

# A MINIMUM ESSENTIAL BUDGET FOR A DECENT LIVING

# 2020

A RESEARCH STUDY FOCUSING ON THREE  
LOW-INCOME HOUSEHOLD CATEGORIES



**Caritas**  
M A L T A



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K•CONCEPTS

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# FOREWORD

Caritas works wholeheartedly towards the eradication of poverty, upholding social justice and promoting holistic human development. In its vision, rooted in the Catholic Social Teaching, a civilisation of love is primary, where the human person is at the centre and the family and community is a nesting ground for growth and wellbeing. Caritas is inspired by Pope Francis' strong appeal to replace the 'I' with the 'We'. His Holiness encourages society to embrace the poor and the marginalised and to work together so that those struggling to live decently can have improved standards of living through adequate income for food, clothing, health care, mobility, housing, education and participation in society.

The Caritas Cares Series report, 'Social Justice and Equality in Europe' (2017), points towards three fundamental pillars to strengthen our societies, and calls for all Caritas member organisations to sustain, support and advocate for these three pillars:

- **the family due to its vitality for society;**
- **inclusive labour markets as a source of well being;**
- **social protection as a sound social investment.**

In line with its vision and mission, Caritas Malta has undertaken the MEBDL research project. Through the MEBDL series, Caritas Malta has strived to calculate the minimum essential budget needed for low-income households to live and reach adequacy in the Maltese society. Following the 2012 and 2016 studies we now have the 2020 edition.

The same methodology has been adopted since the first publication in 2012. The study entails establishing and costing a basket of essential goods and services, taking into consideration social benefits provided by the state for three types of low-income families. It serves as a benchmark to indicate the threshold for adequate and decent living.

This third edition has also evolved and adapted to current personal and social needs. Early on in the study, focus groups with persons and families with low income, and consultations with a range of stakeholders were held to identify prevailing needs within today's context. This bottom-up approach was used to direct us to items that had to be adapted or included in the MEBDL basket to make sure that it remains relevant.

Caritas Malta aims for this study to be an instrumental tool for policymakers, social service providers and advocacy groups in their endeavours toward the alleviation and eradication of poverty. The study may be of further relevance in the context of the Covid-19 pandemic and the collective effort to face the serious and extra challenges it leaves in its wake.

My heartfelt appreciation goes to all those participants who have shared their experiences, and to the various stakeholders and persons who we consulted and who assisted in the different stages of the study. A special word of thanks goes to the principal researchers Prof. Suzanne Piscopo and Mr Andre Bonello for their research rigour and dedication towards the cause.



**Mr Anthony Gatt**

Director, Caritas Malta

December, 2020

**“Caritas promotes integral sustainable human development, where eradication of poverty and social inclusion is at the core. Poverty is a complex phenomenon, requiring a holistic strategy for addressing it. Adequate minimum income provision is an essential building block in national strategies to lifting people out of poverty and to reduce inequalities. In this context, a minimum essential budget for a decent living is a very relevant methodology.”**

Maria Nyman  
*Secretary General Caritas Europa*

**“I would like to thank Caritas Malta for its initiative to revise and update the criteria for the Minimum Essential Budget for a Decent Living (MEBDL). I augur that this study will serve to inform the policies and decisions of all those who have the responsibility to ensure a dignified living for our workers and their families. In a culture where economic progress is perceived as a sign of prosperity and a guarantee of a good quality of life, this document should serve as motivation for all of us to work to ensure that, as far as possible, all persons gain in an equitable manner from the wealth produced as a result of their work and labours.”**

Monsignor Charles Scicluna  
*Archbishop of Malta*

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# EXECUTIVE SUMMARY

The Minimum Essential Budget for a Decent Living (MEBDL) 2020 is the third in the series by Caritas Malta. In 2012, Caritas embarked on a bold initiative to help fulfil its mission of alleviating poverty and promoting human development and social justice. The goal was to determine the cost of a basic basket of goods and services which all people should be able to acquire in order to live a simple quality life. The first 2012 study was followed four years later by a second one. The MEBDL 2020 builds on these previous studies, keeping a similar methodology and vision. Thus, the two overarching objectives of the study are:

- **To revise the minimum essential components of a basket of basic goods and services to achieve a decent standard of living in Malta;**
- **To calculate the minimum essential budget for three different low-income household categories in Malta based on this basket.**

Considering the prevailing high At-Risk-of-Poverty and Social Exclusion (AROPE) rates for children under 18 years of age, the elderly aged 65 years and over, and lone parent households with two or more dependent children, as well as other demographics for these population groups, the households of interest remained the same as in previous studies; that is, households comprising:



**Two adults and  
two dependent children**



**A lone parent and  
two dependent children**



**An elderly couple  
(65+)**

Adults were assumed to be within the 30-45 age cohorts, while children were assumed to be of senior Primary or Secondary school age (9-15 years).

In this third edition, a new, albeit minor, secondary focus is on the particular needs of households where there is a young dependent family member with one or more disabilities. A full basket of goods and services has not been worked out for such households, as this merits a separate study due to the wide diversity in needs; however, their financial challenges were explored and recorded.

The MEBDL 2020 study adopted a more normative approach rather than a consensual approach, seeking to explore current lifestyles and consumer choices and behaviours. At the same time, the principle of sustainability, expressed in responsible use of resources, shaped the basket in a manner that it reflects what should be for low-income households to live healthily, simply yet with dignity.



This research study was conducted in four stages. In the first stage, relevant local and European literature, welfare policies and statistics were analysed and discussed with respect to the Maltese socio-economic scenario. During the second stage, one-to-one interviews and focus group interviews were conducted with individuals with the same profile of the target low-income households. Subsequently, a number of these individuals completed diaries of their expenditure for one week. In the third stage, professionals and officials from different sectors including social welfare, housing, education, health, disability, finance, energy and water were consulted about various components of the basket. In the final fourth stage, the design and pricing of the three minimum essential baskets of goods and services were carried out. A re-pricing exercise was carried out 7 months after the original pricing due to delays in completing and launching the study as a result of the COVID-19 pandemic. Given the unprecedented delays, the research study was conducted over the period September 2019 to December 2020.

The MEBDL 2020 Basic basket is comprised of 8 categories:

- **Food**
- **Clothing**
- **Personal Care**
- **Health**
- **Household Goods and Maintenance, Laundry and Care, and Services**
- **Education, Culture and Gifts**
- **Transport**
- **Housing**

After lengthy discussions and various consultations, some new items were added to the 2020 basket including, but not limited to, a laptop per household, a school bag per child, visits to the family doctor and to specialists, bone density (osteoporosis-related) tablets, cost of running an energy-efficient Air conditioner in the summer months, a smartphone for every adult, Telecare Plus service for the elderly, and an allocation for paid cultural activities. As in the 2016 study, the cost of an Augmented Basket was also computed for use and maintenance of a Private Car, Eating Out and Commercial Rent. Common and specific expenses of households with a member with a disability were outlined separately in a narrative manner.

Items in the MEBDL basket reflect the market price for the reference month of July 2020, except for some components of Clothing, Personal Care, and Household Goods and Maintenance, Laundry and Care, and Services. The cost of these has been based on the average consumer expenditure of the lowest income quartile (earning less than or equal to €9,030), according to the 2015 Household Budgetary Survey (NSO, 2017) adjusted for inflation. It is important to point out that certain assumptions were made in the development and particularly the costing of the MEBDL 2020 basket in relation to monetary and in-kind assistance, such as free health, education and leisure services available and entitlement to subsidies, benefits, vouchers etc. as a result of being low-income households.

In summary, the yearly totals for the Basic MEBDL 2020 basket are €13,946.78 for a household comprising two adults and two children, €11,038.12 for a household comprising a lone parent and two children, and €8,156.57 for a household comprising an elderly couple (65+). Combining the cost of usage of a private car with eating out on a regular basis increases the yearly Basic basket total by approximately 1,700 to 1,900 euro. However, when one adds the expense of a privately-rented dwelling, this increases the cost of the basket significantly, resulting in Augmented baskets costing around 18,000 per year for the elderly couple, 22,000 euro per year for the household of one adult and two children, and 25,000 euro for the household with two adults and two children. The impact of the rental fee can dramatically affect the financial circumstances and quality of life of the low-income households.

Although comparison of the MEBDL 2020 and 2016 baskets is not advisable due to the addition of new items and other adjustments in the MEBDL 2020 basket, inflation rates have resulted in upward shifts in the cost of



Food and Education, and a downward shift in Clothing. Notably, the increase in cost because of the additions in the various basket categories was not offset by adjustments made which decreased the cost.

Food accounts for the highest share of the total cost of the MEBDL 2020 Basic basket, ranging from 41 to 51 per cent for the three household types. The next highest share is taken up by the combined Household Goods and Maintenance, Laundry and Care, and Services, which ranges from 16 to 30 percent. With a lower share one finds Education, Culture and Gifts, representing from 6 to 12 percent of the total cost of the basket. Some key differences across household types are:

- **The significantly higher share of the cost of the basket of the Health category for the Elderly Couple household compared to other households, possibly reflecting the increased cost due to medications included and visits to specialists;**
- **The higher share of the cost of the basket of the Personal Care category for the Elderly Couple household compared to other households, perhaps indicating that living independently and active aging requires additional expenditure in this category, especially to maintain one's dignity and self-esteem based on good hygiene and appearance;**
- **The somewhat higher share of the cost of the basket of Education, Culture and Gifts for the Lone Parent and 2 Children household compared to other households, possibly highlighting the realities of having just one income to make certain necessary purchases for the children's personal development and enjoyment.**

An exercise was conducted to compare the MEBDL Basic basket totals with the income of households who receive Unemployment or Social Assistance; National Minimum Wage (NMW) Benefitting from the In-Work Benefit scheme; National Minimum Wage (NMW) Benefitting from the Tapering scheme; Guaranteed Minimum Pension or Widow's Pension. All the allowances/benefits/grants these individuals would be eligible for, based on their circumstances and lifestage of their household members, were also considered. This exercise showed that in households with two adults and two dependent children, or one adult with two dependent children where the income consists of Unemployment/Social Assistance together with applicable allowances/benefits, the minimum essential budget per annum is not reached. The deficit is 3,455.66 euro yearly for the four-member family and 1,044.12 euro yearly for the three-member family.

For a Widow with two children the income received is about 800 euro more yearly than the MEBDL for that household type. Though this might seem a generous surplus, in reality even one or two major expenses could tip the balance with respect to quality of life of this household.

When considering households comprising elderly couples who are over 65 years old and who receive a Guaranteed Minimum Pension and other bonuses and benefits, their income also surpasses the minimum essential budget for a decent living. This also applies when the household has just one pension. The surplus in this case is close to 1,600 euro. Once again, this may seem like a generous extra amount, but one must never forget the minimum nature of the MEBDL and that this extra would need to be shared by two people. Many will argue that the elderly have such a myriad of costs specific to their lifestage and health status, that this amount is actually not enough. Extra expenses could be related to a need for warmer clothing and bedding and for heating, the cost of medication not provided for free, replacement of large appliances which break down, or taking care of their grandchildren outside school hours and during holidays, amongst others.

In establishing and costing the MEBDL baskets, policies and actions were highlighted which require attention, or which could be further developed so that the option to choose a basic, sustainable lifestyle for a life with dignity is available and achievable by all, even those earning lower incomes. Recommendations for policy and research are presented below.

## Policy:

1. Set up a task force to develop a proposal for reviewing the COLA mechanism so that it reflects the true cost of living in contemporary times and all citizens have a minimum income to live decently in Malta. Discussions would need to be held at national level with all interested stakeholders, looking at short-medium- and long-term impacts; but the idea would likely also need to be launched contemporaneously at European level by the Maltese authorities and MEPs.
2. Revise the 60% median NEI as the benchmark for defining at-risk-of- poverty by upping it to at least 70% median NEI and preferably 100% median NEI. The 60% median NEI is emerging as not reflective of the disposable income required in order not be considered-at-risk of poverty relative to the cost of a simple, basic lifestyle for different household types. Given that the 60% median NEI is an EU-level comparative indicator, this idea would need to be presented and advocated for at European level by the Maltese authorities and MEPs.
3. Implement a 'digital cash' for low-income earners, involving vouchers and bank transfers, to deliver 'cash' to social assistance recipients. Developing a digital cash system, with related digital transaction platform and a mobile application mounted on smartphones or smart cards, could cater for the essential needs of individuals and families receiving social assistance in a sustainable, efficient and dignified manner, whilst helping the recipients to budget their finances better.
4. Revise and extend Housing Authority Schemes and revise stamp duties to increase homeowners and lessen reliance on rented dwellings. Extending current schemes could increase the number of 'first time buyers.' Modification of criteria could assist 'second time buyers' who are not buying the property as an investment but for their personal residence due to life circumstances, by allowing them, for example, to pay only 10% of the property as down payment and/or relieving them from having to pay stamp duty.
5. Set up a multi-generational home sharing programme for the elderly and youth, which is run by a state entity or through an NGO, whereby the elderly, especially those living on their own and/or without family support, allow young people to share their home. The goal would be primarily to prevent social isolation, but possibly include in kind aid for the elderly as well. This would lessen housing costs for young people and the elderly, with fewer of the former having to resort to living in rented accommodation.
6. Develop and fund an innovative programme in line with the tiny houses international movement. The goal is to build small residences (approximately 37 square metres footprint) offering adequate living spaces in sustainable inclusive communities for low-income earners. This could be a Public Private Partnership where vacant derelict land which needs rehabilitation is used to house a community of tiny houses which are constructed using sustainable designs and from reused and recycled materials. The programme would benefit 'first time buyers', especially young people, who would like to build their own home with an affordable budget. It could also be part of national strategy to prevent/eliminate homelessness if the state/Housing Authority builds/owns some of the houses.
7. Establish an official Identity Card with temporary address for people who are homeless in order for them to be able to apply for and access social and health services and benefits.
8. Revise Scheme 9 of the National School Support Services so that eligible families with school-aged children have the opportunity to apply for all three provided items -- daily school packed lunch, new uniform, one-time stationery grant.

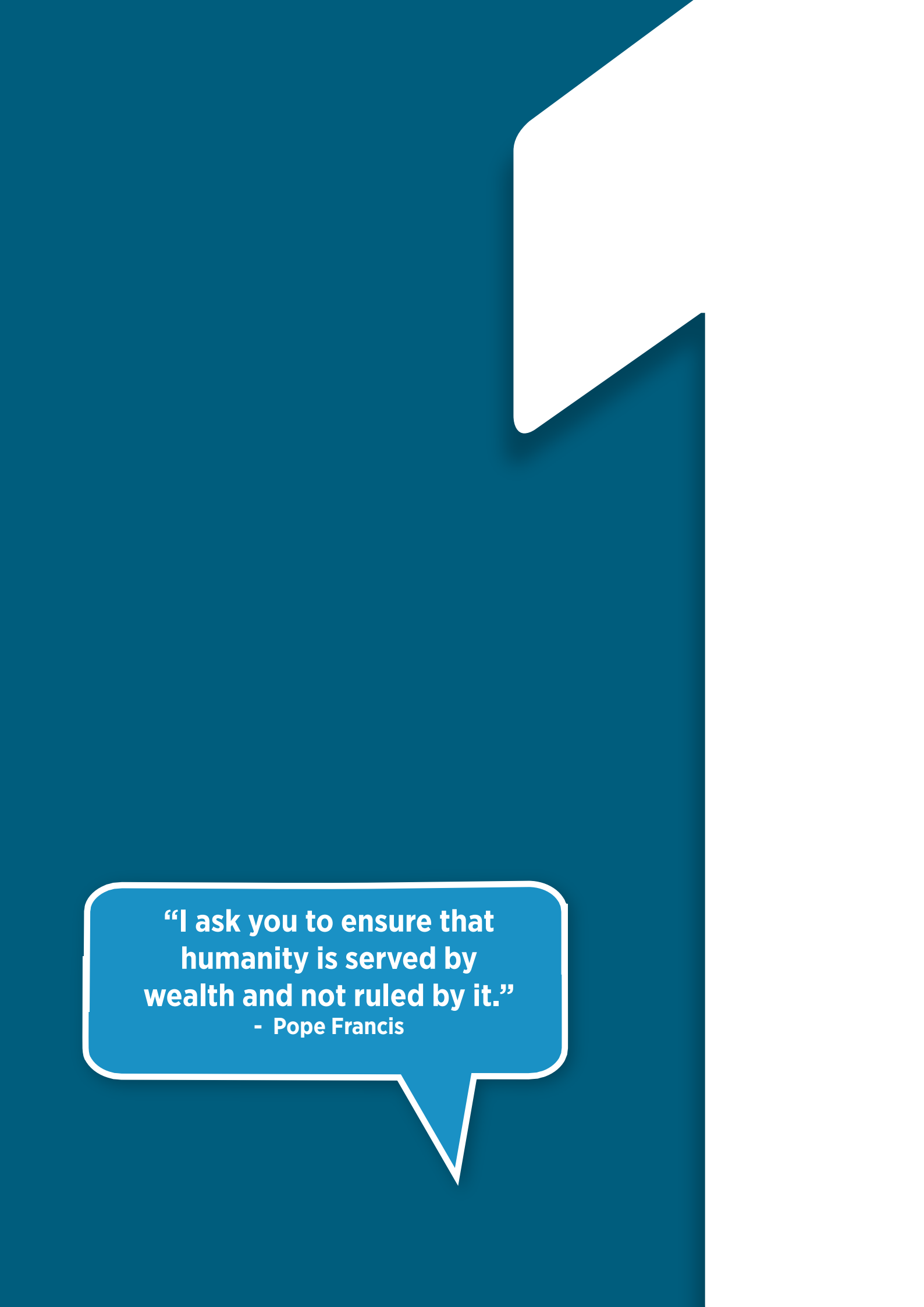
9. Assist low-income earners with overdue water and electricity bills by eliminating the 6% interest charge on water and electricity bills which are more than 30 days overdue, or considering a one-time bailout on unpaid bills through an evolution assessment. In both cases a humanitarian approach would be adopted.
10. Offer a free landline service to all households where there is one or more elderly person (60+) living independently in their home, and free Telecare Plus service to all elderly people (60+) not living in a state or private home for the elderly.
11. Explore options for pricing incentives so that healthy, fresh, local produce is accessible and made more attractive as an option for low income households. The types of incentives could include paper coupons or electronic systems (such as through a debit card) offering discounts on specific items; matching all or a portion of the amount a consumer spends on eligible foods to provide additional buying power; giving rebates in the form of cash back to a consumer after the purchase of eligible foods; and offering subsidies where consumers receive a cash value amount to purchase specific foods.
12. Revise the FEAD and SFFD schemes (at next revision period) so that, via collaboration with local farmers and dairy producers, fresh local produce is included in the food packages to low-income families, or else a book of vouchers (with expiry dates spread over a period of 3 months) for the purchase of such produce is included with the package.
13. Establish a subsidised Vegetable and Fruit Box weekly delivery scheme targeting the elderly (similar to the Meals on Wheels scheme). This could be organised and managed as a Public Private Partnership, or as a social enterprise by an NGO.
14. Consider introducing Healthy Food Prescriptions as part of the prevention and management strategy for chronic illnesses. Individuals who are Pink Form holders could be 'prescribed' vouchers for purchase of, for example, vegetables, fruits and nuts with their regular package of medication for their chronic illness. Similarly, upon diagnosis with a chronic illness, individuals would be given a booklet of such vouchers as an incentive to improve their diet with the goal of not having to increase their medication dosage, or increase it significantly, later on at time of follow-up. The vouchers would help to lower food costs for the households involved.
15. Consolidate and expand the programme launched by the Alleanza Kontra I-Faqar to reduce food waste from supermarkets by donating food with a close expiry date to food banks or other NGOs (e.g. faith or migrant groups) who are in touch with vulnerable low income individuals or households.
16. Offer a free faucet-mounted tap-water filtering kit to low-income earners to avoid purchase of bottled water and have constant tasty potable drinking and cooking water. This could be a joint action of the Energy and Water Agency and Watserv who already have different campaigns promoting water conservation and waste reduction, together with the Foundation for Social Welfare Services as manager of the FEAD and SFFD schemes through which the kits could be distributed.
17. Offer commercial interest-free loans to households with a member with a disability or impairment who wish to buy special equipment to aid in the personal development, comfort, safety and inclusion of the person with disability, or to act as support to the household. The interest-free loans could be offered by banks (maybe even after means-testing) and be available for items such as wheelchairs and other special mobility equipment, special beds, technology and other electronic devices, modified medium to large labour saving equipment, and structural modification of homes, among others.

18. Organise volunteering programmes for the elderly at animal sanctuaries to promote active aging, combat isolation and as a therapeutic health promoting leisure activity with no cost to the elderly. These could be run by Local Councils and other NGOs who would provide free transport to groups of elderly to regularly volunteer at animal sanctuaries based on their abilities.
19. Establish financial and other physical or in-kind assistance to support the setting up and running of social entrepreneurship initiatives engaging low-income individuals and families. Social entrepreneurship initiatives often have a twofold goal of conducting an activity which will generate funds whilst producing goods or services of benefit to a community, as well as provide a setting for vulnerable individuals to participate in an activity whereby they will learn new skills and experience inclusion. The state could collaborate with NGOs, banks and training institutions, in order to establish a programme to offer support for social entrepreneurship initiatives targeting the involvement of low-income earners.
20. Develop targeted social media campaigns, with a focus on young people, to highlight the short-term and long-term economic costs of substance abuse for the individual abusers and their families.
21. Strengthen the entitlement to education on responsible, sustainable management of personal and family resources, through making subjects like Home Economics compulsory up till Form 5 and offering Adulting workshops and courses at post-secondary and tertiary level.

## Research:

1. Set up a National Research Institute on Poverty and Social Justice to develop Reference Budgets for multiple household types, particularly those who are low-income and at-risk-of-poverty. In the first instance, in-depth studies could be carried out on the specific life circumstances and needs of the different generations of the elderly, households with members with different kinds of disabilities, and hidden and marginalised population groups. In such manner, any proposed increases in income or financial aid instruments would reflect the true cost of living.
2. Compare and contrast the MEBDL 2020 Baskets in their entirety with the actual consumption patterns of the three household types in Malta and Gozo. This research will offer further evidence on the sustainability or otherwise of current family expenditure and areas for improvement or intervention.
3. Consider introducing a rolling Household Budgetary Survey to capture new products and services on the market, so that the weights of different components are adjusted as necessary.
4. Conduct a research study on food security among a nationally representative sample of different population groups, with the goal of identifying prevalence of food insecurity and potential areas where effective and efficient interventions could take place.

Note: Discussions and data collection for the MEBDL 2020 study were initiated before the COVID-19 pandemic reached our shores. Costing of the MEBDL basket was done twice as a result of the pandemic (November 2019 and July 2020); however, there were no major differences between the first and second costing results. Whilst understanding that the COVID-19 pandemic has necessitated and will continue to necessitate extraordinary measures in order to guarantee wellbeing of individuals and families, the interpretation of the MEBDL 2020 findings and reference to social protection, do not take into consideration the current and future financial and related challenges resulting from the pandemic. Nonetheless, some of the recommendations made in this report, may well serve to ease the burden emanating from these challenges.



**“I ask you to ensure that  
humanity is served by  
wealth and not ruled by it.”**

**- Pope Francis**

# CHAPTER ONE

## CURRENT SCENARIO

### 1.1 THE MEBDL STUDY SERIES

In 2012, Caritas Malta embarked on a bold initiative to help fulfil its mission of alleviating poverty and promoting human development and social justice. The goal was to determine the cost of a basic basket of goods and services which all people should be able to acquire in order to live a simple quality life. The Minimum Basket for a Decent Living report helped to raise awareness on the plight of vulnerable groups in society who were low income earners. (Mckay et al., 2012) The subsequent 2016 study, a Minimum Essential Budget for a Decent Living (MEBDL), had a similar purpose and impact. (Piscopo, Mckay & Bonello, 2016) The frugality of the basic basket of goods and services was acknowledged; hence the addition of the term 'essential' in the title of the report. It was also recognised that for genuine inclusion to be considered in prevailing lifestyles certain goods and services needed to be added. As a result, the 2016 report also included an Augmented Basket with items such as owning a private car, eating out at least once a month and paying for rented accommodation at commercial rates.

This new report -- Minimum Essential Budget for a Decent Living 2020 (MEBDL 2020) -- is the third in the series. It builds on the two previous studies, keeping a similar methodology and vision. Thus, the two overarching objectives of the 2020 study are:

- **To revise the minimum essential components of a basket of basic goods and services to achieve a decent standard of living in Malta;**
- **To calculate the minimum essential budget for three different low-income household categories in Malta based on this basket.**



**Two adults and  
two dependent children**



**A lone parent and  
two dependent children**



**An elderly couple  
(65+)**

Adults were assumed to be within the 30-45 age cohort, while children were assumed to be of senior Primary or Secondary school age (9-15 years).

In this third edition, a new, albeit minor, secondary focus is on the particular needs of households where there is a young dependent family member with disabilities. Although a full basket of goods and services has not been worked out for such households due to the wide diversity in needs, some of their particular expenses are highlighted in the Results chapter with respect to different aspects of the basket.

## 1.2 MEASURING WELLBEING

Promoting individual, family and planetary wellbeing has consistently been an ultimate goal of the MEBDL research studies. In recent years, international and local entities have been promoting the idea that measurement of wellbeing should no longer be tied to Gross Domestic Product (GDP), but to other indicators which encompass additional dimensions of development and quality of life. Pope Francis himself has alluded to this need, urging that the economic framework adopted by countries ensures that nobody is left behind. (Francis, 2015) This call to action, echoes the much earlier 1893 encyclical *Rerum Novarum*, where the Catholic Church spurred advocacy for a just economy which ensured that the needs of all are met within a broader vision for an integrated holistic human development. In his own encyclical, *Laudato Si*, Pope Francis (2015) reinforces this vision in his statement that “everything is deeply connected and that the safeguarding of the environment cannot be divorced from ensuring justice for the poor and finding answers to the structural problems of the global economy.” Addressing poverty within an integrated economic system that serves to provide for a decent quality of life is a running thread in this encyclical and also in his recent letter to young economists and entrepreneurs worldwide (Francis, 2020) where he underlines that “We need to correct models of growth incapable of guaranteeing respect for the environment, openness to life, concern for the family, social equality, the dignity of workers and the rights of future generations.”

Inspired by these and similar documents, the Commission for Justice and Peace of the Malta Archdiocese issued a report in November 2020 -- *Beyond GDP* -- which built on this Catholic Social Teaching, and offered a detailed overview of the state of affairs in Malta with respect to different aspects of wellbeing. The report specifically urged the Maltese government, as well as other stakeholders and social partners, to take action for revising the thrust of the local economic system and related policies for a just, integrated development of Maltese society. The key message was that with respect to measurement of growth “GDP should not be viewed in isolation but should be accompanied by indicators that draw from other social and economic dimensions which all have an impact on the quality of life.” (p.17)

In a similar vein, also towards the end of 2020, the office of the Maltese Guardian for Future Generations, also picked up on this need and organised a webinar on ‘Sustainability issues in times of unprecedented uncertainty: Towards a sustainable society’. The need to start measuring the nation’s success through sustainability was reiterated by the presenting dignitaries and officials with a focus on related economic, environmental and health issues.

According to Gibran Vita (cited in Cimon, M. (2018), a serious problem exists where “the original honorable quest of satisfying human needs is easily corrupted into the quest for rising material living standards,” and “the goal keeps rising, indefinitely and for its own sake.” As a result, we are facing the danger of “society normalizing using more resources than what we actually need to stay alive and healthy.”

With all this in mind, this MEBDL 2020 study has retained the series’ original vision of developing a basket of goods and services where both human and planetary wellbeing are considered and responsible, sustainable resource management is integrated within the choices made for what goes in the basket.



## 1.2.1 Link with Sustainable Development Goals

In 2015, the resolution adopted to launch the UN Sustainable Development Goals (SDGs) 2030 stated that “As we embark on this great collective journey, we pledge that no one will be left behind. Recognizing that the dignity of the human person is fundamental, we wish to see the goals and targets met for all nations and peoples and for all segments of society. And we will endeavour to reach the furthest behind first.” (UN, 2015)

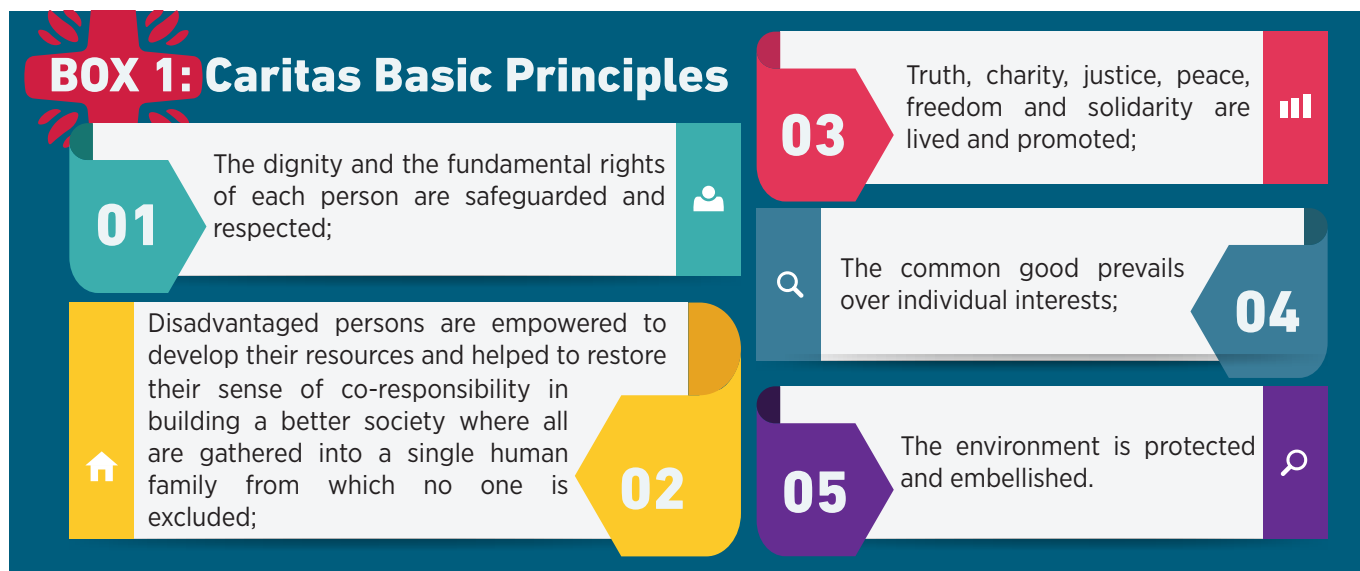
Subscribing to this pledge, it is essential to point out that a number of the SDGs served as an impetus for continuing with the MEBDL series. These included, in particular, SDGs 1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 16 and 17 (see Figure 1).



Figure 1. The UN Sustainable Development Goals

These SDGs and the Caritas Malta basic principles (see Box 1) served to further inform the choice of goods and services for the MEBDL 2020 basket.





## 1.3 THE RIGHT TO ADEQUATE LIVING

Article 1 of the United Nations (UN) Universal Declaration of Human Rights states “All human beings are born free and equal in dignity and rights.” (UN, 1948) This is concretised in Article 25 on the right to an adequate standard of living which must be reflected at minimum in every individual being able to enjoy health and wellbeing for themselves and their families at all times, including when they are suffering insecurity due to insufficient income. According to the Icelandic Human Rights Centre, “in purely material terms, an adequate standard of living implies living above the poverty line of the society.” (Courtney, 2012) In other words, no human being deserves to live in conditions where they must suffer in order to fulfil their basic needs. This means that everyone must have the ability to live with the utmost dignity; yet, as implied by the UN Human Rights declaration, before achieving dignity one must feel safe and in peace and have a reassurance of fairness so as to be able to truly focus on having an adequate living.

### Universal Declaration of Human Rights -- Article 25.

Everyone has the right to a standard of living adequate for the health and wellbeing of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

“Today over a third of the world’s income is generated by about a tenth of the world’s population in wealthy counties. As incomes rise in poorer nations, consumption will rise also, thus depleting more natural resources to achieve a more affluent lifestyle.”

(National Geographic, December 2018, p.20)

Adequate living is very clearly tied to household income. Monetary poverty will determine an individual’s and household’s wellness in the broadest sense, from quality of diet, to variety of personal development options. The state often intervenes through different policies and strategies to ensure that the UN’s Article 25 is upheld. In this respect, a key goal of the Europe 2020 Strategy for smart, sustainable and inclusive growth was to promote social inclusion, in particular through the reduction of poverty. The strategy aimed to lift at least 20 million people out of the risk of poverty and social exclusion by 2020. (Eurostat, 2020a) In 2018, 94.8 million people, equivalent to 21.6 per cent of the EU population (excluding the UK), were at risk of poverty or social exclusion. (European Union, 2020)

Similarly, in the Maltese scenario, the National Strategic Policy for Poverty Reduction and for Social Inclusion 2014 – 2024 has resulted in the implementation of various financial measures in order to reduce poverty and reliance on social assistance (particularly by increasing labour participation), and to improve the welfare of certain vulnerable individuals and households (Ministry for Social Justice and Solidarity, The Family and Children’s Rights, 2020) (see Box 2). The recent evaluative and monitoring report highlighted where progress has been made and where challenges still exist. For instance, by the end of the period 2013-2019, whereas 8,189 persons were no longer living on social assistance, an additional 11,000 elderly people were at risk of poverty and social exclusion. Measures introduced during the 2017-2019 period that contributed towards the strategic policy actions included, among others: increases in contributory and non-contributory pensions and benefits, an increase in the minimum wage, reform of non-contributory benefits, ‘making work pay’ initiatives, and promotion of financial capability.



Adapted from Ministry for Social Justice and Solidarity, The Family and Children’s Rights, 2020

## 1.4 POVERTY AND SOCIAL EXCLUSION

### 1.4.1. Absolute and Relative Poverty

According to Scott and Marshall (2004), the term poverty is defined as “a state where an individual or a group of people lack the sufficient resources to maintain a healthy lifestyle or even lack the necessary means to achieve a standard of living which can be considered as being suitable in a particular society.” (p. 276-77) In line with the very physical needs and sustenance aspect and the more normative contextual aspect of this definition, over the years, policymakers, sociologists and researchers have classified poverty as ‘absolute’ or ‘relative’. Anywhere in the world, when individuals or families are not able to satisfy essentials, such as food, water, health, clothing and shelter, they are said to be suffering from absolute poverty. (Giddens, 2001) In turn, relative poverty is seen as a standard of living within a given society. (Townsend, 1979) For instance, in most industrialised countries, having a mobile phone or colour television is considered the norm. Thus, people in these countries who involuntarily do not possess such goods are identified as living in poverty. Notably, these people might also consider themselves as socially excluded.

### 1.4.2 Social Exclusion

Social exclusion is not a recent phenomenon. The term social exclusion was coined by the French Deputy Minister for Social Action, Rene Lenoir back in the 1970s. In his book “Les Exclus”, Lenoir (1974) focused on those groups within society that were continuously struggling to integrate with others due to salary limitations and rights to social citizenship. Throughout the years, this term has become more mainstream, evident in public discourse and government policies. Operationally, social exclusion refers to the situation in which individuals cannot fully function in various areas of society, such as political, social, economic and cultural activities. This shapes the lifestyle of these people and sets them apart from many other members of society.

The European Observatory for National Policies against Social Exclusion started operating in 1990. (Room, 1992) It was set up to produce reports related to social services in different countries and their importance to fight social exclusion. This ideology has evolved since the 1990s and, at present, social exclusion is more connected to poverty in its many formats and the lack of access to goods and services.

### 1.4.3. The AROPE Indicators

Poverty does not refer solely to monetary or material poverty, but also to other forms of poverty, such as feeling excluded from the society in which one lives by not being able to participate in and experience the same kind of lifestyle which is the norm for the average individual in the same lifestage and context in that country. In the EU, a measure of this is the At Risk of Poverty and Social Exclusion (AROPE) which is an amalgam of three indicators (see Box 3). (Eurostat 2020a) Persons are considered to be at-risk-of-poverty or social exclusion if they are, at minimum, in one of the following states: at-risk-of-poverty, severely materially deprived, or living in households with very low work intensity.

#### BOX 3: What is AROPE?

The number of people at risk of poverty or social exclusion (AROPE), corresponds to the sum of persons who are:

- (i) At risk of poverty (as indicated by their disposable income); and/or
- (ii) Face severe material deprivation (as gauged by their ability to purchase a set of predefined material items); and/or
- (iii) Live in a household with very low work intensity (adults worked 20 per cent or less of their full work potential during the previous year).

The first indicator is the *At-risk-of-poverty Rate* -- the number of people with an equivalised income (the total income of a given household after tax) below the at-risk-of-poverty threshold, which is set at 60 per cent of the national median equivalised disposable income after social transfers. (Eurostat, 2020a) As such, this indicator measures income compared to other people in that country.

The **at-risk-of-poverty threshold** is also referred to as the at-risk-of-poverty line or, simply, the poverty line. This is equivalent to 60 per cent of the median national equivalised income of persons living in private households.

The second indicator is the rate of materially deprived people. Material deprivation refers to those individuals or families who struggle to afford those goods and services that are found in a society. (OECD, 2017) *The Material Deprivation Rate* is an important indicator in the EU-Statistics on Income and Living Conditions (SILC) that points out the struggles that individuals face to live adequately. This indicator adopted by the Social Protection Committee measures the percentage of the population within a society who are not able to afford at least **three** out of the following nine items:



**Unexpected financial expenses;**



**Mortgage or rent payments, utility bills, hire purchase instalments or other loan payments;**



**A meal with meat, chicken, fish or vegetarian equivalent every second day;**



**Keeping the home adequately warm in winter;**



**A one-week annual holiday away from home;**



**Owning a colour television set;**



**Owning a washing machine;**



**Owning a car/van for personal use;**



**Owning a telephone (including mobile phone).**

If one cannot afford four out of the nine items mentioned above, then that individual/group is suffering Severe Material Deprivation. (Eurostat, 2016)

*Low Work Intensity Households* is the third indicator and shows the number of persons who are living in a household where adults worked less than 20 per cent of their total potential during the past 12 months. (Eurostat, 2016) Employment with a steady decent income is often seen as the stepping stone to rise above the poverty line, facilitating an improved standard of living, apart from giving individuals a sense of worth and fulfilment. Therefore, low work intensity has myriad physical and mental negative impacts on personal and family wellbeing.

The above three indicators provide the EU and its member states objective measures of the AROPE rates of the total population and sub-populations so that targets of decreasing poverty and increasing inclusion are acted on and met.

### 1.4.3.1 Spotlight on the EU

Despite Europe being considered one of the richest continents, in 2019, in the EU-27, 92.4 million people equivalent to 21.1 per cent of the EU-27 population were at risk of poverty or social exclusion. (Eurostat, 2020a) The risk was higher for women than for men (22.0% compared to 20.2%). Notably, over two fifths (40.3 %) of those living in single adult households with dependent children were at risk of poverty or social exclusion. Moreover, on average, more than one fifth (21.4%) of single adult households with dependent children in the EU-27 was at persistent risk of poverty in 2018; that is, they were below the poverty threshold in 2018 and had also been below the threshold for at least two of the three preceding years.

Social protection measures, such as social transfers, provide an important means for tackling monetary poverty. In 2019, social transfers reduced the EU-27 at-risk-of-poverty rate from 24.5 per cent before social transfers (pensions excluded) to 16.5 per cent, bringing the rate down by 8.0 percentage points. (Eurostat, 2020a)

### 1.4.4 Poverty and Social Exclusion in Malta

According to the EU-SILC, in 2019 the AROPE rate for Malta was estimated at 20.1 per cent of the population living in private households. (NSO, 2020 Dec 16) Table 1 shows that the highest at-risk groups were the elderly, the unemployed and single parents with one or more dependent children. One must also note that approximately one in four children under 18 and one in four retired persons were at risk of poverty and social exclusion.

**Table 1**

Number and percentage of persons at risk of poverty or social exclusion (AROPE) by household characteristic

Household characteristic	Categories	Number of persons	Percentage
<b>Age of person</b>	Under 18	19,299	23.6%
	18-64	52,569	16.7%
	65 and over	25,314	29.1%
<b>Activity status</b>	At work	18,521	8.2%
	Unemployed	2,013	58.2%
	Retired	18,347	26.6%
	Other inactive	37,887	38.4%
<b>Household type</b>	Two adults, two dependent children	12,846	19.6%
	Single parent household, one or more dependent children	8,692	51.7%
	Two adults, no dependent children, at least one adult aged 65 or more	17,664	32.8%

Adapted from NSO (2020, Dec 16)

### 1.4.4.1 At-risk-of-poverty

The at-risk-of-poverty threshold is set at 60 per cent of the national equivalised income which was computed to be €9,212 in 2019. (NSO, 2020, Dec 16) Around 82,758 persons, or 17.1 per cent of the population living in private households, were estimated to be at-risk-of poverty when considering total household disposable income (see Table 2). The value of social transfers is evident as when one considers household disposable income excluding all social transfers, 36.8 per cent of the population living in private households were estimated to be at-risk-of poverty. Looking at the figures from an age perspective, the largest proportion was the cohort of elderly persons aged 65 and over, standing at 27.7 per cent. From a tenure status of the household perspective, the largest cohort was those who were renting as tenants or subtenants at 31.8 per cent.

**Table 2**

Number and percentage of persons at-risk-of-poverty (ARP) by level of disposable income

Level of national equivalised income	Number of persons below the threshold	Percentage
<b>Total household disposable income</b>	82,758	17.1%
<b>Household disposable income excluding social transfers but including old-age pensions and survivor's benefits</b>	112,351	23.2%
<b>Household disposable income excluding all social transfers</b>	178,420	36.8%

Adapted from NSO (2020, Dec 16)

The relative median at-risk-of-poverty gap is an indicator which measures the extent to which the income of those persons who are at-risk-of-poverty falls below the at-risk-of-poverty threshold. In 2019, this was calculated at 17.1 per cent. When looking at different personal or household characteristics, considering age, the largest gap was for children younger than 18 years of age at 20.6 per cent. Considering household types, the three largest gaps were for households with two adults, no dependent children, and at least one adult aged 65 or more at 29.6 per cent, households with two adults, three or more dependent children at 33.1 percent, and most significantly single parent households with one or more dependent children at 42.9 per cent.

## 1.4.4.2 Material deprivation

In 2019, in Malta, 17,506 persons, equivalent to 3.6 per cent of the population living in private households, were estimated to be severely materially deprived persons; not being able to afford four of the specified list of 9 indicators (NSO, 2020, Dec 16) (see Table 3). A higher proportion of 8.4 percent of the population was considered to be materially deprived; not being able to afford at least three deprivation items. For both categories, the most prevalent deprivation item was the inability to pay for a week's annual holiday away from home. Close to one out of three persons (30.8 per cent of the population in private households) reported this inability. However, one must also note that at a more basic needs level, 5.8 per cent of the population in private households could not afford a meal with meat, chicken, fish or vegetarian equivalent every second day, and 7.8 of this population in private households were not able to keep the home adequately warm in winter.

**Table 3**

Number and percentage of persons living in materially deprived households by item

Material Deprivation Items  An inability to...	2019 (unless otherwise stated)	
	Number of persons	Percentage
Pay for unexpected expenses	73,272	15.1%
Avoid arrears (in mortgage, rent, utility bills and/or hire purchase instalments)	37,853	7.8%
Afford a meal with meat, chicken, fish or vegetarian equivalent every second day	28,162	5.8%
Keep the home adequately warm	37,564	7.8%
Own a car/van for personal use	10,910	2.3%
Have a one-week annual holiday away from home	149,501	30.8%
Own a colour television set	2,072*	0.5%*
Own a washing machine	1,404**	0.3%**
Own a car	10,910	2.3%
Own a telephone (including mobile phone)	4,087*	0.9%*
Materially deprived persons	40,731	8.4%
Severely materially deprived persons	17,506	3.6%

\*2015 data. Figures to be used with caution due to low number of respondents

\*\*2018 data. Figures to be used with caution due to low number of respondents

Adapted from NSO (2020, Dec 16)



### 1.4.4.3 Material and social deprivation

The EU-SILC data collection goes beyond the material dimension and also aims to capture the social dimension of poverty. A person is considered to be materially and socially deprived if his/her household cannot afford (because of an enforced lack) at least five of thirteen items listed (see Table 4). These include, for example, the ability to replace worn-out furniture and worn-out clothes, as well as social pursuits undertaken regularly, such as leisure activities and meeting with family and friends for a drink or meal. In 2019, in Malta, 9.9 per cent of the private-household population were considered to be materially and socially deprived, an increase of 0.6 percentage points from 2018. More specifically, 7.9 percent of adults aged 16 and over could not afford to get together with friends/family for a drink/meal at least once a month; 12.0 per cent could not afford to spend a small amount of money each week on him/herself (“pocket money”) and 13.6 per cent could not afford regular leisure activities.

**Table 4**

Number and share of persons who are materially and socially deprived by item

Material Deprivation Items  An inability to...	2019 (unless otherwise stated)	
	Number of persons	Percentage
Pay for unexpected expenses*	73,272	15.1%
Avoid arrears (in mortgage, rent, utility bills and/or hire purchase instalments)*	37,853	7.8%
Afford a meal with meat, chicken, fish or vegetarian equivalent every second day*	28,162	5.8%
Keep the home adequately warm*	37,564	7.8%
Own a car/van for personal use*	10,910	2.3%
Have a one-week annual holiday away from home*	149,501	30.8%
Replace worn-out furniture	86,711	17.9%
Replace worn-out clothes with some new ones**	18,609	4.6%
Have two pairs of properly fitting shoes**	18,799	4.6%
Spend a small amount of money each week on him/herself (“pocket money”)**	49,052	12.0%
Have regular leisure activities**	55,524	13.6%
Get together with friends/family for a drink/meal at least once a month**	32,266	7.9%
Have an internet connection**	8,953	2.2%
<b>Materially and socially deprived persons</b>	<b>47,984</b>	<b>9.9%</b>

\*These items are also used to compute the Material Deprivation and Severe Material Deprivation indicators

\*\*Includes persons aged 16 or more

Adapted from NSO (2020, Dec 16)

One needs to point out that, whereas since 2015 there was a decline in the rates of different measures of poverty, between 2017 or 2018 and 2019 a slight increase was evident for the share of people at-risk-of-poverty or social exclusion (AROPE) (2015=23.0%, vs 2018 = 19.0%, vs. 2019=20.1%); and the share of persons who were materially and socially deprived (2015=15.6%, vs 2017 = 8.3%, vs. 2019=9.9%).



### 1.4.4.4 The Gini Coefficient

In recent years, the 60 per cent threshold of median national equivalised income of persons living in private households under which one is to be considered at risk of poverty has gone up consistently in Malta, indicating a rise in average wages. Whilst on the one hand this is a positive trend, on the other this means that persons who are on a fixed income at the lower end of the continuum have fallen behind. This is confirmed by the Gini coefficient which has shown inequality levels being fairly high in the past decade, having seen an increase from the most recent lowest of 27.1 in 2012 to a high of 28.7 in 2018 and then a slight decrease to 28.0 in 2019. (Eurostat 2020c)

The **Gini coefficient** measures the inequality of income distribution. It may take values ranging from 0 per cent, which implies perfect equality in the income distribution, to 100 per cent, which signifies absolute inequality.

### 1.4.4.5 The housing challenge

In general, when housing costs are high or increase significantly, this may lead to other expenditure (possibly for other basic needs) being postponed or cancelled. The housing cost overburden rate, that is the share of the population living in households that spend 40 per cent or more of their disposable income on housing, was 9.6 per cent in 2018 for the EU, yet it was only 1.7 per cent for Malta. (Eurostat, 2020d) However, according to the 2019 EU-SILC (NSO, 2020, Oct), nearly two thirds (63.6%) of persons in Malta who were severely materially deprived considered the housing cost to be a heavy burden, and about one third (32.6%) of people at-risk-of-poverty considered it a heavy burden. Looking at particular population groups, 34.0 per cent of persons residing in a household with 10,000 euro or less annual income and 38.0 per cent of single parent households (with one or more dependent children) saw total housing costs as a heavy burden. When one looks at the median of the housing cost burden as a proportion of household disposable income, this amounted to 7.0 per cent for those at-risk-of-poverty.

Over the past few years, Malta has witnessed an upsurge in demand for rented accommodation. This was mainly the consequence of various demographic changes, including increase in separations, divorce, single persons seeking households, as well as the rapid influx of foreign workers. One outcome has been a marked increase in rents which has affected in particular the most vulnerable sectors of the population. According to SILC 2019 data (NSO, December 16, 2020), of the persons who were at-risk-of-poverty or social exclusion, two in five (40.8%) were renting their residence as tenants or sub-tenants, whereas about one in five (18.7%) were provided with free accommodation (see Table 5).

**Table 5**

Number and percentage of persons at-risk-of-poverty or social exclusion (AROPE) by tenure status of the household

Tenure status	Number of persons	Percentage
Outright owner	52,073	18.4%
Owner paying mortgage	9,503	9.2%
Tenant or subtenant paying rent	31,828	40.8%
Accommodation provided for free	3,777	18.7%

Adapted from NSO (2020, Dec 16)

Given that individuals at risk of poverty do not have the means to purchase their own property (considering the required deposit and employment income to be eligible for bank financing), as seen in Table 3, they are generally the largest group to be renting.

In line with the national strategy to reduce poverty, the Housing Authority (HA) has been implementing various measures to make available more social housing, or to offer financial assistance with the cost of rental, especially from the commercial sector. Since 2017, works have been underway to expand the pool of available social housing by building nearly 700 additional social housing units, recovering vacant social housing, and incentivising the private sector to rent their properties as social housing. Other measures introduced in recent years were increases in subsidies on rent payable by low-income tenants to private landlords and widening of eligibility for such subsidies. The HA Housing Loan Scheme was also broadened aiming to increase home ownership by offering social loans to prospective homeowners in the low-wage brackets. There was also the launch of the Equity Sharing Scheme, which offers individuals above the age of 40 years interested in buying a home the opportunity of purchasing at least fifty per cent of the property whilst purchasing the rest of the share at a later stage from the HA.

#### 1.4.4.6 Food insecurity

Research by Penne and Goedeme (2020), has shown that in 16 of 24 EU countries, at least 10 per cent of the population living in (sub) urban areas experiences financial constraints to eat healthily. According to the World Bank (2020, online), the prevalence of Severe Food Insecurity in the Maltese population was reported at 0.8 per cent in 2018. This is a decrease from the previous 1.0 per cent for 2017 and the most recent high of 1.5 per cent in 2015. A household is classified as severely food insecure when at least one adult in the household has reported to have been exposed, at times during the year, to several of the most severe experiences described in the Food Insecurity Experience Scale (FIES) questions of the Food and Agriculture Organisation (FAO); such as having had to reduce the quantity of the food consumed and/or to skip meals, having gone hungry, or having to go for a whole day without eating because of a lack of money or other resources. (FAO, online)

In Malta, low-income households are eligible for free food packages from the state at intervals during the year. These are the Fund for European Aid to the Most Deprived (FEAD) food package and the State Funded Food Distribution (SFFD) Scheme. The FEAD is distributed three times yearly, approximately every four months, reaching around 4,000 families each distribution. In respect to SFFD, this is distributed twice yearly reaching about 20,000 families each distribution. Both packages comprise mainly healthy food products, aimed to help recipients maintain a balanced and varied diet. In 2019, a yearly average of 2,524 eligible households collected the FEAD food packages out of the 3,213 yearly average eligible households. This translates to a take-up rate of 79 per cent (Ministry for Social Justice and Solidarity, The Family and Children's Rights, 2020). Anecdotal evidence also shows that in recent years the local Food Banks have seen an increase in patrons seeking food to supplement their own larders, suggesting that food insecurity is on the rise. Patrons included both Maltese and foreign nationalities. One particular Food Bank reported giving food to 350 persons weekly in 2019, a 50% increase over 2018. (Watson, 2019)

Penne and Goedeme (2020) explain how policies which aim at reducing food insecurity and promoting healthy eating tend to focus on food aid, nutritional education and financial incentives. They conclude that the problem of insufficient household income and inadequate minimum income policies remain a concern for accessing a healthy diet. Consequently, policies directed at tackling food insecurity should be embedded in broader social and economic policies that guarantee an adequate income for all, and limit the cost of other essential goods and services.

# 1.5 THE MULTI-DIMENSIONALITY OF POVERTY

Poverty has multiple dimensions and multiple impacts. Therefore, it presents a complex challenge which constantly needs to be addressed by society. Scott and Marshall (2004) have underlined that to tackle poverty one must keep in mind three crucial points, being:

- **Who are the poor?**
- **Where are they located?**
- **What is the cause of their poverty?**

Both the EU and Malta have a good understanding of these three points and are determined to work hard to eradicate poverty and decrease social exclusion. The EU is founded on strong values, promoting respect for human dignity through freedom, democracy and equality, and is committed to ensuring that these values are practised in each member state. (Craig & de Búrca, 2020)

## 1.5.1 The Causes of Poverty

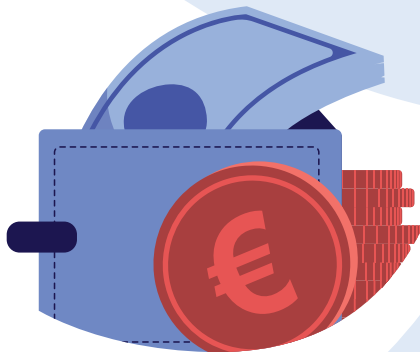
“Poverty is a multi-dimensional, multi-faceted phenomenon, which is based not solely on income, as hitherto, but includes basic needs and basic human rights.” (Caritas Europa, 2017, p. 5) The causes of poverty can fall under various dimensions, ranging, for example, from poor health, to lack of education and skills, an inability or an unwillingness to work, high rates of disruptive or disorderly behavior and the more traditionally associated inadequate income (see Figure 2). As a result, different population groups may be particularly susceptible to poverty and struggle due to various circumstances (see Figure 2).

<b>Educational poverty</b>	Lack of education, comprising knowledge, skills and training, can result in lack of options, especially with respect to steady employment and an increased vulnerability to exploitation or abuse.
<b>Health poverty</b>	Poor health, especially long-term, may make it difficult to maintain one’s job and positive relationships; both physical and emotional health are instrumental to a person’s ability to work, play and be in a relationship with others.
<b>Environmental poverty</b>	Living in a setting which is not health conducive due to factors such as lack of hygiene, limited and inadequate living spaces and resources, and lack of natural surroundings can be a result of inadequate income and increase risk of further health problems.
<b>Economic poverty</b>	When individuals and households do not have an adequate income this prevents them from purchasing essential goods and services which they cannot supply themselves.
<b>Social poverty</b>	Oppressed and ‘out of sight’ population groups are often undervalued and their rights are minimised which may lead to other forms of poverty.
<b>Spiritual poverty</b>	Constantly struggling with feelings of worthlessness and despair often leads to a sense of hopelessness and demotivation for setting goals, taking positive action and moving on.

**Figure 2.** Dimensions of poverty (adapted from Compassion International, 2020, online)

## Examples of groups who are at higher risk of poverty include:

- **The unemployed:** Lacking a source of regular income from decent paid work and relying on state social assistance and other in-kind support from the state or other non-governmental organisations
- **Those experiencing in-work poverty:** Being engaged in paid work, yet still not receiving an income above the national poverty line
- **Lone parents:** Facing multiple financial challenges to ensure an adequate household income, adequate housing and a decent lifestyle for all household members
- **Children and youth:** Being vulnerable due to high dependence for holistic wellbeing on adults in their household and due to high influence of other social groups
- **The elderly:** Experiencing reduction in income and social interaction, paralleled by an increase in expenses for healthcare in particular



**Figure 3.** Examples of groups who are at higher risk of poverty

## 1.5.2 The Realities of Poverty in Malta

In its work with vulnerable individuals and families, Caritas Malta encounters many versions of poverty and its resultant manifestations and implications for the wellbeing of the person or persons involved. A number of Case Scenarios are being presented illustrating these different circumstances and their impacts. To safeguard anonymity all names are fictitious.

### Case scenario: Unemployment

Paul, 39 years, is currently searching for a job. Three months ago he completed his three-year sentence in prison. He has been trying his utmost to build a positive reputation and to find a legal job, but whenever he presents his police conduct he is always being rejected. This has been going on for several weeks and, although he wants to be active in society and be of contribution, he is stuck in a rut and as the days go by he is finding it hard to make ends meet. “This is not a life; this is struggling to exist!” ... A harsh statement that he keeps on repeating. He states that he has already paid a high price for the crime that he has committed. Is it fair that he must pay for the rest of his life? He is living in extreme poverty daily because he is being wrongly judged.

### Case scenario: In-work poverty

James, 38 years, works on a full-time basis as a delivery person earning €800 net. His wife, 37 years, works part-time in a confectionery shop and earns €600 net. They have two young children aged 7 years and 5 years. This family rents a two-bedroom apartment for €650 including bills and spends €600 monthly on food; leaving a mere €150 to buy medicine, clothes and cover home and personal care and educational expenses. The family does not feel that they are living adequately. If something out of the ordinary happens and they have an unexpected expense they would not be able to pay for it. They admit that the social benefits are their safety net. James is searching for a part-time job because the salary he is getting is not enough for his family to live decently; but he has no energy to work an extra job as his present full-time job renders him physically tired. Therefore, his wife is attending a part-time course on childcare with the hope of changing her job and earning a higher salary. This family makes a number of sacrifices, but the parents admit that the hardest sacrifice is saying no to their children's requests.

### Case scenario: Elderly

Rose, 66 years, has been separated for 22 years. She had never worked until she got separated. During her married years she did not seek a job as she had dedicated her time to raise her four children and give support to her husband. Finding herself in a lone-parent status she had to find a job and eventually started to work, but without paying any social security contributions. She did not know better and was desperate to work in order to maintain her children. After being given the right advice, she started paying all the requisite contributions; but by the retirement age of 65 she did not have enough contributions to receive a full pension. Rose found herself in a difficult situation where she must keep working whilst she still has the strength to do so. When Rose eventually stops working, she may still not receive a full pension. When she separated, her husband gave her a sum of money which she deposited in a bank account. At that time, this sum was above the threshold to allow her to receive the Social Assistance benefits. This money is now exhausted and Rose is risking poverty in the near future.

### Case scenario: Lone Parent

Irina is a 32-year-old single parent taking care of two children of 5 and 7 years. A couple of months ago she was going through the process of separation. During this period, she continued living with her partner, but unfortunately the partner left the apartment and she was expected to pay all the rent by herself. This was difficult because she did not work and was depending on social benefits. The benefits were not enough to make ends meet, although she budgeted her income carefully. Therefore, she had to leave Malta and go to Gozo to live with her parents as she needed their help to provide shelter and sustenance for herself and her children. During this difficult time, Irina found support from Caritas Malta through the Counselling and Social Work department where they gave her advice to take the right decisions regarding the separation and employment and provided her with food and clothing that were of great help to maintain her and her children's health and dignity.

### Case scenario: Young Adult

“Living in Malta seems to be like living in paradise. This may be true for tourists who come and visit the island. Unfortunately, for low-income earners it is a struggle, as one cannot plan for the future.” This was the declaration made by George, a 28-year-old Maltese. George stated that he cannot save any money until the end of the month as his salary is very low and it is rather difficult to live decently. Three quarters of his salary goes to the payment of rent and electricity bills. He admits that it is a struggle for him as he rarely eats decent food and he does not have any social life as he is not able to afford to go out with his friends. George admits that if he had worked harder at school he would not be in such a situation. Today he strongly believes that education is one of the keys to success in Malta. Although he is still young, one of his goals is to acquire his own property; but with his limited income he feels his dream will probably never come true.

Although the circumstances mentioned in the Case Scenarios have some roots in personal decisions, they are also linked to family situations, relationships circumstances and to other societal structures that create poverty. As was seen, having strong roots within a stable, responsible family and household is a good base for poverty avoidance or poverty risk reduction. This is because the family is a vital cell of society and has a fundamental role in the wellbeing of every person. (Caritas Europa, 2017) The Caritas Social Model is composed of three pillars: family policies, labour market policies and social protection policies. These three pillars, proposed by Caritas Europa, address poverty, inequalities and social exclusions, seeking to provide a fair and stronger European Social Model. The Caritas Social Model recognises the value of work and people's contribution to society, as well as social protection systems as sound social investment. The three pillars are interdependent, so it is important that policy measures in each pillar be coherent with those in the other pillars. (Caritas C Series, 2016)

## 1.6 MINIMUM INCOME, BASIC INCOME AND SOCIAL SECURITY

Minimum Income Schemes are defined as income support schemes which provide a safety net for those individuals, whether in or out of work, that have insufficient financial means and are not eligible for National insurance based social benefits or whose entitlement to these has expired. They are last resort schemes which are intended to ensure a minimum standard of living for the concerned individuals and their dependents.



Minimum Income should not be confused with the idea of Basic Income, which is sometimes referred to as a ‘citizen income’ or ‘national’, ‘social’ or ‘citizen dividend’. The concept of a Basic Income is a periodic cash payment, unconditionally delivered to everyone legally resident in a country. It is given on an individual basis without means-testing or work requirements. At present, at international level, there is a lot of attention to the notion of Basic Income, but it remains an idea rather than a practice.

### 1.6.1 The Maltese Context

The non-contributory benefits regulated by the Social Security Act (Cap 318 of the Laws of Malta) is the closest to a Minimum Income Scheme. Those persons who are incapable of work due to medical reasons, or are unemployed or seeking employment, and where their financial means fall below the threshold established by the Department of Social Security, are eligible for Social Assistance and potentially other non-contributory benefits. Altogether, this financial support is meant to assist those people who are in poverty, or at-risk-of-poverty and social exclusion.

- **Age Pension** – An Age Pension can be awarded to a person who reaches 60 years of age; does not have enough paid or credited Social Security Contributions to be eligible for a Contributory Retirement Pension and satisfies the means test.
- **Carers Allowance** – The Carers Allowance may be awarded to a single, married, in civil union, or cohabitating person who is over 18 years of age and is taking care of a relative, with low dependency, on a full-time basis living within the same household.
- **Increased Carers Allowance** – This benefit may be awarded to a single, married, in civil union, or cohabitating person who is over 18 years of age and is taking care of a relative, with high dependency, living within the same household on a full-time basis.
- **The Single Unmarried Parent Allowance** – This may be awarded to a single unmarried parent who is not engaged in gainful occupation. The Single Unmarried Parent Allowance 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 per cent of the Single Unmarried Parent Allowance rate.
- **Single Parent or Separated Person Who Cannot Engage in Full-Time Employment Due to Family Responsibilities Allowance** – This is awarded to single persons who are over 18 years of age and live either alone or with someone else (excluding their parents), and cannot engage in gainful occupation or register for employment due to illness. A head of household who is medically unfit for employment is referred for a medical examination by a professional appointed by the Social Services Department.
- **Unemployment Assistance** – A head of household who is seeking employment and is registering for work under Part 1 of the register with Jobsplus is eligible for this benefit. Rates payable are the same as those awarded by Social Assistance, however Unemployment Assistance is paid weekly once claimant registers for work in that same week. Bonuses are also awarded with this benefit. Dependents of persons who for a specific reason are struck from registering under Part 1 by Jobsplus and are registered under Part 2 can apply to the Social Assistance Board for support.

- **Social Assistance** – Paid to a head of household who is not fit for employment due to sickness, or due to physical or mental illness.
- **Drug Addict Assistance** – A person who is undergoing a drug or alcohol rehabilitation therapeutic programme is eligible for this benefit. An official document from the institution concerned is received by the Department confirming date when programme was initiated. The Drug Addict Assistance is paid on a weekly basis at a fixed rate.
- **Disability Assistance** – This may be awarded to a person with a disability who is 16 years of age and over suffering from either a total paralysis, or a permanent total severe malfunction, or else a permanent total disability through the amputation of one of the upper or lower limbs. This assistance is also awarded to a person who has a hearing and speech impairment.
- **Severe Disability Assistance** – This may be awarded to a person with a physical disability who is 16 years of age and over and who can be engaged in a gainful occupation.
- **Increased Severe Disability Assistance** – This benefit may be awarded to a person who is 16 years of age and over and is unable to work. The Increased Severe Disability Assistance is paid every 4 weeks in advance.
- **Severe Intellectual Disability Assistance** – This benefit may be awarded to a person with a mental and general learning disability who is 16 years of age and over and who can be engaged in a gainful occupation. The Severe Intellectual Disability Assistance is paid every 4 weeks in advance.
- **Visual Impairment Assistance** – This benefit may be awarded to a person who is 14 years of age and over who is completely or partially visually impaired. The Assistance for the Visually Impaired is paid every 4 weeks in advance.

In recent years, a package of active labour market initiatives was developed to encourage more people to enter the labour market and reduce the number of individuals at risk of poverty. The package was part of a ‘Making Work Pay’ nation-wide initiative and comprised the Tapering of Social Benefits scheme, the In-Work Benefit scheme, free childcare for parents in employment and education, and the availability of care for Primary school pupils before and after school hours. In the period 2014-2019, the uptake of these initiatives was significant having direct or indirect impact on household income increase. (Ministry for Social Justice and Solidarity, The Family and Children’s Rights, 2020) For example, the In-Work Benefit serves as an incentive for heads of families with dependent children under age 23 to go out to work and earn a salary, whilst benefitting from an allowance for each child based on certain criteria. Between 2017-2019, the yearly average of beneficiaries was 4,337. (Ministry for Social Justice and Solidarity, The Family and Children’s Rights, 2020)





## 1.7 REFERENCE BUDGETS

According to Bradshaw (1993), Reference Budgets can be defined as “... illustrative priced baskets of goods and services that represent a given living standard.” (p.1) In 2014, Storms et al published a review of different Reference Budgets and concluded that they typically have the following features:

- **Must involve the definition of the targeted living standard;**
- **Must be costed in terms of private household out-of-pocket payments;**
- **Must have multiple versions of baskets of goods and services to reflect the targeted standard of living.**

**“... illustrative priced baskets of goods and services that represent a given living standard.”**

Storms et al’s review showed how Reference Budgets have the potential to assist the EU Member States to establish an adequate minimum income for effective social inclusion, or to offer financial and debt counselling to consumers. However, their basic purpose is typically to measure the cost of a list of essential goods that an individual regularly consumes for an adequate standard of living. They are thus quite normative in nature and may not result in a standard of living which will truly foster holistic wellbeing. So much so, the Vincentian Partnership for Social Justice (2014) have cautioned that “while a minimum income standard in itself cannot guarantee a minimum essential standard of living, an individual or a household with an income which falls below the minimum income standard is unlikely to achieve this standard of living.”

In 2014-15, Malta participated in a European Union-wide pilot project aimed at designing a common methodology for Reference Budgets in Europe. One of its main objectives was to develop comparable food baskets for all 28 Member States and complete Reference Budgets for a selection of countries. (Goedemé, Storms & Van den Bosch, 2015) The Malta study focused on food baskets only and determined the cost of a socio-culturally acceptable, nutritious basket for single adults, couples, a lone adult with two children aged 10 and 14 years, and two adults with two children aged 10 and 14 years. (Piscopo & Mc Kay, 2015) The 7-day food menu used in the MBDL 2012 study was used as a basis, and after consultation with professionals and various focus group interviews this was revised slightly before being costed.

Although Reference Budgets are often used for establishing a monetary gauge for social assistance requirements or the measurement of poverty, since they comprise a priced list of goods and services that a family of a specific size and composition requires to be able to live at a designated level of wellbeing they are sometimes used as a tool to guide low-income households to plan their daily budget and address over-indebtedness. (Piscopo, McKay & Bonello, 2016) Thus, Reference Budgets can offer practical insights as to possible options for increasing the quality of life of low-income families.

## 1.8 UNIVERSAL BASIC INCOME

A concept which is being widely discussed and has already been trialled in a number of countries around the world is the Universal Basic Income (UBI). (Gentilini et al, 2020) In simple terms, a government determines a basic income to cover subsistence costs in that country or region, with the additional aim of encouraging enterprise and effort for personal development and the enjoyment of more prosperity. This basic income is offered to all adults irrespective of their wealth. That is, it is an all cash payment, with no conditions and no targeting. The UBI is being considered as an alternative to welfare programmes, but there are still many questions as to how it would work and perhaps, even more, arguments both for and against its adoption on a national level.

**“A universal basic income, or U.B.I., is a fixed income that every adult—rich or poor, working or idle—automatically receives from government. Unlike today’s means-tested or earned benefits, payments are usually the same size, and arrive without request. Depending on who designs a given system, they might replace all existing governmental assistance programs or complement them, as a wider safety net.” (Heller, 2018)**

Proponents often see UBI as a solution to eliminating welfare or eliminating bureaucracy, or as a bonus to existing welfare support. They see it as freeing people from the strings attached with certain welfare benefits, such as mandatory enrollment in courses, applying to a certain number of jobs per month, or accepting any job offer irrespective of suitability or salary; when time could be better spent searching for the right job, engaging in continuing education, or starting a business. Evidence of UBI’s motivational value and positive impacts has emerged from pilots run in different countries, yet many individuals and researchers are still sceptical regarding the use of this ‘free’ income by less responsible individuals, who is really best served by the extra income, as well as the sustainable sourcing by the state of this significant monetary investment. (Heller, 2018) Concerns also evolve around inflation, linkages to pensions, relationship to minimum wages and the political economy. (Gentilini et al, 2020) Nonetheless, the UBI will unlikely be a passing fad and further piloting and research will offer more insights as to its feasibility and benefits for alleviating people out of poverty and improving the quality of life of individuals and households.

## 1.9 DIGITAL CASH AND DIGITAL CURRENCIES FOR LOW-INCOME EARNERS

The responsibility of governments and financial sector policymakers to recognise the “game-changing” potential of digital financial inclusion has been highlighted in high profile fora. (Lyman & Lauer, 2015) A key social benefit of digital financial inclusion is to ‘bank the unbanked’ and provide low-income earners with social assistance in a timely manner, allowing them to manage their income efficiently and safely. Through a digital transactional platform, social assistance recipients can use a device to make or receive transfers and payments and to store value electronically with a bank or other entity permitted to store electronic value.

**“Digital financial inclusion” can be defined broadly as digital access to and use of formal financial services by excluded and underserved populations. Such services should be suited to customers’ needs, and delivered responsibly, at a cost both affordable to customers and sustainable for providers. There are three key components of any such digital financial services: a digital transactional platform, retail agents, and the use by customers and agents of a device – most commonly a mobile phone – to transact via the platform.” (Lyman & Lauer, 2015)**

## 1.9.1 Digital Cash and Electronic Payment of Social Assistance

In the past decade, a number of countries have started discussing and piloting a 'digital cash', also known as electronic money, for low-income earners. This has come about as a result of an evident divide between earners, with regard to access to financial tools that meet their needs, and due to lack of efficiency in more traditional transfer of social assistance. According to Ehrbeck (2012), digital cash has the proven potential to reach far more people at lower costs than more traditional tangible vehicles, as well as facilitating effectiveness and efficiency of government payments, such as for social protection purposes. Another advantage of electronic money is that, when deployed as an integrated inclusive financial system that reaches all citizens, there can be better targeting and management of other social policies, such as conditional payments in health or education; for example, when parents are rewarded for making sure their children get all recommended vaccinations.

The payment of social assistance benefits via electronic payment is on the increase in different countries. This can take on different formats, including debiting the amounts an individual or household is eligible for in a designated banking account, or transferring digital social vouchers for specific goods and services to be used with specified merchants and suppliers (see Box 5). This e-payment of benefits has advantages and disadvantages as outlined by Ellison, Williams and Whyley. (online) Although some advantages are general to all recipients, such as convenience, time-saving, access to remote purchase channels, greater choice of suppliers, cost-savings and better value, the advantages tend to favour more the 'better off' of the low-income earners who may be in better position to realise the full benefits of electronic payments and have better access to remote banking.

Disadvantages listed by Ellison et al (online) as reported by e-payment low-income recipients included, but were not limited to:

- **Low technological skills and digital exclusion;**
- **Low or no use of internet, phone or mobile banking;**
- **Disproportionate costs involved in using electronic payment services;**
- **Not knowing real-time whether funds are available to spend;**
- **Difficulty in juggling finances between competing priorities;**
- **Difficulty maintaining sufficient funds to meet automated regular payments;**
- **Fees associated with unauthorised overdraft fees and unmet standing orders which are high relative to the cash flows of accounts of low-income earners and can derail those on tight budgets.**

An additional barrier uncovered by Ellison et al was that low-income earners preferred cash-based management of income as they felt this aligned better with their budgeting practices. There was also the perception that electronic payment services were difficult to manage, and potentially high risk and costly. Indeed, acceptance of an e-payment system by social benefit recipients is key. Related to this, a study in Indonesia found that the perception of beneficiaries towards distribution of social assistance through e-money was relatively good with regard to the cost, benefits and security of e-money, but quite low with regard to ease of use and desire to use e-money. (Djammaludin et al, 2016) Ensuring trust in the system is clearly a fundamental element to be truly of benefit to the end-users.

## BOX 4: Purpose and Characteristics of Social Vouchers

Public Authorities can adopt social vouchers to distribute welfare to their citizens as an alternative to allowances in cash or in kind. Through social vouchers, goods or services are accessible within a dedicated network of merchants and providers which is built through a contract-based relation between each merchant/provider and the state and ensures proper efficiency, particularly by avoiding their conversion into cash. Examples of vouchers include:

- **Food and Meal Vouchers** which give access to food during the work day, or allow acquisition or purchase of basic goods by people in need;
- **Personal and Household Services Vouchers** which give access to home and basic care services and foster work-life balance;
- **Transport Vouchers** which facilitate employees' transportation expense to their workplace;
- **Leisure Vouchers** which guarantee individuals and families easy access to sport and wellness facilities and so encourage citizens to adopt a healthy way of life and habits;
- **Childcare Vouchers** which cover in full or subsidise these services to improve work-life balance of working parents and boost women's employment;
- **Culture Vouchers** which improve access to cultural activities and events for citizens;
- **Eco-Vouchers** which support 'green' consumption and foster the sustainable behaviour of citizens.

**Source:** Adapted from Social Vouchers International Association. (online)

In Malta, the payment of social transfers by government is already transitioning to a more electronic form via e-banking, and there are several opportunities for recipients to spend or transfer money electronically, even for small payments (person-to-business) for everyday items like groceries, stationery and fuel. Moreover, a 'smart card' system has been implemented, for instance, with respect to aid for post-secondary students, and the delivery of complimentary measures to tangible aid given is already in place, such as the educational materials about budgeting provided to recipients of the FEAD food aid packages. An evaluation of these payment systems and complimentary measures in relation to current beneficiaries is warranted.

### 1.9.2 Digital Currencies with a Social Purpose

One of the most recent phenomenon in the financial sector is digital currencies, more so central bank-backed digital currencies. The latter type of currency is different from a cryptocurrency as it is issued by a government entity and considered legal tender. Sweden is one of the countries currently testing a central bank digital currency, an e-krona that can work as a complement to cash. (Sveriges Riksbank, 2020)

**“The test user shall be able to hold e-krona in a digital wallet. From this digital wallet, it will be possible via a mobile app to make deposits and transfers as well as make and receive payments. The user shall also be able to make payments via wearables, such as smart watches, and cards. The technology shall be user-friendly and inclusive. E-kronor shall be available 24/7/365 and payments shall be instant.” (Sveriges Riksbank, online)**

The Uruguayan government has also issued an e-peso and has recently been refining legislation for electronic payments of social transfers with this digital currency. Its law requires that social and other benefits may only be paid using e-money instruments that can guarantee the funds are not being used for other purposes and that merchants and suppliers deciding to accept e-money instruments, such as special debit cards, may not charge a higher price for an item or service than they would charge for a cash transaction, or place a minimum limit on expenditure for acceptance of e-money payments. In order to facilitate usage, the law also determines that recipients of food benefits are entitled to request issuance of up to one additional e-money instruments, in the name of their parents, children or partners. (Fundacion BBVA microfinanzas, online)

Given its novelty and perceived risk and complexity, some may consider the concept of digital currencies as very ‘edgy’ as an alternative financial system; but researchers and actors in the field feel it is merely a matter of time before central bank-backed digital currencies become mainstream. (Náñez Alonso et al, 2020) Banks are investing in the technology and they will provide this service as soon as it is promising enough. As has already happened in Uruguay, working within these currencies to provide digital cash for the most vulnerable could be seen as offering a safe, reliable, flexible and eco-friendly payment platform to help low-income earners reach a decent living.

A large, stylized number '2' in a dark teal color with a white outline and a drop shadow, set against a background of teal and white geometric shapes. A light teal speech bubble with a white border and drop shadow is positioned in the center of the '2'.

**“On the side of people in need”**  
- Caritas

# CHAPTER TWO STUDY DESIGN

## 2.1 AIMS AND SIGNIFICANCE OF THE STUDY

The aim of this study was to update the findings from the MEBDL study that was published in 2016. A similar methodology used in the earlier studies of 2012 and 2016 was adopted since this was considered appropriate to define and cost a minimum essential basic basket of goods and services for households with different compositions. In this latest edition, the ‘voice’ of individuals from the target groups of interest was given greater attention. Additionally, a slightly greater emphasis than in the past was also placed on exploring the specific needs of families with a member with disabilities.

To reiterate, the two main objectives of the study were:

- **To revise the minimum essential components of a basket of basic goods and services to achieve a simple yet decent standard of living in Malta;**
- **To calculate the minimum essential budget for three different low-income household types in Malta based on this basket of goods and services.**

In humble recognition of the agenda-setting contribution to public and stakeholder discourse of the MBDL 2012 and MEBDL 2016 studies, this new study sought once again to focus on establishing a monetary minimum benchmark for income to guide authorities and entities in their policy development concerning low-income earners and to offer evidence for advocacy efforts by NGOs and other civil organisations promoting holistic wellbeing and poverty reduction and prevention. Given current local knowledge regarding income as a determinant of health (Deguara, England & Azzopardi Muscat, 2020) and its influence on couple relationships (Piscopo, Vella & Abela, 2020), it was felt that establishing a minimum essential budget could play a valuable role in promoting individual and family health for members of low-income households, and thus contribute to strengthening relationships among couples. The benchmark could also be used as a reference point against which adequacy of social benefits and other current and future minimum income policies could be measured. The ideal would be for none of the household types studied to have an income less than the corresponding calculated minimum budget.

Equal opportunities and access to the labour market, fair working conditions and social protection and inclusion are the three main categories of the European Pillar of Social Rights with its goal to deliver new and more effective rights to citizens. (European Parliament, Council of the European Union, European Commission, 2017) sThe MEBDL 2020 study sought to provide further impetus for local action towards this goal.



**“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 labor market.”  
(European Pillar of Social Rights, 14. 2017, p.20)**

## 2.2 STUDY APPROACH

The methodology adopted in this study was similar to that of the MEBDL published in 2016 and the earlier MBDL of 2012. The previously used methodological approach had emerged as a suitable way to define and cost a minimum essential basic basket of goods and services to ensure living simply yet adequately and with dignity in Malta. This MEBDL 2020 study was biased towards a normative approach rather than a consensual approach, seeking to explore current lifestyles and consumer choices and behaviours. Yet at the same time, the principle of sustainability, expressed in responsible use of resources, shaped the basket in a manner that it reflected *what should be* for low-income households to live healthily, simply yet with dignity. Thus, when one analyses the basket, it might not necessarily match the actual consumption patterns of the Maltese target populations. The basket reflects an amalgam of a) the reflections on personal behaviours by representatives of the target population, b) scientific advice and opinions of experts and specialists and c) the researchers' own critically studied conclusions. This normative-cum-consensual approach to identify the necessities for an adequate living in the Maltese society is in keeping the Budget Standard Approach which is accepted as a valid route for poverty measurement. (European Anti-Poverty Network [EAPN], 2007) Analysis should consider the voice of people in poverty themselves and the insights of NGOs working with these people.

The Budget Standard Approach is based on the cost of a specific basket of goods and services (i.e. covering things like food, clothing, personal care, health related costs, household goods and services, educational costs, housing, transport, fuel etc.) which are considered by experts or by society in general to represent a basic standard of living. Analysis should consider the voice of people in poverty themselves and the insights of NGOs working with these people. (EAPN, 2007)

## 2.3 STUDY POPULATIONS

At the end of 2019, the total population of Malta and Gozo stood at 514,564. (NSO, 2020c) Persons under the age of 18 made up 16 per cent of the total population, whereas persons aged 65 years and over accounted for 18 per cent. Of the latter, 917 males and 2,132 females were aged 90 years and over. Thus, each of these age groups made up close to one fifth of the total population with a slightly higher share for the elderly.

Looking at the AROPE rates for 2019 (NSO, Dec 16, 2020), one finds that these were highest for children under 18 years of age (23.6%), the elderly aged 65 years and over (29.1%), households comprising two adults but no children and with one adult aged 65 or more (32.8%), and lone parent households with two or more dependent children (51.7%). The latter two were strikingly high rates compared, for example, to the AROPE rate for households with 2 adults and 2 dependent children which was 19.6%. Nonetheless, even the latter was quite high given that it translated to 12,846 persons. When comparing the AROPE rate for households with or without dependent children, the rate for those with children was minimally higher (20.4% vs.19.7%).

Considering the above-indicated prevailing demographics and the AROPE rates for children, lone parent households and the elderly, the research team agreed to maintain the following three household types as the focus of the study:



Children were assumed to be of senior Primary or Secondary school age (9 -15 years). Adults were assumed to be within the 30-45 years of age cohort.

In order to shed some light on the common and less common expenses of households which have a member with a disability, representatives from these households were purposefully involved in the interviews. It was originally intended to cost a full MEBDL basket for such households; however, due to the diversity of needs related to the different disabilities this was not achievable by the human resources available to carry out the study. To do justice to the myriad needs -- special food, adaptive clothing, technological and other gadgets, mobility equipment, professional services, to name a few -- a study dedicated solely to these families is warranted.

Similarly, the researchers acknowledge that another population group which merits its own study to determine a specific MEBDL are migrants. Even within this group, there may be differences which require particular attention due to diverse cultural practices and principles.

## 2.4 STUDY DESIGN

The MEBDL 2020 study was descriptive and investigative in nature and involved both quantitative and qualitative elements. This research study was conducted in four stages (See Figure 4.). In the first stage, relevant local and European literature, welfare policies and statistics were analysed and discussed with respect to the Maltese socio-economic scenario. During the second stage, one-to-one interviews and focus group interviews were conducted with individuals with the same or similar profile of the target low-income households. Subsequently, a number of these individuals completed diaries of their expenditure for one week. In the third stage, professionals and officials from different sectors including social welfare, housing, education, health, disability, finance, energy and water were consulted about various components of the basket. In the final fourth stage, the design and pricing of the three minimum essential basket of goods and services were carried out. A re-pricing exercise was carried out 7 months after the original pricing due to delays in completing and launching the study as a result of the COVID-19 pandemic. Given the unprecedented delays, the research study was conducted over the period September 2019 to December 2020.



**Figure 4.** Stages of the research design

## 2.4.1 Interviews

Four in-depth interviews and two focus group interviews were conducted with consenting volunteers from different age groups and socio-economic backgrounds. The one-to-one interviews involved two lone parents with young and teenage children, and a lone parent and married parent with a child with a disability. One focus group involved elderly people, whereas the other focus group mainly involved lone parents at different lifestages. All interviews were conducted following requisite ethical procedures and lasted approximately 90 minutes. The main objectives were to:

- **Explore participants' perceptions of what constitutes a decent living**
- **Explore participants' perceptions of own household income adequacy to live a decent life**
- **Identify which goods/services account for the highest share of participants' household expenses**
- **Explore participants' perceptions of own expenditure for different items compared to the totals of the MEBDL 2016 basket categories**
- **Assess participants' acceptability of the 7-day menus used for the Food category of the MEBDL 2016 basket**
- **Invite participants to identify any missing items from the MEBDL 2016 basket categories**
- **Explore participants' perceptions of any extraordinary expenses they feel they have compared to other families**
- **Explore participants' perceptions of any state social assistance (monetary and in kind) received.**

All interviews were audio-recorded with participants' consent and transcribed verbatim. Notes were also taken during and immediately after the sessions. Transcripts were then analysed manually to extract pertinent data.

## 2.4.2 Expenditure Diaries


Six volunteers from the focus group and one-to-one interviews completed one-week Expenditure diaries, also indicating major monthly or annual expenses (See Figure 5.). This exercise was carried out during October to November 2019. Participants recorded expenses under broad categories and their sub-categories using receipts, bills and other expenditure records as applicable (see Box 5).

This exercise of expenses record-keeping was considered a more informal task, indicative in nature. Limitations included that not all household expenditure on goods and services may have been recorded by participants and that the recording week may have not been representative of household expenditure during other periods of the year. Nevertheless, the diaries provided the research team with various insights on the type and frequency of expenses incurred by different households.

### BOX 5: Broad Categories in the Expenditure Diaries

- Food and Drinks
- Clothes, Shoes and Accessories
- Hygiene
- Personal Care
- Health
- Transport
- Services and Utilities
- Rent or Loans
- Other: e.g. Gifts; Going out; School expenses; Sports, dance, music etc. training fees

**A Minimum Budget for a Decent Living - 2020 Diary**



**Caritas**  
MALTA

Record: From (date): \_\_\_\_\_ Till (date): \_\_\_\_\_

Food and Drinks	Money spent (in €) by adults	Money spent (in €) by children	Any comments you wish to make
Fresh food: vegetables, fruit, bread, fish			
Frozen, tinned or packet food			
Drinks: water, milk, juices, softdrinks, wine			
Food and/or drinks from take-aways			
Snacks and/or drinks from cafes			
Meals from restaurants			

MEBDL - 2020

DAY	1	2	3	4	5	6	7
Restaurants							
Cafes							
Take aways							
Wine							
Other drinks							
Water							
Frozen, tinned packet food							
Fresh food							

Figure 5. The MEBDL study expenditure diaries

## 2.5 THE MEBDL 2020 BASKETS

### 2.5.1 Selection of Goods and Services

Multiple stakeholders were involved in reviewing and updating the list of goods and services believed essential for different household types to achieve a decent standard of living in the Maltese context. For the aim of the study to be fulfilled, various discussions were held within the research team, as well as consultations with professionals, specialists and officials from different fields, and with individuals who were representative of the households of interest, as indicated earlier. Some of the debated questions included:

- **Is having a smartphone, laptop or tablet a necessity?**
- **Are visits to family doctors and specialists a necessity considering the free national health service?**
- **Should gift-giving be added as an essential expense?**
- **Should having a private car be included in the Basic MEBDL basket?**
- **Should eating out be included in the Basic MEBDL basket?**

Once again, the selection of goods and services for the MEBDL 2020 Basic Basket was made keeping in mind the promotion of holistic human health, and as much as logistically and financially feasible, planetary wellbeing. For general consistency with previous editions, the main categories of the basket remained more or less the same (MEBDL 2016: Food; Clothing; Personal Care; Health; Household Goods, Laundry and Care, and Services; Education; Transport; and Housing) with cosmetic changes to some titles. (See Figure 6.) Items within each category were retained, though there were some additions in certain categories as per Table 6 below. These additions were the result of the need to develop a basket which was in line with aspects of prevailing lifestyles (e.g. increased use of technology for formal and lifelong education and for government and commercial services; grandparents as carers for grandchildren, eating out for pleasure), demographics (e.g. an ageing population with related medical and health needs and active aging practices), and psychological wellbeing (e.g. ability to give gifts to loved ones). The Augmented Baskets from the MEBDL 2016 study were also retained. Although not costed as a basket, common and specific expenses of households with a member with a disability were outlined separately.

Box 6 lists items which were once again not included in the MEBDL basic basket of essential items. As in the past, these decisions were taken by the research team after lengthy discussions and various consultations, keeping in mind health, as well as the 'essential' and 'minimum' nature of the intended basket.



**Figure 6.** The MEBDL Basic Basket

**Table 6**

Categories of Goods and Services in the MEBDL 2016 and 2020 Baskets

Categories and Sub-Categories in the MEBDL 2016 and MEBDL 2020 Basic Baskets	Additions/Modifications in the Sub-Categories of the MEBDL Basic Basket	Augmented Baskets for the MEBDL 2016 and MEBDL 2020
<b>Food</b>		<ul style="list-style-type: none"> <li>Running a Private Car</li> <li>Commercial Rent</li> <li>Eating out</li> </ul>
<ul style="list-style-type: none"> <li>7 Day Menu</li> </ul>		
<b>Clothing</b>		
<ul style="list-style-type: none"> <li>Garments</li> <li>Footwear</li> </ul>		
<b>Personal Care</b>		
<b>Health*</b>	<ul style="list-style-type: none"> <li>Medicines and Medical Care Products** (bone density/osteoporosis tablets)</li> <li>Medical Services</li> </ul>	
<b>Household Goods and Maintenance, Laundry and Care, and Services **</b>	<ul style="list-style-type: none"> <li>Smartphone</li> <li>Telecare Service</li> </ul>	
<ul style="list-style-type: none"> <li>Furniture &amp; Furnishings (and textiles)</li> <li>Appliances</li> <li>Maintenance &amp; Repair: Material</li> <li>Maintenance &amp; Repair: Services</li> <li>Laundry Detergents</li> <li>Non-durable goods</li> <li>Telephone/TV/Internet</li> <li>Electricity</li> <li>Gas</li> <li>Water</li> </ul>		
<b>Education, Culture and Gifts **</b>	<ul style="list-style-type: none"> <li>Laptop</li> <li>Cultural Activities</li> <li>Gift Giving</li> </ul>	
<b>Transport</b>		
<ul style="list-style-type: none"> <li>Public Transport</li> </ul>		
<b>Housing</b>		
<ul style="list-style-type: none"> <li>Rent</li> </ul>		

\* This included medicines and medical care products only in the MEBDL 2016

\*\* New title for the MEBDL 2020

### BOX 6: Items Not Included in the MEBDL 2020 Basic Basket

- Food and beverages bought from canteens
- Alcoholic beverages
- Tobacco
- Private child care services
- Private hospital services
- Insurance Cover for Health, Car, Home, Life & Travel
- Club Membership
- Donations to Non-Profit Organizations
- Pocket money for children
- Fines
- Newspapers
- Photographic equipment
- Games, toys and watches (may be with gifts)
- Gardening
- Pet-related costs
- Weekend breaks and holidays abroad
- Massages and beauty treatment
- Purchase and maintenance of a vehicle

## 2.5.2 Costing the Baskets

Costing of the baskets was based on the principle of best use of monetary resources where expense was kept to a minimum whilst not sacrificing quality or variety. For example, the 7-day food menus devised were in line with dietary guidelines and included local, seasonal foods as appropriate, practical and feasible; running of energy-efficient lighting and appliances were costed; clothing and footwear were fairly low in cost but not of an inferior quality so that they would last for a while and their wearer would feel comfortable physically and psychologically. The goal was not to find the cheapest option for every category; but where items were costed a balance was sought between a reasonable price and quality.

The costing of the Basic and Augmented baskets was done twice -- in November 2019 and in July 2020. This happened as a result of the COVID-19 pandemic which led to a delayed finalisation and launching of the MEBDL 2020. In February 2020, the research team considered it prudent to wait to see how the pandemic might impact prices of goods and services rather than issue baskets costed at November 2019. Eventually, it emerged that there were no major substantial differences in the cost of the November 2019 and July 2020 baskets.

The MEBDL 2020 Basic and Augmented baskets reflect the market price for the reference month of July 2020, except for some components of Personal Care, Clothing and Household Goods and Maintenance, Laundry, Care and Services. The cost of these has been based on the average consumer expenditure of the lowest income quartile (earning less than or equal to €9,030), according to the 2015 Household Budgetary Survey (NSO, 2017) adjusted for inflation. Further details on some elements of the costing exercise will be specified in Chapter 3.

It is important to point out certain assumptions made in the development and particularly the costing of the MEBDL 2020 basket in relation to monetary and in-kind assistance, such as free services available and entitlement to subsidies, benefits, vouchers etc. as a result of being low-income households. These mainly include:

- **Households are eligible for all free health services as per the National Health Service (NHS), as well as any free medications or supplements as per the Government Formulary List (Pink Form holders), and any other health problem or health condition related vouchers;**
- **Households are entitled to the free food packages under the Fund for European Aid to the Most Deprived (FEAD) and the State Funded Food Distribution (SFFD) schemes;**



- **Children attend State schools and use school transport;**
- **Children are eligible for one item annually under Scheme 9 of the National School Support Services which provides for a one-time grant for stationery, the school uniform for free, or free daily school packed lunch;**
- **Individuals and families reside in social housing or subsidised privately-rented dwellings;**
- **Households are eligible for the Energy (electricity, water and gas) Benefit;**
- **Households are eligible for free replacement of an old energy-inefficient electrical appliance (e.g. fridge freezer or washing machine or AC) by an energy-efficient one under the Environment Resources Agency scheme.**


It was also assumed that:

- **Household members are in generally good health though they may suffer from some chronic conditions (e.g. diabetes, high blood cholesterol) which treatment is covered by the NHS;**
- **Household members attend free leisure and cultural activities as much as possible.**

## 2.5.3 Limitations

Whilst striving to be as comprehensive as possible with respect to essential goods and services for a minimum yet decent living in 'normal' circumstances, the research team understands that certain lifestyle choices, personal traits, or life events may require additional, sometimes significant, costs, which are not catered for in the basket. These include, for example, extra costs to buy special foods for individuals who have specific dietary requirements, or to buy certain treatment (medicines or services) in relation to a chronic serious illness or health condition, or to engage emergency private nursing or carer services, or to make certain security-related or mobility-related adjustments to one's home. Furthermore, the MEBDL 2020 basket is not sensitive to the needs of minority ethnic groups, or the needs of those living in sub-standard or remote housing. Finally, this study focuses solely on inhabitants of Malta and does not reflect the realities of the inhabitants of Gozo, particularly any extra daily or extraordinary expenses which they might incur if they study or work in Malta.





**“How wonderful it is that  
nobody need wait a single  
moment before starting to  
improve the world.”**

**- Anne Frank**

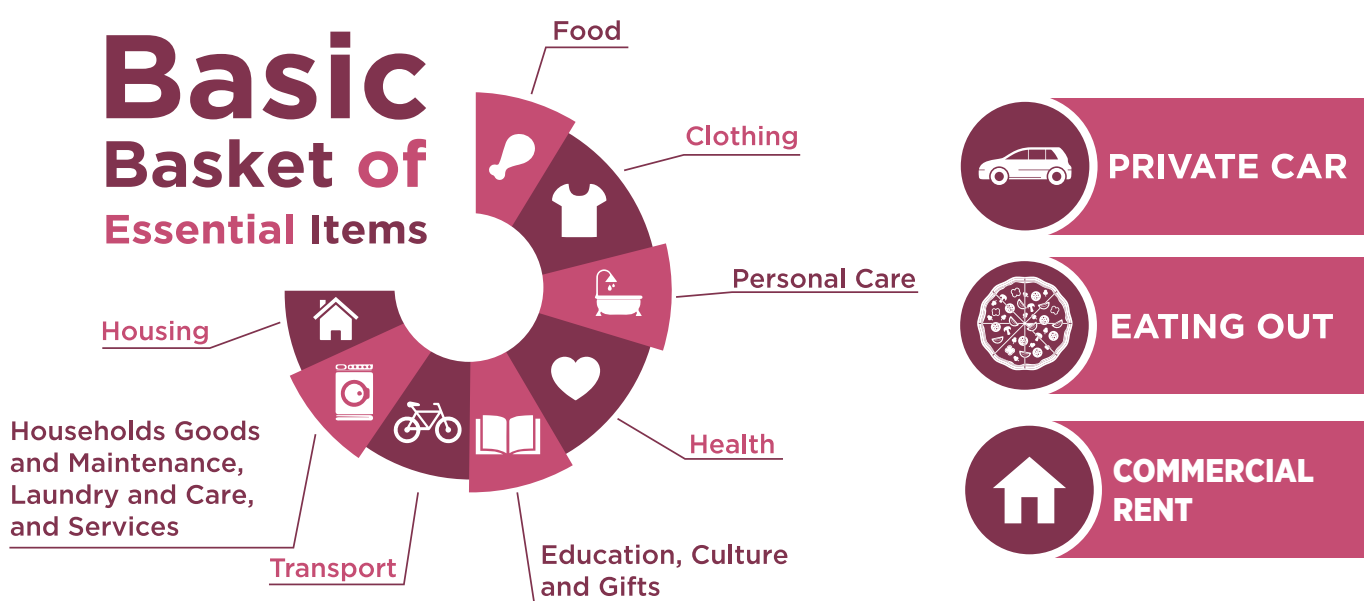
# CHAPTER THREE

## COST OF THE BASKET

### 3.1 COST OF THE MEBDL 2020 BASKET

This chapter will present the cost of the Basic and Augmented MEBDL 2020 baskets for an adequate and decent living. It will describe the cost of each basket category separately, explaining specific details and considerations. The weekly, monthly and yearly cost of each category for the three households of interest will be presented. The monthly amount was calculated by dividing the annual amount by 12; the per week amount by dividing the annual amount by 52. Verbatim quotations from the one-to-one and focus group interviews will also be integrated as complimentary evidence to the costs indicated.

As described in the previous chapter, the MEBDL basket is divided into 8 categories with sub-categories in most components. The Augmented MEBDL 2020 basket has an additional 3 components. These are being presented here again for ease of reference (See Figure 7).



**Figure 7.** The main categories of the Basic and Augmented MEBDL Baskets

The cost of the items in each category will be presented and explained below, with further details in related Appendices. Changes from the MBDL 2012 and the MEBDL 2016 baskets were deemed necessary in order to:

- **Acknowledge changes in lifestyle of different population groups (e.g. long working hours of parents, grandparents as surrogate childcarers);**
- **Be in line with various national strategies, policies and work plans (e.g. use of technology for education, active ageing);**
- **Be in line with indicators used for EU-SILC with respect to social inclusion (e.g. cultural activities);**
- **Take into consideration feedback received by different NGOs and other stakeholders with respect to previous editions of the Caritas research study and other on-the-ground Caritas community work.**

## 3.2 COST OF BASIC BASKET CATEGORIES

### 3.2.1 Food

A 7-day food menu for each household type was developed, assuming that all snacks and dishes are prepared at home (Appendix A). The menus are based on guidelines by the local Health Promotion and Disease Prevention Directorate and utilise a foods approach and not a calories and/or nutrient approach to ensure nutritional adequacy for the different target individuals. Three daily meals and two in-between snacks make up the menus, seeking to ensure balance of calories and nutrients within the day and across the week. No special dietary requirements are catered for, apart from those related to the lifestage of the different household members.

The menus presented are specimen one-week menus suitable for healthy growing children, adults or the elderly. A mix of traditional and more ‘modern’ dishes have been included with an emphasis on reduction of health risks, seasonality and socio-cultural norms, as well as flavour and texture variety. Since the menus cover snacks and meals for a whole week, no other expenses for buying food from school tuckshops, worksite canteens or the like have been taken into account within the final minimum essential budget for food.

Low-income households are currently entitled for regular packages of free foodstuffs through the FEAD and SFFD schemes coordinated by the Ministry for Social Justice and Solidarity, the Family and Children’s Rights and distributed by the Foundation for Social Welfare Services (FSWS) (see Appendix B). This was factored in when costing the 7-day menus.

Households eligible for food aid include those receiving non-contributory means-tested benefits and having two or more children below the age of 16, as well as those with two or more children below the age of 16 and with an income not exceeding the National Minimum Wage (NMW). Non-single households eligible for non-contributory means-tested age pensions also qualify for the food aid, as do other household categories where there are 3 or more children. Multiple packages are distributed annually, with the number of packages per household depending on household profile. The FEAD is distributed three times yearly, approximately every 4 months, and the SFFD is distributed twice yearly. The foodstuffs distributed typically comprise breakfast cereals (some wholegrain), pasta, rice, couscous, nuts, teabags, long-life milk, as well as canned tuna, sausages, vegetables, tomatoes, baked beans and fruit.

The FEAD and SFFD packages were costed and the amounts were deducted from the cost of the 7-day weekly menus according to household profile (see Appendix C). This exercise took place in November 2019 and in July 2020. Thus, the minimum cost for Food for each of the three household types is estimated as in Table 7 below.

**Table 7**

Estimated Cost for Food

Household	Food		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	136.95	593.45	7,121.38
<b>Lone Parent &amp; 2 Children</b>	99.38	430.65	5,167.82
<b>Elderly Couple (65+)</b>	64.90	281.24	3,374.84

"I have to admit that I have to spend most of my income on food for my children. I need roughly 15 to 20 euro daily to feed my children. I need to prepare breakfast, school lunch and dinner. My parents help me with this because it is a struggle to manage till the end of the month. I do not drive so I do not go shopping from these big supermarkets, so I do not benefit from any discounts. Village mini-markets tend to be more expensive." (Lone parent & 2 children)

### 3.2.2 Clothing

Garments and Footwear are the main items listed under the Clothing section. Basic summer and winter clothing were taken into account, incorporating outdoor wear, indoor wear and underwear. Work or school shoes, elegant shoes, sandals, boots, trainers, flip flops and bedroom slippers were included for the adults and children. Flip flops and work shoes were excluded from the elderly basket, and basic shoes included instead (Appendix D). It was assumed that the shoes and footwear have an average lifespan of two years.

In terms of garments, the cost was calculated based on the average annual consumer expenditure of the lowest income quartile (earning less than €9,030) as per the Household Budgetary Survey (HBS) 2015 data with an allowance for inflation from 2015-2019. Footwear was costed using current local prices, looking at keeping expense to a minimum without forsaking quality so footwear would last the envisaged two years. Garment and Footwear cost for each household category were combined for one total (Appendix E). The minimum cost for Clothing for each of the three household types is estimated as in Table 8 below.

**Table 8**

Estimated Cost for Clothing

Household	Clothing		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	13.48	58.42	701.03
<b>Lone Parent &amp; 2 Children</b>	11.02	47.76	573.14
<b>Elderly Couple (65+)</b>	8.31	36.03	432.36

"Although branded clothes can be very expensive, I tend to search for deals both on the internet and at the local markets. There are clothes with good affordable prices with good quality material." (Lone parent & 3 children)

### 3.2.3 Personal Care

This category includes personal hygiene and grooming products, articles and equipment -- including electric appliances -- as indicated in the HBS 2015. The cost was based on the average annual consumer expenditure of the lowest income quartile as per the HBS 2015 data with an allowance for inflation from 2015-2019. In addition to this, a basic monthly salon visit (including haircut or blow dry) for female adults and a monthly salon visit for male adults and for children have also been included.

It is assumed that the individuals have no specific skin care conditions which require special treatment. Spa, beautician, nail enhancement and special hairdressing services, as well as cosmetic surgery expenses were not included. The minimum cost for Personal Care for each of the three household types is estimated as in Table 9 below.

**Table 9**

Estimated Cost for Personal Care

Household	Personal Care		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	15.00	65.00	779.95
<b>Lone Parent &amp; 2 Children</b>	13.68	59.27	711.23
<b>Elderly Couple (65+)</b>	12.16	52.68	632.20

### 3.2.4 Health

The health category comprises two separate costs: medicines and medical care products, and medical services. These were calculated at market prices, although the entitlement to free medical services and medicines through the National Health Service (NHS) was also taken into account.

Low-income earners who suffer from certain health conditions and whose income does not exceed an established threshold are generally entitled to Free Medical Aid (Pink Form) under the Social Security Act. More specifically, they are entitled to the free provision of pharmaceuticals from the Government Out-patient Formulary List compiled by the Directorate for Pharmaceutical Affairs within the Ministry of Health, as well as other health and ancillary services, such as dental services, ophthalmic services, spectacles, dentures and other prosthetic aids, hearing aids, telecare, telephone rebate and handyman service. This free Medical Aid is also available to those in receipt of Social Assistance, Social Assistance for Single Parents, Unemployment Assistance, Non Contributory Age Pension, Increased Severe Disability Assistance, or Severe Disability Assistance. This Aid may also be awarded to a fostered child living with a family, or a student attending full-time education as confirmed by documentation from the educational institution. Persons who are suffering from chronic diseases may also be eligible for a Yellow Card (Schedule V). This card is not means-tested and is issued by the Department of Health.

The basic MEBDL therefore includes only the cost of medicines and medical products which are not provided for free. These comprise items related to colds, grazes, bruises, other common skin conditions and protection from solar radiation, with some additional items based on composition of the household (Appendix F). For example, for households with adult members menstruation pain products were also included. For the elderly, items related to foot care (e.g. corn plasters), inflammation and oral health and functioning (e.g. denture maintenance) were included. All these items and the approximate quantities required annually were determined after consultation with a local managing pharmacist.

It must be pointed out that with respect to the elderly couple, it was assumed that if any medicinal items for chronic illness are prescribed, these would be provided for free through the NHS, including any vitamins. It was also assumed that the elderly persons are healthy, are consuming a well-balanced diet to satisfy their nutritional needs and are physically active and should therefore not require any supplements in addition to what may be provided for free. Should such supplementation become necessary, for example for diagnosed osteoporosis, the specific supplements would increase medicinal costs by about €179.40 per year. Since prescriptions for bone density/osteoporosis tablets are becoming more common, these have been included in the medicinal costs for the elderly couple for MEBDL 2020. (At the time of writing, free treatment for osteoporosis was indicated in the 2021 National Budget, but further information was not available).

Dentistry related costs were excluded from the basket cost since the NHS provides free diagnostic, preventive and emergency care including radiographs, scalings, polishing, dental extractions and minor oral surgery to adults and children. Eligible low-income patients (based on means testing) are also provided with fillings and prosthetics (mainly acrylic dentures) for free. Children below the age of 16 are also eligible for removable braces. Fixed braces are provided for free to those children who are considered as high priority, such as cleft lip and palate patients, or those requiring surgical corrections to conditions of the jaw.

Although it was assumed that all households would avail themselves of free health care services when required, such as those provided by Community Health Centres, there are still instances when the private services of the family doctor (General Practitioner [GP]), specialists or dentists are sought. Vulnerable persons who suffer from common health conditions are automatically risking further medical problems if the condition is left untreated. In this case, a GP visit at the onset of symptoms is often necessary.



One can also logically argue that due to the natural ageing process and greater risk for health problems, the older elderly in particular may need to avail themselves of a specialist consultation at least once a year. Should such a consultation be required, and timely access not feasible within the NHS, a cost for private services would be incurred. The elderly may also need to make a visit to their family doctor at times when their closest Community Health Centre may not be open, or they may need to consult with a doctor serving from a pharmacy close to their home, or even request a home visit for some minor but emergency ailment. Similarly, families with school-age children also often resort to the family doctor for common ailments, due to the family-doctor relationship. Sometimes, circumstances require visiting a doctor close to home, or requesting a home visit, due to time-strapped lifestyles, the parents' work schedules and especially when a Community Health Centre is not available in one's home town or village.

As a result, one yearly visit to a specialist, at 60 euro per visit, and two yearly visits to a GP, at 15 Euro per visit, were included per person in the MEBDL 2020 basket for an elderly couple. Additionally, two yearly visits to a GP, at 15 Euro per visit, were included per child for the households with school-age children.

In summary, for the purpose of costings, it was assumed that:

- **The three household categories include members who are Pink Form holders;**
- **The elderly are living independently in their own home;**
- **No family members have particular serious or chronic health and/or disability conditions;**
- **There are no infants and toddlers in the household who may require extraordinary Specialist visits;**
- **State-funded medicine is regularly in stock and supplied in a timely manner;**
- **Free GP, dentistry or ophthalmic services are provided in a timely manner to the patients according to their individual needs.**

As a result, the minimum cost for Health for each of the three household types is estimated as in Table 10 below.

#### New items in the Health Category for the MEBDL 2020

- Visits to GPs for the households with children
- Visits to GPs and specialists for the Elderly Couple households
- Osteoporosis-related tablets for the Elderly Couple households

**Table 10**

Estimated Cost for Health

Household	Health		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	7.06	30.59	367.05
<b>Lone Parent &amp; 2 Children</b>	4.87	21.08	253.00
<b>Elderly Couple (65+)</b>	11.40	49.39	592.63

"Although I use the polyclinic service, sometimes as a family we call our family doctor. Our son was sick and we could not go to the polyclinic, so we called the doctor to come home. The doctor asked us for 20 euro for his visit. Additionally, I spent 40 euro for medicines. 60 euro in total. At the moment I am waiting to be visited by a professor at Mater Dei. I do not afford health insurance, so either I wait or pay money in a private hospital." (2 adults & 2 children)

### 3.2.5 Household Goods and Maintenance, Laundry and Care, and Services

This category is divided into three broad categories: Household goods and maintenance, Laundry and care, and services. How the cost of each of these was calculated will be explained in detail below.

#### 3.2.5.1 Household goods and maintenance

Devising a list of durable goods and their corresponding maintenance based on the various household profiles and possible member lifestyles was beyond the available resources for this study. The size of the dwelling and activities of household members would likely have a direct bearing on the quantity of the household goods and their wear and tear. Furthermore, there are large differences in the lifespan of commodities within this category.

In view of this, the cost of furniture and furnishings, household textiles, major and small electric/non-electric household appliances and material and services for maintenance and repair was based on the average annual consumer expenditure of the lowest income quartile as per the HBS 2015 data with an allowance for inflation from 2015-2019. This is presented in Table 11.

**Table 11**  
Estimated Cost for Household Goods and Maintenance

Household	Household Goods and Maintenance				
	Furniture and Furnishings (and textiles) in € per year	Appliances in € per year	Maintenance and Repair Materials in € per year	Maintenance and Repair Services in € per year	Total in € per year
<b>2 Adults &amp; 2 Children</b>	204.54	153.64	188.76	284.48	<b>811.42</b>
<b>Lone Parent &amp; 2 Children</b>	202.08	153.64	161.03	284.48	<b>801.23</b>
<b>Elderly Couple (65+)</b>	202.08	153.64	161.03	284.48	<b>801.23</b>

### 3.2.5.2 Household laundry and care

In this study it was assumed that households would carry out basic home care and cleaning on a weekly basis. In addition, a minimum of six, five and four loads of laundry per week (a mix of colour and white separate loads) was estimated for the two adults and two children, lone parent and two children, and elderly couple respectively. Laundry and household detergents, cleaning materials and other non-durable household goods for dishwashing and for cleaning of floors and other surfaces (e.g. bathrooms and wall tiles), such as dusters, sponges, floor cloths and a cleaning set (broom, dust pan and brush, squeezer etc.), have also been included in this Household Laundry and Care component (see Appendix G). The non-durable household goods package was kept the same for all household categories as it was considered that whilst the households with children might use these more due to there being more members in the household, the elderly couple might have similar use as they spend more time at home and perhaps wash dishes and generally clean more frequently.

The total yearly cost for Household Laundry and Care can be seen in Table 12 below.

**Table 12**

Estimated Cost for Household Laundry and Care

Household	Household Laundry and Care		
	Laundry in € per year	Non-Durable Goods in € per year	Total in € per year
<b>2 Adults &amp; 2 Children</b>	69.97	59.88	<b>129.85</b>
<b>Lone Parent &amp; 2 Children</b>	60.68	59.88	<b>120.56</b>
<b>Elderly Couple (65+)</b>	46.64	59.88	<b>106.52</b>

"I pay 6.50 euro monthly (circa) for detergents, as you need detergents for colour, black and white clothes. I spend 50 euro extra for toiletries for a family of one adult and two children." (Lone parent & 2 children)



### 3.2.5.3 Household services

This category includes:

- **Electricity and water consumption**
- **Liquid Petroleum Gas (LPG) for cooking and space heating**
- **Basic communication services, such as TV, landline telephony and internet, plus a smartphone and Telecare Plus service.**

**A)** Electricity and Water Consumption: Using the Malta Census 2011 report on availability of household amenities and appliances as a basis (NSO, 2014), and adding on to this after consultation with energy and water experts and government officials and using data from the interviews conducted, the following amenities, appliances and equipment have been taken into account for the minimum essential basket:

- **Lighting (energy saving)**
- **Kettle**
- **Toaster**
- **Microwave Oven**
- **Fridge Freezer**
- **Water Heater**
- **Washing Machine**
- **Iron**
- **Fan (for Summer months only)**
- **Air conditioner (12,000 BTU, for Summer months only)**
- **Television Set (LED)**
- **Radio**
- **Computer/Laptop**
- **Wifi router + TV service provider box**

An air-conditioner, a Wifi router and a laptop were added as new items in the MEBDL 2020 basket in order to accommodate current lifestyles and facilitate social inclusion. Keeping in mind sustainability of natural resources and the minimal nature of the basket, a tumble dryer, electric heater, electric blanket, dehumidifier, jacuzzi, dishwasher, liquidiser and food mixer and dishwasher were not included. Energy-efficient bulbs, washing machine and air-conditioning unit and an LED TV set were assumed for the purpose of energy costs. A detailed set of workings is found in Appendix H.

With respect to water usage, it was estimated that 236 litres of water per day was the minimum required for a two adult and two children household, whereas 185 litres was estimated for a one adult and two children household, and 136 litres for an elderly couple. This incorporates the use of water in the kitchen sink, wash hand basin, shower, toilet flushing, washing machine and for cleaning the dwelling. More details are outlined in Appendix I. It was assumed that tap water would be used for both cooking and drinking at home and that these households would take 3-minute daily showers and not baths. Domestic reverse osmosis units, pumps (also to use rainwater) and water for gardening were not included.

The costs of energy and water usage for each household category reflect the residential tariffs as regulated by the Malta Resources Authority at November 2019, with applicable subsidies based on the Energy Benefit for low-income households (see Appendix J). As at 2020, families who are in receipt of social security benefits and/or whose net income does not exceed €9,961 per annum, are entitled to an Energy Benefit. This benefit provides for a reduction on the cost of electricity consumption and on electricity

and water meters rental. The electricity and water rebates are deducted directly from the utilities bill. For the purpose of costing of the MEBDL basket, it was assumed that the three household categories would benefit from the full Energy Benefit as applicable.

The estimated usage and cost for electricity and water for the three household types is as in Table 13 below.

#### New items in the Electricity usage component for the MEBDL 2020

- Air conditioner (12,000 BTU, for Summer months only)
- Wifi router

**Table 13**

Estimated Usage and Cost for Electricity and Water

Household	Electricity and Water				
	Usage		Cost		
	Electricity Units kWh per year	Water Liters per year	Electricity in € per year	Water in € per year	Total in € per year
<b>2 Adults &amp; 2 Children</b>	3,307.62	86,192.14	209.24	120.36	<b>329.60</b>
<b>Lone Parent &amp; 2 Children</b>	3,070.89	67,759.64	187.01	94.63	<b>281.64</b>
<b>Elderly Couple (65+)</b>	2,874.83	49,692.15	178.40	69.39	<b>247.79</b>

"Children are growing up and they waste more water and electricity." (Lone parent & 2 children)

**B)** Liquid Petroleum Gas (LPG) for Cooking and Space Heating: It was assumed that LPG would be used for both cooking and heating. Twelve 12kg cylinders per year were estimated as required by the households comprising elderly couples, whereas ten 12kg cylinders were estimated as required by the younger households. The difference in quantity was based on scientific knowledge that core body temperature decreases with age and has greater variability in older populations. Thus, elderly households may require more periods/days of the year of indoor heating, especially also because they tend to spend more hours of the day at home.

The price of the LPG 12kg cylinder used for the minimum essential budget calculations was 15 Euro, reflecting the Malta Resource Authority tariffs at the reference month of July 2020. For final cost of Gas consumption, the applicable Energy Benefit Gas Rebate for low-income households was applied (see Appendix J). The rebate is €30 per household per year where the head of household is 60 or younger and increases to €40 per year where the head of household is older than 60. Therefore, the estimated cost for Gas for the three household types is as in Table 14.

**Table 14**  
Estimated Cost for Liquid Petroleum Gas

Household	Gas	
	LPG 12KG cylinder Quantity	Yearly in € @ 15 per cylinder with rebate deducted
<b>2 Adults &amp; 2 Children</b>	10	120.00
<b>Lone Parent &amp; 2 Children</b>	10	120.00
<b>Elderly Couple (65+)</b>	12	140.00

**C)** Basic Communication Services: A basic household communications package, comprising TV, landline phone and internet, was included in the basket. The same package was included for the three household types as in Table 15.

**Table 15**  
Estimated Cost for TV, Landline Phone and Internet

Household	TV, Landline Phone and Internet		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	6.92	30.00	360.00
<b>Lone Parent &amp; 2 Children</b>	6.92	30.00	360.00
<b>Elderly Couple (65+)</b>	6.92	30.00	360.00

Recent statistics confirm continued high prevalence of mobile usage in Malta. According to the World Development Indicators database (2020), mobile cellular subscription was 140.2 per 100 people in 2018, indicating that individuals had more than one mobile subscription and thus implying broad usage. At the same time, it is clearly evident that many individuals now own a smartphone with its broad digital applications for education, work, leisure and other everyday services. As a result, ownership and usage of a smartphone for each adult individual (including the elderly) was also considered as an essential communications item and included as an item in the MEBDL 2020 basket. Expenses involved in owning a smartphone and using it for essential calls were calculated. These comprised buying a basic device costing 170 euro, which was assumed to last two years, plus a fixed 10 euro monthly top-up.

Another item added under Communication Services was telecare service for the elderly couple. This was decided to be an essential item considering that more elderly people are living independently in their home

and to ensure peace of mind for both the elderly themselves and their relatives should an emergency arise. This subscription cost for this service is 48 Euro annually.

The final cost for the Smartphone and Telecare Plus service (for the Elderly Couple only) can be seen in Table 16 below.

**Table 16**

Estimated Cost for a Smartphone Ownership and Usage and Telecare Service

Household	Smartphone Ownership and Usage and Telecare Service		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	7.88	34.17	410.00
<b>Lone Parent &amp; 2 Children</b>	3.94	17.08	205.00
<b>Elderly Couple (65+)</b>	8.81	38.17	458.00

#### New items in the Communications component for the MEBDL 2020

- Smartphone per adult including the elderly
- Telecare Plus service for the elderly

"Basic, Telephone – Internet – TV, in total will cost you around €70/€80 monthly" (2 adults & 2 children)

Expenses for utilities and communications were added up to calculate one Household Services Euro amount per household as in Table 17 below.

**Table 17**

Estimated Cost for Household Services

Household	Household Services				
	Electricity & Water	Gas	Telephone/TV/Internet	Smartphone & Telecare Services	Total
	Yearly in €	Yearly in €	Yearly in €	Yearly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	329.60	120.00	360.00	410.00	1,219.60
<b>Lone Parent &amp; 2 Children</b>	281.64	120.00	360.00	205.00	966.64
<b>Elderly Couple (65+)</b>	247.79	140.00	360.00	458.00	1,205.79



The Household Goods and Maintenance, Laundry and Care, and Services expenses were totalled for one yearly combined cost (see Appendix K). Based on this exercise, the minimum cost for each of the three household types is estimated as in Table 18 below.

**Table 18**

Estimated Cost for Household Goods and Maintenance, Laundry and Care, and Services

Household	Household Goods and Maintenance, Laundry and Care, and Services		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	41.56	180.07	2,160.87
<b>Lone Parent &amp; 2 Children</b>	36.32	157.37	1,888.43
<b>Elderly Couple (65+)</b>	40.65	176.13	2,113.54

### 3.2.6 Education, Culture and Gifts

This category comprises three inter-related sub-categories. It includes some new elements when compared to the MBDL 2012 and MEBDL 2016 studies, which were added after much deliberation and consultation. In this category, social inclusion was a determining factor in choice of items, particularly the need for integration in the school community and in the broader community, together with personal development and self-esteem.

#### 3.2.6.1 Stationery, printing, school bag and school outings

It is necessary to outline certain assumptions and considerations which were made in relation to costing the various components of the Education, Culture and Gifts category. Firstly, the focus was on children of senior Primary or Secondary school age. It was assumed that the children attended a State school and thus basic school subject-related books were provided for free, as was a tablet for the younger age groups under the One Tablet Per Child programme. (National Audit Office, 2019)

It was also recognised that children from low-income families are typically eligible for assistance under Scheme 9 of the National School Support Services of the Ministry for Education and Employment, run in collaboration with the Department of Social Security of the Ministry of Social Justice and Solidarity, the Family and Children's Rights. Under this Scheme, based on benefits received by the family and /or means-testing, families have a choice of being given a grant for basic stationery, normally at the beginning of the scholastic year, or a grant for the school uniform, or daily free packed lunch for their child/ren. It is also often the case that when a school's management team is aware of vulnerable pupils or students, they will assist further with providing some basic stationery, photocopies, or by paying for entrance fees and transport related to school outings.

In costing the Education, Culture and Gifts category, it was assumed that households with children would avail themselves of the grant for back-to-school stationery expenses. However, given that there are multiple stationery-related expenses which emerge throughout the school year (e.g. various folders, colour printing, small equipment) some stationery expenses were still included in the costings (see Appendix L). With the understanding that grandparents are frequent carers of their grandchildren during the school week after

school hours, or even during school holidays, a 2 Euro weekly allocation was also made within this household category towards buying of school or other craft items whilst the children are in grandparents' care.

Other items included in the cost for households with children were a yearly expense for a basic, sturdy school bag and an allocation for four educational outings/activities which may not be subsidised by the school. Regarding the bag, this is a new item for the MEBDL 2020 basket which was added based on data from parent interviewees and feedback from school management officials. Regarding the outings, it was assumed that as far as possible families would seek additional educational activities for the children which are provided for free by the state, Local Councils or by NGOs.

### **3.2.6.2 School uniform**

The cost of a comprehensive school uniform was calculated using typical market prices (see Appendix M). The set includes main garments in school uniforms (e.g. blazer, shirts, trousers, skirts, PE kit), as well as items such as lab coats and caps. All items were assumed to last up to two consecutive years.

### **3.2.6.3 Laptop**

A new addition to the Education, Culture and Gifts category is a laptop. With respect to the households with adults and children, a laptop was included for multiple reasons: the increased use of technology in education where children are required to carry out learning activities, investigations, assessments, creative work etc. on a laptop; the facilitation of access to online education/ information through the use of internet; and having the possibility of some leisure time activities from the safety of one's home. A modest, sturdy laptop with a basic software (Student Office package) installed and costing 800 euro was chosen. It was assumed that due to usage by multiple individuals the laptop would last two years.

A laptop was also added to the basket for the Elderly Couple household in recognition of the Active Ageing Index issued by the European Commission (2014), where the integration of the elderly in the community is emphasised, as well as factors such as independent living, lifelong learning, care of grandchildren, mental wellbeing and voluntary activities. It is understood that senior citizens are becoming more technology proficient and appreciating the value of online lifelong learning and cultural enrichment, as well as the ease of keeping in touch with family and friends, and accessing e-government, medical, health and financial systems through online technology. Such technology is often also useful for the elderly if caring for grandchildren, or for voluntary work with NGOs. It was assumed that a laptop would last four years in a household of two elderly persons, given that there would likely be less wear and tear due to careful use and fewer users.

### **3.2.6.4 Cultural activities**

In developing and costing the MEBDL 2020 basket, it was assumed that the members of the various households would seek personal development, such as fitness, leisure, cultural activities, available for free; including making use of local playing grounds and open air gyms and amenities at national parks, as well as attending village festas and special theme events, public concerts, other Local Council sport and cultural activities, in addition to activities and outings organised by government entities and NGOs (e.g. youth or elderly clubs). However, to allow for the possibility to attend simple cultural or leisure activities which might bear a cost, even though heavily subsidised, an allowance of 5 euro per month per individual in all the household categories was allocated. This was a new item for the MEBDL 2020 basket.

### 3.2.6.5 Gifts

Another item included for the first time in the basket is gifts. It was acknowledged that parents, guardians and grandparents typically feel the need to offer gifts mainly to their children /grandchildren at least twice a year (e.g. for birthdays and at Christmas); or that individuals may sometimes wish to show appreciation to a friend or relative for a gesture received. Being able to afford giving a gift not only promotes social inclusion on the part of the gift-giver, allowing for a feeling of being able to abide by social norms, but may also act as a boost to self-esteem. An amount of 15 euro per gift was allocated, for four gifts a year per household. It was also kept in mind that people can be innovative by reusing and repurposing items and materials already available to make gifts.

Combining the various components (see Appendix M), the minimum cost for Education, Culture and Gifts for each of the three household types is estimated as in Table 19 below.

**Table 19**

Estimated Cost for Education, Cultural Activities and Gifts

Household	Education, Cultural Activities and Gifts		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	26.74	115.88	1,390.50
<b>Lone Parent &amp; 2 Children</b>	25.59	110.88	1,330.50
<b>Elderly Couple (65+)</b>	9.31	40.33	484.00

“Although my children use their stipend to buy stationery, sometimes I have to fork out something extra to cover all the expenses related to education. Although stipends do help, education material can sometimes be expensive.” (Lone parent & 1 child)

It must be noted that although no specific allocation was made for sports or fitness-related activities (both for adults and children) this does not imply a lack of valuation of such holistic health promoting activities. It was acknowledged, however, that some activities require no additional cost (e.g. home-based stretching and strengthening exercises, or doing aerobics to online videos, or regular walking with home-made weights, jogging, or swimming at the public beaches).

Holidays abroad and/or ownership of pets were also not considered when costing the MEBDL 2020 basket. Whilst appreciating that these add value to one’s quality of life, given the ‘minimum’ nature of the proposed basket, these items were omitted. At the same time, it was recognised that since animals have a therapeutic and companionship value, there is the possibility for individuals to do voluntary work at the various animal sanctuaries around the islands, another activity to promote holistic health.

### 3.2.7 Transport

The inclusion of a car as part of the essential basket was once again debated. After consideration of a number of factors, including the current national move towards sustainability in transportation, public transport options available, and the ‘minimum’ remit of this basket, the research team decided to once again exclude a car from the basic MEBDL basket. The assumption is that children attending State school will use the free school transport provided, and that all other minimum transport requirements for family members are met through use of the public transport system, provided that it operates efficiently and that the households are situated in areas where public transport is available.

A Tallinja public transport card was included for each of the elderly at Concession (Kartanzjan) rates (i.e. maximum payable €2 a week). For the other two household types, a Tallinja Saver card for the adults (i.e. maximum payable €26 a month), a Monthly card for the Secondary school aged child (i.e. €21 per month) and a Children’s card for the younger child (i.e. maximum payable €2 a week) were incorporated in the transport expenses (see Appendix O). Fares were according to prices listed in the Malta Public Transport web portal for the month of July 2020. The minimum cost for Transport for each of the three household types is estimated as in Table 20 below.

**Table 20**  
Estimated Cost for Transport

Household	Transport		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	18.85	81.67	980.00
<b>Lone Parent &amp; 2 Children</b>	12.85	55.67	668.00
<b>Elderly Couple (65+)</b>	4.00	17.33	208.00

### 3.2.8 Housing

The calculation of housing expenses is a complex issue, since there are many alternative forms of accommodation and a range of prices within each. However, since the MEBDL 2020 was focused on low income families it was assumed that they were residing in Social housing or in a privately-rented dwelling but receiving a Housing Authority (HA) subsidy.

There are two types of Social housing: one where the property is owned by the State, and the other where the property is leased by the State from third parties. Other schemes are available for those individuals who lease their property directly from third parties.

Families are eligible for a HA subsidy on their Social housing rental costs based on their income (see Appendix P). Subsidies range from 70% for those with an income of 11,001 euro or over per annum, up to 85% for those with an income of 7,000 euro per annum or less. Taking an average of the commercial rents payable across localities for a 3 bedroom apartment (2,975 euro per annum) (as per personal communication with HA officials in December 2020), and considering a maximum subsidy of 85%, annual rent for such an apartment would work out at a rate of 446 euro yearly. Similarly, taking an average commercial rent of 2,125 euro per annum as the rent for a one bedroom apartment and applying the full 85% subsidy, the rent for such an apartment

would work out at 319 euro yearly. No means testing is carried out on applicants in receipt of Social Assistance, Social Assistance for Single Parents, Unemployment Assistance, Age Pension and National Minimum Invalidity Pension. It is worth noting that according to current housing policy, the minimum subsidised rent payable is 197 euro per annum.

For the purpose of costing Housing, a 2 bedroom Social housing dwelling was selected for the households with 2 children, and 1 bedroom Social housing dwelling for the Elderly Couple. The annual costs can be seen in Table 21 below.

**Table 21**

Estimated Cost for Housing

Household	Housing		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	8.58	37.17	446.00
<b>Lone Parent &amp; 2 Children</b>	8.58	37.17	446.00
<b>Elderly Couple (65+)</b>	6.13	26.58	319.00

“At the moment I am living with my parents, as after my separation from my husband I could not afford to pay 600 euro rent. I had my own place which I was arranging, but I could not afford to finish it. Even with the court case it has been ages. I have one child and if not for the help of my parents I would be in a different situation.” (Lone parent & 1 child)

## 3.3 AN AUGMENTED BASKET

An Augmented Basket was also costed for the MEBDL 2020. After consideration of the EU-SILC indicators for social inclusion (Eurostat, 2020a), as well as the ongoing national promotion of sustainable transport, the increasing proportion of low-income households who live in rented accommodation, data from participants of the MEBDL 2020 interviews and conversations with critical friends on typical lifestyles, an Augmented Basket with three foci was computed. These foci were: Eating out at least twice monthly, or having occasional cafe-style snacks; expenses for running a private car; and renting private dwellings at commercial unsubsidised rates. All of these were costed based on market prices as at July 2020. Understandably, not all these costs may be incurred by all the low-income household types targeted in this study. For certain households, all may be considered as essential; for others only one or two may be relevant.

### 3.3.1 Eating Out

Eating out at places, such as pizza and pasta houses and other family type restaurants is common, as is buying a takeaway or going out for a coffee or other beverage and a snack. If one includes eating out as a regular necessity, the cost of the Food in the MEBDL basket increases. The additional cost of eating out was

based on a monthly one-dish basic pasta or pizza meal, or a beverage plus simple sweet/savoury item at a café a few times a month at a cost of 10 euro per person per month, or 120 euro annually. (See Table 22.)

**Table 22**

Estimated Cost of Eating Out

Household	Eating Out		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	9.23	40.00	480.00
<b>Lone Parent &amp; 2 Children</b>	6.92	30.00	360.00
<b>Elderly Couple (65+)</b>	4.62	20.00	240.00

These eating out experiences were not considered a substitute for a home-prepared /consumed meal; but rather an add-on. In other words, these additional expenses for food were not deducted from the in-home meals as it was assumed that they might compensate for other expenses which could be incurred during the year, such as for birthday parties, special occasion meals, inviting family or friends over for a meal, or for making typical sweets for festive seasons, or dishes to give as gifts to family members. One or more of these various examples may be seen as regular occurrences in a typical family lifestyle and they were not factored in the 7-Day Menus used for the Food category. Thus, after combining the costs (see Appendix Q), the minimum cost for the 7-Day Menus plus Eating out for each of the three household types was estimated as in Table 23 below.

**Table 23**

Estimated Cost for 7-day Menus and Eating Out

Household	7-Day Menus and Eating Out		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	146.18	633.45	7,601.38
<b>Lone Parent &amp; 2 Children</b>	106.30	460.65	5,527.82
<b>Elderly Couple (65+)</b>	69.52	301.24	3,614.84

### 3.3.2 Running a Private Car

The cost of running a private car would increase the cost of the minimum essential basket quite significantly. Basic expenses such as fuel, annual road licence and third party insurance premium, vehicle road-worthiness testing (every 2 years), and simple maintenance service would amount to close to 1500 euro annually (see Appendix R). It was assumed that there would be no major repairs necessary during the year, no fines to pay and that a full 'no claim bonus' would be applicable. It was also assumed that travel would involve a mix of use of the household's private car and public transport. The minimum cost for predominantly private car-based transport for each of the three household types was estimated as in Table 24 below.

**Table 24**

Estimated Cost for Transport Based Mainly on Private Car Usage

Household	Transport Based Mainly on Private Car Usage		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	27.36	118.54	1422.50
<b>Lone Parent &amp; 2 Children</b>	27.36	118.54	1422.50
<b>Elderly Couple (65+)</b>	27.36	118.54	1422.50

### 3.3.3 Commercial Rent

The size of the private rental market has increased dramatically over recent years in Malta due to different demographic circumstances (such as more foreigners renting property whilst working in Malta) and changes in rent regulations. Although at March 2019 only three to four per cent of the approximate 200,000 households in Malta were subject to commercial rents (Macdonald, 2019), the scenario has very likely changed as both foreigners and an increasing number of locals resort to renting their accommodation. With respect to locals, the decision to rent may not always be a voluntary one, but ensue as a result of extenuating circumstances, such as familial breakdown, or unexpected loss of income and inability to pay a mortgage.

The average monthly rental cost of property in the private sector varies according to the size and location of the property, as well as quality of amenities and services. At the time of costing the MEBDL 2020 Augmented basket, a cursory study of the published local private rental monthly tariffs showed that the rent for a basic one bedroom apartment would be on average 700 euro and for a two bedroom apartment would be on average 800 euro. Such rents would be of significant burden to a household that somehow did not benefit from Social housing allocation or HA housing subsidies on commercial rent. The estimated cost for renting a dwelling at commercial rates is presented in Table 25. A 2 bedroom dwelling with a 800 euro monthly rental fee was selected for the households with 2 children, and 1 bedroom dwelling with a 700 euro monthly rental fee was selected for the Elderly Couple.

**Table 25**

Estimated Cost for Renting at Commercial Rates

Household	Renting at Commercial Rates		
	Weekly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	184.62	800.00	9,600.00
<b>Lone Parent &amp; 2 Children</b>	184.62	800.00	9,600.00
<b>Elderly Couple (65+)</b>	161.54	700.00	8,400.00



### 3.4 THE BASIC VS. AUGMENTED BASKET

Table 26 presents the cost of the MEBDL 2020 Basic as compared to the MEBDL 2020 Augmented Basket for each household category. The sole difference is that the cost of social housing has been substituted by commercial rent rates. Public Transport has not been removed from the Augmented Basket, since, as explained earlier, use of Public transport may still be required by members of the households for certain errands and activities when it is more practical or logical to do so. One could also engage in car-pooling as a sustainable transport practice. It is evident that commercial rent increases the cost of the basket. Combining the cost of usage of a private car with eating out on a regular basis increases the yearly Basic basket total by approximately 1700 to 1900 Euro. However, when one adds the Commercial rent, this increases the cost of the basket significantly, resulting in Augmented baskets costing around 18,000 per year for the elderly couple, 22000 Euro per year for the household of one adult and two children, and 25000 Euro for the household with two adults and two children. The impact of the rental fee, even though subsidised, is still high enough to affect dramatically the financial circumstances and quality of life of the low-income households.

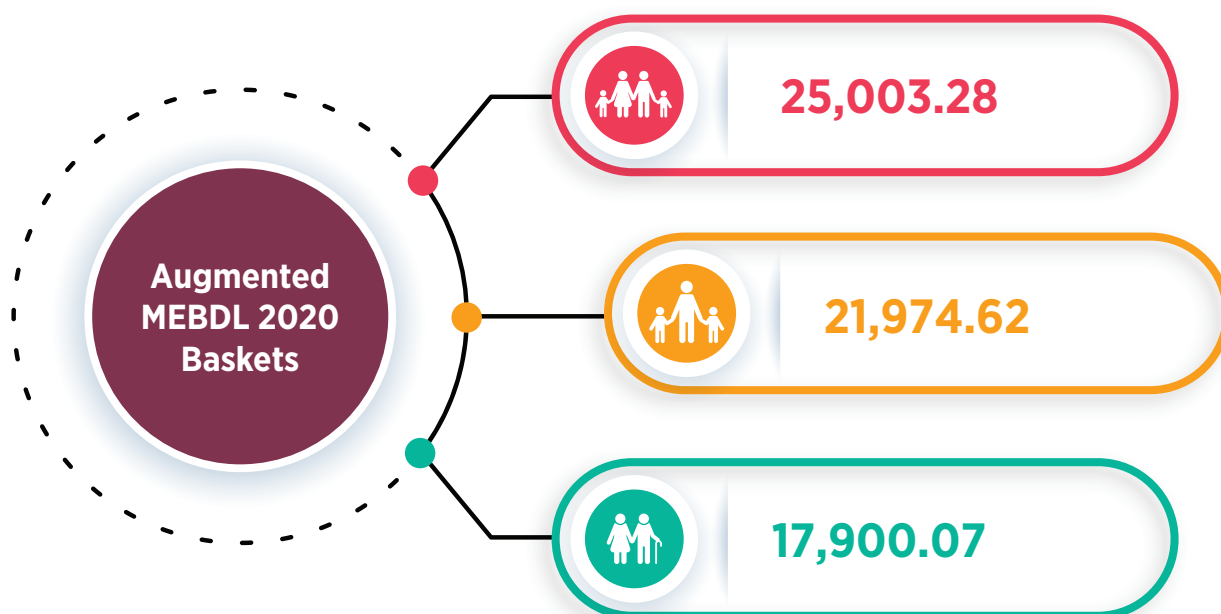
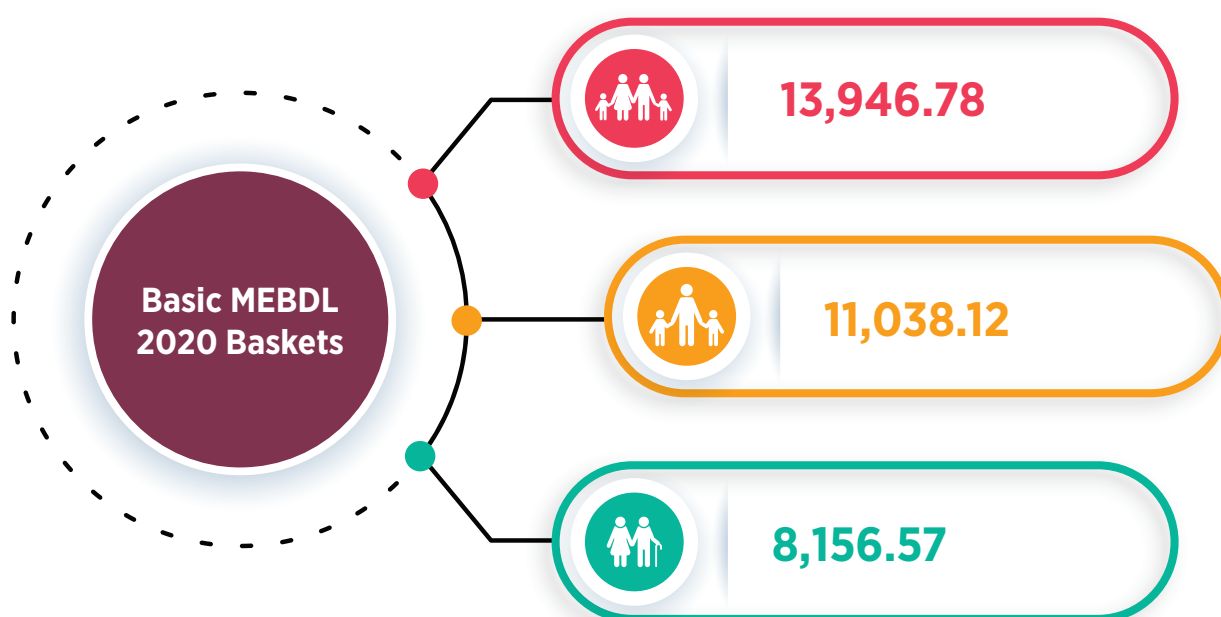


Table 26

The Basic vs. Augmented MEBDL Baskets

Categories	Yearly Cost in €					
	2 Adults & 2 Children		Lone Parent & 2 Children		Elderly Couple 65+	
	Basic MEBDL 2020	Augmented MEBDL 2020	Basic MEBDL 2020	Augmented MEBDL 2020	Basic MEBDL 2020	Augmented MEBDL 2020
Food	7,121.38	7,121.38	5,167.82	5,167.82	3,374.84	3,374.84
Clothing	408.53	408.53	363.14	363.14	272.36	272.36
	292.50	292.50	210.00	210.00	160.00	160.00
Personal Care	779.95	779.95	711.23	711.23	632.20	632.20
Health	307.05	307.05	193.00	193.00	412.63	412.63
	60.00	60.00	60.00	60.00	180.00	180.00
Household Goods and Maintenance, Laundry and Care, and Services	204.54	204.54	202.08	202.08	202.08	202.08
	153.64	153.64	153.64	153.64	153.64	153.64
	168.76	168.76	161.03	161.03	161.03	161.03
	284.48	284.48	284.48	284.48	284.48	284.48
	69.97	69.97	60.68	60.68	46.64	46.64
	59.88	59.88	59.88	59.88	59.88	59.88
	209.24	209.24	187.01	187.01	178.40	178.40
	120.36	120.36	94.63	94.63	69.39	69.39
	120.00	120.00	120.00	120.00	140.00	140.00
	360.00	360.00	360.00	360.00	360.00	360.00
	410.00	410.00	205.00	205.00	458.00	458.00
Education, Culture & Gifts	498.00	498.00	498.00	498.00	104.00	104.00
	192.50	192.50	192.50	192.50	0.00	0.00
	400.00	400.00	400.00	400.00	200.00	200.00
	240.00	240.00	180.00	180.00	120.00	120.00
	60.00	60.00	60.00	60.00	60.00	60.00
Transport	980.00	980.00	668.00	668.00	208.00	208.00
Housing	446.00		446.00		319.00	
Basic MEBDL 2020 Baskets	13,946.78		11,038.12		8,156.57	
Eating Out		480.00		360.00		240.00
Private Car		1,422.50		1,422.50		1,422.50
Commercial Rent		9,600.00		9,600.00		8,400.00
Augmented MEBDL 2020 Baskets		25,003.28		21,974.62		17,900.07

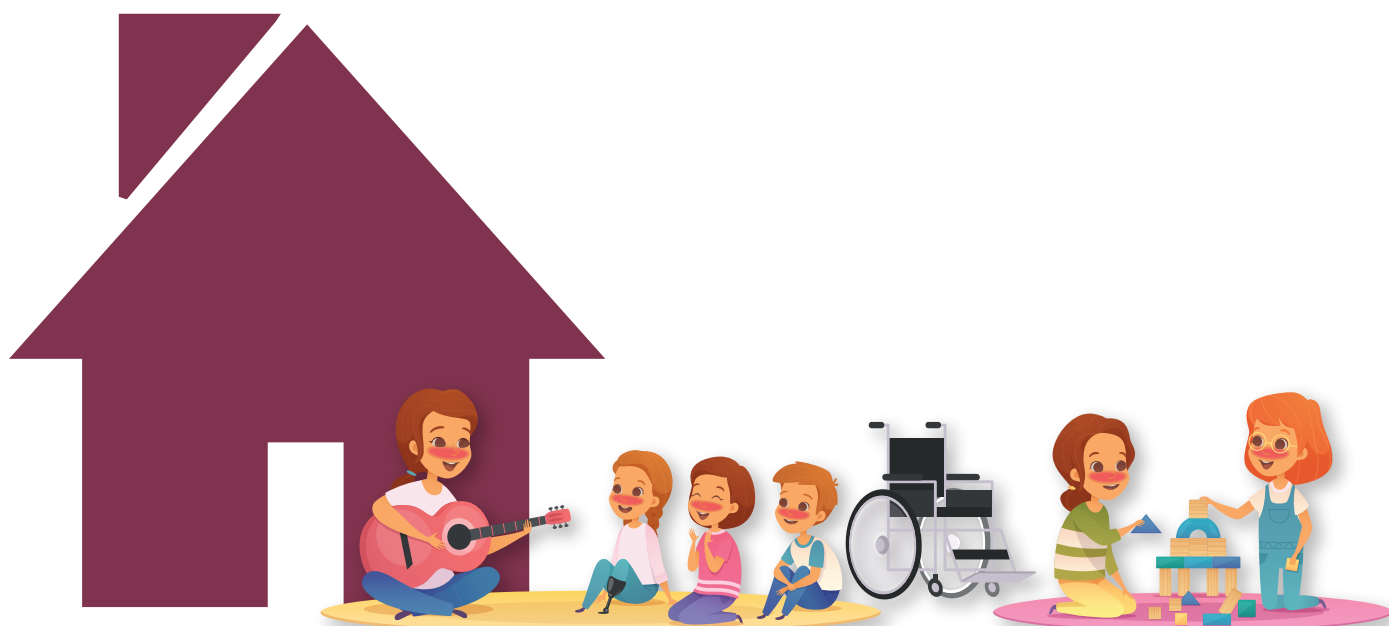
## 3.5 HOUSEHOLDS WITH A CHILD WITH A DISABILITY

It was not the purpose of the MEBDL 2020 study to calculate an essential basic basket for a household with a member with special needs. This was not feasible within the available time frame and parameters. Moreover, it would very likely not have done justice to the broad variety and multitude of obvious and less obvious needs and challenges experienced by such families. However, given the few interviews conducted to explore these particular needs and challenges, it was felt that this edition of the MEBDL basket could include a preliminary awareness-raising spotlight on additional costs for households with dependent children with special needs. The idea was to alert the readers of the study with respect to daily or less frequent essentials and their costs, with a view of encouraging further research studies in the area.

In the formal interviews and informal conversations conducted with adult members of these households, and with officials from the Foundation for Information Technology Accessibility (FITA) and the Commission for the Rights of Persons with Disability (CRPD), a long list of expenses incurred was elencated. Useful insights were obtained from these interviews, in particular with regard to households with children with autism or multiple mental and physical disabilities.

Taking a look at basic essentials, these can either be generic products with limited added features to enable accessibility, or specifically designed high-tech products. For example: one can buy generic clothing and have it altered to meet certain mobility needs, or buy specially designed adaptive clothing. Similarly, one can buy a smartphone with the normal applications to aid accessibility, whilst other smartphones are designed to facilitate mobility and inclusion in one's setting. Products with additional features are typically much more expensive. In particular, when one considers the vast range of assistive high-tech devices available it would be difficult to develop and cost a suitable and adequate basket to assure inclusion for the households with members with different abilities.

The state has various schemes which can assist with subsidising the extra expenses incurred by these households, such as vouchers for gluten free foods, subsidies on educational courses throughout life, and financial aid for mobility devices, equipment and transport, as well as housing adaptations. Financial aid may also be forthcoming from NGOs and other entities. Notably, inadequate income may lead to Digital Poverty in a household where adult members sacrifice fulfilling their own needs in order to pay for technological products and services required for a basic and dignified living for their child with special needs.



A common lament by parent interviewees was that the whole process to apply for state aid, whether financial or in kind, was sometimes a lengthy or quite bureaucratic one. Additionally, it was felt that certain fees for professional services were too high, possibly because they were unregularised. This was particularly significant when parents sought private therapeutic services for their children from different professionals, sometimes more than once a week, with bills amounting to over a 100 euro weekly in some cases. Parents also reported that banks were also not always helpful and empathic when it came to providing loans to purchase expensive, specialised equipment.

“When there are families with dependent children with special needs living in the same household who are 16 years of age or older, other allowances are applicable. In such circumstances a Severe Disability Assistance, 2021 weekly rate €108.35, or an Increased Severe Disability Assistance, 2021 weekly rate €163.15 (for those who cannot absolutely participate in a working environment) are paid. Moreover, a Disability Assistance, 2021 weekly rate of €82.82, is also payable to those certified to be suffering from a permanent total paralysis, or permanent total severe malfunction, or permanent total disease, whether through amputation or otherwise of one of the upper or lower limbs; or certified to be totally and permanently mute or permanently deaf to a degree of no less than seventy (70) decibels.”

Personal communication, Social Security Department official, November 30, 2020

In summary, the yearly totals for the MEBDL 2020 are €13,946.78 for a household comprising two adults and two children, €11,038.12 for a household comprising a lone parent and two children, and €8,156.57 for a household comprising an elderly couple (65+). Table 26 presents the cost of the MEBDL 2020 Basic Basket as compared to the MEBDL 2020 Augmented Basket for each household category. The sole difference is that Social housing has been substituted by renting from the private sector at Commercial rates in the Augmented Basket. Public Transport has not been removed from the Augmented Basket, since, as explained earlier, use of Public transport may still be required by members of the households for certain errands and activities when it is more practical or logical to do so. One could also engage in car-pooling as a sustainable transport practice. Combining the cost of usage of a private car with eating out on a regular basis increases the yearly Basic basket total by approximately 1,700 to 1,900 euro. However, when one adds the Commercial rent, this increases the cost of the basket significantly, resulting in Augmented baskets costing around 18,000 per year for the elderly couple, 22,000 euro per year for the household of one adult and two children, and 25,000 euro for the household with two adults and two children. The impact of the rental fee, even though subsidised, is still high enough to affect dramatically the financial circumstances and quality of life of the low-income households.

**Table 27a**

Cost-Related Issues for Households with a Child with a Disability

Item	Issue	Real-life experience
Food	<ul style="list-style-type: none"> <li>Extra costs as a result of suffering from the coeliac condition</li> </ul>	“Being coeliac is rather challenging. Although coeliac people have a 45 euro monthly voucher from the government, this is not enough and is restricted in choice.”
Health	<ul style="list-style-type: none"> <li>Suffering from osteoporosis as a secondary condition</li> </ul>	“Because of his osteoporosis he had to take this injection which costs €260 every six months. So I have given it to him a couple of times... that is something I have to pay.”

**Table 27b**

Cost-Related Issues for Households with a Child with a Disability

Item	Issue	Real-life experience
<b>Dwelling</b>	<ul style="list-style-type: none"> <li>• Accentuated sensitivity of the child to ambient temperature</li> <li>• Keeping the dwelling at a comfortable temperature for the carer who works long hours with the child</li> <li>• Special equipment is costly</li> </ul>	<p>“Summer and winter his feet are very cold so he needs the right temperature as he doesn’t move so he gets cold. Keeping the house warm or cool is rather expensive.”</p> <p>“I wanted to change my child’s bed, but it was too expensive; about €1500.”</p>
<b>Technology and Internet</b>	<ul style="list-style-type: none"> <li>• Keeping up to date re the special condition and re existing or potential support – equipment, benefits, networks</li> </ul>	<p>“It is not just the basic needs, like to eat and pay bills. It is also other things such as technology and internet, as it is essential to see what is going on through social media.”</p>
<b>Mobility and Transport</b>	<ul style="list-style-type: none"> <li>• Special transport needed in the form of own private special car</li> <li>• Frequent usage of taxi services</li> </ul>	<p>“Equipment is rather expensive, such as cars and wheelchairs... There is so much red tape and compensation is becoming rather minimal.”</p> <p>“I have always had a van to be able to put in the wheelchair. There is assistance from the government for when you have wheelchair users, and you do not pay the car registration tax and we do not pay for the road licence.”</p> <p>“It is expensive even to take a taxi. Having a wheelchair, to go around costs a lot in taxi fees.”</p> <p>“The last time that I checked for a wheelchair it cost €7,000.”</p>
<b>Psychological Services</b>	<ul style="list-style-type: none"> <li>• High cost of Baseline Assessment/s required at time of recognition of condition and application for assistance</li> <li>• Cost of regular monitoring assessments, professional review and reporting</li> </ul>	<p>“Each LSE assessment costs between €600 and €800. Then you have an update of €200.”</p>
<b>Clothing, Footwear, Household Textiles</b>	<ul style="list-style-type: none"> <li>• Buying adaptive clothing, or altering clothing to make it suitable for condition</li> <li>• Buying appropriate footwear</li> <li>• More frequent soiling of textiles</li> </ul>	<p>“Clothes can be expensive due to alterations.”</p> <p>“Laundry is an expense as his sheets must be washed at least twice a day as accidents happen. The water and electricity bill comes up to around €90 every two months.”</p> <p>“Again even the sheets for the bed they have to be special, because the bed is not a normal one.”</p>

**“Poverty is not made by God, it  
is made by you and me when we  
do not share what we have.”**

**- Mother Teresa**

# CHAPTER FOUR

## SALIENT FINDINGS

### 4.1 AN UPDATED MEBDL

The MEBDL 2020 basket is the result of a process involving multiple stakeholders and investigative elements working within a framework of social justice. The MEBDL 2020 builds upon the original MBDL 2012 and the second MEBDL 2016 which all had the same goal of ascertaining what is the cost of a basic basket of goods and services which are considered essential for a minimum decent standard of living. The study stayed faithful to the principles of ‘minimum’ and ‘essential’, which this time had more significance in line with a number of the United Nations SDGs and their promotion of human and planetary wellbeing. At the same time, the contents of the basket were revised, taking into consideration insightful feedback received on the MEBDL 2016, national and international strategies and policies around poverty reduction and social inclusion, and the prevailing local context, lifestyles and norms (pre-COVID pandemic). As in the previous studies, the MEBDL 2020 presents a minimum benchmark to guide policy decisions affecting the income and wellbeing of groups in society who fall in the lower income brackets and are at risk of poverty or social exclusion.

#### 4.1.1 The Cost of the MEBDL 2020 Basket

Table 28 presents the total monthly and yearly cost for the minimum basket of goods and services considered essential for a decent living for three low-income household types. The yearly totals for the MEBDL 2020 are €13,946.78 for a household comprising two adults and two children, €11,038.12 for a household comprising a lone parent and two children, and €8,156.57 for a household comprising an elderly couple (65+). In the costing exercise it was assumed that members of the three household types resided in subsidised rented property, were in receipt of energy and water benefits, were eligible for free food packages under the FEAD and SFFD schemes, and included members who were Pink Form holders. It was also assumed that these households made full use of free public health services as required and available, that the children attended free State schools, and that the families attended free leisure and cultural activities most of the time. All this has been factored into the calculations.

In comparing the MEBDL 2020 and 2016 basket totals, the increases range from approximately 1,400 euro per year for the Elderly Couple household, to 2,500 euro for a year for the 2 adults and 2 Children household. (See Table 29.) This is not surprising given that inflation would be expected to impact the cost of the basket. Considering the 2019 on 2016 growth rates, there were high increases in Food and Non-Alcoholic beverages (8.13 per cent), particularly vegetables (20.0 per cent), margarine and butter (20.73 per cent), and fresh breads and pastries (19.6 per cent) (Personal communication, NSO March 6, 2020). There were similar high increases in Dwelling maintenance and repair services (11.2 per cent) and Furniture (12.1 per cent), and to a lesser degree in Medical Services (8.7 per cent) and Dental Services (7.58 per cent). Finally, there was also high inflation in Entertainment and Cultural Activities (10.72 per cent). In contrast, the lowest inflation rate was for the category Clothing and Footwear at -5.5 per cent. (See Table 29.)



Table 28

Minimum Monthly and Yearly Costs for the MEBDL 2020 for Three Household Types

MEBDL 2020		2 Adults & 2 Children		Lone Parent & 2 Children		Elderly Couple (65+)	
Categories	Items	Monthly €	Yearly €	Monthly €	Yearly €	Monthly €	Yearly €
Food	7-Day Menu	593.45	7,121.38	430.65	5,167.82	281.24	3,374.84
Clothing	Garments	34.04	408.53	30.26	363.14	22.70	272.36
	Footwear	24.33	292.50	17.50	210.00	13.33	160.00
Personal Care	Personal Care	65.00	779.95	59.27	711.23	52.68	632.20
Health	Medicines and Medical Care Products	25.59	307.05	16.08	193.00	34.39	412.63
	Medical Services	5.00	60.00	5.00	60.00	15.00	180.00
Household Goods and Maintenance, Laundry and Care, and Services	Furniture & Furnishings (and textiles)	17.05	204.54	16.84	202.08	16.84	202.08
	Appliances	12.80	153.64	12.80	153.64	12.80	153.64
	Maintenance and Repair: Material	14.06	168.76	13.42	161.03	13.42	161.03
	Maintenance and Repair: Services	23.71	284.48	23.71	284.48	23.71	284.48
	Laundry Detergents	5.83	69.97	5.06	60.68	3.89	46.64
	Non-durable goods	4.99	59.88	4.99	59.88	4.99	59.88
	Electricity	17.44	209.24	15.58	187.01	14.87	178.40
	Water	10.03	120.36	7.89	94.63	5.78	69.39
	Gas	10.00	120.00	10.00	120.00	11.67	140.00
	Telephone/TV/Internet	30.00	360.00	30.00	360.00	30.00	360.00
	Smartphone	34.17	410.00	17.08	205.00	38.17	458.00
Education, Culture & Gifts	Stationery, School Bag & Outings	41.50	498.00	41.50	498.00	8.67	104.00
	Uniforms	16.04	192.50	16.04	192.50	0.00	0.00
	Laptop	33.33	400.00	33.33	400.00	16.67	200.00
	Cultural Activities	20.00	240.00	15.00	180.00	10.00	120.00
	Gifts	5.00	60.00	5.00	60.00	5.00	60.00
Transport	Public Transport	81.67	980.00	55.67	668.00	17.33	208.00
Housing	Rent	37.17	446.00	37.17	446.00	26.58	319.00
Total 2020		1,162.23	13,946.78	919.84	11,038.12	679.73	8,156.57

**Table 29**

Monthly and Yearly Minimum Essential Budget for A Decent Living for Three Household Types: 2016 and 2020

Household	MEBDL 2016		MEBDL 2020	
	Monthly in €	Yearly in €	Monthly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	953.83	11,445.99	1,162.23	13,946.78
<b>Lone Parent &amp; 2 Children</b>	766.45	9,197.37	919.84	11,038.12
<b>Elderly Couple (65+)</b>	543.90	6,526.72	679.73	8,156.57

Looking at the pre-COVID 19 inflation, in December 2019, the highest 12-month inflation rates were for Recreation and Culture (2.79 per cent) and Food (2.08 percent), and the lowest for Clothing and Footwear (-1.73 percent) and Household Equipment and House Maintenance costs (-1.03) (NSO, 2020). Breaking this down further, there was an increase in Educational Fees and Related Expenses of 2.78 per cent and in Other Recreational Articles and Services of 2.91 per cent. Similarly, breaking down the Food rate, there was an increase in Food from Restaurants and Take-aways of 2.38 per cent and of 1.97 per cent in the remaining Food. These inflation rates also seem to be reflected in the differences between the MEBDL 2016 and 2020 baskets; for example, with similar upward shifts in the cost of Food and Education, and downward shifts in Clothing. (See the full MEBDL 2016 basket in Appendix S.)

Indeed, it must be noted that comparison of the two MEBDL 2020 and 2016 baskets is not advisable due to the addition of new items and other adjustments in the MEBDL 2020 basket as a result of changing social norms and lifestyles and related expectations and/or behaviours as explained earlier. The main additions and adjustments are presented in Box 7.



### BOX: 7 Additions and adjustments in the MEBDL 2020 basket

Category	Additions	Adjustments
Food		<ul style="list-style-type: none"> <li>Consideration of free food from the SFFD scheme</li> </ul>
Medicinals and Medical products	<ul style="list-style-type: none"> <li>Bone density (osteoporosis-related) tablets</li> </ul>	
Medical services	<ul style="list-style-type: none"> <li>Visits to family doctor and to specialists</li> </ul>	
Electricity	<ul style="list-style-type: none"> <li>Cost of running an energy-efficient Air conditioner (12000BTU) in the summer months</li> <li>Cost of running an Internet WiFi router</li> </ul>	<ul style="list-style-type: none"> <li>Switch to LED TV</li> <li>Switch to energy-efficient lighting</li> </ul>
Smartphone and Telecare Services	<ul style="list-style-type: none"> <li>Smartphone for every adult</li> <li>Telecare Plus service for the elderly</li> </ul>	
Education, Culture and Gifts	<ul style="list-style-type: none"> <li>School bag per child</li> <li>Laptop for each household</li> <li>Allocation for stationery for Elderly Households in their role as grandchild carers</li> <li>Allocation for paid cultural activities</li> <li>Allocation for gift-giving</li> </ul>	<ul style="list-style-type: none"> <li>Use of one-time stationery grant from Scheme 9 for each child</li> </ul>
Housing		<ul style="list-style-type: none"> <li>Consideration of the average rent of Housing Authority subsidised privately-rented dwellings, rather than the lowest rate permissible for Social housing</li> </ul>

“Presently one needs the internet at home, because children constantly use it for school assignments. One also needs a smartphone, not necessarily the most expensive one. If my daughter asks me to buy her an 800 Euro smartphone, I can’t afford it and I do not want to bring up my children having such luxury.”  
(Lone parent with children)

The increase in cost because of the additions in the various basket categories was not offset by adjustments made which decreased the cost. For example, the inclusion of a smartphone per adult, a laptop per household, and an allocation for doctor and specialist fees, paid cultural activities and gifts accounted for, approximately, 750 euro to 1,100 euro more for the basket cost of the different household types. The deduction in cost for other items, such as through the contribution of the SFFD free food and energy-efficient appliances, did not make up for this.

## 4.1.2 The Augmented Basket

As already indicated, the items making up the Augmented Basket lead to a hefty increase in the cost of the basket (see Table 30). Some may argue that eating out and running a private car should be seen as essentials in order to ensure social inclusion. Undoubtedly, eating out could have a positive impact on social and mental health due to the socialisation element, but it could also impact negatively if food choices are frequently of lesser health quality. With respect to running a private car, this could facilitate integration in the community and possibly job opportunities. On the other hand, the regular use of a car may be detrimental to the natural environment, with links to air quality and subsequently human health, as well as reduce the likelihood of walking as a potentially healthy means of travel. Should Eating Out and Running a Private Car be added to the cost of the Basic Basket, the total would increase by close to 2,000 euro annually for each household. If the rent for the privately-rented dwelling is substituted for the Social Housing rent, the total would increase by close to 10,000 euro annually for the households with children and it would more than double for the Elderly Couple household. This would result in a severe financial challenge for low-income households, possibly leading to a persistent debt status and consequent downward spiral in holistic wellbeing of the household.

**Table 30**

The Cost of the Augmented Baskets

Item	2 Adults & 2 Children		Lone Parent & 2 Children		Elderly Couple (65+)	
	Monthly in €	Yearly in €	Monthly in €	Yearly in €	Monthly in €	Yearly in €
Eating Out	40.00	480.00	30.00	360.00	20.00	240.00
Private Car	118.54	1,422.50	118.54	1,422.50	118.54	1,422.50
Commercial Rent	800.00	9,600.00	800.00	9,600.00	700.00	8,400.00
Basic Basket (minus Social housing)	1,125.07	13,500.78	882.68	10,592.12	653.13	7,837.57
<b>AUGMENTED BASKETS</b>	<b>2,083.61</b>	<b>25,003.28</b>	<b>1,831.22</b>	<b>21,974.62</b>	<b>1,491.67</b>	<b>17,900.07</b>

### 4.1.3 Cost of the Different Categories as a Proportion of the MEBDL 2020 Basket

Table 31 presents the minimum budget required for the main MEBDL 2020 basket categories for the three household types, as well as the proportion of the basket cost of each category. (A Table with the proportions for all the categories and their various components can be found in Appendix T.) The highest proportion of the total cost of the MEBDL basket is accounted for by Food, ranging from 41 to 51 per cent for the three household types. The next highest cost proportionally is for the combined Household Goods and Maintenance, Laundry and Care, and Services, which ranges from 16 to 30 percent. With lower proportions one finds Education, Culture and Gifts, representing from 6 to 12 percent of the basket. Finally, the other categories represent 8 percent or less of the cost of the basket.

**Table 31**

Cost of the Different Categories as a Proportion of the MEBDL 2020 Basket

MEBDL 2020 Main Categories	2 Adults & 2 Children		Lone Parent & 2 Children		Elderly Couple (65+)	
	Yearly in €	Percentage of MEBDL Basket	Yearly in €	Percentage of MEBDL Basket	Yearly in €	Percentage of MEBDL Basket
Food	7,121.38	51.06	5,167.82	46.82	3,374.84	41.38
Clothing	701.03	5.03	573.14	5.19	432.36	5.30
Personal Care	779.95	5.59	711.23	6.44	632.20	7.75
Health	367.05	2.63	253.00	2.29	592.63	7.27
Household Goods and Maintenance, Laundry and Care, and Services	2,160.87	15.49	1,888.43	17.11	2,113.54	25.91
Education, Culture & Gifts	1,390.50	9.97	1,330.50	12.05	484.00	5.93
Transport	980.00	7.03	668.00	6.05	208.00	2.55
Housing	446.00	3.20	446.00	4.04	319.00	3.91
<b>Total</b>	<b>13,946.78</b>	<b>100.00</b>	<b>11,038.12</b>	<b>100.00</b>	<b>8,156.57</b>	<b>100.00</b>

Some notable differences across household types are:

- The significantly higher share of the cost of the basket of the Health category for the Elderly Couple household compared to other households, possibly reflecting the increased cost due to medications included and visits to specialists;
- The higher share of the cost of the basket of the Personal Care category for the Elderly Couple household compared to other households, perhaps indicating that living independently and active aging requires

**additional expenditure in this category, especially to maintain one's dignity and self-esteem based on good hygiene and appearance;**

- **The significantly higher share of the cost of the basket of the Household Goods and Maintenance, Laundry and Care, and Services category for the Elderly Couple household compared to other households, maybe an indication of increased maintenance and repair or replacement costs, such as for waterproofing, old appliances and other equipment, as well as the additional cost of a smartphone;**
- **The somewhat higher share of the cost of the basket of Education, Culture and Gifts for the Lone Parent and 2 Children household compared to other households, possibly highlighting the realities of having just one income to make certain necessary purchases for the children's personal development and enjoyment.**

The lowest share of the MEBDL basket cost was Health for both households with children, reinforcing the very likely lower medicinal and services costs contribution to the Basket as compared to the elderly; and Transport for the Elderly Couple household, reflecting the clear impact of the capping at 2 Euro of the weekly cost of the Elderly Concession Tallinja Card for public transport.

It is interesting to note how the different categories are shared across the MEBDL 2020 basket cost when compared to the average annual household expenditure for those in the lowest equivalised disposable income quartile (less than 9,030 Euro) based on the Household Budgetary Survey (HBS) 2015 (NSO, 2018). (See Appendix U.) It must be emphasised that the components of the categories may not be exactly the same, thus the exercise is not a scientific one; but it can offer some indication as to whether the selected goods and services in the MEBDL 2020 are in line with actual expenditure. Table 32 portrays that for most categories the proportion of the total cost of the MEBDL 2020 basket and of the HBS expenditure are quite similar. This suggests that there is a normative quality to the MEBDL basket.

The one category where there is a sharp difference is Food (MEBDL = 46.42; HBS = 25.90). There is also a clear difference in Transport (MEBDL = 5.21; HBS = 10.8). The latter is very likely reflective of the high use of private vehicles for transportation, with parallel expenditure on fuel and maintenance. With regards to food, the mismatch in proportions is probably a result of the quality of the food consumed and where the food was purchased. For example, the MEBDL 7-day menus are high in wholegrain, less processed cereal products, pulses and fresh and minimally-processed vegetables and fruit. They also contain nuts. All these foods are typically high in cost when compared to highly processed cereal and breads, tinned vegetables and bagged snack foods which may have been more common in the diets of the HBS participants. It is also a well-researched fact that lower-income families tend to spend a higher proportion of their income on food. (French et al., 2019)

"Every week I spend about 50 Euro on vegetables, fruit and bread. Every month I spend around 22 Euro on fish and 60 on meat. Then at the supermarket I spend 260 a month and we spend 50 Euro a month eating at restaurants." (Married elderly person with grown-up children in same household)

**Table 32**

Average annual household expenditure for those in the lowest equivalised disposable income quartile according to the HBS 2015

Item	Expenditure	
	Average (€)	Percentage
<b>CP01 - Food and non-alcoholic beverages</b>	3,746	25.9
<b>CP02 - Alcoholic beverages and tobacco</b>	393	2.7
<b>CP03 - Clothing and footwear</b>	949	6.6
<b>CP04 - Housing, water, electricity, gas and other</b>	1,663	11.5
<b>CP05 - Furnishing, household equipment and maintenance</b>	1,019	7.1
<b>CP06 - Health</b>	930	6.4
<b>CP07 - Transport</b>	1,559	10.8
<b>CP08 - Communication</b>	714	4.9
<b>CP09 - Recreation and culture</b>	935	6.5
<b>CP10 - Education</b>	348	2.4
<b>CP11 - Restaurants and hotels</b>	874	6.1
<b>CP12 - Miscellaneous goods and services</b>	1,320	9.1
<b>TOTAL</b>	14,450	100.0

Source: Personal communication with NSO, March 6, 2020

A survey was conducted in Autumn 2020 in different retail outlets to price a selection of vegetables and fruits present in the MEBDL 7-Day Menus for each household type (see Appendix V). Three supermarkets in the centre/North of Malta, three local green grocers and the Farmers Market in Ta Qali were visited. On comparison, the most expensive source of vegetables was the supermarkets, whilst the Farmers Market tended to be the cheapest. There was no clear cheapest outlet for the fruits, suggesting that the prices at specific outlets differed, perhaps even depending on the region. Of note, Gozo was not included in this exercise, but anecdotal evidence would suggest that due to a high local supply on the island prices are often cheaper.



## 4.2 SIGNIFICANCE OF THE FINDINGS

### 4.2.1 The MEBDL and Measurement of Poverty and Decent Living

Like its predecessors, the focus of the MEBDL 2020 study was on the relationship between low-income households, a basket of goods and services, and holistic wellbeing. The point of departure was that the quality and cost of the basket would be primary determinants as to whether the targeted households would be able to achieve a decent living or otherwise. Thus, the configuration of the basket was done in a studious manner with broad consultation. Whilst the concept ‘decent living’ will necessarily continue to be debated in the public, policy and research spheres, this study sought to develop and offer an objective measure for what should be a minimum income to guarantee a simple, healthy, sustainable living for low-income households. Keeping the vulnerable central to its work, the study aimed to provide further evidence for future policy decisions and actions targeting poverty reduction in Malta.

Whereas the MEBDL basket of goods and services was built and costed to establish a budget to meet the needs of three specific low-income households -- two adults/parents with two children, a lone parent with two children and an elderly couple aged 65 and over -- there are clearly other individuals and households who might be on the brink of poverty or suffering poverty. The so-called ‘peripheral poverty’ is also present in Malta, where there is regional inequality and particular at-risk groups whose plight is not visible or acknowledged and thus their needs are not met. A recent report from the National Audit Office (2020) highlighted this deficiency and referred to individuals, such as those with mental health problems, asylum seekers and immigrants, those residing in faith-based homes or elderly homes, prisoners, the homeless and other groups as not being captured in statistics quantifying poverty rates. In this regard, NGOs and academics consulted for the NAO report explained how there had been an “increase in living expenses and standard of living not matched with an equivalent increase in income, translating into households unable to cover basic expenses and resulting in more families seeking financial support from NGOs.” (NAO, 2020, p. 15) They also referred to “the growing polarisation in wealth distribution and the improvement in the standard of living, which fuel the persistence of relative poverty and personal perceptions of poverty.” (p.16) Finally, they urged the authorities to rectify this situation so that all those who require assistance are identified and their specific needs addressed.

A significant aspect of the MEBDL study was establishing the basket which contained all the essentials for three specific, yet common, households in Malta to have an adequate standard of living. The process involved identification of the essentials -- quality, intensity and frequency of the items and activities which all households should be able to have and do. This deliberation and specification on the what, how much and how often, was a key step in the study and needed to be carried out with rigour in order to be comfortable with then moving on to price the basket to establish the minimum budget for each household. Consultation with stakeholders was crucial to this process and is in line with consensual approaches which utilise qualitative ‘public’ participatory methods in conjunction with expert input to produce agreement on what constitute necessities for life -- what is minimally acceptable -- measured relative to prevailing normative standards so as to ascertain minimally adequate household budgets. (Fahmy, Sutton & Pemberton, 2015) The point of contention is often not around the basic and subsistence needs, but more around social needs and what one ‘cannot live without’ in their social context.

A new focus in the MEBDL study was families with a member with a disability. Although the discussion on the ordinary and extraordinary expenses of such families was brief, it was not intended in any way to downplay the multiple financial burdens borne by these families; but rather an admission that the area requires a comprehensive study in its own right. The risk of such families falling into poverty is high given the myriad of goods and services involved in maintaining the health and wellness of the person with the disability and

even the other family members. Despite the variety of state aid available, as well as aid and support by NGOs, these households merit further special attention and a number of specific MEBDLs for their particular needs should be established.

As an overall assessment of Malta's progress in alleviating poverty, the NAO (2020) report highlighted the substantive and noteworthy actions taken by the state, yet also underlined that there were still gaps. In order to achieve the SDG1 Goal of 'No poverty' the UN calls for the use of social protection systems to mitigate against poverty and prevent people from falling into poverty. It also stresses the following as a key target:

**“Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable”.**  
**(NAO, 2020, p. 32)**

THE MEBDL study might be considered as having helped to identify what a 'monetary' social protection floor could be for three household types. Indeed, with regard to measurement, the NAO (2020) has been critical of the fact that current EU-SILC measures for at-risk-of poverty do not consider relevant important variables, such as the benefits of a free national health care system, free medicines, a free child care and educational system extending from infancy to the tertiary level, and several other subsidies automatically deducted from bills (such as the Energy benefit). The NAO believes that all these benefits should be adequately measured and assessed to provide a more accurate picture of the situation of poverty in Malta. In its workings the MEBDL team did in fact study and account for such benefits within the cost of different elements of the basket of goods and services.

## 4.2.2 Social Benefits Recipients

“What minimum budget is required to achieve an acceptable, decent standard of living in Malta for three types of low income households?” This question was central to the MEBDL study and it was therefore pertinent to determine how the three minimum essential budgets established would align with the current income of the three low-income households of interest. In collaboration with the Department of Social Security of the MFCS, an exercise was conducted to identify the income of households who were receiving the following:

- **Unemployment or Social Assistance;**
- **National Minimum Wage (NMW) Benefitting from the In-Work Benefit scheme;**
- **National Minimum Wage (NMW) Benefitting from the new Tapering schemes;**
- **Guaranteed Minimum Pension or Widow's Pension.**

All the allowances/benefits/grants these individuals were eligible for, based on their circumstances and lifestage of their household members, were also considered (see Appendix W).

Table 33 shows that in households with two adults and two dependent children, or one adult with two dependent children where the income consists of Unemployment/Social Assistance together with applicable allowances/benefits, the minimum essential budget per annum is not reached. The deficit is 3,455.66 euro yearly for the four-member family and 1,044.12 euro yearly for the three-member family. These are both substantial amounts, especially for the 2 adult and 2 children household. In either case, the quality of life of the household will be severely compromised with certain elements of the basket having to be sacrificed in order to purchase essential items for subsistence or essential activities for health.

“Although you have a job and an income, you know that the salary won’t be enough, because you have to buy food, detergent, pay bills, fuel, etc. These are just necessities and the salary will not be enough or will be just enough.” (Lone parent with 2 children)

**Table 33**

Minimum Essential Budget for a Decent Living and Households with Dependent Children Receiving the National Minimum Wage or Social/Unemployment Assistance

	MEBDL Yearly Budget	Family receiving one National Minimum Wage, In-Work Benefit and other Allowances/ Benefits	Family receiving one National Minimum Wage, Tapering of Benefits and other Allowances/ Benefits	Family receiving Social/ Unemployment Assistance and other Allowances/ Benefits	Family receiving Widow’s Pension and other Allowances/ Benefits
	Yearly in €	Yearly in €	Yearly in €	Yearly in €	Yearly in €
<b>2 Adults &amp; 2 children</b>	13,946.78	13,344.86	16,609.44	<b>10,491.12</b>	
<b>Lone Parent &amp; 2 children</b>	11,038.12	14,790.98	16,260.52	<b>9,994.00</b>	
<b>Widow &amp; 2 children</b>	11,038.12				11,880.44

“I spend money mostly on food and mostly on sweets for the children. Mini markets do have high prices as people do not go out of town and therefore the demand is higher, whilst the supply is low of the mini markets. I spend between 15 to 20 Euro daily in order to have food for all the family. The social benefits are not enough and I have to ask my parents for help regarding money. Although I am benefiting from the housing scheme and just pay 140 euro every 3 months, water and electricity bills have not been paid for several months.” (Lone parent with 3 children)

For a widow with two dependent children the income received is 842 euro more yearly than the MEBDL for that household type. Though this might seem a generous surplus, in reality even one or two major expenses could tip the balance with respect to quality of life of this household. For example, should an appliance break down and need to be replaced, or should a second laptop be required in the household due to education or some legitimate, enterprising finance-generating endeavour, then the extra 842 euro would soon be exhausted. Or else, should one of the children participate in a type of sport or hobby which has various costs related to equipment, gear, competition fees, such expenses could amount to several hundred a year.

“To live decently, one must have something extra so that they can have a short holiday every once in a while; either go on a holiday or go to a restaurant. Even if you want to go camping you have to spend over 100 Euro because you have the camping site fee and equipment to take with you. Even to take children to sports activities, one must pay a lot of money. Although you have a job and you work, life expenses keep increasing.” (Lone parent with 2 children)

As can be seen in Table 34, households comprising elderly couples who are over 65 years old and who receive a Guaranteed Minimum Pension, reach the minimum essential budget for a decent living. This also applies when the household only has one pension. The surplus in this case is of 1,595 euro. Once again, this may seem like a generous extra amount, but one must never forget the minimum nature of the MEBDL and that this extra would need to be shared by two people. Many will argue that the elderly have such a myriad of costs specific to their lifestage and health status, that this amount is actually not enough. For example, an elderly person may need to take a course of medicines which may not be available for free through the NHS. Or during winter they may need to invest in warmer clothing (e.g. thermal underwear with long sleeves and legs), some thicker quilts for the night time, or an additional portable heater if the elderly couple are using separate rooms for a while. Or they may be the owners of their apartment, but have condominium fees of around 200 euro annually plus insurance. Or perhaps they are assisting with caring for grandchildren after school hours and incurring regular expenses (e.g. providing a snack or meal daily, or giving them their nightly shower before being picked up by the parent/s), all of which add up over the school year. It may also be argued that the described minimum basket for an Elderly Couple does not allow for adequate social participation, such as through weekly social outings with friends, or even weekend breaks or trips with family or friends.

**Table 34**

Minimum Essential Budget for a Decent Living and Households Comprising Individuals receiving the Guaranteed Minimum Pension

	MEBDL	Couple receiving one Guaranteed Minimum Pension and other Allowances/Benefits	Couple receiving two Guaranteed Minimum Pensions and other Allowances/Benefits
	Yearly in €	Yearly in €	Yearly in €
<b>Elderly couple (65+)</b>	8,156.57	9,752.08	17,669.60

“When I buy shoes it costs me about 90 or 100 Euro.... Because I have to wear special shoes.” (Elderly person)

“I attend a Christmas dinner and concert annually. It costs me 100 Euro.”(Elderly person)

“They [the children] don’t live with me but I cook for them 3 times a week, and sometimes for my daughter’s two children.” (Single elderly parent with grown-up children and grandchildren not living in same household)

### 4.2.3 Groups At-Risk-of-Poverty

Based on the SILC 2019 (NSO, 2020), the current Median National Equivalised Income (NEI) stands at 15,354 Euro. The 60% median NEI stands at 9,212.00 Euro and the 40% median NEI stands at 6,142 Euro. The at-risk-of-poverty line is set at 60% median NEI. According to the ONPES 2014-15 report (ONPES, 2015), nobody should be expected to live on a budget below the 40% median NEI.

Table 35 presents the number and share of persons below the 60% median NEI threshold for the three household types focused on in the MEBDL study. It is of grave concern that the number of persons who are below the 60% median NEI threshold for the three household types is so high. Whereas social transfers are laudable valid instruments in combatting poverty and ensuring life with dignity, the large social context and the systemic causes of poverty also need to be tackled. Research is urgently required to uncover the life circumstances and lifestyle choices which are leading to these high proportions of the population to be at risk of poverty. In this respect, the high AROPE rates and our MEBDL benchmarks, beg the question whether the 60% media NEI is appropriate to determine adequacy for individuals and families to have a decent level of living.

**Table 35**

Number and share of persons below the 60% median NEI according to EU-SILC 2019

	<b>60% median NEI (SILC 2019) in €</b>	<b>Number of persons below the threshold</b>	<b>Percentage of persons below the threshold</b>
<b>2 Adults* &amp; 2 Children**</b>	9,212	10,987	16.9
<b>Lone Parent &amp; 2 Children**</b>	9,212	7,221	42.9
<b>Elderly Couple (65+)</b>	9,212	12,300	37.7

\* Adults aged not more than 65 years old

\*\* A person is defined as a dependent child if s/he is: under 18, or 18-24 years old and is economically inactive and living with at least one parent. Otherwise, the person is referred to as an adult.

## 4.3 CONCLUSIONS

The MEBDL 2020 has been developed to provide a benchmark for disposable income. It may be seen as a gauge to use as a target, or as an assessment tool, both with the goal of ensuring that no household from the three types studied should have to live on an income lower than the stated MEBDL for that household type. The cost of eight categories of essential items was calculated in order to determine the final minimum budget required to fulfil the various needs as agreed on after broad consultation. The share of each category within the budget is indicative of the high cost of certain items, such as food, the low cost of certain items, such as clothing, and the role of social transfers in reducing the burden of expenses, such as through energy benefits, the FEAD and SFFD food aid, and housing subsidies on rent.

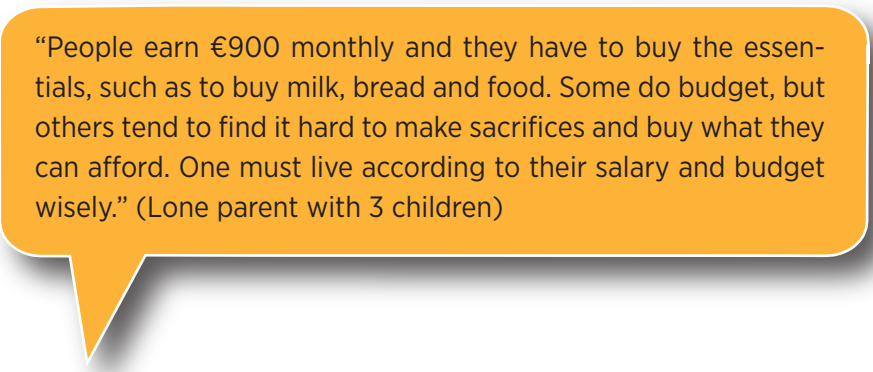
A comparative exercise has shown that households with dependent children subsisting on Unemployment/Social Assistance and applicable benefits/allowances do not have an adequate income in relation to the established researched minimum essential baskets. This lacuna requires immediate action as the wellbeing of the members of such households is in jeopardy, and the likelihood of falling into a persistent vicious circle of poverty is high. The various incentives and initiatives introduced by the state to encourage those on Social Assistance to seek employment have already borne fruit (MFCS, 2020); however, there is no room for complacency. There are many different population groups who are unaccounted for when measuring poverty. Luckily, a number of NGOs work on the ground with such groups (immigrants, ex-convicts, those suffering from mental health problems, ex-drug abusers) and they would be very valid partners in developing MEBDLs to suit these groups' particular circumstances.

The spectre of high rental costs for private dwellings and the availability of sub-standard housing is still present. Great strides have been made in trying to increase the pool of available Social Housing, whether state-owned or subsidised private dwellings, of controlling what is made available on the private rental market, and in offering financial aid for homeownership through different schemes. Yet it is often the low-income earners and vulnerable groups who end up having to rent somewhere to live, and this takes a huge slice out of their disposable income.

In reaching conclusions and making recommendations stemming from the MEBDL study, acknowledging the value of an anthropocentric economy where people are at the centre of policies and actions was deemed important. A country should strive to facilitate and protect the holistic health of its citizens through strengthening its economy in a sustainable manner, so that provision for social welfare will be guaranteed and social assistance for those who are truly in need can be offered. In line with the UN SDGs and international and national strategies for poverty reduction, there are several ongoing debates on the best way forward for goals to be achieved to the benefit of all.

One item on many national and Civil Society Organisations' agendas is the value of a Universal Basic Income (UBI) from an economic and social justice perspective. Has the time come for Malta to also pick up on this debate in earnest? Through this study, Caritas has emphasised yet again the importance of minimum incomes and contributed evidence in this regard. In the previous MEBDL 2016, the recommendation to increase the National Minimum Wage was made, on the one hand to help reduce the gap between the minimum essential budgets and the NMW, and on the other hand in recognition of the fact that increasing the NMW is more economically efficient than increasing income via social financial assistance. Exploring the value and feasibility of a UBI for Malta would take the importance of establishing a Minimum Essential Budget for a Decent Living to a whole new level.






“People earn €900 monthly and they have to buy the essentials, such as to buy milk, bread and food. Some do budget, but others tend to find it hard to make sacrifices and buy what they can afford. One must live according to their salary and budget wisely.” (Lone parent with 3 children)

A final point to consider is that the transition to a financially inclusive system involves digitising the payments and digitising the money. In this regard, Malta is already well on its way to a ‘cash-lite’ society according to the Bankable Frontier Associates’ four stages of the path from a cash-heavy to a cash-lite society. (Riley & Kulathunga, 2017) Additionally, with Malta’s commitment to becoming a blockchain island, the idea of developing a digital cash for low-income earners based on a purposive digital currency may also be worth exploring for sustainable economic feasibility within a larger virtuous social justice vision. Using the MEBDL benchmarks, or future studies to establish Reference Budgets for different household compositions, the government would need to determine the amount of digital cash to be given on a regular basis so that it would adequately meet the recipient individuals’ or families’ needs for a decent lifestyle. It would also need to determine which items one would be able to access through the digital cash. Once a digital transactional network is set up, using a ‘Digital Cash for the most vulnerable’ mobile application, recipients would then have the possibility to purchase the essential basic items such as food, medicine and clothes among others.

To ensure that social transfers enable poor families to upgrade to more sustainable livelihoods, this typically often requires other costly interventions, including resource management skills and financial capability training for the beneficiaries (Ehrbeck, 2012). The ‘Digital Cash for the most vulnerable’ mobile application mentioned above, could be seen as an educational tool in this respect; helping persons create their own budget, track their expenditure, manage distribution across different payments for different goods and services, and possibly set aside some digital cash as savings. Something similar to the ‘Gemma’ online calculators of the Ministry for Social Justice and Solidarity, the Family and Children’s Rights’ financial literacy programme could be integrated within the application. It must also be pointed out that although in most countries, smartphones are more popular among younger people, this does not mean that the older generation is not catching up (Silver, 2019). Therefore, the excuse of unfamiliarity of the use of mobile applications among the older adults should not hinder exploration of feasibility of a digital currency and digital cash for low-income earners.

Decisions by Central Banks on implementing digital currency and distributed ledger technologies in the future will have far-reaching consequences on financial and monetary systems, domestic economies, and the welfare of citizens. (World Economic Forum, online) A digital cash directly aimed at low-income earners is now on the agenda for many Central Banks around the world. Malta and other smaller countries could be at the forefront of this by developing a proposal for digital cash mounted on smartphones or smart cards to meet the needs of social assistance recipients. The aim of the ‘Digital Cash for those most vulnerable’ is to help provide financial inclusion and social inclusion whilst safeguarding dignity and wellbeing.





**“You may never know what  
results come of your  
actions, but if you do nothing,  
there will be no results”**

**– Mahatma Gandhi**

# CHAPTER FIVE GOING FORWARD

## 5.1 Final Thoughts

Both the United Nations and the European Union believe that it is a fundamental right of all persons who lack resources to have an adequate minimum income and effective access to enabling goods and services so as to ensure dignity at all stages of life. In this respect, the European Commission's Social Investment Package focuses on integrated packages of benefits and services which help people throughout their lives and achieve lasting positive social outcomes.

**“It's about giving everyone the chance to enjoy the same living standards so that everyone has an equal opportunity to live their life to their full potential.”  
(Habitat for Humanity)**

Poverty is a complex problem which necessitates complex solutions. Although welfare benefits assist in reducing poverty rates, on their own they do not eradicate poverty. Welfare policies and their implementation need to adequately address our changing Maltese society and emerging social trends, such as the increase in lone parent households, different generations within the growing ageing cohort, as well as a larger, ethnically varied, immigrant population.

The primary aim of this study was to offer evidence to spur further national discussion and encourage advocacy so that policymakers establish adequate minimum incomes which will guarantee a decent standard of living for each and every citizen. The exercise of establishing the MEBDL basket and costing the items within its different categories of goods and services has highlighted policies and actions which require attention, or which could be further developed so that the option to choose a basic, healthy and sustainable lifestyle for a life with dignity is available and achievable by all, even those earning lower incomes.

## 5.2 Recommendations

In this final chapter of the report, recommendations will be presented for consideration by different stakeholders in different sectors and at different levels. Additional recommendations will also be made for further research studies to assist in the analysis and reduction of poverty.

## 5.2.1 Policy Recommendations

- 1. Set up a task force to plan and develop a proposal for reviewing the COLA mechanism so that it reflects the true cost of living in contemporary times and all citizens have a minimum income to live decently in Malta.**

For this to happen, discussions would need to be held at national level, with all interested stakeholders, looking at short - medium - and long-term impacts. This would also likely need to be launched contemporaneously at European level by the Maltese authorities and MEPs. In such manner, Malta will be one of the pioneers among the Member States to take the bold step of ensuring that a mechanism in place so that protective social welfare functions effectively and with the intended outcome in line with its original vision.

- 2. Revise the 60% median NEI as the benchmark for defining at-risk-of-poverty by increasing it to at least 70% median NEI.**

The 60% median NEI is emerging as not reflective of the disposable income required in order not to be considered at-risk of poverty relative to the cost of a simple, basic lifestyle for different household types. The benchmark for the at-risk-of poverty rate needs to be upped to at least 70% median NEI and preferably 100% median NEI. Given this is a European Commission (Eurostat) benchmark used for comparative purposes, the Maltese authorities and MEPs are urged to initiate discussions in this regard at European level so that social inclusion and dignified living is ensured in line with the European Pillar of Social Rights.

- 3. Implement a 'digital cash' for low-income earners.**

Vouchers and bank transfers have become more common as mechanisms to deliver 'cash' to social assistance recipients. A digital cash system directly aimed at low income earners and other social benefits recipients could be a sustainable way of delivering what is due in an efficient manner whilst helping the recipients to budget their finances better. Malta could be at the forefront of this innovative approach to financial inclusion by developing a digital cash system, with a related digital transaction platform and a mobile application mounted on smartphones or smart cards, to cater for the essential needs of individuals and families receiving social assistance in a sustainable, efficient and dignified manner. Those with lower technological skills could be offered training, or they could opt for usage of the smart card rather than mobile application.

- 4. Revise Housing Authority Schemes and Stamp Duties.**

Extending the duration of the Housing Authority scheme assisting 'first time buyers' (beyond the end of March 2021) and broadening the scheme so that 'second time buyers' who are not buying the property as an investment but for their personal residence (e.g. separated or divorced individuals, or those who have moved out of co-habitation with another person with whom they previously owned a property), also pay only 10% of the property as downpayment. The stamp duty for such 'second time buyers' who are non-investors should also be eliminated. Through such adjustments more people will be able to acquire their property, instead of resorting to renting which could pose a risk for their financial security.

## **5. Set up a multi-generational home sharing programme for the elderly and youth.**

A programme could be developed and run by a state entity or through an NGO whereby the elderly, especially those living on their own and/or without family support adopt a home sharing ideology and allow young people to share their home. The goal would be primarily to prevent social isolation, but possibly in kind aid as well. The process would involve vetting the youth based on eligibility criteria and the state or NGO would give adequate training to both the potential elderly and young people cohabitators to explain the goals of the programme and requirements for its smooth running for such goals to be achieved. A legal contract would be signed to protect both parties and avoid any abuses. Apart from organisational infrastructure, a National team of professionals would be engaged to monitor, evaluate and ameliorate the service. This would lessen housing costs for young people and the elderly, with fewer of the former having to resort to living in rented accommodation.

## **6. Develop and fund an innovative programme where ‘tiny houses’ are built to create adequate living spaces in sustainable inclusive communities.**

This could be a Public Private Partnership in line with the philosophy of the tiny house international movement. In such partnership, vacant derelict land which needs rehabilitation would be used to house a community of tiny houses (approximatively of 37 square meters of floor area, excluding lofts) offering adequate living spaces. The small residences would be constructed using sustainable designs and from reused and recycled materials to harness free energy (solar, wind), maximise water usage (rainwater catchment, grey water) and have the least negative impact on the natural environment, but rather embellish and nourish the natural environment (e.g. rooftop gardens, communal kitchen gardens, communal organic composting, community aquaponics/aqua culture integrated system). An area of land would be offered for free and a rebate could be given for a percentage of the cost of construction. Services (water and electricity) could also be subsidised for the first few years. The tiny houses project would assist ‘first time buyers’, especially young people, who would like to build their own home with an affordable budget. It could also be part of a national strategy to prevent/eliminate homelessness if the state /Housing Authority builds /owns some of the homes. The whole programme could be offered as an option to create a community where people could live sustainably by producing their own food and adopting a bartering of services mentality (e.g. childcare services for pet grooming; batch cooking for IT services). Sustainable social inclusion would be the guiding ethos.

## **7. Establish an official Identity Card with temporary address for people who are homeless in order to be able to apply for and access social and health services and benefits.**

Homeless people face constant challenges; amongst which that they often do not have access to most of the available and required social and health services and benefits because they do not possess a national Identity Card as they do not have a permanent address. An official temporary address could be set up by the authorities for such humanitarian cases so that the homeless are issued with a temporary Identity Card which can be renewed on verification of their status on a bi-monthly basis.

## **8. Revise Scheme 9 of the National School Support Services so that eligible families with school-aged children have the opportunity to apply for all three provided items -- daily school packed lunch, new uniform, one-time stationery grant.**

No expense should hinder a child from receiving all the necessary aid and support to learn, to integrate at school, and to maximise their potential. All three items under Scheme 9 are of importance for academic development and for the wellbeing of the student. Being able to avail themselves of only one item is putting the parents and guardians of the children in a difficult position. The three items should be offered,

with applicants opting for all three, or specific items only, based on need. The uniform option should be extended to households of children attending non-state schools as well, contingent on their meeting eligibility criteria. For scholastic year 2019-2020 a joint letter was sent by the Ministry of Social Justice and Social Solidarity, the Family and Children's Rights and the Ministry of Education and Employment to households with 2 or more children under the age of 16 years, in receipt of non-contributory means tested benefits) inviting them to participate in the scheme. Given possible literacy issues, schools or community social workers who identify children who may be eligible for the scheme should orally inform their parents/guardians accordingly.

## **9. Assist low-income earners with overdue water and electricity bills.**

In order not to exacerbate the financial challenge to those already on a tight budget, the state could consider eliminating the 6% interest charge on water and electricity bills which are more than 30 days overdue (not paid within 45 days from date of invoice) based on a humanitarian approach. Similarly the state could consider a one-time bailout on unpaid bills for humanitarian cases through an evolution assessment.

## **10. Offer a free landline service to all households where there is one or more elderly person (60+) living independently in their home, and free Telecare Plus service to all elderly people (60+) not living in a state or private home for the elderly.**

The use of a telephone is important for the elderly to avoid social isolation, loneliness and boredom. It is also a means to reach the elderly inside their home when a mobile phone they may own is not functioning. On the other hand, the Telecare Plus service is an efficient system for giving peace of mind to the elderly themselves and their next of kin that prompt action can kick in should an emergency arise. The rental fee for this service (currently 4 Euro a month) could be subsidised for all elderly persons whether living independently in their home or with other relatives in their residence.

## **11. Explore options for pricing incentives so that healthy, fresh, local produce is accessible and made more attractive as an option for low income households.**

Every human being has the right to healthy food for their sustenance and wellbeing. Facilitating economic access to such foods should be a priority for Malta where diet-related illnesses are a major cause of health problems. In this regard, regular consumption of certain foods, such as vegetables, fruit and fish, could help lessen the risk of suffering from these diet-related diseases, as well as boost ones protective immune-system. Increasing access to healthy foods by making them more affordable is one pricing strategy for improving diet quality and has been shown to be modestly successful. The incentives could include paper coupons or electronic systems, such as a debit card.

Examples of such incentives are:

**Discount:** An incentive that offers consumers a reduced price on specific items when they are purchased. It is frequently provided electronically at the point of sale, but could also be provided via a coupon that is received by the consumer prior to the purchase.

**Match:** An incentive that matches all or a portion of the amount a consumer spends on eligible foods to provide additional buying power and thereby increases the amount a consumer can purchase. It is directly tied to the euro amount a consumer spends (e.g. 1 euro for every 1 euro spent) and often provided in the form of vouchers received during or prior to the shopping trip.

**Rebate:** An incentive that provides cash back to a consumer after the purchase of eligible foods. The value of the rebate is often a certain percentage of the price of the item (e.g. a 30% rebate on 1 euro worth of fresh cauliflower would reimburse the consumer 0.30 euro). The rebate can be used for future purchase of eligible food within a stipulated period.

**Subsidy:** An incentive that provides a cash value amount to a consumer to purchase specific foods. It is not linked to how much a consumer spends. A subsidy is often provided ahead of time in the form of a voucher, but could be added electronically to a debit card.

Based on results from foreign research (Healthy Food America, 2019), successful pricing interventions had the following features: vouchers/discounts/credits/rebates were electronic; were regular and ongoing for a minimum of 6 months (24 weeks); allowed for purchase of a variety of healthy products; allowed for purchase from multiple sources/vendors (e.g. Farmers Markets, direct from registered farmers, fisherfolk, local poultry and rabbit meat producers, local fresh fish vendors, and other vendors selling fresh produce such as eggs, milk and dairy products, as well as supermarkets and other shops where these foods are sold).

Should a 'digital cash' scheme be adopted for social benefits transfer as described earlier, this would make food-related pricing incentives easier to manage by the central authority running the incentives (through the smart card or mobile apps). In all cases, fairness of the system for the consumer and the retailer, and safeguards against fraudulent use would need to be guaranteed. These incentives would be of benefit to the low-income individuals and households and to participating retailers, including local farmers, fishers and food producers.

**12. Revise the FEAD and SFFD schemes (at next revision period) so that, via collaboration with local farmers and dairy producers, fresh local produce is included in the packages to low-income families, or a book of vouchers (with expiry dates spread over a period of 3 months) for the purchase of such produce is included.**

**13. Establish a subsidised Vegetable and Fruit Box weekly delivery scheme targeting the elderly (similar to the Meals on Wheels scheme).**

This could be organised and managed as a Public Private Partnership or as a social enterprise by an NGO.

**14. Consider introducing Healthy Food Prescriptions as part of the prevention and management strategy for chronic illnesses.**

Healthy food prescriptions are financial incentives motivating patients with a chronic disease to improve their diet through healthier food consumption. They have been proposed as a cost-effective strategy to improve patients' health and reduce healthcare costs. (Lee et al., 2019) Individuals who are Pink Form holders could be 'prescribed' vouchers for purchase of vegetables, fruits, nuts with their regular package of medication for their chronic illness. Similarly, upon diagnosis with a chronic illness, such as high blood cholesterol, high blood pressure or diabetes, individuals would be given a booklet of such vouchers as an incentive to improve their diet with the goal of not having to increase their medication dosage, or increase it significantly, later on at time of follow-up.

**15. Consolidate and expand the programme launched by the Alleanza Kontra l-Faqar to reduce food waste from supermarkets by donating food with a close expiry date to food banks or other NGOs (e.g. faith or migrant groups) who are in touch with vulnerable low income individuals or households.**

**16. Offer a free faucet-mounted tap-water filtering kit to low-income earners to avoid purchase of bottled water and have constant tasty potable drinking and cooking water.**

Dietary guidelines recommend water as the main beverage of choice for health. At the same time, many people resort to buying bottles of water for their household rather than drinking tap water, quoting better taste as their primary reason. Buying bottled water is an additional cost in the food budget and can also lead to increased creation of packaging waste. By offering low-income families a free faucet-mounted tap-water filtering kit this could reduce their monetary outlay on bottled water and satisfy a need for tastier water. Such kits could be distributed at the same time as the FEAD or SFFD food packages distribution. This could be a joint action of the Energy and Water Agency and Wastserv who already have different campaigns promoting water conservation and waste reduction, together with the Foundation for Social Welfare Services as manager of the FEAD and SFFD schemes.

**17. Offer commercial interest-free loans to families with a member with a disability or impairment who wish to buy special equipment to aid in the personal development, comfort, safety and inclusion of the person with disability, or to act as support to the household.**

Families with a member with one or more disability or impairment face multiple expenses for equipment. It is understandable that they would wish to purchase items which will ascertain or improve the development and/or wellbeing of the family member and maybe even help in the general wellbeing of the household. The interest-free loans could be offered by banks (maybe even after means-testing) and available for items such as wheelchairs and other special mobility equipment, special beds, technology and other electronic devices, modified medium to large labour saving equipment, and structural modification of homes among others.

**18. Organise volunteering programmes for the elderly at animal sanctuaries to promote active aging, combat isolation and as a therapeutic health promoting leisure activity with no cost to the elderly.**

Local Councils and other NGOs regularly organise cultural and other outings for the elderly members of their community or organisation. A programme could be set up where groups of elderly are provided transport to regularly volunteer at animal sanctuaries. This could have several benefits, including assisting in the care of the animals in the sanctuary, giving purpose and meaning to the outing as a result of the sense of satisfaction gained from doing voluntary work, allowing for participation in tasks according to physical ability, learning new skills, and providing a pleasant environment where to spend a few hours, at no monetary cost, socialising with human and animal 'friends'.

**19. Establish financial and other physical or in-kind assistance to support the setting up and running of social entrepreneurship initiatives engaging low-income individuals and families.**

Social entrepreneurship initiatives often have a twofold goal of conducting an activity which will generate funds whilst producing goods or services of benefit to a community, as well as provide a setting for vulnerable individuals to participate in an activity whereby they will learn new skills and experience inclusion. The state could collaborate with NGOs, banks and training institutions, in order to establish a programme to offer support for social entrepreneurship initiatives targeting the involvement of low-income earners.



## **20. Develop targeted social media campaigns, with a focus on young people, to highlight the short-term and long-term economic costs of substance abuse for the individual abusers and their families.**

Whilst the effect on health of substance abuse cannot be over-emphasised, the economic impact of such abuse needs to be given greater attention within prevention and awareness-raising campaigns. Economic impacts range from selling of one's (or the household's) tangible assets, to falling into the grips of ever escalating debt, and to persistent poverty; with the various repercussions that these situations will have on the wellbeing of the individual and the members of his or her household.

## **21. Strengthen the entitlement to education on responsible, sustainable management of personal and family resources, through making subjects like Home Economics compulsory up till Form 5 and offering Adulting workshops and courses at post-secondary and tertiary level.**

Home Economics is an entitlement in the national curriculum for students in Form 1 and 2, but becomes an Optional subject at Form 3 onwards. Its content on responsible, sustainable and practical resource management, including financial capability, should be developed further and be part of a Home Economics entitlement for all students continuing in the senior Secondary school years. Similarly, Adulting is a form of lifeskills education which focuses on preparing young people to live independently, including managing one's personal finances and making appropriate sustainable consumption choices within one's budget. Adulting workshops and courses could be offered as Electives in the post-secondary and tertiary level. These are stages where young people will likely start earning an income and experience autonomy in their purchase of goods and services. At a point, more long-term financial planning may be required, for example with respect to purchasing a home, or investing in life insurance and pension plans. Education for financial capability can help reduce the risk of poverty or help manage poverty situations until one's circumstances improve.

## **5.2.2 Research Recommendations**

The following suggestions for further research are being presented:

### **1. Set up a National Research Institute on Poverty and Social Justice.**

In 2021, Maltese pensioners were given an increase of 3.25 euro per week in addition to the increase in COLA for a total amount of 5 euro per week. The elderly are also given a yearly bonus of 300 Euro if they are 75-79 years of age and 350 euro if 80 years of age or older. Although these increases and bonuses are a welcome boost to pensioners' income, and although the total of the Guaranteed Minimum Pension and additional bonuses/benefits is higher than the MEBDL calculated for an elderly couple, the nation should strive so that its senior citizens are never put in a situation where they are at risk of poverty, but rather can experience a rich and fruitful active aging.

Similarly, despite the many types of assistance -- financial and in kind -- which are offered to families who have a member with one or more disabilities or impairments, the expenses faced by these families are multiple and often increasing. Innovations in products to assist in offering a comfortable, rich and meaningful life to these people and to help facilitate inclusion in society often come at a high price tag.

The National Audit Office (2020) has shown that there are various sub-populations who are at-risk-of-poverty or suffering material deprivation that are not being captured by current poverty measurement instruments such as the EU-SILC. Thus, their particular circumstances and what social assistance could help them live a life with dignity still needs to be explored thoroughly.

A National Research Institute on Poverty and Social Justice could be set up to carry out in-depth studies on the specific needs of the elderly, of people with different kinds of disabilities, of hidden and marginalised population groups based on their current work, play and life contexts. In such manner, any proposed increases in income or financial aid instruments would reflect the true cost of living.

Developing Reference Budgets for multiple household types would be a prime remit of this Research Institute. In its work it could partner with other Foundations, NGOs and research entities with similar visions and goals with respect to poverty reduction.

## **2. Compare and contrast the MEBDL Baskets in their entirety with the actual consumption patterns of the three household types in Malta and Gozo.**

This research will offer further evidence on the sustainability or otherwise of current family expenditure and areas for improvement or intervention.

## **3. Consider introducing a rolling Household Budgetary Survey to capture new products and services on the market, so that the weights of different components are adjusted as necessary.**

## **4. Conduct a research study on food security among a nationally representative samples of different population groups with the goal of identifying prevalence of food insecurity and potential areas where effective and efficient interventions can take place.**

Different food security scales, such as the EU-SILC food deprivation indicators (4 items), or the FAO Food Insecurity Experience Scale (8 items), or the USDA Household Food Security Scale Module (Adult 10-item and Child 8-item) could be adopted as is, or adapted for local use.

## **5.3 Conclusion**

**“People are living in poverty if their financial, material, social and personal resources preclude them from having a standard of living that is generally regarded as the average norm by Maltese society.”**

(MFCS, 2015, p.17)

The above quotation is taken from the National Strategic Policy for Poverty Reduction and for Social Inclusion (MFCS, 2015) where it was presented as a working definition of poverty. The definition underlines the complexity of poverty and the myriad factors involved. At the same time, it refers to the relative nature of poverty and how objectivity in describing expectations with respect to a ‘normal’ standard of living is challenging. This MEBDL study has been carried out acknowledging that determining adequacy for a dignified living cannot take a simplistic approach. Sustainability, practicality and promotion of holistic wellbeing were guiding principles in the choice of items for the basket, also taking into consideration the variations in social assistance and other national policies which impact on household income.

The MEBDL 2020 study offers evidence to assist policymakers in their future decisions and actions to reduce poverty on our islands. It can also act as a resource for those involved in advocacy and community development initiatives with a focus on vulnerable and low-income individuals and families. Finally, it also offers a series of recommendations for policy and research in line with the SDG target of Zero Poverty so that the right to a decent living is achieved by all.

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# APPENDICES

# APPENDIX A

## 7-Day Menus for Each Household Category

2 Adults & 2 Children	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
<b>Monday - Adult</b>	2 x 40g wholegrain cereal with 2 x 125ml skimmed milk, 2 x 1 banana, 2 x cup of tea/coffee with 35ml skimmed milk	2 x 4 small wholegrain galletti, 1/4 gbejna niexfa, 2 x 1 apple, 2 x cup of tea/coffee with 35ml skimmed milk	2 x 2 large slices maltese bread with 2 x 1 tomato, 2 x 1 small tin tuna in oil, 2 x 2 lettuce leaves, 2 x 6 cucumber sticks (approx 1/2 med. cucumber or 80g), 2 x 1 light yoghurt, 2 x 1/2 small bottle water	2 x 1 qaghqa tal-hmira, 2 x cup of tea/coffee with 35ml skimmed milk	2 x 4 home-made chicken nuggets (2 x 80g chicken breasts, 2 x 50g homemade breadcrumbs, 2 x 1/2 egg), 2 x 1 cup (80g) broccoli, 2 x 1 cup (80g) carrots, 2 x med. baked potato, 2 x 2 tsp olive oil, 2 x 1 slice wholemeal bread, 2 x fruit in season, 2 x filtered tap water with 2 x 1/2 lemon sliced
<b>Monday - Children</b>	2 x 40g wholegrain cereal with 2 x 125ml skimmed milk, 2 x 1/2 banana, 2 x 1 freshly squeezed orange	2 x 1 large slice maltese bread with 2 x 1/2 tomato, 2 x 1/2 small tin tuna in oil, 2 x 1 lettuce leaf, 2 x 1 apple, 2 x 1/2 small bottle water	2 x 1 large slice maltese bread with 2 x 1/2 tomato, 2 x 1/2 small tin tuna in oil, 2 x 1 lettuce leaf, 2 x 3 cucumber sticks (approx 1/4 med. cucumber or 40g), 2 x 1 small tub yoghurt, 2 x 1/2 small bottle water	2 x 1 med. slice pizza with mushroom, tomato and cheese (1/4 dinner plate size bought or home-made thick pizza base with 1/2 tomato, 40g mushroom, 20g skimmed mozzarella cheese), 2 x 250ml milk	2 x 4 home-made chicken nuggets (2 x 80g chicken breasts, 2 x 50g homemade breadcrumbs, 2 x 1/2 egg), 2 x 1/2 cup (40g) broccoli, 2 x 1/2 cup (40g) carrots, 2 x 1/2 med. baked potato, 2 x 2 tsp olive oil, 2 x fruit in season, 2 x filtered tap water with 2 x 1/2 lemon sliced
<b>Tuesday - Adult</b>	2 x 1 slice toasted wholemeal bread with 2 x 50g low fat cheese spread, 2 x 250 ml 100% grapefruit juice, 2 x cup tea/coffee with 35ml skimmed milk	2 x 1 banana, 2 x 2 tbsps almonds, 2 x cup tea/coffee with 35ml skimmed milk	2 x 2 wholemeal buns, 2 x 2 slices lean ham, 2 x 1/2 cup (40g) beans, 2 x 1 cup coleslaw (1/2 small carrot grated plus 1tbsp chopped cabbage), 2 x pkt 100% orange juice	2 x 2 biskuttelli, 2 x cup tea/coffee with 35ml skimmed milk	2 x 100g tortellini, 2 x 1 cup (80g) tomato sauce, 2 x 1 cup (80g) mushrooms, 2 x 1 cup (80g) diced seasonal vegetables, 2 x 2 tbsps grated gbejna niexfa, 2 x 2 tsp olive oil, 2 x filtered tap water with 2 x 1/2 lemon sliced

2 Adults & 2 Children	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
Tuesday - Children	2 x 2 weetabix with 2 x 125ml skimmed milk, 2 x 1 freshly squeezed orange	2 x 1 wholemeal bun, 2 x 1 slice lean ham, 2 x 2 cherry tomatoes, 2 x 125ml 100% apple juice diluted with filtered tap water	2 x 1 wholemeal bun, 2 x 1 slice lean ham, 2 x 1 cup coleslaw (1/2 small carrot grated plus 1tbsp chopped cabbage), 2 x 1 tbsp almonds, 2 x 1 small tub yoghurt, 2 x 1/2 small bottle water	2 x 1 med. tuna and spinach pasty (80g pastry, 80g tinned tuna, 40g spinach), 2 x 1 lettuce leaf, 2 x filtered tap water	2 x 75g tortellini, 2 x 1 cup (80g) tomato sauce, 2 x 1 cup (80g) mushrooms, 2 x 1 cup (80g) diced seasonal vegetables, 2 x 2 tbsp grated gbeina niexfa, 2 x 2 tsp olive oil, 2 x filtered tapwater with 2 x 1/2 lemon sliced
Wednesday - Adult	2 x 40g wholegrain cereal with 2 x 125ml skimmed milk, 2 x 1 banana, 2 x cup tea/coffee with 35ml skimmed milk	2 x 8 small wholegrain galletti, 2 x 2 tbsp bigilla, 2 x 2 cherry tomatoes, 2 x 1/2 small bottle water	2 x pasta salad (2 x 100g wholegrain pasta, 2 x 100g chopped chicken, 2 x 4 cherry tomatoes, 2 x 2 tablespoons chopped yellow and green peppers, 2 tablespoons low fat mayonnaise), 2 x 1/2 small bottle water	2 x 1 qaghqa tal-hmira, 2 x cup tea/coffee with 35ml skimmed milk	2 x 1 med. slice (1/4 dinner plate) ricotta and pea pie (incl 80-100g shortcrust pastry, 80g ricotta, 40g frozen peas, 1/2 egg) with 2 x 1 cup (80g) green leafy salad and 2 x 1 cup (80g) steamed carrots, 2 x fruit in season, 2 x filtered tap water with 2 x 1/2 lemon sliced
Wednesday - Children	2 x 40g wholegrain cereal with 2 x 125ml skimmed milk, 2 x 1/2 banana, 2 x 1 freshly squeezed orange	2 x 4 small wholegrain galletti, 2 x 1 tbsp bigilla, 2 x 2 cherry tomatoes, 2 x 1/2 small bottle water	2 x pasta salad (2 x 50g wholegrain pasta, 2 x 50g chopped chicken, 2 x 4 cherry tomatoes, 2 x 2 tablespoons chopped yellow and green peppers, 2 tablespoons low fat mayonnaise), 2 x 1/2 small bottle water	2 x toasted egg sandwich (2 x 1/2 hard-boiled egg, 2 x 1 slice toasted wholemeal bread), 2 x cup drinking chocolate with 35ml skimmed milk	2 x 1 med. slice (1/4 dinner plate) ricotta and pea pie (incl 80-100g shortcrust pastry, 80g ricotta, 40g frozen peas, 1/2 egg) with 2 x 1 cup (80g) green leafy salad and 2 x 1/2 cup (40g) steamed carrots, 2 x fruit in season, 2 x filtered tap water with 2 x 1/2 lemon sliced

2 Adults & 2 Children	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
Thursday - Adult	2 x 40g wholegrain cereal with 2 x 1 tablespoon dried fruit and 2 x 125ml skimmed milk, 2 x cup tea/coffee with 35ml skimmed milk	2 x 2 tbsp dried chick peas, 2 x 1 apple, 2 x cup tea/coffee with 35ml skimmed milk	2 x 2 wholemeal buns, 2 x 2 slices lean turkey, 2 x 1/2 cup (40g) broad beans, 2 x 3 (40g) carrot sticks and 2 x 3 (40g) cucumber sticks, 2 x 2 tbsps mixed almonds and raisins, 2 x pkt 100% orange juice	2 x 1 tub fruit yoghurt, 2 x 1 qaghaq tal-hmira, 2 x cup tea/coffee with 35ml skimmed milk	2 x med. bowl minestra (1 small potato, 1 tbsp pumpkin, 1/2 tbsp onion, 1 small tomato, 1 tbsp turnip, stalk celery, pasta), 2 x 1 slice toasted wholemeal bread with 2 x 25g peppered gbejna or cheese, 2 x fruit in season, 2 x filtered tap water with 2 x 1/2 lemon sliced
	2 x 40g wholegrain cereal with 2 x 1 tablespoon dried fruit and 2 x 125ml skimmed milk, 2 x 1/2 banana, 2 x 1 freshly squeezed orange	2 x 1 wholemeal bun, 2 x 1 slice lean turkey, 2 x 2 cherry tomatoes, 2 x 1 tbsp dried chick peas, 2 x 1/2 small bottle water	2 x 1 wholemeal bun, 2 x 1 slice lean turkey, 2 x 1/2 cup broad beans, 2 x 1 cup carrot and cucumber sticks, 2 x 2 tbsps mixed almonds and raisins, 2 x 125ml 100% apple juice diluted with filtered tap water	2 x 1 toasted qaghaq tal-hmira with 2 x 1 tbsp mashed ricotta, 2 x 1 tub fruit yoghurt, 2 x filtered tap water	2 x med. bowl minestra (1 small potato, 1 tbsp pumpkin, 1/2 tbsp onion, 1 small tomato, 1 tbsp turnip, stalk celery, pasta), 2 x 250ml glass skimmed milk
Friday - Adult	2 x 2 slices toasted wholegrain bread with 2 x 1 tsp low fat spread, 2 x 250 ml 100% grapefruit juice, 2 x cup tea/coffee with 35ml skimmed milk	2 x 1/2 fira with 2 x 1 tomato and 2 x 2 tbsps ricotta and 2 x 1 lettuce leaf, 2 x 1/2 small bottle water	2 x 1/2 fira with 2 x 1 tomato and 2 x 2 tbsps ricotta and 2 x 1 lettuce leaf and 2 x 1 tablespoon butter beans, 2 x cup (80g) mixed fruit salad (fruit in season - melon, peach, grapes), 2 x 1/2 small bottle water	2 x 2 biskuttini with nuts, 2 x cup tea/coffee with 35ml skimmed milk	2 x 2 (75g) fillets fresh or frozen fish, 2 x 2 small (80g) grilled zucchini, 2 x 2 slices (80g) grilled eggplant, 2 x 2 tablespoons (80g) mashed potatoes, 2 x 1 slice wholemeal bread, 2 x 1 apple, 2 x filtered tap water with 2 x 1/2 lemon sliced

2 Adults & 2 Children	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
Friday - Children	2 x 2 weetabix with 2 x 125ml skimmed milk, 2 x 1 freshly squeezed orange	2 x 1/2 fira with 2 x 1 tomato and 2 x 2 tbsps ricotta and 2 x 1 lettuce leaf, 2 x 1/2 small bottle water	2 x 1/2 fira with 2 x 1 tomato and 2 x 2 tbsps ricotta and 2 x 1 lettuce leaf and 2 x 1 tablespoon butter beans, 2 x cup (80g) mixed fruit salad (fruit in season - melon, peach, grapes), 2 x 1/2 small bottle water	2 x 1 med. slice pizza with mushroom, corn, cheese (1/4 dinner plate size bought or home-made thick pizza base with 40g mushroom, 40g frozen corn, 20g skimmed mozzarella cheese), 2 x filtered tap water	2 x 2 (75g) fillets fresh or frozen fish, 2 x 1 small (40g) grilled zucchini, 2 x 1 slice (40g) grilled eggplant, 2 x 1 tablespoon (40g) mashed potatoes, 2 x 1/2 apple, 2 x filtered tap water with 2 x 1/2 lemon sliced
Saturday - Adult	2 x 2 slices toasted wholemeal bread, 2 x 1 tbsp jam, 2 x 1 freshly squeezed orange, 2 x cup tea/coffee with 35ml skimmed milk	2 x 2 wholegrain biscuits, 2 x cup tea/coffee with 35ml skimmed milk	2 x 1 omelette (2 x 2 eggs, 2 x 1 slice lean ham, 2 x 1 tbsp onion, 2 x 1 tbsp red pepper, 2 x 50g ricotta), 2 x 2 lettuce leaves, 2 x filtered tap water	2 x glass fruit smoothie (2 x 1 banana, or 2 x 5 large strawberries, or 2 x 1 peach, plus 125ml milk and ice cubes)	2 x large (size of dinner plate) home-made pizza with 2 x 1/2 large tin tuna, 2 x 1 tomato, 2 x 1 tbsp peas, 2 x 1/2 tin mushrooms, 2 x 1/2 onion, 2 x 1 tbsp grated low fat mozzarella, basil; 2 x 1 scoop low fat ice-cream with 2 x 2 tbsp fruit, 2 x filtered tap water with 2 x 1/2 lemon sliced, 2 x 1 glass wine
Saturday - Children	2 x 1 slice toasted wholemeal bread, 2 x 1 tbsp jam, 1 freshly squeezed orange	2 x 2 wholegrain biscuits, 2 x 250 ml glasses skimmed milk	2 x 1 omelette (2 x 2 eggs, 2 x 1 slice lean ham, 2 x 1 tbsp onion, 2 x 1 tbsp red pepper, 2 x 50g ricotta), 2 x 2 leaves lettuce, 2 x filtered tap water	2 x glass fruit smoothie (2 x 1 banana, or 2 x 5 large strawberries, or 2 x 1 peach, plus 150ml milk and ice cubes)	2 x med. (size of side plate) home-made pizza with 2 x 1/4 large tin tuna, 2 x 1 tomato, 2 x 1 tbsp peas, 2 x 1/4 tin mushrooms, 2 x 1/4 onion, 2 x 1/2 tbsp low fat mozzarella, basil; 2 x 1 scoop low fat ice-cream with 2 x 1 tbsp fruit, 2 x filtered tap water with 2 x 1/2 lemon sliced

2 Adults & 2 Children	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
<b>Sunday - Adult</b>	2 x 40g wholegrain cereal with 2 x 1/2 banana and 2 x 125ml skimmed milk, 2 x cup tea/coffee with 35ml skimmed milk	2 x 1 wholegrain sponge, 2 x cup tea/coffee with 35ml skimmed milk	2 x patata l-forn (2 x 100g beef, 2 x 1 large potato, 2 x 1 large onion, 2 x 1 tomato, 2 x 1 tbsp wine, 2 x 1 tsp buzbiez), 2 x 1 large slice maltese bread, 2 x fruit in season, 2 x filtered tap water, 2 x 1 glass red wine	2 x 1 kannol tal-irkotta (with chopped nuts), 2 x cup tea/coffee with 35ml skimmed milk	2 x lentil soup (2 x 80g lentils, 2 x 1/2 small onion, 2 x 1 tomato, 2 x 1/2 carrot, 2 x 1 tsp garlic, 2 x 1 tsp olive oil, 2 x 1/2 carton plain yoghurt, 2 x 1/4 tsp basil, 2 x 1/4 tsp oregano), 2 x 2 slices toasted wholemeal bread, 2 x fruit in season, 2 x filtered tap water, 2 x 1 glass wine
<b>Sunday - Children</b>	2 x 40g wholegrain cereal with 2 x 1/2 banana and 2 x 125ml skimmed milk, 2 x 1 freshly squeezed orange	2 x 1 wholegrain sponge, 2 x 250ml glasses skimmed milk	2 x patata l-forn (2 x 80g beef, 2 x 1/2 large onion, 2 x 1/4 large potato, 2 x 1 tomato, 2 x 1 tbsp wine, 2 x 1 tsp buzbiez), 2 x 1 small slice maltese bread, 2 x fruit in season, 2 x filtered tap water	2 x 1 kannol tal-irkotta (with chopped nuts), 2 x cup tea with 35ml skimmed milk	2 x lentil soup (2 x 80g lentils, 2 x 1/2 small onion, 2 x 1 tomato, 2 x 1/2 carrot, 2 x 1 tsp garlic, 2 x 1 tsp olive oil, 2 x 1/2 carton plain yoghurt, 2 x 1/4 tsp basil, 2 x 1/4 tsp oregano), 2 x 1 slice toasted wholemeal bread, 2 x fruit in season, 2 x filtered tap water with 2 x 1/2 lemon sliced

NB: It is assumed that children will also avail themselves of free school milk on weekdays.



Lone Parent & 2 children	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
Monday - Adult	1 x 40g wholegrain cereal with 125ml skimmed milk, 1 banana, 1 cup tea/coffee with 35ml skimmed milk	4 small wholegrain galletti, 1/4 gbejna niexfa, 1 apple, 1 cup tea/coffee with 35ml skimmed milk	2 large slices maltese bread with 1 tomato, 1 small tin tuna in oil, 2 lettuce leaves, 6 cucumber sticks (approx 1/2 med. cucumber or 80g), 1 light yoghurt, 1/2 small bottle water	1 qaghqa tal-hmira, 1 cup tea/coffee with 35ml skimmed milk	4 home-made chicken nuggets (80g chicken breasts, 50g home-made breadcrumbs, 1/2 egg), 1 cup (80g) broccoli, 1 cup (80g) carrots, baked med. potato, 2 tsp olive oil, 1 slice wholemeal bread, fruit in season, filtered tap water with 2 x 1/2 lemon sliced
Monday - Children	2 x 40g wholegrain cereal with 2 x 125ml skimmed milk, 2 x 1/2 banana, 2 x 1 freshly squeezed orange	2 x 1 large slice maltese bread with 2 x 1/2 tomato, 2 x 1/2 small tin tuna in oil, 2 x 1 lettuce leaf, 2 x 1 apple, 2 x 1/2 small bottle water	2 x 1 large slice maltese bread with 2 x 1/2 tomato, 2 x 1/2 small tin tuna in oil, 2 x 1 lettuce leaf, 2 x 3 cucumber sticks (approx 1/4 med. cucumber or 40g), 2 x 1 small tub yoghurt, 2 x 1/2 small bottle water	2 x 1 med. slice pizza with mushroom, tomato and cheese (1/4 dinner plate size bought or home-made thick pizza base with 1/2 tomato, 40g mushroom, 20g skimmed mozzarella cheese), 2 x 250ml milk	2 x 4 home-made chicken nuggets (2 x 80g chicken breasts, 2 x 50g homemade breadcrumbs, 2 x 1/2 egg), 2 x 1/2 cup (40g) broccoli, 2 x 1/2 cup (40g) carrots, 2 x 1/2 med. baked potato, 2 x 2 tsp olive oil, 2 x fruit in season, 2 x filtered tap water with 2 x 1/2 lemon sliced
Tuesday - Adult	1 slice toasted wholemeal bread with 50g low fat cheese spread, 250 ml 100% grapefruit juice, 1 cup tea/coffee with 35ml skimmed milk	1 banana, 2 tbsps almonds, 1 cup tea/coffee with 35ml skimmed milk	2 med. wholemeal buns, 2 slices lean ham, 1/2 cup beans, 1 cup coleslaw (1/2 small carrot grated plus 1tbsp chopped cabbage), 1 pkt 100% orange juice	2 biskuttelli, 1 cup tea/coffee with 35ml skimmed milk	2 x 100g tortellini, 2 x 1 cup (80g) tomato sauce, 2 x 1 cup (80g) mushrooms, 2 x 1 cup (80g) diced seasonal vegetables, 2 x 2 tbsps grated gbejna niexfa, 2 x 2 tsp olive oil, 2 x filtered tap water with 2 x 1/2 lemon sliced

Lone Parent & 2 children	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
Tuesday - Children	2 x 2 weetabix with 2 x 125ml skimmed milk, 2 x 1 freshly squeezed orange	2 x 1 wholemeal bun, 2 x 1 slice lean ham, 2 x 2 cherry tomatoes, 2 x 125ml 100% apple juice diluted with filtered tap water	2 x 1 wholemeal bun, 2 x 1 slice lean ham, 2 x 1 cup coleslaw (1/2 small carrot grated plus 1tbsp chopped cabbage), 2 x 1 tbsp almonds, 2 x 1 small tub yoghurt, 2 x 1/2 small bottle water	2 x 1 med. tuna and spinach pasty (80g pastry, 80g tinned tuna, 40g spinach), 2 x 1 lettuce leaf, 2 x filtered tap water	2 x 75g tortellini, 2 x 1 cup (80g) tomato sauce, 2 x 1 cup (80g) mushrooms, 2 x 1 cup (80g) diced seasonal vegetables, 2 x 2 tbsp grated gbeina niexfa, 2 x 2 tsp olive oil, 2 x filtered tapwater with 2 x 1/2 lemon sliced
Wednesday - Adult	40g wholegrain cereal with 125ml skimmed milk, 1 banana, 1 cup tea/coffee with 35ml skimmed milk	8 small wholegrain galletti, 2 tbsp bigilla, 2 cherry tomatoes, 1/2 small bottle water	Pasta salad (100g wholegrain pasta, 100g chopped chicken, 4 cherry tomatoes, 2 tablespoons chopped yellow and green peppers, 2 tablespoons low fat mayonnaise), 1/2 small bottle water	1 qaggha tal-hmira, 1cup tea/coffee with 35ml skimmed milk	1 med. slice (1/4 dinner plate) ricotta and pea pie (incl 80-100g shortcrust pastry, 80g ricotta, 40g frozen peas, 1/2 egg) with 1 cup (80g) green leafy salad and 1 cup (80g) steamed carrots, fruit in season, filtered tap water with 1/2 lemon sliced
Wednesday - Children	2 x 40g wholegrain cereal with 2 x 125ml skimmed milk, 2 x 1/2 banana, 2 x 1 freshly squeezed orange	2 x 4 small wholegrain galletti, 2 x 1 tbsp bigilla, 2 x 2 cherry tomatoes, 2 x 1/2 small bottle water	2 x pasta salad (2 x 50g wholegrain pasta, 2 x 50g chopped chicken, 2 x 4 cherry tomatoes, 2 x 2 tablespoons chopped yellow and green peppers, 2 tablespoons low fat mayonnaise), 2 x 1/2 small bottle water	2 x toasted egg sandwich (2 x 1/2 hard-boiled egg, 2 x 1 slice toasted wholemeal bread), 2 x cup drinking chocolate with 35ml skimmed milk	2 x 1 med. slice (1/4 dinner plate) ricotta and pea pie (incl 80-100g shortcrust pastry, 80g ricotta, 40g frozen peas, 1/2 egg) with 2 x 1 cup (80g) green leafy salad and 2 x 1/2 cup (40g) steamed carrots, 2 x fruit in season, 2 x filtered tap water with 2 x 1/2 lemon sliced

Lone Parent & 2 children	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
Thursday - Adult	40g wholegrain cereal with 1 tablespoon dried fruit and 125ml skimmed milk, 1 cup tea/coffee with 35ml skimmed milk	2 tbsp dried chick peas, 1 apple, 1 cup tea/coffee with 35ml skimmed milk	2 wholemeal buns, 2 slices lean turkey, 1/2 cup (40g) broad beans, 3 (40g) carrot sticks and 3 (40g) cucumber sticks, 2 tbsps mixed almonds and raisins, 1 pkt 100% orange juice	1 tub fruit yoghurt, 1 qaghqa tal-hmira, 1 cup tea/coffee with 35ml skimmed milk	1 med. bowl minestra (1 small potato, 1 tbsp pumpkin, 1/2 tbsp onion, 1 small tomato, 1 tbsp turnip, stalk celery, pasta), 1 slice toasted wholemeal bread with 25g peppered gbejna or cheese, 1 fruit in season, filtered tap water with 1/2 lemon sliced
Thursday - Children	2 x 40g wholegrain cereal with 2 x 1 tablespoon dried fruit and 2 x 125ml skimmed milk, 2 x 1/2 banana, 2 x 1 freshly squeezed orange	2 x 1 wholemeal bun, 2 x 1 slice lean turkey, 2 x 2 cherry tomatoes, 2 x 1 tbsp dried chick peas, 2 x 1/2 small bottle water	2 x 1 wholemeal bun, 2 x 1 slice lean turkey, 2 x 1/2 cup broad beans, 2 x 1 cup carrot and cucumber sticks, 2 x 2 tbsps mixed almonds and raisins, 2 x 125ml 100% apple juice diluted with filtered tap water	2 x 1 toasted qaghqa tal-hmira with 2 x 1 tbsp mashed ricotta, 2 x 1 tub fruit yoghurt, 2 x filtered tap water	2 x med. bowl minestra (1 small potato, 1 tbsp pumpkin, 1/2 tbsp onion, 1 small tomato, 1 tbsp turnip, stalk celery, pasta), 2 x 250ml glass skimmed milk
Friday - Adult	2 slices toasted wholegrain bread with 1 tsp low fat spread, 250 ml 100% grapefruit juice, 1 cup tea/coffee with 35ml skimmed milk	1/2 ftira with 1 tomato and 2 tbsps ricotta and 1 lettuce leaf, 1/2 small bottle water	1/2 ftira with 1 tomato and 2 tbsps ricotta and 1 lettuce leaf and 1 tablespoon butter beans, 1 cup (80g) mixed fruit salad (fruit in season - melon, peach, grapes), 1/2 small bottle water	2 biskuttini with nuts, 1 cup of tea/coffee with 35ml skimmed milk	2 (75g) fillets fresh or frozen fish, 2 small (80g) grilled zucchini, 2 slices (80g) grilled eggplant, 2 tablespoons (80g) mashed potatoes, 1 slice wholemeal bread, 1 apple, filtered tap water with 1/2 lemon sliced

Lone Parent & 2 children	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
Friday - Children	2 x 2 weetabix with 2 x 125ml skimmed milk, 2 x 1 freshly squeezed orange	2 x 1/2 fira with 2 x 1 tomato and 2 x 2 tbsps ricotta and 2 x 1 lettuce leaf, 2 x 1/2 small bottle water	2 x 1/2 fira with 2 x 1 tomato and 2 x 2 tbsps ricotta and 2 x 1 lettuce leaf and 2 x 1 tablespoon butter beans, 2 x cup (80g) mixed fruit salad (fruit in season - melon, peach, grapes), 2 x 1/2 small bottle water	2 x 1 med. slice pizza with mushroom, corn, cheese (1/4 dinner plate size bought or home-made thick pizza base with 40g mushroom, 40g frozen corn, 20g skimmed mozzarella cheese), 2 x filtered tap water	2 x 2 (75g) fillets fresh or frozen fish, 2 x 1 small (40g) grilled zucchini, 2 x 1 slice (40g) grilled eggplant, 2 x 1 tablespoon (40g) mashed potatoes, 2 x 1/2 apple, 2 x filtered tap water with 2 x 1/2 lemon sliced
Saturday - Adult	2 slices toasted wholemeal bread, 1 tbsp jam, 1 freshly squeezed orange, 1 cup tea/coffee with 35ml skimmed milk	2 wholegrain biscuits, 1 cup tea/coffee with 35ml skimmed milk	1 omelette (2 eggs, 1 slice lean ham, 1 tbsp onion, 1 tbsp red pepper, 50g ricotta), 2 lettuce leaves, filtered tap water	1 glass fruit smoothie (1 banana, or 5 large strawberries, or 1 peach, plus 125ml milk and ice cubes)	1 large (size of dinner plate) home-made pizza with 1/2 large tin tuna, 1 tomato, 1 tbsp peas, 1/2 tin mushrooms, 1/2 onion, 1 tbsp grated low fat mozzarella, basil; 1 scoop low fat ice-cream with 2 tbsp fruit, filtered tap water with 1/2 lemon sliced, 1 glass wine
Saturday - Children	2 x 1 slice toasted wholemeal bread, 2 x 1 tbsp jam, 1 freshly squeezed orange	2 x 2 wholegrain biscuits, 2 x 250 ml glasses skimmed milk	2 x 1 omelette (2 x 2 eggs, 2 x 1 slice lean ham, 2 x 1 tbsp onion, 2 x 1 tbsp red pepper, 2 x 50g ricotta), 2 x 2 leaves lettuce, 2 x filtered tap water	2 x glass fruit smoothie (2 x 1 banana, or 2 x 5 large strawberries, or 2 x 1 peach, plus 150ml milk and ice cubes)	2 x med. (size of side plate) home-made pizza with 2 x 1/4 large tin tuna, 2 x 1 tomato, 2 x 1 tbsp peas, 2 x 1/4 tin mushrooms, 2 x 1/4 onion, 2 x 1/2 tbsp low fat mozzarella, basil; 2 x 1 scoop low fat ice-cream with 2 x 1 tbsp fruit, 2 x filtered tap water with 2 x 1/2 lemon sliced

Lone Parent & 2 children	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
Sunday - Adult	40g wholegrain cereal with 1/2 banana and 125ml skimmed milk, 1 cup of tea/coffee with 35ml skimmed milk	1 wholegrain sponge, 1 cup of tea/coffee with 35ml skimmed milk	Patata I-forn (100g beef, 1 large potato, 1 large onion, 1 tomato, 1 tbsp wine, 1 tsp buzbiez), 1 large slice maltese bread, 1 fruit in season, filtered tap water, 1 glass red wine	1 kannol tal-irkotta (with chopped nuts), 1 cup tea/coffee with 35ml skimmed milk	lentil soup (80g lentils, 1/2 small onion, 1 tomato, 1/2 carrot, 1 tsp garlic, 1 tsp olive oil, 1/2 carton plain yoghurt, 1/4 tsp basil, 1/4 tsp oregano), 2 slices toasted wholemeal bread, 1 fruit in season, filtered tap water, 1 glass wine
	2 x 40g wholegrain cereal with 2 x 1/2 banana and 2 x 125ml skimmed milk, 2 x 1 freshly squeezed orange	2 x 1 wholegrain sponge, 2 x 250ml glasses skimmed milk	2 x patata I-forn (2 x 80g beef, 2 x 1/2 large potato, 2 x 1/4 large onion, 2 x 1 tomato, 2 x 1 tbsp wine, 2 x 1 tsp buzbiez), 2 x 1 small slice maltese bread, 2 x fruit in season, 2 x filtered tap water	2 x 1 kannol tal-irkotta (with chopped nuts), 2 x cup tea with 35ml skimmed milk	2 x lentil soup (2 x 80g lentils, 2 x 1/2 small onion, 2 x 1 tomato, 2 x 1/2 carrot, 2 x 1 tsp garlic, 2 x 1 tsp olive oil, 2 x 1/2 carton plain yoghurt, 2 x 1/4 tsp basil, 2 x 1/4 tsp oregano), 2 x 1 slice toasted wholemeal bread, 2 x fruit in season, 2 x filtered tap water with 2 x 1/2 lemon sliced
Sunday - Children					

NB: It is assumed that children will also avail themselves of free school milk on weekdays.

Elderly Couple (65+)	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
<b>Monday</b>	2 x 40g wholegrain cereal with 125ml skimmed milk, 2 x 1 banana, 2 x cup tea/coffee with 35ml skimmed milk	2 x apple, 2 x cup tea/coffee with 35ml skimmed milk	2 x 100g chicken breast, 2 x 1/2 cup broccoli, 2 x 1/2 cup carrots, 2 x 1 baked potato, 2 x 2 tsp olive oil, 2 x filtered tap water	2 x qaghqa tal-hmira, 2 x cup tea/coffee with 35ml skimmed milk	2 x 2 large slices maltese bread with 2 x 1 tomato, 2 x 1/2 large tin tuna in oil, 2 x 3 cucumber sticks, 2 x 1 light yoghurt, 2 x filtered tap water with 1/2 lemon sliced
<b>Tuesday</b>	2 x slice toasted wholegrain bread with 2 x 50g low fat cheese spread, 2 x 250 ml 100% grapefruit juice, 2 x cup tea/coffee with 35ml skimmed milk	2 x 2 biscuttelli, 2 x cup tea/coffee with 35ml skimmed milk	2 x 100g tortellini, 2 x 1 cup tomato sauce, 2 x 1 cup diced seasonal vegetables, 2 x 2 tbsp grated gbejina nixefa, 2 x 2 tsp olive oil, 2 x filtered tap water	2 x 1 banana, 2 x 2 tbsp almonds, 2 x cup tea/coffee with 35ml skimmed milk	2 x 2 open sandwiches (2 x 1 medium wholemeal bun, 2 x 2 slices lean ham), 2 x 1/2 cup beans, 2 x 1 cup coleslaw, 2 x filtered tap water with 1/2 lemon sliced
<b>Wednesday</b>	2 x 40g wholegrain cereal with 125ml skimmed milk, 2 x 4 prunes, 2 x cup tea/coffee with 35ml skimmed milk	2 x 4 small wholegrain galletti, 1 tbsp bigilla, filtered tap water	2 x baked rice (2 x 100g wholegrain rice, 2 x 80g minced chicken breast or lean pork/beef, 2 x 1 large tomato, 2 x 2 tbsps chopped aubergine or yellow/green/red peppers, 2 x 1 tbsp chopped onion, 2 x 1/2 egg), 2 x filtered tap water	2 x qaghqa tal-hmira, 2 x cup tea/coffee with 35ml skimmed milk	2 x 1 med. slice (1/4 dinner plate) ricotta and pea pie (incl. 2 x 1/2 egg), 2 x 1 fruit in season, 2 x filtered tap water with 1/2 lemon sliced

Elderly Couple (65+)	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
Thursday	2 x 40g wholegrain cereal with 1 tablespoon dried fruit and 125ml skimmed milk, 2 x cup tea/coffee with 35ml skimmed milk	2 x 2 tbsp dried chick peas, 2 x 1 apple, 2 x cup tea/coffee with 35ml skimmed milk	2 x medium bowl minestra (potatoes, pumpkin, onions, tomatoes, turnip, celery, pasta), 2 x 1 slice toasted wholemeal bread with 25g peppered gbejna or cheese, 2 x 1 fruit in season, 2 x filtered tap water	2 x 1 qaghqa tal-hmira, 1 cup tea/coffee with 35ml skimmed milk	2 x 2 open sandwiches (2 x 1 wholemeal bun, 2 x 2 slices lean turkey), 2 x 1/2 cup broad beans, 2 x 1 cup carrot and cucumber sticks, 2 x 2 tbsps mixed almonds, 2 x 1 tub fruit yoghurt, 2 x filtered tap water with 1/2 lemon sliced
Friday	2 x 1 slice toasted wholegrain bread with 1 tsp low fat spread, 2 x 250 ml 100% grapefruit juice, 2 x cup tea/coffee with 35ml skimmed milk	2 x 4 wholegrain galletti, 2 x 2 tbsp ricotta, filtered tap water	2 x 2 (75g) slices fresh or frozen fish, 2 x 2 small boiled zucchini, 2 x 1 tomato, 2 x 1 slice wholemeal bread, 2 x 1 apple, 2 x filtered tap water	2 x 2 biskuttini with nuts, 2 x cup of tea/coffee with 35ml skimmed milk	2 x small bowls aljotta (tomatoes, onions, carrots, potatoes, celery, rice), 2 x 2 galletti with cube of peppered cheese, 2 x 1 cup mixed fruit salad (fruit in season - melon, peach, grapes), 2 x filtered tap water with 1/2 lemon sliced
Saturday	2 x 40g wholegrain cereal with 125ml skimmed milk, 2 x 4 prunes, 2 x cup tea/coffee with 35ml skimmed milk	2 x 1 orange, 2 x filtered tap water	2 x 1 omelette (2 x 2 eggs, 2 x 1 slice lean ham, 2 x 1 tbsp onion, 2 x 1 tbsp red pepper, 2 x 50g ricotta), 2 x 1 lettuce leaf, 2 x 1 slice wholemeal bread, 2 x filtered tap water	2 x 1 wholegrain biscuit, 2 x cup tea/coffee with 35ml skimmed milk	2 x medium (size of side plate) home-made pizza with 2 x 1/4 large tin tuna, 2 x 1 tomato, 2 x 1/4 tin mushrooms, 2 x 1/4 onion, 2 x 1/2 tbsp low fat mozzarella, 2 x basil, 2 x 1 scoop low fat ice-cream with 1 tbsp fruit, 2 x filtered tap water, 2 x 1 glass wine



Elderly Couple (65+)	Breakfast	Mid-Morning Snack	Lunch	Mid-Afternoon Snack	Evening Meal
<p><b>Sunday</b></p>	<p>2 x 1 wholegrain sponge with 1 tsp jam, 2 x cup of tea/coffee with 35ml skimmed milk</p>	<p>2 x 1 banana, 2 x cup of tea/coffee with 35ml skimmed milk</p>	<p>2 x patata l-forn (2 x 100g beef, 2 x 1 large potato, 2 x 1/2 large onion, 2 x 1 tomato, 2 x 1 tbsp wine, 2 x 1 tsp buzbiez), 2 x 1 large slice maltese bread, 2 x 1 fruit in season, 2 x filtered tap water, 2 x 1 glass red wine</p>	<p>2 x 1 kannol tal-irkotta (with chopped nuts), 2 x cup tea/coffee with 35ml skimmed milk</p>	<p>2 x lentil soup (2 x 80g lentils, 2 x 1/2 small onion, 2 x 1/2 carrot, 2 x 1/2 celery, 2 x 1 tsp garlic, 2 x 1 tsp olive oil, 2 x 1/4 tsp basil, 2 x 1/4 tsp oregano), 2 x 1 slice wholemeal bread, 2 x 1 cube peppered cheese, 2 x filtered tap water, 2 x 1 glass wine</p>

## APPENDIX B

### The FEAD Food Package

Food Item	Quantity
Tea Bags	120 tea bags
Baked Beans	2 tins
Tomatoes	2 tins
Tuna	2 tins
Hot Dog Sausages	2 tins
Mixed Fruit	1 tin
Vegetables	2 tins
Whole-wheat Cereal	1 packet 750g
Corn Flakes	1 packet 350g
Dried Nuts	1 packet
Couscous	2 packets
Pasta	1 packet (500g)
Rice	1 packet ( 1 kilo)

## The SFFD Food Package

Food Item	Capacity	Specifications	1 Person	2 Persons	3 Persons
		Expiry/Best before/ Use by Date At least half the shelf-life from day of delivery			
Long-life Milk	1 Litre	Low fat (less than 20g) (semi skimmed)	Qty 1	Qty 2	Qty 3
Tomatoes Polpa	Between 400 – 450 grams	Chopped/Polpa Containing less than 16g sugar per 100g Containing less than 1.5g salt per 100g	3 tins	3 tins	5 tins
Tuna	Between 160 – 190 grams	Chunks - In vegetable oil	2 tins	2 tins	4 tins
Pasta	1000 grams	Dry - White Pasta: one kind of pasta, which has to be the same for every delivery, from the following variety : spaghetti, fusilli, penne, macaroni, vermicelli and farfalle.	3 pkts	4 pkts	4 pkts
Rice	1000 grams	White -Long grain - Easy cook/par boiled	1 pkt	1 pkt	2 pkts

## APPENDIX C

Workings to establish cost of Food

	2 Adults & 2 Children	Lone Parent & 2 Children	Elderly Couple (65+)
<b>7-Day Menus – Full Price</b>	7363.20	5397.12	3585.12
<b>FEAD (6 boxes per year) (deduct)</b>	178.74	178.74	178.74
<b>SFFD (2 boxes per year) (deduct)</b>	63.08	50.56	31.54
<b>Yearly cost of food with deductions</b>	7121.38	5167.82	3374.84
<b>Monthly cost of food with deductions</b>	593.45	430.65	281.24

## APPENDIX D

Footwear costs for each household category

**2 Adults & 2 Children**

Items	Adult 1	Adult 2	Child 1	Child 2	Total in €
<b>Work/School shoes</b>	30	30	25	25	110
<b>Elegant shoes</b>	25	30	25	25	105
<b>Boots</b>	30	40	20	20	110
<b>Sandals</b>	20	40	15	15	90
<b>Trainers</b>	20	20	20	20	80
<b>Flip Flops</b>	10	20	10	10	50
<b>Slippers</b>	10	10	10	10	40
<b>Total per 2 years</b>	<b>145</b>	<b>190</b>	<b>125</b>	<b>125</b>	<b>585*</b>

\*Footwear was assumed to last 2 years, so this was halved for yearly cost.

## Lone Parent & 2 Children

Items	Adult 1	Child 1	Child 2	Total in €
Work/School shoes	30	25	25	80
Elegant shoes	30	25	25	80
Boots	40	20	20	80
Sandals	20	15	15	50
Trainers	20	20	20	60
Flip Flops	20	10	10	40
Slippers	10	10	10	30
<b>Total per 2 years</b>	<b>170</b>	<b>125</b>	<b>125</b>	<b>420*</b>

\*Footwear was assumed to last 2 years, so this was halved for yearly cost.

## Elderly Couple (65+)

Items	Adult 1	Adult 2	Total in €
Basic shoes	25	30	55
Elegant shoes	25	30	55
Boots	30	40	70
Sandals	40	40	80
Trainers	20	20	40
Slippers	10	10	20
<b>Total per 2 years</b>	<b>150</b>	<b>170</b>	<b>320*</b>

\*Footwear was assumed to last 2 years, so this was halved for yearly cost.

# APPENDIX E

Combined cost of Garments and Footwear for each household category

Clothing	2 Adults & 2 Children	Lone Parent & 2 Children	Elderly Couple (65+)
Garments	408.53	363.14	272.36
Footwear	292.50	210.00	160.00
Yearly total	701.03	573.14	432.36

## APPENDIX F

Medicines and medical products included in the MEBDL 2020 basket indicating cost and items available for free for Pink Form holders

### 2 Adults & 2 Children

Condition	Medicine	Notes	Average Price €	Total €	Alternative medicine provided for free for Pink Form holders	Total Cost for Pink Form holders €
Paracetamol	Paracetamol *500mg	6 packets per year	1.65	9.90	x	
Pain	Voltaren tabs *100mg	7 courses per year	8.70	60.90	x	
Pain	Fastum Gel	3 tubes per year	5.50	16.50		16.50
Bruising	Liaton Gel	2 per year	5.10	10.20		10.20
Allergies	Zyrtec	2 courses	8.40	16.80	x	
Nasal Sprays	Hysan	4 per year	4.10	16.40		16.40
Eye Infections	Eye preparations	4 packets each year	5.80	23.20		23.20
Cold	Pandol Cold and Flu	6 packets per year	6.12	36.72		36.72
Sore Throats	Beechams	6 packets per year	3.83	22.98		22.98
Coughs	Mucobroxol	6 packets per year	6.25	37.50		37.50
Diarrhoea	Imodium	6 preparations	2.96	17.76	x	
Suntan creams	Nivea	4 bottles per year	17.50	70.00		70.00
Antibiotics	Augmentin	4 tubes a year	6.76	27.04	x	
Skin Conditions	Aqueous Cream	6 boxes per year				
Period Pains	Feminax	2 tubes	4.70	9.40		9.40
Mosquito Bite Creams	Systral	2 tubes	4.95	9.90		9.90
Scratches	Fucidin	4 boxes	11.50	46.00		46.00
Plasters	Elastoplast	3 plasters	2.75	8.25		8.25
Anti-asthmatic	Ventolin	2 inhalers	3.15	6.30	x	
<b>Grand Total</b>				<b>445.75</b>		
<b>Grand Total with free medication</b>						<b>307.05</b>



## Lone Parent & 2 Children

Condition	Medicine	Notes	Average Price €	Total €	Alternative medicine provided for free for Pink Form holders	Total Cost for Pink Form holders €
Paracetamol	Paracetamol *500mg	4 packets per year	1.65	6.60	x	
Pain	Voltaren tabs *100mg	4 courses per year	8.70	34.80	x	
Pain	Fastum Gel	2 tubes per year	5.50	11.00		11.00
Bruising	Liaton Gel	1 per year	5.10	5.10		5.10
Allergies	Zyrtec	1 course	8.40	8.40		8.40
Nasal Sprays	Hysan	2 per year	4.10	8.20		8.20
Eye Infections	Eye preparations	3 packets each year	5.80	17.40		17.40
Cold	Pandol Cold and Flu	3 packets per year	6.12	18.36		18.36
Sore Throats	Beechams	3 packets per year	3.83	11.49		11.49
Coughs	Mucobroxol	3 packets per year	6.25	18.75		18.75
Diarrhoea	Imodium	3 packets each year	2.96	8.88	x	
Suntan creams	Nivea	3 bottles per year	17.50	52.50		52.50
Antibiotics	Augmentin	3 tubes a year	6.76	20.28	x	
Skin Conditions	Aqueous Cream	4 boxes per year				
Period Pains	Feminax	2 tubes	4.70	9.40		9.40
Mosquito Bite Creams	Systral	2 tubes	4.95	9.90		9.90
Scratches	Fucidin	1 box	11.50	11.50		11.50
Plasters	Elastoplast	4 plasters	2.75	11.00		11.00
Anti-asthmatic	Ventolin	2 inhalers	3.15	6.30	x	
<b>Grand Total</b>				<b>269.86</b>		
<b>Grand Total with free medication</b>						<b>193.00</b>

## Elderly Couple (65+)

Condition	Medicine	Notes	Average Price €	Total €	Alternative medicine provided for free for Pink Form holders	Total Cost for Pink Form holders €
Paracetamol	Paracetamol *500mg	6 packets per year	1.65	9.90	x	
Constipation	Duphalac	50 bottles per year	6.24	312.00	x	
Pain	Catflam 50	6 packets per year	5.50	33.00	x	
Bruising	Liaton Gel	2 per year	5.10	10.20		10.20
Inflammation	Catfast	2 courses	10.30	20.60		20.60
Antibiotics	Augmentin	2 courses per year	6.76	13.52	x	
Eye Infections	Eye preparations	2 episode each year	5.80	11.60	x	
Cold	Pandol Cold and Flu	3 packets per year	6.12	18.36		18.36
Sore Throats	Beechams	3 packets per year	3.83	11.49		11.49
Coughs	Mucobroxol	3 packets per year	6.25	18.75		18.75
Diarrhoea	Imodium	4 preparations	2.96	11.84		11.84
Vitamins	Multibionta	14 boxes per year	6.30	88.20	x	
Suntan creams	Nivea	2 bottles per year	17.50	35.00		35.00
Skin Conditions	Aqueous Cream	3 tubes a year				
Mosquito Bite Creams	Mistorgan	2 tubes	4.95	9.90		9.90
Scratches	Fucidin	2 tubes	11.50	23.00		23.00
Corns	Carnation	1 packet	3.85	3.85		3.85
Denture	Corega	12 per year	3.90	46.80		46.80
Dizziness	Stematil	6 packets per year	2.96	17.76	x	
Mouth Ulcers	Bonjela	6 packets per year	2.99	17.94		17.94
Plasters	Elastoplast	2 plasters	2.75	5.50		5.50
<b>Total</b>				<b>719.21</b>		<b>233.23</b>
Bone density tablets	Alendronic Acid 70mg TEVA	12 boxes	14.95	179.40		179.40
<b>Grand Total with free medication</b>						<b>412.63</b>

## APPENDIX G

Cost of Non-Durable Goods for all the household categories

Item	Quantity per year	Cost in €
Dishwashing liquid	26	26.00
Sponge	52	8.74
Duster	8	6.15
Floor Cloth	12	8.40
Broom	1	3.39
Dustpan and brush	1	4.25
Squeezer	1	2.95
<b>Yearly total</b>		<b>59.88</b>

## APPENDIX H

### Electricity consumption by each household category

2 adults & 2 children	Usage	Assumed (W)	Assumed (kWh/day)	Assumed (kWh/year)	Percentage
TV	3 hours a day	18	0.054	19.71	1%
Kettle	2 litres a day	1 kWh for 7 litres	0.285714	104.2857	3%
Washing Machine	6 washes per week	0.40 kWh per wash	0.342857	125.1429	4%
Water Heater	4 showers a day	0.5 kWh for 3 minute shower	2	730	22%
Radio	1 hour a day, 6 times weekly	33.3	0.028543	10.41814	0%
Light (Energy saving)	6 hours a day, 4 units	15	0.36	131.4	4%
Iron	2 hours per week	1 kW	0.285714	104.2857	3%
Fridge Freezer	2 kWh a day		2	730	22%
Fan (Summer only)	8 hours a day, 4 months a year	50	0.133333	48.66667	1%
Hair Dryer	30 minutes per week	1.5 kW	0.107143	39.10714	1%
Personal Computer/Laptop	2 hours a day	0.3 kWh	0.6	219	7%
Toaster	6 slices of toast a day; 1 kWh for 60 slices		0.06	21.9	1%
Microwave	10 minutes a day	700	0.116667	42.58333	1%
Air conditioner	6 hours a day, 4 months in Summer	1.2 kW	2.4	876	26%
Wifi router + TV service provider box	24 hours a day	12	0.288	105.12	3%
				3307.62	100%

Lone Parent & 2 Children	Usage	Assumed (W)	Assumed (kWh/day)	Assumed (kWh/year)	Percentage
TV	3 hours a day	18	0.054	19.71	1%
Kettle	2 litres a day	1 kWh for 7 litres	0.285714	104.2857143	3%
Washing Machine	5 washes per week	0.40 kWh per wash	0.285714	104.2857143	3%
Water Heater	3 showers a day	0.5 kWh for 3 minute shower	1.5	547.5	18%
Radio	1 hour a day, 6 times weekly	33.3	0.028543	10.41814286	0%
Light (Energy saving)	6 hours a day, 4 units	15	0.36	131.4	4%
Iron	1.5 hours per week	1 kW	0.214286	78.21428571	3%
Fridge Freezer	2 kWh a day		2	730	24%
Fan (Summer only)	8 hours a day, 4 months a year	50	0.133333	48.66666667	2%
Hair Dryer	30 minutes per week	1.5 kW	0.107143	39.10714286	1%
Personal Computer/Laptop	2 hours a day	0.3 kWh	0.6	219	7%
Toaster	4 slices of toast a day; 1 kWh for 60 slices		0.04	14.6	0%
Microwave	10 minutes a day	700	0.116667	42.58333333	1%
Air conditioner	6 hours a day, 4 months in Summer	1.2 kW	2.4	876	29%
Wifi router + TV service provider box	24 hours a day	12	0.288	105.12	3%
				3070.891	100%

Elderly Couple (65+)	Usage	Assumed (W)	Assumed (kWh/day)	Assumed (kWh/year)	Percentage
TV	3 hours a day	18	0.054	19.71	1%
Kettle	2 litres a day	1 kWh for 7 litres	0.285714	104.2857143	4%
Washing Machine	4 washes per week	0.40 kWh per wash	0.228571	83.42857143	3%
Water Heater	2 showers a day	0.5 kWh for 3 minute shower	1	365	13%
Radio	1 hour a day, 6 times weekly	33.3	0.028543	10.41814286	0%
Light (Energy saving)	6 hours a day, 4 units	15	0.36	131.4	5%
Iron	1.5 hours per week	1 kW	0.214286	78.21428571	3%
Fridge Freezer	2 kWh a day		2	730	25%
Fan (Summer only)	8 hours a day, 4 months a year	50	0.133333	48.66666667	2%
Hair Dryer	30 minutes per week	1.5 kW	0.107143	39.10714286	1%
Personal Computer/Laptop	2 hours a day	0.3 kWh	0.6	219	8%
Toaster	6 slices of toast a day; 1 kWh for 60 slices		0.06	21.9	1%
Microwave	10 minutes a day	700	0.116667	42.58333333	1%
Air conditioner	6 hours a day, 4 months in Summer	1.2 kW	2.4	876	30%
Wifi router + TV service provider box	24 hours a day	12	0.288	105.12	4%
				2874.83	100%

# APPENDIX I

## Water consumption by each household category

2 adults & 2 children	Litres Per Day	
<b>Toilet</b> 3 flushings a day per person at 7 litres each	84	
<b>Shower</b> One 3-minute shower per person daily, assuming a water flow pressure of 0.075 litre/second for 3 minutes	54	
<b>Wash hand basin</b> A 10 seconds per hands' wash four times per person daily, assuming a 0.1 litre/second flow pressure	16	
<b>Washing machine</b> 6 loads per week at 70 litres per wash	60	
<b>Kitchen sink</b> 10 litres kitchen bowl/sink	10	
<b>Cooking and drinking</b> Cooking 2 litres for each adult and 1.5 litres for each child	3 7	
<b>House Cleaning (washing)</b> 15 litres per week	2.142857	
<b>Total in litres per Day/Annum</b>	<b>236.1429</b>	<b>86192.14</b>

Lone Parent & 2 Children	Litres Per Day	
<b>Toilet</b> 3 flushings a day per person at 7 litres each	63	
<b>Shower</b> One 3-minute shower per person daily, assuming a water flow pressure of 0.075 litre/second for 3 minutes	40.5	
<b>Wash hand basin</b> A 10 seconds per hands' wash four times per person daily, assuming a 0.1 litre/second flow pressure	12	
<b>Washing machine</b> 6 loads per week at 70 litres per wash	50	
<b>Kitchen sink</b> 10 litres kitchen bowl/sink	10	
<b>Cooking and drinking</b> Cooking 2 litres for each adult and 1.5 litres for each child	3 5	
<b>House Cleaning (washing)</b> 15 litres per week	2.142857	
<b>Total in litres per Day/Annum</b>	<b>185.6429</b>	<b>67759.64</b>

Elderly Couple (65+)	Litres Per Day	
<b>Toilet</b> 3 flushings a day per person at 7 litres each	42	
<b>Shower</b> One 3-minute shower per person daily, assuming a water flow pressure of 0.075 litre/second for 3 minutes	27	
<b>Wash hand basin</b> A 10 seconds per hands' wash four times per person daily, assuming a 0.1 litre/second flow pressure	8	
<b>Washing machine</b> 6 loads per week at 70 litres per wash	40	
<b>Kitchen sink</b> 10 litres kitchen bowl/sink	10	
<b>Cooking and drinking</b> Cooking 2 litres for each adult	3 4	
<b>House Cleaning (washing)</b> 15 litres per week	2.142857	
<b>Total in litres per Day/Annum</b>	<b>136.1429</b>	<b>49692.14</b>



# APPENDIX J

## Energy Benefit

(Adapted from Social Security Energy Benefit page -- as at January 2021)

### Overview

The Energy Benefit is aimed to mitigate the effect of the increase in expenditure on water and electricity bills of low-income families. A person may qualify either:

- **As a social case; or**
- **Through an Income Means Test**

A person who qualifies for an Energy Benefit shall be entitled to:

- **An amount to offset 30% of the consumption of electricity prior to the eco reduction, up to a maximum assistance of €75 per year per person in the household, and**
- **(If claimant or spouse are the account holder) a subsidy of not more than €65 per year in respect of the rent of the electricity meter, and a subsidy of not more than €59 per year in respect of the rent of the water meter.**
- **A person who is over 60 years of age and is in receipt of an Energy Benefit will also be awarded €40 annually as a Gas Rebate per household, payable only with actual bills.**
- **A person who is under 60 years of age and is in receipt of an Energy Benefit will be awarded €30 as a Gas Rebate annually per household.**

Both the Energy Benefit and Gas Rebate entitlement is deducted directly from the Water and Electricity Bill.

### General eligibility criteria:

A person who is in receipt of one of the following Social Security Benefits or Assistances will automatically qualify for the Energy Benefit:

- **Social Assistance;**
- **Assistance for Carers;**
- **Increased Assistance for Carers;**
- **Single Unmarried Parent Assistance;**
- **Unemployment Assistance;**
- **Special Unemployment Benefit**
- **Age Pension**

A person who is in receipt of one of the following Social Security Allowances or Assistances will qualify through an Income Means Test:

- **Children's Allowance**
- **Supplementary Allowance**
- **Disability Assistance**

To qualify for the Energy Benefit, the declared income by a claimant must not exceed €9,961 per annum (Year of Assessment 2019).

## APPENDIX K

Combined yearly cost of Household Goods and Maintenance, Laundry and Care, and Services

Household	Household Goods and Maintenance, Laundry and Care, and Services			
	Goods and Maintenance	Laundry and Care	Services	Total
	Yearly in €	Yearly in €	Yearly in €	Yearly in €
2 Adults & 2 Children	811.42	129.85	1219.60	2160.87
Lone Parent & 2 Children	801.23	120.56	966.64	1888.43
Elderly Couple (65+)	801.23	106.52	1205.79	2113.54

## APPENDIX L

Yearly cost of Stationery, School Bag and School Outings

STATIONERY, SCHOOL BAG AND SCHOOL OUTINGS	
Item	Cost per year in €
Recurring stationery (approx. 3 € weekly)* ** **	90.00
Photocopies and/ or printing (approx 2 € weekly)* **	60.00
Workbooks/Past Papers **	40.00
School bag	40.00
School outings: 4@ 3.50 € **	14.00
Book fair (to buy books)	5.00
<b>Total per child per annum</b>	<b>249.00</b>

\* Based on a 30-week school year

\*\* Assuming that the household receives the grant for stationery under Scheme 9

\*\*\* Assuming that additional are provided in kind/ via financial assistance by the school

## APPENDIX M

### Yearly cost of School Uniforms

Uniform Item	Boy attending Secondary school	Girl attending Secondary school	Total Cost for 2 children*
Tracksuit	24.00	24.00	48.00
P.E. shorts	5.95	5.95	11.90
P.E. T-shirts	5.75	5.75	11.50
Cap	3.50	3.50	7.00
Bermuda shorts	11.75		11.75
Shirt	8.95	8.95	17.90
Trousers	14.75	14.75	29.50
Skirt		11.50	11.50
Polo shirt	8.95	8.95	17.90
Jersey	15.25		15.25
Vest		15.25	15.25
Blazer	40.00	40.00	80.00
Anorak/Windbreaker	22.85	22.85	45.70
Tie	4.50		4.50
Cross tie		4.50	4.50
Lab attire (apron, headgear)	15.00	15.00	30.00
Socks x2 pairs	4.50	4.50	9.00
Tights		4.95	4.95
Bands		5.95	5.95
Elastic hair bands		2.95	2.95
<b>Total per annum</b>	<b>185.70</b>	<b>199.30</b>	<b>385.00</b>

\*Uniforms are assumed to last up to two consecutive years

## APPENDIX N

Combined yearly cost of Education, Culture and Gifts

Household	Education, Culture and Gifts					
	Stationery, School Bag and School Outings	School Uniform	Laptop	Cultural Activities	Gifts	Total
	Yearly in €	Yearly in €	Yearly in €	Yearly in €	Yearly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	498.00	192.50	400.00	240.00	60.00	1390.50
<b>Lone Parent &amp; 2 Children</b>	498.00	192.50	400.00	180.00	60.00	1330.50
<b>Elderly Couple (65+)</b>	104.00	0	200.00	120.00	60.00	484.00

## APPENDIX O

Yearly cost of Public Transport usage

Household	Transport				
	Adults	Children	Elderly	Yearly in €	Yearly in €
<b>2 Adults &amp; 2 Children</b>	2 Saver cards (1 each) @26€ max. monthly	1 Children's card @2€ max. weekly 1 Student card @21 € max. monthly		624+104+252	980.00
<b>Lone Parent &amp; 2 Children</b>	1 Saver card @26€ max. monthly	1 Children's card @2€ max. weekly 1 Student card @21 € max. monthly		312+104+252	668.00
<b>Elderly Couple (65+)</b>			2 Concession cards (1 each) @2€ max. weekly		208.00

## APPENDIX P

Housing Authority subsidies for Social housing

CATEGORY	APPLICANT INCOME (€)	SUBSIDY
A	0,000 – 7,000	85%
B	7,001 – 9,000	80%
C	9,001 – 11,000	75%
D	11,001 + over	70%

## APPENDIX Q

Cost for 7-Day Menus and Eating Out

Household	7-Day Menu	Eating Out	Total
	Yearly in €	Yearly in €	Yearly in €
2 Adults & 2 Children	7121.38	480.00	7601.38
Lone Parent & 2 Children	5167.82	360.00	5527.82
Elderly Couple (65+)	3374.84	240.00	3614.84

## APPENDIX R

Cost for Private Car usage

Private Car Usage*		
Items	Yearly in €	Remarks
Insurance Premium Third Party Only	130.00	Assuming a full non-claim bonus
Road Licence	120.00	Assuming no fines
Vehicle Road Testing	12.50	€25 every 2 years
Fuel	1040.00	€20 per week
Basic Maintenance Service	120.00	Assuming no mechanical faults occur
<b>Total per year</b>	<b>1422.50</b>	

\* The purchase price of the car was not considered.

## APPENDIX S

Minimum monthly /yearly costs for the MEBDL 2016 for 3 household types

MEBDL (2016)							
ITEM		2 Adults & 2 Children		Lone Parent & 2 Children		Elderly Couple (65+)	
		Monthly in €	Yearly in €	Monthly in €	Yearly in €	Monthly in €	Yearly in €
<b>Food</b>	7-Day Menu <sup>1</sup>	517.56	6210.76	383.66	4603.96	245.38	2944.52
<b>Clothing</b>	Garments <sup>2</sup>	37.86	454.32	33.65	403.84	25.24	302.88
	Shoes & Footwear <sup>3</sup>	26.83	322.00	19.75	237.00	14.58	175.00
<b>Personal Care</b>	Personal Care <sup>2</sup>	63.33	760.00	57.75	693.04	51.34	616.03
<b>Health</b>	Pharmaceutical Products <sup>4</sup>	19.65	235.75	13.67	164.01	15.42	185.08
<b>Household Goods, Laundry and Care, and Services</b>	Furniture & Furnishings (and Textiles) <sup>2</sup>	15.51	186.17	15.33	183.93	15.33	183.93
	Appliances <sup>2</sup>	13.11	157.36	13.11	157.36	13.11	157.36
	Maintenance & Repair: Material <sup>2</sup>	13.32	159.82	12.71	152.50	12.71	152.50
	Maintenance & Repair: Services <sup>2</sup>	22.98	275.72	22.98	275.72	22.98	275.72
	Laundry Detergents	7.75	93.00	6.50	78.00	5.17	62.00
	Non-durable Goods <sup>2</sup>	12.09	145.08	12.09	145.08	6.05	72.54
	Telephone/TV/Internet	33.00	396.00	33.00	396.00	33.00	396.00
	Mobile Phone	22.33	268.00	11.17	134.00	22.33	268.00
	Electricity <sup>5</sup>	13.04	156.43	11.71	140.48	11.36	136.35
	Gas <sup>5</sup>	10.00	120.00	10.00	120.00	11.67	140.00
	Water <sup>5</sup>	10.01	120.09	7.91	94.96	5.82	69.82
<b>Education</b>	Printing & Stationery	21.00	252.00	21.00	252.00	0.00	0.00
	Uniforms	16.04	192.50	16.04	192.50	0.00	0.00
<b>Transport</b>	Public Transport	62.00	744.00	48.00	576.00	16.00	192.00
<b>Housing</b>	Rent <sup>6</sup>	16.42	197.00	16.42	197.00	16.42	197.00
<b>Total</b>		953.83	<b>11,445.99</b>	766.45	<b>9,197.37</b>	543.90	<b>6,526.72</b>

1. Benefitting from the FEAD Scheme

2. Prices according to the Average Consumer Expenditure of the Lowest Income Quartile earning less than €10,585 according to HBS 2008 with an addition for inflation from 2011 to 2015

3. This is the annual cost divided by two assuming footwear has a 2-year lifespan

4. Benefitting from free medicines and health services as per Public Health Scheme – Schedule 5

5. Benefitting from electricity, water and LPG reductions/rebates

6. Assuming residence is Housing Authority-owned subsidised dwelling

# APPENDIX T

Cost of the MEBDL 2020 Categories and their Proportion of the Basket Cost

MEBDL 2020		2 Adults & 2 Children		Lone Parent & 2 Children		Elderly Couple (65+)	
Categories	Items	Yearly in €	% of MEBDL	Yearly in €	% of MEBDL	Yearly in €	% of MEBDL
Food	7-Day Menu	7121.38	51.06	5167.82	46.82	3374.84	41.38
Clothing	Garments	408.53	2.93	363.14	3.29	272.36	3.34
	Footwear	292.50	2.10	210.00	1.90	160.00	1.96
Personal Care	Personal Care	779.95	5.59	711.23	6.44	632.20	7.75
Health	Medicines and Medical Care Products	307.05	2.20	193.00	1.75	412.63	5.06
	Medical Services	60.00	0.43	60.00	0.54	180.00	2.21
Household Goods and Maintenance, Laundry and Care, and Services	Furniture & Furnishings (and textiles)	204.54	1.47	202.08	1.83	202.08	2.48
	Appliances	153.64	1.10	153.64	1.39	153.64	1.88
	Maintenance and Repair: Material	168.76	1.21	161.03	1.46	161.03	1.97
	Maintenance and Repair: Services	284.48	2.04	284.48	2.58	284.48	3.49
	Laundry Detergents	69.97	0.50	60.68	0.55	46.64	0.57
	Non-durable goods	59.88	0.43	59.88	0.54	59.88	0.73
	Electricity	209.24	1.50	187.01	1.69	178.40	2.19
	Water	120.36	0.86	94.63	0.86	69.39	0.85
	Gas	120.00	0.86	120.00	1.09	140.00	1.72
	Telephone/TV/Internet	360.00	2.58	360.00	3.26	360.00	4.41
	Smartphone	410.00	2.94	205.00	1.86	458.00	5.62
	Stationery, School Bag & Outings	498.00	3.57	498.00	4.51	104.00	1.28
Education, Culture & Gifts	Uniforms	192.50	1.38	192.50	1.74	0.00	0.00
	Laptop	400.00	2.87	400.00	3.62	200.00	2.45

MEBDL 2020		2 Adults & 2 Children		Lone Parent & 2 Children		Elderly Couple (65+)	
Categories	Items	Yearly in €	% of MEBDL	Yearly in €	% of MEBDL	Yearly in €	% of MEBDL
<b>Education, Culture &amp; Gifts CONT.</b>	Cultural Activities	240.00	1.72	180.00	1.63	120.00	1.47
	Gifts	60.00	0.43	60.00	0.54	60.00	0.74
<b>Transport</b>	Public Transport	980.00	7.03	668.00	6.05	208.00	2.55
<b>Housing</b>	Rent	446.00	3.20	446.00	4.04	319.00	3.91
<b>Total</b>		<b>13946.78</b>	<b>100.00</b>	<b>11038.12</b>	<b>100.00</b>	<b>8156.57</b>	<b>100.00</b>

## APPENDIX U

Average Share of Cost of Each Category in the MEBDL 2020 Basket Compared to the Average Annual Household Expenditure of Those in the Lowest Equivalised Disposable Income Based on HBS 2015

MEBDL 2020 Category	2 Parents & 2 Children	Lone Parent & 2 Children	Elderly Couple (65+)	MEBDL 2020 Average share of basket	HBS 2015 Share of Expenditure by lowest income quartile	HBS 2015 Category
<b>Food</b>	51.06	46.82	41.38	46.42	25.90	<b>Food</b>
<b>Clothing</b>	5.03	5.19	5.30	5.17	6.60	<b>Clothing and footwear</b>
<b>Personal Care</b>	5.59	6.44	7.75	6.59		
<b>Health</b>	2.63	2.29	7.27	4.06	6.40	<b>Health</b>
<b>Household Goods and Maintenance, Laundry and Care, and Services</b>	15.49	17.11	25.91	19.50	23.50	<b>Housing, water, electricity, gas and other; Furnishing, household equipment and maintenance; Communication</b>
<b>Housing</b>	3.20	4.04	3.91	3.72		
<b>Education, Culture and Gifts</b>	9.97	12.05	5.93	9.32	8.90	<b>Education; Recreation and Culture</b>
<b>Transport</b>	7.03	6.05	2.55	5.21	10.80	<b>Transport</b>



## APPENDIX V

Prices at Different Retail Outlets of a Selection of Vegetables and Fruits Present in the 7-Day Menus

FOOD	2 Adults & 2 Children			Lone Parent & 2 Children			Elderly Couple (65+)		
	SUPER-MARKET CENTRE/ NORTH	GREEN GROCER	FARMERS MARKET	SUPER-MARKET CENTRE/ NORTH	GREEN GROCER	FARMERS MARKET	SUPER-MARKET CENTRE/ NORTH	GREEN GROCER	FARMERS MARKET
VEGETABLES	€	€	€	€	€	€	€	€	€
Bell peppers	1.20	2.28	2.67	2.06	3.00	2.00	2.06	2.00	2.00
Broccoli	11.94	2.00	9.00	2.25	1.39	3.00	2.00	2.00	1.39
Carrots	0.91	1.26	0.75	3.95	1.25	1.25	3.95	1.40	1.25
Cherry tomatoes	7.70	5.25	10.00	2.90	1.40	1.50	0.80	1.50	1.35
Garlic	0.45	0.43	1.20	2.28	1.20	1.50	0.80	1.50	1.20
Potatoes	1.50	3.25	1.60	0.92	1.50	0.57	1.50	1.50	1.10
Lettuce	2.20	4.00	2.10	1.80	1.00	0.50	1.10	1.00	0.50
Onion	1.20	1.75	0.80	1.05	1.50	1.12	1.15	1.50	1.12
Pumpkin	0.15	0.35	0.40	0.59	0.75	1.35	0.95	1.20	1.00
Spinach	1.45	1.85	0.24	1.45	1.49	0.11	2.20	2.50	1.50
Stalk celery	1.30	2.00	1.96	1.25	0.00	1.75	0.65	0.00	0.00
Tomatoes	9.60	9.00	5.34	5.25	3.50	2.00	5.25	3.50	2.00
Turnip	0.85	0.85	1.00	0.99	0.85	1.00	0.85	0.95	1.00
<b>TOTAL</b>	<b>40.45</b>	<b>34.27</b>	<b>37.06</b>	<b>26.74</b>	<b>18.83</b>	<b>17.65</b>	<b>23.26</b>	<b>20.55</b>	<b>15.41</b>
FRUIT	€	€	€	€	€	€	€	€	€
Apples	1.85	4.23	4.95	5.56	2.00	2.30	2.00	1.50	1.60
Bananas	5.60	5.33	3.77	1.80	1.00	1.75	1.65	1.40	1.50
Lemons	4.00	6.50	6.60	1.65	1.50	1.75	1.10	1.00	1.00
Oranges	3.98	3.50	4.95	1.26	1.50	2.00	2.75	2.30	1.80
<b>TOTAL</b>	<b>15.43</b>	<b>19.56</b>	<b>20.27</b>	<b>10.27</b>	<b>6.00</b>	<b>7.80</b>	<b>7.50</b>	<b>6.20</b>	<b>5.90</b>

## APPENDIX W

TABLE A

Low Income Families Receiving Social Assistance and Other Bonuses, Benefits and Allowances

SOCIAL ASSISTANCE + BONUSES, BENEFITS AND ALLOWANCES	SOCIAL/UNEMPLOYMENT ASSISTANCE (SA/UA)	SPECIAL BONUS (SPBO)	6 MONTHLY BONUS (6MBO)	SUPPLEMENTARY ALLOWANCE (SPA)	CHILDREN ALLOWANCE (CA)	CHILD ALLOWANCE SUPPLEMENT (CAS)	ENERGY BENEFIT (EB)	ANNUAL TOTAL
HOUSEHOLD	€	€	€	€	€	€	€	€
SINGLE PERSON	109.43	3.12	5.20	6.50	0.00		4.40	6,689.80
SINGLE PARENT + 1 CHILD	117.58	3.12	5.20	0.00	24.08	1.35	5.85	8,173.16
SINGLE PARENT + 2 CHILDREN	125.73	3.12	5.20	0.00	48.16	2.70	7.29	9,994.00
MARRIED COUPLE + 1 CHILD	125.73	3.12	5.20	0.00	24.08	1.35	7.29	8,671.84
MARRIED COUPLE + 2 CHILDREN	133.88	3.12	5.20	0.00	48.16	2.70	8.70	10,491.12

Source: Personal Communication with Department of Social Security officials, December 16, 2020

TABLE B

Low Income Families Earning One National Minimum Wage and Receiving In-Work Benefit and Other Bonuses, Benefits and Allowances

NATIONAL MINIMUM WAGE AND IN-WORK BENEFIT + BONUSES, BENEFITS AND ALLOWANCES	NATIONAL MINIMUM WAGE (NMW)	SPECIAL BONUS (SPBO)	6 MONTHLY BONUS (6MBO)	SUPPLEMENTARY ALLOWANCE (SPA)	CHILDREN ALLOWANCE (CA)	CHILD ALLOWANCE SUPPLEMENT (CAS)	ENERGY BENEFIT (EB)	IN-WORK BENEFIT (IWB)	ANNUAL (NET) TOTAL ***
HOUSEHOLD	€	€	€	€	€	€	€	€	€
<b>SINGLE PARENT + 1 CHILD</b>	181.08	4.66	5.20	0.00	24.08	1.35	5.85	27.50	12,043.82
<b>SINGLE PARENT + 2 CHILDREN</b>	181.08	4.66	5.20	0.00	48.16	2.70	7.29	53.46	14,790.98
<b>MARRIED COUPLE + 1 CHILD *</b>	181.08	4.66	5.20	0.00	24.08	1.35	7.29	12.12	11,318.94
<b>MARRIED COUPLE + 2 CHILDREN *</b>	181.08	4.66	5.20	0.00	48.16	2.70	8.70	24.24	13,344.86
<b>MARRIED COUPLE + 2 CHILDREN **</b>	362.16	9.32	10.40	0.00	18.54	2.70	0.00	53.84	21,878.68

Dependent Child = < 16

\*One parent on NMW

\*\*Two parents on NMW

\*\*\*KIV Social Security Contribution has been deducted from the end result

Source: Personal Communication with Department of Social Security officials, December 16, 2020

TABLE C

Low Income Families Earning One National Minimum Wage and Receiving Tapering Benefit and Other Bonuses, Benefits and Allowances

NATIONAL MINIMUM WAGE AND TAPERING BENEFIT + BONUSES, BENEFITS AND ALLOWANCES	NATIONAL MINIMUM WAGE (NMW)	SPECIAL BONUS (SPBO)	6 MONTHLY BONUS (6MBO)	SUPPLEMENTARY ALLOWANCE (SPA)	CHILDREN ALLOWANCE (CA)	CHILD ALLOWANCE SUPPLEMENT (CAS)	ENERGY BENEFIT (EB)	TAPERING OF BENEFITS	ANNUAL (NET) TOTAL**
HOUSEHOLD	€	€	€	€	€	€	€	€	€
SINGLE PERSON	181.08	4.66	5.20	6.50	0.00		4.40	71.13	13,253.24
SINGLE PARENT + 1 CHILD	181.08	4.66	5.20	0.00	24.08	1.35	5.85	76.43	14,588.40
SINGLE PARENT + 2 CHILDREN	181.08	4.66	5.20	0.00	48.16	2.70	7.29	81.72	16,260.52
MARRIED COUPLE + 1 CHILD *	181.08	4.66	5.20	0.00	24.08	1.35	7.29	81.72	14,938.36
MARRIED COUPLE + 2 CHILDREN *	181.08	4.66	5.20	0.00	48.16	2.70	8.70	87.02	16,609.44

Assuming tapering for 1st year @ 65%

Dependent Child = < 16

\*One parent on NMW

\*\*KIV Social Security Contribution has been deducted from the end result

Source: Personal Communication with Department of Social Security officials, December 16, 2020

TABLE D

Elderly Person/s Receiving Guaranteed Minimum Pension and Other Bonuses, Benefits and Allowances

GUARANTEED MINIMUM PENSION + BONUSES, BENEFITS AND ALLOWANCES	GUARANTEED MINIMUM PENSION LEVEL	COST OF LIVING BONUS (CLBO)	SPECIAL BONUS (SPBO)	6 MONTHLY BONUS (6MBO)	SUPPLEMENTARY ALLOWANCE (SPA)	CHILDREN ALLOWANCE (CA)	CHILD ALLOWANCE SUPPLEMENT	ENERGY BENEFIT (EB)	ANNUAL TOTAL
HOUSEHOLD	€	€	€	€	€	€	€	€	€
SINGLE PERSON/ WIDOW*	148.62	13.38	3.12	5.20	6.50	0.00		4.40	9,423.24
WIDOW + 1 DEPENDENT CHILD	148.62	13.38	3.12	5.20	0.00	24.08	1.35	5.85	10,483.20
WIDOW + 2 DEPENDENT CHILDREN	148.62	13.38	3.12	5.20	0.00	48.16	2.70	7.29	11,880.44
MARRIED COUPLE_ ONE PENSION*	148.20	13.38	3.12	5.20	11.60			6.04	9,752.08
MARRIED COUPLE_ TWO PENSIONS	296.40	26.76	6.24	10.40	0.00			0.00	17,669.60

Dependent Child = &lt; 16

Where pensioner and/or spouse are over 75 and still residing in their home a yearly grant of €300 is paid. Moreover, persons over the age of 80 are being paid a yearly grant of €350.

\*Where the pensioner is over the age of 65 a payment of €150 yearly as additional Supplementary Allowance is paid.

Source: Personal Communication with Department of Social Security officials, December 16, 2020



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