

## **UNECE-AGEING: Open-Ended Working Group on Ageing**

### **Brief on the focus areas of Economic security; Contribution of older persons to sustainable development; Right to work and access to the labour market; and Access to Justice**

A stable economic situation in old age is essential for older adults to reach their potential. Since the late 1970s, Malta has had a pensions system based on ongoing contributions by the employer and the employee during the working life of the individual. The rate of the Retirement Pension depends on the average of contributions paid and on the pensionable income earned from the gainful occupation in the last eleven years prior to retirement.

Increases in life expectancy along with lower fertility rates create pressures on the financing of age-related expenditure, especially with respect to the pension system, which in turn may negatively impact the sustainability of public finances. Thus, in order to countervail the impact of an ageing population on public finances and to address both adequacy and sustainability challenges to the pension system, through the 2007 pension reform, the Government has legislated for a gradual rise in the pensionable age from 61 years to 65 years.

Statistics emanating from the EU-SILC survey show that households with no dependent children and with at least one person above the age of 65 are more likely to be at risk of poverty. The adequacy of pensions can play a key role in preventing older citizens from falling below the poverty line. In the Budget for 2019, the Government announced that every pensioner, irrespective of whether one is receiving a contributory or a non-contributory pension (namely beneficiaries of retirement pensions, widows' pensions, invalidity pensions, as well as old-age pensions) shall be benefitting from a weekly €2.17 increase in his or her pension. The objective of this measure is to address the adequacy of pensions and improve the distribution of wealth. This measure is expected to have a positive impact with respect to the overall at-risk-of-poverty rate, which is estimated to decline by around 0.16 percentage points (Ministry for Finance, April 2019).

Several measures have been introduced in the years 2020 and 2021 to better support ageing individuals, these include, but are not limited to:

- Cost of Living Adjustment increase together with a further overall increase for a total of €7 per week in pension for all pensioners;
- An increase in the tax exemption for pensioners and married couples in receipt of only one pension;
- An increase in pension for those public services or public sector employees who despite having enough social security contributions did not opt to retire at the age of 61 so as not to lose the percentage increase which previously was awarded only to private-sector employees;
- Cost of Living Adjustment for all pensioners with a further increase in the overall pension for a total increase of €5.00 per week to all pensioners;
- A further increase in the tax exemption limit for pensioners and married couples in receipt of only one pension;
- Persons born before 1962 who do not qualify for a pension when considering paid contributions after the age of 19 will be re-assessed to also take into consideration the paid contributions before the age of 19. If the required minimum number of contributions to be paid is reached, then a reduced pension will be awarded.

Several initiatives in favour of older persons were announced in the budget for 2022 which include:

- Social security pensions will increase by €5 weekly inclusive of €1.75 COLA;
- Over a 5 year period, taxable income will exclude pension income. This is aimed at pensioners with additional income following retirement age;
- The maximum amount of exempt pension income will be increased up to €14,318
- The Carer at Home subsidy was again increased from €6,000 to €7,000. This scheme allows older persons to engage a carer of their own choice and continue to live in their community instead of being admitted into a long-term care facility;
- The Helper of your Choice subsidy rate was further increased from €5.50/hr to €7/hr. This will provide a further incentive to senior citizens to engage a helper of their own choice.

The involvement of older adults themselves in developing policies is considered important for the Maltese Government. In October 2020 a public consultation webinar about the national political strategy for active ageing 2021-2027 was set up. The aim is to pursue a policy that strengthens and improves inclusion and the quality of life of older persons in the community and in residential homes, and one that encourages and incentivizes increased participation by the elderly in our society. Unfortunately, this could not be held in person due to the pandemic which might have limited participation from a number of persons who are not IT literate. Several key players in the elderly sector took part in this webinar and there were also 4 different workshops. These were: Employment; Participation in Society; Independent, healthy and secure living in the community; and Ensuring dignity, autonomy and empowerment in care homes and long-term facilities for older persons.

Malta has submitted the voluntary national report (VNR) to the High-Level Political Forum (HLPF) on the implementation of the SDGs.

Population ageing and older persons' issues were addressed in Malta's VNR(s) as it reported upon how new care homes for older persons were being launched for frail people who can no longer cope with living on their own, even with Malta's extensive number of public community care services. It also reported how the National Strategic Policy for Active Ageing launched a range of services for older persons living in the community that included a physical education programme to maintain and improve physical wellbeing.

Malta's national political planning is committed to enacting measures that ensure social protection across the life course and prevent poverty in old age, contributing to the implementation of SDG 1 which is to end poverty in all its forms everywhere. The Maltese government advocates that a hallmark of a just and equitable society is the valuing and provision of support for older people in recognition of their past and present contribution to the economy, whilst also respecting their right to live in relative material security. In this respect, adequate levels of retirement income are essential, both to provide older persons with enough financial resources to sustain an optimal quality of life, as well as in some cases, to alleviate poverty. In the mid-2000s, a Pensions Working Group was appointed to provide recommendations to the Government to reform the Maltese pension system. Following the submission of a technical report, the Government took on-board several recommendations that were eventually launched in 2007. Although the proposed pensions system still follows a pay-as-you-go arrangement, among the most important elements of the reform there was a staggering rise in pensionable age to 65 years by 2026, and the gradual lengthening of the contribution period for full entitlement to the two-thirds pension from 30 years to 40 years. More specifically, the Maltese National Strategic Policy for Active Ageing 2014-2021 advocates ensuring a safe, adequate and sustainable income for all older persons, since this is indispensable to guard against poverty and material deprivation; educating the

community on the benefits of building one's personal financial resources through savings, investment and other options to support a favourable standard of living following retirement; and maintaining the equitable value of retirement pensions, with adjustments being made in line with movements in the cost of living.

Malta's national political planning is also committed to promoting healthy ageing and ensuring access to health services, social and long-term care to contribute to achieving SDG 3 which deals with ensuring healthy lives and promoting well-being for all. To promote active ageing and independent living in old age, Malta's health care system takes a life course perspective in the promotion of health and the prevention of disease. Several strategies are in place to address modifiable risk factors such as unhealthy diets, physical inactivity, tobacco consumption, alcohol abuse, obesity, raised blood pressure, raised blood sugar and serum cholesterol levels, that are all associated with non-communicable diseases that are the most common causes of mortality of older persons in Malta. Malta's national planning mechanisms - as far as community care is concerned - include (i) the development of domiciliary, day, and respite services, (ii) ensuring the delivery of information and practical support to informal carers, (iii) assessment of need and case management, (iv) promoting a flourishing independent sector alongside public services, (v) determining the responsibilities of agencies so as to hold them into account for their performance, and (vi), introducing a new funding structure for social care.

More specifically, the Maltese National Strategic Policy for Active Ageing 2014-2021 advocates facilitating access to community care through a variety of access points across primary and acute care sectors, and, in collaboration with Local Councils, provide advice and information, as well as a coordinated pathway to professional assessment. The policy also specifies the need to ensure alternative community care settings to cater for the needs of older persons and guarantee that beneficiaries of community care services could participate meaningfully in both service planning and provision, with consumer feedback being present at all levels.

Malta's policies on participation in lifelong learning and training opportunities for older persons contribute to the attainment of SDG 4 which relates to ensuring inclusive and equitable quality education and promotion of lifelong learning opportunities for all. To this effect, the Maltese National Strategic Policy for Active Ageing 2014-2021 advocates supporting local councils in taking a leading role in the provision and coordination of late-life learning initiatives in their community, also through partnerships with the private and voluntary sector; employing a 'wide participation agenda' in older adult learning through outreach strategies that attract older adults who would not generally be motivated to participate in traditional educational provision; and improving learning opportunities in long-term care so that all older persons, irrespective of health status, have an opportunity to engage in learning activities. Malta's national planning also includes policies that are designed to reduce gender gaps in old age which are often the result of lifelong accumulated disadvantages experienced by women. This policy contributes to achieving SDG 5 which relates to achieving gender equality and empowerment of all women and girls. Policies in Malta that encourage longer working lives and the ability to work contribute to achieving SDG 8 which deals with promoting sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all. There are various such policies, and these include:

- improving services in health prevention and promotion, acute and geriatric rehabilitation, mental health and well-being, and community care services targeting older and ageing adults.

- supporting initiatives that facilitate the creation of age-friendly and dementia-friendly communities and services.
- maximizing autonomy in long-term care.
- raising the recognition of elder abuse and neglect; and
- investing further in end-of-life care.

National planning procedures in Malta promote inclusion and participation of older persons, and this contributes to achieving SDG 10 which deals with reducing inequality within and among countries by rejecting homogenizing discourses and ageistic generalizations and narratives about ageing. Malta recognizes the significance of intersectionality by highlighting the mutually constructed nature of social division and the ways that these are experienced, reproduced and resisted in everyday life, and instigates policy directives that have the potential to improve the wellbeing of subalterns' older persons. National Maltese policies aimed at creating age-friendly environments, including accessible and affordable housing, transport, and public space contribute to achieving SDG 11. These policies aim to make cities and human settlements inclusive, safe, resilient, and sustainable. These include:

- promoting age-friendly communities to meet the needs of older adults.
- formulating inter-sectoral guidelines to create age-friendly communities through the appropriate development of accessible public spaces, housing, and methods of transportation sensitive to the needs and responsive to the input of older adults; and
- creating the necessary structure for communities to integrate their social services and voluntary organizations through home services, day centres, and intergenerational initiatives that serve the social and security needs of older adults and caregivers living in that community.

Finally, policies aimed at involving older persons in decision-making, combating age-based discrimination and ageism, and fighting elder abuse contribute to SDG 16. This SDG promotes peaceful and inclusive societies for sustainable development, outlines the need to provide access to justice for all, and the requirement to build effective, accountable, and inclusive institutions at all levels. The above are all part and parcel of Maltese national planning mechanisms.

In Malta, nearly a quarter of the population is aged 60 years and over. Malta has been at the forefront in addressing these challenges and in fact, the sector of ageing has made very significant advances. In 2014, Malta had its first National Strategic Policy for Active Ageing, followed by a renewed policy launched in October 2021 for public consultation. Several other policies have been launched such as the National Strategic Policy for Active Ageing, (2014-2020), the National Strategy for Dementia in the Maltese Islands (2015 – 2023), the National Minimum Standards for Care Homes for Older People; Guidelines for High Dependency Chronic Care Services for Older Persons; Guidelines on Residential Services for Persons Living with Dementia in Homes for Senior Citizens; Guidelines on Community-based, Outreach Services and the National Strategic Policy for Active Ageing 2021-2027. In the last 20 years, the sector of ageing in Malta has seen a shift from policy and action aimed at addressing the medical needs of older persons, to policies that target ageing from a more holistic perspective, acknowledging the wide spectrum of abilities of older adults and promoting opportunities which enhance the potential of older adults to achieve their potential. In the later years, greater importance is being given to the lifelong learning and empowerment of senior citizens. Thus, several lifelong learning sessions have been introduced, including in residential homes. The University of the Third Age has been strengthened and other centres opened to facilitate access. This lifelong learning has also been extended to residential homes through the University of the Fourth Age. Active citizenship is

encouraged, older adults are being encouraged to use their knowledge and experience including through intergenerational programmes. These intergenerational programmes aim not only to exchange knowledge and ideas between generations but also to address issues of ageism. Despite considerable work in ageism, stereotypes are still prevalent and social solidarity needs to be strengthened. Many older people need a lot of encouragement to actively participate in society, especially in high-level political fora, and the government is determined to continue addressing this challenge by continuing to empower senior citizens. Empowerment of older adults helps them voice their concerns on issues that matter in the sector of active ageing. The government is working to reach out to older persons whose needs are seldom heard. The Ministry is planning to move towards outreach services so that there would be a shift from having a centralized entity offering community services to regional hubs with multidisciplinary teams who would be in a better position to target the needs of senior citizens in a holistic and person-centred approach. This would also involve community workers or social welfare professionals who could interact with senior citizens, identify their needs and skills, adapt services accordingly, and encourage active citizenship. Moreover, the Ministry is also planning a survey with a random sample of older persons to delve deeper into the needs of older adults and their expectations. This would enable the Ministry to reach out to older persons who generally would not come forward to express their needs. The results of this survey will be used to guide the development of policy and services in Active Ageing.

Digital access is important in today's era. IT literacy has improved amongst older adults, however participation amongst older adults is still less compared to other age groups, especially amongst persons over 75 years of age. The Maltese government is providing various learning opportunities for older adults to encourage the use of IT, and this training will also eventually involve housebound older adults.

Malta has launched a new National Strategic Policy for Active Ageing with a period of implementation between 2021 and 2027 which, at the time of writing of this report, is open for public consultation. This policy aims to target several issues which previously had been seldom addressed, such as addressing the different social and health care challenges experienced by the LGBTIQ+ population and improving the provision of health care services for older persons from ethnic minorities to ensure equity and eliminate disparities in later life. The Maltese government is committed to continuing to address the needs of older persons with dementia and their loved ones.

Ageing is a multifaceted phenomenon that involves a large group of older adults and requires action from several Ministries to take a dynamic role in meeting the goals, objectives, and recommendations. The Ministry for Senior Citizens and Active Ageing is committed to setting up an inter-ministerial committee to coordinate the implementation of the National Strategic Policy for Active Ageing. Moreover, it is also committed to actively involving older adults, caregivers, and family members in the various phases of its implementation.