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In 2012, Social Protection accounted for 33.9 per cent of total General Government Expenditure, followed by expenditure on General Public Services, Education and Health.

## Expenditure of General Government Sector by Function: 2008-2012

Total General Government expenditure for 2012 was €2,963.1 million, an increase of €198.9 million compared with the previous year. There were increases in Social Protection (€60.5 million), mainly pensions; Economic Affairs (€39.7 million); Health (€28.0 million); and Education (€23.5 million). Partly offsetting these was a fall in Defence expenditure (€5.3 million). (See Table 1).

Table 2 shows expenditure by function as a percentage of total General Government expenditure. Largely in line with earlier years, the highest expenditure in 2012 was on Social Protection (33.9 per cent), followed by General Public Services (15.4 per cent), Education (13.7 per cent) and Health (13.4 per cent). Expenditure on Housing and Community amenities was the lowest, followed by Defence, representing 0.9 per cent and 1.7 per cent respectively.

Table 3 shows General Government expenditure by function as a percentage of GDP. In total, General Government Expenditure rose to 43.3 per cent of GDP in 2012 from 41.6 per cent in 2011.

Table 5 presents a more detailed breakdown (by function using the COFOG classification) of General Government Expenditure for 2008 to 2012. For 2012, the largest expenditure was on old age pensions (€593.1 million), hospital services (€265.8 million) and public debt transactions (€218.2 million) ■

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**Table 1. General Government expenditure by function**

€000

COFOG	2008	2009	2010	2011	2012
General public services	398,323	434,428	403,699	438,514	455,801
Defence	38,103	53,886	50,395	55,957	50,641
Public order and safety	86,048	89,543	92,343	94,505	102,088
Economic affairs	434,202	288,837	299,128	316,735	356,401
Environment protection	94,316	96,393	128,312	87,313	100,328
Housing and community amenities	40,134	16,923	17,427	19,702	28,002
Health	322,698	315,031	346,455	369,095	397,106
Recreation, culture and religion	36,377	43,011	49,968	56,859	63,262
Education	311,533	321,205	362,080	381,311	404,783
Social protection	815,729	870,640	906,037	944,193	1,004,689
<b>Total</b>	<b>2,577,462</b>	<b>2,529,898</b>	<b>2,655,844</b>	<b>2,764,183</b>	<b>2,963,102</b>

**Table 2. General Government expenditure by function as a % of total expenditure**

COFOG	2008	2009	2010	2011	2012
General public services	15.5	17.2	15.2	15.9	15.4
Defence	1.5	2.1	1.9	2.0	1.7
Public order and safety	3.3	3.5	3.5	3.4	3.4
Economic affairs	16.8	11.4	11.3	11.5	12.0
Environment protection	3.7	3.8	4.8	3.2	3.4
Housing and community amenities	1.6	0.7	0.7	0.7	0.9
Health	12.5	12.5	13.0	13.4	13.4
Recreation, culture and religion	1.4	1.7	1.9	2.1	2.1
Education	12.1	12.7	13.6	13.8	13.7
Social protection	31.6	34.4	34.1	34.2	33.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

**Table 3. General Government expenditure by function as a % of GDP\***

COFOG	2008	2009	2010	2011	2012
General public services	6.7	7.3	6.3	6.6	6.7
Defence	0.6	0.9	0.8	0.8	0.7
Public order and safety	1.4	1.5	1.4	1.4	1.5
Economic affairs	7.3	4.8	4.7	4.8	5.2
Environment protection	1.6	1.6	2.0	1.3	1.5
Housing and community amenities	0.7	0.3	0.3	0.3	0.4
Health	5.4	5.3	5.4	5.6	5.8
Recreation, culture and religion	0.6	0.7	0.8	0.9	0.9
Education	5.2	5.4	5.7	5.7	5.9
Social protection	13.7	14.6	14.2	14.2	14.7
<b>Total</b>	<b>43.2</b>	<b>42.4</b>	<b>41.6</b>	<b>41.6</b>	<b>43.3</b>

\* Source 2010-2012: Gross Domestic Product for September Quarter 2013, 9th December 2013, News Release No. 237/2013

Table 4. Components of the General Government expenditure by function 2008-2012...

€ 000

COFOG	Gross capital formation	Acquisitions less disposals of non-financial non-produced assets	Compensation of employees	Subsidies	Property income	Social benefits and social transfers in kind	Intermediate consumption	Current taxes on income, wealth, etc.	Other current transfers	Capital transfers	Total expenditure	Final consumption expenditure
<b>2008</b>												
General public services	10,855	8,690	81,246	31	186,775	0	61,032	8	49,574	112	<b>398,323</b>	127,604
Defence	768	0	32,536	0	0	0	4,799	0	0	0	<b>38,103</b>	34,552
Public order and safety	4,933	0	71,501	0	0	0	9,157	0	458	0	<b>86,048</b>	71,481
Economic affairs	29,862	0	170,577	109,661	0	0	93,120	398	2,186	28,397	<b>434,202</b>	233,714
Environment protection	27,348	0	16,068	0	22	0	42,122	3	24	8,730	<b>94,316</b>	58,619
Housing and community amenities	6,045	0	10,123	12,286	52	0	8,835	0	3	2,790	<b>40,134</b>	13,394
Health	27,278	0	175,613	0	0	29,405	90,309	0	75	17	<b>322,698</b>	329,625
Recreation, culture and religion	5,939	0	14,077	2,255	0	0	11,809	0	2,063	233	<b>36,377</b>	23,116
Education	22,580	0	199,826	855	0	23,907	28,079	0	36,285	0	<b>311,533</b>	237,332
Social protection	5,581	-2,491	59,934	0	0	703,274	34,543	0	6,879	8,010	<b>815,729</b>	88,778
<b>Total</b>	<b>141,189</b>	<b>6,200</b>	<b>831,501</b>	<b>125,088</b>	<b>186,849</b>	<b>756,586</b>	<b>383,805</b>	<b>410</b>	<b>97,546</b>	<b>48,290</b>	<b>2,577,462</b>	<b>1,218,215</b>
<b>2009</b>												
General public services	29,560	302	84,959	53	194,973	0	65,127	1	58,216	1,239	<b>434,428</b>	128,435
Defence	13,740	0	35,590	0	0	0	4,557	0	0	0	<b>53,886</b>	37,374
Public order and safety	3,765	0	74,078	0	0	0	11,091	0	610	0	<b>89,543</b>	77,361
Economic affairs	12,658	0	132,838	55,554	0	0	69,706	-7,484	4,306	21,259	<b>288,837</b>	213,123
Environment protection	13,340	0	15,143	0	32	0	37,781	1	171	29,925	<b>96,393</b>	58,855
Housing and community amenities	145	0	8,025	160	60	0	8,424	0	0	111	<b>16,923</b>	12,456
Health	19,592	0	188,183	0	0	29,908	76,862	0	78	407	<b>315,031</b>	331,723
Recreation, culture and religion	5,457	0	14,763	7,207	0	0	11,466	0	4,070	48	<b>43,011</b>	20,672
Education	17,059	0	211,262	693	0	25,743	29,318	14	37,231	-115	<b>321,205</b>	252,193
Social protection	9,026	0	65,448	359	44	753,748	33,503	0	2,539	5,974	<b>870,640</b>	98,211
<b>Total</b>	<b>124,341</b>	<b>302</b>	<b>830,287</b>	<b>64,026</b>	<b>195,108</b>	<b>809,400</b>	<b>347,833</b>	<b>-7,468</b>	<b>107,221</b>	<b>58,848</b>	<b>2,529,898</b>	<b>1,230,404</b>

... Table 4. Components of the General Government expenditure by function 2008-2012

€000

COFOG	Gross capital formation	Acquisitions less disposals of non-financial non-produced assets	Compensation of employees	Subsidies	Property income	Social benefits and social transfers in kind	Intermediate consumption	Current taxes on income, wealth, etc.	Other current transfers	Capital transfers	Total expenditure	Final consumption expenditure
<b>2010</b>												
General public services	7,122	6,769	88,923	111	186,240	0	62,216	0	51,223	1,094	<b>403,699</b>	136,718
Defence	6,285	0	38,415	0	0	0	5,695	0	0	0	<b>50,395</b>	43,026
Public order and safety	3,201	0	77,096	0	0	0	11,499	0	547	0	<b>92,343</b>	84,161
Economic affairs	34,110	0	95,724	63,005	0	0	59,181	256	15,088	31,764	<b>299,128</b>	175,336
Environment protection	15,484	0	16,330	0	33	0	54,952	1	69	41,444	<b>128,312</b>	76,150
Housing and community amenities	438	0	8,711	59	60	0	8,024	0	0	135	<b>17,427</b>	11,892
Health	17,550	0	202,159	0	0	30,624	96,045	0	78	0	<b>346,455</b>	366,065
Recreation, culture and religion	12,579	0	15,794	2,401	0	0	14,081	29	5,063	20	<b>49,968</b>	22,019
Education	33,147	0	230,740	709	0	26,219	24,448	99	44,987	1,730	<b>362,080</b>	267,141
Social protection	2,665	-807	67,984	597	40	788,251	39,818	0	2,696	4,792	<b>906,037</b>	108,426
<b>Total</b>	<b>132,581</b>	<b>5,962</b>	<b>841,876</b>	<b>66,884</b>	<b>186,373</b>	<b>845,094</b>	<b>375,959</b>	<b>386</b>	<b>119,751</b>	<b>80,978</b>	<b>2,655,844</b>	<b>1,290,935</b>
<b>2011</b>												
General public services	11,907	2,059	92,861	2,489	200,724	0	70,122	0	56,295	2,057	<b>438,514</b>	136,609
Defence	11,674	0	37,984	0	0	0	6,273	0	27	0	<b>55,957</b>	45,076
Public order and safety	3,909	0	78,768	0	0	0	11,257	0	571	0	<b>94,505</b>	86,351
Economic affairs	59,066	0	95,740	55,568	0	0	67,770	281	2,415	35,895	<b>316,735</b>	187,796
Environment protection	10,453	0	15,089	0	33	0	56,447	1	33	5,258	<b>87,313</b>	72,693
Housing and community amenities	505	0	9,485	42	60	0	9,609	0	0	0	<b>19,702</b>	11,809
Health	14,024	0	211,070	0	0	35,010	108,884	0	106	1	<b>369,095</b>	393,694
Recreation, culture and religion	16,291	0	16,075	3,399	0	0	15,105	26	5,701	261	<b>56,859</b>	23,772
Education	33,512	0	242,411	648	0	27,268	27,340	-50	47,710	2,472	<b>381,311</b>	284,968
Social protection	-2,395	-2	71,765	2,908	40	820,470	42,189	0	4,769	4,448	<b>944,193</b>	110,450
<b>Total</b>	<b>158,946</b>	<b>2,057</b>	<b>871,248</b>	<b>65,054</b>	<b>200,857</b>	<b>882,748</b>	<b>414,996</b>	<b>259</b>	<b>117,626</b>	<b>50,392</b>	<b>2,764,183</b>	<b>1,353,219</b>

... Table 4. Components of the General Government expenditure by function 2008-2012

€ 000

COFOG	Gross capital formation	Acquisitions less disposals of non-financial non-produced assets	Compensation of employees	Subsidies	Property income	Social benefits and social transfers in kind	Intermediate consumption	Current taxes on income, wealth, etc.	Other current transfers	Capital transfers	Total expenditure	Final consumption expenditure
<b>2012</b>												
General public services	30,081	-27,336	97,688	2,281	213,070	0	82,517	0	54,284	3,216	<b>455,801</b>	156,307
Defence	9,515	0	36,493	0	0	0	4,581	0	52	0	<b>50,641</b>	44,391
Public order and safety	7,164	0	83,897	0	0	0	10,610	0	417	0	<b>102,088</b>	90,098
Economic affairs	68,775	0	93,961	62,853	0	0	76,237	568	687	53,321	<b>356,401</b>	189,102
Environment protection	21,776	0	16,605	0	136	0	58,650	0	16	3,145	<b>100,328</b>	80,071
Housing and community amenities	2,756	0	9,231	44	60	0	15,910	0	0	0	<b>28,002</b>	18,306
Health	22,390	0	225,231	0	0	28,203	121,260	0	23	0	<b>397,106</b>	413,042
Recreation, culture and religion	15,476	21	17,217	5,530	0	0	16,916	12	7,438	653	<b>63,262</b>	26,730
Education	27,947	0	258,794	582	0	30,524	31,100	14	52,498	3,324	<b>404,783</b>	306,761
Social protection	2,907	-350	75,396	5,592	273	870,914	41,773	0	4,852	3,332	<b>1,004,689</b>	125,539
<b>Total</b>	<b>208,787</b>	<b>-27,665</b>	<b>914,514</b>	<b>76,882</b>	<b>213,539</b>	<b>929,640</b>	<b>459,554</b>	<b>594</b>	<b>120,266</b>	<b>66,990</b>	<b>2,963,102</b>	<b>1,450,348</b>

Chart 1. General Government expenditure by function 2008-2012

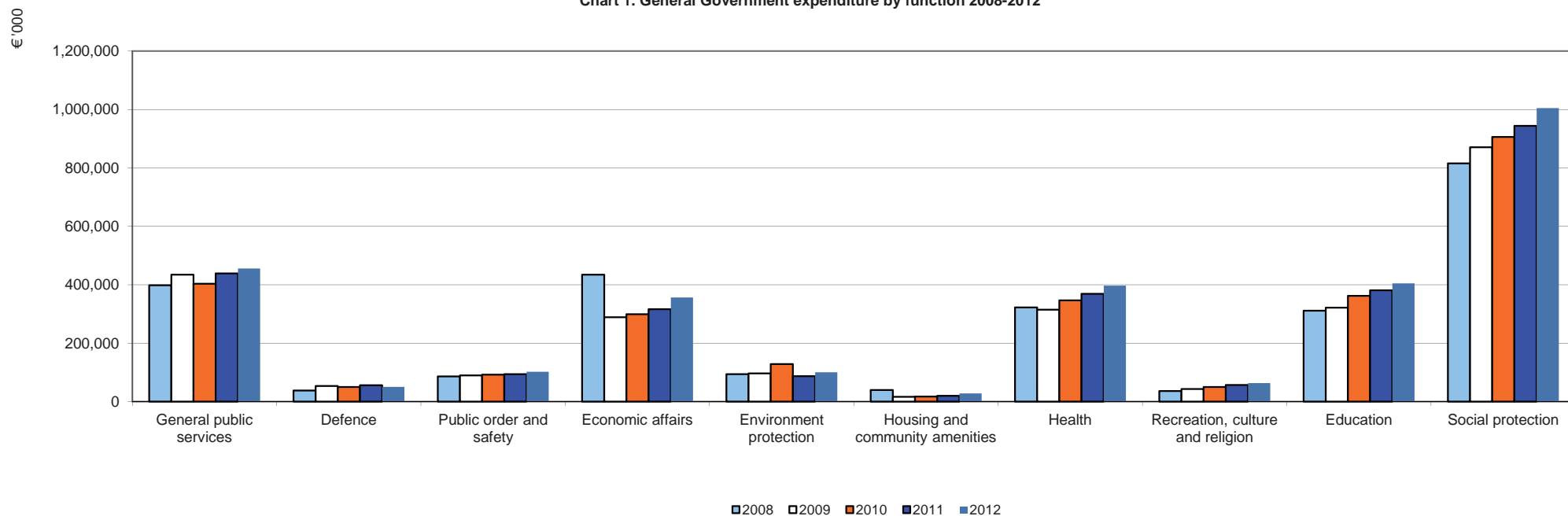


Table 5. General Government Expenditure by second level function 2008-2012

€000

	2008	2009	2010	2011	2012
<b>1. General public services</b>	<b>398,323</b>	<b>434,428</b>	<b>403,699</b>	<b>438,514</b>	<b>455,801</b>
Executive and legislative organs, financial, fiscal and external affairs	145,361	161,861	136,935	169,886	178,777
Foreign economic aid	390	391	329	371	425
General services	53,512	76,501	70,899	52,873	46,666
Basic Research	0	0	0	0	0
R&D General public services	0	0	0	887	565
General public services n.e.c.	9,978	9,018	5,822	9,084	11,140
Public debt transactions	189,082	186,656	189,714	205,413	218,229
Transfers of a general character between levels of government	0	0	0	0	0
<b>2. Defence</b>	<b>38,103</b>	<b>53,886</b>	<b>50,395</b>	<b>55,957</b>	<b>50,641</b>
Military defence	38,103	53,886	50,395	55,957	50,641
Civil defence	0	0	0	0	0
Foreign military aid	0	0	0	0	0
R&D Defence	0	0	0	0	0
Defence n.e.c.	0	0	0	0	0
<b>3. Public order and safety</b>	<b>86,048</b>	<b>89,543</b>	<b>92,343</b>	<b>94,505</b>	<b>102,088</b>
Police services	52,296	54,598	56,400	56,310	62,384
Fire-protection services	4,070	5,038	4,864	5,086	5,127
Law courts	20,469	20,652	20,922	22,954	23,564
Prisons	9,214	9,239	9,779	9,854	10,745
R&D Public order and safety	0	17	376	231	178
Public order and safety n.e.c.	0	0	0	69	90
<b>4. Economic affairs</b>	<b>434,202</b>	<b>288,837</b>	<b>299,128</b>	<b>316,735</b>	<b>356,401</b>
General economic, commercial and labour affairs	51,879	50,139	71,556	52,209	69,697
Agriculture, forestry, fishing and hunting	47,150	49,172	46,922	43,766	43,895
Fuel and energy	60,705	5,262	13,891	8,786	26,114
Mining, manufacturing and construction	43,974	41,242	42,276	51,112	58,161
Transport	186,599	97,117	69,519	95,703	94,422
Communication *	4,028	4,681	6,351	7,247	7,370
Other industries	39,389	39,993	47,010	55,501	54,783
R&D Economic affairs	478	1,231	1,582	2,390	1,959
Economic affairs n.e.c.	0	0	20	22	0
<b>5. Environment protection</b>	<b>94,316</b>	<b>96,393</b>	<b>128,312</b>	<b>87,313</b>	<b>100,328</b>
Waste management	56,904	37,208	48,697	44,634	51,212
Waste water management	20,513	42,830	57,615	18,594	27,385
Pollution abatement	200	233	310	-1	11
Protection of biodiversity and landscape	14,710	14,140	17,785	17,517	16,857
R&D Environmental protection	10	13	38	52	104
Environmental protection n.e.c.	1,979	1,969	3,866	6,516	4,759
<b>6. Housing and community amenities</b>	<b>40,134</b>	<b>16,923</b>	<b>17,427</b>	<b>19,702</b>	<b>28,002</b>
Housing development	8,780	1,999	1,576	1,475	1,656
Community development	14,568	9,124	9,962	13,003	14,808
Water supply	11,940	0	0	0	0
Street lighting	4,565	5,382	5,470	4,815	11,316
R&D Housing and community amenities	0	206	206	206	0
Housing and community amenities n.e.c.	281	212	213	203	222
<b>7. Health</b>	<b>322,698</b>	<b>315,031</b>	<b>346,455</b>	<b>369,095</b>	<b>397,106</b>
Medical products, appliances and equipment	23,994	48,580	38,679	42,530	37,337
Outpatient services	46,052	52,472	57,106	63,311	68,947
Hospital services	227,413	188,888	223,616	228,019	265,817
Public health services	6,384	8,581	10,464	9,833	9,970
R&D Health	0	0	9	1,138	0
Health n.e.c.	18,855	16,509	16,580	24,264	15,035
<b>8. Recreation, culture and religion</b>	<b>36,377</b>	<b>43,011</b>	<b>49,968</b>	<b>56,859</b>	<b>63,262</b>
Recreational and sporting services	4,295	6,317	8,447	10,709	11,458
Cultural services	26,002	30,527	35,569	39,237	44,625
Broadcasting and publishing services	3,338	3,052	2,980	2,905	2,949
Religious and other community services	466	466	482	650	792
R&D Recreation, culture and religion	49	101	56	80	1
Recreation, culture and religion n.e.c.	2,226	2,549	2,434	3,276	3,437
<b>9. Education</b>	<b>311,533</b>	<b>321,205</b>	<b>362,080</b>	<b>381,311</b>	<b>404,783</b>
Pre-primary and primary education	72,498	78,738	84,250	96,531	102,890
Secondary education	146,701	142,960	152,117	146,242	155,059
Post-secondary non-tertiary education	1,162	1,085	4,444	6,604	6,503
Tertiary education	45,486	49,865	62,004	72,984	72,949
Education not definable by level	702	357	670	799	1,476
Subsidiary services to education	4,788	5,472	4,845	5,553	7,932
R&D Education	9,926	10,142	14,292	14,236	20,807
Education n.e.c.	30,269	32,585	39,458	38,362	37,167
<b>10. Social protection</b>	<b>815,729</b>	<b>870,640</b>	<b>906,037</b>	<b>944,193</b>	<b>1,004,689</b>
Sickness and disability	104,018	102,021	101,801	101,865	105,639
Old age	441,402	489,312	520,459	553,299	593,083
Survivors	102,840	107,690	113,651	116,717	128,707
Family and children	72,236	74,055	76,426	81,407	75,683
Unemployment	27,697	31,291	31,851	32,369	35,765
Housing	15,688	9,225	9,908	12,006	5,400
Social exclusion n.e.c.	21,301	23,474	23,755	23,766	27,575
R&D Social protection	5	24	248	203	39
Social protection n.e.c.	30,542	33,549	27,938	22,560	32,798
<b>Total General Government expenditure by function</b>	<b>2,577,462</b>	<b>2,529,898</b>	<b>2,655,844</b>	<b>2,764,183</b>	<b>2,963,102</b>

## Methodological Notes

1. All data in this News Release are in line with the European System of Accounts (ESA 95) Manual (ISBN 92-827-7954-8). This system of accounts is mandatory for all EU Member States. The glossary provides the necessary definitions and is available online: [http://www.nso.gov.mt/docs/ESA95\\_Glossary.pdf](http://www.nso.gov.mt/docs/ESA95_Glossary.pdf)
2. General Government Sector (S.13 sector according to the ESA95 definitions) is made up of the Central Government Sector (S.1311) and the Local Government Sector (S.1313). The Central Government Sector includes the Budgetary Central Government, made up of Government ministries and departments and the Extra Budgetary Units (EBUs).
3. The Classification of Function of Government (COFOG) exercise is based on the guidelines set out in the ESA95 (as established by Council Regulation 2223/96 of 25 June 1996). Commission Regulation No 113/2002 of 23 January 2002 integrated the COFOG classifications under ten main headings in order to reflect the revisions carried out by the United Nations in 1999. These are published in the Government Statistics Manual issued by the IMF in 2001.
4. All data in this release should be considered as provisional and therefore subject to revision.
5. Figures may not add up due to rounding.

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