STATE PROVISION FOR OLD AGE IN MALTA

By A.W. Rote

Introduction[1]

An important question for every individual is how he or she is to live suitably in their old age. The purpose of this study, apart from the collection and presentation of data on social security, is to examine the present system of old age benefits in Malta in the light of the social insurance objective of helping to replace earnings when they cease at the end of a working life.[2] Social security for our purposes can be divided into two sections, each acting independently, being National Insurance and Public Assistance. Before considering each of these provisions in detail it is important to have some understanding of the magnitude of the problem with which we are to deal.

It is evident from Table I, which presents the age distribution of the population of the Maltese Islands for selected years, that the dependent sector of the community (the aged)[3] is enlarging relative to the contributing sector, being those in the middle age group.

In 1948 there were 22,881 aged persons (7.5% of the total population) and according to official estimates it is expected that this figure will rise to 44,600 in 1988 (14.7% of the total population).

The problem created by this 'growing army of pensioners' becomes more obvious if we construct a dependency ratio, that is, by considering the relationship between those in the middle age group and those in the aged we can obtain one kind of measure to assess the burden placed on the former sector. It can be seen that for every aged person in 1948 there were 7.7 persons supporting him. By 1988 however, it is expected that

[1] The author would like to acknowledge the help of members of the Department of Social Services. The views expressed in this study are the sole responsibility of the author.

[2] See J.M. Buchanan: *Social Insurance in a Growing Economy: A Proposal for Radical Reform.*
National Tax Journal, Vol. XXI, No. 4 1968 pp. 386-395.

[3] Aged refers to men over 63, women over 60 unless otherwise stated.

Table I

AGE DISTRIBUTION OF THE POPULATION OF
THE MALTESE ISLANDS FOR SELECTED YEARS

YEAR	TOTAL* POPULATION	UNDER 15	% OF TOTAL	MEN 15-64 WOMEN 15-60	% OF TOTAL	MEN 65 +OVER WOMEN 60 +OVER†	% OF TOTAL
1948	305,991	106,602	34.8	176,508	57.7	22,881	7.5
1959	317,218	120,742	36.9	176,614	54.0	29,862	9.1
1963	328,116	112,873	34.4	184,470	56.2	30,773	9.4
1964	323,591	108,224	33.5	183,659	56.8	31,208	9.7
1965	319,100	104,900	32.9	182,600	57.2	31,600	9.9
1966	317,482	100,896	31.8	184,616	58.1	31,780	10.1
1967	318,573	95,081	29.8	189,148	59.4	34,344	10.8
1968	319,254	93,194	29.2	191,104	59.9	34,956	10.9
1969	322,749	91,733	28.4	194,811	60.4	36,205	11.2
1973	311,600	79,500	25.5	189,200	60.7	42,900	13.8
1988	302,600	75,200	24.9	182,800	60.4	44,600	14.7

*As at June of each year.
†For years 1963-1969 the table underestimated the number of aged, as retirement age became 63 for men in 1963. The figures for 1973 and 1988 are based on a retirement age of 60 for men.

Source: Annual Abstract of Statistics 1959; 1964; Demographic Review 1965-1967; Central Office of Statistics.

this ratio would have fallen to 4.1 persons to every aged person. The ratio having already fallen to 5.4 in 1969.[4]

One is however, entitled to ask why this particular section of the community should be selected for examination, other than say workers with low wages. It is relevant to point out that age itself involves certain difficulties, physical decline and earning power often go hand in hand and any loss the aged may incur cannot be recouped by increasing efforts unlike the non aged who have both the time and health to do so. Indeed 'there is a certain, though probably undefinable, point, at which age becomes itself a disability and at which disability is materially contributed to by old age.'[5]

This disability argument may carry more weight as physical decline

[4] For an analysis of the economic problems of an ageing population see W. Hagenbuch: Social Economics Cambridge University Press 1958 pp. 49-54.
[5] *Royal Commission on the Taxation of profits and Income: 2nd Report. Cnd 9105* 1954 p. 64 para. 204.

coincides with the depletion of lifetime savings. An American study found that 'prospects become bleak' as the aged become older.[6] It seems likely that some younger persons with the same low income levels as aged persons will have better prospects, and since many of the low income non-aged persons are very young workers living with parents, the fact that income is low will not be so important as in the case of the aged persons, who are unable to rely on relatives for financial support. Their importance relative to other sectors is further enhanced when viewed against the background of rapidly rising prices whilst being dependent upon the goodwill of the state for commensurate rises in the level of their state pension.

National Insurance

The National Insurance old age pension was introduced in 1956, it being a flat rate benefit obtained on reaching a specific age based on a system of contribution. The difference between National Insurance and Public Assistance lies both in their financing and method of payment. The National Insurance pension is financed by a tripartite contribution system; employees, employers and a contribution from the state forms the basis of the National Insurance Fund from which all benefits are met. The three sources of finance have changed considerably with the passage of time. They have not only increased, both relatively and absolutely, but they are no longer provided by those to whom they were originally assigned. Only the employee's contribution has remained as part of income saved for old age. The employer's contribution on the other hand is no longer paid for out of the profits of an enterprise but is a part of the labour costs, included in pricing when the market allows. Thus the burden of the contribution is shifted wholly or partly to consumers (by a price rise) or to the workers (when wages are altered). The extent and rapidity of this shifting will depend on the elasticity of consumer demand, on the elasticity of demand for labour and on the bargaining strength of employees in the wage determining process.

Since those who receive benefits also bear a not inconsiderable share in the payment of direct and indirect taxes, part of the state contribution today is provided by the citizens who will themselves receive benefits in the future. These citizens, therefore, do not, as was originally intended, receive any additional income but only a return on that which was ori-

[6] J.A. Pechman, H.J. Aaron, M.K. Taussig: *Social Security: Perspectives for Reform.* p. 7 Brookings Institution 1968 Washington DC.

ginally theirs. It can be argued that a special contribution made by the employer and employee is actually a tax, but as it is directly related to benefits it is readily accepted and has psychological advantages. It removes the stigma of charity and gives beneficiaries a feeling that they can draw standard benefits as of right.

It could be argued that one should not describe contributing systems of social security as a form of social insurance on the basis that the contributions are compulsory and are therefore a tax levied by the state and since these contributions are not enough to cover risks, the state assumes responsibility for the difference which may be an uncertain amount and is borne by the tax payer.[7] The fact that the contribution does have a characteristic of a tax does not however, affect the category of the scheme, for the levy gives with it a title to a benefit. This is as much an insurance as the compulsory nature of insurance for the motorist imposed by the state.

The principle of the National Insurance Scheme can best be described as a 'contract of the generations'. This contract of the generations states that the active generation must care for the old and can therefore expect that the coming generation will in turn take over the obligation to care for its old. This sounds very fine, but it is uncertain whether the young, who in all countries today are so restless, will in fact accept the burdens assigned to them in the future.

When the scheme was first introduced contributions – from all sources – were larger than expenditures – benefits[8] – and so a balance was accumulated. As more people qualified for the pension so payments exceeded contributions and the deficit was covered by lowering the balance of the Fund. In order to finance future pensions, contributions must be raised and the burden will be made even heavier if an increasing number of insured persons retire after a regular working life with higher pensions or if the pensionable age is lowered.

As with all transfer payments an analysis of benefits inevitably involves an analysis of costs. Whilst below we emphasize the level of benefits it must be borne in mind that benefits can only be increased by foresaking alternative social welfare schemes.

[7] See for example A.T. Peacock: *The Economics of National Insurance* London 1952 p.89.

[8] The National Insurance Fund exists for the payment of benefits only. Administration expenses are met from the Consolidated Revenue Fund.

Since its introduction[9] the National Insurance old age pension has been increased three times for single persons and four times for married couples. In money terms the values of the pensions have increased by 14.7%. This, combined with the growing number of pensioners eligible for the state pension, has caused the total money value of pensions paid yearly to increase by 1426.5% since 1959. The table below illustrates the growth in the number of pensioners receiving contributory old age pensions since 1959, classified by sex. Although these numbers are rapidly increasing it still only covers 19.11% of the aged (as compared with 3% in 1959).

Table II

NUMBER AND VALUE OF PENSIONS IN PAYMENT
UNDER THE NATIONAL INSURANCE ACT 1956

YEAR	NUMBER OF PENSIONERS			AS % OF AGED	MONEY VALUE OF PENSIONS	AS % OF GNP (MARKET PRICE)
	MALE	FEMALE	TOTAL			
					£	
1959	701	189	890	2.98	57,862	0.12
1960	1043	267	1310	4.36	114,447	0.22
1961	1309	328	1637	5.43	147,183	0.28
1962	1722	404	2126	6.98	185,532	0.35
1963	3225	467	3692	12.00	413,668	0.79
1964	3713	549	4262	13.65	486,101	0.91
1965	4190	627	4817	15.24	557,171	0.97
1966	4730	697	5427	16.97	680,210	1.08
1967	5221	765	5986	17.43	748,164	1.09
1968	5656	829	6485	18.55	832,795	1.09
1969	6041	878	6919	19.11	883,301	1.02

Source: Report of the Department of Emigration, Labour and Social Welfare 1959: 1964.
Report of the Department of Social Services 1965:1969.

The figures for male beneficiaries combine both single males and married males claiming an increase for their wives. The relationship between these two has remained relatively constant throughout the period with approximately 33% of the male pensioners being single. It is evident that the majority of pension claimants should be male (87.3% in 1969) and that the male contingent has increased by a larger percentage than female. Since 1959 the number entitled to a pension has increased by 677.4%. The

[9] As from 1959, being the first date pensions were payable, till 1970 including the 1970 changes.

most noticeable increase being in 1963 when the pensionable age for men was lowered to 63 years old from 65. Coincident with this age reduction was the largest percentage increase in the pension (20%) which explains the large increase in the total value of the pension payable in that year. It can also be noted that the total value of pensions has increased relative to Gross National Product. Malta is now devoting 1.01% of its Gross National Product to providing old age pensions under the National Insurance Scheme.

The present rate of old age pension is 42/6d per week. This rate is increased to 63/9d in the case of a married man. Provided the contribution conditions are satisfied the old age pension is paid as soon as the insured reaches pension age, which is 62 for men and 60 for women.[10] Entitlement to the old age pension is earned even when an insured person remains gainfully occupied. When the contribution conditions are not fully satisfied because of a deficiency in the contribution record, the old age pension is paid at a reduced rate.

A flat rate pension has three main advantages. They are easily administered, people with higher wages are free to make additional provision by voluntary savings (including private insurance) and supplementary occupational pension schemes can be readily adjusted to them. Also, since they are paid without a means test, they, like pensions which vary directly with wages, do not discourage thrift. On the other hand, it does involve payment to some who are not in need, but this disadvantage is compensated by the administrative convenience, by the promotion of thrift and by the fact that the majority of recipients will have low incomes on retirement.

The effect of social insurance pensions on savings however, is not all that certain. It has been suggested that the introduction of social insurance may stimulate greater interest in making provision for old age and other contingencies, and may lead to increased savings in order to supplement the social insurance benefit, in order to provide for a realistic level of retirement income whereas before it was hopeless to do so.[11] However, it has been suggested that the obverse will obtain; that the social

[10] The pension age for men was reduced from 63 years to 62 years as from 3rd August 1970.

[11] See Philip Cagan *The Effect of Pension Plans on Aggregate Savings – Evidence from a Sample Survey* National Bureau of Economic Research, Occasional Paper 95. Columbia University Press 1965. And George Katona: *The Mass Consumption Society:* McGraw-Hill 1964 Chapter 19.

insurance benefit reduces the need for private savings to a greater or lesser extent.[12]

It is relevant at this stage, whilst dealing with aggregate figures, to dwell upon the financing of the National Insurance Fund from which social security payments (including old age pensions) are payable. The major source of revenue for the Fund is made up of the employer/employee contribution and the state grant. Employed persons from the age of 14 years and self employed and non-employed persons over the age of 19 years and under pension age, are liable to be insured. Employed persons contributions are shared equally by the employee and employer, including the Government in respect of its own employees. The contribution paid by employed persons, self employed persons and non-employed persons are referred to as Class 1, Class 2 and Class 3 respectively.

The state grant is equivalent to one half of every contribution paid in respect of all categories of insured persons. In the early years of the pension scheme few, if any, pensions were in payment, and indeed no one qualified for such a pension until 1959. As a result, contributions were in excess of payments, funds accumulated, were invested and held as security by the Fund.[13] The interest derived from the investments of the Fund plays a large part in meeting the cost of future benefits.[14]

The financing of social security under the National Insurance Act 1956 is shown in the following Table. When the scheme was first introduced the bulk of financing fell upon the beneficiaries themselves, supported by a fixed lump sum state grant of £40,000 per annum. As a result of a surplus, other income, the main constituent of which is interest on investment, grew to a maximum of 14%. In 1962 the contribution made by the state increased by some 160% to the level of £104,000 to satisfy some 17% of the total revenue of the Fund.

In the following years, the part played by contributions declined somewhat with the state grant being increased to average 28% of total revenue. A deficit occured in 1965 and despite a larger increase in the state grant this deficit persisted in 1966 (though at a lower level). In the following

[12] See R.A. Musgrave *The Role of Social Insurance in an Overall Programme for Social Welfare* in W.G. Bowen et al (eds.) The American System of Social Insurance: Its Philosophy, Impact and Future Development. McGraw-Hill 1968.

[13] The position of the Fund at the end of 1969 is given in the *Report of the Department of Social Services for the year 1969* Table 9.

[14] The interest on investments amounted to some 9% of total revenue in 1968 and 7.3% in 1969.

Table III

ANALYSIS OF REVENUE OF THE NATIONAL INSURANCE FUND 1956:1969

YEAR	TOTAL REVENUE	CONTRIBUTION	% OF TOTAL	STATE GRANT	% OF TOTAL	OTHER INCOME	% OF TOTAL	PENSION PAYMENT AS % OF TOTAL REVENUE
	£	£						
1956	249,830	206,881	82.8	40,000	16.0	2,949	1.2	–
1957	406,238	351,083	86.4	40,000	9.9	15,155	3.7	–
1958	490,945	422,412	86.0	40,000	8.2	28,533	5.8	–
1959	513,704	426,953	83.0	40,000	7.8	46,751	9.1	11.3
1960	535,313	434,368	81.1	40,000	7.5	60,945	11.4	21.4
1961	539,433	426,577	79.1	40,000	7.4	72,856	13.5	27.3
1962	624,938	431,182	68.9	104,199	16.8	89,556	14.3	29.7
1963	782,739	459,694	58.7	226,268	28.9	96,777	12.4	52.8
1964	798,541	468,699	58.7	233,806	29.3	96,036	12.0	60.9
1965	889,663	601,474	67.6	186,324	21.0	101,865	11.4	62.6
1966	1,119,879	658,818	58.8	357,546	31.9	103,515	10.3	60.7
1967	1,162,062	681,504	61.8	318,347	28.9	102,211	10.3	71.7
1968	1,144,078	706,841	61.8	329,763	28.8	107,474	10.4	77.2
1969	1,198,154	734,524	61.3	372,389	31.1	91,341	7.6	73.7

Source: Department of Emigration, Labour and Social Welfare 1956-1964.
Department of Social Services 1965-1969.

years however, the deficit enlarged.[15]

As a percentage of total revenue old age pensions have been increasing since the scheme was instigated, being some 77% of total revenue in 1968. As old age pensions form some 58% of total payments made out of the Fund it is not surprising that the Fund is now in substantial deficit.[16]

PUBLIC ASSISTANCE

Public Assistance is an inevitable and permanent feature of any social security system. It is designed either to supplement the resources of individuals so that they can manage to subsist or, if they have no resources, to be sufficient for their subsistence. Assistance for the needy is the oldest form of social security. It is a natural expression of human sympathy, charity and compassion, an element in all religions, and based on

[15] See *Report of the Department of Social Services for the year 1969* page 24.
[16] Ibid. p. 24.

recognition of mutual interdependence.[17] The Old Age Pension Act of 1948 provides for the payment of a pension to *needy* persons on attaining the age of 60 years, and to *blind* persons from the age of 14. Old age pensions are paid to individual persons. Thus, a married couple who have attained the age of 60 years may each be entitled to a non-contributory old age pension if they satisfy the statutory conditions regarding nationality, residence and means.

In addition to a pension, such persons may receive assistance under the National Assistance Act 1956. This may include a house-rent allowance, with a maximum of 5/- per week.[18] The rate of pension varies in accordance with the yearly income of the beneficiary. One may make a further distinction between Public Assistance and National Insurance by noting their related roles in society. Public Assistance serves the objective of relieving poverty (the needy) whereas the other is an insurance against cessation of earnings. Furthermore, it is to be noted that Assistance is financed entirely out of public funds.

In the following Table, we include only those statistics relevant to the period in which the National Insurance scheme has been operative, comments on previous years are based on statistics contained in Table A in the appendix.

At the year ending 1969, there were 11,572 persons claiming an old age pension under the Old Age Pensions Act 1948, as compared with 15,546 at the end of 1958. Thus after making allowance for those receiving a pension due to blindness we have a percentage decline of 25.6%. The declining number receiving old age pensions under this Act can be explained by the wider coverage of the insurance scheme, both extensively (Class I, II and III) and intensively (within these groups). It is noticeable that in the years prior to the *operation* of the National Insurance scheme the number of claimants rose from 10,073 in 1948 to 15,546 in 1958.

It can also be seen from the Table that although the number of claimants has been reduced by 25.6% the value of pensions in payment has increased by 24%. We should therefore examine the Table in a little more detail. In the period 1958/1962, the value of the pension payments fell despite a slight increase in the numbers claiming the pension in 1962 over 1961. This only slightly counteracted the downward trend created by the intro-

[17] See Milton Friedman: *Capitalism and Freedom* University of Chicago 1962 p. 188.

[18] 1969 old age pensioners made such a claim in 1969 as compared with 1705 in 1968.

Table IV

NON-CONTRIBUTORY OLD AGE PENSIONS

YEAR	MALE	FEMALE	TOTAL†	VALUE⊕
1958	5,341	10,205	15,546	760,639
1959	4,944	10,300	15,244	757,348
1960	5,098	9,534	14,632	729,955
1961	4,599	9,583	14,182	711,174
1962	4,602	9,660	14,262	703,976
1963	4,409	9,591	14,000	883,423
1964	4,302	9,454	13,756	864,620
1965	4,321	9,597	13,918	903,732
1966	4,115	9,348	13,463	934,882
1967	3,834	8,993	12,827	897,697
1968	3,478	8,776	12,254	926,082
1969*	3,256	8,316	11,572	943,128

†Adjusted to remove under 60's.
⊕Unadjusted.
* Department of Social Services: National Assistance Division.

Source: Report of Department of Social Services 1965:1968.
Report of Department of Emigration, Labour and Social Welfare 1958-1964.

duction of the Insurance scheme. In 1963 however, the total value increased despite the fall in the number of claimants. The large increase in value (25.5%) was due in part to the large and much delayed increase in the old age pension rate (25%).

A slight increase in numbers in 1965 accompanied by a further increase in the flat rate pension caused a 4.5% increase in the value of pensions in payment. The full effect of this pension rate change was felt more fully in 1966 when the new pension operated for the full year – the value of total payments increased by 3.4% in 1965/1966.[19] In 1968 the pension rate was increased by 9.1%, causing a further increase in the total value of pensions in payment of 3.1%. Again in 1969 the rate was increased this time by 8.3% causing a 1.8% increase in the value of payments.[20]

It would seem that changes in the financial circumstances of beneficiaries arising mainly as a result of entitlement of male pensioners[21] to a pension under the National Insurance Act 1956 could be considered as

[19] 1964/1966 saw an 8.1% increase in total payments.
[20] In 1970 there was a 15.4% increase in the pension rate.
[21] In the period 1958/1969 the male contingent fell by 39% and the female by 18%.

one of the main factors which brought about the drop in the numbers in receipt of non-contributory old age pensions.

In Table V we express as a percentage of total recipients the number of recipients in each age group.[22]

Table V

AGE DISTRIBUTION OF RECIPIENTS OF
OLD AGE PENSIONS (1948 ACT)

Percentage

AGE	YEAR											
	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969
Under 60	1	1	1	1	1	1	1	1	1	1	1	1
60 to 64	28	28	23	21	27	19	19	20	24	19	18	17
65 to 69	24	26	27	26	26	25	25	25	24	21	21	21
70 to 74	24	23	22	24	23	25	24	23	24	24	24	23
75 to 80	13	15	16	16	14	17	18	17	16	17	20	21
80 & over	9	7	11	11	9	13	13	13	12	18	16	17
	100	100	100	100	100	100	100	100	100	100	100	100

It would seem that the age distribution of those receiving non-contributory old age pensions has shifted such that a more normal distribution would be obtained had we plotted age against percentage classification. There is still nevertheless the tendency for a larger percentage of the total to be in the elder age group. For the age groups 60 to 74 the percentage of total recipients had declined, for ages above this level however, the percentage has risen by quite large amounts. This shifting can be partly explained by the lack of coverage for the elder group under the National Insurance scheme. On this evidence one might infer that the number of recipients would, in the passage of time, suffer a natural decline as these uncovered elderly are phased out and replaced by elderly who are covered.

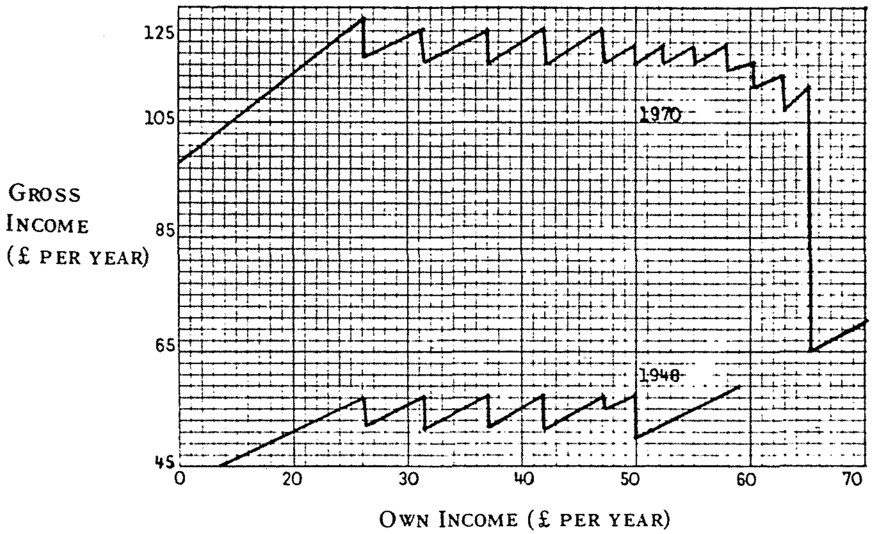
The Means Test: Its Operation and Inconsistencies

As explained earlier the flat rate pension is subject to reductions according to the rates prescribed in the Schedule included in the Appendix Table D. The means test is based on total yearly income and not just earnings. The period of assessment is yearly so as to avoid any problems

[22] For earlier years see the Appendix Tables B and C.

of fluctuating incomes during the period under consideration. For ease of interpretation, the schedule has been expressed in diagramatic form which is presented in Figure I. This will serve not only to explain the operation of the means test but also to show several deficiencies. On the horizontal axis we have plotted yearly income and on the vertical axis we have

Figure I



added the appropriate pension rate per week to obtain gross income. This diagram thus shows the relationship between own income and gross income (own income after the addition of the pension). When own income is zero the non-contributory old age pension will bring gross income to £97.10.0d per annum, this as we will see later, with adjustment for the house rent allowance, can be regarded as poverty level for a single person aged over 60. Until the yearly income exceeds £26.5.0d. there is no reduction in the weekly pension rate. For incomes in excess of £26.5.0d. the pension is reduced by 3/- per week (£7.16.0d.), with further reduction as income progresses. The result of these reductions in the pension rate is the dog toothed progression of the graph. When yearly income exceeds £65.12.6d. the pension is extinguished entirely and the pensioner must rely on his own resources to exist. It should be noted, of course, that this level of gross and own income falls below the poverty line of £97.10.0 (excluding rent allowance) set by the State for a person having zero income. Indeed if the pensioner were to be in this position he would be required to increase his income by 49% in order to reach the poverty line, a not inconsiderable effort for someone so old.[23]

This is further exaggerated when account is taken of the possible source of income. If income is earned then it must be stated that the decision to increase income may not always coincide with either the ability or the opportunity to do so. Furthermore, such income does incur the individual in costs, these real costs may involve the sacrifice of leisure and the restricted place of residence.[24] If income is derived from investment then the decision to increase income can only take place via a sacrifice of present consumption which, for some one so near subsistence, would seem impracticable. This would also seem to be rewarding those who had been shortsighted as regards provision for old age whilst discriminating against those with foresight to have at least made some commitment to welfare in old age. It can be seen that when introduced in 1948 the scale was such that when the pension was extinguished own income was still some 60% *above* the poverty level (as given by gross income when own income is zero).

Further examination will reveal further inconsistencies. Firstly, we may examine the peak to trough movements shown in the graph. It is inevitable in any means test that does not contain pro-rata reductions that over certain ranges there will be drastic falls in the level of gross income. An individual who increases his income (earned or investment) slightly, may find himself with a lower gross income due to the marked fall in the pension rate. This disincentive to increase income becomes more pronounced when we examine the peak to peak movements. Once our individual has moved from say an income level of £26.5.0d. to just exceeding this level, he will find his gross income has declined. To counteract this tendency he may feel inclined to increase his work load (investment) in order to raise his own income. However, no matter how hard he works or how much he invests, within reason, he will not be able to reach the previous peak of gross income of £123.15.0d. The highest level he is now able to reach will be £121.7.0d. Furthermore, if own income is increased by too much the same step like action will cause this peak of gross income to decline

[23] For a single pensioner a claim for social assistance could rectify this anomaly.
[24] Granted that both income and leisure carry positive utilities, the sacrifice of either is a disutility. The net disutility of the income earning process need not imply that work is painful. One has simply to assume that the pleasure of work is out weighed by the opportunity pleasure of leisure. See R.A. Musgrave *The Theory of Public Finance* McGraw-Hill, 1959, p. 233.

to £118.17.0d. As own income increases further, the peak of gross income falls progressively in three movements, until the pension is entirely extinguished.

A better understanding may be obtained if the original schedule is examined,[25] also presented in Figure I. When first introduced the schedule carried with it some disincentive in that there were still peak to trough movements, but the level of the trough rose as own income increased. An examination of the pension rate changes throughout the years will reveal that the major part of the disincentive contained in the means test was introduced in 1957. The increase involved in that year was designed such that the monetary addition declined with the lower pension levels, that is, at the top end of the scale 4/- per week was added, for the next four classes 3/- a week was added, 2/- per week for the next and an addition of one shilling per week for the last three classes, so causing the peak to peak downward movement and the generation of lower troughs. It should be noted however, that until 1965 the level of own income at the point where the pension was extinguished, remained above the poverty line.

It would therefore seem that the penurious old age receive little help (if not discouragement) to help themselves when elderly. By adjusting their own income the elderly could however, alter their pension such that a larger gross income would be available. Certainly a full account of the implications of the means test should be made available to those receiving such a pension in order to secure for them the best possible standard of living and to prevent the harmful effects both financially and psychologically of a reduction in income from additional work or investment. The opportunity for adjusting own income to take advantage (avoid the disadvantage) of such movements would however, seem to be prevented by the Old Age Pension Act 1948, Section I (2) (4) which states:

> 'If it appears that any person has directly or indirectly ... deprived himself of any income or property in order to qualify himself for the receipt of a pension, or for the receipt of a pension at a higher rate ... that income or yearly value of that property shall ... be taken to be part of the means of that person'.

This does not however, prevent the pensioner from adjusting his own income *upwards* in order to maximise his gross income or from declining to undertake additional work which would decrease his gross income.

We may conclude therefore, that the means test apart from containing

[25] See Appendix Table D.

the psychological disincentives contained in any means test, does have certain disincentives contained in its particular construction. Either these disincentives should be removed by appropriate rate changes or the elderly should be informed of their position as regards the relationship between gross and own income well before the time to claim the pension so as to enable those in certain ranges to adjust their yearly income to maximise their standard of living.

Inflation and Growth

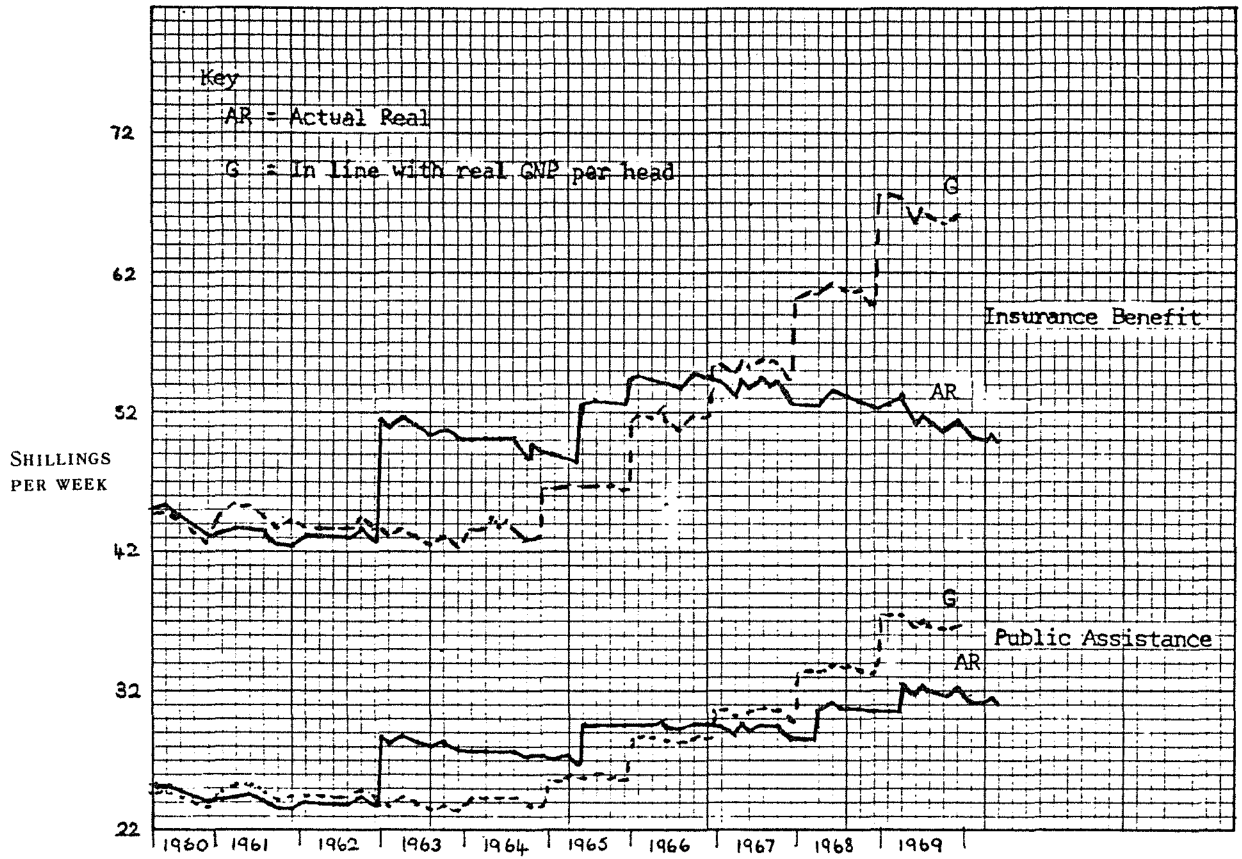
Since 1956 the old age pension have been increased many times specifically with the objective of helping the elderly maintain or even increase their standard of living. Whilst it is not denied that these measures have provided some aid, the magnitude of it must be examined before any appraisal can be made. It must be understood that the adequacy of pension increases will be judged relative to inflation and growth and not on an absolute basis. Once more we will restrict our observations to the period under which both National Insurance and non-contributory old age pensions were claimable. The National Insurance old age pension, for both married and single persons, has increased some 41.7% in money terms since 1959, whilst the non-contributory old age pension has increased by 97.5%.

The effect of inflation however, is such as to render any comparison in terms of money income invalid, to be able to do this it is essential to talk in real rather than money terms. This we do in Figure II where we express pensions in real rather than money terms.[26] For ease of presentation we deal only with the National Insurance old age pension for a married couple and the old age pension, plus house rent allowance, for a single person under the Old Age Pension Act 1948.

From Figure II we are able to see how the real value of both pensions have fluctuated over time. The National Insurance pension for a married couple has increased by 11.1% from April 1960 to April 1970, during which

[26] As has been pointed out by Professor R.G.D. Allen, T. Lynes and others, the retail price index may not be appropriate due to different consumption patterns and different rates of inflation in commodity groups. For a discussion of special price indices for low income groups see R.G.D. Allen *Movements in Retail Prices Since 1953* Economica February 1958 pp. 14-25 and T. Lynes *National Assistance and National Prosperity* Occasional Paper on Social Administration No. 5 (Welwyn, Codicote Press 1962). The necessity of such price indices has been recognised in the United Kingdom with the publication of indices for one and two pensioner households. One may therefore, call for such an index to be constructed in Malta, from the results of a household expenditure survey which includes the elderly in order that the true level of real pensions can be calculated.

Figure II


Key
AR = Actual Real
G = In line with real GNP per head
Insurance Benefit
Public Assistance
G
AR
G
AR
72
62
52
42
32
22
SHILLINGS PER WEEK
1960
1961
1962
1963
1964
1965
1966
1967
1968
1969

time only three increases in money value took place (twice for single pensioners). The long periods without increase resulted in hardship for many due to price increases. Indeed, the pension level at April 1970 was below the level of the pension in January 1963. Even the August 1970 pension rate of 63/9d. per week will not raise the pension to the highest level in 1966 unless the price index were to fall to 116.33 a most substantial decline.

The old age pension under the 1948 Act has been increased four times between April 1960 and April 1970, which has provided an increase in the value of the pension of 24.8% in real terms. The increase in the pension to 37/6d. per week, plus house rent allowance, in August 1970, means that unless the price index rises to 136.22 the benefit will be above the April 1970 level.

We are still not able however to assess whether these increases were in some way adequate. Certainly in real terms the pensioner has gained an increase in his standard of living but if at the same time other citizens of the community are reaping greater rewards from economic growth we will certainly not be able to say that pensions were correctly awarded. By calculating how pensions should rise in order to keep in line with Gross National Product per head we can tell to what extent the old age pensioners have shared in economic growth. It can be seen from Figure II that in the period January 1963 to January 1967, pensioners reaped the rewards of economic growth. But since 1967, it can no longer be said that pensioners have kept up with other groups who have been gaining substantially from rapid economic growth.[27]

Poverty and the Elderly

Although it is possible to measure the extent of poverty in a scientific way as did Booth and Rowntree,[28] this study adopts a different approach. We consider an elderly person to be living in 'poverty' if his income is

[27] Similar analysis in the United Kingdom revealed that since 1958 'it can no longer be said that those on National Assistance are *not* sharing in the increase in national prosperity'.

Mrs. M.F.W. Hemming *Social Security in Britain and Certain Other Countries* National Institute Economic Review No.33 August 1965 p.52.

[28] Rowntree regarded poverty as when total earnings were insufficient to obtain the minimum necessaries for the maintenance of physical efficiency. This level being based on nutritional need translated into money terms with an allowance for clothing, fuel and sundries. See B.S. Rowntree: *Poverty – A Study of Town Life* Macmillan 1901.

below that at which he would qualify for Public Assistance. A similar approach has been used by Professors B. Abel-Smith and P. Townsend in their study 'The Poor and the Poorest' where they state:[29]

> 'Whatever may be said about the adequacy of the National Assistance Boards level of living as a just or publicly approved measure of "poverty", it has at least the advantage of being in a sense the "official" operational definition of the minimum level of living at any particular time'.

The conceptual difficulties involved in Rowntree's absolute subsistence level has been discussed in detail by Townsend.[30] The following approach must also be qualified and the results based on this definition should not be interpreted out of their context. Firstly, we make no judgement as to the adequacy of such payments; secondly, the very nature of the definition means that any attempt by the Government to help low income families by raising Public Assistance will have the effect of increasing the number defined as living in poverty. This must obviously be borne in mind when making comparisons over time.

We must also make some comment as to the unit we will be using to assess the degree of poverty. If we use as our minimum the non-contributory old age pension scale then we must talk of persons living in poverty, this will then, to some extent, overstate the number of persons with low actual incomes as it does not allow for sharing. Nevertheless, we will use this narrow definition, for we are more concerned with pensions, it being directly related to the unit used for the National Insurance pension. The Social Assistance minimum should however, be mentioned as this does allow for income sharing. Social Assistance may be payable when the head of the household is involuntarily unemployed or incapable of work. The weekly rate of assistance in each case is an amount which ensures that the weekly income of the *household* does not fall below the rates specified in the First Schedule to the National Assistance Act 1956. These rates are related to the number of persons in the household and range from 37/6d. per week in the case of a family made up of one person, to £5.5.6d. in respect of a household comprising ten or more members. There is to some degree, therefore, an overlap between Social Assistance and non-contributory old age pensions. In certain circumstances a pensioner house-

[29] B. Abel-Smith and P. Townsend: *The Poor and the Poorest.* Occasional Paper on Social Administration No. 17 G. Bell and Sons 1965.
[30] P. Townsend 'Measuring Poverty' British Journal of Sociology 1954.

hold may be ineligible for a non-contributory old age pension but not for Social Assistance namely, where a single elderly person's own income is large enough to extinguish the non-contributory old age pension but which leaves gross income below the poverty level,[31] and when the income of the head of the household is too large for the non-contributory old age pension but by virtue of the *size* of the household qualifies for Social Assistance.

Figure III presents the levels of National Insurance old age pensions for married and single pensioners and the levels of Public Assistance for the same (assuming no other members of the household). It is to be noted that the single elderly receiving a non-contributory old age pension are also entitled to a house rent allowance of up to 5/- per week. In Figure IIIA it can be seen that the National Insurance benefit for a married couple has been above the level of Public Assistance, for the same couple, throughout most of the period under study. In 1968 the level of Public Assistance was made equal to the National Insurance benefit and in 1969 the Assistance level rose 8.3% above the Insurance benefit, the differential being raised to 9.8% in 1970. This means that a married couple with no other income than the Insurance pension would have to rely on Public Assistance to reach the Government's own definition of the minimum level of living. The natural result has been that Public Assistance still plays an important role in the social security system and in fact has become regarded 'as a supplement for practical purposes'.[32] From Figure IIIB we can see that for a single person the Insurance pension had, until 1970, been above that of the Assistance level (including the rent allowance). The changes introduced in 1970 however, means that if the pensioner has no other income than the Insurance pension he will only just be at the officially defined minimum level of living.

In view of these comments it might be rewarding to examine the statistics of those receiving Public Assistance a little more closely. Although the numbers receiving non-contributory old age pensions have declined by 25.6% this does to some extent understate the poverty typically found in the elderly section of the community. From experience in other countries there is generally a section of the elderly who do not apply for Public Assistance, 'due to a deep rooted and widespread aversion to anything

[31] This for our purpose is the most interesting case for we have an identity of household and personal income. There is however, no distinction made in official statistics by which we may isolate these recipients.
[32] J. Vella Bonnici Director of Social Services: 18th February 1970.

Figure III a

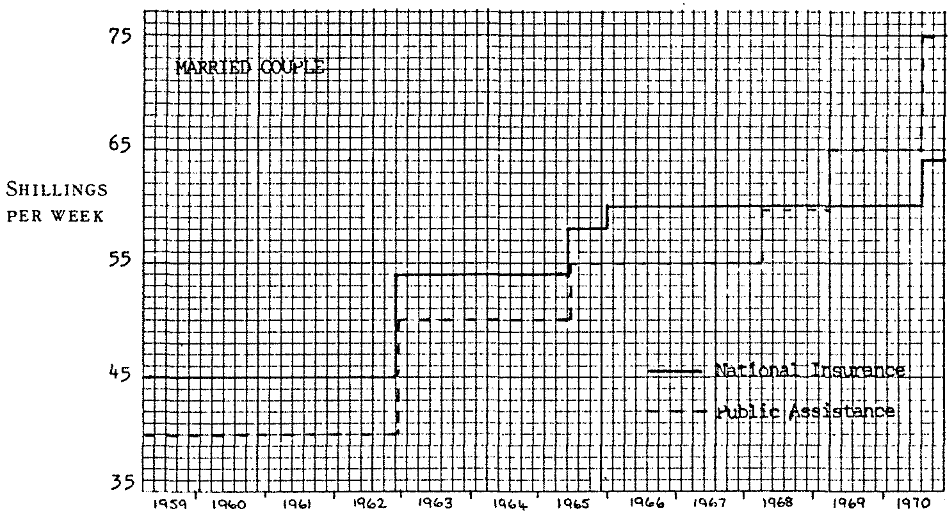


Figure III b

which smacks of ameans test. It is probably true that some of the group... entitled to but not receiving (National) Assistance were ignorant of their entitlement. More important, however, are those who are too proud. They are determined to "manage while they can", and without going to ask for "charity"'.[33]

[33] D.Wedderburn *Financial Resources Available to Older People: Lessons for Social Policy* in P.Hansen (ed.) Age with a Future Munksgaard, 1964.

Bearing this in mind we may continue to examine those receiving non-contributory old age pensions. Table VI presents the number of pensioners classified according to age, sex and weekly rate of pension. It is evident from the statistics that not only are the numbers of persons receiving non-contributory old age pensions important for analysis but also the rates by which they are in receipt. Of a total of 12,254 old age pension claimants, 83.9% were in the scale of 30/- to 27/6d. per week. This indicates that 83.9% of the pensioners had own incomes which did not exceed £26.5.0d. per annum in the year 1968. Of this 83.9%, 22.9% were male and 61% fe-

Table VI

ANALYSIS OF OLD AGE PENSIONS UNDER THE OLD AGE PENSIONS ACT 1948 BY WEEKLY RATE AS AT DECEMBER 1968

NUMBER OF PENSIONERS	30/- TO 27/6		27/- TO 25/6		25/- TO 23/6		23/- TO 21/6		21/- TO 19/6		19/- TO 18/6		18/- TO 17/6	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F
60-64	486	1334	36	49	28	34	13	43	9	33	13	6	4	16
65-69	450	1661	19	74	14	64	17	46	13	23	6	9	7	14
70-74	672	1914	35	65	29	54	19	41	14	32	9	11	9	18
75-79	657	1454	24	49	27	41	19	35	19	25	—	13	4	16
80 & over	535	1129	24	34	19	34	16	26	13	26	3	7	4	5
	2800	7492	138	271	117	227	84	191	68	139	31	46	28	69

NUMBER OF PENSIONERS	17/- TO 16/6		16/- TO 14/6		14/- TO 12/6		12/- TO 10/6		UP TO 10/-		TOTAL	AS % OF AGE GROUP
	M	F	M	F	M	F	M	F	M	F		
60-64	4	9	6	17	—	11	7	9	25	50	2242	15.6
65-69	1	9	9	15	4	8	4	5	61	51	2584	23.6
70-74	1	9	9	13	6	6	4	6	31	35	3042	40.2
75-79	6	9	2	4	2	6	2	3	11	30	2458	47.6
80 & over	3	8	4	7	—	3	4	7	6	11	1928	52.7
	15	44	30	56	12	34	21	30	134	177	12254	29.4

M = Male
F = Female
Source: Department of Social Services

male. We can generally conclude that not only are there large numbers of elderly living with own incomes below the official poverty level, but the majority are substantially below this level, especially so for the female elderly. We also show in the Table the relationship between the number of persons in particular age groups and the numbers in receipt of non-contributory old age pensions.

Whilst only 15% of those aged 60 to 64 are in receipt of non-contributory old age pension, 53% of those aged over 80 are receiving them. Thus the higher the age group selected, the larger the proportion of that group with own incomes below the poverty line set by our definition.[34] The following conclusions arise from the analysis; the main group dependent upon non-contributory old age pensions would seem to be the female elderly; when pensions are awarded the majority (84%) are in the highest possible range, indicating a severe degree of poverty before Assistance; the higher the age group the more dependent they become on non-contributory old age pensions.

It is possible, using our definition of poverty, with its qualifications borne firmly in mind, to make a quantitative assessment for selected years of the number of persons amongst the elderly whose own income *would* have left them below the official minimum level of living. In Table VII we have presented as a percentage of the population over 60, the numbers receiving non-contributory old age pensions.

In 1958, the year prior to the full operation of the National Insurance scheme, 45.1% of the over 60's were in receipt of the non-contributory old age pension. For reasons put forward earlier this figure has fallen progressively to 26.9% in 1969. Had the pension for a married couple under the Insurance scheme stayed above the Assistance level this figure would have declined further. Bearing in mind our earlier comments as to those who decline to submit to the means test, we can state that at least 26.9% of persons aged 60 and over had incomes (before Assistance) which fell below the recognised poverty level.[35]

[34] We are only able to say that *at least* 53% of the over 80's have own incomes in this range for no allowance has been made for those in receipt of Social Assistance who are not entitled to non-contributory old age pensions.

[35] A further reason for this qualification is that we have not allowed for Social Assistance which is granted on the basis of a *household* means test. In 1969 there were 468 households claiming Social Assistance where the head of the household was not receiving a non-contributory old age pension. As no indication is given as to the status of the household any allowance must be a crude addition to the totals given in Column A of Table VII. This would then raise the 1969 percentage to 28.1%.

Table VII

AN ANALYSIS OF PERSONS OVER 60 YEARS RECEIVING NON-CONTRIBUTORY OLD AGE PENSIONS FOR SELECTED YEARS

YEAR	A NUMBER OF RECIPIENTS	B AS PERCENTAGE OF OVER 60'S	C PERCENTAGE OF AGED* RECEIVING NON-CONTRIBUTORY OLD AGE PENSIONS
1958	15,546	45.1	48.8
1959	15,244	43.4	46.5
1963	14,000	38.7	42.8
1964	13,756	37.5	41.5
1965	13,918	37.4	41.2
1966	13,463	35.6	39.3
1967	12,827	31.4	35.2
1968	12,254	29.4	33.3
1969	11,572	26.9	30.0

*Men 63 and over, women 60 and over. See Table I.

More closely related to the National Insurance Pension is column C which expresses as a percentage of the aged population the numbers of aged in receipt of non-contributory old age pensions. That is the percentage of those eligible through age for an Insurance pension but receiving the non contributory pension. The wider coverage of and entitlement to, a National Insurance pension can explain in part the decline in the percentage of 48.8% in 1958 to 30% in 1969. This rather large level, 30%, in 1969 is due partly to the deficient insurance record of some of the aged and partly to the overlap of the Insurance and Assistance benefit as explained earlier. To isolate this latter type would require an investigation of the numbers receiving not only the Insurance old age pension but also a pension under the 1948 Act. Statistics are not however, available to make this possible, but their importance has been recognised by the Department of Social Services who will in future record such claimants separately.

Conclusion

As previously stated, old age pensions form by far the largest single item in social security payments. Because of their high cost special care is needed to resist pressures that would tend to make them over generous. 'It is dangerous to be in any way lavish to old age until adequate provision has been assured for all other vital needs'.[36] As has been pointed

[36] Sir William Beveridge *Social Insurance and Allied Services* p.92, Cmnd. 6404, HMSO, London 1942.

out by J. Henry Richardson,[37] this generosity may not only exist in granting too large a pension but in fixing too young a pensionability age. Not only does this involve an additional cost in terms of financing pensions but also in terms of productivity of large numbers of people who are influenced (required) to cease work whilst still fit.

The principle of earlier retirement may in fact be criticised as being based on a false premise. Early retirement is often supported on the assumption that it represents an improvement in labour standards. It is seen as a reward to those who have given faithful service to the economy and that as the economy's productivity increases a progressive reduction in the age of retirement is supported. This fails however to distinguish between the aged in ill health, for whom retirement is a gain, and the aged both fit and desirous to work, for whom retirement may not be desired. Indeed 'to attempt to force people to retire before their powers and desire for work fail... should be avoided in any system of social insurance designed to increase human happiness'.[38]

It has been stated recently that it is intended that the pensionability age under the National Insurance scheme should be reduced to 60 years, in line with the *normal* retiring age, and that this would be done over a period of three years.[39] One may therefore ask what should be the normal retiring age? All European countries have a pensionability age of more than 60, in most countries it is 65 and in Ireland pensionability age is 70. The only country nearby with a 60 year pensionability age is Libya.

It could also be suggested that the reduction in the retirement age for men is the consequence of structural changes taking place in Malta. With the changing pattern of industry it is most likely that the elderly will find themselves being discharged before other members and with less chance of finding an alternative occupation due to retraining costs and alike. This would mean, for many, premature retirement and possibly the reliance on Public Assistance. The reduction in the pensionability age from 63 to 60 would therefore serve the function of both absorbing these otherwise 'destitute' elderly and of relieving the present loading on Public Assistance.

We have shown that at least 26.9% of the population over 60, in 1969, were in a position where their own income fell below the recognised national minimum. The two groups most likely to fall below the Assistance

[37] J. Henry Richardson *Economic and Financial Aspects of Social Security: An International Survey*, G. Allen and Unwin, 1960.

[38] Sir William Beveridge, op.cit., p. 96.

[39] Prime Minister Dr. G. Borg Olivier, Budget Speech April 28th 1970. The pensionability age was reduced from 63 years to 62 years from August 1970.

scale were single women and the very old. This can be explained in part by the fact that these groups received very little income from occupational pensions. It was also suggested that the numbers in receipt of assistance were somewhat understated – as many who would be eligible to receive it did not apply for two principal reasons. Firstly, they were not aware of their entitlement and secondly, they disliked the stigma attached to it. Although one might expect the stigma associated with assistance to be a relic of 'earlier' days, there is no evidence that younger persons are more willing to apply for Assistance.

We have concentrated throughout this study on the social security treatment of the aged in Malta. It would not be beyond the scope of this study to have dealt with the use of the tax system as an instrument of aid for the aged. In other countries the aged have obtained certain tax concessions which were designed to relieve from tax both earned and investment income of the elderly on low or modest incomes.[40] It would be more appropriate however to deal with this topic when Malta's system of direct taxation has become more settled. Furthermore, the major drawback of using tax concessions is that individuals with the lowest incomes are unable to take full advantage of these concessions and hence there has been much interest recently in the positive approach to the provision of financial assistance for the needy.[41]

We may conclude therefore, that there is still a need for a closer and more thorough study of the financial circumstances of the aged in Malta. We have outlined certain anomalies in the social security system and attempted to compile raw data into grouped form in order to present a preliminary guide to the circumstances of the aged. For a fuller appreciation of these circumstances and thereby the attached problems of the aged not only should more information be given to the aged themselves but the authorities should take up the responsibility of becoming more informed as to the requirements of the elderly.

[40] For an appraisal of both the social security and tax treatment of the aged in the United Kingdom see G.P. Marshall, A.W. Rote, A.J. Walsh: *An Appraisal of the Special Tax Treatment of the Aged in the United Kingdom.* Bulletin for International Fiscal Documentation Vol. XXIV June 1970 No. 6 pp. 246-261. For a more rigorous analysis of each tax concession see A.J. Walsh, *The Age Exemption and Inflation* British Tax Review No. 5 1969 and A.J. Walsh and A.W. Rote: *Age Relief, Inflation and Savings* British Tax Review No. 6, 1969.

[41] As witnessed by the growth of literature on income maintenance programmes and the findings of the *Canadian Royal Commission on Taxation*, Ottawa, 1966 which concluded that low income receivers require positive assistance. See Vol. III, pp. 220-221.

APPENDIX

Table A

NON-CONTRIBUTORY OLD AGE PENSIONS UNDER
THE 1948 OLD AGE PENSION ACT

YEAR	MALE	FEMALE	TOTAL a	VALUE b £'s
1948	na	na	10,073	71,057 c
1949	na	na	12,870	379,842
1950	na	na	13,147	386,379
1951	na	na	12,830	387,298
1952	na	na	13,298	383,988
1953	na	na	13,130	390,028
1954	na	na	13,259	399,215
1955	5205	9341	14,546	521,018
1956	5364	9502	14,866	588,047
1957	5278	9891	15,169	634,983

(a) Adjusted to exclude under 60's
(b) Unadjusted
(c) Three months

Table B

AGE DISTRIBUTION OF RECIPIENTS OF OLD AGE PENSION (1948 ACT) %

AGE/YEAR	1949	1950	1951	1952	1953	1954	1955	1956	1957
Under 60	—	—	—	—	—	—	—	—	1
60-64	35	36	37	33	36	29	36	30	24
65-69	26	27	26	26	27	33	22	25	28
70-74	22	20	20	19	19	20	34	22	22
75-79	10	10	10	10	10	10	10	14	15
80 & Ov.	7	7	7	12	8	8	8	9	10
	100	100	100	100	100	100	100	100	100

Table C

AGE DISTRIBUTION OF RECIPIENTS OF OLD AGE PENSION (1948 ACT)

AGE/YEAR	1949	1950	1951	1952	1953	1954	1955
Under 60							
60-64	4491	4726	4682	4371	4309	3761	5250
65-69	3327	3524	3333	3530	3505	4313	3212
70-74	2844	2610	2554	2493	2512	2712	3503
75-80	1351	1367	1306	1234	1351	1358	1367
80 & over	857	920	955	1620	1053	1115	1214
	12,870	13,147	12,830	13,298	13,130	13,259	14,546

AGE/YEAR	1956	1957	1958	1959	1960	1961	1962
Under 60		30	41	27	44	31	37
60-64	4602	3758	4401	4379	3406	3108	3829
65-69	3649	4222	3745	3913	3943	3749	3698
70-74	3224	3405	3748	3503	3236	3427	3252
75-80	2032	2257	2249	2370	2438	2298	2138
80 & over	1339	1527	1403	1079	1609	1600	1345
	14,866	15,103	15,587	15,271	14,676	14,213	14,299

AGE/YEAR	1963	1964	1965	1966	1967	1968	1969
Under 60	44	69	79	85	83	77	57
60-64	2721	2717	2836	3200	2477	2242	1987
65-69	3448	3478	3488	3363	2706	2584	2474
70-74	3582	3288	3381	3081	3131	3042	2704
75-79	2393	2462	2361	2179	2208	2458	2430
80 & over	1856	1811	1852	1638	2305	1928	1977
	14,044	13,825	13,997	13,548	18,910	12,331	11,629

Table D

PUBLIC ASSISTANCE: NON CONTRIBUTORY OLD AGE PENSION RATES

YEARLY INCOME	1948	6/4/55	2/10/57	2/1/63	9/6/65	3/4/68	2/4/69	70
Does not exceed £26.5.0d	12/-	16/-	20/-	25/-	27/6	30/-	32/6	37/6
Exceeds £26. 5.0d but not £31.10.0d	10/-	14/-	17/-	22/-	24/6	27/-	29/6	34/6
" £31.10.0d " £36.15.0d	8/-	12/-	15/-	20/-	22/6	25/-	27/6	32/6
" £36.15 " £42	6/-	10/-	13/-	18/-	20/6	23/-	25/6	30/6
" £42 " £47. 5.0d	4/-	8/-	11/-	16/-	18/6	21/-	23/6	28/6
" £47. 5.0d " £49.17.6d	3/-	7/-	9/-	14/-	16/6	19/-	21/6	26/6
" £49.17.6d " £52.10.0d	—	6/-	7/-	13/-	15/6	18/-	20/6	25/6
" £52.10.0d " £55. 2.6d	—	5/-	6/-	12/-	14/6	17/-	19/6	24/6
" £55. 2.6d " £57.15.0d	—	4/-	5/-	11/-	13/6	16/-	18/6	23/6
" £57.15.0d " £60. 7.6d	—	—	—	9/-	11/6	14/-	16/6	21/6
" £60. 7.6d " £63	—	—	—	7/-	9/6	12/-	14/6	19/6
" £63. 0.0d " £65.12.6d	—	—	—	5/-	7/6	10/-	12/6	17/6
" £65.12.6d	—	—	—	—	—	—	—	—