

Malta - Demographic Transition Deferred

Victor Grech

A recent paper reviewed the influence of migration on Malta's demographic transition, commenting on a debate that has moved beyond academic demography and into the public policy, economic sustainability and healthcare planning.¹ It is timely to revisit this study after international bodies have commented on the current local economic model. The paper traces fertility, population and employment trends over more than two decades, revealing a delayed of the demographic transition phenomenon at the cost of reliance on inward migration.

Prof Victor Grech
PhD (London), PhD (Malta), FRCPCH,
FRCP(UK), DCH
Department of Child and Adolescent
Health (Cardiology),
Mater Dei,
Msida, Malta

COVER PICTURE

Dr Steve Micallef Eynaud is a Cardiothoracic Surgeon. He has a passion for anatomical and biological illustration, and draws on inspiration from the operating theatre as well as the natural world.

The demographic transition model describes the shift from high birth and death rates to low birth and death rates as societies develop economically and socially. Malta, like most developed nations, has entered the later stages of this transition characterised by declining fertility, population ageing and a shrinking native workforce. What makes Malta stand out is the scale and speed at which migration has been used to compensate for this structural demographic change. Between 2000 and 2022, Malta's population increased by over 130,000 persons, the highest proportional increase in Europe, driven overwhelmingly by foreign workers and their families. At the same time Maltese fertility declined steadily, reaching the lowest total fertility rate in the European Union.

The paper's central finding shows that while total births in Malta have remained relatively stable over the study period, this apparent equilibrium conceals two divergent trends. Births to Maltese mothers have continued to decline significantly while births to non-Maltese mothers have risen sharply. Age-standardised fertility rates confirm this divergence: Maltese fertility shows a clear downward trajectory counterbalanced by non-Maltese fertility. Migration has therefore not reversed Malta's demographic transition but merely masked its most visible symptom.

From an economic perspective this strategy has been effective in the short term. Malta has enjoyed sustained growth, low unemployment and rising labour force participation including among women. Foreign workers have filled gaps across sectors ranging from construction and hospitality to healthcare, gaming and professional services. They contribute to tax revenue and social security, supporting a welfare system that would otherwise be under even more strain from population ageing. Migration has thus acted as a demographic shock absorber, delaying the workforce contraction seen in other European states.

However this solution is inherently fragile. Malta's labour market has become structurally dependent on a transient foreign workforce, with high turnover and limited long-term assimilation. A substantial proportion of foreign workers leave Malta within one to two years. This turnover places pressure on employers, inflates recruitment costs and weakens

institutional memory within organisations. More importantly it exposes the economy to sudden external shocks. Any event that triggers a rapid outflow of foreign workers - whether economic downturn, regulatory change, or geopolitical instability - could precipitate a sharp contraction in output and services.

For the medical and public health community the implications are profound. Demographic transition remodels patterns of disease, service demand and healthcare delivery. Malta's ageing native population is associated with a rising burden of chronic non-communicable diseases, increased demand for long-term care and escalating healthcare expenditure. At the same time a rapidly expanding and culturally diverse migrant population brings new health needs, different disease profiles and challenges related to access, communication, and continuity of care. Healthcare systems designed around a relatively homogeneous population must adapt quickly when faced with this situation without the benefit of long-term planning.

Population growth of this magnitude also strains housing, transport, sanitation and healthcare facilities. While economic indicators may remain favourable, lived experience increasingly reflects congestion, overcrowding and service bottlenecks. In healthcare this translates into longer waiting times, increased pressure on emergency services and workforce burnout. Malta already faces shortages in key healthcare professions, a situation also partially alleviated by recruiting foreign health workers, who themselves are subject to the same turnover dynamics affecting other sectors.

Migration is not a permanent solution to demographic decline. International evidence suggests that migration can delay but not prevent the later stages of demographic transition. This is because migrant fertility tends to converge towards host-country norms over time, particularly in high-income societies. As non-Maltese residents settle, their fertility rates too are likely to fall, reproducing the same demographic dynamics currently observed among Maltese nationals. At that point Malta may find itself with both an ageing population and a diminished capacity to attract or retain foreign labour at the scale currently required.

Pronatalist policies have largely failed across developed economies with very very few exceptions. Financial incentives, tax benefits and restrictions on reproductive autonomy have produced, at best, modest and temporary effects. The decline in fertility appears to be driven less by policy levers than by deep-seated social changes including delayed marriage/commitment, extended education, women's labour market participation, housing costs and changing life aspirations. Malta is not immune to these forces and any attempt to reverse fertility decline must contend with them as well.

Malta has so far navigated demographic transition through growth and migration but this path is narrowing. Long-term sustainability will require a recalibration of the economic model with greater emphasis on productivity, skills and value creation rather than sheer population expansion. For healthcare this means investing in workforce retention, training, digital health solutions and preventive care, while ensuring that services remain accessible and equitable for a diverse population. From a medical journal perspective this paper underscores the importance of integrating demographic analysis into health planning and policy discourse.

Economists have also noted that the International Monetary Fund (IMF) data places Malta among the most densely populated territories in the world, at close to 1,800 persons per square kilometre in 2024, far exceeding the density of countries such as the Netherlands and well in the realm of city-scale

systems rather than conventional nation-states. Economists have also noted that Malta's recent growth model driven by services exports and sustained by large inflows of foreign workers has effectively produced a city economy characterised by congestion pressures, infrastructure strain, housing constraints and skills mismatches. The challenges noted by the IMF are those typically associated with dense urban environments where productivity depends less on expanding headcount and more on how efficiently proximity is organised.²

Urban economic theory reinforces this interpretation as density becomes an asset only when supported by efficient planning and transport, functional housing markets and strong human capital formation. In their absence, density acts as a drag on wellbeing and productivity. Malta's car dependence, rising housing costs and reliance on labour-driven growth reveal a system that has arguably reached the limits of expansion. Economists thus argue that the question is not whether Malta should continue to grow but whether it can transition from labour accumulation to productivity intensification, such that infrastructure, planning, education and economic policy lead to function as a high-performing city rather than an overstretched small state.²

Population structure is not an abstract statistic and is a determinant of disease patterns, healthcare utilisation and system adaptability. As Malta continues to evolve demographically, clinicians, researcher, and policymakers must engage with these trends proactively rather than reactively.

REFERENCES

1. Grech V, Cuschieri S, Gatt M, Cordina C, Scherb H, Calleja N. The influence of migration on Malta's demographic transition: an observational study. *Xjenza Online*. 2025;12:(2)152–161.
2. Fabri JP. Density as destiny. *Population, growth & urbanism*. Malta Today. 2026 Feb 15. Available from: https://www.maltatoday.com.mt/comment/opinions/139739/density_as_destiny_population_growth__urbanism