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In January-September 2017, Government's Consolidated Fund registered a surplus of €56.4 million.

Government Finance Data: January-September 2017

Compared to the same period last year, recurrent revenue registered an increase of €346.7 million whereas total expenditure went up by €226.6 million. This resulted in a positive change in the Government's Consolidated Fund by €120.1 million.

In January-September 2017, recurrent revenue was recorded at €2,972.3 million, up from €2,625.6 million last year. The comparative increase of 13.2 per cent was primarily the result of higher Income Tax and Value Added Tax which increased by €83.4 million and €78.5 million respectively. Moreover, increases were also recorded for Social Security (€48.3 million), Grants (€40.0 million), Fees of Office (€35.3 million), Customs and Excise Duties (€27.2 million), Reimbursements (€18.9 million), Licences, Taxes and Fines (€16.5 million) and Dividends on Investment (€4.2 million). Conversely, decreases were mainly recorded in Miscellaneous Receipts (€4.5 million) and Rents (€1.0 million).

Compared to January-September last year, total expenditure stood at €2,915.9 million up from €2,689.3 million due to added outlays on recurrent expenditure and capital expenditure which outweighed lower spending on interest payments.

Recurrent expenditure stood at €2,543.0 million from €2,313.4 million last year. The main contributors to this increase were Programmes and Initiatives and Personal Emoluments with a rise of €170.4 million and €30.4 million respectively. The main developments in the Programmes and Initiatives category involved added outlays due to social security benefits (€34.7 million), Health Concession Agreements (€25.2 million), higher EU Own Resources (€21.7 million), EU Presidency 2017 (€17.1 million), state contribution (€14.9 million which also features as revenue), Contingency Reserve (€9.8 million), Jobsplus Programmes (€8.1 million), Electoral Commission activities (€5.7 million), Medicines and Surgical materials (€4.8 million), Treasury Pensions (€4.6 million), solid waste management (€3.3 million), child care for all (€3.3 million), public social partnership (€3.1 million), and Energy Supply Measures (€1.1 million). Contributions to Government Entities and Operational and Maintenance Expenses increased by €16.3 million and €12.5 million respectively.

The interest component of the public debt servicing costs stood at €163.0 million, down from €170.2 million last year.

Government's capital expenditure witnessed an increase of €4.2 million, and was recorded at €210.0 million. This was mainly the result of higher spending on investment incentives (€8.2 million), tomorrow schools (€2.6 million), construction works and equipment (€2.6 million) and road construction improvements (€1.8 million). On the other hand lower outlays related to film industry incentives (€6.1 million) and acquisition of property for public services (€5.9 million) were recorded (Table 1).

Table 4 and Table 5 present the Consolidated Fund year to date and monthly data respectively in ESA 2010 codes according to the EU Council Directive 85/2011 requirements.

At the end of September 2017, Central Government Debt stood at €5,560.9 million, up by €31.8 million over the corresponding month last year. This was the result of higher Malta Government Stocks and the new 62+ Malta Government Savings Bond which added €130.7 million and €69.9 million respectively. Moreover Euro coins issued in the name of the Treasury increased by €6.3 million. On the other hand, Treasury Bills and Foreign Loans went down by €140.4 million and €10.4 million respectively. Higher holdings by government funds in Malta Government Stocks resulted in a decrease in debt of €24.4 million (Table 6) ■

Table 1. Revenue/Expenditure categories: Year to date

Description	Jan-Sep 2015	Jan-Sep 2016	Jan-Sep 2017	Jan-Sep 2017 / Jan-Sep 2016	
				Change	% change
	€ 000				
(a) Total Recurrent Revenue	2,512,922	2,625,642	2,972,313	346,671	13.2
Customs and Excise Duties	186,124	199,535	226,766	27,231	
Licences, Taxes and Fines	205,800	230,555	247,008	16,453	
Income Tax	800,887	902,831	986,211	83,380	
Value Added Tax	485,908	498,942	577,457	78,516	
Fees of Office	35,721	41,236	76,549	35,313	
Reimbursements	17,750	18,688	37,572	18,884	
Public Corporations	0	0	0	0	
Central Bank of Malta	42,000	42,000	42,000	0	
Rents	22,336	24,497	23,481	-1,016	
Dividends on Investment	14,690	19,848	24,023	4,175	
Interest on loans made by Government	188	97	49	-48	
Social Security	507,687	559,941	608,220	48,279	
Grants	159,458	59,346	99,324	39,979	
Miscellaneous Receipts	34,373	28,127	23,652	-4,475	
(b) Total Expenditure	2,674,552	2,689,288	2,915,888	226,599	8.4
<i>Recurrent Expenditure</i>	2,197,874	2,313,386	2,542,968	229,583	9.9
Personal Emoluments	514,300	539,927	570,326	30,399	
Operational and Maintenance Expenses	111,459	124,694	137,165	12,471	
Programmes and Initiatives	1,357,960	1,387,665	1,558,055	170,390	
Contributions to Government Entities	214,155	261,099	277,422	16,323	
<i>Interest</i>	173,374	170,159	162,965	-7,194	-4.2
<i>Capital Expenditure</i>	303,304	205,743	209,955	4,211	2.0
(a-b) Consolidated Fund Surplus/Deficit	-161,630	-63,646	56,425	120,072	188.7
(c) Financial Transactions					
<i>Revenue</i>					
Loans	258,287	438,669	327,665	-111,004	
Repayment of Loans	0	11,984	0	-11,984	
Receipts from Sale of Shares	700	1,131	889	-242	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	14,863	14,863	17,462	2,599	
Equity Acquisition	1,059	12,484	2,101	-10,383	
Repayment of Loan	70,547	295,317	97,691	-197,626	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories: Monthly

Description	September 2015	September 2016	September 2017	September 2017 / September 2016	
				Change	% change
€ 000					
(a) Total Recurrent Revenue	290,492	303,012	388,524	85,512	28.2
Customs and Excise Duties	25,902	28,941	30,809	1,868	
Licences, Taxes and Fines	25,494	20,062	25,055	4,994	
Income Tax	106,911	131,661	152,960	21,298	
Value Added Tax	45,324	24,344	59,706	35,362	
Fees of Office	6,567	8,239	9,984	1,745	
Reimbursements	2,337	1,980	14,580	12,599	
Public Corporations	0	0	0	0	
Central Bank of Malta	6,000	6,000	6,000	0	
Rents	821	2,244	1,393	-851	
Dividends on Investment	5,417	7,406	4,898	-2,508	
Interest on loans made by Government	56	24	15	-9	
Social Security	64,306	67,836	77,434	9,598	
Grants	34	305	4,877	4,572	
Miscellaneous Receipts	1,323	3,969	813	-3,156	
(b) Total Expenditure	311,119	287,519	363,203	75,685	26.3
<i>Recurrent Expenditure</i>	258,583	249,693	321,397	71,704	28.7
Personal Emoluments	64,125	63,818	68,618	4,800	
Operational and Maintenance Expenses	9,357	10,677	26,603	15,925	
Programmes and Initiatives	168,761	153,535	190,187	36,651	
Contributions to Government Entities	16,340	21,662	35,989	14,328	
<i>Interest</i>	20,635	20,389	18,526	-1,864	-9.1
<i>Capital Expenditure</i>	31,901	17,437	23,281	5,844	33.5
(a-b) Consolidated Fund Surplus/Deficit	-20,627	15,493	25,320	9,827	63.4
(c) Financial Transactions					
<i>Revenue</i>					
Loans	0	0	69,895	69,895	
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	5,000	5,000	0	-5,000	
Equity Acquisition	0	0	0	0	
Repayment of Loan	665	0	25,000	25,000	
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-Sep 2015	Jan-Sep 2016	Jan-Sep 2017	Jan-Sep 2015	Jan-Sep 2016	Jan-Sep 2017	Jan-Sep 2015	Jan-Sep 2016	Jan-Sep 2017	Jan-Sep 2015	Jan-Sep 2016	Jan-Sep 2017
	€ 000											
General public services	52,271	55,018	59,674	19,125	18,913	21,343	143,652	125,875	177,455	5,936	7,385	6,641
Defence	25,786	27,670	28,779	4,722	3,640	5,788	188	281	494	0	0	180
Public order and safety	58,395	60,418	63,287	8,046	7,312	13,869	5,990	3,045	3,370	5,738	6,166	6,632
Economic affairs	49,426	49,884	51,767	8,625	10,821	12,534	79,706	76,649	89,618	42,275	66,083	76,300
Environment protection	550	650	694	66	97	219	12,630	15,188	18,579	7,744	15,413	12,698
Housing and community amenities	1,994	1,856	501	774	592	67	6	0	5,450	2,207	1,997	7,963
Health	153,939	163,249	174,764	38,761	47,325	43,301	102,650	107,145	140,958	35,852	35,909	40,686
Recreation, culture and religion	5,802	6,044	4,931	948	209	968	10,500	6,876	7,002	12,063	14,262	16,160
Education	131,803	139,790	148,710	14,841	16,371	17,869	79,886	88,192	91,499	79,144	81,349	85,575
Social protection	34,334	35,349	37,219	15,551	19,416	21,207	922,751	964,413	1,023,632	23,195	32,534	24,588
Total	514,300	539,927	570,326	111,459	124,694	137,165	1,357,960	1,387,665	1,558,055	214,155	261,099	277,422
COFOG	Interest Expenditure			Capital Expenditure			Total expenditure					
	Jan-Sep 2015	Jan-Sep 2016	Jan-Sep 2017	Jan-Sep 2015	Jan-Sep 2016	Jan-Sep 2017	Jan-Sep 2015	Jan-Sep 2016	Jan-Sep 2017			
	€ 000											
General public services	173,374	170,159	162,965	28,360	21,018	16,693	422,718	398,369	444,771			
Defence	0	0	0	26,311	7,314	6,293	57,007	38,905	41,533			
Public order and safety	0	0	0	2,866	17,769	19,244	81,035	94,710	106,401			
Economic affairs	0	0	0	98,349	105,702	112,520	278,381	309,138	342,739			
Environment protection	0	0	0	44,543	2,158	7,639	65,534	33,506	39,829			
Housing and community amenities	0	0	0	13,595	7,716	2,183	18,577	12,162	16,163			
Health	0	0	0	19,595	7,890	7,679	350,797	361,517	407,388			
Recreation, culture and religion	0	0	0	23,909	14,397	14,288	53,223	41,789	43,350			
Education	0	0	0	38,174	16,126	20,015	343,848	341,829	363,669			
Social protection	0	0	0	7,603	5,651	3,400	1,003,434	1,057,363	1,110,046			
Total	173,374	170,159	162,965	303,304	205,743	209,955	2,674,552	2,689,288	2,915,888			

Table 4. Consolidated Fund data in ESA 2010 codes: Year to date

Description	ESA CODE	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep 2017 / Jan-Sep 2016	
		2015	2016	2017	Change	% change
		€ 000				
1. Total Revenue		2,383,692	2,486,624	2,821,424	334,800	
Market Output	P11	45,008	65,469	113,806		
Taxes on Production and Imports	D2	838,549	881,538	1,000,384		
Property income receivable	D4	63,610	62,980	62,159		
Current taxes on income, wealth, etc	D5	839,812	942,323	1,027,861		
Social Contributions	D61	424,162	440,679	499,962		
Current transfers receivable	D7	3,947	36,547	11,072		
Capital transfers receivable	D9	168,603	57,088	106,180		
2. Total Expenditure		2,545,322	2,550,270	2,764,999	214,728	
Intermediate Consumption	P2	273,694	281,591	319,348		
Gross Capital Formation	P5g+NP	117,123	81,965	97,831		
Compensation of Employees	D1	607,871	636,403	676,400		
Property income payable	D4	173,116	164,542	158,621		
Subsidies	D3	60,116	55,740	46,499		
Social Benefits and social transfers in kind	D62+D632	762,593	785,546	824,716		
Current transfers payable	D7	491,951	521,529	633,418		
Capital transfers payable	D9	58,857	22,954	8,166		
(1-2) Consolidated Fund Surplus/Deficit		-161,630	-63,646	56,425	120,072	188.7

Table 5. Consolidated Fund data in ESA 2010 codes: Monthly

Description	ESA CODE	September	September	September	September 2017 / September 2016	
		2015	2016	2017	Change	% change
		€ 000				
1. Total Revenue		274,887	281,785	365,368	83,583	
Market Output	P11	8,715	15,584	24,993		
Taxes on Production and Imports	D2	94,145	69,066	110,765		
Property income receivable	D4	8,484	9,358	8,951		
Current taxes on income, wealth, etc	D5	110,478	134,114	157,091		
Social Contributions	D61	51,659	51,968	57,162		
Current transfers receivable	D7	236	484	639		
Capital transfers receivable	D9	1,170	1,210	5,766		
2. Total Expenditure		295,514	266,291	340,048	73,756	
Intermediate Consumption	P2	30,544	21,499	49,735		
Gross Capital Formation	P5g+NP	9,698	10,814	13,461		
Compensation of Employees	D1	74,862	75,268	80,702		
Property income payable	D4	20,757	20,554	19,405		
Subsidies	D3	4,853	484	4,789		
Social Benefits and social transfers in kind	D62+D632	89,324	88,207	89,400		
Current transfers payable	D7	59,338	49,053	81,450		
Capital transfers payable	D9	6,138	412	1,105		
(1-2) Consolidated Fund Surplus/Deficit		-20,627	15,493	25,320	9,827	63.4

Table 6. Central Government debt

Description	September 2015	September 2016	September 2017	September 2017 / September 2016	
				Change	% change
	€ 000				
Total Central Government Debt	5,406,314	5,529,167	5,560,949	31,782	0.6
<i>of which:</i>					
Treasury Bills	252,600	269,750	129,400	-140,350	
Malta Government Stocks	5,089,988	5,236,963	5,367,688	130,725	
62+ Malta Government Savings Bond	0	0	69,895	69,895	
Foreign Loans	32,525	22,010	11,599	-10,411	
Domestic Loans with Commercial Banks	56,379	0	0	0	
MGSF investments in Government Debt	-90,579	-70,430	-94,797	-24,367	
Euro Coins issued in the name of the Treasury	65,402	70,874	77,163	6,289	

Note: Totals may not add up due to rounding.

Chart 1. January-September Consolidated Fund Surplus/Deficit

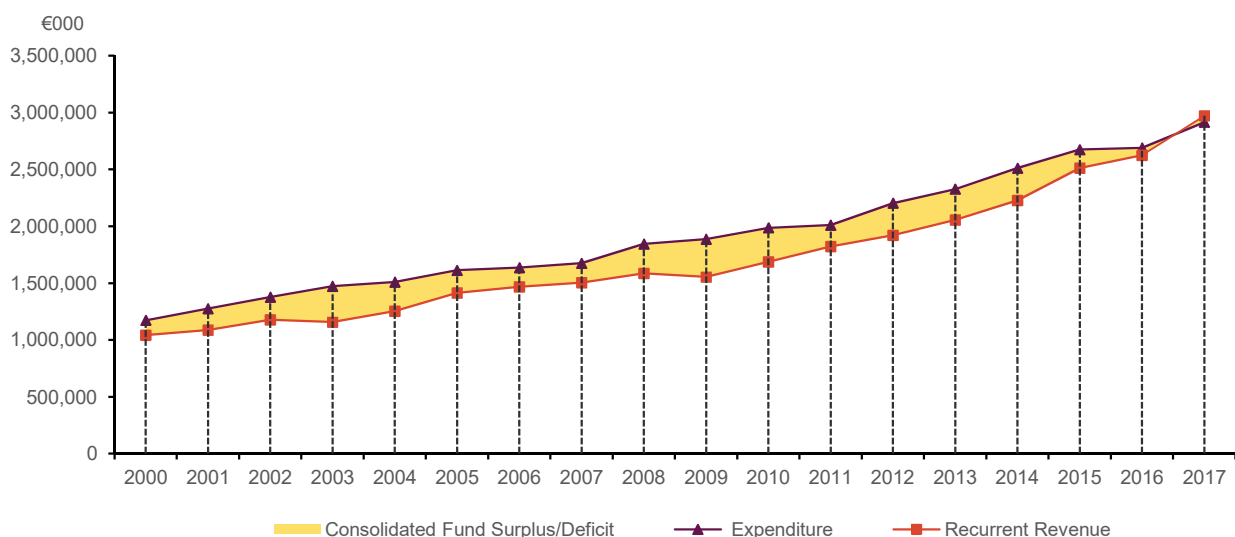
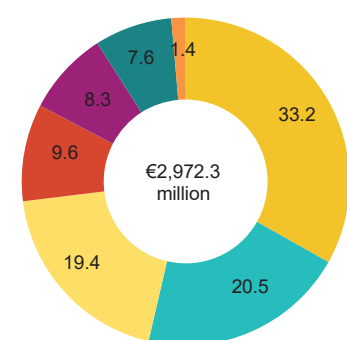
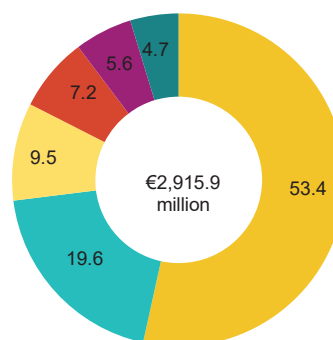


Chart 2. Recurrent Revenue by main category (%): January-September 2017



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

Chart 3. Expenditure by main category (%): January-September 2017



- Programmes and Initiatives
- Personal Emoluments
- Contributions to Government Entities
- Capital Expenditure
- Interest
- 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 2017 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. The Enhanced Economic Governance package adopted by the European Parliament and Council in November 2011 included requirements on the collection and dissemination of fiscal data, through the Council Directive 2011/85/EU. The requirements in the government finance statistics domain included a methodological reconciliation table (showing the transition between monthly data used for national policy purposes and ESA-quarterly data used to produce national accounts and EU fiscal surveillance).
 - a. The Reconciliation Table may be accessed at:
http://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A2/Public_Finance/Pages/Council-Directive-852011.aspx
 - b. Refer to the ESA 2010 Glossary at:
https://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A2/Public_Finance/Documents/ESA10_Glossary.pdf
 - c. Refer to the other Government Finance Statistics data requirements at:
https://nso.gov.mt/en/Services/Council_Directive/Pages/Council-Directive-85_2011.aspx
7. Data on Government Expenditure by the Classification of Functions of Government (COFOG) classifies government expenditure data by the purpose for which the funds are used. COFOG data 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-).
8. 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>
9. Any quotations from this news release are to be cited and/or referenced.
10. A detailed news release calendar is available on
https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx