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In the first nine months of 2015, Government's Consolidated Fund registered a deficit of €161.6 million.

Government Finance Data: January-September 2015

Compared to January-September 2014, recurrent revenue recorded an increase of €285.6 million which outweighed the rise in expenditure of €163.3 million, hence resulting in a positive change in the Government's Consolidated Fund of €122.3 million.

In the first three quarters of this year, recurrent revenue was recorded at €2,512.9 million, up from €2,227.3 million last year. The major contributors to the comparative increase of 12.8 per cent were higher proceeds from Customs and Excise Duties (€74.3 million) and Income Tax (€71.9 million). Additionally, increases were registered in Value Added Tax (€31.9 million), Licences, Taxes and Fines (€29.9 million), Social Security (€28.2 million) and Grants (€23.9 million), among others. Conversely, proceeds from the Central Bank of Malta recorded a decline of €2.0 million (Table 1).

Compared to the same period last year, total expenditure increased by €163.3 million primarily due to higher recurrent and capital expenditures (Table 1).

Recurrent expenditure went up by €137.8 million, totalling €2,197.9 million. Programmes and Initiatives recorded the highest increase at €75.1 million. The major developments in this category involved added expenditure on EU own resources (€20.4 million), followed by outlays on the provision for spare capacity electricity (€10.6 million), increases in medicines and surgical materials (€9.8 million), social security benefits (€9.4 million), the one-time additional bonus (€7.1 million), social security state contribution, which also features as revenue (€6.2 million), contribution towards Church schools (€5.2 million) and child care for all (€4.9 million). Other increases in recurrent expenditure were recorded in Personal Emoluments (€28.4 million), Contributions to Government Entities (€17.9 million) and Operational and Maintenance Expenses (€16.5 million) (Table 4).

The interest component of the public debt servicing costs stood at €173.4 million, up by €1.4 million from last year (Table 1).

Government's capital expenditure was recorded at €303.3 million, up by €24.1 million from last year (Table 1). This increase was mainly due to outlays on the autoclave animal waste facility (€10.2 million), added expenditure funded by the external borders fund (€6.9 million), the acquisition of property for public purposes (€5.4 million) and enterprise investment incentives (€4.8 million), among others. These increases were partially outweighed by a lower equity injection to the national air carrier.

Compiled by:

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At the end of September 2015, Central Government Debt stood at €5,406.3 million, an increase of €58.9 million over the corresponding period last year. This was the result of higher Malta Government Stocks by €167.5 million, partially outweighed by lower Treasury Bills and Foreign Loans by €56.0 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 €48.0 million. The Euro coins issued in the name of the Treasury went up by €5.9 million when compared to the coin stock as at the end of September 2014, and totalled €65.4 million (Table 3) ■

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Table 1. Government finance data: Year to date

Description	Jan-Sep 2013	Jan-Sep 2014	Jan-Sep 2015	Jan-Sep 2015 / Jan-Sep 2014	
				Change	% change
€ 000					
(a) Recurrent Revenue	2,056,245	2,227,318	2,512,922	285,604	12.8
<i>of which:</i>					
Grants	93,751	135,592	159,458	23,866	
Customs and Excise Duties	141,578	111,822	186,124	74,301	
Value Added Tax	404,017	454,031	485,908	31,877	
Income Tax	683,236	728,948	800,887	71,939	
Social Security	441,957	479,529	507,687	28,158	
Others	291,706	317,396	372,859	55,463	
(b) Total Expenditure	2,327,640	2,511,248	2,674,552	163,304	6.5
<i>consisting of:</i>					
Recurrent Expenditure	1,905,506	2,060,037	2,197,874	137,837	6.7
<i>of which:</i>					
Education	126,576	135,774	144,639	8,865	
Social Security Benefits	623,651	638,575	648,017	9,443	
Others	1,155,279	1,285,689	1,405,218	119,529	
Interest	165,460	172,005	173,374	1,369	0.8
Capital Expenditure	256,674	279,206	303,304	24,098	8.6
<i>of which:</i>					
Productive Investment	75,838	57,393	51,379	-6,013	
Infrastructure	145,409	169,510	192,456	22,946	
Social	35,427	52,303	59,469	7,165	
(a-b) Consolidated Fund Surplus/Deficit	-271,395	-283,930	-161,630	122,300	43.1
(c) Financial Transactions					
<i>consisting of:</i>					
<i>Revenue</i>					
Loans	449,321	573,841	258,287	-315,554	
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	5,661	29,863	14,863	-15,000	
Equity Acquisition	11,696	13,755	1,059	-12,696	
Repayment of Loan	149,816	263,375	70,547	-192,828	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Government finance data: Monthly

Description	September 2013	September 2014	September 2015	September 2015 / September 2014	
				Change	% change
€ 000					
(a) Recurrent Revenue	218,430	240,517	290,492	49,975	20.8
<i>of which:</i>					
Grants	161	107	34	-72	
Customs and Excise Duties	14,514	14,918	25,902	10,985	
Value Added Tax	27,159	31,582	45,324	13,741	
Income Tax	90,503	99,897	106,911	7,013	
Social Security	52,438	56,065	64,306	8,241	
Others	33,655	37,949	48,015	10,066	
(b) Total Expenditure	292,910	314,549	311,119	-3,430	-1.1
<i>consisting of:</i>					
Recurrent Expenditure	237,874	269,235	258,583	-10,651	-4.0
<i>of which:</i>					
Education	13,912	15,702	15,310	-392	
Social Security Benefits	97,265	107,616	79,058	-28,559	
Others	126,697	145,916	164,216	18,300	
Interest	16,890	20,218	20,635	417	2.1
Capital Expenditure	38,147	25,097	31,901	6,804	27.1
<i>of which:</i>					
Productive Investment	1,782	583	5,740	5,157	
Infrastructure	28,108	20,137	18,187	-1,950	
Social	8,257	4,377	7,975	3,597	
(a-b) Consolidated Fund Surplus/Deficit	-74,480	-74,031	-20,627	53,404	72.1
(c) Financial Transactions					
<i>consisting of:</i>					
<i>Revenue</i>					
Loans	79,700	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	5,000	5,000	
Equity Acquisition	0	0	0	0	
Repayment of Loan	0	0	665	665	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 3. Central Government debt

Description	September 2013	September 2014	September 2015	September 2015 / September 2014	
				Change	% change
€ 000					
Total Central Government Debt	5,155,461	5,347,438	5,406,314	58,876	1.1
<i>of which:</i>					
Treasury Bills	422,650	308,567	252,600	-55,967	
Malta Government Stocks	4,651,144	4,922,461	5,089,988	167,527	
Foreign Loans	53,724	43,135	32,525	-10,611	
Domestic Loans with Commercial Banks	56,379	56,379	56,379	0	
MGSF investments in Government Debt	-82,710	-42,579	-90,579	-48,000	
Euro Coins issued in the name of the Treasury	54,275	59,475	65,402	5,927	

Note: Totals may not add up due to rounding.

Table 4. Revenue/Expenditure categories: Year to date

Description	Jan-Sep 2013	Jan-Sep 2014	Jan-Sep 2015	Jan-Sep 2015 / Jan-Sep 2014	
				Change	% change
€ 000					
Total Recurrent Revenue	2,056,245	2,227,318	2,512,922	285,604	12.8
Customs and Excise Duties	141,578	111,822	186,124	74,301	
Licences, Taxes and Fines	160,744	175,911	205,800	29,889	
Income Tax	683,236	728,948	800,887	71,939	
Value Added Tax	404,017	454,031	485,908	31,877	
Fees of Office	24,959	29,923	35,721	5,799	
Reimbursements	17,108	17,748	17,750	2	
Public Corporations	0	0	0	0	
Central Bank of Malta	42,000	44,000	42,000	-2,000	
Rents	18,981	22,614	22,336	-278	
Dividends on Investment	10,914	5,118	14,690	9,572	
Interest on loans made by Government	1,408	1,120	188	-932	
Social Security	441,957	479,529	507,687	28,158	
Grants	93,751	135,592	159,458	23,866	
Miscellaneous Receipts	15,593	20,962	34,373	13,411	
Total Non-Recurrent Revenue	449,351	573,841	258,987	-314,854	
Receipts from Sale of Shares	0	0	700	700	
Other extraordinary receipts	0	0	0	0	
Loans	449,321	573,841	258,287	-315,554	
Repayment of Loans	30	0	0	0	
Total Revenue	2,505,596	2,801,160	2,771,910	-29,250	-1.0
Recurrent Expenditure					
Personal Emoluments	449,133	485,907	514,300	28,393	
Operational and Maintenance Expenses	90,708	94,991	111,459	16,468	
Programmes and Initiatives	1,200,630	1,282,904	1,357,960	75,056	
Contributions to Government Entities	165,036	196,236	214,155	17,919	
Total Recurrent Expenditure	1,905,506	2,060,037	2,197,874	137,837	6.7

Note: Totals may not add up due to rounding.

Table 5. Revenue/Expenditure categories: Monthly

Description	September 2013	September 2014	September 2015	September 2015 / September 2014	
				Change	% change
	€ 000				
Total Recurrent Revenue	218,430	240,517	290,492	49,975	20.8
Customs and Excise Duties	14,514	14,918	25,902	10,985	
Licences, Taxes and Fines	16,635	14,598	25,494	10,895	
Income Tax	90,503	99,897	106,911	7,013	
Value Added Tax	27,159	31,582	45,324	13,741	
Fees of Office	3,861	4,747	6,567	1,820	
Reimbursements	3,265	3,010	2,337	-674	
Public Corporations	0	0	0	0	
Central Bank of Malta	6,000	7,000	6,000	-1,000	
Rents	1,865	2,470	821	-1,648	
Dividends on Investment	952	812	5,417	4,605	
Interest on loans made by Government	0	89	56	-33	
Social Security	52,438	56,065	64,306	8,241	
Grants	161	107	34	-72	
Miscellaneous Receipts	1,077	5,223	1,323	-3,900	
Total Non-Recurrent Revenue	79,700	0	0	0	
Receipts from Sale of Shares	0	0	0	0	
Other extraordinary receipts	0	0	0	0	
Loans	79,700	0	0	0	
Repayment of Loans	0	0	0	0	
Total Revenue	298,130	240,517	290,492	49,975	20.8
Recurrent Expenditure					
Personal Emoluments	54,681	58,872	64,125	5,253	
Operational and Maintenance Expenses	8,748	10,246	9,357	-889	
Programmes and Initiatives	150,479	176,707	168,761	-7,946	
Contributions to Government Entities	23,966	23,409	16,340	-7,069	
Total Recurrent Expenditure	237,874	269,235	258,583	-10,651	-4.0

Note: Totals may not add up due to rounding.

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 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>