



**Caritas CARES!**  
**country report 2019**

# Malta

**Access to services by vulnerable groups:  
barriers, obstacles and good practices**

**Authors:** Chiara Crepaldi and Francesca Pepé, *Istituto per la Ricerca Sociale*

**Contributions to this report by:** André Bonello, *Caritas Malta*

**Coordination:** Peter Verhaeghe and Shannon Pfohman, *Caritas Europa*

Published by Caritas Europa, September 2019.



This study has received financial support from the European Union Programme for Employment and Social Innovation "EaSI" (2014-2020).

For further information please consult: <http://ec.europa.eu/social/easi>

The information contained in this publication does not necessarily reflect the official position of the European Commission.

Caritas Europa reserves the right to not be held responsible for the accuracy and completeness of the information provided in this publication. Liability claims regarding damage caused by the use of any information provided, including any information which is incomplete or incorrect, will therefore be rejected.

# Contents

<b>What this report is about</b>	<b>4</b>
<b>About Caritas in Malta</b>	<b>5</b>
<b>Recent publications</b>	<b>6</b>
<b>Contacts</b>	<b>6</b>
<b>Executive summary</b>	<b>7</b>
<b>1. The evolution of the socio-economic context</b>	<b>8</b>
<b>2. Characteristics of the welfare system</b>	<b>8</b>
<b>3. Access to key social rights and to services by people experiencing poverty or social exclusion</b>	<b>9</b>
<b>4. An assessment of the availability, accessibility, affordability and adequacy of key services and benefits in Malta</b>	<b>11</b>
a. Public employment services are understaffed in the face of rather high demand by vulnerable people	12
b. The increasing unaffordability of housing in Malta is putting housing policies under pressure	12
c. The number of early school leavers in Malta is the highest in the European Union. Children and young people, especially those facing social problems, need more inclusive education programmes tailor-made to every student	13
d. Services for addicted people with debts are in high demand by victims, but the service providers are limited due to lack of human and financial resources	14
e. Homelessness is a rather new but growing challenge for the country and therefore the services given are not enough for people in need of support	15
<b>5. Use of the minimum income as a measure of inclusion and activation in Malta</b>	<b>16</b>
<b>6. Progress made towards achieving EU and national social targets</b>	<b>17</b>
<b>7. The use of EU Funds between 2014-2020</b>	<b>19</b>
<b>8. Caritas Malta promising practices</b>	<b>19</b>
<b>Conclusions</b>	<b>20</b>
<b>Recommendations</b>	<b>21</b>

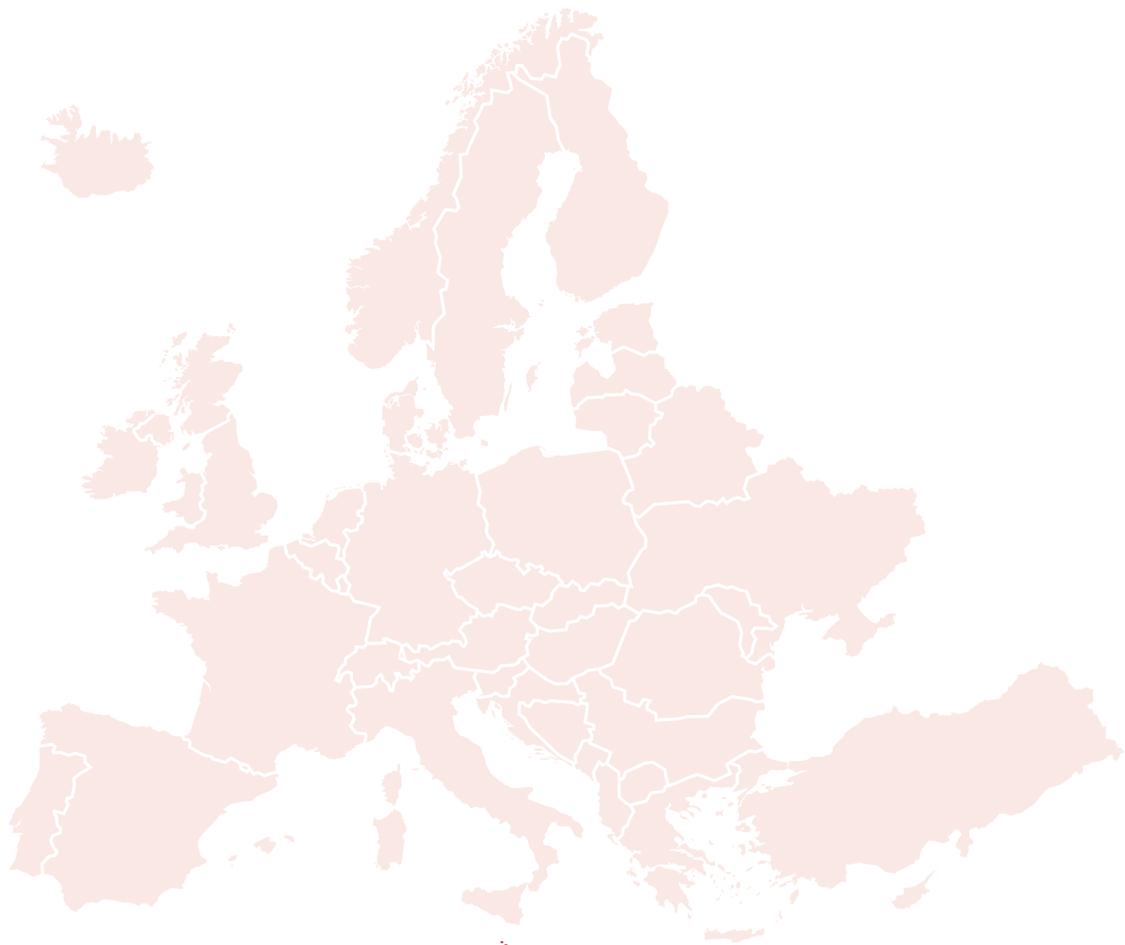
# What this report is about

**Caritas Organisations are essential actors in the fight against poverty and social exclusion, and the fight for social justice. They do so by assisting and providing services to people in need, as well as by presenting alternatives to address unfair structures, policies and measures.**

The Caritas CARES report is an important instrument in this endeavour. Caritas informs local, regional, national and European authorities and formulates recommendations, based on its daily work with people experiencing poverty.

This report has been compiled on the basis of a questionnaire, designed in consultation with the participating member organisations. It will ensure that the voice of the weakest members of our societies is heard and will support the advocacy efforts of Caritas at national and at European level.

This report is focused on an analysis of the availability, accessibility, affordability and adequacy of services addressing poverty and the promotion of social inclusion and activation in European countries, and it attempts to identify concrete causes of non-access to services by the most vulnerable members of our society.



# About Caritas in Malta

Caritas Malta offers services of counselling and social work for those people who are suffering from any type of poverty or social exclusion. The main beneficiaries are individuals who are suffering from substance abuse and their families, those seeking counselling and social work for issues related to poverty, loneliness, mental health, alcoholism, and gambling. The majority of the beneficiaries are young people (18-30 years old), and adults, and families with children (31-64). The number of beneficiaries reached by Caritas Malta in 2018 were 2,482, and the majority were male.

Many services are offered to Caritas beneficiaries:

- The service of **psychotherapy and counselling** is offered to adults, couples and youth. The team is made up of qualified psychotherapists and counsellors.
- **Workshops tackling various psychological themes** are offered to the public on a yearly basis. The dates and topics of such workshops are advertised through media platforms and on the Caritas Facebook page.
- **Social work assistance** is provided to those families or individuals who may be struggling with social or financial issues.
- SHIP is Caritas project which aims to provide individuals and families with **second hand items**, such as furniture and white goods.

The unit also offers **different forms of support groups** which are facilitated with the involvement of volunteers.

- Young and Separated Support Group: open to individuals who are facing the struggles of a marital separation.
- Rose Group: opens its doors to individuals over the age of 55, who are also struggling with issues of separation and the loss of a loved one.
- Thursday club: offers support to persons struggling with mental health difficulties.
- Huntington's Support: one-to-one support is offered to individuals who have been diagnosed with the condition of Huntington's.
- Emotions Anonymous: a support group offered to individuals who wish to explore their emotions and how to process them more effectively.
- Alcoholics Anonymous and AI Anon: open to individuals who struggle with an alcohol addiction. Support is also available for the family involved.
- Gambling Anonymous & Gam Anon: open to individuals and families who struggle with a gambling addiction. Another form of support which is offered at Caritas, is guidance for those who are affected by the difficult reality of usury and loan-sharks.

The NEW HOPE project consists of a range of community based and residential services for persons struggling with drug dependence, and their families. Within this project Outreach and Community Services are the first point of contact for the drug user. The Outreach worker develops a **holistic treatment plan related to medical, psychological, social, and rehabilitation needs**. Drug users coming to Outreach offices are initially offered frequent individual appointments, intensive support sessions, and group work to orient and engage them further in the rehabilitation process. During these sessions, demographic information, a personal history, support networks, and the extent/frequency/duration/mode of drug use is established in order to start monitoring the person's motivation, ambivalence, and willingness to change, as well as plan an individually tailored rehabilitation programme. It is essential that good communication is maintained by the Outreach Service with all the other New Hope internal services and programmes, as well as with external agencies involved in the care of drug users, be they national agencies or other NGOs. Outreach requires a lot of the relevant information upon which future holistic action is taken from a medical, psychological, social, and rehabilitation perspective.

Within the New Hope Project Caritas also provides a Residential **Rehabilitation Drug Programme**: Male clients follow a full rehabilitation programme, including residential and non-residential phases at our facility at Żebbuġ, Malta. At our San Blas facility, male clients follow a full rehabilitation programme in a Residential Programme. This is a fully residential phase which offers clients a safe and secure environment 24 hours a day. A parallel programme exists for female drug users who receive care at Dar Et Iris. Persons with drug dependencies and a prison sentence can apply for another residential drug rehabilitation programme referred to as the Prison Inmate Programme. When a person completes his residential phase in San Blas Therapeutic community, they move to Dar Charles Miceli in Mosta. This is a new service which started operating in March 2018. The service offers a semi-residential programme similar to a half-way house where we support the person to slowly integrate back into society, we offer therapeutic groups and sessions and focus on their tailor-made treatment plans which will address employment, housing, relationships, finances, health and legal matters. We also give importance to hobbies and lifelong learning/courses and ensure that the person feels confident enough to move back into society and, of course, the world of employment.

Caritas Malta is **monitoring poverty through national studies**, such as the Minimum Budget for a decent living, and through the relationships that it has with the parishes in Malta.

## Recent publications

Recent publications by Caritas Malta can be downloaded at the following link: <http://www.laikos.org/Caritas-Report-2016.pdf>.

## Contacts

**Contact person:** André Bonello  
**Email:** [andre.bonello@caritasmalta.org](mailto:andre.bonello@caritasmalta.org)  
**Telephone:** +35679317095

**Communication/press contact:** Marica Cassar  
**Email:** [marica.cassar@caritasmalta.org](mailto:marica.cassar@caritasmalta.org)  
**Telephone:** +35625906600

---

# Executive summary

Although the population of Malta grew between 2009 and 2018, it is a country that is rapidly ageing. The population is also changing for reasons of migration flows.

Malta's labour market continues to perform well: the employment rate has progressively increased over the years and the unemployment rate has continued to gradually decline to a very low rate compared to that of the EU 28 average.

The population at risk of poverty or social exclusion (AROPE) in Malta has slightly reduced over the years and it is now below the EU average, but not all groups have benefitted equally from this positive situation. Children, especially those with a migrant background, are particularly at risk of poverty or social exclusion.

Caritas Malta believes that, within a well-functioning yet complex set of measures and services, some groups of vulnerable people face considerable barriers and obstacles in accessing them. They are, in particular, the elderly, young people, the homeless, asylum seekers and refugees.

All the services described in this report seem to be adequate, accessible, available and affordable but areas of concern remain and need to be tackled:

- The increasing unaffordability of housing in Malta is putting housing policies under pressure.
- Public employment services are understaffed and are facing rather high demand by vulnerable people.
- The number of early school leavers in Malta is the highest in the European Union. Children and young people, especially those facing social problems, need more inclusive education programmes tailor-made for every student.
- Services for addicted people with debts are in high demand, but the service providers are limited due to a lack of human and financial resources. Caritas is trying to address these challenges, including gambling addictions.
- Homelessness is a rather new but growing challenge for the country and therefore the services available are not enough for those people in need of support.

---

## Recommendations

Caritas Malta recommends that the national authorities promote changes and reforms, in particular in the following areas:

- Recommendation 1:** Increase access to decent housing by adjusting the Cost of Living.
- Recommendation 2:** Increase access to decent housing by giving an allowance to low income earners.
- Recommendation 3:** Introduce innovative initiatives to reduce poverty and improve social inclusion.
- Recommendation 4:** Introduce a comprehensive education programme on sustainable development.
- Recommendation 5:** Extend free or subsidised provision of services in order to facilitate independent living, healthy ageing and lifelong learning.
- Recommendation 6:** Accept Articles 30 and 31 of the Revised European Social Charter and the additional protocol providing for a System of Collective Complaints.

## 1. The evolution of the socio-economic context

Between 2009 and 2018 the **population in Malta grew by 15.8%** with an increase of 64,775 people. **It is a country that is rapidly ageing**, and the data show that while children increased by only 3%, **the elderly (>65) increased by 53.2% (+31,067) and the over 85s by 60.3%**.

**The population is also changing for reasons of migration flows:** in 2018 28,582 third country nationals were living in the country, equal to 6% of the population, well above the EU average of 4.1%.

In 2018 2,130 asylum applicants were registered in Malta; a moderate reduction from the peak registered in 2008 of 2,605. In any case it remains the highest rate on resident population in Europe after Cyprus.

Malta's **labour market continues to perform well**, in line with a strong economic growth. The **employment rate among 20-64 year-olds has progressively increased** over the years and it reached 75% in 2018, 16 percent points higher than 2008.<sup>1</sup> The **unemployment rate continued to decline** gradually after the peak of 6.9% in 2009, reaching 3.7% in 2018, **a very low rate compared to the EU 28 average (6.8 %)**.<sup>2</sup> At the same time female

employment, as well as the inclusion into the labour market of people with disabilities, is still very low, compounded by limited social protection coverage.

Concerning **poverty**, the population at risk of poverty or social exclusion (AROPE) in Malta in 2018 was 19%, versus an EU average of 22.5%.<sup>3</sup> **This rate has slightly reduced over the years** after the peak of 24.6% in 2013. Also, income inequality in Malta is below the EU average (the income quintile share ratio in 2017 was at 4.2 against the EU average of 5.1<sup>4</sup>).

The strong Maltese **economic growth has provided an opportunity for society, but not all groups have benefitted equally**. Children, especially with a migrant background, are particularly at risk of poverty or social exclusion (32.1% in 2017, a high number in comparison to the general population).

The **expenditure for social protection** benefits in Malta **has increased** over the years: from €2,818 per inhabitant (at constant prices) in 2008, to €3,379 in 2016 (the latest available data), **but it remains well below the EU average** of €7,377. **Social expenditure isn't highly effective in reducing poverty**; it reduces it by 30.1%, against an EU average of 34.1%.

## 2. Characteristics of the welfare system

The Maltese social protection system is composed mainly of a mixture of provision of services and policy measures.

There are **a number of governmental agencies and NGOs offering a variety of services** ranging from

social services for the elderly, young, the financially challenged, and those who require any special help. Most of the services available are offered for free, but there are a few services requiring a minimal fee. One can find free services for those who are suffering **homelessness**. In Malta there are various

<sup>1</sup> Eurostat, 2019, Employment - annual data.

<sup>2</sup> Eurostat, 2019, Unemployment - annual average.

<sup>3</sup> People at risk of poverty or social exclusion by age and sex.

<sup>4</sup> European Semester country report, [https://ec.europa.eu/info/sites/info/files/file\\_import/2019-european-semester-country-report-malta\\_en.pdf](https://ec.europa.eu/info/sites/info/files/file_import/2019-european-semester-country-report-malta_en.pdf).

shelters in which the primary purpose is to offer a 24 hour emergency shelter for men and women and to offer a free, daily, hot meal. These shelters and half-way homes are non-profit voluntary organisations seeking to promote the building of a more just society, through support, assistance and rehabilitation of individuals and families who are homeless.

In Malta there are also services given to supporting people with **mental health** problems throughout their journey towards wellbeing. These services are aimed at ensuring they lead fulfilling lives in a community that understands them. Currently Malta is struggling to promote health awareness and stamp out the stigma related to this issue.

In Malta there are services related to accompanying, serving and defending the rights of **asylum seekers** and forcibly displaced persons who arrive in Malta. Each arrival's story bears witness to a traumatised, disrupted past but also to the remarkable will to survive against all odds and, therefore, there are various organisations providing support through housing and food for these people.

The government of Malta offers a service of support through the National Agency for **children, families and the community**, which safeguards and promotes the well-being of such people through the development and provision of psycho-social welfare services. The Agency, in collaboration with all stakeholders, provides welfare services of the highest possible standard for its service users, so that they are supported and empowered in addressing their needs and enhancing their quality of life.

The Government also provides a service to those **young people** who want to integrate into the community through services of support, inclusion and schemes that are attractive enough to help young people be more active in society.

The Government, through various consultations and collaboration with a variety of organisations, including Caritas Malta, seeks to issue the right policies for the improved well-being of all members of society, especially those who are experiencing **poverty and social exclusion**.

### 3. Access to key social rights and to services by people experiencing poverty or social exclusion

The main goal of this CARITAS CARES REPORT is to analyse if and how living in poverty or in conditions of social exclusion hinders access to social rights and to services.

Several EU initiatives have been promoted in recent years to tackle inequality, poverty and social exclusion, both in general terms and for specific targets groups. The European Parliament, the European Council and the European Commission have proposed several policy initiatives to strengthen the social dimension of the European

Union, and the most relevant one adopted in recent years is **The European Pillar of Social Rights (EPSR)**. Another relevant instrument in this context is the Council of Europe's **European Social Charter (ESC)**. They both state the right of all persons (independent of their socio-economic conditions) to access some specific rights related to equal opportunities and access to the labour market, fair working conditions and access to social protection and inclusion.

The **European Pillar of Social Rights** sets out 20 key principles and rights to support fair and well-

functioning labour markets and welfare systems. They are fully described here: [LINK](#).<sup>5</sup> Several of the rights cited by the European Pillar of Social Rights specifically relate to the conditions of people in poverty and social exclusion. This is particularly the case of PRINCIPLE 4 - Active support to employment; PRINCIPLE 11 - Childcare and support to children; PRINCIPLE 14 - Minimum income; PRINCIPLE 16 - Health care; PRINCIPLE 19 - Housing and assistance for the

homeless; and PRINCIPLE 20 - Access to essential services.

Another highly relevant instrument is the (revised) **European Social Charter** (ESC) of the Council of Europe. The most relevant articles of the European Social Charter related to access to services are listed below (Box 1).

## Box 1 – Ratification and implementation of the Revised European Social Charter (1996) related to access to services and minimum income

Malta has ratified the majority of Articles of the 1996 Revised European Social Charter.

The following articles could have an impact on access to services and minimum income:

- The right to vocational guidance (Article 9)
- The right to vocational training (Article 10)
- The right to protection of health (Article 11)
- The right to social and medical assistance (Article 13)
- The right to benefit from social welfare services (Article 14)
- The right of the family to social, legal and economic protection (Article 16)
- The right of elderly persons to social protection (Article 23)
- The right to protection against poverty and social exclusion (Article 30)
- The right to housing (Article 31)

Malta has not yet accepted the Additional Protocol providing for a System of Collective Complaints. More information on the provisions accepted by Malta can be found in the [Country Factsheet](#).

Both the Pillar and the Charter state the right to access some specific social rights related to equal opportunities and access to the labour market, fair working conditions, access to social protection and inclusion.

On the basis of national studies and reports, CARITAS MALTA has established that access to some of these rights remains difficult.

While **active support into employment and support**

<sup>5</sup> [https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles\\_en](https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles_en).

**for children and education** are considered fully accessible to all (ranked 5 out of 5), **housing** and **assistance for homeless people** barely respond to the needs of this vulnerable part of the population living in Malta (ranked 2).

The vulnerable groups most affected among the beneficiaries of Caritas are those who struggle to

find an adequate place to rent or live. This is due to the fact that their income is too low and they can't afford it.

In the following section the difficulties in accessing a few of the services available for those in need are described in detail.

## 4. An assessment of the availability, accessibility, affordability and adequacy of key services and benefits in Malta

Caritas Malta has evidence that, within this well-functioning and complex set of measures and services, some groups of vulnerable people face considerable **barriers and obstacles in accessing them**. They are, in particular, the elderly, young people, the homeless, asylum seekers and refugees.

In this section the main strengths and weaknesses of the access to five important services are described. Three services selected for the analysis are common to all European countries, (**public employment services, housing policies and early childhood education services**) and two have specifically been chosen by the national Caritas identified as being particularly relevant in Malta: **services for addicted people with debts, and services for the homeless**. Homelessness is a growing challenge in Maltese society and addiction is one of the primary fields Caritas Malta works on in the country.

The main criteria for the evaluation of services are adequacy, accessibility, availability and affordability:

**ADEQUACY:** the service is of good quality and is satisfactory; it is able to respond to the needs of the user;

**ACCESSIBILITY:** the service can be reached or obtained easily, and it is easy to understand and to use;

**AVAILABILITY:** the service exists and it is available for those who need it;

**AFFORDABILITY:** the service is cheap enough for people who need it to be able to afford it.

The survey responses have been based on a scale ranging from 1 (the lowest score, meaning that the service is completely inadequate, inaccessible, or unavailable or unaffordable) to 5 which means that it is completely positive.

All the services surveyed seem to be largely adequate, accessible, available and affordable, except for **housing policies** which is seen as being unavailable and unaffordable, both given the lowest ranking (1 out of 5) as the following table shows:

	Adequacy	Accessibility	Availability	Affordability	AVERAGE
Public employment services	3	3	3	5	3.5
Housing policies	2	2	1	1	<b>1.5</b>
Counselling services	3	4	5	5	4.25
Services for the addicted	4	4	4	4	4
Services for the homeless	3	3	3	3	3
AVERAGE	3	3.2	3.2	<b>3.6</b>	

**a. Public employment services are understaffed in the face of rather high demand by vulnerable people**

Public employment services support inclusion in the labour market of vulnerable people providing, among others, lifelong learning activities and job/career counselling. The problem these services have to face is that, on the one hand, **the demand is rather high from these people, and there are not enough professionals in the field to help these people access the right and adequate services.**

On the other hand, there must be more awareness to where the people need to go to access the services for help. For this reason, **adequacy** is the criterion ranked with the lowest score (3 out of 5). On the contrary, the service has been evaluated as completely affordable (ranked 5).

The elderly, the homeless, asylum seekers and refugees are those facing the most significant barriers and obstacles in accessing the employment services.

In the last few years, however, **the service has improved**, mainly because the Government and other organisations are listening more to the people, and resources are being provided.

**b. The increasing unaffordability of housing in Malta is putting housing policies under pressure**

Currently the Maltese economy is doing rather well, as various developers and foreign companies

are finding opportunities to invest in Malta due to favourable laws and tax incentives. Sustained economic growth is a major achievement for a small economy such as the Maltese, especially when it is operating in a highly competitive and a rather depressed international business environment. Growth and development endow significant benefits to the nation and society at large. However, there are also downsides to rapid growth, which include unaffordable housing. This situation creates a struggle for low-income earners as the cost of living, including rent, is forever increasing.

Malta is seeing social housing pressures build, with long waiting lists being an obvious symptom. Currently there are 2,800 applicants waiting to access the service. The vulnerable groups identified as most affected by these barriers/obstacles are young people, the homeless, migrants and ethnic minorities.

**Therefore, presently there are various policy makers and pressure groups that are asking the government to create measures to help those who are on the verge of AROPE.** The Government has committed itself to providing aid through housing units or subsidised rent in order to help the families and individuals who are unable to pay their rent and live adequately. Laws and policies in this regard are being discussed to create a higher level of adequacy.

According to the Caritas survey, the most

serious problems are related to **availability and affordability** (both ranked as 1 out of 5) followed by adequacy and accessibility, both rated 2. Although the government is working hard to find the right policies and solutions, access, availability and affordability have not been achieved yet.

In the last few years the access to housing has **improved** slightly but more work remains to be done.

This testimony can help to illustrate the improvement in access to this service:

*Although the Maltese housing system is rather complex, there are various success stories regarding this service. One of which is the case regarding a single parent, with a child, whose income is rather low. This woman applied with the housing authority to get a subsidy from the government for private rent. After the necessary assessment was done, the woman started to receive up to 60% of her rental costs on a monthly basis. To access this the tenant must have a legal contract and the tenant must pay taxes. With this method the rent system across Malta can be monitored and those who are in need can be given an opportunity to live adequately.*

**c. The number of early school leavers in Malta is the highest in the European Union. Children and young people, especially those facing social problems, need more inclusive education programmes tailor-made to every student**

**The number of early school leavers in Malta is the highest in the European Union.**<sup>6</sup> It is the result of many factors, particularly those related to

the education system itself, the labour market, characteristics of an individual nature, family factors, and other aspects related to gender and spatial distribution. This shows that nearly one out of every five Maltese aged between 18 and 24 leave education or training prematurely. Divorce has emerged as one of the significant contributors behind students' decisions to abandon school early, according to a new qualitative study. The qualitative study, carried out by the National Observatory for Living with Dignity, within the President's Foundation for the Wellbeing of Society, demonstrates how students' experience at home influenced their decision to leave school without the necessary qualifications. Divorce may cause the most profound emotional trauma and it leaves the biggest impact on children, particularly in low socio-economic status contexts defined by limited social and cultural capital.

Another case in point is that young people are finding various opportunities in different sectors, especially in low-skilled jobs, and prefer to leave school to start earning money rather than to keep on improving their education skills. This could be a threat in the long term, despite the fact that economically Malta is doing rather well, and therefore various opportunities are created, for example, in the hospitality industry.

**Children and young people, especially those facing social problems,** need inclusive education programmes, based on applied learning. The aim of such programmes is to help young people to improve their standard of education and gain more knowledge, values and skills in order to enter the labour market or gain qualifications to continue in further education and/or training.

The vulnerable groups most affected by these barriers are young people, the elderly and the homeless. The service has been ranked as completely available and affordable, while the main obstacle relates to adequacy (rated 3 out of 5).

<sup>6</sup> Figures released on European Statistics Day 2018.

Although education is accessible, available and affordable, it must be more adequate, namely, tailor-made to every student. These educational programmes must be inclusive, based on applied learning, for young people. The aim of the programme is to help young people to improve their standard of education and gain more knowledge, values and skills in order to enter the labour market or gain qualifications to continue in further education and/or training.

**In the last few years the service has improved.**

The Government is concerned about the recent statistics regarding education. Various measures and incentives are being devised to help young people integrate back into the education system. The Youth.inc programme, of the National Youth Agency, is a tailor-made programme for young people to re-integrate back into the education system or into the labour market.

This testimony can help to illustrate the access to this service:

*Nora (a fictitious name), a young person of 16, with disabilities, opted to join an educational programme of this Youth.inc (a programme with the National Youth Agency), based on tailored applied learning.*

*Youth.inc has three different levels of entry in accordance with the Malta Qualifications Framework. The programme is based on assisting the young person to gain key competence, sectoral skills and underpinning knowledge, at the different levels.*

*Included in the learning are skills that are transferable to the next stages of education and training: Applying theory to work-related challenges; Acquiring knowledge; Gaining basic skills; Embracing values; Working in a team; Being creative and innovative.*

*Nora, with the right mentor, had the opportunity to acquire the necessary skills through training, not only to get the right qualifications but also to have adequate abilities to work in various jobs. Today this student has successfully got the qualifications to access the workforce and is independent and working in an administrative environment.*

*This shows that with the right education, one can change disabilities into abilities, and be able to work for a decent income and escape from poverty.*

**d. Services for addicted people with debts are in high demand by victims, but the service providers are limited due to lack of human and financial resources**

In Malta, a number of NGO's and governmental organisations are working with addicts. These organisations are in high demand by victims, but unfortunately in Malta the **service providers are limited due to lack of human and financial resources.**

Addictions are a global challenge and professionals need to address such situations. In Malta, Caritas is trying to address these challenges, including gambling addictions. A challenging factor remains the **lack of awareness of the addictive nature of gambling among young people under 18 years** of age. These young people are finding various open doors that lead them into addictions and unfortunately **there are limited resources and opportunities where these victims can go and get help.** Addictions can lead to poverty and social exclusion; therefore, it is important that more collaboration with the government and authorities is achieved to help these people. Caritas Malta and Oasi Foundation are constantly working with the Government to create the best policies and measures to integrate these people into society.

One other problem is that **victims of addiction can find it hard to enter into the work force after their rehabilitation process, due to past criminal activities they committed.** The NGOs and the authorities are concerned about this issue and different help is offered, such as the provision of opportunities and funds to open a business, in order for these people to have a second opportunity on their life journey. In addition, **all those individuals who seek help are treated with the utmost care and love in order to offer the maximum help for them to overcome their problems.**

The vulnerable groups most affected are young people, the homeless and persons with addictions.

**The Caritas survey shows that this service is believed to respond largely appropriately to the needs** (all criteria were ranked 4 out of 5). Although there are huge demands in the sector of addiction, when the service is given, it is given in a way that individuals are treated in ways to help them overcome their problem.

**In the last few years the service has improved and is largely adequate.**

**e. Homelessness is a rather new but growing challenge for the country and therefore the services given are not enough for people in need of support**

There are an estimated **300 homeless people currently living in Malta (mainly women), with the situation slowly getting worse and being mostly hidden from sight.**

**Homelessness is a rather new and growing challenge** for the country and, therefore, the **services given are insufficient to address the needs of the people affected. In any case, according to the Caritas Malta survey, the service responds mostly appropriately to the needs** (all ranked 4 out of 5).

**Although this is a rising problem in Malta, the authorities are trying their best to help the people who are experiencing this unfortunate challenge.**

**In the last few years the service has improved.** As the problem is growing the debate is being given priority and things are moving towards a solution. Things are slowly improving for service users but **if no drastic action is going to be taken soon, there will be a major problem in the near future.**

The access to the service can be illustrated with the following testimony:

*A homeless person was on the streets for a number of years due to her addictions. She got help by first entering a homeless shelter. This helped her to have a meal and a roof over her head. The woman then found stability and stopped making use of drugs. She was giving help through a half-way house where she found a job, and through mentoring she got the necessary skills to cope with the challenges that she experienced during her journey to independence.*

## 5. Use of the minimum income as a measure of inclusion and activation in Malta

Principle 14 of the **European Pillar of Social Rights** states that:

*“Everyone lacking sufficient resources has the right to adequate minimum income benefits ensuring a life in dignity at all stages of life, and effective access to enabling goods and services. For those who can work, minimum income benefits should be combined with incentives to (re)integrate into the labour market.”*

According to the approach put forward by the EU initiatives (in particular the Recommendation on the active inclusion of people excluded from the labour market, promoted in 2008 by the European Commission<sup>7</sup>), minimum income schemes have to be viewed through the perspective of the **active inclusion approach**: they are expected to be universal and to provide integrated support in the form of adequate cash benefits, effective access to enabling goods and services, and to include an activation component for beneficiaries.

Minimum income is implemented in Malta and is called **non-contributory benefits**. In Malta minimum income is both a financial support and an active inclusion measure, in line with the European approach, but it seems able to make only a very marginal contribution to the promotion of the social inclusion of vulnerable people.

The activation approach has as its main positive aim the fact that it is intended to promote active participation in society. On the other hand, the negative aspect is the bureaucratic burden that accompanies it, which makes it difficult to apply for.

The minimum income scheme is set up to act as **a safety net by catering for those below the ‘poverty line’**. Unlike the contributory scheme, **the benefits within the non-contributory scheme are not based on a person’s contributions, but on a financial means-test of the person claiming the benefit**. The Disability Benefit, Drug Allowance, and The Single Unmarried Parent Allowance, are some of the benefits which are provided to help individuals to be active in society. This is true financial and supportive assistance.

A testimony can help to illustrate how people access this active inclusion measure:

*Anna (a fictitious name), who has two children, is unmarried and not living with a partner. She is working in the hospitality sector, where she earns slightly more than the minimum wage in Malta. Therefore, with this benefit Anna can manage to have an adequate standard of living. The Single Unmarried Parent Allowance may be awarded to a single unmarried parent who is not engaged in a gainful occupation. It is paid every 4 weeks and it is awarded in full if the applicant is single; living alone and having care and custody of one or more children. However, if the applicant is living with a parent(s), the applicant becomes entitled to 75% of the standard rate.*

<sup>7</sup> Commission Recommendation of 3 October 2008 on the active inclusion of people excluded from the labour market, <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32008H0867>.

## 6. Progress made towards achieving EU and national social targets

The **Europe 2020 strategy** sets out the EU's agenda for growth and jobs for the current decade, having as its main objective the promotion of smart, sustainable and inclusive growth as a way of overcoming the structural weaknesses in Europe's economy and tackling the main European inequalities. The Strategy sets out the **EU TARGETS** in order to give an overall view of where the EU should be by 2020, based on key socio-economic parameters. The EU targets are then translated into national targets so that each EU Member State can check its own progress towards each goal. The ones particularly relevant for this study are those referring to employment, and poverty and social exclusion.

In relation to **EMPLOYMENT, the target set at EU level is that, by 2020, 75% of people aged 20–64 are expected to be in work.** For Malta this indicator has been set at 70%. Eurostat data shows that, in 2009, it was at 59%, and in 2017 it was at 73%. As the data confirm, the target has been reached successfully and exceeded.

The same can't be said concerning **POVERTY AND SOCIAL EXCLUSION.** The EU target intends to reach a reduction of at least 20 million people in or at risk of poverty/social exclusion by 2020. Malta has a target of reducing the number of individuals at risk of poverty and social exclusion by 6,560, but, according to Eurostat, over the period 2010–2017 the number of people in poverty or social exclusion grew by 7,000. Since 2010, various financial benefits, as well as measures and reforms, have been implemented in the childcare, education and employment sectors in order to actualise the

social policies. Initiatives have focused particularly on active inclusion, empowering vulnerable groups to become less welfare dependent, and encouraging those who may be disadvantaged to enter/re-enter and remain in the labour market, or to take up education and training. **It has to be acknowledged that the long-term benefits of some of these newer initiatives have not been recorded yet, although recent provisional statistics show that the share of the total population who is severely materially deprived has decreased over the years.** Indeed, despite these and previously launched initiatives, as well as the ongoing, extensive, in-kind benefits and services (e.g. health care, social housing, and childcare) and the general positive economic trends on a national level, **the number of people at risk of poverty and social exclusion had been increasing prior to this recent downward shift in severe material deprivation.** The country is working to reduce this, but the challenge is still great.

To achieve the employment and poverty targets, the Maltese Government has promoted, over the years, programmes and reforms in line with the EUROPE 2020 Strategy.

- Within this framework the evolution of the socio-economic context in Member States is described each year within the Commission Staff Working Document European Semester **COUNTRY REPORT.**<sup>8</sup> In 2019, in the area of poverty and social exclusion, the report identified a positive trend in terms of a reduction:

---

<sup>8</sup> [https://ec.europa.eu/info/sites/info/files/file\\_import/2019-european-semester-country-report-malta\\_en.pdf](https://ec.europa.eu/info/sites/info/files/file_import/2019-european-semester-country-report-malta_en.pdf)

Headline indicators on poverty and social exclusion show that Malta is benefiting from a flourishing economic climate. In 2017, the share of the population at risk of poverty and social exclusion (AROPE) declined from 20.1% in 2008, to 19.2%. However, the decline was not uniform for all groups.

- Single parents and large families in particular are still struggling.
- The risk of poverty for children remains a challenge.
- Poverty and social exclusion risks are high for people with disabilities.
- A relatively large share of the population is foreign-born and facing high risks of poverty.
- The social security system has gaps in its provision.
- The hike in house rents is affecting a growing number of low-income households.

- In May each year the European Commission assesses the progress made and issues COUNTRY SPECIFIC RECOMMENDATIONS to propose new actions. The recommendations provide policy guidance tailored to each EU country on how to boost jobs and growth, while maintaining sound public finances. The recommendations focus on what can realistically be achieved over the next 12-18 months. In 2018 there were no recommendations issued for Malta referring to social inclusion but only to the sustainability of the health care and the pension systems:

*2. Ensure the sustainability of the health care and the pension systems, including by increasing the statutory retirement age and by restricting early retirement.*

The same recommendation is repeated in the 2019 CSRs as proposed by the European Commission,

and again no recommendations are issued referring to social inclusion, apart from the recommendation to focus investment-related economic policy on inclusive education and training (among others).

- Within the **NATIONAL REFORM PROGRAMME**<sup>10</sup> each country describes the reforms identified to reach the targets set at EU level. The **reforms** named in 2018 to tackle mainly social exclusion, social protection gaps and health challenges were the following:
  - Encouraging higher labour participation rates, improving education outcomes and reducing skill gaps;
  - Reducing poverty and promoting social inclusion through the increase in pensions, a Tax Rebate Measure with the aim of strengthening the incentive to work and addressing in-work poverty.

According to Caritas Malta, a national research institute on poverty should be set up to conduct

<sup>9</sup> Here you can download the most recent available recommendations, [https://ec.europa.eu/info/publications/2018-european-semester-country-specific-recommendations-commission-recommendations\\_en](https://ec.europa.eu/info/publications/2018-european-semester-country-specific-recommendations-commission-recommendations_en).

<sup>10</sup> Here you can download the most recent available reforms, [https://ec.europa.eu/info/2018-european-semester-national-reform-programmes-and-stability-convergence-programmes\\_en](https://ec.europa.eu/info/2018-european-semester-national-reform-programmes-and-stability-convergence-programmes_en).

further local research on poverty, focused on longitudinal and in-depth targeted studies.

According to CARITAS MALTA the situation and problems described in the COUNTRY REPORTS do adequately reflect the reality of poverty and social exclusion in Malta. The reforms identified in the

NATIONAL REFORM PROGRAMMES are considered adequate and implementable (ranked 4), as they point out the situation or problems described. For the elderly, in particular, in this field the government is working hard to reach the best outcomes for this group.

## 7. The use of EU Funds 2014–2020

In the multi-annual financial framework 2014–2020, within the Europe 2020 strategy, the fight against poverty and social exclusion has been on an equal footing with other EU targets and objectives. In the regulations adopted for this new period, more measures have been put in place to ensure that the challenges around social inclusion are addressed: 20% of the European Social Fund (ESF) should be dedicated to policies and measures aimed at promoting social inclusion, and a specific fund has been implemented to support Member States in the fight against poverty and social

exclusion: the Fund for European Aid to the Most Deprived (FEAD).

In Malta the ESF resources have been implemented to promote job creation, youth programmes, the building of rehabilitation centres for minors, and food distribution. According to Caritas Malta the ESF resources are adequately used. FEAD resources could have been more adequately used to fight poverty and social exclusion (ranked 3). Caritas has been indirectly involved in the implementation of both FEAD and ESF projects.

## 8. Caritas Malta promising practices

**Scheme for the social Small** is a good and innovative practice, recently implemented by CARITAS MALTA and related to the promotion of (active) inclusion of people at risk of poverty or social exclusion, that has proved to be particularly successful:

The service helps people who have completed or are successfully completing the rehab drug programme, to start a new business. The problem that the programme is trying to address is unemployment and social exclusion. More information about the programme is available at the following link: [Link](#).

**Malta Enterprise<sup>11</sup> start-up project:** in 2019

Caritas Malta joined with the Malta Enterprise to help people who would like to create a start-up business. This falls under the scheme for social small businesses. The idea is to give incentives to people who are finding it rather challenging to start a business. After various collaborations, Caritas Malta made an agreement with Malta Enterprise to give this opportunity to individuals who are successfully undergoing their drug rehab programmes. It is an important step for these individuals as they can have a fresh start. This is the case of one individual who wanted to benefit from this programme and who uses his talents to work in stone. It is only a start-up, but it is a step towards a long term process where one can succeed, and help others achieve their dreams.

---

<sup>11</sup> Malta Enterprise is the country's economic development agency, a governmental institution tasked with attracting new foreign direct investment as well as facilitating the growth of existing operations.

# Conclusions

Between 2009 and 2018 the population in Malta grew but it is a country that is rapidly ageing. The population is also changing for reasons of migration flows.

Malta's labour market continues to perform well: the employment rate has progressively increased over the years and the unemployment rate has continued to gradually decline to a very low rate compared to that of the EU 28 average.

The at-risk-of-poverty or social exclusion (AROPE) rate in Malta has slightly reduced over the years and it is now below the EU average, as is income inequality. According to the latest EU-SILC 2018 Salient Indicators, the at-risk-of-poverty or social exclusion rate (AROPE) decreased by 0.3% when compared to 2017. On the other hand, in 2019, the predicted growth was 6.2%, however, the Salient Indicators show that the number of people living in households with a national equalized income below the at-risk-of-poverty line was 78,685 (16.8%); these people are living on €8,868 yearly, an increase of 3,169 people from the previous year (NSO, 2019). In terms of gender, women are mostly affected, and also single parents. Although advances are being made with regards to the gender pay gap, this is still a reality. Elderly women are also more at risk of living in poverty because of the culture that women did not go out to work.

Benefits and aid, such as medicine and free childcare, free transport and other assistance are directed to help those who are most vulnerable, and elevate those who are in poverty. Acknowledging all this, the economic distribution between the rich and poor continues to widen.

The strong Maltese economic growth provides an opportunity for society, but not all groups have benefitted equally. Children, especially with a migrant background, are particularly at risk of poverty or social exclusion.

The expenditure for social protection benefits in Malta has increased over the years, but it remains well below the EU average. Social expenditure isn't highly effective in reducing poverty.

Caritas Malta believes that, within a well-functioning complex set of measures and services, some groups of vulnerable people face considerable barriers and obstacles in accessing them. They are, in particular, the elderly, young people, homeless people, asylum seekers and refugees.

All the services described seem to be largely adequate, accessible, available and affordable, except for housing policies which is regarded as being unavailable and unaffordable, and both were given the lowest rating (1 out of 5).

- The increasing unaffordability of housing in Malta is putting housing policies under pressure.
- Public employment services are understaffed in the face of rather high demand by vulnerable people.
- The number of early school leavers in Malta is the highest in the European Union. Children and young people, especially those facing social problems, need more inclusive education programmes that are tailor-made to every student.

- Services for addicted people with debts are in high demand by victims, but the service providers are limited due to a lack of human and financial resources. Caritas is trying to address these challenges, including gambling addictions.
- Homelessness is a rather new but growing challenge for the country and therefore the services given are not enough yet for people who are in need of support.

The most relevant policy reform, implemented in Malta in the last 2 years, that is considered as having had mostly a positive impact on the reduction of poverty and social exclusion, and in promoting access to social rights, is called **Rentas a Housing Alternative** – and it is possible to find it at the following link ([Link](#)).

According to Caritas Malta there other policy initiatives that are needed:

1. Give further consideration to the particular circumstances of those who legitimately cannot work. This may require strengthening the social security benefits for people who earn up to the minimum wage.
2. Address with urgency the financial situation of low income earners who are renting private dwellings and not benefiting from any subsidies, particularly lone parent families.

What the EU could do to support the Maltese Government to address these problems is to fund studies and research in order to establish a standard definition of adequacy when it comes to determining the minimum level of income that Maltese people need in order to live in dignity.

---

# Recommendations

Caritas Malta already is addressing these issues through reports, and recommends that the national authorities promote changes and reforms, in particular in the following areas:

- Recommendation 1: Increase access to decent housing by adjusting the Cost of Living**  
Adjust a separate calculation of the Cost of Living Adjustment (COLA) for low-income earners; those households earning at below the 60% median income. This will create a better chance for access to adequate and affordable housing. The European Commission is invited to monitor if, and to what extent, this is being implemented in Malta.
- Recommendation 2: Increase access to decent housing by giving an allowance to low income earners**  
Address with urgency the financial situation of low income earners who are in private dwellings and not benefiting from any subsidies, particularly single-parent families.
- Recommendation 3: Introduce innovative initiatives to reduce poverty and improve social inclusion**  
Establish financial and other assistance structures and incentives to support social innovation initiatives by individual entities or alliances, creating and managing affordable housing, and which aim to reduce poverty and improve social inclusion. Government policies are needed to invest, along with the private sector, to increase the supply of affordable housing for rent. The Government needs to make an

assessment of the various abandoned buildings around Malta and convert them into affordable housing. These actions will make housing more affordable, available and therefore, the service will be more adequate.

**Recommendation 4: Introduce a comprehensive education programme on sustainable development**  
Ensure that entitlement to education on sustainable development, and related school subjects such as home economics, are implemented comprehensively from the earliest possible age in order to nurture the right attitudes and skills in order to foster responsible citizens who make informed decisions, are aware of and find their way to services when they need them, and take action to promote and safeguard personal, family and community wellbeing. All children must have access to such topics at school. This will also help them to budget for their daily expenses in the future.

**Recommendation 5: Extend free or subsidised provision of services to facilitate independent living, healthy ageing and lifelong learning**  
Extend free or subsidised provision of services to facilitate independent living, healthy ageing and lifelong learning for the different cohorts within the elderly population who have a low-income or who face unexpected long-term financial burdens. Given the national priority for the promotion of active ageing, one could consider fiscal, in-kind, or other measures to:

- Facilitate holistic health of the elderly of different age groups, including assistance for home improvements for mobility, safety and security, as well as for house and home insurance policies, and management of different health conditions;
- Facilitate participation in society through enhanced access to lifelong learning and cultural opportunities, and transport schemes such as car-pooling;
- Foster a culture of an enterprising spirit: the elderly can be nurtured to develop their creative ideas into concrete business proposals and so be encouraged and assisted to continue to be financially productive after retirement age.

Due to the projected increase in longevity, which brings with it multiple additional expenses for health care and other goods or services related to wellbeing, it is essential that the elderly have an adequate income to cover these life related costs.

**Recommendation 6: Accept articles 30 and 31 of the Revised European Social Charter and the additional protocol providing for a System of Collective Complaints**  
Caritas recommends that the Government of Malta accepts Articles 30 and 31 of the Revised European Social Charter, as well as the additional protocol providing for a System of Collective Complaints.





5 Lion Street  
Floriana FRN 1514, Malta  
Tel: +356 25 906 600

[info@caritasmalta.org](mailto:info@caritasmalta.org)  
<http://www.caritasmalta.org>