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In the period January-November 2014, the deficit of the Government's Consolidated Fund amounted to €188.9 million.

Government Finance Data: January-November 2014

Recurrent revenue registered an increase of €330.6 million, which offset the increase of €12.2 million in expenditure when compared to the corresponding period last year, thereby narrowing the shortfall between recurrent revenue and total expenditure by €118.4 million.

During the first eleven months, recurrent revenue was recorded at €2,895.4 million, up by 12.9 per cent over last year. The main contributors to this increase were Customs and Excise Duties which went up by €111.6 million, mainly following the receipt of excise arrears. Moreover, as shown in Table 1, other major increases were registered in Income Tax (€57.3 million), Social Security Contributions (€50.7 million), Value Added Tax (€42.1 million) and Grants (€26.2 million).

Recurrent expenditure increased by €177.8 million, mainly as a result of higher spending on Programmes and Initiatives (€85.3 million). The major increases registered in the Programmes and Initiatives category were recorded in the public service obligations (€20.6 million), social security state contribution, which also feature as revenue (€16.6 million), medicines and surgical materials (€12.5 million), social security benefits (€9.2 million), child care for all (€4.7 million) and the ex-gratia grant scheme for motor vehicles (€3.2 million), among others. In addition, Personal Emoluments and Contributions to Government Entities increased by €48.1 million and €36.4 million respectively. Operational and Maintenance Expenditure went up by €7.9 million (Table 4).

The interest component of the public debt servicing costs for the period under review amounted to €210.6 million, an increase of €3.2 million over last year (Table 1).

Expenditure on Government's capital projects amounted to €370.5 million. The increase of €31.2 million was mainly brought about by added outlays on EU funded capital projects primarily involving road works and the procurement of a helicopter. Conversely, a lower equity injection to the national air carrier was registered.

At the end of November, Central Government debt stood at €5,261.7 million, up by €196.8 million over the corresponding period last year. This was the result of higher Long-term Borrowing, which added €290.3 million. On the other hand, Short-term and Foreign Borrowing went down by €87.4 million and €10.5 million respectively. As a result of consolidation, higher holdings by government funds in MGSs brought about a fall in debt of €0.9 million. The euro coins issued in the name of the Maltese Treasury went up by €5.2 million when compared to the coin stock as at the end of November 2013, and totalled €60.3 million (Table 3) ■

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Table 1. Government finance data: year-to-date

Description	Jan-Nov 2012	Jan-Nov 2013	Jan-Nov 2014	Jan-Nov 2014/ Jan-Nov 2013	
				Change	% change
€000					
Recurrent Revenue	2,366,048	2,564,857	2,895,447	330,589	12.9
<i>of which:</i>					
Grants	75,299	140,167	166,412	26,245	
Customs and Excise	145,153	167,192	278,756	111,564	
Value added Tax	501,799	551,058	593,166	42,107	
Income Tax	718,680	803,712	860,984	57,272	
Social Security Contributions	513,939	543,141	593,830	50,688	
Others	411,178	359,587	402,300	42,713	
Total Expenditure	2,708,072	2,872,083	3,084,315	212,232	7.4
<i>consisting of:</i>					
Recurrent Expenditure	2,198,019	2,325,495	2,503,259	177,763	7.6
<i>of which:</i>					
Education	132,068	153,302	163,611	10,309	
Social Security Benefits	714,121	755,738	764,930	9,192	
Others	1,351,830	1,416,455	1,574,717	158,262	
Interest Payments	204,830	207,368	210,590	3,222	1.6
Capital Expenditure	305,223	339,220	370,467	31,246	9.2
<i>of which:</i>					
Productive Investment	76,485	86,554	66,915	-19,640	
Infrastructure	183,209	201,921	232,574	30,653	
Social	45,529	50,745	70,978	20,233	
Balance of recurrent revenue and total expenditure	-342,024	-307,226	-188,868	118,357	-38.5
Financial Transactions					
<i>consisting of:</i>					
<i>Revenue</i>					
Loans	650,569	629,302	648,841	19,540	
Repayment of Loans	52,000	30	0	-30	
Receipts from Sale of Shares	0	0	0	0	
Other extraordinary receipts	28,425	28,380	0	-28,380	
<i>Expenditure</i>					
Contribution to Sinking Fund	5,787	5,661	29,863	24,202	
Equity Acquisition	34,392	25,510	13,755	-11,755	
Repayment of Loan	349,305	370,194	357,257	-12,937	
Loans	52,000	0	0	0	

Table 2. Government finance data: monthly

Description	November 2012	November 2013	November 2014	November 2014/ November 2013	
				Change	% change
€000					
Recurrent Revenue	227,392	248,756	395,579	146,823	59.0
<i>of which:</i>					
Grants	203	13,320	106	-13,214	
Customs and Excise	13,616	11,197	151,173	139,976	
Value added Tax	78,586	96,090	101,697	5,607	
Income Tax	46,139	54,414	46,064	-8,350	
Social Security Contributions	49,425	49,486	53,647	4,161	
Others	39,423	24,249	42,891	18,642	
Total Expenditure	246,900	270,331	301,883	31,552	11.7
<i>consisting of:</i>					
Recurrent Expenditure	192,757	216,523	232,046	15,523	7.2
<i>of which:</i>					
Education	10,709	13,201	14,264	1,063	
Social Security Benefits	60,777	75,112	67,288	-7,824	
Others	121,271	128,210	150,494	22,284	
Interest Payments	19,202	18,334	18,516	181	1.0
Capital Expenditure	34,941	35,473	51,321	15,848	44.7
<i>of which:</i>					
Productive Investment	5,016	4,467	4,661	194	
Infrastructure	25,709	21,934	35,509	13,575	
Social	4,216	9,073	11,151	2,079	
Balance of recurrent revenue and total expenditure	-19,509	-21,575	93,696	115,270	-534.3
Financial Transactions					
<i>consisting of:</i>					
<i>Revenue</i>					
Loans	139,988	179,981	0	-179,981	
Repayment of Loans	52,000	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	0	82	93,882	93,801	
Loans	52,000	0	0	0	

Table 3. Government debt

Description	November 2012	November 2013	November 2014	November 2014/ November 2013	
				Change	% change
	€000				
Gross Government Debt	4,756,594	5,064,877	5,261,668	196,790	3.9
<i>of which:</i>					
Treasury Bills	253,612	328,350	240,990	-87,360	
Government Stock	4,356,967	4,613,233	4,903,579	290,346	
Foreign Loans Outstanding	64,639	53,537	43,039	-10,497	
Domestic Loans with Commercial Banks	56,379	56,379	56,379	0	
MGSF investments in Government Debt	-25,055	-41,645	-42,579	-934	
Euro Coins issued in the name of the Treasury	50,053	55,024	60,260	5,236	

Source: Central Bank of Malta

Table 4. Revenue/Expenditure categories: year-to-date

Description	Jan-Nov 2012	Jan-Nov 2013	Jan-Nov 2014	Jan-Nov 2014/ Jan-Nov 2013	
				Change	% change
	€000				
Revenue					
Customs and Excise Duties	145,153	167,192	278,756	111,564	
Licences, Taxes and Fines	211,290	202,853	218,862	16,009	
Income Tax	718,680	803,712	860,984	57,272	
Value added Tax	501,799	551,058	593,166	42,107	
Fees of Office	30,286	31,896	51,721	19,825	
Reimbursements	23,946	21,026	22,332	1,306	
Public Corporations	0	0	0	0	
Central Bank of Malta	42,000	48,000	50,000	2,000	
Rents	21,707	20,850	24,808	3,958	
Dividends on Investment	15,301	10,958	5,118	-5,840	
Repayment of and Interest on loans	6,480	2,362	1,123	-1,239	
Social Security Contributions	513,939	543,141	593,830	50,688	
Grants	75,299	140,167	166,412	26,245	
Miscellaneous Receipts	60,169	21,642	28,336	6,694	
Total Recurrent Revenue	2,366,048	2,564,857	2,895,447	330,589	12.9
Receipts from Sale of Shares	0	0	0	0	
Other extraordinary receipts	28,425	28,380	0	-28,380	
Loans	650,569	629,302	648,841	19,540	
Repayment of Loans	52,000	30	0	-30	
Total Non-recurrent Revenue	730,994	657,712	648,841	-8,870	
Total Revenue	3,097,043	3,222,569	3,544,288	321,719	10.0
Recurrent Expenditure					
Personal Emoluments	510,776	543,078	591,217	48,139	
Operational and Maintenance Expenditure	104,649	111,486	119,414	7,928	
Programmes and Initiatives	1,389,825	1,467,700	1,553,006	85,306	
Contributions to Government Entities	192,768	203,231	239,621	36,390	
Total Recurrent Expenditure	2,198,019	2,325,495	2,503,259	177,763	7.6

Table 5. Revenue/Expenditure categories: monthly

Description	November 2012	November 2013	November 2014	November 2014/ November 2013	
				Change	% change
	€000				
Revenue					
Customs and Excise Duties	13,616	11,197	151,173	139,976	
Licences, Taxes and Fines	19,191	13,395	14,300	905	
Income Tax	46,139	54,414	46,064	-8,350	
Value added Tax	78,586	96,090	101,697	5,607	
Fees of Office	4,651	4,394	18,610	14,215	
Reimbursements	2,062	1,971	2,283	312	
Public Corporations	0	0	0	0	
Central Bank of Malta	0	0	6,000	6,000	
Rents	1,462	934	940	6	
Dividends on Investment	1,060	0	0	0	
Repayment of and Interest on loans	5,910	3	3	-1	
Social Security Contributions	49,425	49,486	53,647	4,161	
Grants	203	13,320	106	-13,214	
Miscellaneous Receipts	5,087	3,551	756	-2,796	
Total Recurrent Revenue	227,392	248,756	395,579	146,823	59.0
Receipts from Sale of Shares	0	0	0	0	
Other extraordinary receipts	0	0	0	0	
Loans	139,988	179,981	0	-179,981	
Repayment of Loans	0	0	0	0	
Total Non-recurrent Revenue	191,988	179,981	0	-179,981	
Total Revenue	419,379	428,737	395,579	-33,158	-7.7
Recurrent Expenditure					
Personal Emoluments	45,133	44,651	51,925	7,274	
Operational and Maintenance Expenditure	5,974	10,937	13,135	2,198	
Programmes and Initiatives	124,530	141,320	143,922	2,602	
Contributions to Government Entities	17,120	19,615	23,064	3,449	
Total Recurrent Expenditure	192,757	216,523	232,046	15,523	7.2

Methodological Notes

1. Data in this news release are 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 of which are initially defrayable out of public funds and are eventually repayable from the Consolidated Fund or other sources.

2. This news release follows the guidelines set out in the European System of Accounts (ESA 2010) Manual on Government Deficit and Debt. Therefore, the shortfall between revenue and expenditure as listed in Tables 1 and 2, is essentially the cash-based deficit position as far as the Central Government's Consolidated Fund is concerned. In this respect, revenue that has no impact on the deficit, such as proceeds from loans, proceeds from sale of financial assets, and revenue from other accounts of Government, is 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.
3. 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.
4. 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.
5. In this release Revenue and Expenditure categories are recorded in accordance with their presentation in the 2014 Financial Estimates.
6. Totals may not add up due to rounding.
7. Further detail, including time series data, is accessible through the online statistical database: http://www.nso.gov.mt/statbase/data_table_catalogue.aspx. Registration for accessing the StatDB is required; however this is free-of-charge.