

26 March, 2015

Main Aggregates of General Government

2014 – Half-finalized data

Main Aggregates of General Government

Statistics Portugal presents the provisional results on the main aggregates of General Government for 2014 sent to Eurostat accordingly with the ESA 2010 transmission programme¹.

The General Government sector accounts are compiled accordingly with the concepts and definitions of the European System of National and Regional Accounts 2010 (ESA 2010). In addition, specific guidelines of the Manual on Government Deficit and Debt are applied².

These results are fully consistent with the first notification of 2015 for the Excessive Deficit Procedure (EDP).

The tables with the results on the Main Aggregates of General Government for 2012, 2013 and 2014 are presented below.

TABLE 1: MAIN AGGREGATES OF GENERAL GOVERNMENT - HALF-FINALIZED DATA
TIME: 2014

Unit: Millions of euros

Transaction code	Transaction label	General Government S13	Central Government S1311	Local and Regional Government S1313	Social security funds S1314
TE	Total general government expenditure	84 834	63 694	10 780	23 024
TR	Total general government revenue	77 012	54 643	11 225	23 807
B.9	Net lending (+)/Net borrowing (-) (National accounts balance)	-7 822	-9 051	445	783

Footnote:

For total revenue (TR) and total expenditure (TE) the sum of sub-sectors does not equal the sector value, due to consolidation of some transactions.

¹ Regulation (EU) n° 549/2003 of the European Parliament and of the Council, from 21th may 2013, on the European System of National and Regional Accounts.

² This document is available in http://epp.eurostat.ec.europa.eu/portal/page/portal/product_details/publication?p_product_code=KS-GQ-13-006

In 2014 the Net Borrowing of the General Government was 7 822 millions of euros, determined by the Central Government as both the Local and Regional Government and the Social Security Funds presented positive balances.

Table 2 shows the evolution of the main components of General Government revenue from 2012 to 2014.

TABLE 2 - GENERAL GOVERNMENT REVENUE

Unit: Millions of euros

GENERAL GOVERNMENT S13				
Transaction code		2012	2013	2014
OTR	TOTAL REVENUE	72 161	76 637	77 012
OTE-D9	CURRENT REVENUE	69 190	75 063	75 741
	of w hich			
D2	Taxes on production and imports	23 340	23 442	24 617
D61	Social contributions	19 142	20 051	20 513
D5	Current taxes on income, wealth, etc...	15 141	19 388	18 922
D9	CAPITAL REVENUE	2 971	1 574	1 271

Total revenue for the General Government increased 6.7% from 2012 to 2014. The increase in total revenue is explained by the increase in current revenue, as the capital revenue showed a major reduction from 2012 to 2014 (-57.2%).

Current Revenue increased 0.9% in 2014 (after an increase of 8.5% in 2013). The behaviour of revenue from current taxes on income and wealth must be highlighted, which decreased 2.4% in 2014, after having increased 28.1% in 2013, mostly due to the increase in the tax rates of the individual income tax (IRS) from January 2013 onwards. Revenues from social contributions and from taxes on production and imports also increased in 2014 (2.3% and 5,0% respectively), after the increases by 4.7% and 0.4% in 2013.

Table 3 shows the evolution of the main components of General Government Expenditure from 2012 to 2014.

TABLE 3 - GENERAL GOVERNMENT EXPENDITURE

Unit: Millions of euros

GENERAL GOVERNMENT S13				
Transaction code		2012	2013	2014
OTE	TOTAL EXPENDITURE	81 611	84 818	84 834
OTE-D9-P5-NP	CURRENT EXPENDITURE	76 203	79 634	79 273
	of w hich			
D1	Compensation of employees	19 688	21 060	20 481
D62	Social benefits other than social transfers in kind	29 654	31 245	30 789
D41	Interest	8 214	8 319	8 580
D9+P5+NP	CAPITAL EXPENDITURE	5 408	5 184	5 561

Between 2012 and 2014 the expenditure of the General Government increased 3.9%. That increase occurred mainly in 2013 (3.9% from the previous year), as the General Government expenditure showed only a minor increase in 2014 (0.2%)

Current expenditure showed a distinct behaviour in 2013 and in 2014. While current expenditure increased 4.5% in 2013, it decreased 0.5% in 2014. The main components of the current expenditure showed opposing changes in 2014, with the compensation of employees decreasing 2.7% (after an increase of 7.0% in 2013) and the social benefits other than social transfers in kind decreasing 1.5% (after an increase of 5.4% in 2013), while the expenditure with interest increased 3.1% (increase of 1.3% in 2013).

Capital expenditure also showed distinct changes in 2013 and 2014, having decreased 4.2% in 2013 and having increased 7.3% in 2014 as a result of the recording of the capital transfers related to the financing of STCP and Carris, the write-off of nonperforming loans of BPN Crédito owned by Parvalorem S.A. and the debt assumption of guaranteed debt from Fundo de Contragarantia Mútuo.

TABLE 4 - GENERAL GOVERNMENT BALANCES

Unit: Millions of euros

GENERAL GOVERNMENT S13				
		2012	2013	2014
B9	Net lending (+)/Net borrowing (-) (National accounts balance)	-9 450	-8 181	-7 822
	CURRENT BALANCE	-7 013	-4 571	-3 532
B9-D41	PRIMARY BALANCE	-1 236	138	758

The net borrowing of the General Government decreased 1 269 million of Euros in 2013 and 359 millions of Euros in 2014.

Regarding primary balance, corresponding to the global balance excluding the payments related to interest, it attained 138 million euro in 2013 and 758 million Euros in 2014.