

By the end of October 2022, the Government's Consolidated Fund reported a deficit of €613.4 million.

## Government Finance Data: January-October 2022

Between January and October 2022, Recurrent Revenue amounted to €4,528.5 million, 12.3 per cent higher than the €4,031.9 million reported a year earlier. The largest increase was recorded under Value Added Tax (€199.1 million), followed by Income Tax (€195.3 million), Social Security (€112.2 million), Licences, Taxes and Fines (€10.1 million), Reimbursements (€9.3 million), Grants (€7.5 million) and Rents (€3.4 million). The rise in revenue was partially offset by decreases under Dividends on Investment (€14.0 million), Fees of Office (€13.6 million), Customs and Excise Duties (€7.4 million), Central Bank of Malta (€2.8 million) and Miscellaneous Receipts (€2.5 million).

By the end of October 2022, total expenditure stood at €5,141.9 million, €59.8 million higher than the previous year.

During the reference period, Recurrent Expenditure totalled €4,532.7 million, an increase of €107.8 million in comparison to the €4,424.9 million reported during the corresponding period in 2021. The main contributor to this increase was a €74.2 million rise reported under Programmes and Initiatives. Furthermore, increases were also witnessed under Contributions to Government Entities (€32.6 million) and Personal Emoluments (€21.9 million). This rise in expenditure outweighed a decrease under Operational and Maintenance Expenses (€20.7 million). The main developments in the Programmes and Initiatives category involved added outlays towards Energy support measures (€180.9 million), Economic stimulus payments (€47.5 million), Social security benefits (€41.9 million), Gas stabilisation fund (€12.7 million) and Tax relief measures (€7.8 million). This rise in Programmes and Initiatives was partly offset by decreases under the Pandemic assistance schemes (€182.7 million), Hospital concession agreements (€16.5 million) and Waiting lists for medical services (€14.9 million).

The interest component of the public debt servicing costs totalled €145.0 million, a decrease of €7.8 million when compared to the previous year.

By the end of October 2022, Government's capital spending amounted to €464.2 million, €40.2 million lower than 2021. This decrease resulted from lower expenditure towards Road construction and improvements (€20.5 million), Gozo Aquatic Centre (€9.2 million), Property, plant and equipment (€8.0 million) and National Identity Management Systems (€3.2 million).

The difference between total revenue and expenditure resulted in a deficit of €613.4 million being reported in the Government's Consolidated Fund at the end of October 2022. Compared to the same period in 2021, there was a decrease in deficit of €436.8 million. This difference mirrors an increase in total Recurrent Revenue (€496.6 million), partly offset by a rise in total expenditure, which consists of Recurrent Expenditure (€107.8 million), Interest (-€7.8 million) and Capital Expenditure (-€40.2 million) (Table 1).

At the end of October 2022, Central Government debt stood at €8,738.0 million, an increase of €771.4 million from 2021. The increase reported under Malta Government Stocks (€729.0 million) was the main contributor to the rise in debt. Higher debt was also reported under Treasury Bills (€186.4 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 (€99.6 million) and Foreign Loans (€0.1 million). Finally, higher holdings by government funds in Malta Government Stocks resulted in a decrease in debt of €49.3 million (Table 6) ■

Table 1. Revenue/Expenditure categories by period and description

Description	Jan-Oct 2020	Jan-Oct 2021	Jan-Oct 2022	Jan-Oct 2022 / Jan-Oct 2021	
				Change	% change
€ 000					
<b>(a) Total Recurrent Revenue</b>	<b>3,318,255</b>	<b>4,031,885</b>	<b>4,528,481</b>	<b>496,596</b>	<b>12.3</b>
Customs and Excise Duties	216,164	242,362	235,004	-7,358	
Licences, Taxes and Fines	258,026	270,342	280,451	10,109	
Income Tax	1,136,987	1,471,146	1,666,419	195,273	
Value Added Tax	587,260	769,661	968,778	199,118	
Fees of Office	90,452	84,632	70,994	-13,638	
Reimbursements	28,210	25,775	35,067	9,292	
Central Bank of Malta	25,000	25,000	22,173	-2,827	
Rents	27,380	21,999	25,437	3,438	
Dividends on Investment	21,910	40,695	26,704	-13,992	
Interest on loans made by Government	8	2	20	18	
Social Security	752,940	891,789	1,003,953	112,163	
Grants	85,115	117,665	125,158	7,493	
Miscellaneous Receipts	88,802	70,816	68,324	-2,492	
<b>(b) Total Expenditure</b>	<b>4,560,474</b>	<b>5,082,021</b>	<b>5,141,857</b>	<b>59,837</b>	<b>1.2</b>
<i>Recurrent Expenditure</i>	3,694,357	4,424,850	4,532,696	107,846	2.4
Personal Emoluments	753,257	844,577	866,449	21,872	
Operational and Maintenance Expenses	212,378	217,579	196,834	-20,745	
Programmes and Initiatives	2,215,044	2,818,554	2,892,716	74,162	
Contributions to Government Entities	513,678	544,141	576,698	32,557	
<i>Interest</i>	151,448	152,800	144,978	-7,822	-5.1
<i>Capital Expenditure</i>	714,668	504,370	464,183	-40,187	-8.0
<b>(a-b) Consolidated Fund Surplus/Deficit</b>	<b>-1,242,219</b>	<b>-1,050,135</b>	<b>-613,376</b>	<b>436,759</b>	<b>-41.6</b>
<b>(c) Financial Transactions</b>					
<i>Revenue</i>					
Loans	1,244,791	1,364,770	829,256	-535,514	
Repayment of Loans	668	1,030	2,151	1,120	
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	464,280	466,598	474,704	8,106	
Loans	0	0	0	0	

Note: Totals may not add up due to rounding.

Table 2. Revenue/Expenditure categories by month and description

Description	October 2020	October 2021	October 2022	October 2022 / October 2021	
				Change	% change
	€ 000				
<b>(a) Total Recurrent Revenue</b>	<b>387,923</b>	<b>384,948</b>	<b>455,850</b>	<b>70,902</b>	<b>18.4</b>
Customs and Excise Duties	26,683	27,872	25,095	-2,777	
Licences, Taxes and Fines	36,802	23,526	21,094	-2,432	
Income Tax	151,634	134,330	184,698	50,369	
Value Added Tax	44,148	50,953	65,881	14,927	
Fees of Office	3,975	13,478	8,982	-4,496	
Reimbursements	3,109	5,676	4,800	-877	
Central Bank of Malta	0	0	0	0	
Rents	3,405	2,093	1,543	-549	
Dividends on Investment	6,000	6,044	6,825	782	
Interest on loans made by Government	0	0	19	19	
Social Security	95,180	93,444	109,695	16,250	
Grants	829	22,692	15,011	-7,681	
Miscellaneous Receipts	16,156	4,840	12,207	7,366	
<b>(b) Total Expenditure</b>	<b>491,156</b>	<b>544,344</b>	<b>601,389</b>	<b>57,045</b>	<b>10.5</b>
<i>Recurrent Expenditure</i>	374,135	455,909	518,650	62,741	13.8
Personal Emoluments	72,774	80,451	82,554	2,103	
Operational and Maintenance Expenses	20,016	27,216	22,271	-4,945	
Programmes and Initiatives	221,966	291,247	353,086	61,839	
Contributions to Government Entities	59,380	56,994	60,739	3,744	
<i>Interest</i>	12,769	15,736	18,796	3,061	19.4
<i>Capital Expenditure</i>	104,251	72,699	63,943	-8,757	-12.0
<b>(a-b) Consolidated Fund Surplus/Deficit</b>	<b>-103,233</b>	<b>-159,396</b>	<b>-145,539</b>	<b>13,857</b>	<b>-8.7</b>
<b>(c) Financial Transactions</b>					
<i>Revenue</i>					
Loans	0	99,516	293,142	193,626	
Repayment of Loans	247	1,030	634	-397	
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	47,914	0	682	682	
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-Oct 2020	Jan-Oct 2021	Jan-Oct 2022	Jan-Oct 2020	Jan-Oct 2021	Jan-Oct 2022	Jan-Oct 2020	Jan-Oct 2021	Jan-Oct 2022	Jan-Oct 2020	Jan-Oct 2021	Jan-Oct 2022
	€ 000											
General public services	81,185	106,183	111,005	74,109	50,436	43,412	205,061	434,183	454,499	39,986	113,974	123,468
Defence	35,136	49,143	42,593	4,717	6,699	7,240	646	573	580	375	0	0
Public order and safety	73,941	74,054	74,060	10,275	8,575	8,960	9,035	11,954	9,883	36,641	41,454	41,997
Economic affairs	51,784	44,083	46,878	19,349	34,814	9,002	188,372	450,169	408,379	152,474	147,724	154,133
Environment protection	5,231	4,738	4,403	126	868	458	47,538	30,736	23,953	19,817	9,820	6,540
Housing and community amenities	1,302	0	0	392	0	0	8,312	14,890	20,254	8,177	0	5,000
Health	246,441	278,767	286,480	51,780	66,625	67,575	256,897	298,533	287,640	62,914	68,943	75,103
Recreation, culture and religion	5,681	6,156	6,970	3,035	1,168	1,411	9,834	7,812	10,457	26,161	27,607	28,865
Education	205,426	225,386	236,604	13,644	16,656	15,725	174,524	179,808	184,577	116,688	103,810	114,003
Social protection	47,129	56,067	57,457	34,951	31,738	43,051	1,314,826	1,389,895	1,492,494	50,446	30,808	27,588
<b>Total</b>	<b>753,257</b>	<b>844,577</b>	<b>866,449</b>	<b>212,378</b>	<b>217,579</b>	<b>196,834</b>	<b>2,215,044</b>	<b>2,818,554</b>	<b>2,892,716</b>	<b>513,678</b>	<b>544,141</b>	<b>576,698</b>
COFOG	Interest Expenditure			Capital Expenditure			Total Expenditure					
	Jan-Oct 2020	Jan-Oct 2021	Jan-Oct 2022	Jan-Oct 2020	Jan-Oct 2021	Jan-Oct 2022	Jan-Oct 2020	Jan-Oct 2021	Jan-Oct 2022	Jan-Oct 2020	Jan-Oct 2021	Jan-Oct 2022
	€ 000											
General public services	151,448	152,800	144,978	65,477	251,557	210,480	617,265	1,109,133	1,087,842			
Defence	0	0	0	5,429	2,209	2,407	46,303	58,624	52,819			
Public order and safety	0	0	0	22,405	27,102	22,043	152,298	163,140	156,943			
Economic affairs	0	0	0	506,444	123,997	144,834	918,423	800,788	763,226			
Environment protection	0	0	0	34,359	11,714	5,994	107,070	57,876	41,349			
Housing and community amenities	0	0	0	25	609	1,621	18,207	15,499	26,875			
Health	0	0	0	33,597	38,623	25,092	651,629	751,492	741,890			
Recreation, culture and religion	0	0	0	17,258	8,361	13,300	61,969	51,105	61,002			
Education	0	0	0	20,206	31,733	33,816	530,489	557,393	584,726			
Social protection	0	0	0	9,469	8,464	4,596	1,456,820	1,516,971	1,625,186			
<b>Total</b>	<b>151,448</b>	<b>152,800</b>	<b>144,978</b>	<b>714,668</b>	<b>504,370</b>	<b>464,183</b>	<b>4,560,474</b>	<b>5,082,021</b>	<b>5,141,857</b>			

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

Description	ESA code	Jan-Oct 2020	Jan-Oct 2021	Jan-Oct 2022	Jan-Oct 2022 / Jan-Oct 2021	
		€ 000			Change	% change
<b>1. Total Revenue</b>		<b>3,093,257</b>	<b>3,728,621</b>	<b>4,268,481</b>	<b>539,860</b>	
Market Output	P11	126,145	139,685	105,051		
Taxes on Production and Imports	D2	1,012,571	1,237,764	1,441,843		
Property income receivable	D4	50,375	50,984	48,489		
Current taxes on income, wealth, etc	D5	1,189,285	1,522,485	1,716,840		
Social Contributions	D61	609,555	634,271	800,679		
Current transfers receivable	D7	3,699	4,788	15,316		
Capital transfers receivable	D9	101,627	138,644	140,263		
<b>2. Total Expenditure</b>		<b>4,335,476</b>	<b>4,778,755</b>	<b>4,881,857</b>	<b>103,102</b>	
Intermediate Consumption	P2	699,927	780,711	703,457		
Gross Capital Formation	P5g+NP	173,888	305,648	238,180		
Compensation of Employees	D1	902,063	886,343	999,868		
Property income payable	D4	107,976	133,488	138,135		
Subsidies	D3	341,646	374,363	467,941		
Social Benefits and social transfers in kind	D62+D632	1,049,172	1,127,781	1,227,333		
Current transfers payable	D7	988,938	1,085,042	991,487		
Capital transfers payable	D9	71,866	85,380	115,456		
<b>(1-2) Consolidated Fund Surplus/Deficit</b>		<b>-1,242,219</b>	<b>-1,050,135</b>	<b>-613,376</b>	<b>436,759</b>	<b>-41.6</b>

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

Description	ESA code	October 2020	October 2021	October 2022	October 2022 / October 2021	
		€ 000			Change	% change
<b>1. Total Revenue</b>		<b>362,355</b>	<b>352,747</b>	<b>436,099</b>	<b>83,351</b>	
Market Output	P11	19,984	18,432	21,659		
Taxes on Production and Imports	D2	97,744	98,531	114,196		
Property income receivable	D4	5,408	4,424	4,099		
Current taxes on income, wealth, etc	D5	162,413	138,395	184,040		
Social Contributions	D61	73,980	66,764	93,440		
Current transfers receivable	D7	434	1,041	11,926		
Capital transfers receivable	D9	2,393	25,159	6,739		
<b>2. Total Expenditure</b>		<b>465,588</b>	<b>512,143</b>	<b>581,638</b>	<b>69,494</b>	
Intermediate Consumption	P2	79,625	114,417	81,971		
Gross Capital Formation	P5g+NP	15,655	39,513	32,994		
Compensation of Employees	D1	93,942	86,401	115,443		
Property income payable	D4	12,984	15,738	17,389		
Subsidies	D3	37,310	34,318	240,118		
Social Benefits and social transfers in kind	D62+D632	88,732	99,522	109,283		
Current transfers payable	D7	121,430	105,311	-40,101		
Capital transfers payable	D9	15,909	16,923	24,542		
<b>(1-2) Consolidated Fund Surplus/Deficit</b>		<b>-103,233</b>	<b>-159,396</b>	<b>-145,539</b>	<b>13,857</b>	<b>-8.7</b>

Table 6. Central Government debt by month and description

Description	October 2020	October 2021	October 2022	October 2022 / October 2021	
				Change	% change
€ 000					
<b>Total Central Government Debt</b>	<b>6,504,129</b>	<b>7,966,670</b>	<b>8,738,031</b>	<b>771,361</b>	<b>9.7</b>
<i>of which:</i>					
Treasury Bills	686,500	729,000	915,385	186,385	
Malta Government Stocks	5,457,872	6,362,826	7,091,827	729,001	
62+ Malta Government Savings Bond	381,537	475,936	376,303	-99,633	
Foreign Loans	839	420,718	420,593	-125	
MGSF investments in Government Debt	-113,153	-114,274	-163,574	-49,300	
Euro coins issued in the name of the Treasury	90,534	92,465	97,498	5,033	

Note: Totals may not add up due to rounding.

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

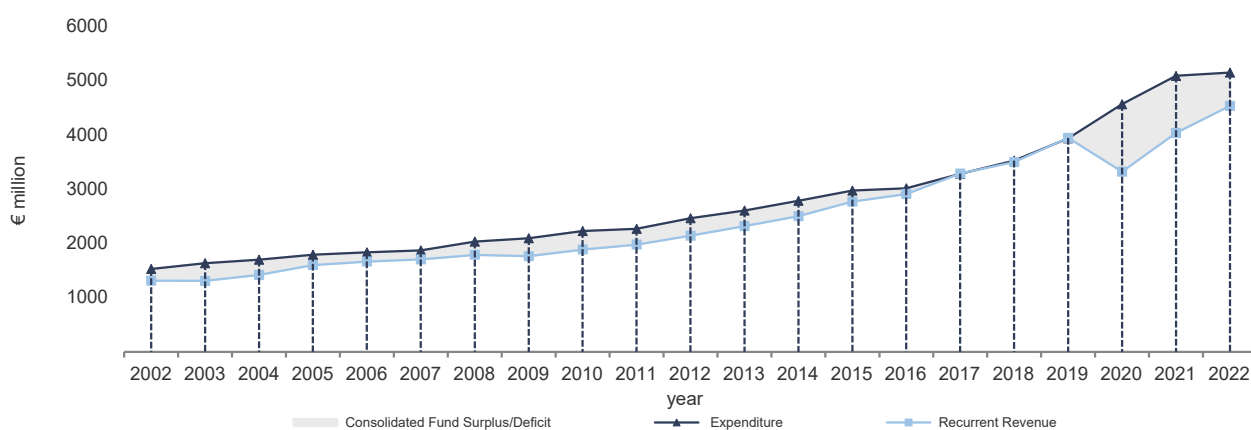


Chart 2. Recurrent Revenue by main category (%): January to October 2022

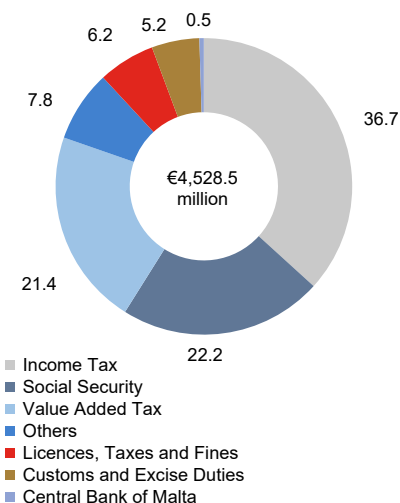
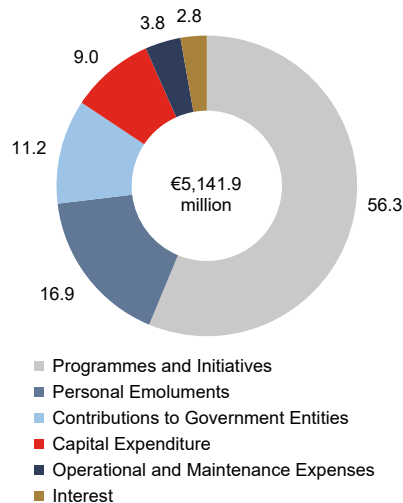


Chart 3. Expenditure by main category (%): January to October 2022



## 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](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](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 1-58906-061-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](https://nso.gov.mt/en/News_Releases/Release_Calendar/Pages/News-Release-Calendar.aspx)