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In January-April 2016, Government's Consolidated Fund registered a deficit of €77.5 million.

Government Finance Data: January-April 2016

Compared to last year, recurrent revenue registered an increase of €14.3 million whilst total expenditure went down by €16.8 million. This resulted in a positive change in the Government's Consolidated Fund of €31.1 million.

In January-April 2016, recurrent revenue was recorded at €1,063.0 million, up from €1,048.7 million last year. The comparative increase of 1.4 per cent was the result of higher Income Tax (€43.5 million), Social Security (€26.9 million) and Licenses, Taxes and Fines (€21.7 million), among others. Conversely, a major decline was recorded in proceeds from Grants (€98.3 million).

In the first four months this year, total expenditure stood at €1,140.5 million down from €1,157.3 million last year mainly as result of lower spending on Capital Expenditure and Interest Payments which were partially offset by higher outlays on Recurrent Expenditure.

Recurrent Expenditure stood at €996.2 million from €948.1 million last year. This was due to higher outlays on all components of recurrent expenditure whereby Contributions to Government Entities went up by €15.0 million followed by added Personal Emoluments (€12.5 million) and Operational and Maintenance Expenses (€11.5 million). Moreover, Programmes and Initiatives went up by €9.1 million due to higher social security benefits (€10.6 million), outlays towards the CHOGM (€5.1 million) and a rise in the social security state contribution, which also features as revenue (€9.1 million). These were partially offset by lower EU Own Resources (€15.8 million).

The Interest component of the public debt servicing costs stood at €77.0 million, down from €78.4 million last year.

Government's capital expenditure witnessed a decline of €63.5 million, and was recorded at €67.3 million. This was primarily the result of lower spending on EU funded projects mainly in the environment and agriculture sector. Other declines were registered in external borders fund and the acquisition of property for public purposes (Table 1).

Table 3 illustrates the Government Expenditure by COFOG category. The Classification of the Functions of Government (COFOG) classifies government expenditure data by the purpose for which the funds are used.

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At the end of April 2016, Central Government Debt stood at €5,591.4 million, up by €227.3 million over the corresponding period last year. This was the result of higher Malta Government Stocks and Treasury Bills, which added €167.6 million and €123.5 million respectively. On the other hand, Domestic Loans with Commercial Banks and Foreign Loans went down by €56.4 million and €10.6 million respectively. Higher holdings by government funds in Malta Government Stocks resulted in a decrease in debt of €4.5 million. The Euro coins issued in the name of the Treasury went up by €7.8 million when compared to the coin stock as at the end of April 2015, and totalled €68.6 million (Table 4) ■

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The advance release calendar may be consulted at www.nso.gov.mt

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Table 1. Revenue/Expenditure categories: Year to date

Description	Jan-Apr 2014	Jan-Apr 2015	Jan-Apr 2016	Jan-Apr 2016 / Jan-Apr 2015	
				Change	% change
€ 000					
(a) Total Recurrent Revenue	881,118	1,048,720	1,062,982	14,262	1.4
Customs and Excise Duties	44,222	71,231	84,806	13,575	
Licences, Taxes and Fines	83,300	85,497	107,193	21,696	
Income Tax	284,230	289,949	333,459	43,510	
Value Added Tax	183,461	187,427	192,167	4,740	
Fees of Office	11,004	7,657	10,620	2,963	
Reimbursements	7,170	7,632	8,177	545	
Public Corporations	0	0	0	0	
Central Bank of Malta	30,000	30,000	30,000	0	
Rents	6,893	8,710	10,320	1,610	
Dividends on Investment	75	1,687	814	-873	
Interest on loans made by Government	933	72	3	-69	
Social Security	199,819	209,182	236,034	26,852	
Grants	21,866	132,540	34,241	-98,299	
Miscellaneous Receipts	8,145	17,135	15,149	-1,986	
(b) Total Expenditure	1,119,341	1,157,274	1,140,475	-16,799	-1.5
<i>Recurrent Expenditure</i>	929,722	948,122	996,201	48,079	5.1
Personal Emoluments	210,811	224,782	237,248	12,466	
Operational and Maintenance Expenses	49,644	52,773	64,285	11,513	
Programmes and Initiatives	581,044	581,585	590,655	9,070	
Contributions to Government Entities	88,223	88,982	104,013	15,031	
<i>Interest</i>	72,210	78,361	76,975	-1,385	-1.8
<i>Capital Expenditure</i>	117,409	130,791	67,299	-63,492	-48.5
(a-b) Consolidated Fund Surplus/Deficit	-238,224	-108,553	-77,493	31,061	28.6
(c) Financial Transactions					
<i>Revenue</i>					
Loans	214,872	168,287	279,733	111,446	
Repayment of Loans	0	0	11,984	11,984	
Receipts from Sale of Shares	0	700	1,131	431	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	25,000	0	0	0	
Equity Acquisition	12,755	1,059	12,484	11,425	
Repayment of Loan	24,459	0	137,172	137,172	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories: Monthly

Description	April 2014	April 2015	April 2016	April 2016 / April 2015	
				Change	% change
				€ 000	
(a) Total Recurrent Revenue	243,321	274,032	318,117	44,086	16.1
Customs and Excise Duties	11,256	20,066	21,539	1,473	
Licences, Taxes and Fines	25,881	17,861	29,351	11,490	
Income Tax	101,283	119,399	137,619	18,220	
Value Added Tax	35,437	29,601	25,193	-4,408	
Fees of Office	3,613	1,490	1,494	5	
Reimbursements	1,920	2,926	2,475	-450	
Public Corporations	0	0	0	0	
Central Bank of Malta	0	0	0	0	
Rents	1,633	1,685	2,331	646	
Dividends on Investment	75	1,612	100	-1,512	
Interest on loans made by Government	926	0	1	1	
Social Security	57,350	62,325	66,814	4,489	
Grants	568	8,223	23,828	15,605	
Miscellaneous Receipts	3,380	8,845	7,372	-1,473	
(b) Total Expenditure	255,972	297,250	272,287	-24,963	-8.4
<i>Recurrent Expenditure</i>	216,850	232,764	238,103	5,340	2.3
Personal Emoluments	52,821	56,677	60,053	3,376	
Operational and Maintenance Expenses	11,053	10,109	15,254	5,145	
Programmes and Initiatives	137,295	145,309	148,939	3,630	
Contributions to Government Entities	15,682	20,668	13,857	-6,811	
<i>Interest</i>	18,406	22,086	18,940	-3,146	-14.2
<i>Capital Expenditure</i>	20,715	42,400	15,244	-27,157	-64.0
(a-b) Consolidated Fund Surplus/Deficit	-12,651	-23,219	45,830	69,049	297.4
(c) Financial Transactions					
<i>Revenue</i>					
Loans	54,950	0	80,000	80,000	
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	11,696	0	0	0	
Repayment of Loan	0	0	0	0	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 3. Government Expenditure by COFOG category

COFOG	Personal Emoluments			Operational and Maintenance Expenses			Programmes and Initiatives			Contributions to Government Entities		
	Jan-Apr 2014	Jan-Apr 2015	Jan-Apr 2016	Jan-Apr 2014	Jan-Apr 2015	Jan-Apr 2016	Jan-Apr 2014	Jan-Apr 2015	Jan-Apr 2016	Jan-Apr 2014	Jan-Apr 2015	Jan-Apr 2016
	€000s											
General public services	20,089	21,267	23,318	7,932	9,067	9,187	69,026	72,299	63,222	2,361	2,507	3,059
Defence	10,554	11,362	11,872	1,381	1,823	1,638	34	33	146	0	0	0
Public order and safety	24,230	26,085	27,013	3,850	3,589	3,436	4,143	3,273	1,469	2,547	2,745	2,783
Economic affairs	20,375	21,751	21,624	3,597	4,304	5,829	31,476	23,789	32,816	16,200	19,331	25,708
Environment protection	787	306	285	48	42	45	6,184	5,406	6,814	6,274	3,803	4,832
Housing and community amenities	1,118	888	795	575	274	238	0	6	0	118	1,086	1,258
Health	61,507	67,085	71,976	18,235	17,627	22,846	52,553	51,537	53,582	18,800	17,625	18,324
Recreation, culture and religion	2,420	2,611	2,652	459	567	414	5,385	5,228	2,569	4,612	4,768	6,558
Education	55,204	58,466	62,309	7,544	9,266	9,814	37,371	45,634	36,544	28,218	27,417	29,325
Social protection	14,527	14,961	15,405	6,024	6,214	10,837	374,871	374,379	393,493	9,094	9,700	12,165
Total	210,811	224,782	237,248	49,644	52,773	64,285	581,044	581,585	590,655	88,223	88,982	104,013
	€000s											
	Interest Expenditure			Capital Expenditure			Total expenditure					
COFOG	Jan-Apr 2014	Jan-Apr 2015	Jan-Apr 2016	Jan-Apr 2014	Jan-Apr 2015	Jan-Apr 2016	Jan-Apr 2014	Jan-Apr 2015	Jan-Apr 2016	Jan-Apr 2014	Jan-Apr 2015	Jan-Apr 2016
General public services	72,210	78,361	76,975	25,932	13,248	9,590	197,550	196,749	185,352			
Defence	0	0	0	259	14,543	4,123	12,228	27,761	17,778			
Public order and safety	0	0	0	880	1,489	7,107	35,650	37,182	41,808			
Economic affairs	0	0	0	50,726	37,716	27,672	122,375	106,891	113,649			
Environment protection	0	0	0	7,571	17,059	521	20,865	26,617	12,497			
Housing and community amenities	0	0	0	3,010	10,562	4,212	4,821	12,816	6,502			
Health	0	0	0	6,200	10,433	2,586	157,295	164,307	169,314			
Recreation, culture and religion	0	0	0	7,093	7,069	3,166	19,969	20,242	15,359			
Education	0	0	0	9,975	15,599	4,142	138,312	156,382	142,135			
Social protection	0	0	0	5,763	3,073	4,180	410,279	408,327	436,080			
Total	72,210	78,361	76,975	117,409	130,791	67,299	1,119,341	1,157,274	1,140,475			

Table 4. Central Government debt

Description	April 2014	April 2015	April 2016	April 2016 / April 2015	
				Change	% change
	€ 000				
Total Central Government Debt	5,295,440	5,364,031	5,591,368	227,338	4.2
<i>of which:</i>					
Treasury Bills	371,450	206,190	329,650	123,460	
Malta Government Stocks	4,801,272	5,067,862	5,235,439	167,577	
Foreign Loans	50,897	40,353	29,718	-10,635	
Domestic Loans with Commercial Banks	56,379	56,379	0	-56,379	
MGSF investments in Government Debt	-39,983	-67,579	-72,058	-4,479	
Euro Coins issued in the name of the Treasury	55,425	60,826	68,620	7,794	

Note: Totals may not add up due to rounding.

Chart 1. January-April Consolidated Fund Surplus/Deficit

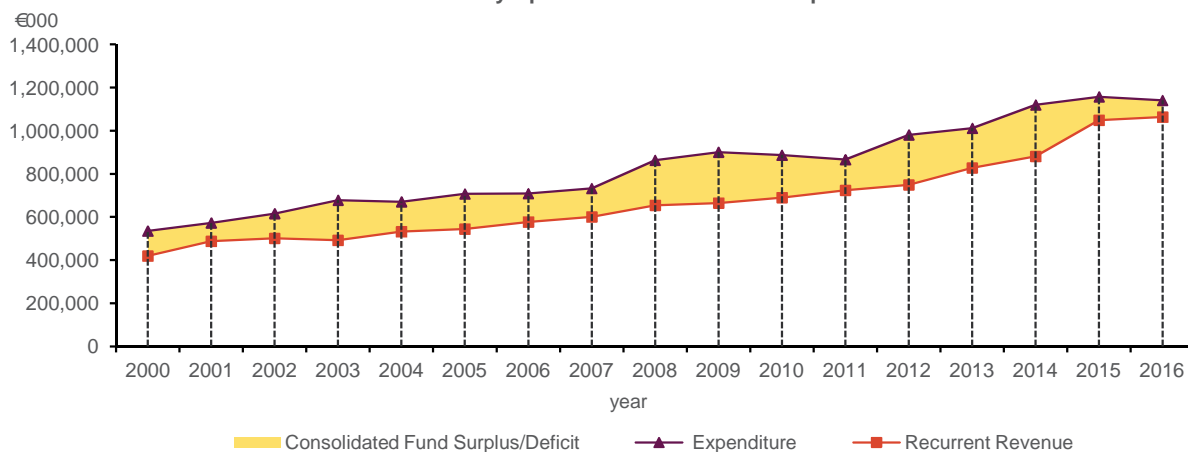
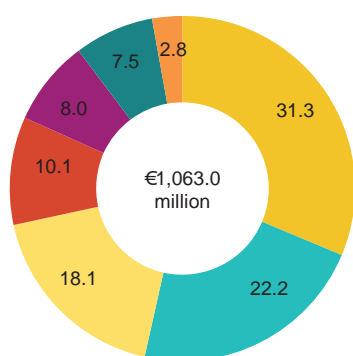
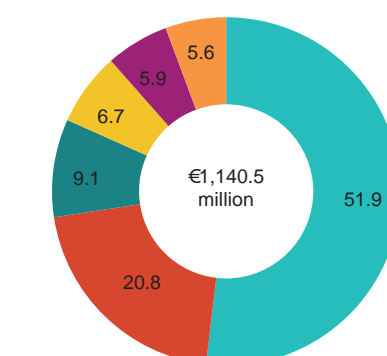


Chart 2. Recurrent Revenue by main category (%): January-April 2016



- Income Tax
- Social Security
- Value Added Tax
- Licences, Taxes and Fines
- Customs and Excise Duties
- Others
- Central Bank of Malta

Chart 3. Expenditure by main category (%): January-April 2016



- Programmes and Initiatives
- Personal Emoluments
- Contributions to Government Entities
- Interest
- Capital Expenditure
- Operational and Maintenance Expenses

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 2016 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. Data on Government Expenditure by the Classification of Functions of Government (COFOG) illustrated in Table 3 refers to the total expenditure of the Consolidated Fund and is not fully consistent with the General Government sector expenditure by function and in ESA 2010 methodology, that is compiled by NSO on an annual basis with a delay of one year. The functions are in line with the COFOG classifications as published in the Government Finance Statistics Manual 2001 (ISBN 1-58906-061-X).
7. 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>