

# News Releases

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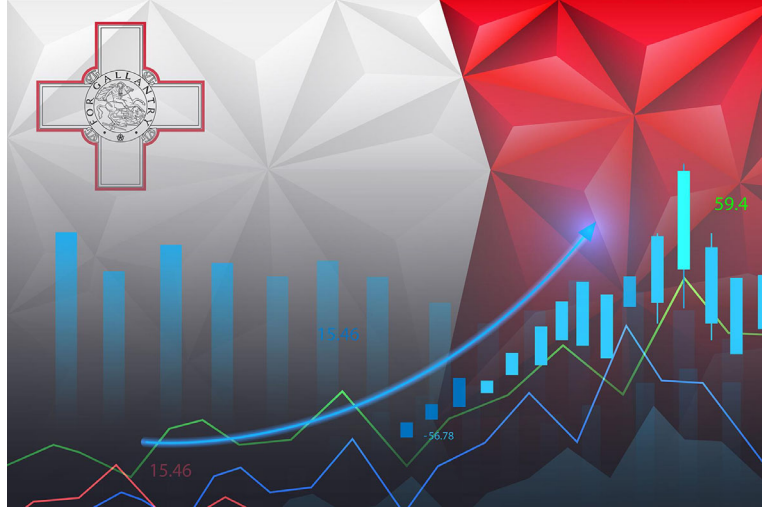
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## Government Finance Data: January-March 2023

NR073/2023

Release Date: 28 April 2023

By the end of March 2023, the Government's Consolidated Fund reported a deficit of €135.5 million.



Between January and March 2023, Recurrent Revenue amounted to €1,433.7 million, €285.3 million higher than the value reported a year earlier. The largest increase was recorded under Income Tax (€155.0 million), followed by Grants (€88.9 million), Value Added Tax (€31.7 million), Social Security (€11.3 million), Sales-Others (€8.7 million), Customs and Excise Duties (€5.1 million), Dividends on Investment (€1.7 million), Interest on loans made by Government (€0.3 million), Reimbursements (€0.2 million) and Sales-Services (€0.2 million). On the other hand, lower revenue was reported under Miscellaneous Receipts (€15.9 million), Rents (€1.1 million), Licences, Taxes and Fines (€0.5 million), Sales-Goods (€0.1 million), and Fees of Office (€0.1 million).

Total expenditure during the first quarter of 2023 stood at €1,569.2 million, €49.2 million higher than the previous year.

During the reference period, Recurrent Expenditure totalled €1,403.1 million, an increase of €44.6 million in comparison to the value of €1,358.6 million reported at the end of March 2022. The main contributor to this increase was an increase of €34.2 million reported under Contributions to Government Entities. Higher contributions were, among others, made towards Mental Health Services (€6.5 million), Malta Tourism Authority (€5.1 million), Malta Financial Services Authority (€4.4 million) and Environment and Resources Authority (€3.7 million). Furthermore, increases were also recorded under Operational and Maintenance Expenses (€22.6 million) and Personal Emoluments (€15.0 million). This rise in expenditure outweighed a decrease under Programmes and Initiatives (€27.3 million). The main developments in the Programmes and Initiatives category involved lower outlays towards Pandemic assistance schemes (€59.0 million) and Economic stimulus payment (€48.2 million). Conversely, higher outlay was recorded under Energy support measures (€39.0 million), Social security benefits (€23.3 million), Street lighting and other services (€10.0 million) and EU own resources (€8.9 million).

The interest component of the public debt servicing costs totalled €45.4 million, an increase of €8.6 million when compared to the previous year.

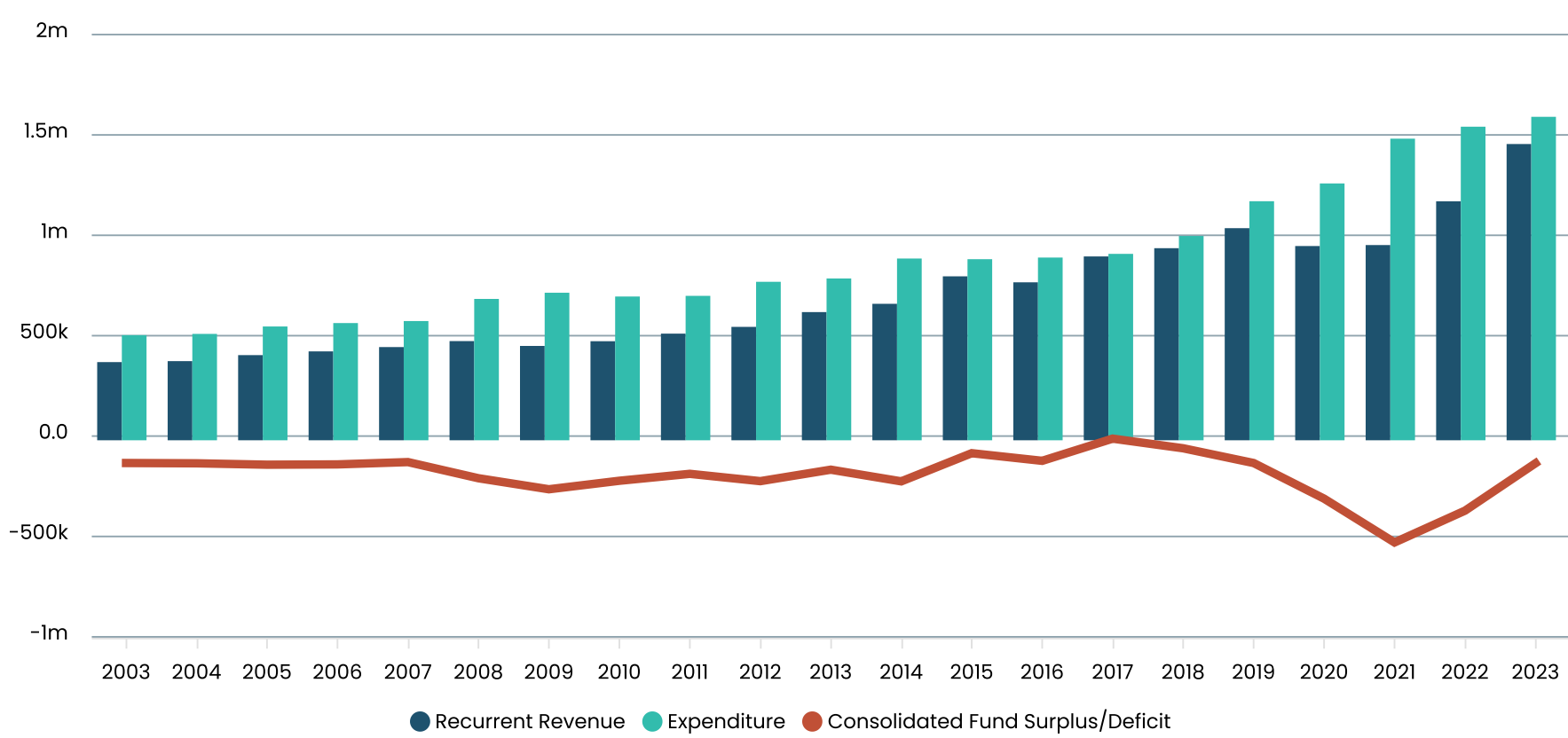
By the end of March 2023, Government's capital spending amounted to €120.7 million, €4.0 million lower than the figure registered in 2022. This decrease resulted from lower expenditure towards Road construction and improvements (€10.2 million) and Investment incentives (€4.8 million). The drop in capital outlay was partially offset by increases witnessed under Property, plant and equipment (€4.9 million), Digitalisation of health systems (€3.8 million) and National Identity Management Systems (€2.3 million).

The difference between total revenue and expenditure resulted in a deficit of €135.5 million being reported in the Government's Consolidated Fund at the end of March 2023. Compared to the same period in 2022, there was a decrease in deficit of €236.1 million. This difference mirrors an increase in total Recurrent Revenue (€285.3 million), partly offset by a rise in total expenditure, which consists of increases in Recurrent Expenditure (€44.6 million) and Interest (€8.6 million), and a drop in Capital Expenditure (€4.0 million) (Table 1).

At the end of March 2023, Central Government debt stood at €9,166.4 million, an increase of €700.2 million when compared to 2022. The increase reported under Malta Government Stocks (€781.2 million) was the main contributor to the rise in debt. Higher debt was also reported under Treasury Bills (€46.6 million) and Euro coins issued in the name of the Treasury (€5.0 million). This increase in debt was partially offset by a decrease in the 62+ Malta Government Savings Bond (€99.9 million) and Foreign Loans (€0.1 million). Finally, higher holdings by government funds in Malta Government Stocks resulted in a decrease in debt of €32.7 million (Table 6).

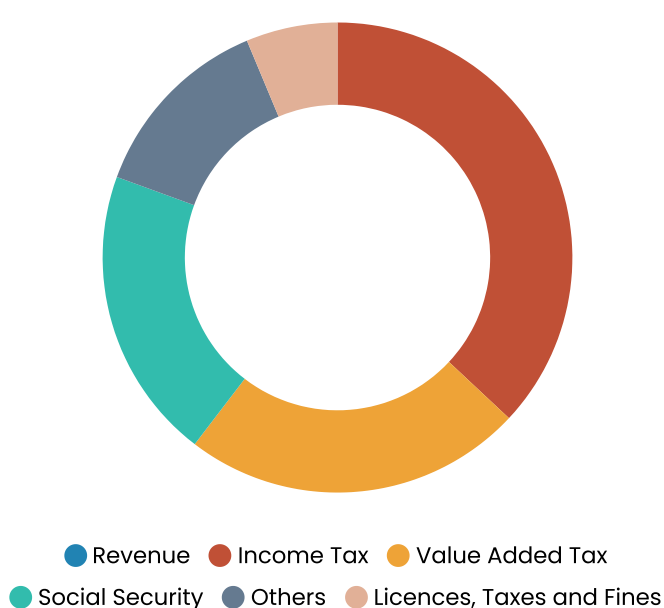
### Chart 1. Consolidated Fund Surplus/Deficit: January-March

in € thousands



### Chart 2. Recurrent Revenue by main category (%)

January-March 2023



### Chart 3. Expenditure by main category (%)

January-March 2023

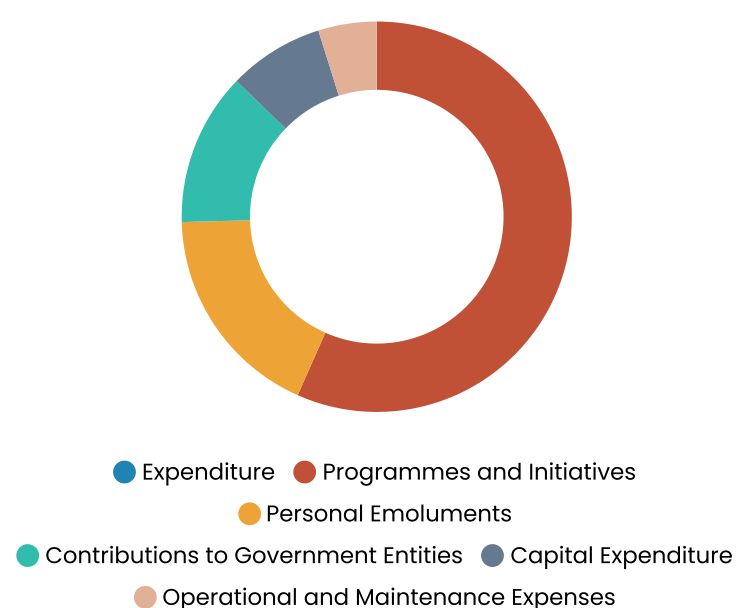


Table 1. Revenue/Expenditure categories by period and description

Description	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2023	Jan-Mar 2023 / Jan-Mar 2022	
				Change	% change
€ 000					
<b>(a) Total Recurrent Revenue</b>	<b>930,455</b>	<b>1,148,405</b>	<b>1,433,682</b>	<b>285,277</b>	<b>24.8</b>
Customs and Excise Duties	54,875	63,355	68,436	5,080	
Licences, Taxes and Fines	74,739	87,163	86,651	-512	
Income Tax	282,595	349,097	504,078	154,981	
Value Added Tax	250,858	288,536	320,227	31,692	
Fees of Office	20,711	14,342	14,239	-103	
Sales-Goods	334	541	415	-127	
Sales-Services	7,926	7,529	7,706	178	
Sales-Others	228	613	9,298	8,685	
Reimbursements	532	696	934	239	
Central Bank of Malta	15,000	-	-	-	
Rents	3,158	7,430	6,337	-1,094	
Dividends on Investment	1,000	1,325	3,000	1,675	
Interest on loans made by Government	0	0	268	267	
Social Security	196,838	264,172	275,459	11,287	
Grants	5,461	36,668	125,552	88,885	
Miscellaneous Receipts	16,199	26,937	11,081	-15,856	
<b>(b) Total Expenditure</b>	<b>1,460,345</b>	<b>1,519,984</b>	<b>1,569,188</b>	<b>49,204</b>	<b>3.2</b>
<i>Recurrent Expenditure</i>	1,293,536	1,358,518	1,403,092	44,573	3.3
Personal Emoluments	263,429	257,918	272,928	15,009	
Operational and Maintenance Expenses	71,387	51,763	74,390	22,627	
Programmes and Initiatives	807,405	890,851	863,540	-27,311	
Contributions to Government Entities	151,315	157,986	192,234	34,248	
<i>Interest</i>	44,371	36,718	45,366	8,647	23.6
<i>Capital Expenditure</i>	122,438	124,747	120,730	-4,017	-3.2
<b>(a-b) Consolidated Fund Surplus/Deficit</b>	<b>-529,890</b>	<b>-371,579</b>	<b>-135,506</b>	<b>236,074</b>	<b>-63.5</b>
<b>(c) Financial Transactions</b>					
<i>Revenue</i>					
Loans	423,000	237,400	349,180	111,780	
Repayment of Loans	-	-	-	-	
Receipts from Sale of Shares	889	889	889	0	
Other extraordinary receipts	-	-	-	-	
<i>Expenditure</i>					
Contribution to Sinking Fund	-	-	-	-	
Equity Acquisition	-	-	5,504	5,504	
Repayment of Loan	1,049	1,394	1,476	82	
Loans	-	-	-	-	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories by month and description

Description	March 2021	March 2022	March 2023	March 2023 / March 2022	
				Change	% change
				€ 000	
<b>(a) Total Recurrent Revenue</b>	<b>229,467</b>	<b>350,899</b>	<b>404,878</b>	<b>53,979</b>	<b>15.4</b>
Customs and Excise Duties	15,012	16,174	21,968	5,794	
Licences, Taxes and Fines	32,131	38,815	34,616	-4,199	
Income Tax	61,645	88,231	87,764	-467	
Value Added Tax	50,340	82,467	82,465	-2	
Fees of Office	9,247	4,727	6,385	1,658	
Sales -Goods	251	190	159	-31	
Sales-Services	7,923	2,487	336	-2,151	
Sales-Others	228	231	8,621	8,389	
Reimbursements	-3,894	255	273	19	
Central Bank of Malta	5,000	-	-	-	
Rents	3,158	4,018	2,547	-1,471	
Dividends on Investment	-	1,325	3,000	1,675	
Interest on loans made by Government	0	0	268	268	
Social Security	42,519	91,701	100,034	8,333	
Grants	0	5,680	64,512	58,832	
Miscellaneous Receipts	5,907	14,598	-8,069	-22,666	
<b>(b) Total Expenditure</b>	<b>450,536</b>	<b>641,844</b>	<b>654,603</b>	<b>12,759</b>	<b>2.0</b>
<i>Recurrent Expenditure</i>	398,313	556,115	564,599	8,484	1.5
Personal Emoluments	101,440	90,681	96,225	5,543	
Operational and Maintenance Expenses	19,521	22,604	27,898	5,293	
Programmes and Initiatives	252,639	388,629	351,810	-36,819	
Contributions to Government Entities	24,714	54,200	88,666	34,466	
<i>Interest</i>	13,934	13,599	19,549	5,949	43.7
<i>Capital Expenditure</i>	38,290	72,130	70,456	-1,674	-2.3
<b>(a-b) Consolidated Fund Surplus/Deficit</b>	<b>-221,070</b>	<b>-290,945</b>	<b>-249,725</b>	<b>41,220</b>	<b>-14.2</b>
<b>(c) Financial Transactions</b>					
<i>Revenue</i>					
Loans	123,000	-	-	-	
Repayment of Loans	-	-	-	-	
Receipts from Sale of Shares	-	-	-	-	
Other extraordinary receipts	-	-	-	-	
<i>Expenditure</i>					
Contribution to Sinking Fund	-	-	-	-	
Equity Acquisition	-	-	3,281	3,281	
Repayment of Loan	425	533	454	-79	
Loans	-	-	-	-	

Note: Totals may not add up due to rounding.

Table 3. Government Expenditure by COFOG category by period and description

COFOG	Personal emoluments			Operational and Maintenance Expenses			Programmes and Initiatives			Contributions to Government Entities		
	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2023	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2023	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2023	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2023
	€ 000											
General public services	31,722	32,051	34,681	13,717	13,436	14,163	124,808	186,560	124,494	33,300	32,698	46,785
Defence	20,925	12,651	13,750	1,825	2,059	1,983	159	275	207	-	-	-
Public order and safety	23,248	22,770	24,130	2,372	2,440	3,775	2,710	3,146	2,926	11,352	10,604	11,523
Economic affairs	12,719	13,739	15,924	18,293	2,588	12,537	123,529	78,774	14,096	35,485	43,079	34,206
Environment protection	1,263	1,350	328	184	149	29	5,019	3,966	61,675	3,780	370	15,244
Housing and community amenities	-	-	-	-	-	-	5,778	3,822	7,384	-	-	-
Health	87,704	85,963	90,697	19,743	15,613	19,599	101,072	78,707	82,988	19,059	20,709	28,851
Recreation, culture and religion	1,789	2,004	2,189	443	367	532	2,253	2,762	4,532	6,272	7,894	9,127
Education	66,754	69,876	73,216	6,637	5,628	9,511	62,481	68,801	73,356	34,282	36,297	39,771
Social protection	17,304	17,513	18,012	8,174	9,483	12,261	379,596	464,036	491,883	7,787	6,336	6,726
<b>Total</b>	<b>263,429</b>	<b>257,918</b>	<b>272,928</b>	<b>71,387</b>	<b>51,763</b>	<b>74,390</b>	<b>807,405</b>	<b>890,851</b>	<b>863,540</b>	<b>151,315</b>	<b>157,986</b>	<b>192,234</b>
COFOG	Interest Expenditure			Capital Expenditure			Total Expenditure					
	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2023	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2023	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2023			
	€ 000											
General public services	44,371	36,718	45,366	62,511	54,169	50,310	310,430	355,632	315,799			
Defence	-	-	-	559	214	1,037	23,468	15,200	16,977			
Public order and safety	-	-	-	3,802	6,092	7,465	43,484	45,052	49,818			
Economic affairs	-	-	-	39,533	51,344	24,681	229,558	189,524	101,445			
Environment protection	-	-	-	1,461	149	11,998	11,708	5,985	89,274			
Housing and community amenities	-	-	-	162	353	186	5,939	4,175	7,570			
Health	-	-	-	6,378	4,154	11,723	233,956	205,147	233,857			
Recreation, culture and religion	-	-	-	845	1,843	3,443	11,602	14,870	19,822			
Education	-	-	-	5,481	5,272	8,736	175,634	185,875	204,591			
Social protection	-	-	-	1,705	1,156	1,153	414,567	498,524	530,035			
<b>Total</b>	<b>44,371</b>	<b>36,718</b>	<b>45,366</b>	<b>122,438</b>	<b>124,747</b>	<b>120,730</b>	<b>1,460,345</b>	<b>1,519,984</b>	<b>1,569,188</b>			

Table 4. Consolidated Fund data in ESA 2010 codes by period and description

Description	ESA code	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2023	Jan-Mar 2023 / Jan-Mar 2022	
					Change	% change
					€ 000	
<b>1. Total Revenue</b>		<b>861,736</b>	<b>1,097,504</b>	<b>1,388,216</b>	<b>290,712</b>	
Market Output	P11	24,210	32,145	27,031		
Taxes on Production and Imports	D2	376,352	423,236	463,315		
Property income receivable	D4	18,726	5,086	6,414		
Current taxes on income, wealth, etc	D5	286,952	366,387	517,031		
Social Contributions	D61	142,892	225,112	239,182		
Current transfers receivable	D7	650	938	6,457		
Capital transfers receivable	D9	11,953	44,600	128,786		
<b>2. Total Expenditure</b>		<b>1,391,626</b>	<b>1,469,083</b>	<b>1,523,722</b>	<b>54,639</b>	
Intermediate Consumption	P2	201,257	191,523	341,789		
Gross Capital Formation	P5g+NP	75,182	64,049	7,133		
Compensation of Employees	D1	267,239	292,688	313,831		
Property income payable	D4	37,661	34,007	45,902		
Subsidies	D3	121,843	97,420	24,209		
Social Benefits and social transfers in kind	D62+D632	306,909	411,502	405,329		
Current transfers payable	D7	363,560	346,125	385,528		
Capital transfers payable	D9	17,974	31,769	-		
<b>(1-2) Consolidated Fund Surplus/Deficit</b>		<b>-529,890</b>	<b>-371,579</b>	<b>-135,506</b>	<b>236,074</b>	<b>-63.5</b>

Table 5. Consolidated Fund data in ESA 2010 codes by month and description

Description	ESA code	March 2021	March 2022	March 2023	March 2023 / March 2022	
					Change	% change
<b>1. Total Revenue</b>		<b>187,010</b>	<b>328,606</b>	<b>381,197</b>	<b>52,592</b>	
Market Output	P11	6,076	16,787	885		
Taxes on Production and Imports	D2	109,365	130,771	135,859		
Property income receivable	D4	7,273	3,514	5,147		
Current taxes on income, wealth, etc	D5	59,522	95,940	95,086		
Social Contributions	D61	2,097	71,966	76,124		
Current transfers receivable	D7	166	1,679	4,637		
Capital transfers receivable	D9	2,511	7,950	63,458		
<b>2. Total Expenditure</b>		<b>408,079</b>	<b>619,551</b>	<b>630,923</b>	<b>11,372</b>	
Intermediate Consumption	P2	8,440	76,021	120,281		
Gross Capital Formation	P5g+NP	67,764	25,868	2,421		
Compensation of Employees	D1	61,436	102,735	110,726		
Property income payable	D4	11,793	14,057	19,989		
Subsidies	D3	119,243	41,532	11,781		
Social Benefits and social transfers in kind	D62+D632	112,517	178,122	174,391		
Current transfers payable	D7	9,083	155,428	191,334		
Capital transfers payable	D9	17,802	25,788	-		
<b>(1-2) Consolidated Fund Surplus/Deficit</b>		<b>-221,069</b>	<b>-290,945</b>	<b>-249,725</b>	<b>41,220</b>	<b>-14.2</b>

**Table 6. Central Government debt by month and description**

Description	March 2021	March 2022	March 2023	March 2023 / March 2022	
				Change	% change
€ 000					
<b>Total Central Government Debt</b>	<b>7,295,489</b>	<b>8,466,283</b>	<b>9,166,439</b>	<b>700,155</b>	<b>8.3</b>
<i>of which:</i>					
Treasury Bills	752,750	739,000	785,592	46,592	
Malta Government Stocks	5,943,084	6,875,226	7,656,407	781,180	
62+ Malta Government Savings Bond	379,467	473,549	373,694	-99,854	
Foreign Loans	243,779	420,656	420,527	-129	
MGSF investments in Government Debt	-113,353	-135,874	-168,534	-32,660	
Euro coins issued in the name of the Treasury	89,762	93,727	98,753	5,026	

Note: Totals may not add up due to rounding.



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## 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 2023 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. Data in this release are subject to revision. 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. [Reconciliation Table](#)

b. [ESA 2010 Glossary](#)

c. Other [Government Finance Statistics data requirements](#).

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 2 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).

8. Tables 4 and 5 present the Consolidated Fund year to date in ESA 2010 codes according to the EU Council Directive 85/2011 requirements.

9. More information relating to this news release may be accessed at:

[Statistical Concepts](#)

[Statistical Database](#)

10. Any quotations from this news release are to be cited and/or referenced.

11. A detailed news release calendar is available [online](#).