

By the end of September 2022, the Government's Consolidated Fund reported a deficit of €467.8 million.

Government Finance Data: January-September 2022

In the first nine months of 2022, Recurrent Revenue amounted to €4,072.6 million, 11.7 per cent higher than the €3,646.9 million reported a year earlier. The largest increase was recorded under Value Added Tax (€184.2 million), followed by Income Tax (€144.9 million), Social Security (€95.9 million), Grants (€15.2 million), Licences, Taxes and Fines (€12.5 million), Reimbursements (€10.2 million) and Rents (€4.0 million). The rise in revenue was partially offset by decreases under Dividends on Investment (€14.8 million), Miscellaneous Receipts (€9.9 million), Fees of Office (€9.1 million), Customs and Excise Duties (€4.6 million) and Central Bank of Malta (€2.8 million).

By the end of September 2022, total expenditure stood at €4,540.5 million, €2.8 million higher than the previous year.

During the reference period, Recurrent Expenditure totalled €4,014.0 million, an increase of €45.1 million in comparison to the €3,968.9 million reported in the first nine months of 2021. The main contributor to this increase was a €28.8 million increase reported under Contributions to Government Entities. Furthermore, increases were also witnessed under Personal Emoluments (€19.8 million) and Programmes and Initiatives (€12.3 million). This rise in expenditure outweighed a decrease under Operational and Maintenance Expenses (€15.8 million). The main developments in the Programmes and Initiatives category involved added outlays towards Energy support measures (€109.8 million), Economic stimulus payments (€47.7 million), Social security benefits (€40.0 million), Residential care in private homes (€11.2 million), Gas stabilisation fund (€10.0 million), Electricity distribution network (€10.0 million), Tax relief measures (€7.9 million) and Electoral commission activities (€6.0 million). This rise in Programmes and Initiatives was partly offset by decreases under the Pandemic assistance schemes (€170.9 million) and EU own resources (€59.3 million).

The interest component of the public debt servicing costs totalled €126.2 million, a decrease of €10.9 million when compared to the previous year.

By the end of September 2022, Government's capital spending amounted to €400.2 million, €31.4 million lower than 2021. This decrease resulted from lower expenditure towards Road construction and improvements (€15.0 million), Property, plant and equipment (€8.5 million), Gozo Aquatic Centre (€8.0 million), Acquisitions of property for public purposes (€5.6 million), Maritime facilities (€4.1 million), Investments in physical assets (€3.9 million) and Grand Harbour Regeneration Corporation (€3.2 million). This decrease in Capital Expenditure was partially offset by increases under Film industry incentives (€10.4 million) and Ta' Qali National Park (€6.8 million).

The difference between total revenue and expenditure resulted in a deficit of €467.8 million being reported in the Government's Consolidated Fund at the end of September 2022. Compared to the same period in 2021, there was a decrease in deficit of €422.9 million. This difference mirrors an increase in total Recurrent Revenue (€425.7 million), partly offset by a rise in total expenditure, which consists of Recurrent Expenditure (€45.1 million), Interest (-€10.9 million) and Capital Expenditure (-€31.4 million) (Table 1).

At the end of September 2022, Central Government debt stood at €8,516.6 million, an increase of €657.5 million from 2021. The increase reported under Malta Government Stocks (€435.9 million) was the main contributor to the rise in debt. Higher debt was also reported under Treasury Bills (€266.0 million), Euro coins issued in the name of the Treasury (€5.1 million) and the 62+ Malta Government Savings Bond (€0.3 million). This increase in debt was partially offset by a decrease in Foreign Loans (€0.1 million). Finally, higher holdings by government funds in Malta Government Stocks resulted in a decrease in debt of €49.6 million (Table 6) ■

Table 1. Revenue/Expenditure categories by period and description

Description	Jan-Sep 2020	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2022 / Jan-Sep 2021	
				Change	% change
				€ 000	
(a) Total Recurrent Revenue	2,930,332	3,646,937	4,072,631	425,694	11.7
Customs and Excise Duties	189,481	214,491	209,910	-4,581	
Licences, Taxes and Fines	221,224	246,816	259,356	12,541	
Income Tax	985,353	1,336,816	1,481,721	144,905	
Value Added Tax	543,112	718,707	902,897	184,190	
Fees of Office	86,477	71,154	62,012	-9,142	
Reimbursements	25,101	20,099	30,267	10,168	
Central Bank of Malta	25,000	25,000	22,173	-2,827	
Rents	23,975	19,907	23,894	3,987	
Dividends on Investment	15,910	34,652	19,878	-14,773	
Interest on loans made by Government	8	2	1	-1	
Social Security	657,760	798,345	894,258	95,913	
Grants	84,286	94,974	110,147	15,174	
Miscellaneous Receipts	72,646	65,976	56,117	-9,859	
(b) Total Expenditure	4,069,318	4,537,677	4,540,469	2,792	0.1
<i>Recurrent Expenditure</i>	3,320,222	3,968,941	4,014,047	45,105	1.1
Personal Emoluments	680,483	764,126	783,896	19,769	
Operational and Maintenance Expenses	192,363	190,362	174,563	-15,799	
Programmes and Initiatives	1,993,079	2,527,307	2,539,629	12,323	
Contributions to Government Entities	454,298	487,146	515,959	28,813	
<i>Interest</i>	138,679	137,065	126,182	-10,883	-7.9
<i>Capital Expenditure</i>	610,417	431,671	400,240	-31,431	-7.3
(a-b) Consolidated Fund Surplus/Deficit	-1,138,986	-890,739	-467,837	422,902	-47.5
(c) Financial Transactions					
<i>Revenue</i>					
Loans	1,244,791	1,265,255	536,114	-685,538	
Repayment of Loans	421	0	1,517	1,517	
Receipts from Sale of Shares	889	889	889	0	
Other extraordinary receipts	0	0	0	0	
<i>Expenditure</i>					
Contribution to Sinking Fund	10,025	0	0	0	
Equity Acquisition	26,980	4,500	35,000	30,500	
Repayment of Loan	416,366	466,598	474,022	7,424	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories by month and description

Description	September 2020	September 2021	September 2022	September 2022 / September 2021	
				Change	% change
				€ 000	
(a) Total Recurrent Revenue	405,485	411,906	448,767	36,861	8.9
Customs and Excise Duties	59,934	26,397	27,085	687	
Licences, Taxes and Fines	18,924	22,215	25,807	3,593	
Income Tax	149,441	169,463	187,457	17,994	
Value Added Tax	64,190	53,715	60,160	6,445	
Fees of Office	2,250	4,512	3,301	-1,211	
Reimbursements	4,551	581	1,037	456	
Central Bank of Malta	5,000	5,000	0	-5,000	
Rents	3,856	1,978	3,160	1,182	
Dividends on Investment	500	19,013	1,674	-17,340	
Interest on loans made by Government	0	1	0	-1	
Social Security	87,873	93,849	108,887	15,038	
Grants	247	7,228	21,913	14,685	
Miscellaneous Receipts	8,719	7,953	8,286	333	
(b) Total Expenditure	458,256	553,567	557,621	4,054	0.7
<i>Recurrent Expenditure</i>	355,093	491,014	496,389	5,375	1.1
Personal Emoluments	75,985	88,246	92,829	4,583	
Operational and Maintenance Expenses	14,253	18,120	19,812	1,692	
Programmes and Initiatives	232,779	334,109	308,000	-26,109	
Contributions to Government Entities	32,076	50,540	75,748	25,208	
<i>Interest</i>	17,350	13,950	13,804	-146	-1.0
<i>Capital Expenditure</i>	85,813	48,604	47,428	-1,175	-2.4
(a-b) Consolidated Fund Surplus/Deficit	-52,771	-141,662	-108,854	32,808	-23.2
(c) Financial Transactions					
<i>Revenue</i>					
Loans	200,000	0	0	0	
Repayment of Loans	250	0	250	250	
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	138,766	4,096	96,133	92,036	
Loans	0	0	0	0	

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-Sep 2020	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2020	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2020	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2020	Jan-Sep 2021	Jan-Sep 2022
	€ 000											
General public services	73,657	94,645	99,584	69,136	38,431	38,791	180,805	387,111	410,569	37,865	102,148	110,267
Defence	31,710	45,284	38,280	4,416	5,969	5,762	573	542	515	286	0	0
Public order and safety	66,560	66,656	66,619	7,013	7,633	8,045	4,354	10,803	8,983	33,534	36,056	33,146
Economic affairs	46,831	39,607	42,295	18,171	33,714	7,981	173,434	400,549	308,802	132,147	129,241	137,017
Environment protection	4,325	4,315	3,934	86	754	425	40,203	22,700	17,420	19,817	7,740	6,540
Housing and community amenities	1,184	0	0	346	0	0	8,158	13,697	16,508	7,072	0	5,000
Health	222,734	252,908	260,325	46,957	59,489	62,361	235,932	262,468	244,342	57,752	57,225	63,490
Recreation, culture and religion	4,929	5,629	6,290	2,948	856	1,327	9,025	7,026	8,953	22,469	22,720	23,801
Education	185,668	204,092	214,590	12,034	15,179	14,227	154,455	167,069	173,305	96,838	103,801	113,926
Social protection	42,885	50,989	51,979	31,255	28,337	35,645	1,186,141	1,255,341	1,350,232	46,521	28,216	22,771
Total	680,483	764,126	783,896	192,363	190,362	174,563	1,993,079	2,527,307	2,539,629	454,298	487,146	515,959
COFOG	Interest Expenditure			Capital Expenditure			Total Expenditure					
	Jan-Sep 2020	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2020	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2020	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2020	Jan-Sep 2021	Jan-Sep 2022
	€ 000											
General public services	138,679	137,065	126,182	54,723	211,496	177,356	554,865	970,896	962,749			
Defence	0	0	0	3,332	1,834	1,489	40,317	53,631	46,047			
Public order and safety	0	0	0	13,644	23,911	20,164	125,105	145,059	136,956			
Economic affairs	0	0	0	443,786	109,432	125,472	814,368	712,543	621,567			
Environment protection	0	0	0	27,947	7,595	4,864	92,378	43,105	33,183			
Housing and community amenities	0	0	0	25	607	1,158	16,784	14,304	22,666			
Health	0	0	0	30,482	36,385	21,761	593,858	668,475	652,279			
Recreation, culture and religion	0	0	0	13,830	6,768	12,530	53,200	43,000	52,901			
Education	0	0	0	15,197	26,072	31,314	464,192	516,213	547,363			
Social protection	0	0	0	7,451	7,571	4,132	1,314,253	1,370,453	1,464,757			
Total	138,679	137,065	126,182	610,417	431,671	400,240	4,069,318	4,537,677	4,540,469			

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

Description	ESA code	Jan-Sep 2020	Jan-Sep 2021	Jan-Sep 2022	Jan-Sep 2022 / Jan-Sep 2021	
					Change	% change
€ 000						
1. Total Revenue		2,730,902	3,375,873	3,832,382	456,509	
Market Output	P11	106,161	121,252	83,392		
Taxes on Production and Imports	D2	914,826	1,139,233	1,327,647		
Property income receivable	D4	44,967	46,560	44,390		
Current taxes on income, wealth, etc	D5	1,026,873	1,384,089	1,532,801		
Social Contributions	D61	535,575	567,507	707,239		
Current transfers receivable	D7	3,266	3,747	3,389		
Capital transfers receivable	D9	99,234	113,485	133,523		
2. Total Expenditure		3,869,888	4,266,612	4,300,219	33,607	
Intermediate Consumption	P2	620,302	666,294	621,486		
Gross Capital Formation	P5g+NP	158,233	266,136	205,186		
Compensation of Employees	D1	808,121	799,942	884,425		
Property income payable	D4	94,992	117,750	120,747		
Subsidies	D3	304,336	340,045	227,823		
Social Benefits and social transfers in kind	D62+D632	960,439	1,028,259	1,118,050		
Current transfers payable	D7	867,508	979,730	1,031,588		
Capital transfers payable	D9	55,957	68,457	90,914		
(1-2) Consolidated Fund Surplus/Deficit		-1,138,986	-890,739	-467,837	422,902	-47.5

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

Description	ESA code	September 2020	September 2021	September 2022	September 2022 / September 2021	
					Change	% change
€ 000						
1. Total Revenue		373,022	375,645	411,256	35,611	
Market Output	P11	4,102	22,003	10,303		
Taxes on Production and Imports	D2	139,118	100,901	107,955		
Property income receivable	D4	7,798	7,070	3,806		
Current taxes on income, wealth, etc	D5	151,930	174,218	190,865		
Social Contributions	D61	67,832	62,494	71,734		
Current transfers receivable	D7	400	386	223		
Capital transfers receivable	D9	1,843	8,573	26,370		
2. Total Expenditure		425,793	517,307	520,110	2,803	
Intermediate Consumption	P2	65,193	74,568	72,673		
Gross Capital Formation	P5g+NP	11,012	22,725	25,289		
Compensation of Employees	D1	90,910	95,204	107,320		
Property income payable	D4	9,994	9,857	13,462		
Subsidies	D3	43,608	27,767	9,160		
Social Benefits and social transfers in kind	D62+D632	108,286	118,098	121,107		
Current transfers payable	D7	94,196	162,744	167,496		
Capital transfers payable	D9	2,593	6,343	3,602		
(1-2) Consolidated Fund Surplus/Deficit		-52,771	-141,662	-108,854	32,808	-23.2

Table 6. Central Government debt by month and description

Description	September 2020	September 2021	September 2022	September 2022 / September 2021	
				Change	% change
€ 000					
Total Central Government Debt	6,623,351	7,859,148	8,516,616	657,468	8.4
<i>of which:</i>					
Treasury Bills	757,500	720,500	986,500	266,000	
Malta Government Stocks	5,505,722	6,362,826	6,798,685	435,859	
62+ Malta Government Savings Bond	382,006	376,716	376,985	269	
Foreign Loans	839	420,717	420,593	-124	
MGSF investments in Government Debt	-113,153	-113,874	-163,474	-49,600	
Euro coins issued in the name of the Treasury	90,438	92,263	97,327	5,064	

Note: Totals may not add up due to rounding.

Chart 1. Consolidated Fund Surplus/Deficit: January to September by year

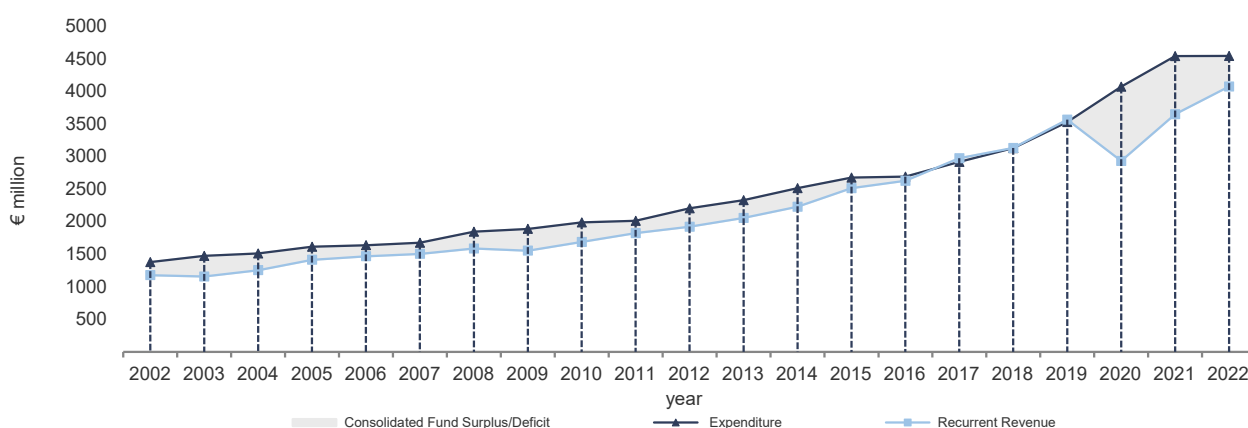


Chart 2. Recurrent Revenue by main category (%): January to September 2022

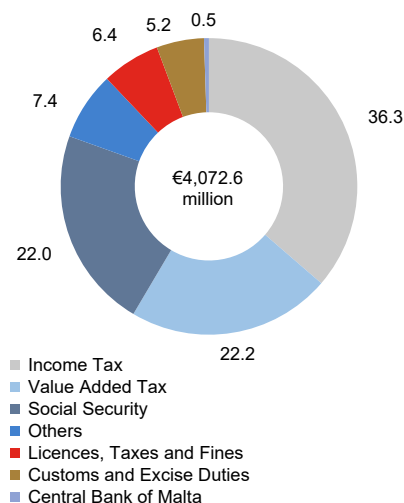
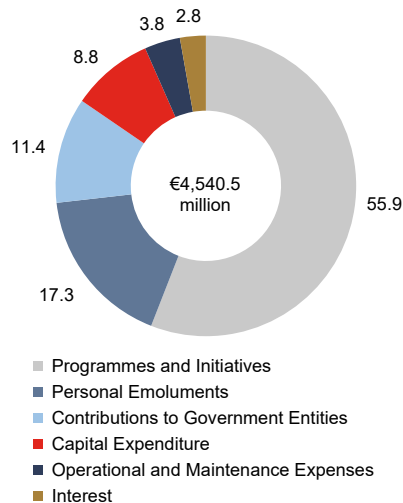


Chart 3. Expenditure by main category (%): January to September 2022



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 2022 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. The Reconciliation Table may be accessed at:
https://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 1-58906-061-X).
 8. Tables 4 and 5 present the Consolidated Fund year to date and monthly data 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: <https://metadata.nso.gov.mt>
Statistical Database: <https://statdb.nso.gov.mt/start>
 10. Any quotations from this news release are to be cited and/or referenced.
 11. Statistics in this news release should be interpreted in the context of the COVID-19 situation.
 12. A detailed news release calendar is available on:
https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx