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In January-October 2017, Government's Consolidated Fund registered a surplus of €4.3 million.

Government Finance Data: January-October 2017

Compared to the same period last year, recurrent revenue registered an increase of €374.9 million whereas total expenditure went up by €265.8 million. This resulted in a positive change in the Government's Consolidated Fund by €109.2 million.

In January-October 2017, recurrent revenue was recorded at €3,282.1 million, up from €2,907.2 million last year. The comparative increase of 12.9 per cent was primarily the result of higher Value Added Tax and Income Tax which both increased by €100.6 million. Moreover, increases were also recorded for Social Security (€56.8 million), Fees of Office (€32.5 million), Customs and Excise Duties (€29.8 million), Grants (€21.6 million), Reimbursements (€19.8million), Licences, Taxes and Fines (€17.8 million) and Dividends on Investment (€6.7 million). Conversely, decreases were mainly recorded in Miscellaneous Receipts (€8.5 million) and Rents (€2.7 million).

Compared to January-October last year, total expenditure stood at €3,277.8 million up from €3,012.0 million due to added outlays on recurrent expenditure and capital expenditure which outweighed lower spending on interest payments.

Recurrent expenditure stood at €2,859.1 million from €2,594.5 million last year. The main contributors to this increase were Programmes and Initiatives and Personal Emoluments with a rise of €200.7 million and €30.5 million respectively. The main developments in the Programmes and Initiatives category involved added outlays due to Health Concession Agreements (€27.8million), social security benefits (€27.3 million), higher EU Own Resources (€21.4 million), state contribution (€17.8 million which also features as revenue), EU Presidency 2017 (€15.4 million), Jobsplus Programmes (€10.8 million), Contingency Reserve (€9.8 million), Medicines and Surgical materials (€9.2 million), Treasury Pensions (€6.0 million), Electoral Commission activities (€5.7 million), child care for all (€3.6 million), public social partnership (€2.7 million), allocation to local councils (€2.1 million), solid waste management (€2.0 million), church schools (€2.0 million) and public service obligations (€1.9 million). Contributions to Government Entities and Operational and Maintenance Expenses increased by €24.8 million and €8.5 million respectively.

The interest component of the public debt servicing costs stood at €181.7 million, down from €187.0 million last year.

Government's capital expenditure witnessed an increase of €6.6 million, and was recorded at €237.0 million. This was mainly the result of higher spending on investment incentives (€10.1 million), tomorrow schools (€6.0 million) and construction works and equipment (€3.8 million). On the other hand lower outlays related to acquisition of property for public services (€7.7 million) and film industry incentives (€6.0 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 October 2017, Central Government Debt stood at €5,605.9 million, down by €73.9 million over the corresponding month last year. This was the result of lower Treasury Bills and Malta Government Stocks which decreased by €116.4 million and €28.5 million respectively. Moreover Foreign Loans decreased by €10.4 million. On the other hand, the new 62+ Malta Government Savings Bond added €99.6 million and Euro coins issued in the name of the Treasury increased by €5.9 million. Higher holdings by government funds in Malta Government Stocks resulted in a decrease in debt of €24.3 million (Table 6) ■

Table 1. Revenue/Expenditure categories: Year to date

Description	Jan-Oct 2015	Jan-Oct 2016	Jan-Oct 2017	Jan-Oct 2017 / Jan-Oct 2016	
				Change	% change
	€ 000				
(a) Total Recurrent Revenue	2,766,085	2,907,168	3,282,078	374,910	12.9
Customs and Excise Duties	210,993	224,602	254,395	29,794	
Licences, Taxes and Fines	232,423	260,335	278,168	17,833	
Income Tax	889,751	1,000,600	1,101,164	100,564	
Value Added Tax	509,664	523,608	624,217	100,609	
Fees of Office	37,597	52,616	85,156	32,540	
Reimbursements	19,904	21,023	40,811	19,789	
Public Corporations	0	0	0	0	
Central Bank of Malta	42,000	42,000	42,000	0	
Rents	24,611	26,975	24,301	-2,675	
Dividends on Investment	14,690	19,848	26,523	6,675	
Interest on loans made by Government	189	97	49	-48	
Social Security	570,059	622,019	678,782	56,763	
Grants	171,395	78,044	99,629	21,585	
Miscellaneous Receipts	42,809	35,402	26,883	-8,519	
(b) Total Expenditure	2,970,595	3,012,018	3,277,774	265,756	8.8
<i>Recurrent Expenditure</i>	2,434,095	2,594,549	2,859,094	264,545	10.2
Personal Emoluments	565,332	598,007	628,556	30,549	
Operational and Maintenance Expenses	122,227	146,019	154,484	8,465	
Programmes and Initiatives	1,500,926	1,567,680	1,768,414	200,734	
Contributions to Government Entities	245,610	282,843	307,641	24,797	
<i>Interest</i>	195,848	187,000	181,653	-5,347	-2.9
<i>Capital Expenditure</i>	340,651	230,469	237,027	6,558	2.8
(a-b) Consolidated Fund Surplus/Deficit	-204,511	-104,850	4,304	109,154	104.1
(c) Financial Transactions					
<i>Revenue</i>					
Loans	438,235	597,902	357,409	-240,493	
Repayment of Loans	0	12,184	0	-12,184	
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	216,200	295,317	98,380	-196,937	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories: Monthly

Description	October 2015	October 2016	October 2017	October 2017 / October 2016	
				Change	% change
	€ 000				
(a) Total Recurrent Revenue	253,162	281,526	309,765	28,239	10.0
Customs and Excise Duties	24,870	25,067	27,629	2,563	
Licences, Taxes and Fines	26,623	29,780	31,160	1,380	
Income Tax	88,864	97,769	114,953	17,184	
Value Added Tax	23,756	24,666	46,759	22,094	
Fees of Office	1,875	11,380	8,607	-2,773	
Reimbursements	2,154	2,334	3,239	905	
Public Corporations	0	0	0	0	
Central Bank of Malta	0	0	0	0	
Rents	2,275	2,479	819	-1,659	
Dividends on Investment	0	0	2,500	2,500	
Interest on loans made by Government	0	0	0	0	
Social Security	62,372	62,078	70,562	8,484	
Grants	11,937	18,698	305	-18,394	
Miscellaneous Receipts	8,436	7,276	3,231	-4,044	
(b) Total Expenditure	296,043	322,730	361,886	39,156	12.1
<i>Recurrent Expenditure</i>	236,221	281,163	316,126	34,963	12.4
Personal Emoluments	51,032	58,080	58,230	150	
Operational and Maintenance Expenses	10,768	21,324	17,318	-4,006	
Programmes and Initiatives	142,966	180,015	210,358	30,343	
Contributions to Government Entities	31,455	21,744	30,219	8,475	
<i>Interest</i>	22,474	16,841	18,688	1,847	11.0
<i>Capital Expenditure</i>	37,348	24,726	27,073	2,347	9.5
(a-b) Consolidated Fund Surplus/Deficit	-42,881	-41,204	-52,121	-10,918	-26.5
(c) Financial Transactions					
<i>Revenue</i>					
Loans	179,947	159,233	29,744	-129,489	
Repayment of Loans	0	200	0	-200	
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	0	0	0	0	
Repayment of Loan	145,653	0	689	689	
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-Oct 2015	Jan-Oct 2016	Jan-Oct 2017	Jan-Oct 2015	Jan-Oct 2016	Jan-Oct 2017	Jan-Oct 2015	Jan-Oct 2016	Jan-Oct 2017	Jan-Oct 2015	Jan-Oct 2016	Jan-Oct 2017
	€ 000											
General public services	57,714	61,800	67,002	20,867	22,853	25,961	153,291	150,390	203,866	6,529	7,849	7,167
Defence	28,600	30,185	32,012	5,227	4,906	6,891	204	352	565	0	0	189
Public order and safety	64,163	66,650	69,743	8,881	8,577	13,992	6,603	3,410	4,147	6,607	6,949	6,875
Economic affairs	54,321	55,436	57,411	9,516	11,898	14,462	100,648	92,958	124,037	51,613	71,382	92,228
Environment protection	602	712	690	48	133	249	14,452	17,893	20,003	11,442	16,432	17,198
Housing and community amenities	2,205	2,054	573	879	730	77	6	0	6,708	3,166	2,060	8,619
Health	167,656	180,967	193,855	43,431	57,993	49,124	109,062	114,109	158,748	42,344	42,239	41,016
Recreation, culture and religion	6,363	6,852	5,512	1,083	245	1,056	10,733	8,624	8,642	13,462	16,695	17,689
Education	145,679	154,271	160,422	15,386	17,219	18,734	85,795	104,065	110,443	86,400	83,640	88,105
Social protection	38,029	39,079	41,337	16,909	21,464	23,939	1,020,131	1,075,881	1,131,255	24,047	35,597	28,556
Total	565,332	598,007	628,556	122,227	146,019	154,484	1,500,926	1,567,680	1,768,414	245,610	282,843	307,641
	€ 000											
COFOG	Interest Expenditure			Capital Expenditure			Total expenditure					
	Jan-Oct 2015	Jan-Oct 2016	Jan-Oct 2017	Jan-Oct 2015	Jan-Oct 2016	Jan-Oct 2017	Jan-Oct 2015	Jan-Oct 2016	Jan-Oct 2017	Jan-Oct 2015	Jan-Oct 2016	Jan-Oct 2017
General public services	195,848	187,000	181,653	29,408	23,598	19,231	463,657	453,490	504,880	463,657	453,490	504,880
Defence	0	0	0	28,293	7,335	6,500	62,325	42,779	46,157	62,325	42,779	46,157
Public order and safety	0	0	0	3,272	20,020	23,593	89,526	105,606	118,351	89,526	105,606	118,351
Economic affairs	0	0	0	112,036	115,418	123,175	328,134	347,093	411,312	328,134	347,093	411,312
Environment protection	0	0	0	48,993	2,210	7,918	75,537	37,380	46,057	75,537	37,380	46,057
Housing and community amenities	0	0	0	14,417	9,261	2,293	20,673	14,104	18,270	20,673	14,104	18,270
Health	0	0	0	26,713	8,574	8,809	389,206	403,881	451,551	389,206	403,881	451,551
Recreation, culture and religion	0	0	0	26,355	14,975	16,920	57,995	47,392	49,818	57,995	47,392	49,818
Education	0	0	0	41,937	22,875	24,925	375,197	382,071	402,628	375,197	382,071	402,628
Social protection	0	0	0	9,229	6,202	3,662	1,108,344	1,178,223	1,228,750	1,108,344	1,178,223	1,228,750
Total	195,848	187,000	181,653	340,651	230,469	237,027	2,970,595	3,012,018	3,277,774	2,970,595	3,012,018	3,277,774

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

Description	ESA CODE	Jan-Oct 2015	Jan-Oct 2016	Jan-Oct 2017	Jan-Oct 2017 / Jan-Oct 2016	
					Change	% change
		€ 000				
1. Total Revenue		2,612,891	2,746,269	3,110,569	364,300	
Market Output	P11	47,747	75,203	124,046		
Taxes on Production and Imports	D2	909,245	958,211	1,101,925		
Property income receivable	D4	64,675	64,969	62,216		
Current taxes on income, wealth, etc	D5	933,198	1,044,553	1,146,990		
Social Contributions	D61	472,151	489,378	555,619		
Current transfers receivable	D7	4,371	37,105	12,125		
Capital transfers receivable	D9	181,503	76,851	107,648		
2. Total Expenditure		2,817,402	2,851,119	3,106,265	255,146	
Intermediate Consumption	P2	304,306	322,057	361,624		
Gross Capital Formation	P5g+NP	134,755	94,703	110,285		
Compensation of Employees	D1	669,670	705,284	746,828		
Property income payable	D4	189,132	178,162	178,156		
Subsidies	D3	68,312	58,333	66,071		
Social Benefits and social transfers in kind	D62+D632	836,462	875,265	909,546		
Current transfers payable	D7	548,166	593,364	724,768		
Capital transfers payable	D9	66,599	23,952	8,986		
(1-2) Consolidated Fund Surplus/Deficit		-204,511	-104,850	4,304	109,154	104.1

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

Description	ESA CODE	October 2015	October 2016	October 2017	October 2017 / October 2016	
					Change	% change
		€ 000				
1. Total Revenue		229,199	259,645	289,144	29,499	
Market Output	P11	2,739	9,734	10,241		
Taxes on Production and Imports	D2	70,696	76,673	101,541		
Property income receivable	D4	1,066	1,989	57		
Current taxes on income, wealth, etc	D5	93,386	102,229	119,129		
Social Contributions	D61	47,989	48,699	55,657		
Current transfers receivable	D7	424	558	1,053		
Capital transfers receivable	D9	12,900	19,763	1,468		
2. Total Expenditure		272,080	300,849	341,266	40,417	
Intermediate Consumption	P2	30,612	40,466	42,276		
Gross Capital Formation	P5g+NP	17,632	12,739	12,454		
Compensation of Employees	D1	61,798	68,881	70,428		
Property income payable	D4	16,015	13,620	19,535		
Subsidies	D3	8,196	2,592	19,572		
Social Benefits and social transfers in kind	D62+D632	73,870	89,718	84,830		
Current transfers payable	D7	56,215	71,835	91,350		
Capital transfers payable	D9	7,742	998	821		
(1-2) Consolidated Fund Surplus/Deficit		-42,881	-41,204	-52,121	-10,918	-26.5

Table 6. Central Government debt

Description	October 2015	October 2016	October 2017	October 2017 / October 2016	
				Change	% change
	€ 000				
Total Central Government Debt	5,393,199	5,679,898	5,605,949	-73,949	-1.3
<i>of which:</i>					
Treasury Bills	186,550	260,750	144,400	-116,350	
Malta Government Stocks	5,123,617	5,396,196	5,367,688	-28,508	
62+ Malta Government Savings Bond	0	0	99,639	99,639	
Foreign Loans	32,532	22,010	11,599	-10,411	
Domestic Loans with Commercial Banks	56,379	0	0	0	
MGSF investments in Government Debt	-72,579	-70,530	-94,797	-24,267	
Euro Coins issued in the name of the Treasury	66,701	71,472	77,420	5,948	

Note: Totals may not add up due to rounding.

Chart 1. January-October Consolidated Fund Surplus/Deficit

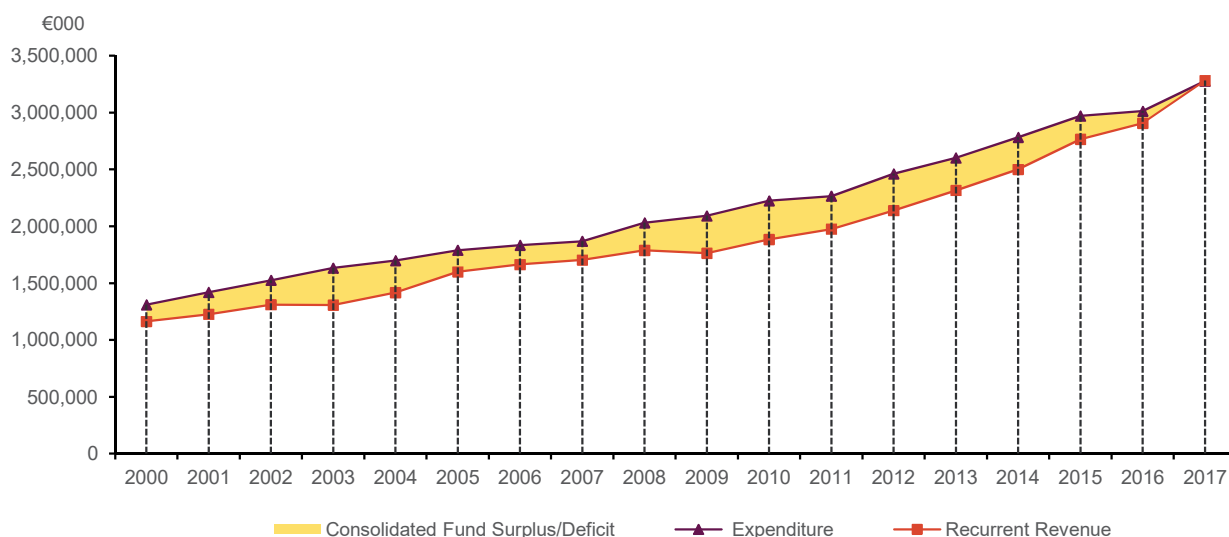
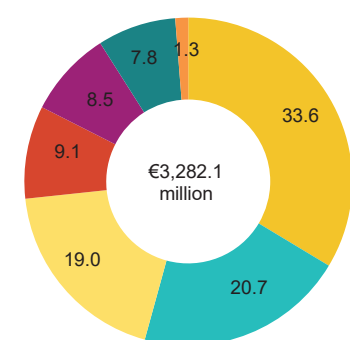
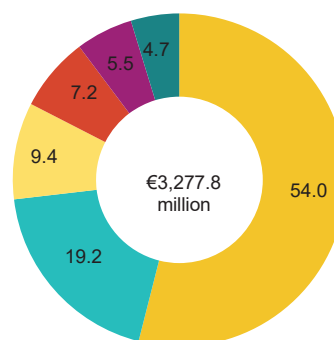


Chart 2. Recurrent Revenue by main category (%): January-October 2017



- 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-October 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:
Source and Methods: https://nso.gov.mt/en/nso/Sources_and_Methods/Unit_A2/Public_Finance/Pages/Government-Finance-Data.aspx
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