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In 2014, Social protection accounted for 31.8 per cent of total General Government expenditure, followed by expenditure on General public services, Health and Education.

## Expenditure of General Government Sector by Function: 2010-2014

Total General Government expenditure for 2014 was €3,495.7 million, an increase of €286.4 million compared with the previous year. There were increases in Social protection (€56.2 million), primarily observed in pensions, children's allowance and child care expenditure and Health (€52.2 million) mainly on Hospital services. Additionally, Economic affairs went up by €46.0 million as a result of higher expenditure on roads whilst General public services increased by €39.3 million. Education also advanced by €28.8 million mainly in the Pre-primary and Primary education (Table 1).

Expenditure by function as a percentage of total General Government expenditure was largely in line with earlier years. The highest expenditure in 2014 was on Social protection (31.8 per cent), followed by General public services (16.4 per cent), Health (13.9 per cent), Education (13.5 per cent) and Economic affairs (12.5 per cent). In contrast, expenditure on Housing and community amenities had the lowest contribution to total expenditure, followed by Defence, representing 0.8 per cent and 1.8 per cent respectively (Table 2).

In total, General Government expenditure went up to 43.1 per cent of GDP in 2014 from 41.9 per cent in 2013 (Table 3).

In 2014, the key components of General Government expenditure were Compensation of employees and Social benefits and social transfers in kind with a total expenditure of €1,053.5 million and €1,004.1 million respectively. As regards Compensation of employees, the largest amounts were recorded in Education (€294.2 million), Health (€268.5 million), General public service (€113.1 million) and Economic affairs (€105.9 million). Other major components of General Government expenditure were Intermediate consumption (€526.8 million), Gross capital formation (€293.6 million) and Property income payable (€322.4 million). These five major components made up 89.0 per cent of total General Government expenditure whereas the remaining expenditure involved Subsidies and Transfers (Table 4).

When examining General Government expenditure in a more detailed breakdown (by group using the COFOG classification), for 2014, the largest expenditure was on Old age (€648.8 million) which represented 58.4 per cent of total expenditure on Social protection. This was followed by Hospital services (€325.0 million) making up 66.9 per cent of total expenditure on Health. Moreover, large spending is registered on Public debt transactions (€234.0 million) and Executive and legislative organs, financial, fiscal and external affairs (€233.9 million) (Table 5) ■

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

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COFOG	2010	2011	2012	2013	2014
General public services	451,081	492,426	536,333	534,083	573,379
Defence	50,395	55,957	50,641	49,084	62,893
Public order and safety	92,343	94,503	101,969	106,646	111,136
Economic affairs	290,904	301,935	359,785	391,323	437,284
Environment protection	128,340	87,514	100,872	104,446	127,985
Housing and community amenities	21,639	23,595	31,967	25,861	27,784
Health	346,758	370,382	395,010	433,860	486,018
Recreation, culture and religion	51,475	58,340	66,261	68,126	88,395
Education	371,202	391,357	415,363	441,650	470,415
Social protection	906,048	944,202	1,004,700	1,054,163	1,110,397
<b>Total</b>	<b>2,710,184</b>	<b>2,820,210</b>	<b>3,062,902</b>	<b>3,209,243</b>	<b>3,495,686</b>

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

COFOG	2010	2011	2012	2013	2014
General public services	16.6	17.5	17.5	16.6	16.4
Defence	1.9	2.0	1.7	1.5	1.8
Public order and safety	3.4	3.4	3.3	3.3	3.2
Economic affairs	10.7	10.7	11.7	12.2	12.5
Environment protection	4.7	3.1	3.3	3.3	3.7
Housing and community amenities	0.8	0.8	1.0	0.8	0.8
Health	12.8	13.1	12.9	13.5	13.9
Recreation, culture and religion	1.9	2.1	2.2	2.1	2.5
Education	13.7	13.9	13.6	13.8	13.5
Social protection	33.4	33.5	32.8	32.8	31.8
<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	2010	2011	2012	2013	2014
General public services	7.3	7.2	7.4	7.0	7.1
Defence	0.8	0.8	0.7	0.6	0.8
Public order and safety	1.5	1.4	1.4	1.4	1.4
Economic affairs	4.7	4.4	5.0	5.1	5.4
Environment protection	2.1	1.3	1.4	1.4	1.6
Housing and community amenities	0.4	0.3	0.4	0.3	0.3
Health	5.6	5.4	5.5	5.7	6.0
Recreation, culture and religion	0.8	0.8	0.9	0.9	1.1
Education	6.0	5.7	5.7	5.8	5.8
Social protection	14.8	13.7	13.9	13.8	13.7
<b>Total</b>	<b>44.1</b>	<b>41.0</b>	<b>42.4</b>	<b>41.9</b>	<b>43.1</b>

Source: News Release No. 224/2015 - Gross Domestic Product: Q3/2015.

Table 4. Components of the General Government expenditure by function 2010-2014 ...

€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	10,368	6,769	95,879	111	203,303	0	73,681	412	59,441	1,115	<b>451,081</b>	131,441
Defence	6,285	0	38,415	0	0	0	5,695	0	0	0	<b>50,395</b>	43,091
Public order and safety	3,201	0	77,096	0	0	0	11,499	0	547	0	<b>92,343</b>	83,991
Economic affairs	28,810	0	98,979	48,971	0	0	71,488	259	15,088	27,310	<b>290,904</b>	173,409
Environment protection	15,512	0	16,330	0	33	0	54,952	1	69	41,444	<b>128,340</b>	77,038
Housing and community amenities	781	0	11,734	59	60	0	8,870	0	0	135	<b>21,639</b>	15,217
Health	17,552	0	202,159	0	0	30,624	96,345	0	78	0	<b>346,758</b>	366,607
Recreation, culture and religion	12,623	0	15,794	2,401	0	0	14,081	29	6,525	20	<b>51,475</b>	22,111
Education	42,756	0	230,740	709	0	26,219	23,961	99	44,987	1,730	<b>371,202</b>	264,456
Social protection	2,675	-807	67,984	597	40	785,582	42,487	0	2,696	4,792	<b>906,048</b>	108,433
<b>Total</b>	<b>140,563</b>	<b>5,962</b>	<b>855,112</b>	<b>52,849</b>	<b>203,437</b>	<b>842,425</b>	<b>403,059</b>	<b>800</b>	<b>129,430</b>	<b>76,546</b>	<b>2,710,184</b>	<b>1,285,795</b>
<b>2011</b>												
General public services	18,725	2,059	99,176	2,489	216,993	0	86,064	-17	64,879	2,058	<b>492,426</b>	138,659
Defence	11,674	0	37,984	0	0	0	6,273	0	27	0	<b>55,957</b>	44,871
Public order and safety	3,909	0	78,768	0	0	0	11,254	0	571	0	<b>94,503</b>	86,217
Economic affairs	61,253	0	97,369	41,534	0	0	67,818	285	2,415	31,262	<b>301,935</b>	181,836
Environment protection	10,531	0	15,244	0	33	0	56,415	1	33	5,258	<b>87,514</b>	73,354
Housing and community amenities	527	0	12,383	42	60	0	10,582	0	0	0	<b>23,595</b>	15,564
Health	20,663	0	211,070	0	0	35,010	103,532	0	106	1	<b>370,382</b>	387,123
Recreation, culture and religion	16,371	0	16,075	3,399	0	0	15,061	26	7,147	261	<b>58,340</b>	23,860
Education	43,746	0	242,411	648	0	27,268	27,152	-50	47,710	2,472	<b>391,357</b>	282,632
Social protection	-2,385	-2	71,765	2,908	40	816,628	46,031	0	4,769	4,448	<b>944,202</b>	110,407
<b>Total</b>	<b>185,013</b>	<b>2,057</b>	<b>882,246</b>	<b>51,020</b>	<b>217,126</b>	<b>878,906</b>	<b>430,182</b>	<b>245</b>	<b>127,656</b>	<b>45,760</b>	<b>2,820,210</b>	<b>1,344,523</b>

... Table 4. Components of the General Government expenditure by function 2010-2014

€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	30,645	11,669	105,226	2,281	215,302	0	101,480	-152	66,667	3,216	<b>536,333</b>	157,714
Defence	9,515	0	36,493	0	0	0	4,581	0	52	0	<b>50,641</b>	43,996
Public order and safety	7,164	0	83,897	0	0	0	10,491	0	417	0	<b>101,969</b>	90,080
Economic affairs	72,127	0	93,915	62,853	0	0	76,325	568	652	53,345	<b>359,785</b>	186,837
Environment protection	19,301	0	16,866	0	33	0	61,511	1	16	3,145	<b>100,872</b>	84,410
Housing and community amenities	2,767	0	12,292	44	60	0	16,803	0	0	0	<b>31,967</b>	22,553
Health	26,571	0	223,110	0	0	28,203	117,104	0	23	0	<b>395,010</b>	406,516
Recreation, culture and religion	15,538	21	17,342	5,530	0	0	17,281	12	9,861	675	<b>66,261</b>	27,323
Education	39,488	0	257,853	582	0	30,581	31,018	14	52,503	3,324	<b>415,363</b>	302,478
Social protection	2,918	-350	75,396	5,592	273	866,090	46,597	0	4,852	3,332	<b>1,004,700</b>	125,586
<b>Total</b>	<b>226,034</b>	<b>11,340</b>	<b>922,392</b>	<b>76,882</b>	<b>215,667</b>	<b>924,873</b>	<b>483,192</b>	<b>442</b>	<b>135,043</b>	<b>67,037</b>	<b>3,062,902</b>	<b>1,447,494</b>
<b>2013</b>												
General public services	21,732	6,306	102,613	397	219,228	0	86,681	164	94,929	2,032	<b>534,083</b>	119,992
Defence	4,776	0	37,637	0	0	0	6,641	0	30	0	<b>49,084</b>	47,236
Public order and safety	7,446	0	87,650	0	0	0	11,063	0	487	0	<b>106,646</b>	97,221
Economic affairs	53,101	0	104,890	67,932	0	0	65,323	403	21,477	78,197	<b>391,323</b>	190,703
Environment protection	19,932	0	16,551	0	36	0	58,665	1	18	9,244	<b>104,446</b>	83,006
Housing and community amenities	684	0	12,683	352	67	0	12,005	0	70	0	<b>25,861</b>	15,758
Health	35,099	0	239,047	0	0	32,091	127,502	0	122	0	<b>433,860</b>	435,415
Recreation, culture and religion	21,116	0	18,082	2,309	0	0	17,937	27	8,372	283	<b>68,126</b>	28,200
Education	42,124	0	276,591	552	0	30,376	33,755	19	57,093	1,141	<b>441,650</b>	324,426
Social protection	1,663	0	82,012	8,729	1,187	901,703	52,061	0	2,379	4,429	<b>1,054,163</b>	137,396
<b>Total</b>	<b>207,672</b>	<b>6,306</b>	<b>977,755</b>	<b>80,271</b>	<b>220,518</b>	<b>964,169</b>	<b>471,633</b>	<b>615</b>	<b>184,978</b>	<b>95,327</b>	<b>3,209,243</b>	<b>1,479,353</b>

... Table 4. Components of the General Government expenditure by function 2010-2014

€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>2014</b>												
General public services	26,759	804	113,102	72	231,019	0	88,246	184	112,286	907	<b>573,379</b>	134,825
Defence	19,274	0	38,614	0	0	0	4,984	0	21	0	<b>62,893</b>	47,782
Public order and safety	6,452	0	93,205	0	0	0	9,449	0	1,769	262	<b>111,136</b>	100,023
Economic affairs	86,188	0	105,948	93,368	0	0	77,548	710	1,425	72,096	<b>437,284</b>	199,805
Environment protection	34,008	0	17,998	534	0	0	66,220	0	0	9,225	<b>127,985</b>	94,281
Housing and community amenities	3,351	0	12,715	391	0	0	10,922	0	400	4	<b>27,784</b>	14,261
Health	47,387	0	268,481	0	0	27,664	141,797	0	79	610	<b>486,018</b>	474,279
Recreation, culture and religion	32,614	0	22,157	2,606	0	0	24,725	0	5,999	294	<b>88,395</b>	43,705
Education	38,721	0	294,229	587	0	36,880	36,163	48	61,973	1,815	<b>470,415</b>	346,310
Social protection	-1,112	0	87,073	7,434	1,329	939,547	66,699	0	2,122	7,305	<b>1,110,397</b>	159,547
<b>Total</b>	<b>293,642</b>	<b>804</b>	<b>1,053,520</b>	<b>104,993</b>	<b>232,348</b>	<b>1,004,092</b>	<b>526,752</b>	<b>943</b>	<b>186,074</b>	<b>92,518</b>	<b>3,495,686</b>	<b>1,614,819</b>

Chart 1. General Government Expenditure by Function 2010-2014

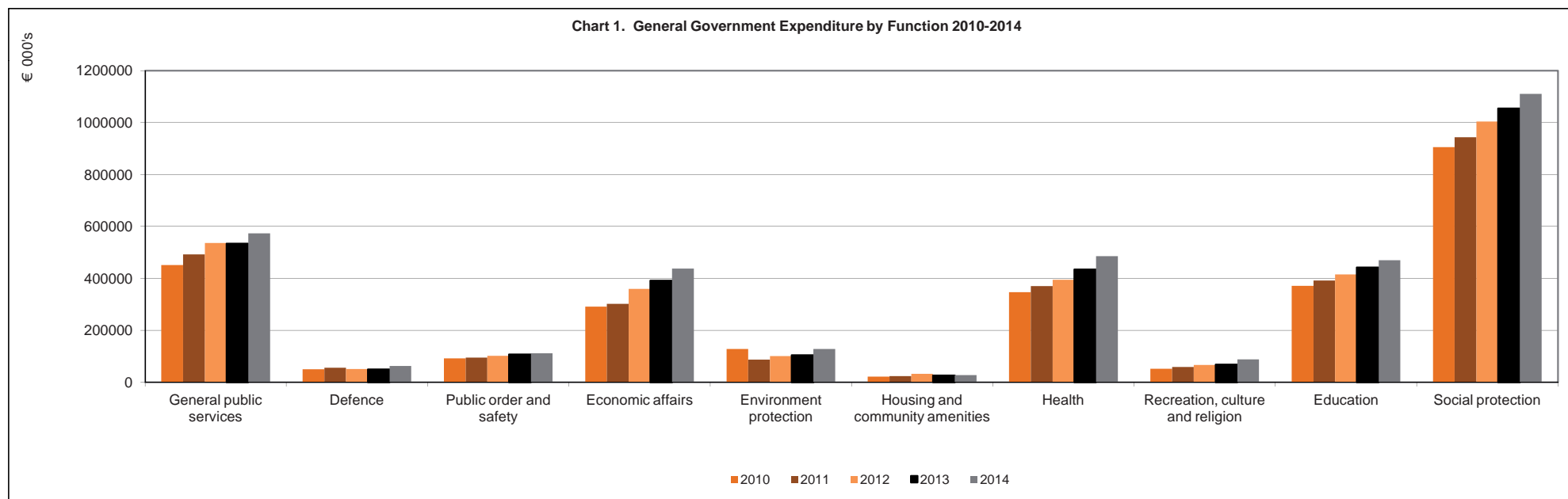


Table 5. General Government expenditure by second level function 2010-2014 ...

€000

	2010	2011	2012	2013	2014
<b>1. General public services</b>	<b>451,081</b>	<b>492,426</b>	<b>536,333</b>	<b>534,083</b>	<b>573,379</b>
Executive and legislative organs, financial, fiscal and external affairs	145,376	178,536	191,216	205,403	233,911
Foreign economic aid	329	371	1,225	1,035	937
General services	93,370	82,997	113,241	90,387	91,367
Basic Research	0	0	0	0	0
R&D General public services	0	887	565	747	682
General public services n.e.c.	5,822	9,084	11,140	14,262	12,448
Public debt transactions	206,183	220,551	218,948	222,250	234,032
Transfers of a general character between levels of government	0	0	0	0	0
<b>2. Defence</b>	<b>50,395</b>	<b>55,957</b>	<b>50,641</b>	<b>49,084</b>	<b>62,893</b>
Military defence	50,395	55,957	50,641	49,084	62,893
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>92,343</b>	<b>94,503</b>	<b>101,969</b>	<b>106,646</b>	<b>111,136</b>
Police services	56,400	56,307	62,415	61,930	64,982
Fire-protection services	4,864	5,086	5,127	5,007	5,168
Law courts	20,922	22,954	23,414	28,023	29,069
Prisons	9,779	9,854	10,745	11,228	11,822
R&D Public order and safety	376	231	178	459	96
Public order and safety n.e.c.	0	69	90	0	0
<b>4. Economic affairs</b>	<b>290,904</b>	<b>301,935</b>	<b>359,785</b>	<b>391,323</b>	<b>437,284</b>
General economic, commercial and labour affairs	71,587	60,193	83,107	141,919	122,558
Agriculture, forestry, fishing and hunting	46,925	43,771	43,987	39,879	32,885
Fuel and energy	13,891	8,786	26,114	33,449	46,254
Mining, manufacturing and construction	42,264	43,149	43,996	37,449	36,514
Transport	60,391	79,390	95,230	72,549	127,327
Communication	6,351	7,247	7,370	7,277	8,091
Other industries	47,010	56,626	54,783	55,033	54,134
R&D Economic affairs	2,464	2,752	5,198	3,768	9,521
Economic affairs n.e.c.	20	22	0	0	0
<b>5. Environment protection</b>	<b>128,340</b>	<b>87,514</b>	<b>100,872</b>	<b>104,446</b>	<b>127,985</b>
Waste management	48,752	44,795	51,669	52,786	67,206
Waste water management	57,560	18,594	27,385	31,527	36,406
Pollution abatement	310	-1	11	-5	3,803
Protection of biodiversity and landscape	17,785	17,515	16,880	18,111	18,674
R&D Environmental protection	38	94	168	120	128
Environmental protection n.e.c.	3,894	6,516	4,759	1,908	1,768
<b>6. Housing and community amenities</b>	<b>21,639</b>	<b>23,595</b>	<b>31,967</b>	<b>25,861</b>	<b>27,784</b>
Housing development	5,452	5,368	5,622	6,633	8,861
Community development	9,962	13,003	14,808	13,436	12,848
Water supply	0	0	0	70	400
Street lighting	5,470	4,815	11,316	5,500	5,500
R&D Housing and community amenities	543	206	0	0	0
Housing and community amenities n.e.c.	213	203	222	222	176
<b>7. Health</b>	<b>346,758</b>	<b>370,382</b>	<b>395,010</b>	<b>433,860</b>	<b>486,018</b>
Medical products, appliances and equipment	38,679	42,530	37,337	46,176	43,653
Outpatient services	57,106	63,257	68,794	74,678	83,872
Hospital services	223,616	229,248	263,894	283,070	324,961
Public health services	10,464	9,833	9,970	2,867	1,950
R&D Health	9	1,138	0	0	0
Health n.e.c.	16,883	24,375	15,016	27,069	31,583
<b>8. Recreation, culture and religion</b>	<b>51,475</b>	<b>58,340</b>	<b>66,261</b>	<b>68,126</b>	<b>88,395</b>
Recreational and sporting services	8,920	10,878	12,121	10,802	7,542
Cultural services	36,157	39,991	46,168	50,463	69,999
Broadcasting and publishing services	2,992	2,935	2,949	2,679	2,935
Religious and other community services	823	1,133	1,552	699	1,838
R&D Recreation, culture and religion	97	144	1	1	0
Recreation, culture and religion n.e.c.	2,485	3,257	3,470	3,481	6,080

... Table 5. General Government expenditure by second level function 2010-2014

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	2010	2011	2012	2013	2014
<b>9. Education</b>	<b>371,202</b>	<b>391,357</b>	<b>415,363</b>	<b>441,650</b>	<b>470,415</b>
Pre-primary and primary education	84,178	96,425	104,613	104,879	122,213
Secondary education	152,092	144,908	152,162	160,033	165,697
Post-secondary non-tertiary education	4,444	6,604	6,503	7,304	9,058
Tertiary education	62,095	73,128	72,701	86,276	85,414
Education not definable by level	670	955	1,476	1,737	2,614
Subsidiary services to education	4,845	5,553	7,932	7,880	9,479
R&D Education	24,762	25,579	33,560	33,958	33,758
Education n.e.c.	38,115	38,205	36,417	39,584	42,181
<b>10. Social protection</b>	<b>906,048</b>	<b>944,202</b>	<b>1,004,700</b>	<b>1,054,163</b>	<b>1,110,397</b>
Sickness and disability	101,801	101,865	105,278	110,579	110,784
Old age	520,459	553,299	593,085	625,469	648,802
Survivors	113,651	116,717	128,709	129,278	131,656
Family and children	76,426	81,407	75,084	79,734	101,529
Unemployment	31,851	32,369	36,725	43,730	40,764
Housing	9,908	12,006	5,400	6,907	10,397
Social exclusion n.e.c.	23,755	23,766	27,558	24,147	29,274
R&D Social protection	248	203	39	39	0
Social protection n.e.c.	27,948	22,570	32,821	34,281	37,190
<b>Total General Government expenditure by function</b>	<b>2,710,184</b>	<b>2,820,210</b>	<b>3,062,902</b>	<b>3,209,243</b>	<b>3,495,686</b>

## Methodological Notes

1. All data in this News Release are in line with the European System of Accounts (ESA) 2010 Manual (ISBN 978-92-79-31242-7) and the COFOG classifications as published in the Government Finance Statistics Manual 2001 (ISBN 1-58906-061-X). These methodologies are mandatory for all EU Member States.
2. Figures may not add up due to rounding.
3. All data in this release should be considered as provisional and therefore subject to revision.
4. More information relating to this news release may be accessed at:  
[Glossary: http://nso.gov.mt/en/nso/Sources\\_and\\_Methods/Unit\\_A2/Public\\_Finance/Pages/Expenditure-of-General-Government-Sector-by-Function.aspx](http://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A2/Public_Finance/Pages/Expenditure-of-General-Government-Sector-by-Function.aspx)  
Statistical Concepts: <http://nso.gov.mt/metadata/concepts.aspx>  
Metadata: <http://nso.gov.mt/metadata/reports.aspx?id=170>