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In January-April 2018, Government's Consolidated Fund registered a deficit of €95.9 million.

## Government Finance Data: January-April 2018

Compared to the same period last year, recurrent revenue registered an increase of €8.3 million whereas total expenditure went up by €125.4 million. This resulted in a negative change in the Government's Consolidated Fund by €117.1 million.

In January-April 2018, recurrent revenue was recorded at €1,229.6 million, up from €1,221.3 million last year. The comparative increase of 0.7 per cent was primarily the result of higher Value Added Tax and Income Tax which both increased by €26.2 million and €23.2 million respectively. Moreover, increases were also recorded for Social Security (€19.1 million), Licences, Taxes and Fines (€17.1 million), Reimbursements (€5.2 million) and Dividends on Investment (€4.7 million). Conversely, decreases were mainly recorded in Grants (€66.8 million), Central Bank of Malta (€9.0 million), Fees of Office (€7.1 million) and Rents (€4.4 million).

Compared to January-April 2017, total expenditure stood at €1,325.5 million up from €1,200.0 million due to added outlays on recurrent expenditure, capital expenditure and interest expenditure.

Recurrent expenditure stood at €1,157.6 million from €1,048.3 million last year. The main contributors to this increase were Programmes and Initiatives and Personal Emoluments with a rise of €72.6 million and €26.6 million respectively. The main developments in the Programmes and Initiatives category involved added outlays due to social security benefits (€18.9 million), medicines and surgical materials (€12.2 million), state contribution (€10.1 million which also features as revenue), feed in tariff (€10.0 million), treasury pensions (€7.0 million), provision of spare capacity (€3.5 million), health concession agreements (€2.8 million), church schools (€2.0 million), residential private care (€1.9 million), Jobsplus programmes (€1.5 million) and child care for all (€1.3 million). Contributions to Government Entities and Operational and Maintenance Expenses increased by €9.1 million and €1.0 million respectively.

The interest component of the public debt servicing costs stood at €74.7 million, up from €74.1 million last year.

Government's capital expenditure witnessed an increase of €15.6 million, and was recorded at €93.2 million. This was mainly the result of higher spending on contribution towards treasury clearance fund (€21.2 million), national identity management system (€4.3 million) and Foundation for Tomorrow's Schools (€3.5 million). On the other hand lower outlays related to investment incentives (€7.0 million), ICT core services agreement (€6.8 million) and construction works and equipment (€1.8 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 April 2018, Central Government Debt stood at €5,381.4 million, down by €232.2 million over the corresponding month last year. This was the result of lower Malta Government Stocks and Foreign Loans which decreased by €417.6 million and €10.4 million respectively. On the other hand, the new 62+ Malta Government Savings Bond added €99.5 million, Treasury Bills added €94.0 million and Euro coins issued in the name of the Treasury increased by €6.0 million. Higher holdings by government funds in Malta Government Stocks resulted in a decrease in debt of €3.7 million (Table 6) ■

Table 1. Revenue/Expenditure categories: Year to date

Description	Jan-Apr 2016	Jan-Apr 2017	Jan-Apr 2018	Jan-Apr 2018 / Jan-Apr 2017	
				Change	% change
				€ 000	
<b>(a) Total Recurrent Revenue</b>	<b>1,062,982</b>	<b>1,221,290</b>	<b>1,229,624</b>	<b>8,334</b>	<b>0.7</b>
Customs and Excise Duties	84,806	94,023	93,941	-82	
Licences, Taxes and Fines	107,193	116,241	133,319	17,078	
Income Tax	333,459	355,434	378,634	23,200	
Value Added Tax	192,167	212,612	238,828	26,217	
Fees of Office	10,620	29,419	22,351	-7,067	
Reimbursements	8,177	9,879	15,037	5,158	
Central Bank of Malta	30,000	30,000	21,000	-9,000	
Rents	10,320	16,368	11,922	-4,446	
Dividends on Investment	814	337	5,000	4,663	
Interest on loans made by Government	3	18	15	-3	
Social Security	236,034	251,643	270,756	19,113	
Grants	34,241	94,010	27,191	-66,819	
Miscellaneous Receipts	15,149	11,307	11,629	322	
<b>(b) Total Expenditure</b>	<b>1,140,475</b>	<b>1,200,047</b>	<b>1,325,475</b>	<b>125,427</b>	<b>10.5</b>
<i>Recurrent Expenditure</i>	996,201	1,048,347	1,157,575	109,228	10.4
Personal Emoluments	237,248	244,161	270,743	26,582	
Operational and Maintenance Expenses	64,285	60,065	61,048	983	
Programmes and Initiatives	590,655	624,331	696,935	72,603	
Contributions to Government Entities	104,013	119,789	128,849	9,060	
<i>Interest</i>	76,975	74,092	74,738	646	0.9
<i>Capital Expenditure</i>	67,299	77,609	93,162	15,554	20.0
<b>(a-b) Consolidated Fund Surplus/Deficit</b>	<b>-77,493</b>	<b>21,243</b>	<b>-95,851</b>	<b>-117,094</b>	<b>-551.2</b>
<b>(c) Financial Transactions</b>					
<i>Revenue</i>					
Loans	279,733	182,870	0	-182,870	
Repayment of Loans	11,984	0	0	0	
Receipts from Sale of Shares	1,131	889	889	0	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	0	0	0	0	
Equity Acquisition	12,484	1,877	58,034	56,157	
Repayment of Loan	137,172	0	121,876	121,876	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories: Monthly

Description	April 2016	April 2017	April 2018	April 2018 / April 2017	
				Change	% change
				€ 000	
<b>(a) Total Recurrent Revenue</b>	<b>318,117</b>	<b>347,552</b>	<b>314,777</b>	<b>-32,775</b>	<b>-9.4</b>
Customs and Excise Duties	21,539	21,087	24,448	3,361	
Licences, Taxes and Fines	29,351	21,476	43,376	21,901	
Income Tax	137,619	140,004	132,119	-7,885	
Value Added Tax	25,193	24,372	20,463	-3,909	
Fees of Office	1,494	11,483	7,966	-3,517	
Reimbursements	2,475	1,817	4,178	2,361	
Central Bank of Malta	0	0	0	0	
Rents	2,331	5,272	4,672	-599	
Dividends on Investment	100	200	0	-200	
Interest on loans made by Government	1	1	0	-1	
Social Security	66,814	70,200	71,563	1,363	
Grants	23,828	50,007	5,942	-44,065	
Miscellaneous Receipts	7,372	1,635	50	-1,585	
<b>(b) Total Expenditure</b>	<b>272,287</b>	<b>313,501</b>	<b>349,794</b>	<b>36,293</b>	<b>11.6</b>
<i>Recurrent Expenditure</i>	238,103	260,931	285,015	24,085	9.2
Personal Emoluments	60,053	60,617	68,539	7,922	
Operational and Maintenance Expenses	15,254	14,898	14,632	-266	
Programmes and Initiatives	148,939	155,961	166,408	10,447	
Contributions to Government Entities	13,857	29,455	35,437	5,982	
<i>Interest</i>	18,940	18,760	18,883	123	0.7
<i>Capital Expenditure</i>	15,244	33,810	45,895	12,084	35.7
<b>(a-b) Consolidated Fund Surplus/Deficit</b>	<b>45,830</b>	<b>34,051</b>	<b>-35,016</b>	<b>-69,068</b>	<b>-202.8</b>
<b>(c) Financial Transactions</b>					
<i>Revenue</i>					
Loans	80,000	0	0	0	
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	0	0	0	0	
Repayment of Loan	0	0	121,830	121,830	
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 2016	Jan-Apr 2017	Jan-Apr 2018	Jan-Apr 2016	Jan-Apr 2017	Jan-Apr 2018	Jan-Apr 2016	Jan-Apr 2017	Jan-Apr 2018	Jan-Apr 2016	Jan-Apr 2017	Jan-Apr 2018
	€ 000											
General public services	23,318	24,974	29,615	9,187	9,897	11,626	63,222	76,894	67,978	3,059	3,048	4,755
Defence	11,872	12,130	13,354	1,638	1,585	1,691	146	345	179	0	52	59
Public order and safety	27,013	27,328	30,743	3,436	3,460	3,634	1,469	1,538	1,859	2,783	2,827	3,045
Economic affairs	21,624	22,510	21,236	5,829	3,433	3,670	32,816	33,299	60,012	25,708	34,411	43,902
Environment protection	285	51	0	45	111	116	6,814	6,479	7,652	4,832	6,844	6,900
Housing and community amenities	795	252	468	238	34	95	0	1,178	298	1,258	1,864	1,528
Health	71,976	74,883	82,579	22,846	19,823	18,133	53,582	55,703	70,592	18,324	19,849	16,128
Recreation, culture and religion	2,652	2,135	2,262	414	375	560	2,569	2,341	1,779	6,558	6,527	9,325
Education	62,309	64,169	73,254	9,814	10,135	10,540	36,544	38,730	42,037	29,325	31,401	29,503
Social protection	15,405	15,730	17,233	10,837	11,213	10,984	393,493	407,823	444,550	12,165	12,966	13,704
<b>Total</b>	<b>237,248</b>	<b>244,161</b>	<b>270,743</b>	<b>64,285</b>	<b>60,065</b>	<b>61,048</b>	<b>590,655</b>	<b>624,331</b>	<b>696,935</b>	<b>104,013</b>	<b>119,789</b>	<b>128,849</b>
COFOG	Interest Expenditure			Capital Expenditure			Total expenditure					
	Jan-Apr 2016	Jan-Apr 2017	Jan-Apr 2018	Jan-Apr 2016	Jan-Apr 2017	Jan-Apr 2018	Jan-Apr 2016	Jan-Apr 2017	Jan-Apr 2018			
	€ 000											
General public services	76,975	74,092	74,738	9,590	5,996	10,903	<b>185,352</b>	<b>194,901</b>	<b>199,614</b>			
Defence	0	0	0	4,123	3,202	111	<b>17,778</b>	<b>17,313</b>	<b>15,393</b>			
Public order and safety	0	0	0	7,107	3,649	6,744	<b>41,808</b>	<b>38,801</b>	<b>46,023</b>			
Economic affairs	0	0	0	27,672	42,979	51,200	<b>113,649</b>	<b>136,632</b>	<b>180,020</b>			
Environment protection	0	0	0	521	5,232	5,712	<b>12,497</b>	<b>18,718</b>	<b>20,380</b>			
Housing and community amenities	0	0	0	4,212	1,562	206	<b>6,502</b>	<b>4,891</b>	<b>2,596</b>			
Health	0	0	0	2,586	2,850	3,574	<b>169,314</b>	<b>173,108</b>	<b>191,005</b>			
Recreation, culture and religion	0	0	0	3,166	5,705	5,116	<b>15,359</b>	<b>17,083</b>	<b>19,041</b>			
Education	0	0	0	4,142	5,607	7,848	<b>142,135</b>	<b>150,042</b>	<b>163,182</b>			
Social protection	0	0	0	4,180	827	1,749	<b>436,080</b>	<b>448,558</b>	<b>488,220</b>			
<b>Total</b>	<b>76,975</b>	<b>74,092</b>	<b>74,738</b>	<b>67,299</b>	<b>77,609</b>	<b>93,162</b>	<b>1,140,475</b>	<b>1,200,047</b>	<b>1,325,475</b>			

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

Description	ESA CODE	Jan-Apr 2016	Jan-Apr 2017	Jan-Apr 2018	Jan-Apr 2018 / Jan-Apr 2017	
					Change	% change
		€ 000				
<b>1. Total Revenue</b>		<b>1,014,760</b>	<b>1,169,097</b>	<b>1,173,352</b>	<b>4,255</b>	
Market Output	P11	16,913	37,438	29,060		
Taxes on Production and Imports	D2	362,667	397,901	439,071		
Property income receivable	D4	35,715	36,800	31,404		
Current taxes on income, wealth, etc	D5	352,833	376,281	401,957		
Social Contributions	D61	186,196	219,594	235,625		
Current transfers receivable	D7	24,987	7,283	5,869		
Capital transfers receivable	D9	35,449	93,800	30,367		
<b>2. Total Expenditure</b>		<b>1,092,253</b>	<b>1,147,854</b>	<b>1,269,203</b>	<b>121,348</b>	
Intermediate Consumption	P2	145,438	135,872	135,360		
Gross Capital Formation	P5g+NP	34,164	38,312	34,416		
Compensation of Employees	D1	281,479	290,262	324,366		
Property income payable	D4	73,478	70,579	76,497		
Subsidies	D3	17,729	21,353	30,648		
Social Benefits and social transfers in kind	D62+D632	327,068	327,455	357,577		
Current transfers payable	D7	212,867	261,013	307,885		
Capital transfers payable	D9	31	3,009	2,455		
<b>(1-2) Consolidated Fund Surplus/Deficit</b>		<b>-77,493</b>	<b>21,243</b>	<b>-95,851</b>	<b>-117,094</b>	<b>-551.2</b>

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

Description	ESA CODE	April 2016	April 2017	April 2018	April 2018 / April 2017	
					Change	% change
		€ 000				
<b>1. Total Revenue</b>		<b>297,780</b>	<b>331,966</b>	<b>301,539</b>	<b>-30,427</b>	
Market Output	P11	2,631	11,483	6,959		
Taxes on Production and Imports	D2	70,847	62,258	82,196		
Property income receivable	D4	949	4,841	4,387		
Current taxes on income, wealth, etc	D5	142,463	144,358	139,754		
Social Contributions	D61	34,651	57,493	60,778		
Current transfers receivable	D7	22,863	-268	4,356		
Capital transfers receivable	D9	23,375	51,801	3,109		
<b>2. Total Expenditure</b>		<b>251,949</b>	<b>297,914</b>	<b>336,555</b>	<b>38,641</b>	
Intermediate Consumption	P2	32,821	36,852	37,091		
Gross Capital Formation	P5g+NP	7,311	14,938	13,513		
Compensation of Employees	D1	71,533	72,136	82,335		
Property income payable	D4	15,083	18,860	19,041		
Subsidies	D3	4,207	3,103	5,777		
Social Benefits and social transfers in kind	D62+D632	76,265	78,805	84,458		
Current transfers payable	D7	44,699	71,112	92,647		
Capital transfers payable	D9	31	2,107	1,693		
<b>(1-2) Consolidated Fund Surplus/Deficit</b>		<b>45,830</b>	<b>34,051</b>	<b>-35,016</b>	<b>-69,068</b>	<b>-202.8</b>

Table 6. Central Government debt

Description	April 2016	April 2017	April 2018	April 2018 / April 2017	
				Change	% change
	€ 000				
<b>Total Central Government Debt</b>	<b>5,591,368</b>	<b>5,613,575</b>	<b>5,381,393</b>	<b>-232,182</b>	<b>-4.1</b>
<i>of which:</i>					
Treasury Bills	329,650	219,000	313,000	94,000	
Malta Government Stocks	5,235,439	5,389,324	4,971,738	-417,586	
62+ Malta Government Savings Bond	0	0	99,538	99,538	
Foreign Loans	29,718	19,303	8,888	-10,416	
Domestic Loans with Commercial Banks	0	0	0	0	
MGSF investments in Government Debt	-72,058	-87,054	-90,796	-3,742	
Euro Coins issued in the name of the Treasury	68,620	73,002	79,025	6,023	

Note: Totals may not add up due to rounding.

Chart 1. January-April Consolidated Fund Surplus/Deficit

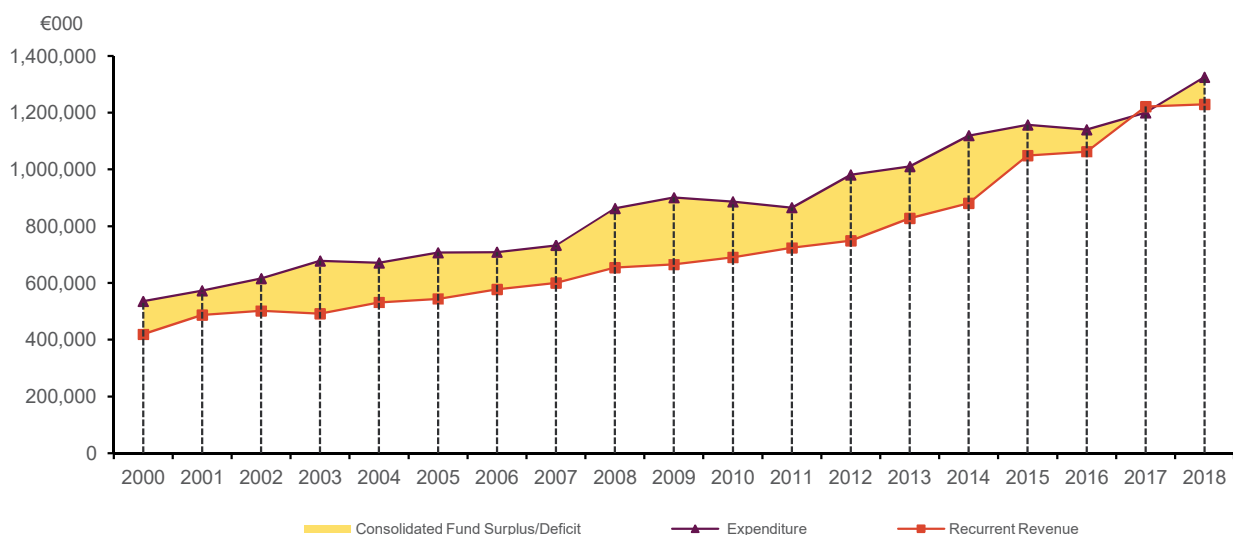
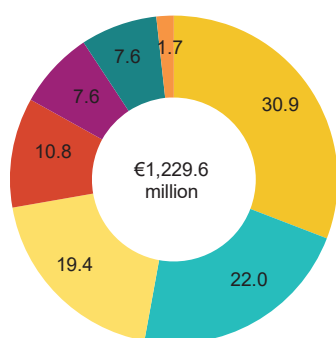
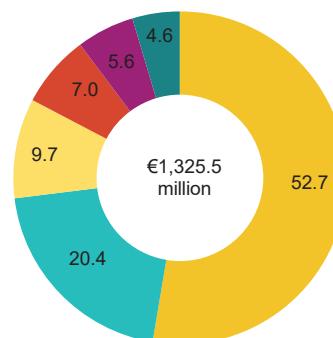


Chart 2. Recurrent Revenue by main category (%): January-April 2018



- 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 2018



- 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 2018 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](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](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](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-
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](https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx)