Government quarterly revenue and expenditure in the EU, Second quarter 2009

EU-27[1] **government revenue and expenditure accounted for 43.9% and 49.7% of GDP respectively in the second quarter of 2009 (2009Q2).**
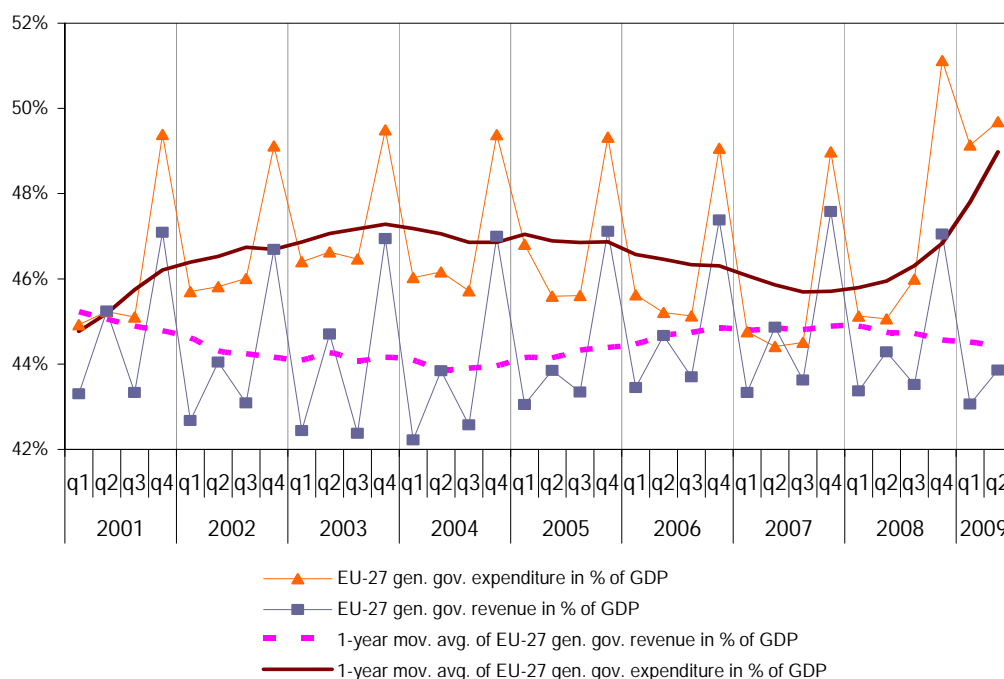
The EU-27 government deficit increased from 0.8% of GDP in 2008Q2 to 5.8% of GDP in 2009Q2, while the 4-quarter moving average (over 2008Q3-2009Q2) of the government deficit reached 4.6% of GDP, an increase of 2.3 percentage points from 2008Q1-2008Q4.

The 4-quarter moving average of EU-27 government gross saving turned negative for the first time since 2004Q2.

Taxes accounted for 58.7% and social contributions for 31.1% of EU-27 government revenue throughout the reference period 2001Q1-2009Q2.

Social welfare spending accounted for 42.2% of EU-27 government expenditure in the same period.

Figure 1: EU-27 government revenue and expenditure in % of GDP and their four-quarter moving averages, from 2001Q1 to 2009Q2

- EU-27 gen. gov. expenditure in % of GDP
- EU-27 gen. gov. revenue in % of GDP
- 1-year mov. avg. of EU-27 gen. gov. revenue in % of GDP
- 1-year mov. avg. of EU-27 gen. gov. expenditure in % of GDP

Source: Eurostat (gov_q_ggnfa)

[1] *In this publication, EU-27 or EU general government figures are obtained by aggregating the data of the 27 EU Member States. The aggregates do not include the data of EU Institutions and Bodies (e.g. European Commission, European Parliament, European Central Bank, European Investment Bank, etc…). A similar rule is applied to the calculation of euro area (EA-16) aggregates. For each quarter, the ratio figures (i.e. expressed in percentage of GDP) are calculated by dividing current prices figures by the GDP (at current prices) of the relevant quarter.*

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Government revenue and expenditure

EU-27 and euro area (EA-16) government revenue in 2009Q2 at 43.9% and 44.6% of GDP respectively

EU-27 government revenue expressed in percentage of GDP steadily increased from 2004Q1 to 2007Q4 (see Figure 2 below). In 2007Q4, the 4-quarter average of EU-27 government revenue represented 44.9% of GDP, the highest value in six years. Since then, the EU-27 government revenue-to-GDP ratio has been on a decreasing trend.

The development for EA-16 followed a similar path, but with a slightly higher government revenue-to-GDP ratio.

For both the EU-27 and EA-16, government revenue showed important seasonal movements (partly explained by the link with the seasonality of economic activity and by budgetary planning practices of national governments) and was generally highest in the fourth quarters. At the end of the fourth quarter of 2007 (2007Q4), the government revenue for the euro area (EA-16) reached 49.7% of GDP, the highest value since 1999Q4.

Government revenue-to-GDP ratios varied strongly across countries (see Table 1 on page 6).

In the 4-quarter period 2008Q3-2009Q2, government revenue in percentage of GDP was smallest in Romania (32.1%), Slovakia (33.7%), Latvia and Lithuania (34.8%), Ireland (34.9%) and Spain (35.3%). The largest government revenue percentages were recorded by Norway (56.2%), Denmark (55.5%), Sweden (55.3%) and Finland (53.3%). A similar variability across countries is observed when comparing the figures of the quarter 2009Q2 alone, instead of the 4-quarter averages over 2008Q3-2009Q2.

Figure 2: EU-27 and EA-16 quarterly government revenue in % of GDP and their 4-quarter moving averages, 2001Q1 to 2009Q2
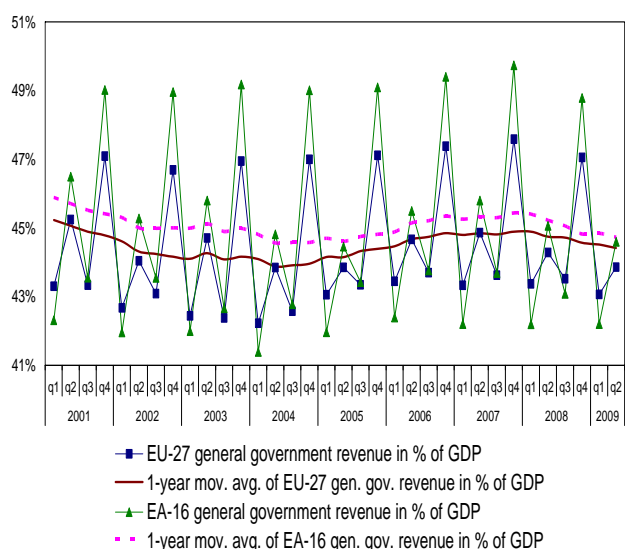
Source: Eurostat (gov_q_ggnfa).

EU-27 and EA-16 government expenditure-to-GDP ratios sharply increasing since 2007Q4

In the second quarter of 2009 (2009Q2), EU-27 government expenditure accounted for 49.7% of GDP, (see Figure 3 below). The average government expenditure-to-GDP ratio for the rolling period 2008Q3-2009Q2 reached 49.0%; an increase of more than 3 percentage points in 6 quarters. Seven countries (Estonia, Ireland, Latvia, Lithuania, the UK, Slovenia and Greece) saw a relatively important increase (at least 5 percentage points) of their government expenditure-to-GDP figures in 6 quarters.

The EA-16 government expenditure-to-GDP ratio was 49.7% in 2009Q2, whereas the corresponding 4-quarter average over 2008Q3-2009Q2 stood at 48.8%. Over the reference period 2001Q1-2009Q2, EA-16 government expenditure in % of GDP was on average 0.5 percentage point higher than in the EU-27, but this gap has narrowed substantially in the last 6 quarters.

Government expenditure-to-GDP ratios also presented seasonal movements, with the highest values being generally recorded in the fourth quarter of the year.

Finally, government expenditure in percentage of GDP showed significant variability across countries (see Table 1).

The lowest average ratios over 2008Q3-2009Q2 were observed for Slovakia (37.5%), Romania (39.9%), Bulgaria (40.4%), Luxembourg (41.4%), Lithuania (41.9%), Norway (42.6%) and the highest for Sweden (55.0%), Denmark (54.4%) and Belgium (52.6%).

Figure 3: EU-27 and EA-16 quarterly government expenditure in % of GDP and their 4-quarter moving averages, 2001Q1 to 2009Q2
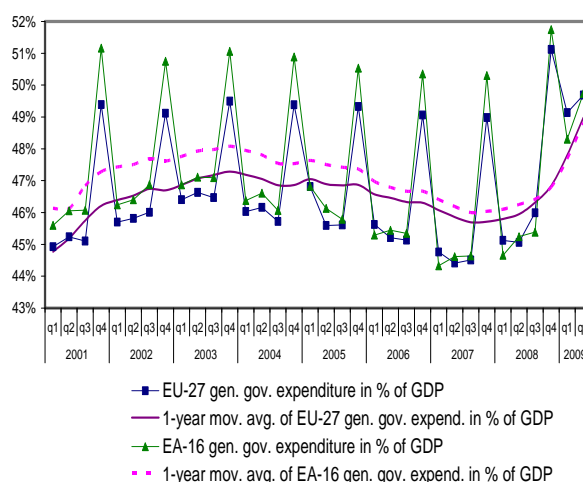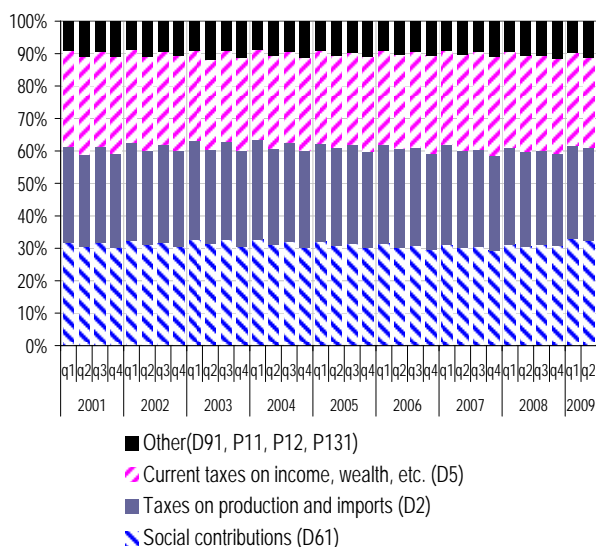

Source: Eurostat (gov_q_ggnfa)

Government revenue by main components

Taxes and social contributions accounted for around 90% of EU general government revenue

Taxes and social contributions accounted for some 90% of general government revenue in the EU-27 throughout the period analysed, 2001Q1-2009Q2. This share was generally slightly lower for the fourth quarters. In Figure 4 below, government revenue is split into the following ESA 95 categories: 'taxes on production and imports' (D.2), 'current taxes on income, wealth, etc.' (D.5), 'social contributions' (D.61) and other, which is made up of the remaining revenue categories (D91, P11, P12, and P131, etc...).

In average (over 2001Q1-2009Q2) 'Social contributions' accounted for 31.1% of total government revenue in the EU-27, followed by 'taxes on production and imports' (29.9%), and 'current taxes on income, wealth, etc.' (28.9%). Quarterly variations were relatively small for all components and mainly attributable to seasonal patterns. 'Social contributions' cover actual amounts receivable from employers and employees and also imputed amounts (see ESA 95 paragraphs 4.98 - 4.102 for an explanation of imputed social contributions).

Figure 4: Government revenue for the EU-27 by main components as a % of total revenue, from 2001Q1 to 2009Q2
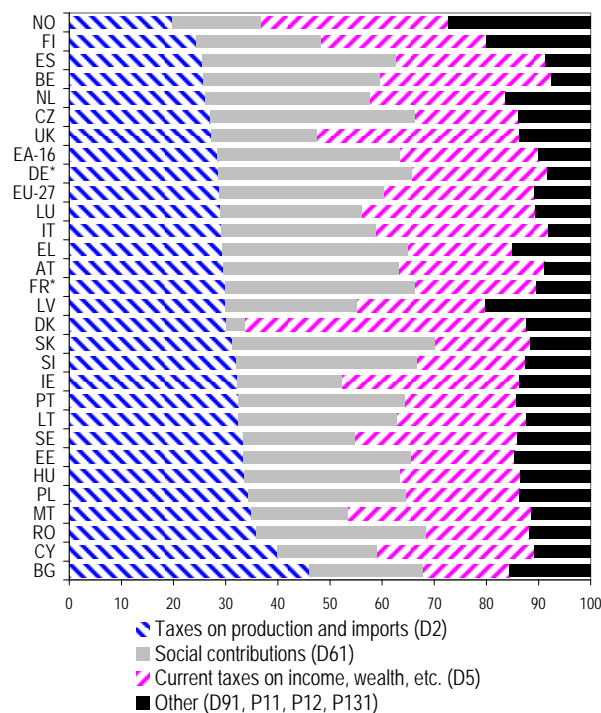

Source: Eurostat (gov_q_ggnfa)

The importance of revenue components varies across countries

While taxes and social contributions accounted for nearly 89% of the EU-27 general government revenue in the 4-quarter period 2008Q3-2009Q2, this was not the case for all countries (see Figure 5). In particular, Finland, Latvia and Norway recorded a larger share (nearly one fifth) of their government revenues from sources other than taxes and social contributions.

In 2008Q3-2009Q2, 'Social contributions' accounted for 31.6% of total government revenue in the EU-27, but the importance of this category is even greater in EA-16 (34.9% of total government revenue), partly explained by

the figures of Germany[*] and France[*], where 37.4% and 36.4% respectively of total government revenue are included in this category. Again, the relative importance of this revenue component varied strongly across countries. In Denmark social contributions represented only 3.5% of total revenue, the lowest share among the countries covered.

Figure 5: Government revenue by main components as a % of total revenue, 2008Q3-2009Q2

(*) 2008Q1-2008Q4 data were used for Germany (DE) and France (FR)
Source: Eurostat (gov_q_ggnfa)

Taxes on production and imports represented 28.8% of EU-27 government revenue (as above, averages of the 4 quarters 2008Q3-2009Q2). This category refers mainly to value-added tax (VAT), import and excise duties, taxes on financial and capital transactions, on land and buildings, on payroll and other taxes on products and production. Out of the three main categories of revenue, this was the one displaying the lowest variability across countries.

Taxes on income, wealth etc., accounted for 28.7% of EU-27 government revenue. In the category 'current taxes on income, wealth, etc.' are taxes on income and on holding gains of households and corporations, current taxes on capital, taxes on international transactions and payments for licences. The term 'capital taxes' is used in ESA 95 in the restricted sense of taxes levied at irregular and infrequent intervals on the value of assets or net worth owned, or transferred in the form of legacies or gifts.

The remainder of government revenue shown in Figure 5 is in the form of 'market output, output for own final use and payments for other non-market output' (P.11+P.12+P.131), 'capital taxes' (D.91) and other remaining revenue categories.

Social welfare spending accounted for 42.2% of EU government expenditure, with small quarterly variations

Social welfare spending accounted on average for 42.2% of the total EU-27 government expenditure between 2001Q1 and 2009Q2 (see Figure 6). These are classified under 'social benefits other than social transfers in kind' (ESA 95 category D.62) and 'social transfers in kind related to expenditure on products supplied to households via market producers' (D.6311+D.63121+D.63131). Typically these payments cover risks or needs such as sickness, disability, old age and unemployment.

Quarterly variations, apart from seasonal patterns, were relatively small for all components. The variation of interest expenditure (D41) was the largest in relation to its size.

Figure 6: Government expenditure for the EU-27 by main components as a % of total expenditure, from 2001Q1 to 2009Q2

Source: Eurostat (gov_q_ggnfa)

The importance of expenditure components varies across countries

Though social welfare spending accounted for 42.2% of EU-27 government spending also in the 1-year period 2008Q3-2009Q2, the importance of this category varied strongly across countries, with highest values being registered for Germany[*] (56.0%), Luxembourg (48.9%) and Austria (48.5%).

After social welfare spending, 'compensation of employees' was the second largest expenditure item for the EU-27. This component represented over a fifth (22.2%) of the total government expenditure in the EU-27 in the period 2008Q3-2009Q2. 'Compensation of employees' (D.1) comprises wages and salaries and employers' social contributions (actual and imputed). Again, the relative importance of this expenditure component varied across countries. It was highest in Malta (33.9%), Denmark

(33.8%) and Cyprus (32.7%). It was lowest in Germany[*] (15.7%) and the Czech Republic (17.6%).

EU-27 government spending on 'Intermediate consumption' accounted for around 13.7% of total government expenditure in the period 2008Q3-2009Q2, making it the third largest expenditure category. For the EA-16, it was also the third most important category of expenditure but represented a smaller share (11.1%). The difference between the EU-27 and EA-16 aggregates, in this respect, is partly explained by the treatment of social transfers in kind in the figures of the UK. In fact, for Greece and Cyprus as well as for the UK, the category 'social transfers in kind related to expenditure on products supplied to households via market producers' does not appear because the corresponding amounts are classified under 'intermediate consumption' (P2).

Interest expenditure (D.41) represented 5.6% of the total EU-27 government expenditure over 2008Q3-2009Q2. Figure 7 also shows 'gross fixed capital formation' (P.51), which essentially refers to the net acquisition of fixed assets. The 'other' category of expenditure mainly consists of 'subsidies' (D.3), 'other current transfers' (D.7) and 'capital transfers' (D.9).

Figure 7: Government expenditure by main components as a % of total expenditure, 2008Q3-2009Q2
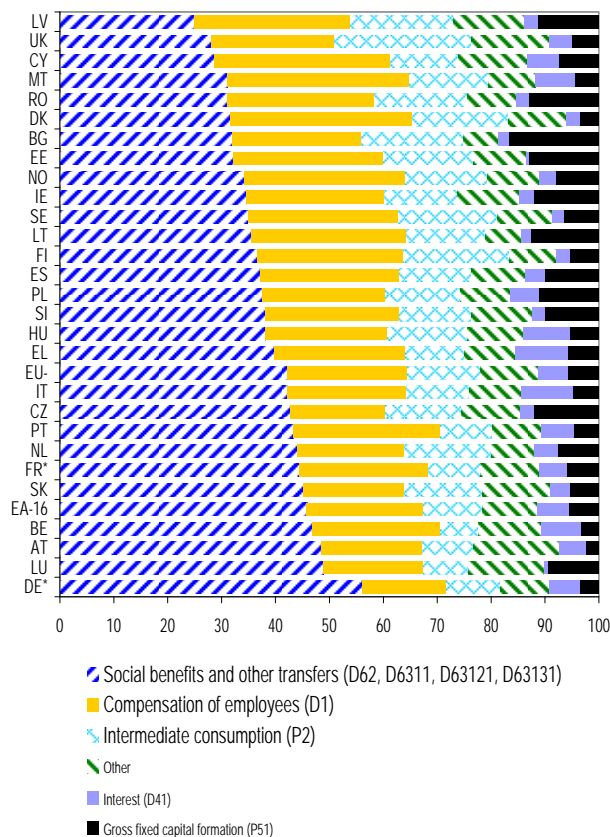
(*) 2008Q1-2008Q4 data were used for Germany (DE) and France (FR)
Source: Eurostat (gov_q_ggnfa)

Government quarterly deficit/surplus and gross saving

EU-27 and EA-16 government deficits increasing steadily since the first quarter of 2008 (2008Q1)

Figure 8: Quarterly government deficit/surplus in % of GDP and 4-quarter moving average for the EU-27 and EA-16, from 2001Q1 to 2009Q2

Source: Eurostat (gov_q_ggnfa)

The difference between general government revenue and expenditure is known in the ESA 95 terminology as 'general government net lending/net bor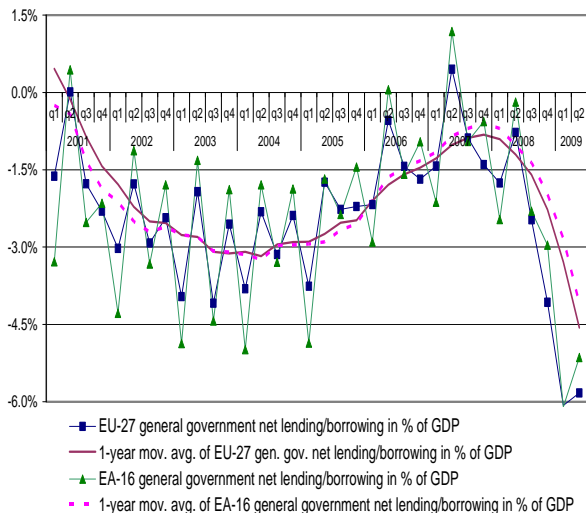rowing' (ESA 95 category B.9). This figure is seen as an important indicator of the overall situation of public finances, notably when expressed in percentage of GDP.

Government net lending/net borrowing of the EU-27 and EA-16 gradually improved from 2004 to 2007 (see Figure 8).

This trend of falling government deficits came to an end in 2007Q4. Since then, EU-27 and EA-16 government deficit-to-GDP ratios increased sharply, under the combined effects of increasing expenditure, decreasing revenue, as well as diminishing (or stagnant) GDP at the denominator of the ratios.

EU-27 government deficit (in % of GDP) moved from 1.8% in 2008Q1 to 6.1% in 2009Q1 and from 0.8% in 2008Q2 to 5.8% in 2009Q2.

Analysis of the 4-quarter moving averages of EU-27 and EA-16 government deficits confirms the above trend. The 1-year moving average of EU-27 reached 4.6% of GDP over 2008Q3-2009Q2; which shows an increase of 2.3 percentage points from 2008Q1-2008Q4. On the other hand, the 4-quarter average of the euro area (EA-16) government deficit moved from 2.0% in 2008Q1-2008Q4 to 4.1% in 2008Q3-2009Q2. The cumulated deficit of this area at current prices amounted to 249 bn. euro (5.6% of GDP) in the first half of 2009, compared with 60 bn. euro (1.3% of GDP) in the first half of 2008.

All Member States, except Malta, experienced an increase in their average government deficits from 2008Q4 to 2009Q2 (or equivalently, a reduction of their government net lending/net borrowing figures). Four Member States (Finland, Denmark, Luxembourg and Sweden) recorded average government surpluses over the 4 quarters 2008Q3-2009Q2, while the remaining countries reported deficits. The highest average deficits in % of GDP were registered by Greece (10.6%), Ireland (10.1%), Spain (8.7%), the UK (8.4%) and Latvia (8.3%).

It can finally be noted in Figure 8 that both EU-27 and EA-16 government deficit-to-GDP ratios contain significant seasonal movements, with the highest and lowest values being generally observed in the first and second quarters respectively, while intermediate values are generally recorded in the third and fourth quarters of the year.

EU-27 and EA-16 government gross saving averages turned negative for the first time in five years

Figure 9 provides information on 'gross saving' (ESA 95 category B.8g). Gross saving is defined as the (positive or negative) amount resulting from current transactions, before investment and capital transfers.

EU-27 government gross saving reached -2.6% of GDP in 2009Q2, showing a drop of 4.7 percentage points in one year. EA-16 figures presented a similar movement, falling from 2.8% in 2008Q2 to -1.8% in 2009Q2. As for the 4-quarter moving averages of EU-27 and EA-16 government gross saving, they both turned negative in 2009Q2, for the first time since 2004Q2.

Figure 9: Quarterly government gross saving in % of GDP for the EU-27 and EA-16, from 2001Q1 to 2009Q2
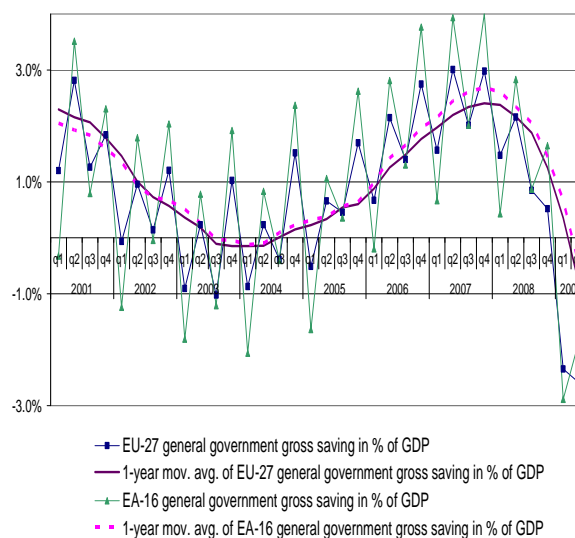
Source: Eurostat (gov_q_ggnfa)

Table 1: Government quarterly revenue and expenditure as a % of quarterly GDP, by country, from 2003Q1 to 2009Q2

			EU-27	EA-16	BE	BG	CZ	DK	DE*	EE	IE	EL	ES	FR*	IT	CY	LV	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK	NO
Revenue to GDP ratio	2003	q1	42.4	42.0	44.2	43.9	39.4	57.0	43.8	36.1	29.6	41.1	37.8	44.1	38.5	35.8	33.6	31.3	40.8	43.1	34.7	42.0	47.5	39.2	36.9	37.2	43.1	37.2	53.7	55.2	41.8	54.7
		q2	44.7	45.8	56.0	44.5	41.0	56.8	45.6	35.8	33.9	40.0	34.7	49.9	47.6	31.6	34.2	31.6	39.4	42.5	35.1	45.0	48.8	40.3	38.7	36.9	44.7	35.2	56.7	58.2	37.3	58.2
		q3	42.4	42.7	44.1	34.9	40.0	54.8	41.7	38.2	31.2	38.9	39.5	47.2	41.4	32.1	33.4	30.9	42.2	40.8	34.4	41.8	47.3	38.1	37.9	29.5	42.2	36.7	50.1	55.6	38.9	56.3
		q4	46.9	49.2	59.5	38.3	42.3	53.8	46.8	35.9	39.0	37.3	40.6	55.4	50.9	54.4	31.7	33.6	46.2	41.7	47.1	46.7	55.8	36.3	55.8	27.9	44.8	40.1	49.8	54.2	37.3	53.0
	2004	q1	42.2	41.4	44.6	43.5	41.7	57.8	42.7	36.2	31.2	36.9	36.8	44.2	38.1	36.0	34.8	30.8	39.0	44.5	41.6	42.2	46.5	39.0	36.4	40.9	43.2	35.4	53.1	56.0	42.8	56.0
		q2	43.8	44.8	54.6	45.3	42.3	57.0	43.5	34.4	35.5	39.1	34.0	50.5	45.2	34.9	34.6	30.7	40.7	41.7	38.0	44.8	48.6	37.1	41.5	34.1	43.7	34.5	56.5	57.9	37.4	58.9
		q3	42.6	42.8	44.5	35.4	42.3	55.4	41.1	34.7	31.1	38.3	41.0	47.5	41.0	34.7	34.5	31.6	43.0	39.9	36.7	43.7	46.9	37.1	38.8	29.2	42.5	33.9	51.1	55.7	39.7	57.1
		q4	47.0	49.0	52.8	42.2	42.4	55.6	45.9	37.2	41.4	37.5	42.1	55.7	51.6	48.9	35.0	33.7	43.0	44.1	47.5	46.5	55.5	34.9	54.8	29.0	45.0	37.2	48.9	54.9	38.4	54.6
	2005	q1	43.1	42.0	43.2	45.3	40.1	60.7	43.9	32.2	32.2	36.6	37.4	44.8	38.5	45.7	36.3	31.5	38.8	44.2	42.2	42.5	45.8	41.6	37.4	40.2	43.3	35.8	53.6	57.5	44.5	59.7
		q2	43.9	45.5	56.3	44.7	41.6	58.0	43.1	37.1	32.5	38.0	34.0	51.2	42.9	33.1	36.4	32.4	40.7	41.4	40.9	44.1	48.8	39.8	43.0	33.5	42.5	33.8	58.2	59.8	38.5	58.3
		q3	43.3	43.4	45.1	36.3	40.4	56.5	41.2	35.9	33.0	37.0	42.4	48.5	42.2	39.4	34.0	31.3	40.3	40.2	37.9	43.5	45.9	38.9	39.9	29.9	43.3	33.7	51.0	56.5	41.2	57.5
		q4	47.1	49.1	52.8	40.2	43.4	56.3	45.9	35.3	43.3	40.4	42.9	56.7	50.8	46.8	34.3	35.7	45.8	43.2	47.1	47.7	52.8	37.5	45.5	29.1	46.2	37.3	49.1	55.3	38.9	53.7
	2006	q1	43.4	42.4	42.9	43.4	40.4	59.2	43.4	32.2	34.1	39.3	38.7	45.2	39.6	38.9	37.6	31.6	38.2	42.5	41.1	44.2	44.1	42.1	39.1	40.1	42.6	33.5	53.8	55.1	45.7	57.8
		q2	44.7	45.5	52.2	43.8	43.0	57.3	44.2	36.4	33.1	40.4	35.9	51.4	45.7	37.1	38.8	33.4	42.6	42.0	41.3	46.8	49.0	40.4	42.9	36.0	43.2	33.8	58.2	60.0	38.5	60.6
		q3	43.7	43.8	45.8	34.2	39.0	55.1	41.5	38.2	31.9	37.1	43.4	47.7	43.3	44.6	34.7	31.6	38.4	40.9	37.0	44.9	46.5	41.2	41.6	31.0	41.8	29.8	51.0	56.2	41.9	59.6
		q4	47.4	49.4	53.6	38.5	42.1	55.1	45.6	37.8	49.3	39.9	43.5	56.8	52.0	48.0	39.5	35.5	39.5	44.7	45.3	48.1	51.7	37.8	45.3	29.0	45.4	35.9	48.8	54.7	39.6	57.9
	2007	q1	43.3	42.2	41.2	48.7	39.8	57.7	43.6	33.1	33.9	40.1	39.6	44.2	39.2	45.0	35.8	32.0	39.8	46.3	41.4	44.2	45.2	44.5	38.6	40.1	41.6	32.3	52.8	54.6	45.7	59.1
		q2	44.9	45.8	53.6	48.7	41.2	56.4	44.8	37.7	32.0	41.4	36.2	51.3	46.5	38.6	37.3	32.1	39.9	44.2	38.5	45.6	49.8	39.9	44.4	37.5	42.1	32.1	58.6	59.8	38.8	60.7
		q3	43.6	43.7	44.5	39.3	42.8	54.5	41.3	39.3	32.3	38.0	45.3	46.4	44.2	49.5	35.1	33.2	38.5	43.7	34.8	44.0	49.2	40.3	43.0	30.4	41.4	30.0	50.5	56.1	41.8	60.7
		q4	47.6	49.7	52.9	33.0	43.6	53.3	45.8	39.0	47.4	40.9	43.3	56.0	55.7*	52.0	34.2	37.9	41.3	44.8	47.0	48.7	52.1	37.3	46.3	30.6	45.1	35.6	48.6	54.9	39.5	54.5
	2008	q1	43.4	42.2	42.0	45.9	38.6	56.6	43.7	32.4	34.2	40.0	38.3	43.8	39.8	42.0	34.9	32.7	38.4	47.0	41.2	45.3	45.1	42.9	38.9	43.6	40.7	31.9	54.0	54.6	46.8	60.3
		q2	44.3	45.1	54.5	44.5	42.0	56.3	44.1	38.1	31.8	41.1	33.6	51.1	45.0	38.9	36.7	32.9	42.3	44.3	38.9	47.5	48.2	38.7	44.9	37.0	42.1	31.6	59.4	58.9	38.3	58.2
		q3	43.5	43.1	45.2	35.3	41.6	53.3	41.4	37.8	31.0	37.6	38.4	47.1	44.4	50.0	35.3	33.3	38.8	43.8	38.0	43.8	45.9	38.9	42.6	30.3	41.6	31.3	51.3	54.0	45.0	59.9
		q4	47.1	48.8	53.4	33.5	41.0	54.9	45.7	39.9	42.7	41.1	37.8	54.9	54.4	46.1	31.7	37.2	41.1	46.5	43.2	49.5	54.3	38.4	46.3	25.8	45.4	34.9	48.9	54.4	39.5	56.5
	2009	q1	43.1	42.2	41.8	43.4	37.7	55.3	:	34.6	31.9	37.3	35.7	:	39.7	39.9	34.4	36.5	44.3	49.5	41.3	45.1	45.8	40.2	37.5	39.5	42.8	35.4	54.4	55.2	45.6	52.5
		q2	43.9	44.6	52.7	38.6	42.4	58.8	:	42.1	33.7	38.4	29.1	:	45.8	37.7	38.4	32.4	42.8	47.7	39.8	47.4	48.0	36.1	40.8	36.8	43.9	33.4	59.2	57.5	37.5	55.7
Expenditure to GDP ratio	2003	q1	46.4	46.9	52.1	43.8	45.3	57.2	49.5	33.8	31.5	47.3	31.7	51.8	46.1	40.7	32.5	31.8	40.1	50.7	48.3	45.1	52.9	46.8	40.8	39.1	47.6	38.5	52.4	56.6	42.1	47.2
		q2	46.6	47.1	51.8	37.7	45.3	56.1	47.6	34.6	32.1	45.4	36.3	52.8	46.3	37.7	34.7	35.9	37.5	47.4	47.5	48.7	49.9	45.9	43.0	34.3	47.0	37.6	50.4	55.4	42.6	49.4
		q3	46.5	47.1	51.2	33.7	48.2	55.9	46.9	31.2	32.9	42.3	37.2	53.3	46.5	43.5	33.1	29.9	40.2	46.1	39.4	46.9	51.7	44.1	45.5	32.4	43.8	37.8	48.9	57.4	41.7	48.8
		q4	49.5	51.1	50.1	46.5	50.3	53.6	50.0	39.4	36.0	45.3	47.6	55.5	53.9	57.8	38.2	34.9	48.7	52.2	56.0	47.6	51.5	42.2	52.1	30.7	47.3	46.1	48.8	58.4	41.8	47.4
	2004	q1	46.0	46.4	51.5	42.6	42.8	56.7	48.7	31.1	31.5	47.1	32.0	51.4	45.9	38.9	33.4	31.3	41.2	49.6	47.3	44.7	51.4	43.4	41.9	41.8	47.1	34.0	52.0	55.8	42.8	45.6
		q2	46.2	46.6	49.9	38.3	47.9	53.7	46.1	34.9	31.4	52.7	35.3	52.9	45.5	37.5	36.2	33.7	39.4	49.0	46.4	48.2	53.0	43.2	44.8	36.0	46.3	35.8	50.8	55.1	42.7	46.5
		q3	45.7	46.1	48.9	33.0	41.8	54.9	45.5	30.9	33.9	40.3	36.8	53.3	44.9	40.1	31.4	31.1	41.5	47.9	41.8	45.3	49.2	42.8	45.5	28.9	43.9	37.1	49.7	55.3	43.1	44.9
		q4	49.4	50.9	48.3	45.4	47.7	53.1	48.1	38.8	37.0	41.9	50.4	55.0	54.1	54.2	41.2	36.7	47.8	49.2	47.4	46.1	62.0	41.3	53.3	31.2	46.2	43.0	48.2	56.0	42.9	44.8
	2005	q1	46.8	46.8	61.9	42.5	43.2	56.8	48.8	32.4	31.6	44.7	31.2	52.2	46.8	39.4	33.2	32.1	40.8	57.4	47.7	43.2	51.1	44.0	43.9	40.1	46.5	36.7	51.5	55.9	45.2	43.2
		q2	45.6	46.1	50.4	39.2	47.7	51.7	45.7	32.4	31.6	49.9	35.2	52.9	45.2	37.0	32.9	32.0	38.7	48.3	47.4	46.5	50.1	44.3	44.3	35.3	45.1	36.7	51.3	54.0	41.9	43.3
		q3	45.6	45.8	49.4	34.1	41.3	52.5	45.0	30.4	34.5	37.8	36.5	53.4	45.0	40.9	30.9	29.0	40.4	45.9	40.2	44.0	48.7	43.3	47.6	31.0	43.1	36.3	49.6	54.3	44.3	41.9
		q4	49.3	50.5	48.1	42.4	47.7	50.5	48.0	38.8	36.9	41.4	49.9	54.9	55.1	56.4	43.7	39.6	45.7	50.0	44.8	45.3	50.5	42.4	54.0	30.5	46.5	43.5	49.0	56.5	44.8	40.3
	2006	q1	45.6	45.3	50.8	40.0	43.9	54.8	47.1	31.4	30.7	43.3	30.4	51.3	45.5	39.7	32.5	30.8	38.3	60.5	45.5	44.2	51.0	44.2	42.7	37.9	45.6	35.9	50.1	54.2	45.5	39.8
		q2	45.2	45.4	49.0	34.8	45.2	50.1	44.5	31.8	32.6	48.8	34.5	51.9	45.5	39.2	35.4	29.8	35.2	48.8	41.9	47.4	49.3	44.7	43.6	31.0	44.8	37.3	48.6	53.8	43.3	41.7
		q3	45.1	45.3	48.7	30.4	40.1	50.9	43.7	31.1	34.5	36.9	37.6	53.0	45.0	42.6	31.7	30.9	40.1	46.1	40.9	45.2	48.1	44.3	45.8	28.9	42.6	33.4	47.7	53.2	44.0	40.6
		q4	49.1	50.4	45.9	41.5	45.8	51.0	46.1	41.0	38.8	40.6	50.2	54.5	58.1	51.9	48.8	41.6	39.6	53.6	46.7	45.4	50.3	42.5	52.4	42.0	45.4	40.7	48.5	55.1	43.4	39.9
	2007	q1	44.8	44.3	50.2	39.8	42.6	53.9	44.9	31.9	32.7	45.0	30.7	50.5	44.8	42.7	33.3	32.1	36.4	54.4	44.1	44.6	48.3	43.2	43.2	40.1	43.2	33.9	47.8	52.2	45.5	41.1
		q2	44.4	44.6	48.4	35.5	42.5	50.3	42.8	34.8	33.9	50.5	35.0	51.6	44.0	37.3	34.6	33.2	33.4	45.6	41.5	47.4	48.3	43.9	42.4	35.3	43.2	34.2	47.1	51.6	42.9	41.8
		q3	44.5	44.6	48.2	31.7	38.6	50.7	41.9	33.0	38.0	38.5	37.5	52.1	44.6	40.9	35.3	30.9	36.3	47.0	37.3	45.2	48.6	42.0	45.9	29.9	40.1	31.5	46.6	51.7	44.0	41.7
		q4	49.0	50.3	46.9	56.7	46.4	49.2	45.1	39.0	40.4	42.6	52.6	54.9	57.5	50.6	39.3	42.7	38.7	51.9	47.6	44.9	49.5	40.1	51.3	40.2	43.8	37.8	47.7	54.5	43.9	39.3
	2008	q1	45.1	44.7	50.2	38.5	41.7	55.2	44.4	36.0	39.4	48.4	31.8	50.5	45.5	39.7	34.0	33.6	38.5	50.4	49.1	44.7	48.5	41.4	42.8	46.1	42.6	33.7	48.9	51.9	46.8	39.1
		q2	45.2	45.2	49.6	31.6	41.7	49.7	42.3	38.2	40.3	54.0	36.9	51.1	46.1	37.7	36.3	35.2	37.1	46.2	43.7	47.3	48.1	42.7	42.7	40.4	43.2	33.4	48.8	51.4	44.1	39.1
		q3	46.0	45.4	49.7	29.0	40.4	50.8	42.0	37.3	41.6	41.9	39.5	53.0	45.6	42.2	38.3	34.3	39.4	45.4	41.2	44.9	46.3	42.5	47.5	32.5	42.2	31.8	47.7	52.0	50.0	40.7
		q4	51.1	51.7	50.9	49.6	47.5	51.9	46.2	48.1	46.8	46.4	55.4	56.1	57.0	53.7	46.0	45.7	36.1	54.3	46.4	46.8	52.8	46.0	50.8	37.6	48.9	40.0	50.3	56.9	48.3	40.9
	2009	q1	49.1	48.3	56.1	42.4	45.2	57.9	:	46.3	46.6	50.5	36.1	:	49.0	43.4	43.6	46.1	46.6	54.9	44.7	48.2	53.4	43.6	48.0	48.0	49.5	38.4	55.1	55.6	53.3	43.0
		q2	49.7	49.7	54.1	41.3	45.1	57.6	:	48.0	45.2	58.7	44.0	:	49.1	44.2	44.8	43.1	44.2	50.1	46.4	51.8	50.8	43.0	48.7	45.4	51.0	40.2	55.1	55.6	49.7	46.3

Source: Eurostat (gov_q_ggnfa). *Note: (:) Missing or non-published quarterly government revenue and expenditure data. (*): Although not published in 2009Q1-Q2, the reported data of Germany (DE) and France (FR) were included in the calculation of EU-27 and EA-16 aggregates in these quarters.*

METHODOLOGICAL NOTES

GOVERNMENT QUARTERLY REVENUE AND EXPENDITURE, DATA TRANSMISSION

Government quarterly revenue and expenditure data are reported to Eurostat (in raw format, without seasonal adjustment) in the framework of Regulation (EC) no 1221/2002. These data are published on Eurostat's web site.

Eurostat also releases quarterly non-financial and financial accounts for the general government sector, using an integrated structure, in the dedicated GFS section of its web site.

Government revenue and expenditure are concepts used to analyse fiscal policy. They appear often in international comparisons. The initial ESA 95 manual did not define government revenue or expenditure. However, a Commission Regulation extended the ESA 95 in relation to these concepts, ensuring that a common definition is used in the EU. In this Regulation, revenue and expenditure are defined with reference to ESA 95 categories and thus follow the principles laid down in the ESA 95 for the delimitation of the general government sector, as well as the principles for the valuation and time of recording.

MAASTRICHT DEBT AND DEFICIT

The application of the Protocol on the Excessive Deficit Procedure is made operational by Council Regulation (EC) No 3605/93, as amended by Council Regulation (EC) No 475/2000 and by Commission Regulation (EC) No 351/2002. The protocol on the Excessive Deficit Procedure, annexed to the Treaty, defines two criteria and reference values for compliance. These are a government deficit to Gross Domestic Product (GDP) ratio of 3 per cent and, a government debt to GDP ratio of 60 per cent.

GOVERNMENT REVENUE, EXPENDITURE AND ITS LINK TO DEFICIT/SURPLUS

Total government revenue (TR) and total government expenditure (TE) are defined in ways such that the ESA 95 government deficit (ESA 95 B.9, net lending (+)/net borrowing (-)) is equal to the difference between TR and TE (i.e. B.9=TR-TE). Note that a deficit is shown as a negative number and a surplus as a positive number.

ESA95

Fiscal data are compiled in accordance with national accounts rules, as laid down in the European System of Accounts (ESA 1995) adopted in the form of a Council Regulation (EC) No 2223/96. The full text of ESA95 is available on the Eurostat internet site. The compilation of general government revenue and expenditure data complies with ESA95 rules, especially concerning the sector classification of institutional units, the consolidation rules, the classification of financial transactions and of financial assets and liabilities and the time of recording, but not valuation rules.

GENERAL GOVERNMENT

According to ESA95, paragraph 2.68 "the sector general government (S.13) includes all institutional units which are other non-market producers [institutional units whose sales do not cover more than the 50% of the production costs, see ESA95 paragraph 3.26] whose output is intended for individual and collective consumption, and mainly financed by compulsory payments made by units belonging to other sectors and/or all institutional units principally engaged in the redistribution of national income and wealth".

EXPENDITURE, MAIN COMPONENTS

P.2, Intermediate consumption;

D.1, Compensation of employees;

D.41, Interest;

D.62, Social payments;

D.6311, D.63121, D.63131, Social transfers in kind via market producers;

P.51, Gross fixed capital formation; …

REVENUE, MAIN COMPONENTS

D.2, Taxes on production and imports;

D.5, Current taxes on income, wealth, etc.,

D.61, Actual social contributions;

D.91, Capital taxes;

P.11, P.12, P.131, Market output; …

ANALYSIS OF QUARTERLY SERIES

Quarterly data reported in the framework of Regulation (EC) no 1221/2002 are not seasonally adjusted. Yet, they contain important seasonal movements which make it difficult to carry out direct cross country and overtime analyses that are meaningful. To overcome this difficulty, the analyses were focused on 4-quarter moving averages and year-on-year changes, with a view to removing, to a large extent, the distortions linked with seasonality.

ABBREVIATIONS

Euro area EA-16: BE (Belgium), DE (Germany), IE (Ireland), EL (Greece), ES (Spain), FR (France), IT (Italy), CY (Cyprus), LU (Luxembourg), MT (Malta), NL (the Netherlands), AT (Austria), PT (Portugal), SI (Slovenia), SK (Slovakia) and FI (Finland).

EU or EU-27 (European Union of 27 Member States): Euro area (EA-16) countries plus BG (Bulgaria), CZ (the Czech Republic), DK (Denmark), EE (Estonia), LV (Latvia), LT (Lithuania), HU (Hungary), PL (Poland), RO (Romania), SE (Sweden), and UK (the United Kingdom).

PREVIOUS RELEASES

Statistics in focus 54/2008, Economy and finance, Government quarterly expenditure and revenue in the EU, fourth quarter 2007, KS-SF-08-054-EN-N

Statistics in focus 24/2005, Economy and finance, General government expenditure and revenue in the EU in 2004, KS-NJ-05-024-EN-N

MORE DATA

Data used in this report are Eurostat data, collected from the Member States. More data can be found on Eurostat's homepage under the theme Economy and finance.

Further information

Data: Eurostat Website: http://ec.europa.eu/eurostat

Data on "Government Finance Statistics":
http://epp.eurostat.ec.europa.eu/portal/page/portal/government_finance_statistics/data/database

More information about "Government Finance Statistics":
http://epp.eurostat.ec.europa.eu/portal/page/portal/government_finance_statistics/introduction

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European Statistical Data Support:

Eurostat set up with the members of the 'European statistical system' a network of support centres, which will exist in nearly all Member States as well as in some EFTA countries.

Their mission is to provide help and guidance to Internet users of European statistical data.

Contact details for this support network can be found on our Internet site:
http://ec.europa.eu/eurostat/

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