artificial Intelligence (AI) has the potential to significantly impact poverty and social exclusion in Malta by enhancing access to essential services and creating new economic opportunities. AI-driven initiatives can improve access to education and healthcare, two critical areas for reducing poverty.

AI-powered educational tools have the potential to revolutionise learning by tailoring the educational experience to individual needs. These tools can analyse a student's strengths, weaknesses, learning pace, and preferred methods of instruction. Adaptive learning platforms use AI algorithms to adjust the difficulty of lessons in real-time, ensuring that each student is challenged appropriately without being overwhelmed. This personalised approach can be particularly beneficial for marginalised communities, where access to high-quality education may be limited. By providing customised support and resources, AI can help bridge gaps in knowledge and skills, enabling students from disadvantaged backgrounds to achieve their full potential.

¹⁷⁴ Mean age of women at childbirth and at birth of first child. Eurostat online data code: tps00017

In healthcare, AI can optimise delivery by leveraging predictive analytics and personalised treatment plans. Predictive analytics involves analysing vast amounts of health data to identify patterns and predict potential health issues before they become critical. AI can forecast disease outbreaks by monitoring data from various sources, such as hospital records, social media, and environmental sensors. This early warning system would allow healthcare providers to take preventive measures, potentially saving lives and resources. Additionally, AI can personalise treatment plans by considering a patient's unique medical history, genetic information, and lifestyle factors. This ensures that disadvantaged populations receive care that is specifically tailored to their needs, improving outcomes and reducing disparities in healthcare access and quality.

While predictive analytics and AI offer promising advancements in healthcare, there are notable threats to consider. Issues such as data privacy concerns, the potential for biased algorithms, and the risk of over-reliance on technology can pose significant challenges.

AI's impact on employment is a double-edged sword that can both alleviate and exacerbate social exclusion. On one hand, AI can create new job opportunities and enable small businesses to thrive by identifying market trends and consumer needs. This can lead to the creation of jobs in emerging sectors, providing employment opportunities for those previously excluded from the workforce. On the other hand, AI-driven automation can displace jobs, particularly those involving routine and repetitive tasks. This displacement disproportionately affects lower-skilled workers, potentially increasing unemployment and widening economic disparities. Strategic planning in Malta must therefore include policies that promote reskilling and upskilling programs, ensuring that workers are equipped to transition into new roles created by AI advancements. Additionally, social safety nets and inclusive economic policies will be crucial to support those affected by job displacement and to prevent AI from exacerbating social exclusion.

The integration of AI also poses challenges that need to be addressed to prevent exacerbating existing inequalities. There is a risk that AI could widen the digital divide if access to technology and digital literacy remains uneven. Ensuring that all segments of the population have the necessary skills to benefit from AI is crucial. Additionally, ethical considerations regarding data privacy and algorithmic bias must be taken into account to prevent discrimination and ensure that AI solutions are fair and inclusive. Strategic foresight in Malta must therefore include policies that promote equitable access to AI technologies, invest in digital education, and enforce regulations that protect against the potential negative impacts of AI.

Given the rapid and often unpredictable technological advancements in AI, assessing its impact remains complex and uncertain. Hence, the monitoring of the impact of AI through existing indicators is challenging given that the detailed impacts of AI are still largely unknown. Qualitative studies will be required. However, certain indicators can shed light on the level of preparedness and skills in the population, which are crucial for understanding AI's potential effects. Key indicators include:

- The percentage of individuals with basic or above basic overall digital skills, which highlights the population's capability to engage with digital technologies.

Table 30: Percentage of individuals with basic or above basic overall digital skills, by sex, 2017-2023

Indicator	Variable	Year			
		2017 ¹⁷⁵	2019	2021 ¹⁷⁶	2023
Individuals who have basic or above basic overall digital skills	Males (16-74 years)	57.32%	56.79%	61.56%	62.74%
	Females (16-74 years)	55.84%	54.75%	60.86%	63.33%
	Total	56.59%	55.82%	61.23%	63.02%

- The percentage of early leavers from education and training, representing those aged 18-24 who have only completed lower secondary education and are not in further education or training, is another critical measure.

Table 31: Percentage of early leavers from education and training, by sex, 2020-2023

Indicator	Variable ¹⁷⁷	Year			
		2020	2021	2022	2023
Early leavers from education and training	Males (18-74 years)	14.9%	11.9%	11.9%	12.1%
	Females (18-74 years)	10.6%	9.6%	8.4%	7.6%
	Total	13.0%	10.9%	10.3%	10.0%

- Data on educational attainment level provides insights into the highest level of education completed by individuals, reflecting the overall educational landscape and readiness to adapt to AI-driven changes.

¹⁷⁵ The Digital Skills Indicator for 2017 and 2019 is based on selected activities related to internet or software use performed by individuals aged 16-74 in four specific areas (information, communication, problem solving, software skills).

Individuals' level of digital skills (until 2019). Eurostat online data code: **isoc_sk_dsk_i**

¹⁷⁶ The Digital Skills Indicator for 2021 and 2023 (DSI 2.0) is based on selected activities related to internet or software use that individuals aged 16-74 perform in five specific areas (Information and data literacy, Communication and collaboration, Digital content creation, Safety, and Problem solving). The DSI methodology has been changed substantially in 2021 to reflect the Digital Competence Framework 2.0. Consequently, 2021 is the beginning of a new time series.

Individuals who have basic or above basic overall digital skills by sex. Eurostat online data code: **tepsr_sp410**

¹⁷⁷ Early leavers from education and training by sex. Eurostat online data code: **sdg_04_10**

Table 32: Educational attainment level of persons aged 15-74 years, by sex, 2020-2023

Indicator	Variable ¹⁷⁸		Year			
			2020	2021	2022	2023
Educational Attainment Level (15-74 years)	Less than primary, primary, and lower secondary education (levels 0-2 ¹⁷⁹)	Males	46.6%	44.0%	42.3%	43.5%
		Females	47.2%	44.2%	40.3%	40.8%
	Upper Secondary and post-secondary non-tertiary education (levels 3-4)	Males	33.5%	35.2%	36.3%	35.4%
		Females	31.2%	32.3%	35.3%	34.5%
	Tertiary Education (levels 5-8)	Males	20.0%	20.9%	21.4%	21.1%
		Females	21.5%	23.5%	24.4%	24.7%

3.5.9 Impacts from Environment and climate change

Strategic foresight on the impacts of environment and climate change on poverty or social exclusion in Malta involves understanding how global climate change can manifest locally in environmental conditions, thereby affecting disadvantaged populations.

Climate change poses multifaceted challenges that can exacerbate poverty and social exclusion. Rising temperatures and changing precipitation patterns can directly impact agricultural productivity, a significant sector in Malta's economy. Reduced crop yields and water scarcity will lead to economic hardships for rural communities and farmers, potentially increasing food insecurity and poverty levels. Moreover, extreme weather events such as heatwaves, storms, and floods can damage infrastructure, disrupt livelihoods, and displace communities, disproportionately affecting those with limited resources and adaptive capacities.

¹⁷⁵ Educational Attainment Levels. Eurostat online data code: **edat_lfs_9911**

¹⁷⁸ Level 0 – Less than primary education, Level 1 – Primary education, Level 2 – Lower secondary education, Level 3 – Upper secondary education, Level 4 – Post-secondary non-tertiary education, Level 5 – Short-cycle tertiary education, Level 6 – Bachelor's or equivalent level, Level 7 – Master's or equivalent level, Level 8 – Doctoral or equivalent level.

In coastal areas like Malta, sea-level rise poses a critical threat, potentially inundating low-lying areas, damaging coastal infrastructure, and jeopardising homes and businesses. This not only threatens the livelihoods of coastal communities but also exacerbates inequalities as marginalised populations may lack the financial resources to adapt or relocate. Furthermore, climate-related health impacts, such as increased prevalence of vector-borne diseases and heat-related illnesses, can strain healthcare systems and lead to greater health disparities among disadvantaged groups.

The implementation of stringent environmental and climate standards will inevitably increase operational costs for companies, which are likely to be passed on to consumers in the form of higher prices. This economic burden disproportionately affects disadvantaged populations, who spend a larger portion of their income on essential goods and services. As prices rise, these individuals face heightened financial strain, potentially exacerbating poverty and social exclusion, and undermining efforts to improve their resilience to climate change impacts.

Strategic plans informed by foresight must therefore include proactive measures to mitigate these impacts and enhance resilience among disadvantaged populations in line with the eventual National Energy and Climate Plan 2021-2030 and Malta's Sustainable Development Strategy for 2050. This includes implementing climate adaptation strategies such as improved water management, resilient agriculture practices, sustainable urban planning, and infrastructure upgrades. Additionally, policies focused on social protection, education, and healthcare can help build adaptive capacity and reduce vulnerabilities to climate change impacts. Collaborative efforts involving Government, civil society, and international partners are crucial to ensure that climate action in Malta is inclusive, equitable, and responsive to the needs of those most affected by poverty and social exclusion.

3.5.10 Shortage in Professionals in the social sector

The social sector in Malta is significantly impacted by a shortage of personnel, which poses a serious challenge to the delivery of essential services. This shortage not only strains the existing workforce but also undermines the quality and accessibility of social services provided to the community. The increasing demand for social services, driven by an ageing population, increasing mental health issues, and growing socio-economic disparities, exacerbates the current situation. Without adequate personnel, the sector struggles to meet these demands, leading to an accelerated burnout among workers, longer waiting times for services, and potentially inadequate support for those in need. Such a shortage also affects healthcare services as untreated conditions, including mental health conditions, may lead to further complications requiring additional complex interventions. Consequently, professional shortages may also lead to an increase in waiting times for A&E, primary, and acute health services which will further marginalise disadvantaged populations and exacerbate socio-economic inequalities. This situation highlights the urgent need for a strategic approach to workforce planning and development within the social sector.

In 2023, FSWS reported that the service had catered for a total of 24,877 cases¹⁸⁰, which reflects an increase of 1,405 cases over the previous year (23,472 cases¹⁸¹). The FSWS also reported that in 2022, out of a total of 943 employees, 731 (78%) were directly involved with client work. Of the 731 employees, 291 (31% of the total work force) were qualified social workers.

Table 33 below highlights the number of job vacancies in human health in social work activities¹⁸².

Table 33: Number of job vacancies in human health in social work activities 2020-2023

Indicator	2020	2021	2022	2023
Job vacancies in human health and social work activities – (total no. of vacancies)	1,289	832	834	888

Strategic planning is crucial in addressing the uncertainty posed by the personnel shortage in Malta's social sector. By anticipating future trends and challenges, Government can implement proactive measures to attract, train, and retain social sector professionals. Investing in education and professional development, improving working conditions, and offering competitive remuneration are essential steps to build a resilient workforce. Additionally, leveraging data and predictive analytics can help identify emerging needs and allocate resources effectively. Providing high-quality services, will ultimately contribute to the well-being and social stability of the community.

¹⁸⁰ Administrative Data (email correspondence)

¹⁸¹ FSWS 2022 Annual Report accessed at: [fsws.gov.mt/en/Documents/AnnualReports/Indesign Annual 2022 Download.pdf](https://fsws.gov.mt/en/Documents/AnnualReports/Indesign%20Annual%202022%20Download.pdf)

¹⁸² NSO Release: Job Vacancy Survey: 2017-2023 accessed at: <https://nso.gov.mt/job-vacancy-survey-2017-2023/>. The disaggregated data was provided via email correspondence by NSO.



CHAPTER 4

MALTA'S POVERTY AND EXCLUSION
MANY SIDES AND THEIR IMPACTS:
WHAT WE HEARD

CHAPTER 4

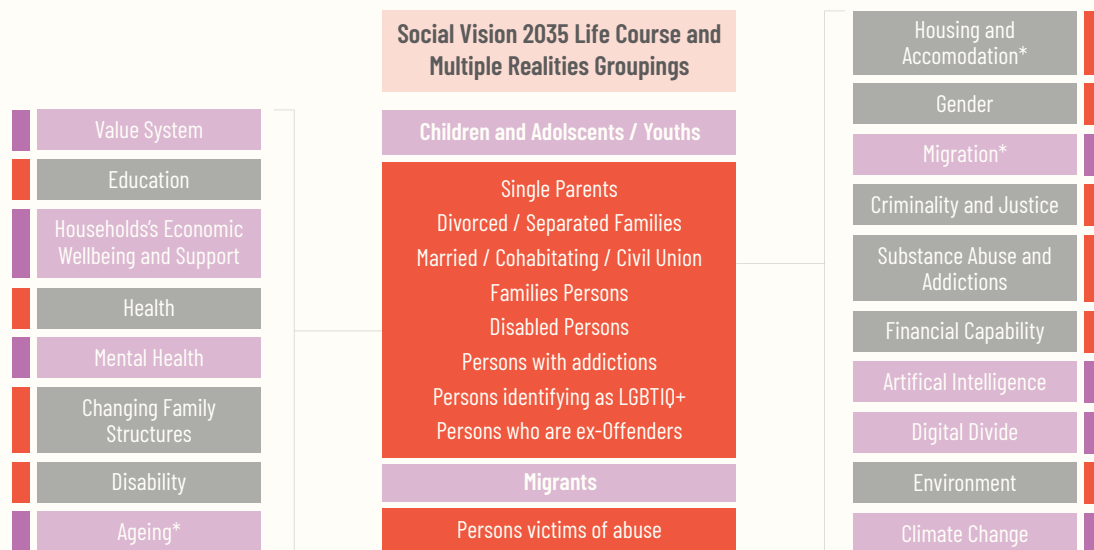
MALTA'S POVERTY AND EXCLUSION MANY SIDES AND THEIR IMPACTS: WHAT WE HEARD

Poverty is a multifaceted issue influenced by a variety of underlying factors and conditions, collectively known as determinants. Understanding these determinants is crucial for addressing the root causes of poverty and developing effective strategies to combat it.

The pre-drafting consultation sessions, the focus groups, and the work that the PDIAD carried out with OECD's on uncertainty scanning and strategic foresight identified a core number of determinants and impacts of poverty and exclusion in Maltese society. The gained insights help facilitate projections for the next ten years and will provide a crucial foundation for the Strategy's objectives. These are presented in Figure 18.

The determinants and impacts highlighted in purple in Figure 18 represent the current uncertainties and future trends that emerged from the OECD strategic foresight scenario work. These were also brought up as core dimensions and impacts during the pre-consultation sessions and by PDIAD¹⁸³.

Figure 18: Determinants of Poverty and Societal Groups at Risk of Poverty and Exclusion: Today and as Expected to Evolve between 2024-2035



The following presents the main points raised by the stakeholders consulted during the pre-consultation sessions and focus groups.

¹⁸³ Note: * As core determinants and impacts PDIAD undertook a detailed analysis of the state of play and issues in their regard. The findings are presented in Working Papers appended to the Strategy.

4.1 Shared Value System

The pre-consultations outlined the importance that Malta reinforces its community-oriented values and shared principles, to foster a more inclusive society and reduce the isolation of certain population cohorts. By promoting unity and collective well-being, Malta can ensure a more connected and supportive community for all its citizens. Shared values are fundamental in uniting communities and enhancing a sense of belonging, inclusion, and cooperation.

4.2 Education

Education significantly influences social mobility and enhances quality of life, playing a critical role in shaping opportunities and wellbeing. While early childhood education provides a strong developmental foundation, 13 of the 53 consulted stakeholders highlighted concerns about its impact on parent-child relationships, and value transmission. Stakeholders maintained that to mitigate this, further investment in quality childcare and child-carers is important to prioritise the socio-emotional abilities, competencies, and the development of the child's mental and socio-emotional behaviour. Investing in building stronger connections with communities and families, including those from disadvantaged backgrounds, as a preventative measure could further mitigate this.

Consultations with stakeholders also highlighted that later in the child's life, the education system should move beyond a rigid focus on academic achievement. There should be a new focus reflecting the real-world young people live in, such that students are equipped with essential life skills. These include cognitive, digital, analytical, financial, entrepreneurial, and related skills, all of which are essential for young people to navigate contemporary realities and challenges they face in a world characterised by fast change and driven by ICT, Artificial Intelligence (AI), robotics and other emerging technologies.

4.3 Households' Economic Wellbeing and Support Measures

Malta's strong economic performance and low unemployment rates, partly driven by successful active labour market policies, such as the 'Making Work Pay Schemes' are undeniable. However, during the pre-consultations the importance of equitable distribution of economic gains was highlighted as an important point of departure. Global events such as the COVID-19 pandemic, geopolitical tensions, and supply chain disruptions have fuelled inflation, impacting living costs significantly.

24 of the 53 consulted stakeholders believe that increasing reliance on food aid and soup kitchens may indicate a growing gap in economic and social well-being. It was held that rising inflation, particularly in food and housing, erodes purchasing power despite increases to the National Minimum Wage (NMW). In addition to economic metrics like GDP, consideration of social indicators was also suggested to provide a fuller picture of national wellbeing. This, in turn, will inform the development of inclusive policies that ensure everyone benefits from economic growth.

4.4 Changing Family Structures

14 of the 53 consulted stakeholders also highlighted the potential impact of non-traditional families – such as ones formed after separation – on the onset of poverty or social exclusion. Division of assets and resources following family separations weakens financial stability, impacting everything from pensions to housing. Family break-ups significantly affect children's psychological and emotional health, causing disruptions like school changes, potential bullying, feelings of anger and resentment, and an increase in violent behaviour.

Single parents often face significant financial hardship and emotional stress, impacting both them and their children. Legal battles over custody, maintenance, and assets during separation worsen these problems, draining resources and creating a hostile environment. Irregular or non-payment of child maintenance further burden single parents and reduce children's quality of life.

4.5 Families having Members with a Disability

Families having members with a disability face significant financial burdens due to medication, equipment, and care needs. These families may also face fragmented services, and complex bureaucracy, despite existing government efforts and support. Caring for a family member with a disability places substantial emotional and logistical demands on families, particularly on mothers who may also need to reduce work hours or leave the workforce.

16 of the 53 consultation participants highlighted the fact that people with both visible and hidden disabilities still struggle to find jobs, despite several Government incentives. Children with a disability, particularly those with challenging behaviour conditions, may be more susceptible to face exclusion from school activities and trips, resulting in social isolation and reduced educational opportunities. Moreover, societal attitudes and stigma towards persons with disability, particularly invisible ones such as attention-deficit/hyperactivity disorder (ADHD) and fibromyalgia, perpetuate discrimination and exclusion, complicating access to social protection services and other type of support.

5 stakeholders highlighted the importance of ensuring accessible public spaces and transportation, offering tailored educational opportunities, and more importantly, of supporting families in navigating the complex care system effectively. Addressing these factors is essential for Malta to guarantee a more inclusive and equitable society for all.



4.6 Ageing

Malta faces a rapidly ageing population, with 18.6% of the population being 65 years or older¹⁸⁴ and 3.9% being aged 80 years and over in 2023¹⁸⁵. Coupled with the lowest fertility rate in the EU at 1.08¹⁸⁶, this trend necessitates reliance on foreign workers or newly naturalised Maltese to balance the youth demographic. The ageing population and the need for a supportive framework are recognised as continuing challenges that will significantly impact poverty and exclusion in Malta. Beyond straining healthcare and informal care, this demographic shift may also exacerbate poverty and social exclusion. Promoting active ageing, robust community support systems, and strengthening pensions are key to ensure healthy, active and financially secure retirement.

4.7 Health

Malta provides a robust health system with free health care at primary, acute, and rehabilitation stages, supported by free medical aid. This system aims for equal access regardless of income security (though access for foreigners varies). Nevertheless, 26 stakeholders highlighted inequities in access for disadvantaged groups. Long waiting times and medication shortages create hardships for these groups who cannot afford private care. Furthermore, it was highlighted that Malta's growing population is straining the system, while attracting and retaining qualified healthcare professionals remains a challenge.

Concerns have been raised about children going to school without lunch or relying on unhealthy food from low-cost eateries, which could impact their physical health, cognitive development, and emotional well-being.

4.8 Mental Health

Rising mental health issues in Malta are linked to various socio-economic and environmental factors. 24 stakeholders expressed concern that young children might experience negative mental health outcomes due to long hours spent in pre and after-school clubs away from parents, leading to feelings of disconnection, aggression, and violence towards parents.

As children grow up, there is pressure to excel in school academically with a lack of focus on overall development. This adds significant pressure, contributing to anxiety and depression among young people. Additionally, the lack of comprehensive development puts young people at a disadvantage in adulthood and when pursuing higher education.

During the pre-consultations, it was also highlighted that financial strain from rising living costs is impacting households, often requiring additional part-time jobs. The resulting lack of quality time for the family to be together strains family dynamics and mental health, and is a known risk factor in causing marital breakdown. These factors impact the well-being and mental health of all family members, not least those of children¹⁸⁷ and young people¹⁸⁸.

¹⁸⁴ Proportion of population aged 65 and over. Eurostat online data code: **tps00028**.

¹⁸⁵ Population by age group. Eurostat online data code: **tps00010**.

¹⁸⁶ Fertility indicators. Eurostat online data code: **demo_find**.

¹⁸⁷ Abela, A., & Tabone, C. (2008). Family poverty and social exclusion with a special emphasis on children. Malta: Paper presented during a public presentation by the National Family Commission.

¹⁸⁸ Friedline, T., Chen, Z., & Morrow, S. P. (2021). Families' financial stress & well-being: The importance of the economy and economic environments. *Journal of Family and Economic Issues*, 42, 34-51. Accessed at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7362317/>

4.9 Housing and Accommodation

Malta has a high homeownership rate, with over 75% of persons having paid off their mortgages¹⁸⁹, low housing overburden¹⁹⁰ and low overcrowding¹⁹¹, with both rates increasing among persons who are at-risk-of-poverty (below 60% of the median equivalised income). Yet, stakeholder consultations repeatedly mentioned housing overburden and overcrowding as issues necessitating further action. Pre-consultation sessions feedback highlighted those significant increases in rental values, have priced out local low and lower-middle-income households who depend on private rental accommodation. Rising costs for essentials such as food and clothing put a further strain on disposable income.

16 of the 53 consulted stakeholders highlighted that price increases in the property market make home ownership increasingly difficult for current and future generations. This is resulting in young people living longer with their parents, further adding to the latter's financial pressures. 20 stakeholders expressed concern about homelessness as an emerging social issue, particularly among migrants.

The introduction of a capping mechanism on essential food items was seen by NGOs as a positive measure, as was the continued energy subsidy. Moreover, 17 stakeholders and NGOs concede that the Government should play a more active role in providing affordable accommodation for low-income individuals and households.

4.10 Financial Capability

12 stakeholders raised important issues about financial capability, highlighting the fact that limited financial knowledge and skills can trap persons in poverty, particularly low-income households, older persons, and single parents, who are especially disadvantaged in this respect. Lacking financial literacy makes them susceptible to debt, financial abuse, and scams.

Individuals typically acquire financial knowledge through social interactions, with families playing a crucial role in shaping financial attitudes and behaviours. This automatically translates into a cycle of disadvantage for children from lower socio-economic backgrounds. To address this, a curriculum for financial education is needed at the primary cycle of education and for all streams at senior secondary and further and higher education.

Gemma Financial Capability programmes should be further resourced to enhance the financial capability of disadvantaged individuals and improve societal well-being overall. Similarly, the successful Foundation for Social Welfare and Services (FSWS) programme 'Hiliet il-Komunità' carried out in Marsamxett, designed, amongst other matters, to boost community-based financial capability, should be rolled out in other localities.

¹⁸⁹ Distribution of population by tenure status, type of household and income group - EU-SILC survey. Eurostat online data code:

ILC_LVH002__custom_6883465.

¹⁹⁰ Housing cost overburden rate by poverty status. Eurostat online data code: **SDG_01_50**

¹⁹¹ Overcrowding rate by poverty status - EU-SILC survey. Eurostat online data code: **tessi172**

4.11 Gender

13 of the stakeholders consulted underscored the fact that females are more likely to engage in part-time¹⁹², low-paid, and fixed-term contracts, influenced by the need for flexibility due to disproportionate responsibilities in the home and childcare. This results in females often concentrated in lower-paid sectors and roles, such as childcare, care of older persons, teaching, and nursing. The stakeholders' feedback addressed the significance of the Gender Pay Gap (GPG), which among the 35-54 years age cohort stood at 14.3% in the private sector, compared to 5% in the public sector where women more frequently occupy senior positions and benefit from collective agreements¹⁹³.

The Gender Pension Gap (GPNG) remains substantial for women over 65 years¹⁹⁴ resulting from past socio-cultural and traditional gender role expectations, affecting their pension contributions and potential pension income. This is despite the government's efforts, which are positively acknowledged by stakeholders and NGOs, to reform the Pay-As-You-Go (PAYG) pension scheme to eliminate its inherent gender discrimination.

The stakeholders' feedback highlighted the fact that women also struggle to secure funding for businesses and face potential bias in AI due to male dominance in design. Early intervention, and more intensive and sustained campaigns, are required to dismantle the existing view of females as the primary caregivers and home administrators.

4.12 Migration

Malta's 25.3% migrant population, with rights varying based on their status (economic migrants, asylum seekers, refugees, etc.) require a unified national integration.

Data shows that in 2018, approximately 20,000 third country nationals (TCN) migrants working full-time earned €875 monthly, while approximately another 14,000 earned €1,333 monthly¹⁹⁵, with many facing financial burdens, poor living conditions, exploitation and occupational hazards, and increasing homelessness.

31 of the 53 consulted stakeholders highlighted that bureaucracy and policy changes may hinder document access, impacting basic rights. Some of the stakeholders raised concerns exist about LGBTQ+ deportations, working conditions and rights violations, mental health, and future pension access for ageing migrants. The 31 stakeholders concerned drew attention to the plight of the individuals concerned.

¹⁹² Part-time employment and temporary contracts - annual data. Eurostat online data code: **lfsi_pt_a**

¹⁹³ Government of Malta. Parliamentary Secretariat for Reforms & Equality. Gender Equality and Mainstreaming Strategy & Action Plan 2022-2027. Accessed at: **Gender Equality.pdf (gov.mt)**.

¹⁹⁴ Gender pension gap by age group - EU-SILC survey. Eurostat online data code: **ilc_pnp13**.

¹⁹⁵ Pg 22, Migrants, Poverty and Inclusion, Poverty Strategy Drafting Team, November 2023.

4.13 Criminology and Justice

Individuals with criminal records face discrimination and stigma in the job market, which limits income and creates a poverty trap, despite announced Government measures to counter this. Moreover, their children are more susceptible to educational setbacks, and likely to engage in criminal activity, thus perpetuating a cycle of disadvantage. Offenders often lack adequate preparation and support for reintegration, increasing the likelihood of recidivism.

High costs of legal representation and court delays disproportionately affect low-income individuals, disrupting lives and intensifying social and economic inequalities.

4.14 Digital Divide

8 of the 53 consulted stakeholders expressed concern about how the digital shift in public services and e-banking risks widening the poverty divide leading to exclusion for those lacking digital skills and financial resources. Older adults, low-income groups, and migrants are disproportionately affected in this struggle to access essential online services due to limited literacy, finances, or internet access.

4.15 Artificial Intelligence (AI)

AI presents a transformative opportunity for Malta's workforce, to fundamentally alter the relationship between automation technology, labour demand, and inequality. It can perform complex tasks beyond what traditional technology can manage, potentially impacting both high- and low-paid jobs.

2 of the consulted stakeholders drew attention to the subject, albeit from different perspectives: on the one hand, AI will create exciting new job roles and this shift will require a focus on worker adaptability and continuous learning, with potential benefits such as improved workplace efficiency and productivity, and better economic growth. On the other hand, AI advancements will lead to considerable job losses across various sectors and may reshape workplaces, influencing working conditions and potentially hindering some workers' ability to adapt to new job demands and even amplify existing societal biases and stereotypes. Measures are needed to ensure AI doesn't reinforce societal inequalities.

4.16 Substance Abuse and Addictions

9 of the consulted stakeholders drew attention to the link between addiction and poverty, particularly identifying alcohol as identified by several stakeholders as the root cause of substance abuse and addiction in Malta, being the most widely consumed substance. Unlike many other countries with strict controls, in Malta alcohol raises concerns due to easy access for minors and prevalent advertising.

The stakeholders concerned recognise that Malta's recent decision to legalise and regulate cannabis and marijuana for self-use aligns with trends in Europe and North America, and that monitoring for potential unintended consequences is essential. The stakeholders expressed concern about the increased use and accessibility of hard drugs, such as cocaine.

Substance abuse, along with gambling and alcohol use, present complex multi-dimensional challenges, including financial hardships and crime. Government agencies and NGOs strongly collaborate to address substance abuse, from prevention to rehabilitation. The significant increase in educational programmes on substance abuse and addiction emphasise the need to embed prevention education more firmly within the education curriculum, equipping young people with the knowledge to make informed choices.

4.17 Environment

Air and noise pollution (primarily from traffic) are detrimental to health, especially for disadvantaged residents. Pedestrian safety concerns exist in urban areas, with a need for better infrastructure for walking and cycling. The need for more parks and green spaces in urban areas was highlighted as priority by 8 of the 53 consulted stakeholders, as these contribute to better health and well-being in our communities.

Feedback from these stakeholders drew attention to the fact that constant construction contributes to noise, dust, and traffic congestion, reducing the quality of life and increasing stress and anxiety among residents. Increasingly, people seek escape through overseas vacations, leaving the disadvantaged without such options and no respite from environmental stressors.

4.18 Climate Change

4 stakeholders highlighted the issue of climate change. The heatwaves experienced in 2023 caused health emergencies, including deaths from dehydration and hyperthermia, particularly among disadvantaged groups like older persons and the socially isolated. The stakeholders maintained that as heatwaves become more frequent, air conditioning becomes something essential for health, posing additional burdens for those struggling with energy poverty.

It was highlighted that Malta's reliance on imported food will increase as desertification shrinks local farmland and global climate patterns decrease agricultural productivity globally. Rising temperatures may introduce new invasive species threatening agriculture and fisheries, potentially leading to employment losses, and further driving up the cost of food.



CHAPTER 5

RECOMMENDATIONS

CHAPTER 5

RECOMMENDATIONS

The following recommendations have been systematically categorised based on the five core principles outlined in Chapter 1, which form the foundational pillars of the Strategy. Each principle has been meticulously examined to ensure that the recommendations align with the overarching goals, providing a comprehensive and cohesive approach to addressing the identified challenges. This structured categorisation aims to ensure clarity and focus, facilitating the effective implementation and monitoring of the Strategy's objectives.

5.1 Thriving Together

Malta's national prosperity should benefit all members of society, promoting unity and reducing the risk of poverty and exclusion. By prioritising the overall welfare and success of all individuals, including migrants, the Strategy emphasises fostering a supportive and inclusive society that values and supports everyone. This fosters a sense of community that promotes cooperation, understanding, and respect among individuals and communities, resulting in stronger social connections and a heightened sense of belonging. By embracing shared values towards each other, this approach enables the development of a resilient and dynamic community where everyone can thrive and contribute positively to the collective benefit.

Table 34 below presents the proposed recommendations concerning the principle Thriving Together.

Table 34: Thriving Together Recommendations

		Lead Ministry	Year of Implementation
1.1	Strive to institutionalise a Shared Value System in Malta's society and polity.		
1.1.1	<p>Establish local councils as the central hub for collaboration with NGOs, the Church, faith leaders, and other key community actors in line with the principle of subsidiarity.</p> <p>The local councils should take the initiative to support grassroots movements and local community projects that integrate people from diverse backgrounds and cultures, fostering a shared value system and strengthening community bonds.</p>	MHAL	2026

		Lead Ministry	Year of Implementation
1.1.2	Design and launch a Community Values Programme to unite local citizens and migrants, foster understanding and social cohesion, and assist in community assimilation and integration.	MHAL	2026
1.1.3	Incorporate values such as tolerance, mutual respect, and appreciation of diverse realities and cultural backgrounds into the learning outcomes, particularly for adult lifelong learning and both formal and non-formal educational programs (offered by the appropriate competent authorities). This approach will help reinforce common values among the participants.	MEYR	2026
1.1.4	<p>Reinforce voluntary community service and engagement as a fundamental shared value that should underpin Malta's society.</p> <p>Government, together with competent authorities and in consultation with NGOs in the welfare sector, will issue a national strategy designed to (a) encourage participation in voluntary community service as a vehicle for instilling a sense of responsibility, cooperation, and the importance of contributing to the common good; and (b) based on an analysis of policy instruments applied in other jurisdictions propose financing and support mechanisms.</p>	MIV	2026
1.1.5	As part of the process under recommendation 1.1.4 consider measures like using fiscal incentives, such as tax credits, to incentivise behaviour that aligns with social objectives, such as engagement in voluntary work and the community.	MIV	2026

5.2 Empowerment

Comprehensive social support is essential in preventing disadvantaged persons from being caught up in a vicious cycle of poverty. Nevertheless, social support in terms of benefits provided by government or charity, such as food packages provided by NGOs, if extended over time, may create more harm than good to the person or household it is designed to assist. Long-term social support or charity will likely create a dependency culture. Thus, social security support, whilst playing an important welfare role, is only one part of a multifaceted approach to reducing poverty and increasing social inclusion.

The goal should be to empower persons with the tools they need to succeed and move up the social ladder. This empowerment goes beyond social support or charity, as it seeks to provide persons at risk of poverty or vulnerability with skills, competences, knowledge, and opportunities for personal growth and development. Furthermore, such an approach gives people the autonomy to make decisions about their lives, thus increasing their inherent dignity and value.

Achieving this principle demands a collaborative approach that includes government policies, community initiatives, and the participation of various stakeholders, including the private sector and NGOs.

Table 35 below presents the proposed recommendations concerning the principle Empowerment.

Table 35: Empowerment Recommendations

		Lead Ministry	Year of Implementation
2.1	Improve the education system to offer equal opportunities based on students' abilities and access, enhancing their lives and social mobility.		
2.1.1	Strengthen efforts in both curricular and extracurricular education to ensure that future generations have strong cognitive, numeracy, learning skills and analytical abilities to face the challenges of AI impacts on employment and business models and to optimise the opportunities these bring.	MEYR	Ongoing
2.1.2	Work with competent authorities and constituted bodies to develop lifelong learning and reskilling programmes for today's employees to acquire the new skills that an AI transformation will demand.	MEYR	Ongoing

		Lead Ministry	Year of Implementation
2.1.3	Recognising that children spend less time at home and more time in pre- and post-school programmes, including during the summer vacation (Skola Sajf or similar), introduce, together with competent bodies, parents and educators, structured intersectional curricula. This approach aims to develop proficiency in literacy, numeracy, and digital skills, integrated with transversal skills and critical thinking through role play and problem-solving scenarios, preparing students for real-world challenges.	MEYR	2025
2.1.4	Raise awareness among parents about the National Quality Standards and available resources to help them choose high-quality childcare facilities effectively.	MEYR	2025
2.1.5	Render the Get Qualified scheme accessible to individuals and families with low incomes by having the Government (based on a means test) provide a portion of the 70% grant upfront, rather than at the end of the study process.	MEYR/MEEP	2026
2.1.6	Together with representative bodies, parents, education professionals, teachers, etc., sustain and accelerate Malta's education system transformation from the predominantly one-size-fits-all model where success is academic attainment to a student-centric approach where students are provided with educational pathways that best fit their needs, including the valorisation of life skills.	MEYR	2030

		Lead Ministry	Year of Implementation
2.1.7	<p>Implement various strategies to achieve high-quality early childhood education and care (ECEC) to enhance positive experiences and results for children.</p> <p>Consideration should be given to elevating qualifications to Level 6 in early years' education and increasing professional development opportunities offered to persons in this sector.</p>	MEYR	2030
2.1.8	<p>Assess and pilot a system based on personal alert indicators (e.g., absenteeism, failure to reach basic literacy and numeracy skills) to enable the early identification of children at high risk of educational disengagement. Integrate this system with alternative education pathways and youth engagement programmes to support these children and mitigate the risk of them facing further difficulties.</p>	MEYR	2030
2.2	Strengthen employment and entrepreneurial opportunities for persons from disadvantaged and marginal groups.		
2.2.1	<p>Strengthen investment in skills and competences-based education and entrepreneurialism for persons with disability, fostering pathways to self-employment, social enterprises, and cooperatives.</p>	MIV	Ongoing
2.2.2	<p>Continue to take a leadership role in incentivising better employment opportunities and conditions of employment for disadvantaged groups - (women, persons with disability, refugees, failed asylum seekers, ex-offenders, persons finishing a treatment programme, persons with mental health conditions, etc).</p>	MHSE/DIER	Ongoing

		Lead Ministry	Year of Implementation
2.2.3	Introduce the Individual Placement and Support model as an evidence-based employment model designed to help individuals with serious mental health conditions (such as schizophrenia, bipolar disorder, depression, and anxiety disorders amongst others) find and maintain competitive employment. Moreover, the setting up of service tasked to support persons with mental health problems to access employment.	OPM-EES/MHA	2026
2.2.4	Recognising the importance of STEM for all children, irrespective of gender, and being aware that fewer females follow STEM subjects, develop a strategy to increase girls' participation in STEM subjects. The strategy would look at aspects such as how to shape parental attitudes, female role models, female mentors, information on careers, etc.	MEYR	2026
2.2.5	Provide free childcare support for unemployed single parents in the low-income group, subject to the conditions that (a) they undertake education and transition into employment or secure employment, and (b) they achieve this within a stipulated time frame.	MEYR	2027
2.2.6	Develop a strategy to provide a supporting framework for Women Entrepreneurs. The strategy will examine business training, legal and accounting support measures, finance and venture capital access, fiscal and other incentives, etc.	MFIN/OPM-EES	2027

		Lead Ministry	Year of Implementation
2.2.7	Establish a fund to provide financing and assistance for persons with disability to adopt innovative work approaches and establish social enterprises.	MIV	2028
2.2.8	Simplify the work permit renewal process for TCNs to allow for quick access to employment and income generation.	MHSE	2028
2.2.9	Simplify further the process for the recognition of certificates and qualifications from TCN's country of origin to allow migrants with such qualifications access to higher income employment.	MEYR	2028
2.3	In a scenario where ageing will result in a 'greyer' labour force, introduce measures to retain older persons and retirees in the labour market.		
2.3.1	Implementing the comprehensive recommendations outlined in the Report of the Pensions Strategy Group, ensuring a robust, sustainable, and equitable pension system that effectively addresses the needs of current and future retirees.	MSPC	2030
2.3.2	Launch an ongoing national campaign to change employers' attitudes and perceptions on the employment of older persons.	OPM-EES/MHA	2030
2.3.3	Introduce a scheme that refunds the cost of training at MCAST and other vocational institutes, designed for the up-skilling or re-skilling of older workers.	MEEP	2030

		Lead Ministry	Year of Implementation
2.3.4	Assist employers in buffering the cost for the workplace to conform to the needs of older workers and introduce a scheme under the investment programme that refunds outlays made to a maximum limit.	MEEP	2030
2.3.5	Introduce a scheme (to include those that are not currently registering unemployed) that offers tax credits for the first three years of employment of older persons aged 55 years and over who are inactive. The refund would be tapered over three years.	MEEP	2030

5.3 Opportunity

Opportunity is the foundation of a fair and prosperous society, providing access to essential resources and services such as education, healthcare, employment, and childcare. It is key to a level playing field in society, where no person, household or group is marginalised or rendered disadvantaged. The objective goes beyond alleviating or reducing poverty. This principle goes further than ensuring equal access to basic needs. The application of this principle is meant to break down deeply rooted barriers that result in a divided society based on gender, race, ability, nationality, sexual orientation, stigma, and segregation, amongst others.

Moreover, this principle underlines a Maltese society where the marginalised and the disadvantaged are mainstreamed by ensuring that inclusivity is not just a concept but a reality for everyone, regardless of their starting point. Thus, the opportunity goes beyond fairness – it includes developing and strengthening a Maltese society that embraces diversity and inclusivity and provides all persons living in Malta, whether national or foreign, the opportunity to thrive.

Table 36 below presents the proposed recommendations concerning the principle Opportunity.

Table 36: Opportunity Recommendations

		Lead Ministry	Year of Implementation
3.1	In view that the population is heterogeneous, multi-cultural, and multi-ethnic, which is Malta's new and evolving face, introduce measures concerning assimilation, integration, cultural understanding, health provision, social support, pensions, etc., of foreigners in Malta, whether EU citizens, legal TCNs, or irregular TCNs, through a joined-up strategic approach.		

Table 36: Opportunity Recommendations

		Lead Ministry	Year of Implementation
3.1.1	Ensure that legislation and regulations that severely impact the lives of TCNs have a sufficiently lengthy window that allows migrants who are legally in Malta or caught up in Malta to adjust or meet new policy requirements reasonably and humanely.	MHSE	2025
3.1.2	Amend legislation and/or regulations to extend the period within which a Third Country National (TCN) without long-term residency status must find new employment after losing their job.	MHSE	2025
3.1.3	Develop a strategic plan for migrants in Malta through a coordinated, joined-up government approach.	MHSE	2027
3.1.4	Evaluate and revise existing repatriation programmes for undocumented migrants to offer them opportunities for entrepreneurial start-ups or reasonably paid jobs in their country of origin. This could include skills training, access to start-up capital, and partial refunds of contributions made in Malta to be transferred to their home country's social welfare scheme, facilitating access to social protection upon repatriation.	MHSE	2028

		Lead Ministry	Year of Implementation
3.1.5	Establish a One Stop Shop (OSS) Information Service for migrants, which will act as the authoritative voice for information and guidelines concerning migrants. This OSS Information Service should be mandated by legislation to demand and receive from owner departments formalised positions and interpretations of policies and legislation within established time-frames. The OSS should provide such information throughout a migrant's journey, from coming to Malta to the end of his stay.	MHSE	2030
3.2	Ensure that an encompassing regulatory framework is evolved to provide protection, privacy, and non-discrimination resulting from AI and high-tech business-driven models and operations.		
3.2.1	Introduce, monitor, and review regulations concerning AI's ethical development and use, including privacy, non-discrimination, and transparency.	MEEP	Ongoing
3.2.2	Continue to introduce legislation to protect conditions of employment as business models and operations change due to AI and technology development, and to maintain stringent vigilance and zero tolerance for employers, gig economy operators, and temporary workers' agencies abuse as established by appropriate legislation on conditions of employment.	OPM-MEES	Ongoing

		Lead Ministry	Year of Implementation
3.3	Take action so that no individual or group is unfairly disadvantaged or excluded from participating in the community's growth and development.		
3.3.1	<p>Strengthen existing therapeutic programmes including those that provide information, prevention, treatment, and help for rejoining society to people with an addiction, especially those who are socially marginalised.</p> <p>Support the creation and evaluation of new services or actions that meet the changing needs of people at risk for various addictions and trends in addictive behaviour.</p> <p>Reinforce cooperation between social services, healthcare, and other support organisations to offer a well-rounded strategy for integrated inter-professional services for tackling the problems of persons with addictive disorder or those at risk of addiction face regarding both the delivery of programmes and broader system-wide actions.</p>	MSPC	Ongoing
3.3.2	<p>Strengthen educational campaigns relating to reproductive sex education, given that teenage pregnancy results in a higher risk of poverty. Educational campaigns should also focus on the prevention of Sexually Transmitted Infections (STIs).</p>	MHA	Ongoing

		Lead Ministry	Year of Implementation
3.3.3	Further strengthen the supporting and transition mechanisms pre-parole and pre-correctional services exit, including academic, competencies and skills attainment whilst in prison and the further setting-up of supported community houses, to improve an ex-offenders ability to re-integrate and build a successful life.	MJR	Ongoing
3.3.4	Strengthen and intensify measures to combat gender-based violence, ensuring that comprehensive support systems and services are in place to help victims rebuild their lives and escape poverty.	OPM-MEES	Ongoing (A renewed strategy Post - 2028)
3.3.5	Intensify education campaigns, starting from primary education, to tackle perceptions, social attitudes, stereotypes about women and gender and promote equal sharing of family responsibilities at an early stage.	MEYR/OPM-EES	Ongoing
3.3.6	Intensify national education campaigns on mental health and wellbeing with particular focus on encouraging healthy lifestyles whilst raising awareness on the harmful impact that engaging in risky behaviours such as the use of drugs and problematic use of alcohol have on our mental health and wellbeing. Mental health advocacy should target different cohorts of the population (educators, teenagers, parents, employers, etc.).	MHA	Ongoing

		Lead Ministry	Year of Implementation
3.3.7	Introduce a system that allows a person on a low income to also pay court expenses imposed by a court in instalments.	MJR	2026
3.3.8	Provide free childcare to all families in a timely manner, regardless of parental employment status, income level, or social exclusion. Ensuring that everyone benefits from free childcare efficiently and effectively, supporting all families and promoting an inclusive community.	MEYR/MHSE	2026
3.3.9	Extend free childcare to cover atypical hours (such as late nights and weekends) based on social needs and demand, particularly in economic sectors where the majority of workers are female, such as those working in caring professions including nursing and those working in retail industry.	MEYR/MHSE	2027
3.3.10	Engage workplaces in the early identification, referral, and support of individuals with mental health problems.	MHSE	2028
3.3.11	Invest in specialised childcare for children with disability in mainstream childcare.	MEYR/MHSE	2028
3.3.12	Establish a modern and secure therapeutic centre on protecting and improving the well-being of young people, maximising their potential and resilience, and aiding their transition back into their communities. This will be achieved by minimising the sense of confinement to promote treatment programmes, education, a sense of urbanity and habitability.	MSPC	2030

5.4 Solidarity

By fostering a sense of mutual support and shared responsibility, solidarity ensures that the most disadvantaged members of Malta's society are not left behind. The social ethos underpinning this Strategy is that Malta must be a caring society that protects and supports such disadvantaged people by ensuring effective social protection.

Table 37 below presents the proposed recommendations concerning the principle Solidarity.

Table 37: Solidarity Recommendations

		Lead Ministry	Year of Implementation
4.1	Continue to develop a social safety net, where social protection benefits including contributory and non-contributory pensions' and other benefits continuously reflect current societal needs and where benefits reflect actual economic situations and living costs.		
4.1.1	Continue to enhance social benefits by introducing further targeted support measures for low-income individuals and families to address evolving societal needs. By further developing the social safety net and ensuring that social protection benefits are regularly updated, benefits will be closely aligned with current economic conditions and living costs, thereby providing adequate support that reflects the real challenges faced by individuals and families both now and in the future.	MSPC	Ongoing
4.1.2	Undertake a socio-economic study to determine the population cohorts benefitting from contributory and non-contributory social benefits, and assess whether such benefits are adequate, and if yes, determine how these should be increased over the term of this Strategy. Such a study or studies should also assess the legal and effective coverage of benefits and present recommendations concerning the applicability of these benefits in today's world and how these should be reformed.	MSPC	2030

		Lead Ministry	Year of Implementation
4.2	Intensify efforts to continue the implementation of the national mental health strategy.		
4.2.1	Establish the World Health Organisation Disability Assessment Schedule (WHODAS) as the methodology for determining eligibility for social benefits for persons with a mental health condition (international standard for such an assessment).	MSPC	2027
4.2.2	Undertake a review to assess how social benefits can be further accessible to persons with a mental health condition and establish their governing framework.	MSPC	2028
4.2.3	Ensure that quality early childhood care and education fosters the development of cognitive, communication, and socio-psychological skills essential for a successful life journey.	MEYR	2028
4.2.4	Develop a robust system to provide early intervention ¹⁹⁶ and follow-up in children, adolescents, and young adults who are at risk of developing mental health problems, including children with the first episode of psychosis, ADHD, self-harm, conduct disorders and social communication difficulties, so that these will have the required support and will not slip out of the system.	MHA	2028
4.2.5	Provide specialised professional support for persons on the autism spectrum that facilitates the learning experience within the school environment.	MEYR/MIV	2030

¹⁹⁶ These interventions should be based on scientific evidence and research.

		Lead Ministry	Year of Implementation
4.2.6	Continue with the project directed to centralise the services currently provided within the Child Development Assessment Unit (CDAU) and the Child and Young People's Services (CYPS) in major state-of-the-art centres in Malta and Gozo so that the services provided are consolidated and integrated according to the needs of children.	MHA	2030
4.3	Introduce social support and solidarity measures targeting specific disadvantaged cohorts of the population.		
4.3.1	Continue and further strengthen the rent subsidy scheme to further prioritise single parents, given that they are likelier to be on a reduced income as they have to juggle employment with family responsibilities.	MSAA	Ongoing
4.3.2	Retain the five-year strategic review on assessing the pension system's adequacy, solidarity and sustainability and present recommendations.	MSPC	Ongoing
4.3.3	Continue to target poverty reduction in retirement as part of the annual budget process.	MSPC	Ongoing
4.3.4	In line with the National Action Plan for the Child Guarantee, continue to prioritise families with children in the social housing allocation policy.	MSAA	Ongoing
4.3.5	Amend the legal aid policy, so the State covers notary fees at the end of a separation or divorce process on a means-tested basis.	MJR	2026

		Lead Ministry	Year of Implementation
4.3.6	In line with the Children's Policy Framework 2024-2030, design and pilot a system where the state intervenes and pays the maintenance awarded to a parent assigned effective care and custody of the child, subject to eligibility criteria, in the event of a separation / divorce and where the paying spouse fails to meet his/her obligations, with the state becoming the creditor and responsible for recovering the debt together with interest from the non-paying parent.	MJR	2027
4.3.7	Expand eligibility and strengthen financial assistance to low-income families with children who depend on rental private accommodation for their main residence subject to the appropriate governance and eligibility criteria.	MSAA	2027
4.3.8	Further facilitate availability and access, also through strengthened subsidies, for the rent of an apartment for individuals identified as high-risk or forced out of their homes due to domestic or gender-based violence when no room is available in sheltered accommodation. This support will continue until they can restructure their finances and well-being.	MSAA	2028
4.3.9	Prioritise families with children with disabilities on the waiting list for social accommodation and ensure that the assigned accommodation fully satisfies the latest CRPD accessibility standards.	MSAA	2028
4.3.10	Start providing a debt advisory service at a national level.	MSPC	2030

		Lead Ministry	Year of Implementation
4.3.11	Extend Scheme 9 to allow parents of eligible students to choose more than one from the provision of the following five benefits at the start of the scholastic year: free uniform, free stationery, free photocopies, free lunch, free extracurricular activities, including SkolaSajf, the Klabb 3-16 after school services and sports programmes through SportMalta. Besides this benefit, every child in this scheme will still receive free reading books adapted according to age (Home Libraries).	MEYR	2030
4.4	<p>Initiate a wide-ranging study to assess any possible barriers that are limiting access to essential services and infrastructure, for the most disadvantaged groups.</p> <p>Continue to assist persons in navigating government systems and accessing information, benefits, and other eligible services by recognising and eliminating barriers to care through increased automation, rationalisation, passporting, consolidation, and virtualisation of service within and across Ministries. This recommendation applies to all domains within the poverty and inclusion value chain (social services, health, mental health, disability, ageing, etc.).</p>	All ministries in the welfare sector	2029
4.5	Work with local councils and NGOs to establish e-community hubs to assist persons who are not digitally literate to navigate the digital world. In doing so, the Government will explore how to obtain voluntary or semi-voluntary engagement of digitally literate active older persons as digital mentors.	MEEP	2030

		Lead Ministry	Year of Implementation
4.6	Strengthen infrastructure supporting welfare support and delivery.		
4.6.1	Strengthen and intensify measures for providing community and supportive collective living spaces within the community, working in an inter- and intra-disciplinary manner across Ministries and with NGOs. This recommendation applies to all domains within the poverty and inclusion value chain (social services, health, disability, ageing, substance abuse and addictions, homelessness, etc.).	All ministries in the welfare sector	Ongoing
4.6.2	Together with NGOs and the private sector, increase the number of respite services and beds to provide a safe space for persons with an inherent or incurred severe disability thus providing respite to their carers/guardians or family members.	MIV/MHA	Ongoing
4.6.3	Continue with the modernisation and digitalisation of the Health Care System to harness the potential of technology in improving healthcare delivery, enhancing patient outcomes, optimising healthcare processes, while also enhancing the health literacy and digital health literacy of disadvantaged groups.	MHA	Ongoing
4.6.4	Open more primary healthcare clinics to improve physical access to essential healthcare services, especially in underserved communities or areas with high poverty levels, with community clinics increasing by a further 6 by the end of 2025.	MHA	Ongoing
4.6.5	Continue with the holistic overhaul of Primary Health Care, including modernising the infrastructure and introducing new equipment.	MHA	Ongoing

		Lead Ministry	Year of Implementation
4.6.6	Extend health care services to meet the growing demand, improve access to care, reduce waiting times, enhance health outcomes, promote preventive care, address specialized needs, and enhance the overall patient experience. By expanding healthcare services, our society ensures that individuals receive the care they need to lead healthy and fulfilling lives.	MHA	Ongoing
4.6.7	Introduce a definition of 'homelessness' (together with NGOs and relevant stakeholders) to gather statistics and to carry out an evidence-based analysis that will lead to appropriate enabling conditions and service provision.	MSAA/MSPC	2026
4.6.8	Accelerate the renovation and investment in the Gozo General Hospital (GGH) to secure increased inclusive care delivery, enhanced quality of care and patient experience and expanded services for Gozitans. The new GGH should be built on universal design principles.	MHA	2030
4.7	Introduce measures directed to meet social accommodation demand and protection against energy poverty.		
4.7.1	Leverage transformation opportunities in cooperation with NGOs, cooperatives and the private sector so that by applying a mix of policy measures, people are able to meet their home ownership aspirations and increase availability and access to decent private rental accommodation for those who are unable to own their residence.	MSAA	2030

		Lead Ministry	Year of Implementation
4.7.2	Design and launch a 10-year long-term social accommodation plan.	MSAA	2028
4.7.3	<p>Introduce a planning requirement that mandates that:</p> <p>(a) All private development beyond a certain size is Universally Designed.</p> <p>(b) In the case of private development beyond a certain size, as a contribution to society, the developer is mandated to provide universal, designed, independent, supported living accommodation within the development footprint or elsewhere as agreed with the Government – based on a formula proportionate to the size of the development.</p> <p>(c) All government development and infrastructure projects are universally designed.</p>	MGP	New projects from 2027
4.7.4	Introduce a scheme for landlords who rent their properties to tenants aged 65 and older.	MSAA	2030
4.7.5	Introduce a scheme for beneficiaries of the energy poverty benefit to replace old, energy-consuming white goods, such as fridges and air conditioners, with more energy-efficient models.	MSPC	2033
4.7.6	Upgrade all social housing accommodations for energy efficiency to have a beneficial impact on reducing energy poverty.	MSAA	2035

5.5 Dignity

Malta's societal landscape has undergone profound changes in the past decade, transitioning from a homogenous Roman Catholic society to a multi-cultural one. As highlighted earlier, approximately 1 in 4 individuals residing in Malta are either European Union Citizens (EUC) or Third Country Nationals (TCNs). In light of this transformation, the principle that everyone is entitled to a life of dignity and respect holds greater significance than ever before. This principle underscores the fundamental importance of ensuring that attaining a decent standard of living should not pose a struggle for anyone, and individuals should not find themselves overwhelmed by challenges that jeopardise their well-being. General necessities such as nutritious food, affordable housing, essential healthcare, and financial stability are not mere "wants" but fundamental "needs" that should be accessible to all.

The essence of a dignified quality of life lies in guaranteeing that every person has access to the means not only to exist but also to grow and find fulfilment. Securing a dignified quality of life for the most disadvantaged and marginalised in society demands that societal norms and priorities stand at the core of policy design and implementation. A dignified quality life means that the measurement of progress "goes beyond GDP". Rather, a dignified quality of life is achieved when national wealth and advancement are equitable and fairly distributed across all Maltese (and foreign residents) cohorts.

Table 38 below presents the proposed recommendations concerning the principle Dignity.

Table 38: Dignity Recommendations

		Lead Ministry	Year of Implementation
5.1	Establish one National Minimum Wage (NMW) floor and introduce a review of the NMW.	Various	2028
5.1.1	Ensure that the National Minimum Wage is reviewed according to the established framework of Directive (EU) 2022/2041 on Adequate Minimum Wages in the European Union aimed at promoting minimum wage adequacy, collective bargaining and the protection workers' rights.	OPM-EES	2025
5.1.2	Establish only one National Minimum Wage floor – those aged 17 and under should be removed.	OPM-EES	2025

		Lead Ministry	Year of Implementation
5.2	Intensify health strategies and services to cater for particularly difficult situations that are more burdensome for persons experiencing poverty.	MHA	Ongoing
5.2.1	<p>Expand the provision of targeted health screenings and preventive interventions for conditions that disproportionately affect individuals living in poverty, such as diabetes, hypertension, and infectious diseases, to help identify health issues early and prevent complications.</p> <p>Outreach efforts should be tailored to reach disadvantaged populations in community settings, homeless shelters, and other locations where individuals experiencing poverty may be more likely to seek assistance.</p>	MHA	Ongoing
5.2.2	Continue with reforms to incorporate trauma-informed care principles into healthcare settings to address the complex needs of individuals experiencing poverty who may have experienced adverse childhood experiences (ACEs) or other forms of trauma.	MHA	Ongoing
5.2.3	Continue with the employment and training of community healthcare professionals (CHPs) in financially disadvantaged communities to enhance healthcare delivery and promote health education and preventive care. CHPs can serve as trusted liaisons between healthcare providers and community members, offering culturally sensitive support, health promotion activities, and assistance navigating healthcare systems.	MHA	Ongoing

		Lead Ministry	Year of Implementation
5.2.4	Introduction of remote Patient e-Monitoring for all the aspects of Telehealth and Telecare. This offers enhanced access to care, early detection of health issues, improved chronic disease management, patient empowerment, cost savings, optimisation of healthcare resources, continuity of care, enhanced patient outcomes, improved efficiency, and more personalised and accessible care to needy individuals.	MHA	2035
5.3	Introduce measures that improve a person's income in retirement.		
5.3.1	Introduce additional policies by which persons can further improve their first pillar pension income, and hence, their overall respective income replacement rates.	MSPC	2028
5.3.2	Build on the Budget 2024 speech that, if possible, every worker should invest in voluntary private pensions and, following discussions with social partners, work to a state of play where every worker is automatically subscribed to a private pension scheme with the option of voluntarily opting out of it.	MFIN	2028
5.4	Create safe and supportive environments for older persons.		
5.4.1	Promote activities including intergenerational activities and befriending older persons' schemes.	MHA	2027
5.4.2	Plan for and implement supporting universally designed infrastructure and amenities, such as day centres, for older persons, given that the 65+ population will grow significantly over the term of the Strategy.	MHA	2030

		Lead Ministry	Year of Implementation
5.4.3	Strengthen the legislative framework for the protection of older persons from older persons' abuse, including financial abuse.	MHA	2030
5.5	Reinforce the current national financial capability strategy by channelling the building of financial literacy and knowledge from kindergarten to post-retirement.		
5.5.1	Further invest in financial literacy and capability education initiatives at national, local and community target groups.	MSPC	Ongoing
5.5.2	Being mindful of the fact that the financial industry has a societal responsibility to ensure that its clients are financially literate, explore ways together with relevant stakeholders, constituted bodies, and representatives of financial service operators so that economic operators in this sector will financially contribute systematically and in a sustained manner on developing a financially capable Maltese citizen.	MSPC	2028
5.6	Strengthen measures tailored to ensure a dignified quality of life for disadvantaged groups.	Various	Ongoing
5.6.1	Together with the competent authorities, the private sector and NGOs accelerate the de-institutionalisation of persons with disability in residential homes by significantly increasing investment in independent living homes within the community.	MIV	Ongoing
	Further investment for transitioning children in alternative care from institutional settings to family- and community-based environments, ensuring they grow up in nurturing, supportive homes that promote their overall well-being and development.	MSPC	Ongoing

		Lead Ministry	Year of Implementation
5.6.2	Strengthen efforts to reduce delays in prescribed out-of-stock medicines.	MHA	Ongoing
5.6.3	Continue with the periodic review of the medicines formulary by (a) considering new medicines in line with the latest technology, (b) updating protocols through communications with consultants to cater for increased cohorts of patients sustainably, and (c) addressing individual patients through a named patient approach for deserving cases of an exceptional manner.	MHA	Ongoing
5.6.4	Strengthen investment in assistive technologies, ranging from specialised wheelchairs to communication tools, to increase the quality of life of persons with disabilities and allow them to develop their skills and competencies to the extent possible. The government will also work with the competent authorities, suppliers, and NGOs to establish an appropriate financing vehicle for procuring and maintaining such technologies.	MIV	Ongoing
5.6.5	Further invest in support to low-income families with children under 23 years to pay for high-speed quality broadband.	MEYR	Ongoing
5.6.6	Adopt universal design ensuring accessibility in every building and infrastructure project the government is responsible for – as poverty for persons with disability is multi-dimensional: for example, poor and narrow pavements lock persons with disability and older persons in their homes.	MGP	New projects from 2026

		Lead Ministry	Year of Implementation
5.6.7	Remove VAT on sanitary products as a basic gender health measure.	MHSR	2026
5.6.8	Explore the introduction of a scheme where a person with a disability or with a mental health condition or their parents have the option to receive the Pharmacy of Your Choice (POYC) value of the medication they are entitled to in vouchers / smart cards, which they would use for the purchase, in part or otherwise, of the medication prescribed by their specialist consultant as against that procured through the POYC.	MIV	2028
5.6.9	Complement the positive reforms concerning Personal Assistants by introducing Personal Budgets for persons with disability.	MIV	2028
5.6.10	Study experiences overseas concerning Assistive Technology Passports (ATP). The ATPs are designed to transition disabled persons dependent on assistive technologies more seamlessly across their life journey. Consider the piloting of an Assistive Technology Passport.	MIV	2030
5.7	Develop ad hoc national strategies and research directed towards disadvantaged groups.	Various	Ongoing
5.7.1	Develop a Social Plan for the Families with the aim to create a robust roadmap where families can thrive. Particular focus should be on those families facing disadvantageous situations.	MSPC	2025
5.7.2	Launch a renewed Financial Capability Strategy.	MSPC	2025

		Lead Ministry	Year of Implementation
5.7.3	Launch a policy framework targeted towards non-communicable diseases in line with the National Health Systems Strategy 2023-2030, addressing the bi-directional relationship between non-communicable diseases, poverty, and social exclusion.	MHA	2025
5.7.4	Develop a renewed National Sexual Health Policy to address the complex intersection of poverty and sexual health. Such a Policy is crucial to prioritise access to comprehensive sexual health services, considering specifically those most disadvantaged, promote education and awareness, address social determinants of health, and cater for the related needs of persons at risk of poverty or social exclusion. Disparities in sexual health outcomes can be reduced, and health equity for all individuals can be promoted, regardless of their economic circumstances.	MHA	2025
5.7.5	Launch a national strategy for preventing alcohol abuse.	MSPC	2026
5.7.6	Initiate national-level discussions to draft a consultation document outlining the allocation of responsibility for education and health concerning children in families undergoing separation or divorce.	MSPC	2026
5.7.7	Launch a renewed national strategy against addictions.	MSPC	2027

		Lead Ministry	Year of Implementation
5.7.8	<p>Review the National Action Plan for a Child Guarantee to attune it to changing circumstances.</p> <p>Within this exercise, carry out a study (an evidence-based diagnosis) on equal access to quality services for children in disadvantaged situations.</p>	MSPC	2027
5.7.9	<p>Review the Children's Policy Framework 2024-2030 to attune it to changing circumstances.</p>	MSPC	2028
5.7.10	<p>Undertake an extensive and in-depth longitudinal study on persons with disability in Malta, encompassing various aspects such as their living conditions, access to healthcare and education, employment opportunities, social inclusion, and overall well-being.</p>	MIV	2029
5.8	<p>Introduce measures directed towards addressing the impacts of climate change, improving the environment, and increasing green spaces to improve quality of life - in line with relevant environmental policies¹⁹⁷.</p>		
5.8.1	<p>Conduct planning and spatial policy reviews to strengthen inclusive urban planning, promoting non-motorised transport, increase green spaces and urban reforestation, and increase smart building growth and the application of smart city technologies.</p>	MEER/MGP	Ongoing
5.8.2	<p>Strengthen environmental compliance assurance to support successful implementation of environmental policy.</p>	MEER	2027

¹⁹⁷ Including the Noise Action Plan, the Air Quality Plan for Malta 2023, the National Biodiversity Strategy and Action Plan to 2030 and the National Strategy for the Environment 2050.

		Lead Ministry	Year of Implementation
5.8.3	Explore and introduce 'community cooling hubs' and establish green infrastructure in squares / streets, such as water and cooling dispensers.	MEER	2029
5.8.4	Introduce energy poverty schemes for older persons designed to cool their homes, including purchasing energy-efficient equipment, maintenance, and power generation.	MSPC	2029
5.8.5	Introduce non-expensive schemes for home cooling through simple energy efficiency measures such as solar paint, solar window filters, etc.	MEER	2029
5.8.6	As part of Malta's Climate Change Strategy on Mitigation and Adaption, work with the Met Office (MO) and the Superintendence of Public Health (SPH) to effectively communicate heat-related information in the summer through the Health Promotion and Disease Prevention Directorate (HPDPD), targeting disadvantaged groups with detailed messages. Effective and sustained communication channels with community organisations like local councils, faith leaders, band clubs, and the Church, and personalised text messages are strengthened or introduced to reach the widest possible audience.	MHA	2030
5.8.7	Initiate a National Project to empower low-income households with energy-efficient upgrades. Surveyors will assess buildings and recommend cost-effective electrification options for heating, cooling, and cooking, including heat pumps, efficient appliances, and insulation upgrades. The Fund will cover the costs up to a set threshold, ensuring affordability for financially constrained households.	MSPC	2035

		Lead Ministry	Year of Implementation
5.8.8	Undertake a national initiative to render villages and towns in Malta 'liveable' for older persons and persons with disabilities by ensuring that pedestrian-friendly design sidewalks are well-maintained, free of obstructions, and equipped with curb cuts and tactile paving to aid those who use mobility aids or are visually impaired; and tactile and audible crossing indicators to help visually impaired individuals navigate street crossings safely.	MTIP/MIVC	2035



CHAPTER 6

MONITORING AND IMPLEMENTATION

CHAPTER 6

MONITORING AND IMPLEMENTATION

The Government is committed to implementing this Strategy to reduce poverty and social exclusion. Poverty and social exclusion are multi-faceted and have intersectionalities. It is complex and transcends multiple policy areas within which many government entities and NGOs operate. Implementation demands political championing, administrative leadership, inter and intra-ministerial coordination, and strategic partnership with NGOs and the private sector. Community-based institutions – the Church, faith leaders, regional and local Government, and others have an important role as they are the closest to those marginalised and disadvantaged within their communities. Volunteers and active citizenship sustain the work of NGOs, provide critical local services and advocate for improved services.

An implementation and governance framework will be established to ensure this Strategy is implemented. This is presented in Figure 18 and described hereunder.

6.1 National Consultation

This National Strategy for Poverty Reduction and Social Inclusion is hereby being issued for national consultation. Following the national consultation process, the PDIAD, MSPC drafting team will assess the feedback received and amend the strategy as necessary. Once the post-national consultation Strategy document is endorsed by the Inter-Ministerial Steering Committee, it will be presented to the Cabinet for approval.

6.2 Leadership and Stewardship

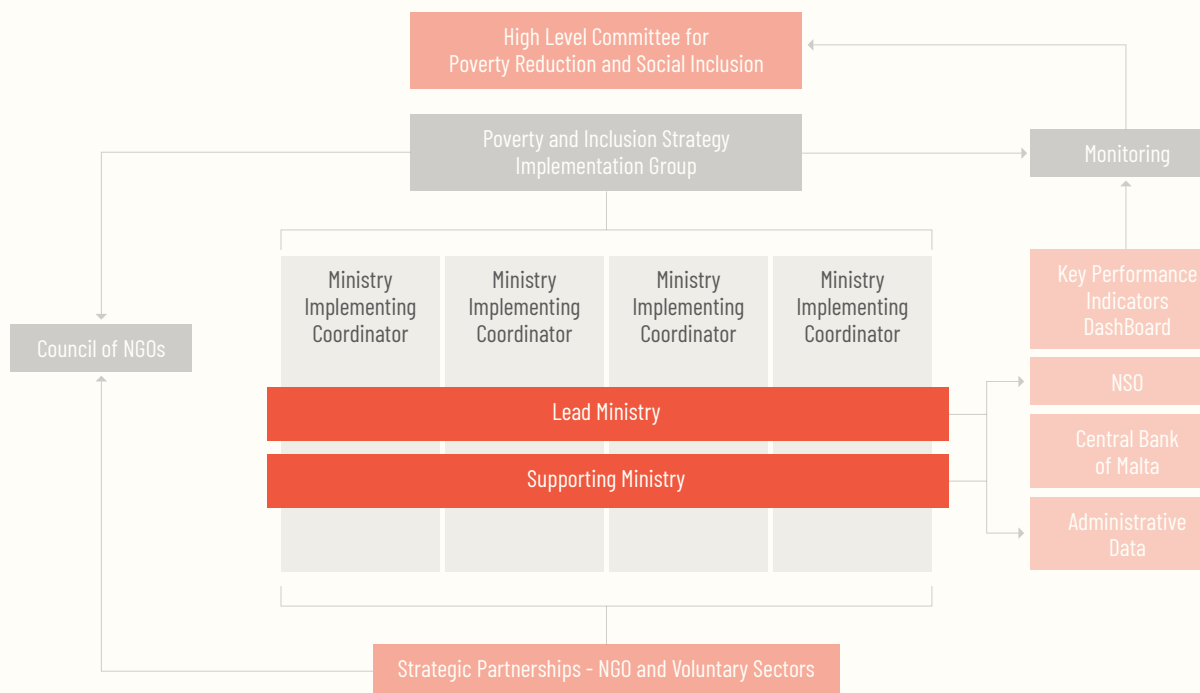
It is proposed that a High-Level Committee for Poverty Reduction and Social Inclusion (HLC-PRSI) be established to steward and monitor implementation progress. It is proposed that the Director General, Strategy and Implementation Division chairs the High-Level Committee and have the representatives from other sectors, in particular from the education, employment, health, inclusivity, housing, and justice sectors. Representation on this High-Level Group should be at Director General level.

6.3 Administrative Ownership and Leadership

It is proposed that a Poverty Reduction and Social Inclusion Implementation Group be established. This will be chaired by the Director, Implementation, Ministry for Social Policy and Children's Rights and will include the Directors, Implementation from the Ministries responsible for education, employment, health and active ageing, inclusivity, housing, and justice as members.

The DPI will also be responsible for monitoring the progress of recommendations and action measures against a Poverty Reduction and Inclusion Dashboard (PRID) made up of Key Performance Targets (KPT) and Key Performance Indicators (KPI). The PSISB is discussed below.

Figure 19: Governing and Implementation Framework



It is proposed that each Ministry appoints a Ministry Implementing Coordinator (MIC). The MIC will coordinate the intra and inter-ministerial activities relating to implementing actions and measures identified in this Strategy for which their Ministry is the lead agency. The MICs representing education, employment, health and active ageing, inclusivity, housing and justice will sit on the PISI-TF. Other MICs will represent their Ministry on the Poverty and Inclusion Strategy Implementation Task Force (PISI-TF) when so requested.

6.4 Coordinating Body for NGO

While the Government will lead the implementation of the Strategy and continue to deliver support and services directly, it will not displace NGOs. The existing NGO-Government partnership framework will be strengthened. Having listened to the NGOs on holistic coordination with the Government and amongst themselves so that synergies are amplified and duplication minimised, it is proposed that a Policy Forum for NGOs involved in the poverty and exclusion sector is set up.

Implementation	Set up a Policy Forum for NGOs involved in the poverty sector.	MSPC	2026
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6.5 Learning Hub

The Strategy and Implementation Division (SID) will strengthen its partnerships with NGOs, civil society, and higher and further education institutions through establishing a Learning Hub. The Learning Hub should identify what is working in policy design and implementation, support rigorous evaluation and research, and undertake longitudinal research to understand proposed policies and strategies' impacts on specific groups over time.

Implementation	Incorporate within the Policy Development and International Affairs Directorate, Strategy and Implementation Division.	MSPC	December 2026
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6.6 Strategic Foresight

The SID will embed strategic foresight methodologies in developing strategies and policy instruments in the poverty reduction and social inclusion policy domain and other aspects of its work.

Implementation	Incorporate within the Policy Development and International Affairs Directorate, Strategy and Implementation Division. SID to have a focal point for Strategic Foresight.	MSPC	Immediate
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6.7 Strengthening of Data Sources

In the drawing of this Strategy, there were several instances where data gaps rendered it difficult to obtain an evidence-based understanding of the state of play concerning a poverty determinant or specific target group. SID will work with competent authorities where appropriate, such as owners of administrative data, the Central Bank of Malta (CBM) and the NSO, amongst others, to determine how the key data gaps are reduced or removed.

Implementation	Introduce data collection and validation instruments where gaps exist.	MSPC NSO CBM Ministries	Ongoing
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6.8 Financing

Government will continue to sustain the current welfare and social solidarity model whilst undertaking the appropriate and necessary measures to reduce inefficiencies, waste, unnecessary costs, etc., through rationalisation, automation, AI, and other means. The measures and actions presented in this Strategy will constitute a priority for Government to co-finance under EU financing instruments.

Implementation	Submit applications for financing of recommendations under EU financing instruments (ERDF, ESF+, etc.)	MSPC Ministeries	2030+ 3 years
	Align social welfare projects for the EU financing period 2028-2034 with this Strategy.	Managing Authority MSPC Ministries	2028-2024

6.9 Structured Review of the Strategy

The Strategy is for 10 years. Ten years is selected because multiple measures and actions presented for implementation in this Strategy will take time to gestate. Indeed, with several, if not many, the impacts will be generational. Nevertheless, ten years in today's global environment is a long time. The Strategy will be subject to review to ensure that it is aligned with changing circumstances during its term and thus make sure that it remains relevant.

Implementation	Internal review.	MSPC	Annually
	Structured review in consultation with the Council for NGOs in the welfare sectors.	MSPC NGO	2027 2030 2035

6.10 Poverty Reduction and Inclusion Score Board

Key Performance Indicators (KPIs) are important for designing and assessing policies and strategies – including this Strategy. When measured against Key Performance Targets (KPTs), KPIs provide the 'business intelligence' to the Government to empirically assess the impacts of the Strategy and policies introduced, the existing gaps, and whether the measures and actions are achieving what they sought to do. They enable evidence-based review, allowing for further measures to be built on them, where measures are less successful recalibration is needed, and if necessary, their withdrawal.

Flawed metrics result in flawed conclusions. The debate on poverty and social inclusion in Malta is primarily based on two metrics. The first is the GDP. Whilst the GDP as an indicator allows one to measure the national economic performance of Malta, it does not measure society's well-being. It does not account for disparities in income, wealth distribution, or access to resources, which are important aspects of poverty and exclusion.

Implementation	Establishment of KPTs post consultation.	MSPC Ministries	October 2024
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The second relates to the EU poverty or social exclusion indicator – AROPE. The AROPE indicator excludes Social Transfers in Kind (STiK). The non-inclusion of STiK presents an inaccurate picture, resulting in wrong conclusions on the extent of poverty and social exclusion in Malta.

To effectively monitor the impact of this Strategy on poverty and social exclusion reduction, it is imperative that the governing and implementing framework discussed above is guided by a KPI dashboard board that goes beyond traditional measures like the AROPE indicator and cash transfers. This KPI dashboard will encompass a range of indicators, capturing the key determinants to poverty and social exclusion identified by this Strategy. By providing a comprehensive view of strategic impacts through a dashboard, those involved in the Strategy implementation process identify areas not performing as planned and refine interventions. It will also support ongoing monitoring and evaluation, enabling those involved in the implementation process to make informed decisions that boost the effectiveness of poverty alleviation efforts and foster inclusive growth.

Implementation	Align with NSO, CBM, Ministries, etc.; identify gaps and establish the methodology and release framework.	NSO CBM Ministries	Immediate
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Table 39: Proposed Poverty Reduction and Inclusion Dashboard for the monitoring of the effectiveness of the National Strategy for Poverty Reduction and Social Inclusion

Indicators in the Strategic Foresight Dashboard	
Adequate income, Social Welfare, and Equal Wealth Distribution	Average Household Gross Income ¹⁹⁸
	Average Household Disposable Income ¹⁹⁹
	Median National Equivalised Income (NEI) ²⁰⁰
	National Minimum Wage (NMW) ²⁰¹
	Harmonised Index of Consumer Prices (HICP)- average annual rate of change ²⁰²
	Expenditure and beneficiaries of Social Security Contributory Benefits ²⁰³
	Expenditure and Beneficiaries of Social Security Non-Contributory Benefits ²⁰⁴
	S80 / S20 ratio ²⁰⁵
	Gini coefficient (%) ²⁰⁶

¹⁹⁸ NSO. 24 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

¹⁹⁹ Ibid

²⁰⁰ NSO. 24 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

²⁰¹ Minimum wages. Eurostat online data code: **tps00155**

²⁰² HICP - inflation rate. Eurostat online data code: **tec00118**

²⁰³ NSO. 8 April 2024. News Release 061/2024: Government Expenditure on Social Security Benefits: January-December 2023. Accessed at

<https://nso.gov.mt/government-expenditure-on-social-security-benefits-january-december-2023/>

²⁰⁴ Ibid

²⁰⁵ Income quintile share ratio (S80/S20) by sex. Eurostat online data code: **tessi180**

²⁰⁶ Gini coefficient of equivalised disposable income by age. Eurostat online data code: **ilc_di12**

Indicators in the Strategic Foresight Dashboard	
Children's Mental Health	Malta's WHO-5 Mean Well-Being Index Score, by sex and family affluence ²⁰⁷
	Number of Individuals attending Children and Young People Services (CYPS) ²⁰⁸
	Children aged less than 3 years in formal childcare or education for 1-29 hours per week ²⁰⁹
	Children aged less than 3 years in formal childcare or education for 30 hours or over per week ²¹⁰
	Average number of weekly hours of formal care of children aged less than 3 years ²¹¹
Affordable Housing	Housing cost overburden rate ²¹²
	House Price Index ²¹³
	HICP - Actual Rentals for Housing ²¹⁴
	Gross Annual Income Needed to Qualify for Home Loan ²¹⁵
	Persons on Waiting Lists for Alternative Accommodation ²¹⁶

²⁰⁷ Health Behaviour in School-aged Children study (2023), Data browser (findings from the 2021/22 international HBSC survey). Accessed at: <https://data-browser.hbsc.org>.

²⁰⁸ Aġenzija Appogg - Interim Half-Yearly Statistical Report January to June 2023. Accessed at:

[https://fsws.gov.mt/en/Documents/StatisticalReports%20by%20Agency/Appogg/APPOGG%20Yearly%20report%202023%20\(f\).pdf](https://fsws.gov.mt/en/Documents/StatisticalReports%20by%20Agency/Appogg/APPOGG%20Yearly%20report%202023%20(f).pdf)

²⁰⁹ Children in formal childcare or education by age group and duration - % over the population of each age group - EU-SILC survey. Eurostat online data code: **ilc_caindformal**

²¹⁰ Children in formal childcare or education by age group and duration - % over the population of each age group - EU-SILC survey. Eurostat online data code: **ilc_caindformal**

²¹¹ Average number of weekly hours of formal care by age group - children with at least 1 hour of formal care - EU-SILC survey. Eurostat online data code: **ilc_camnfor0**

²¹² Housing cost overburden rate by age, sex and poverty status - EU-SILC survey. Eurostat online data code: **ilc_lvho07a**

²¹³ House price index (2015 = 100) - annual data. Eurostat online data code: **prc_hpi_a**

²¹⁴ HICP - annual data (average index and rate of change). Eurostat online data code: **prc_hicp_aind**

²¹⁵ Foundation for Affordable Housing. Housing Affordability in Post Boom Malta. The Case for the Third Sector. Accessed at:

<https://cdn-others.timesofmalta.com/3efb3e72416c31d38daa7db49099fd24bcf0cd17.pdf>

²¹⁶ Pg 9, Annual Report - 2022, Housing Authority. Accessed at: <https://housingauthority.gov.mt/wp-content/uploads/2023/05/HA-ANNUAL-REPORT-2022.pdf>

Indicators in the Strategic Foresight Dashboard	
<p style="text-align: center;">Ageing and Pensionable Income (and retirement savings)</p>	Demographic Profile by Age, Sex and Broad Group of Citizenship (no. of individuals) ²¹⁷
	Two-Thirds Pension Rate <ul style="list-style-type: none"> • Maximum Weekly Rate (Persons born pre-1962)²¹⁸ • Maximum Weekly Rate (Persons born post-1962)²¹⁹
	National Minimum Pension Rate 2021-2024 ²²⁰ Increased Retirement Pension Rate 2021-2024 ²²¹
	Age Pension Rate ²²² <ul style="list-style-type: none"> • Weekly Single Rate • Weekly Married Rate
	Pension Beneficiaries ²²³

²¹⁷ Population on 1 January by age group, sex and citizenship. Eurostat online data code: **migr_pop1ctz**

²¹⁸ mySocialSecurity – Schedule of Benefit Rates. Accessed at: <https://mysocialsecurity.gov.mt/BenefitPaymentRates.aspx>

²¹⁹ Calculated by MSPC

²²⁰ mySocialSecurity – Schedule of Benefit Rates. Accessed at: <https://mysocialsecurity.gov.mt/BenefitPaymentRates.aspx>

²²¹ mySocialSecurity – Schedule of Benefit Rates. Accessed at: <https://mysocialsecurity.gov.mt/BenefitPaymentRates.aspx>

²²² mySocialSecurity – Schedule of Benefit Rates. Retrieved from <https://mysocialsecurity.gov.mt/BenefitPaymentRates.aspx>

²²³ January – December 2020 beneficiaries: National Statistics Office Malta. (2024). Social Protection 2024. Accessed at:

<https://nso.gov.mt/wp-content/uploads/Social-Protection-2024.pdf>

January – December 2021 – 2023: National Statistics Office Malta. Government Expenditure on Social Security Benefits: January-December 2023. Accessed at:

<https://nso.gov.mt/government-expenditure-on-social-security-benefits-january-december-2023/#:~:text=During%202023%2C%20the%20largest%20number,pensioners%20when%20compared%20to%202022.>

Indicators in the Strategic Foresight Dashboard	
Impacts of Increased Migration in Malta	Migrant population (no. of persons) ²²⁴
	Employment rate – 15 years or over ²²⁵
	Unemployment rate – 15 to 74 years ²²⁶
	Migrants at risk of poverty or social exclusion – 18 years or over (%) ²²⁷
	Number of long-term residence permits for TCNs ²²⁸
	Number of first permits issued for family reasons to TCNs (no. of persons) ²²⁹
Intergenerational Poverty	Persistent at-risk-of-poverty rate ²³⁰
	Share of children at risk of poverty or social exclusion in Malta, by age group, by educational attainment level of their parents ²³¹
Low Fertility Rates	Total fertility rate (TFR) ²³²
	Crude birth rate (CBR) ²³³
	Average age of parents at the time of giving birth ²³⁴
Social and Moral Values	Not Available

²²⁴ Population on 1 January by age group, sex and citizenship - Eurostat online data code: **migr_pop1ctz**

²²⁵ Employment rates by sex, age and citizenship - Eurostat online data code: **ifsa_ergan**

²²⁶ Unemployment rates by sex, age and citizenship - Eurostat online data code: **ifsa_urgan**

²²⁷ Persons at risk of poverty or social exclusion by group of citizenship - Eurostat online data code: **ilc_peps05n**

²²⁸ Long-term residents among all non-EU citizens holding residence permits by citizenship on 31 December. Eurostat online data code: **migr_resshare**

²²⁹ All valid permits by reason, length of validity and citizenship on 31 December of each year. Eurostat online data code: **migr_resvalid**

²³⁰ Persistent at-risk-of-poverty rate by sex and age - EU-SILC and ECHP surveys. Eurostat online data code: **ilc_li21**

²³¹ Children at risk of poverty or social exclusion by educational attainment level of their parents (population aged 0 to 17 years). Eurostat Online Data Code: **ilc_peps60n**

²³² Total fertility rate. Eurostat Online Data Code: **tps00199**

²³³ Live births and crude birth rate. Eurostat online data code: **tps00204**

²³⁴ Mean age of women at childbirth and at birth of first child. Eurostat Online Data Code: **tps00017**

Indicators in the Strategic Foresight Dashboard	
Impacts of Artificial Intelligence and the Digital Transformation	Percentage of individuals aged 16-74 years with basic or above basic overall digital skills ²³⁵
	Percentage of early leavers from education and training aged 18-24 years ²³⁶
	Educational attainment level of persons aged 15-74 years, by sex ²³⁷
Impacts from Environment and Climate Change	Not Available
Shortage in Professionals in the social sector	Number of job vacancies in human health in social work activities ²³⁸
Other Important Indicators related to Poverty	
At-Risk-of-Poverty or Social Exclusion Rate (AROPE)	AROPE of Total Population ²³⁹
	Distribution of AROPE by District ²⁴⁰
	AROPE Children (under 18 years) ²⁴¹
	AROPE Young Persons (18-24 years) ²⁴²
	AROPE Elderly Persons (65 years or over) ²⁴³
	AROPE Unemployed Persons (18-64 years) ²⁴⁴
	AROPE by Household Type ²⁴⁵

²³⁵ The Digital Skills Indicator for 2017 and 2019 - Individuals' level of digital skills (until 2019). Eurostat online data code: **isoc_sk_dskl_i**

The Digital Skills Indicator for 2021 and 2023 - Individuals who have basic or above basic overall digital skills by sex. Eurostat online data code: **tepsr_sp410**

²³⁶ Early leavers from education and training by sex. Eurostat online data code: **sdg_04_10**

²³⁷ Educational Attainment Levels. Eurostat online data code: **edat_ifs_9911**

²³⁸ NSO Release: Job Vacancy Survey: 2017-2023. Accessed at: <https://nso.gov.mt/job-vacancy-survey-2017-2023/>. **the disaggregated data was provided via email correspondence by NSO.**

²³⁹ Persons at risk of poverty or social exclusion by age and sex. Eurostat online data code: **ilc_peps01n**.

²⁴⁰ NSO. 24 June 2024. News Release 106/2024: EU-SILC 2023: Salient Indicators. Accessed at <https://nso.gov.mt/eu-silc-2023-salient-indicators/>

²⁴¹ Persons at risk of poverty or social exclusion by age and sex. Eurostat online data code: **ILC_PEPS01N**

²⁴² Ibid.

²⁴³ Ibid.

²⁴⁴ At-risk-of-poverty rate by poverty threshold and most frequent activity in the previous year - EU-SILC and ECHP surveys. Eurostat online data code: **ILC_LI04**

²⁴⁵ Persons at risk of poverty or social exclusion by income quantile and household composition. Eurostat online data code: **ilc_peps03n**.

Other Important Indicators related to Poverty	
At-Risk-of-Poverty Rate (ARP)	ARP of Total Population ²⁴⁶
	In-Work ARP of persons aged 18-64 years ²⁴⁷
ARP Threshold ²⁴⁸	ARP Threshold (for a single adult)
	ARP Threshold (for a couple)
	ARP Threshold (for a single parent + at least 1 child)
	ARP Threshold (for a couple + at least 1 child)
Persistent Poverty Rate by age ²⁴⁹	Rate for Persons aged under 18 years
	Rate for Persons aged between 18-24 years
	Rate for Persons aged over 65 years
Value (€) and Share of Persons Below the At-Risk-Of-Poverty Threshold ²⁵⁰	40% median NEI
	50% median NEI
	60% median NEI
	70% median NEI

²⁴⁶ At-risk-of-poverty rate by poverty threshold, age and sex - EU-SILC and ECHP surveys. Eurostat online data code: **ilc_li02**

²⁴⁷ In-work at-risk-of-poverty rate by age and sex - EU-SILC survey. Eurostat online data code: **ILC_IW01**

²⁴⁸ Data provided by NSO.

²⁴⁹ Persistent at-risk-of poverty rate by age group - EU-SILC survey. Eurostat online data code: **tessi022**

²⁵⁰ NSO. News Release. EU-SILC: Saliient Indicators. Accessed at: <https://nso.gov.mt/>

Other Important Indicators related to Poverty	
Material and Social Deprivation	Material and Social Deprivation of Total Population by Sex ²⁵¹
	Rates of Persons Living in Households by Perceived Capacity to Afford Various Material and Social Deprivation Items ²⁵²
	Severe Material and Social Deprivation (SMSD) of Total Population by Sex ²⁵³
	Severe Material and Social Deprivation by Age Group (including persons aged 65+ years) ²⁵⁴
Unemployment	<ul style="list-style-type: none"> • Very Low Work Intensity (VLWI) of Total Population²⁵⁵
	<ul style="list-style-type: none"> • Persons Living on Social Assistance²⁵⁶
	<ul style="list-style-type: none"> • Unemployment Rate²⁵⁷
	<ul style="list-style-type: none"> • Persons Registering for Work²⁵⁸

²⁵¹ Material and social deprivation rate by age and sex. Eurostat online data code: **ILC_MDS07**

²⁵² NSO. News Release. EU-SILC: Salient Indicators. Accessed at: <https://nso.gov.mt/>

²⁵³ Severe material and social deprivation rate by sex. Eurostat online data code: **tepsr_lm420**

²⁵⁴ Severe material and social deprivation rate by age and sex. Eurostat online data code: **ILC_MDS011**

²⁵⁵ People living in households with very low work intensity by sex. Eurostat online data code: **tepsr_lm430**.

²⁵⁶ NSO. News Release 053/2016: Government Expenditure on Social Security Benefits: January–December 2015. Accessed at:

https://nso.gov.mt/wp-content/uploads/News2016_053.pdf

NSO. News Release 061/2024: Government Expenditure on Social Security Benefits: January–December 2023. Accessed at:

<https://nso.gov.mt/government-expenditure-on-social-security-benefits-january-december-2023/>.

²⁵⁷ Total unemployment rate. Eurostat online data code: **TPS00203**

²⁵⁸ NSO. News Release 020/2024: Registered Unemployment: November–December 2024. Accessed at

<https://nso.gov.mt/registered-unemployment-november-and-december-2023/>

NSO. News Release 012/2016: Registered Unemployed: December 2015. Accessed at: https://nso.gov.mt/wp-content/uploads/News2016_012.pdf



CHAPTER 7

NEXT STEPS

CHAPTER 7

NEXT STEPS

This draft of the National Strategy for Poverty Reduction and Social Inclusion 2025-2035, currently open for public consultation, aims to outline the Government's agenda for the next 10 years. Once adopted, it will serve as a comprehensive roadmap for coordinated action among Government, NGOs, and local communities, fostering collaboration to tackle the root causes of poverty. This will help to ensure that progress is made in a holistic manner, promoting sustainable development and long-term social cohesion.

Within this context, relevant stakeholders are invited to provide their feedback in relation to the National Strategy for Poverty Reduction and Social Inclusion 2025-2035 by 29 November 2024. Written submissions can be made as follows:

Electronic submissions may be sent to: info.pdiad.family@gov.mt

Postal submissions should be addressed to:

Director, Policy Development and International Affairs Directorate,
Ministry for Social Policy and Children's Rights
Palazzo Ferreria, 310, Republic Street
Valletta

Child Participation:

It is a priority for the Ministry for Social Policy and Children's Rights to enhance and foster the inclusive and systemic participation of children in decision-making processes. Recognising the importance of actively incorporating children's voices, concerns, and recommendations, the Ministry for Social Policy invites all children to share their opinions through the Empowering Children App: <https://empoweringchildren.gov.mt/> A child friendly version of the National Strategy for Poverty Reduction and Social Inclusion 2025-2035 is available and children can submit their ideas through either written messages, voice messages, drawings and videos.



empoweringchildren.gov.mt



Co-funded by
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**NATIONAL
STRATEGY**
for Poverty Reduction
and Social Inclusion.

2025-2035

