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In January-October 2015, Government's Consolidated Fund registered a deficit of €204.5 million.

Government Finance Data: January-October 2015

Compared to January-October 2014, recurrent revenue recorded an increase of €266.2 million which outweighed the rise in expenditure of €188.2 million, hence resulting in a positive change in the Government's Consolidated Fund of €78.1 million.

In the period under review, recurrent revenue was recorded at €2,766.1 million, up from €2,499.9 million last year. The major contributors to the comparative increase of 10.6 per cent were higher proceeds from Customs and Excise Duties (€83.4 million) and Income Tax (€74.8 million). Additionally, increases were registered in Social Security (€29.9 million), Licences, Taxes and Fines (€27.9 million), Value Added Tax (€18.2 million) and Miscellaneous Receipts (€15.2 million), among others. Conversely, proceeds from the Central Bank of Malta recorded a decline of €2.0 million (Tables 1 and 4).

Compared to the same period last year, total expenditure increased by €188.2 million due to higher capital and recurrent expenditures and interest payments (Table 1).

Recurrent expenditure went up by €162.9 million, totalling €2,434.1 million. Programmes and Initiatives recorded the highest increase at €91.8 million. The major developments in this category involved added expenditure on EU own resources (€17.4 million), followed by outlays on the provision for spare capacity electricity (€14.2 million), social security benefits (€12.4 million), increases in medicines and surgical materials (€11.9 million), social security state contribution, which also features as revenue (€10.3 million), the one-time additional bonus (€7.1 million), contribution towards Church schools (€6.2 million) and child care for all (€6.1 million). Other increases in recurrent expenditure were recorded in Contributions to Government Entities (€29.1 million), Personal Emoluments (€26.0 million) and Operational and Maintenance Expenses (€15.9 million) (Table 4).

The interest component of the public debt servicing costs stood at €195.8 million, up by €3.8 million from last year (Table 1).

Government's capital expenditure was recorded at €340.7 million, up by €21.5 million from last year (Table 1). This increase was mainly due to outlays on the autoclave animal waste facility of €10.9 million, an increase in the acquisition of property for public purposes (€10.4 million), higher enterprise investment incentives (€9.2 million) and added expenditure funded by the external borders fund (€7.7 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 October 2015, Central Government Debt stood at €5,393.2 million, an increase of €17.4 million over the corresponding period last year. This was the result of higher Malta Government Stocks by €126.2 million, partially outweighed by lower Treasury Bills and Foreign Loans by €74.9 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 €30.0 million. The Euro coins issued in the name of the Treasury went up by €6.7 million when compared to the coin stock as at the end of October 2014, and totalled €66.7 million (Table 3) ■

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Table 1. Government finance data: Year to date

Description	Jan-Oct 2013	Jan-Oct 2014	Jan-Oct 2015	Jan-Oct 2015 / Jan-Oct 2014	
				Change	% change
€ 000					
(a) Recurrent Revenue	2,316,101	2,499,868	2,766,085	266,217	10.6
<i>of which:</i>					
Grants	126,847	166,306	171,395	5,089	
Customs and Excise Duties	155,994	127,583	210,993	83,410	
Value Added Tax	454,968	491,468	509,664	18,196	
Income Tax	749,299	814,920	889,751	74,831	
Social Security	493,656	540,183	570,059	29,876	
Others	335,338	359,408	414,222	54,814	
(b) Total Expenditure	2,601,752	2,782,432	2,970,595	188,163	6.8
<i>consisting of:</i>					
Recurrent Expenditure	2,108,972	2,271,213	2,434,095	162,883	7.2
<i>of which:</i>					
Education	140,101	149,347	158,726	9,379	
Social Security Benefits	680,626	697,642	710,048	12,406	
Others	1,288,245	1,424,224	1,565,322	141,098	
Interest	189,033	192,074	195,848	3,774	2.0
Capital Expenditure	303,747	319,145	340,651	21,506	6.7
<i>of which:</i>					
Productive Investment	82,087	62,253	53,841	-8,412	
Infrastructure	179,987	197,065	221,944	24,879	
Social	41,673	59,827	64,866	5,039	
(a-b) Consolidated Fund Surplus/Deficit	-285,651	-282,564	-204,511	78,054	27.6
(c) Financial Transactions					
<i>consisting of:</i>					
<i>Revenue</i>					
Loans	449,321	648,841	438,235	-210,607	
Repayment of Loans	30	0	0	0	
Receipts from Sale of Shares	0	0	700	700	
Other extraordinary receipts	28,380	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	5,661	29,863	14,863	-15,000	
Equity Acquisition	25,510	13,755	1,059	-12,696	
Repayment of Loan	370,113	263,375	216,200	-47,174	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Government finance data: Monthly

Description	October 2013	October 2014	October 2015	October 2015 / October 2014	
				Change	% change
€ 000					
(a) Recurrent Revenue	259,856	272,550	253,162	-19,387	-7.1
<i>of which:</i>					
Grants	33,096	30,714	11,937	-18,777	
Customs and Excise Duties	14,417	15,761	24,870	9,109	
Value Added Tax	50,951	37,437	23,756	-13,681	
Income Tax	66,062	85,972	88,864	2,892	
Social Security	51,699	60,653	62,372	1,719	
Others	43,631	42,013	41,364	-649	
(b) Total Expenditure	274,112	271,184	296,043	24,859	9.2
<i>consisting of:</i>					
Recurrent Expenditure	203,466	211,175	236,221	25,046	11.9
<i>of which:</i>					
Education	13,525	13,573	14,087	514	
Social Security Benefits	56,974	59,068	62,030	2,963	
Others	132,967	138,535	160,104	21,569	
Interest	23,573	20,069	22,474	2,405	12.0
Capital Expenditure	47,073	39,940	37,348	-2,592	-6.5
<i>of which:</i>					
Productive Investment	6,249	4,860	2,462	-2,398	
Infrastructure	34,578	27,556	29,488	1,932	
Social	6,246	7,523	5,397	-2,126	
(a-b) Consolidated Fund Surplus/Deficit	-14,256	1,366	-42,881	-44,246	-3,239.8
(c) Financial Transactions					
<i>consisting of:</i>					
<i>Revenue</i>					
Loans	0	75,000	179,947	104,947	
Repayment of Loans	0	0	0	0	
Receipts from Sale of Shares	0	0	0	0	
Other extraordinary receipts	28,380	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	0	0	0	0	
Equity Acquisition	13,814	0	0	0	
Repayment of Loan	220,297	0	145,653	145,653	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 3. Central Government debt

Description	October 2013	October 2014	October 2015	October 2015 / October 2014	
				Change	% change
€ 000					
Total Central Government Debt	4,998,348	5,375,822	5,393,199	17,377	0.3
<i>of which:</i>					
Treasury Bills	444,450	261,417	186,550	-74,867	
Malta Government Stocks	4,430,847	4,997,461	5,123,617	126,156	
Foreign Loans	53,715	43,136	32,532	-10,604	
Domestic Loans with Commercial Banks	56,379	56,379	56,379	0	
MGSF investments in Government Debt	-41,645	-42,579	-72,579	-30,000	
Euro Coins issued in the name of the Treasury	54,602	60,009	66,701	6,692	

Note: Totals may not add up due to rounding.

Table 4. Revenue/Expenditure categories: Year to date

Description	Jan-Oct 2013	Jan-Oct 2014	Jan-Oct 2015	Jan-Oct 2015 / Jan-Oct 2014	
				Change	% change
€ 000					
Total Recurrent Revenue	2,316,101	2,499,868	2,766,085	266,217	10.6
Customs and Excise Duties	155,994	127,583	210,993	83,410	
Licences, Taxes and Fines	189,458	204,562	232,423	27,861	
Income Tax	749,299	814,920	889,751	74,831	
Value Added Tax	454,968	491,468	509,664	18,196	
Fees of Office	27,502	33,112	37,597	4,485	
Reimbursements	19,055	20,049	19,904	-145	
Public Corporations	0	0	0	0	
Central Bank of Malta	48,000	44,000	42,000	-2,000	
Rents	19,916	23,868	24,611	743	
Dividends on Investment	10,958	5,118	14,690	9,572	
Interest on loans made by Government	2,358	1,120	189	-931	
Social Security	493,656	540,183	570,059	29,876	
Grants	126,847	166,306	171,395	5,089	
Miscellaneous Receipts	18,090	27,580	42,809	15,229	
Total Non-Recurrent Revenue	477,731	648,841	438,935	-209,907	
Receipts from Sale of Shares	0	0	700	700	
Other extraordinary receipts	28,380	0	0	0	
Loans	449,321	648,841	438,235	-210,607	
Repayment of Loans	30	0	0	0	
Total Revenue	2,793,832	3,148,709	3,205,019	56,310	1.8
Recurrent Expenditure					
Personal Emoluments	498,428	539,293	565,332	26,039	
Operational and Maintenance Expenses	100,549	106,279	122,227	15,948	
Programmes and Initiatives	1,326,380	1,409,084	1,500,926	91,842	
Contributions to Government Entities	183,615	216,557	245,610	29,053	
Total Recurrent Expenditure	2,108,972	2,271,213	2,434,095	162,883	7.2

Note: Totals may not add up due to rounding.

Table 5. Revenue/Expenditure categories: Monthly

Description	October 2013	October 2014	October 2015	October 2015 / October 2014	
				Change	% change
	€ 000				
Total Recurrent Revenue	259,856	272,550	253,162	-19,387	-7.1
Customs and Excise Duties	14,417	15,761	24,870	9,109	
Licences, Taxes and Fines	28,715	28,651	26,623	-2,028	
Income Tax	66,062	85,972	88,864	2,892	
Value Added Tax	50,951	37,437	23,756	-13,681	
Fees of Office	2,543	3,189	1,875	-1,314	
Reimbursements	1,947	2,301	2,154	-147	
Public Corporations	0	0	0	0	
Central Bank of Malta	6,000	0	0	0	
Rents	936	1,254	2,275	1,021	
Dividends on Investment	44	0	0	0	
Interest on loans made by Government	951	0	0	0	
Social Security	51,699	60,653	62,372	1,719	
Grants	33,096	30,714	11,937	-18,777	
Miscellaneous Receipts	2,497	6,618	8,436	1,818	
Total Non-Recurrent Revenue	28,380	75,000	179,947	104,947	
Receipts from Sale of Shares	0	0	0	0	
Other extraordinary receipts	28,380	0	0	0	
Loans	0	75,000	179,947	104,947	
Repayment of Loans	0	0	0	0	
Total Revenue	288,236	347,550	433,110	85,560	24.6
Recurrent Expenditure					
Personal Emoluments	49,295	53,386	51,032	-2,354	
Operational and Maintenance Expenses	9,841	11,288	10,768	-520	
Programmes and Initiatives	125,751	126,180	142,966	16,786	
Contributions to Government Entities	18,579	20,321	31,455	11,134	
Total Recurrent Expenditure	203,466	211,175	236,221	25,046	11.9

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>