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In the first five months of 2015, Government's Consolidated Fund registered a deficit of €118.9 million.

Government Finance Data: January-May 2015

During January-May, recurrent revenue registered an increase of €185.8 million over January-May last year, which outweighed the rise in expenditure of €65.7 million, hence resulting in a positive change in the Government's Consolidated Fund of €120.0 million.

Recurrent revenue was recorded at €1,339.9 million, up from €1,154.1 million last year. The major contributors to the comparative increase of 16.1 per cent were higher proceeds from Grants (€72.9 million), Customs and Excise Duties (€35.8 million), Income Tax (€25.5 million) and Value Added Tax (€17.9 million). On the other hand, Fees of Office registered a decrease of €4.7 million.

Compared to the first five months last year, total expenditure recorded an increase of €65.7 million due to higher recurrent and capital expenditures and interest payments (Table 1).

Recurrent expenditure went up by €32.6 million, totalling €1,183.9 million. Personal Emoluments recorded the highest increase at €16.9 million, followed by Operational and Maintenance Expenses with a rise of €6.1 million. Contributions to Government Entities went up by €5.0 million and Programmes and Initiatives by €4.7 million (Table 4). The major developments in the Programmes and Initiatives category involved lower outlays on social security benefits (€6.0 million), offset by added expenditure on the one-time additional bonus (€7.1 million) and child care for all (€3.8 million).

The interest component of the public debt servicing costs for the first five months of 2015 stood at €96.1 million from €92.3 million last year (Table 1).

In addition, Government's Capital Expenditure was recorded at €178.7 million, up by €29.2 million from last year (Table 1). This increase was mainly due to added outlays on the acquisition of property for public purposes (€8.0 million), ICT core services agreement (€6.4 million), national identity management systems (€2.4 million) and EU funded expenditure on agriculture (€2.4 million). These were partially outweighed by a lower equity injection to the national air carrier.

At the end of May 2015, Central Government Debt stood at €5,345.2 million, an increase of €61.4 million over the corresponding period last year. This was the result of higher Malta Government Stocks, which added €266.6 million. On the other hand, Treasury Bills and Foreign Loans went down by €162.8 million and €10.6 million respectively. As a result of consolidation, higher holdings by government funds in Malta Government Stocks resulted in a reduction in debt of €37.6 million. The Euro coins issued in the name of the Treasury went up by €5.8 million when compared to the coin stock as at the end of May 2014, and totalled €61.9 million (Table 3) ■

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Table 1. Government finance data: Year to date

Description	Jan-May 2013	Jan-May 2014	Jan-May 2015	Jan-May 2015 / Jan-May 2014	
				Change	% change
€ 000					
(a) Recurrent Revenue	1,096,095	1,154,140	1,339,893	185,752	16.1
<i>of which:</i>					
Grants	62,123	60,318	133,182	72,864	
Customs and Excise Duties	64,358	55,958	91,758	35,800	
Value Added Tax	236,232	262,940	280,844	17,905	
Income Tax	320,287	337,748	363,226	25,478	
Social Security	236,801	257,943	270,802	12,859	
Others	176,294	179,233	200,080	20,848	
(b) Total Expenditure	1,286,897	1,393,031	1,458,743	65,712	4.7
<i>consisting of:</i>					
Recurrent Expenditure	1,037,244	1,151,308	1,183,911	32,604	2.8
<i>of which:</i>					
Education	70,865	75,481	81,818	6,338	
Social Security Benefits	339,947	327,700	321,684	-6,017	
Others	626,432	748,126	780,409	32,282	
Interest	91,805	92,256	96,148	3,891	4.2
Capital Expenditure	157,847	149,467	178,684	29,217	19.5
<i>of which:</i>					
Productive Investment	68,316	45,276	35,495	-9,781	
Infrastructure	72,819	84,492	106,767	22,275	
Social	16,713	19,699	36,422	16,723	
(a-b) Consolidated Fund Surplus/Deficit	-190,802	-238,891	-118,850	120,041	50.2
(c) Financial Transactions					
<i>consisting of:</i>					
<i>Revenue</i>					
Loans	369,621	214,872	168,287	-46,584	
Repayment of Loans	30	0	0	0	
Receipts from Sale of Shares	0	0	700	700	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	0	25,000	0	-25,000	
Equity Acquisition	11,696	12,755	1,059	-11,696	
Repayment of Loan	119,816	24,459	396	-24,063	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Government finance data: Monthly

Description	May 2013	May 2014	May 2015	May 2015 / May 2014	
				Change	% change
€ 000					
(a) Recurrent Revenue	268,256	273,022	291,172	18,150	6.6
<i>of which:</i>					
Grants	9,772	38,452	642	-37,810	
Customs and Excise Duties	27,290	11,736	20,528	8,791	
Value Added Tax	78,203	79,479	93,418	13,939	
Income Tax	65,516	53,518	73,276	19,758	
Social Security	54,782	58,124	61,620	3,496	
Others	32,694	31,714	41,690	9,976	
(b) Total Expenditure	276,064	273,689	301,469	27,780	10.2
<i>consisting of:</i>					
Recurrent Expenditure	221,121	221,585	235,789	14,204	6.4
<i>of which:</i>					
Education	14,824	13,614	14,931	1,316	
Social Security Benefits	59,980	60,998	62,657	1,659	
Others	146,317	146,973	158,201	11,229	
Interest	21,550	20,046	17,787	-2,259	-11.3
Capital Expenditure	33,392	32,058	47,893	15,835	49.4
<i>of which:</i>					
Productive Investment	18,552	6,149	17,080	10,930	
Infrastructure	11,357	20,385	20,688	303	
Social	3,483	5,523	10,126	4,602	
(a-b) Consolidated Fund Surplus/Deficit	-7,808	-667	-10,297	-9,629	-1,443.6
(c) Financial Transactions					
<i>consisting of:</i>					
<i>Revenue</i>					
Loans	169,999	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	112,566	0	396	396	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 3. Central Government debt

Description	May 2013	May 2014	May 2015	May 2015 / May 2014	
				Change	% change
€ 000					
Total Central Government Debt	5,064,536	5,283,842	5,345,197	61,354	1.2
<i>of which:</i>					
Treasury Bills	349,199	366,867	204,050	-162,817	
Malta Government Stocks	4,601,444	4,801,272	5,067,862	266,591	
Foreign Loans	53,822	43,180	32,602	-10,578	
Domestic Loans with Commercial Banks	56,379	56,379	56,379	0	
MGSF investments in Government Debt	-48,055	-39,983	-77,579	-37,596	
Euro Coins issued in the name of the Treasury	51,748	56,128	61,883	5,755	

Note: Totals may not add up due to rounding.

Table 4. Revenue/Expenditure categories: Year to date

Description	Jan-May 2013	Jan-May 2014	Jan-May 2015	Jan-May 2015 / Jan-May 2014	
				Change	% change
€ 000					
Total Recurrent Revenue	1,096,095	1,154,140	1,339,893	185,752	16.1
Customs and Excise Duties	64,358	55,958	91,758	35,800	
Licences, Taxes and Fines	96,306	102,224	115,133	12,910	
Income Tax	320,287	337,748	363,226	25,478	
Value Added Tax	236,232	262,940	280,844	17,905	
Fees of Office	14,051	15,576	10,842	-4,734	
Reimbursements	8,497	8,815	9,403	588	
Public Corporations	0	0	0	0	
Central Bank of Malta	30,000	30,000	30,000	0	
Rents	10,648	10,858	10,395	-463	
Dividends on Investment	3,522	2,375	6,154	3,779	
Interest on loans made by Government	1,193	933	71	-862	
Social Security	236,801	257,943	270,802	12,859	
Grants	62,123	60,318	133,182	72,864	
Miscellaneous Receipts	12,078	8,453	18,082	9,629	
Total Non-Recurrent Revenue	369,651	214,872	168,987	-45,884	
Receipts from Sale of Shares	0	0	700	700	
Other extraordinary receipts	0	0	0	0	
Loans	369,621	214,872	168,287	-46,584	
Repayment of Loans	30	0	0	0	
Total Revenue	1,465,746	1,369,012	1,508,880	139,868	10.2
Recurrent Expenditure					
Personal Emoluments	243,742	262,442	279,321	16,879	
Operational and Maintenance Expenses	50,209	60,200	66,277	6,078	
Programmes and Initiatives	655,341	712,345	717,026	4,681	
Contributions to Government Entities	87,952	116,321	121,287	4,966	
Total Recurrent Expenditure	1,037,244	1,151,308	1,183,911	32,604	2.8

Note: Totals may not add up due to rounding.

Table 5. Revenue/Expenditure categories: Monthly

Description	May 2013	May 2014	May 2015	May 2015 / May 2014	
				Change	% change
€ 000					
Total Recurrent Revenue	268,256	273,022	291,172	18,150	6.6
Customs and Excise Duties	27,290	11,736	20,528	8,791	
Licences, Taxes and Fines	16,166	18,924	29,636	10,712	
Income Tax	65,516	53,518	73,276	19,758	
Value Added Tax	78,203	79,479	93,418	13,939	
Fees of Office	4,547	4,572	3,185	-1,387	
Reimbursements	890	1,644	1,771	126	
Public Corporations	0	0	0	0	
Central Bank of Malta	0	0	0	0	
Rents	4,333	3,965	1,685	-2,280	
Dividends on Investment	2,952	2,300	4,467	2,167	
Interest on loans made by Government	1	0	-2	-2	
Social Security	54,782	58,124	61,620	3,496	
Grants	9,772	38,452	642	-37,810	
Miscellaneous Receipts	3,805	308	947	639	
Total Non-Recurrent Revenue	169,999	0	0	0	
Receipts from Sale of Shares	0	0	0	0	
Other extraordinary receipts	0	0	0	0	
Loans	169,999	0	0	0	
Repayment of Loans	0	0	0	0	
Total Revenue	438,255	273,022	291,172	18,150	6.6
Recurrent Expenditure					
Personal Emoluments	43,297	51,631	54,539	2,907	
Operational and Maintenance Expenses	14,502	10,555	13,505	2,949	
Programmes and Initiatives	141,112	131,301	135,441	4,140	
Contributions to Government Entities	22,209	28,098	32,305	4,207	
Total Recurrent Expenditure	221,121	221,585	235,789	14,204	6.4

Note: Totals may not add up due to rounding.

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 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 2015 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. 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>