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By the end of October 2019, Government's Consolidated Fund reported a surplus of €10.2 million.

Government Finance Data: January-October 2019

Between January and October 2019, recurrent revenue rose by €444.1 million and amounted to €3,940.1 million. This represented a 12.7 per cent increase from the €3,496.0 million reported in revenue during the corresponding ten months of 2018. Reported rises in Income Tax (€153.9 million) and Grants (€121.6 million) were the main catalysts for the increased revenue. Further increases were also registered under Social Security (€74.5 million), Value Added Tax (€48.3 million), Miscellaneous Receipts (€19.3 million), Customs and Excise Duties (€12.4 million), Rents (€9.2 million), Licences, Taxes and Fines (€7.3 million), Fees of Office (€6.4 million) and Reimbursements (€0.7 million). Conversely, drops in revenue were recorded under Dividends on Investment (€6.4 million) and Central Bank of Malta (€3.0 million).

Total expenditure by the end of October 2019 stood at €3,930.0 million, an 11.6 per cent increase over the same period in 2018.

Recurrent expenditure stood at €3,361.8 million, €342.6 million higher than the corresponding amount registered from January to October 2018. The main contributor to this increase was a €205.5 million rise reported under Programmes and Initiatives. Furthermore, rises in outlay were also registered by Contributions to Government Entities (€63.9 million), Personal Emoluments (€57.9 million) and Operational and Maintenance Expenses (€15.4 million). The main developments in the Programmes and Initiatives category involved added outlays due to EU own resources (€35.8 million), state contribution (€26.8 million that also features as revenue), social security benefits (€26.7 million), extension of school transport network (€19.3 million), medicines and surgical materials (€18.4 million), contingency reserve (€12.9 million), residential care in private homes (€9.2 million), church schools (€7.8 million), cancer treatment (€7.2 million), landscaping - Malta (€6.8 million), electoral commission activities (€6.0 million), hospital concession agreements (€5.5 million), solid waste management strategy (€5.2 million), child care for all (€4.9 million), allocation to regional committees (€3.2 million) and allocation in respect of local councils (€2.0 million).

The interest component of the public debt servicing costs amounted to €163.7 million, €11.3 million lower than the same period in 2018.

Government's capital expenditure registered an increase of €78.4 million over the same period last year and amounted to €404.5 million. The rise in outlay was due to increased expenditure reported on road construction and improvements (€38.9 million), improvement to buildings and equipment (€23.3 million), cohesion funds 2014-2020 (€11.7 million), structural funds 2014-2020 (€7.6 million) and acquisition of property for public purposes (€6.6 million). The rise in capital expenses was partially offset by drops in EU Internal Security Fund - Borders and Visa (€4.1 million), and investment incentives (€3.0 million).

The difference between total revenue and expenditure resulted in a surplus of €10.2 million being reported in the Government's Consolidated Fund by the end of October 2019, a €34.4 million rise from the deficit of €24.3 million witnessed in the same period in 2018. The main driver in the difference was a higher reported increase in recurrent revenue (€444.1 million), than that in total expenditure, consisting of recurrent expenditure (€342.6 million), interest (-€11.3 million) and capital expenditure (€78.4 million) (Table 1).

At the end of October 2019, Central Government Debt stood at €5,261.3 million, a €49.5 million rise over the same month in 2018. This was primarily the result of an increase reported under the 62+ Malta Government Savings Bond (€97.6 million). Euro coins issued in the name of the Treasury also rose by €4.5 million. On the other hand, there were decreases recorded under Malta Government Stocks (€17.6 million), Treasury Bills (€9.7 million), and Foreign Loans (€0.2 million). Higher holdings by government funds in Malta Government Stocks also resulted in a decrease in debt of €25.1 million (Table 6) ■

Table 1. Revenue/Expenditure categories: Year to date

Description	Jan-Oct 2017	Jan-Oct 2018	Jan-Oct 2019	Jan-Oct 2019 / Jan-Oct 2018	
				Change	% change
	€ 000				
(a) Total Recurrent Revenue	3,282,078	3,495,985	3,940,125	444,140	12.7
Customs and Excise Duties	254,395	265,298	277,667	12,369	
Licences, Taxes and Fines	278,168	320,924	328,176	7,252	
Income Tax	1,101,164	1,204,746	1,358,669	153,923	
Value Added Tax	624,217	695,834	744,152	48,318	
Fees of Office	85,156	65,822	72,271	6,448	
Reimbursements	40,811	36,987	37,648	661	
Central Bank of Malta	42,000	28,000	25,000	-3,000	
Rents	24,301	24,696	33,881	9,185	
Dividends on Investment	26,523	28,144	21,707	-6,437	
Interest on loans made by Government	49	48	88	40	
Social Security	678,782	746,925	821,454	74,529	
Grants	99,629	51,678	173,249	121,571	
Miscellaneous Receipts	26,883	26,882	46,162	19,280	
(b) Total Expenditure	3,277,774	3,520,238	3,929,957	409,718	11.6
<i>Recurrent Expenditure</i>	2,859,094	3,019,150	3,361,755	342,605	11.3
Personal Emoluments	628,556	678,029	735,896	57,867	
Operational and Maintenance Expenses	154,484	160,765	176,122	15,357	
Programmes and Initiatives	1,768,414	1,823,061	2,028,548	205,487	
Contributions to Government Entities	307,641	357,295	421,189	63,894	
<i>Interest</i>	181,653	174,994	163,725	-11,269	-6.4
<i>Capital Expenditure</i>	237,027	326,094	404,476	78,382	24.0
(a-b) Consolidated Fund Surplus/Deficit	4,304	-24,254	10,168	34,421	141.9
(c) Financial Transactions					
<i>Revenue</i>					
Loans	357,409	93,527	359,713	266,186	
Repayment of Loans	0	0	0	0	
Receipts from Sale of Shares	889	889	889	0	
Other extraordinary receipts	0	91,000	0	-91,000	
<i>Expenditure</i>					
Contribution to Sinking Fund	17,462	26,659	20,025	-6,634	
Equity Acquisition	2,101	63,034	18,308	-44,726	
Repayment of Loan	98,380	362,805	404,191	41,386	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories: Monthly

Description	October 2017	October 2018	October 2019	October 2019 / October 2018	
				Change	% change
	€ 000				
(a) Total Recurrent Revenue	309,765	367,286	376,446	9,160	2.5
Customs and Excise Duties	27,629	22,825	31,053	8,228	
Licences, Taxes and Fines	31,160	33,177	35,637	2,460	
Income Tax	114,953	150,492	147,705	-2,787	
Value Added Tax	46,759	56,394	48,357	-8,037	
Fees of Office	8,607	4,612	10,229	5,617	
Reimbursements	3,239	6,284	2,786	-3,499	
Central Bank of Malta	0	0	0	0	
Rents	819	1,895	1,833	-63	
Dividends on Investment	2,500	3,500	3,010	-490	
Interest on loans made by Government	0	0	0	0	
Social Security	70,562	84,588	88,078	3,490	
Grants	305	10	4,228	4,218	
Miscellaneous Receipts	3,231	3,510	3,531	22	
(b) Total Expenditure	361,886	394,398	404,150	9,752	2.5
<i>Recurrent Expenditure</i>	316,126	318,057	336,929	18,872	5.9
Personal Emoluments	58,230	65,593	72,416	6,823	
Operational and Maintenance Expenses	17,318	21,293	22,923	1,630	
Programmes and Initiatives	210,358	188,911	195,298	6,388	
Contributions to Government Entities	30,219	42,260	46,291	4,031	
<i>Interest</i>	18,688	16,479	16,657	179	1.1
<i>Capital Expenditure</i>	27,073	59,863	50,564	-9,299	-15.5
(a-b) Consolidated Fund Surplus/Deficit	-52,121	-27,111	-27,704	-592	-2.2
(c) Financial Transactions					
<i>Revenue</i>					
Loans	29,744	0	0	0	
Repayment of Loans	0	0	0	0	
Receipts from Sale of Shares	0	0	0	0	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	0	0	0	0	
Equity Acquisition	0	0	0	0	
Repayment of Loan	689	20	277	257	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 3. Government Expenditure by COFOG category

COFOG	Personal Emoluments			Operational and Maintenance Expenses			Programmes and Initiatives			Contributions to Government Entities		
	Jan-Oct 2017	Jan-Oct 2018	Jan-Oct 2019	Jan-Oct 2017	Jan-Oct 2018	Jan-Oct 2019	Jan-Oct 2017	Jan-Oct 2018	Jan-Oct 2019	Jan-Oct 2017	Jan-Oct 2018	Jan-Oct 2019
	€ 000											
General public services	67,002	76,954	83,213	25,961	31,711	41,733	203,866	176,018	231,915	7,167	16,170	32,987
Defence	32,012	33,585	33,803	6,891	5,163	5,657	565	469	733	189	242	338
Public order and safety	69,743	77,192	87,372	13,992	12,040	16,374	4,147	5,137	6,458	6,875	7,284	8,291
Economic affairs	57,411	51,205	50,226	14,462	8,715	10,609	124,037	139,511	126,257	92,228	104,931	128,548
Environment protection	690	764	3,899	249	317	206	20,003	25,554	49,394	17,198	29,762	21,469
Housing and community amenities	573	1,092	1,116	77	294	526	6,708	5,144	5,207	8,619	5,828	6,300
Health	193,855	205,724	228,990	49,124	53,010	51,086	158,748	163,564	197,698	41,016	43,604	52,762
Recreation, culture and religion	5,512	5,649	5,835	1,056	1,137	1,689	8,642	10,367	12,088	17,689	25,244	24,700
Education	160,422	182,631	195,554	18,734	19,322	12,972	110,443	110,690	143,923	88,105	91,309	104,301
Social protection	41,337	43,234	45,888	23,939	29,056	35,270	1,131,255	1,186,608	1,254,877	28,556	32,922	41,493
Total	628,556	678,029	735,896	154,484	160,765	176,122	1,768,414	1,823,061	2,028,548	307,641	357,295	421,189
COFOG	Interest Expenditure			Capital Expenditure			Total expenditure					
	Jan-Oct 2017	Jan-Oct 2018	Jan-Oct 2019	Jan-Oct 2017	Jan-Oct 2018	Jan-Oct 2019	Jan-Oct 2017	Jan-Oct 2018	Jan-Oct 2019	Jan-Oct 2017	Jan-Oct 2018	Jan-Oct 2019
	€ 000											
General public services	181,653	174,994	163,725	19,231	45,506	59,441	504,880	521,354	613,014			
Defence	0	0	0	6,500	3,748	12,903	46,157	43,206	53,435			
Public order and safety	0	0	0	23,593	37,811	30,758	118,351	139,465	149,253			
Economic affairs	0	0	0	123,175	155,817	212,719	411,312	460,179	528,359			
Environment protection	0	0	0	7,918	28,232	45,464	46,057	84,628	120,432			
Housing and community amenities	0	0	0	2,293	472	128	18,270	12,831	13,277			
Health	0	0	0	8,809	14,433	8,297	451,551	480,333	538,833			
Recreation, culture and religion	0	0	0	16,920	15,436	12,971	49,818	57,833	57,283			
Education	0	0	0	24,925	21,886	18,370	402,628	425,837	475,120			
Social protection	0	0	0	3,662	2,753	3,424	1,228,750	1,294,573	1,380,951			
Total	181,653	174,994	163,725	237,027	326,094	404,476	3,277,774	3,520,238	3,929,957			

Table 4. Consolidated Fund data in ESA 2010 codes: Year to date

Description	ESA CODE	Jan-Oct 2017	Jan-Oct 2018	Jan-Oct 2019	Jan-Oct 2019 / Jan-Oct 2018	
					Change	% change
€ 000						
1. Total Revenue		3,110,569	3,307,807	3,691,196	383,390	
Market Output	P11	124,046	85,195	92,372		
Taxes on Production and Imports	D2	1,101,925	1,227,910	1,278,089		
Property income receivable	D4	62,216	63,334	59,836		
Current taxes on income, wealth, etc	D5	1,146,990	1,254,694	1,415,999		
Social Contributions	D61	555,619	602,013	645,136		
Current transfers receivable	D7	12,125	23,444	14,719		
Capital transfers receivable	D9	107,648	51,217	185,046		
2. Total Expenditure		3,106,265	3,332,060	3,681,028	348,968	
Intermediate Consumption	P2	361,624	391,473	552,982		
Gross Capital Formation	P5g+NP	110,285	144,710	197,204		
Compensation of Employees	D1	746,828	797,523	848,630		
Property income payable	D4	178,156	180,129	150,613		
Subsidies	D3	66,071	72,246	72,337		
Social Benefits and social transfers in kind	D62+D632	909,546	930,132	951,797		
Current transfers payable	D7	724,768	785,975	870,119		
Capital transfers payable	D9	8,986	29,872	37,348		
(1-2) Consolidated Fund Surplus/Deficit		4,304	-24,254	10,168	34,421	141.9

Table 5. Consolidated Fund data in ESA 2010 codes: Monthly

Description	ESA CODE	October 2017	October 2018	October 2019	October 2019 / October 2018	
					Change	% change
€ 000						
1. Total Revenue		289,144	342,596	351,894	9,298	
Market Output	P11	10,241	11,033	11,530		
Taxes on Production and Imports	D2	101,541	105,958	109,167		
Property income receivable	D4	57	1,654	1,974		
Current taxes on income, wealth, etc	D5	119,129	155,752	151,440		
Social Contributions	D61	55,657	65,270	67,631		
Current transfers receivable	D7	1,053	269	359		
Capital transfers receivable	D9	1,468	2,661	9,794		
2. Total Expenditure		341,266	369,708	379,598	9,890	
Intermediate Consumption	P2	42,276	54,273	64,645		
Gross Capital Formation	P5g+NP	12,454	37,877	23,985		
Compensation of Employees	D1	70,428	77,238	82,681		
Property income payable	D4	19,535	16,515	17,280		
Subsidies	D3	19,572	14,836	8,178		
Social Benefits and social transfers in kind	D62+D632	84,830	83,823	84,611		
Current transfers payable	D7	91,350	77,370	92,576		
Capital transfers payable	D9	821	7,776	5,642		
(1-2) Consolidated Fund Surplus/Deficit		-52,121	-27,111	-27,704	-592	-2.2

Table 6. Central Government debt

Description	October 2017	October 2018	October 2019	October 2019 / October 2018	
				Change	% change
€ 000					
Total Central Government Debt	5,605,949	5,211,810	5,261,268	49,459	0.9
<i>of which:</i>					
Treasury Bills	144,400	300,000	290,300	-9,700	
Malta Government Stocks	5,367,688	4,732,049	4,714,412	-17,637	
62+ Malta Government Savings Bond	99,639	192,740	290,331	97,591	
Foreign Loans	11,599	1,185	966	-219	
MGSF investments in Government Debt	-94,797	-98,096	-123,153	-25,057	
Euro Coins issued in the name of the Treasury	77,420	83,932	88,413	4,481	

Note: Totals may not add up due to rounding.

Chart 1. January-October Consolidated Fund Surplus/Deficit

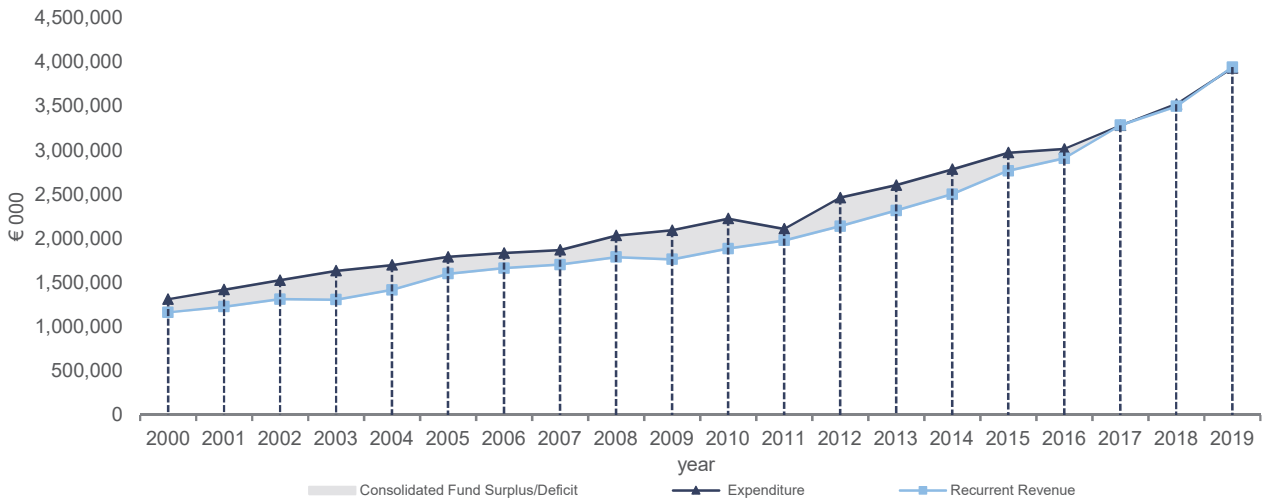


Chart 2. Recurrent Revenue by main category (%): January-October 2019

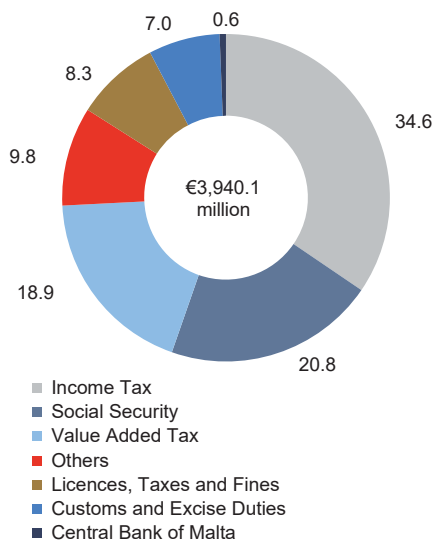
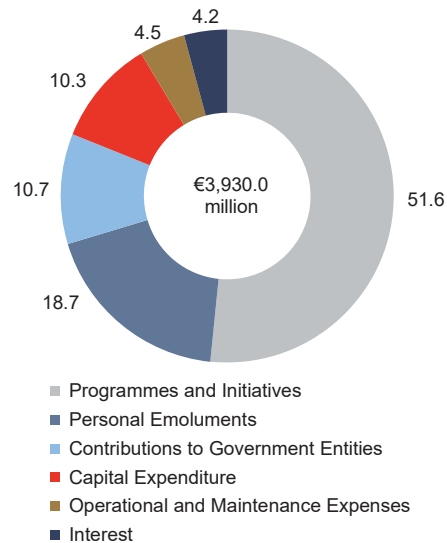


Chart 3. Expenditure by main category (%): January-October 2019



Methodological Notes

1. Data in this news release is compiled in order to provide users with regular up-to-date information on the Consolidated Fund of Government. Data are sourced as follows:
 - i. Revenue and Expenditure, and Public Debt Servicing → The Consolidated Fund, the transactions of which are consolidated at the Treasury.
 - ii. Central Government Debt (excluding EBUs and Local Councils) → Central Bank of Malta and the Treasury.

All allocations provided from the Consolidated Fund are either authorised by Parliament under an Appropriation Act, or are permanently appropriated by Parliament under other relevant legislation. On the other hand, the Treasury Clearance Fund contains all those Funds and Accounts the expenses in respect of which are initially defrayable out of public funds and are eventually repayable from the Consolidated Fund or other sources.

2. In this release Revenue and Expenditure categories are recorded in accordance with their presentation in the 2019 Financial Estimates.
3. This news release follows the guidelines set out in the European System of Accounts (ESA 2010) Manual on Government Deficit and Debt. Therefore, the difference between the recurrent revenue and expenditure as listed in Table 1 is essentially the cash-based position as far as the Central Government's Consolidated Fund is concerned. In this respect, financial transactions, such as proceeds from loans, proceeds from sale of financial assets, and revenue from other accounts of Government are not taken into consideration. Likewise, direct loan repayments, contributions to sinking funds, acquisition of equity, as well as transfers into other accounts of Government, are excluded from the total expenditure.
4. The debt position includes the actual debt which is held by Government. On the other hand, any investments made by Government in its own funds are excluded from the total debt. As from December 2007, the euro coins issued in the name of the Treasury are considered as a currency liability pertaining to the Central Government.
5. The revenue and expenditure figures are based on actual cash transactions, and are therefore not normally subject to revision. Although revisions to debt data are uncommon, it is prudent to consider debt figures for the three months preceding the reference period as provisional. Any revisions to the data are carried out at the first opportunity and published accordingly in the subsequent news release.
6. The Enhanced Economic Governance package adopted by the European Parliament and Council in November 2011 included requirements on the collection and dissemination of fiscal data, through the Council Directive 2011/85/EU. The requirements in the government finance statistics domain included a methodological reconciliation table (showing the transition between monthly data used for national policy purposes and ESA-quarterly data used to produce national accounts and EU fiscal surveillance).
 - a. The Reconciliation Table may be accessed at:
http://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A2/Public_Finance/Pages/Council-Directive-852011.aspx
 - b. Refer to the ESA 2010 Glossary at:
https://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A2/Public_Finance/Documents/ESA10_Glossary.pdf
 - c. Refer to the other Government Finance Statistics data requirements at:
https://nso.gov.mt/en/Services/Council_Directive/Pages/Council-Directive-85_2011.aspx
7. Data on Government Expenditure by the Classification of Functions of Government (COFOG) classifies government expenditure data by the purpose for which the funds are used. COFOG data in Table 3 refers to the total expenditure of the Consolidated Fund and is not fully consistent with the General Government sector expenditure by function and in ESA 2010 methodology, that is compiled by NSO on an annual basis with a delay of one year. The functions are in line with the COFOG classifications as published in the Government Finance Statistics Manual 2001 (ISBN 1-58906-061-X).
8. Tables 4 and 5 present the Consolidated Fund year to date and monthly data in ESA 2010 codes according to the EU Council Directive 85/2011 requirements.
9. More information relating to this news release may be accessed at:
Statistical Concepts: <http://nso.gov.mt/metadata/concepts.aspx>
Statistical Database: <http://nso.gov.mt/statdb/start>
10. Any quotations from this news release are to be cited and/or referenced.
11. A detailed news release calendar is available on:
https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx