

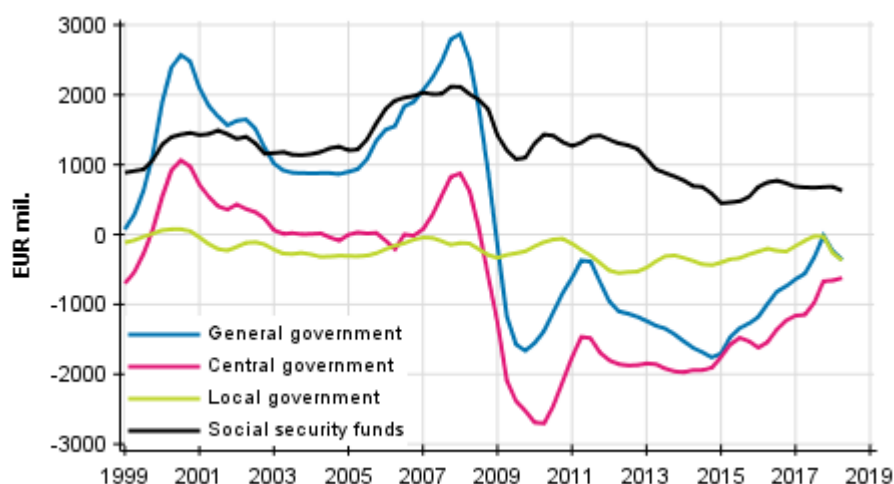
General government revenue and expenditure by quarter

2018, 2nd quarter

Financial position of general government weakened by EUR 1.0 billion in the second quarter

In the second quarter of 2018, general government's consolidated total revenue decreased by EUR 0.3 billion from the corresponding quarter of the previous year. Consolidated total expenditure increased by EUR 0.6 billion from the previous year's corresponding quarter. The difference between revenue and expenditure, that is, the financial position (net lending) of general government weakened by EUR 1.0 billion. Total revenue decreased by 0.4 per cent from the previous quarter. Total expenditure grew by 0.4 per cent from the previous quarter. In the second quarter of 2018, the general government surplus (net lending) stood at EUR 1.5 billion. These data derive from Statistics Finland's statistics on general government revenue and expenditure by quarter. General government is comprised of central government, local government and social security funds.

General government's net lending (+) / net borrowing (-), trend



Changes from the respective quarter of the year before

Examinations of year-on-year changes are made with figures unadjusted for seasonal variation. In the second quarter, central government's total revenue amounted to EUR 15.1 billion and total expenditure was EUR 14.7 billion. Central government's total revenue went down by 2.2 per cent from the respective quarter of the year before. Changes in corporation tax primarily explain the decrease in total revenue. Correspondingly, central government's total revenue went down by 0.4 per cent from the respective quarter of the year before. The difference between revenue and expenditure, that is, the central government surplus was EUR 0.5 billion.

Local government's total revenue was EUR 12.8 billion in the second quarter. It decreased by 0.7 per cent from the respective quarter of the previous year. The revenue item that grew most was market output. In turn, the revenue items that diminished most were income taxes received and sales of non-market products. Local government's total expenditure was EUR 12.6 billion in the second quarter. It went up by 3.6 per cent. The expenditure items that grew most was other intermediate consumption and wages and salaries. The difference between revenue and expenditure, that is, the surplus (net lending) of local government decreased by EUR 525 million and amounted to EUR 123 million.

Social security funds include employment pension schemes and other social security funds. In the second quarter, total revenue of employment pension schemes amounted to EUR 7.7 billion and total expenditure to EUR 6.7 billion. Total revenue increased by EUR 0.3 billion or by 4.1 per cent from the corresponding quarter in the year before and total expenditure increased by EUR 0.2 billion or by 3.7 per cent. The revenue items that grew most were social contributions received, and in expenditure, paid social benefits other than social transfers in kind. The difference between revenue and expenditure, that is, the surplus (net lending) of employment pension schemes went up by around EUR 0.1 billion from the corresponding quarter in 2017 and amounted to EUR 1.0 billion.

Other social security funds' total revenue was EUR 4.6 billion in the second quarter. Total revenue decreased by 5.9 per cent from the corresponding quarter of one year ago. The fall in expenditure was influenced by the reduction in employers' social contribution rate and lower income transfers from central government than one year ago. The expenditure of other social security funds amounted to EUR 4.7 billion and it fell by 1.8 per cent from the quarter last year. The difference between revenue and expenditure, that is, the deficit (net borrowing) of other social security funds was EUR 62 million in the second quarter.

Changes from the previous quarter

Examinations of changes from the previous quarter are made with seasonally adjusted figures. Central government's total revenue decreased by 0.1 per cent from the previous quarter. Central government's total expenditure increased by 0.4 per cent from the previous quarter.

Local government's total revenue went down by 0.8 per cent from the previous quarter. In turn, local government's total expenditure remained unchanged in the second quarter.

Employment pension schemes' total revenue went up by 1.5 per cent and total expenditure grew by 0.7 per cent from the previous quarter. Other social security funds' total revenue decreased by 1.9 per cent and total expenditure grew by 0.5 per cent from the previous quarter.

The data for the two latest years are preliminary and will become revised as annual national accounts data are revised. Seasonally adjusted and trend time series have been calculated with the Tramo/Seats method. Seasonally adjusted and trend time series always become revised against new observations irrespective of whether the original time series becomes revised or not. Further information on the seasonal adjustment method: http://www.tilastokeskus.fi/til/tramo_seats_en.html As the time series of annual national accounts become revised, the time series of this set of statistics will also be revised. These data are based on the data sources available by 14 September 2018. The data will be next revised on 20 December 2018.

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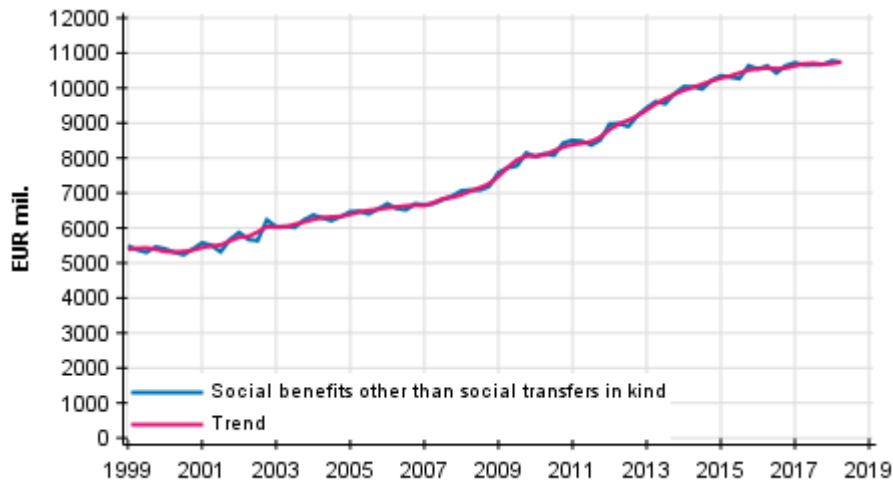
	2018/2–2017/2 Change, EUR million	2018/2–2017/2 %	2018/2–2018/1 % ¹⁾
Total revenue of General government	-314	-1,0	-0,4
Central government	-338	-2,2	-0,1
Local government	-90	-0,7	-0,8
Employment Pension Schemes	300	4,1	1,5
Other social security funds	-288	-5,9	-1,9
Consolidation ²⁾	102
Total expenditure of General government	643	2,1	0,4
Central government	-52	-0,4	0,4
Local government	435	3,6	0,0
Employment Pension Schemes	241	3,7	0,7
Other social security funds	-83	-1,8	0,5
Consolidation ²⁾	102

1) The change in total revenue and expenditure from the previous quarter is calculated from seasonally adjusted time series.

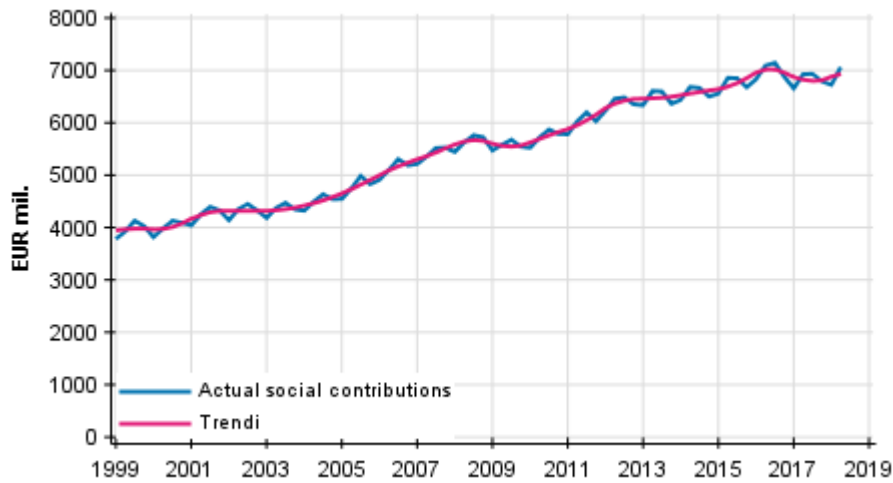
2) Transactions interest, other current transfers, investment grants and other capital transfers are consolidated within the general government sector. The other transactions are not consolidated

Appendix figures

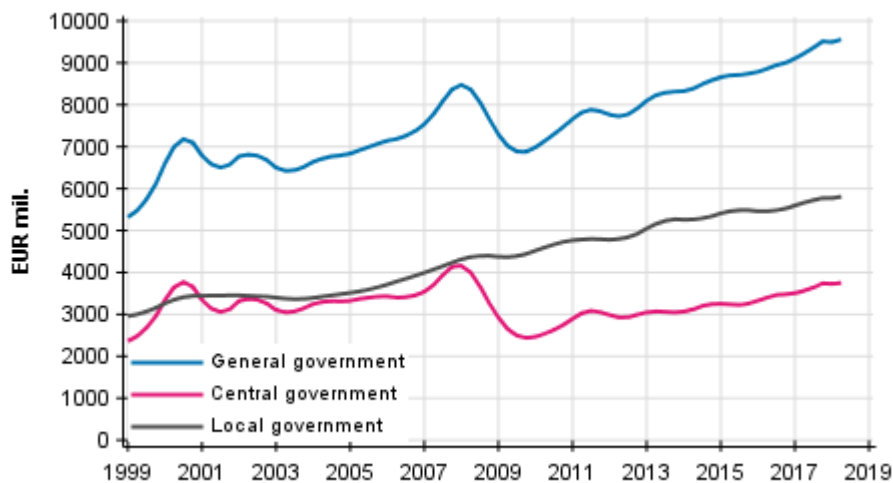
Appendix figure 1. Social benefits other than social transfers in kind



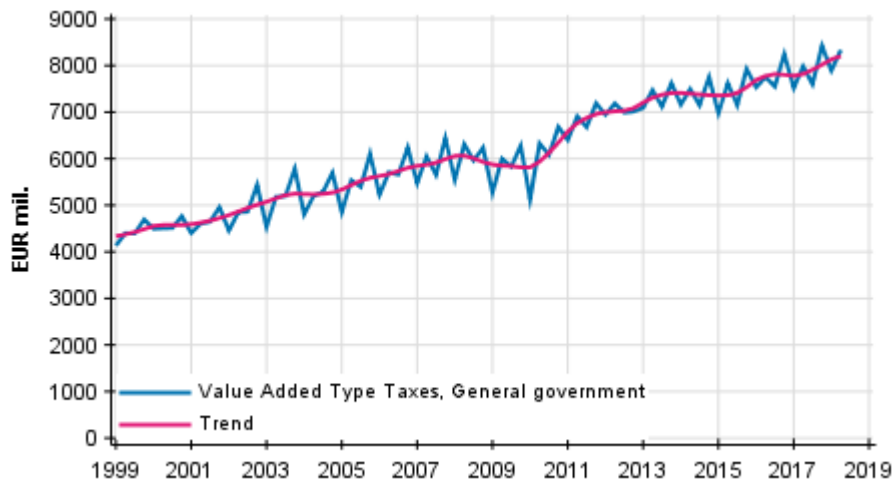
Appendix figure 2. Actual social contributions



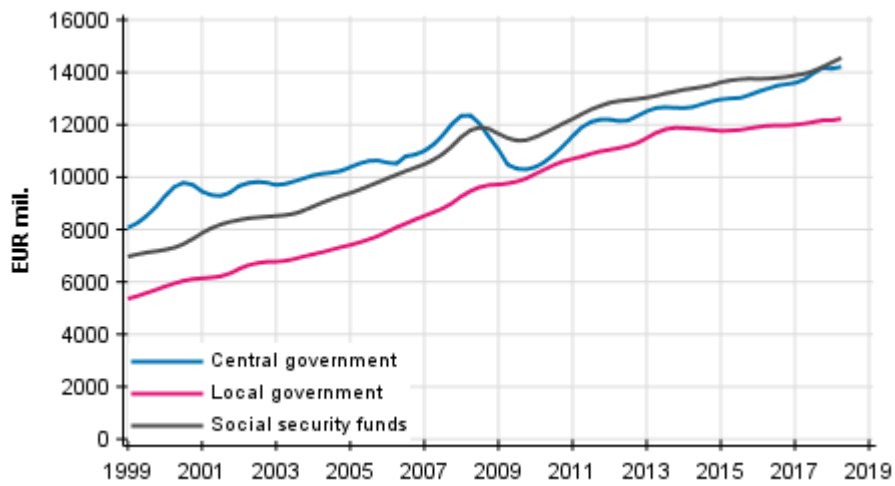
Appendix figure 3. Current Taxes on Income, Wealth, etc., trend



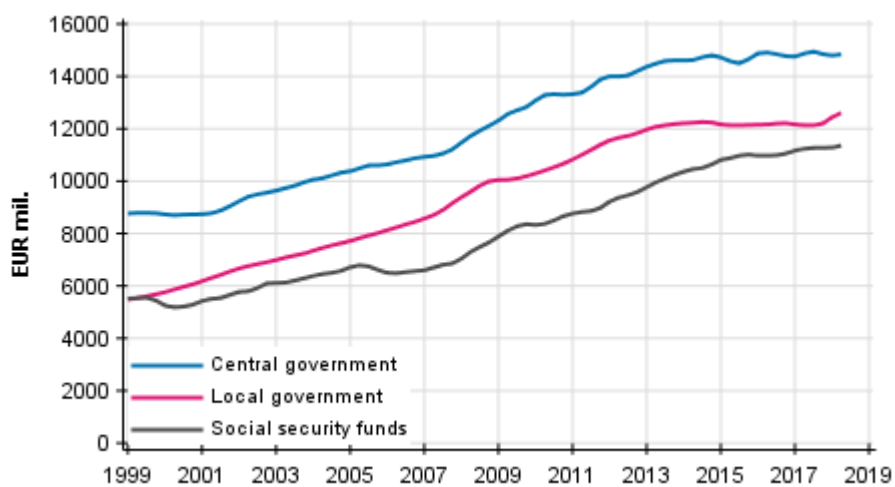
Appendix figure 4. Taxes on Production and Imports



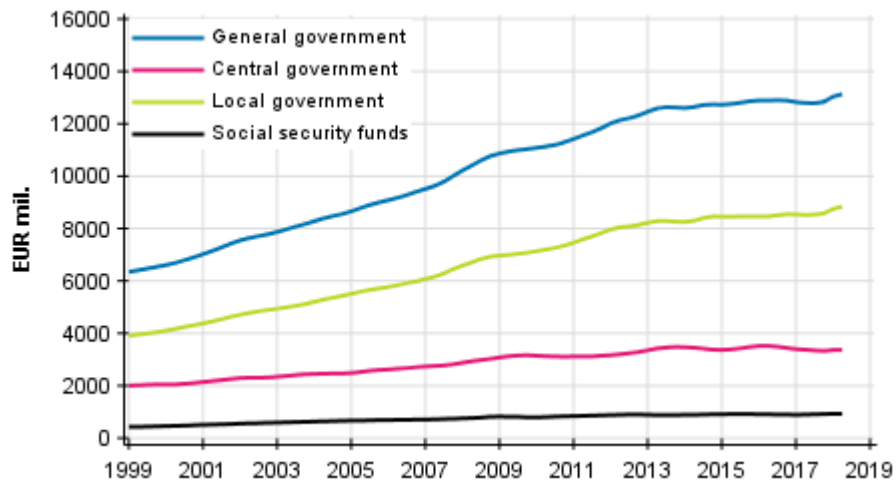
Appendix figure 5. Total revenue, trend



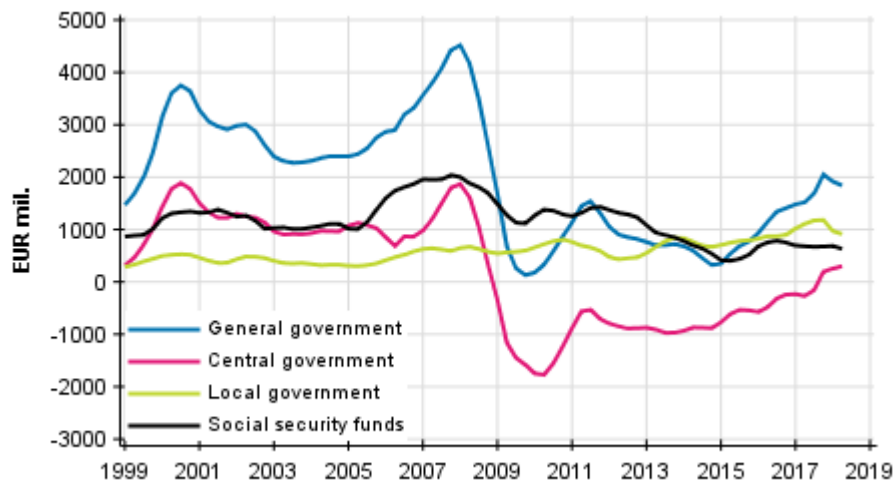
Appendix figure 6. Total expenditure, trend



Appendix figure 7. Final Consumption expenditure, trend



Appendix figure 8. Gross savings, trend



Revisions in these statistics

Seasonally adjusted quarter-on-quarter change, %

Sector	Transaction	Quarter	1st release (%)	Latest release (%)	Revision, %-points
General Government	Total Revenue	2017, 2nd Quarter	2,4	3,4	1,0
		2017, 3rd Quarter	-1,5	-1,9	-0,4
		2017, 4th Quarter	2,2	2,3	0,1
		2018, 1st Quarter	-0,4	0,4	0,8
	Total Expenditure	2017, 2nd Quarter	-0,4	0,3	0,7
		2017, 3rd Quarter	1,5	1,5	0,0
		2017, 4th Quarter	-2,8	-2,2	0,6
		2018, 1st Quarter	2,1	2,6	0,5
Central Government	Total Revenue	2017, 2nd Quarter	4,5	6,1	1,6
		2017, 3rd Quarter	-2,4	-3,1	-0,7
		2017, 4th Quarter	2,6	2,8	0,2
		2018, 1st Quarter	-1,0	0,3	1,3
	Total Expenditure	2017, 2nd Quarter	0,8	1,4	0,6
		2017, 3rd Quarter	1,8	1,4	-0,4
		2017, 4th Quarter	-1,7	-1,7	0,0
		2018, 1st Quarter	-0,7	-0,3	0,4
Local Government	Total Revenue	2017, 2nd Quarter	0,2	1,0	0,8
		2017, 3rd Quarter	0,1	-0,9	-1,0
		2017, 4th Quarter	3,3	3,0	-0,3
		2018, 1st Quarter	-1,4	-1,3	0,1
	Total Expenditure	2017, 2nd Quarter	-0,8	-0,5	0,3
		2017, 3rd Quarter	1,2	1,2	0,0
		2017, 4th Quarter	-2,6	-2,0	0,6
		2018, 1st Quarter	4,2	4,5	0,3
Employment Pension Schemes	Total Revenue	2017, 2nd Quarter	0,9	0,2	-0,7
		2017, 3rd Quarter	0,3	0,7	0,4
		2017, 4th Quarter	1,2	1,4	0,2
		2018, 1st Quarter	0,7	0,9	0,2
	Total Expenditure	2017, 2nd Quarter	-0,5	0,0	0,5
		2017, 3rd Quarter	4,3	3,5	-0,8
		2017, 4th Quarter	-1,3	-1,2	0,1
		2018, 1st Quarter	1,2	0,9	-0,3
Other social security funds	Total Revenue	2017, 2nd Quarter	1,6	1,3	-0,3
		2017, 3rd Quarter	1,8	0,2	-1,6
		2017, 4th Quarter	-1,3	-3,2	-1,9
		2018, 1st Quarter	0,2	-0,4	-0,6
	Total Expenditure	2017, 2nd Quarter	-0,5	-0,5	0,0
		2017, 3rd Quarter	-0,4	-0,5	-0,1
		2017, 4th Quarter	-2,1	-2,0	0,1
		2018, 1st Quarter	0,1	0,2	0,1

Year-on-year change, %

			1st release (%)	Latest release (%)	Revision, %-points
Sector	Transaction	Quarter			
General Government	Total Revenue	2017, 2nd Quarter	3,3	2,6	-0,7
		2017, 3rd Quarter	0,6	-0,4	-1,0
		2017, 4th Quarter	3,0	4,7	1,7
		2018, 1st Quarter	3,0	2,3	-0,7
	Total Expenditure	2017, 2nd Quarter	-0,9	-0,2	0,7
		2017, 3rd Quarter	1,1	1,8	0,7
		2017, 4th Quarter	-1,3	-0,7	0,6
		2018, 1st Quarter	1,6	2,1	0,5
Central Government	Total Revenue	2017, 2nd Quarter	6,8	5,1	-1,7
		2017, 3rd Quarter	1,8	0,4	-1,4
		2017, 4th Quarter	2,5	5,8	3,3
		2018, 1st Quarter	3,4	1,4	-2,0
	Total Expenditure	2017, 2nd Quarter	-2,5	-1,1	1,4
		2017, 3rd Quarter	1,2	2,7	1,5
		2017, 4th Quarter	-0,3	0,2	0,5
		2018, 1st Quarter	0,0	0,5	0,5
Local Government	Total Revenue	2017, 2nd Quarter	-0,4	0,2	0,6
		2017, 3rd Quarter	0,0	-0,6	-0,6
		2017, 4th Quarter	4,5	4,9	0,4
		2018, 1st Quarter	1,7	2,4	0,7
	Total Expenditure	2017, 2nd Quarter	0,6	0,9	0,3
		2017, 3rd Quarter	0,9	1,4	0,5
		2017, 4th Quarter	-2,8	-2,3	0,5
		2018, 1st Quarter	2,6	3,3	0,7
Employment Pension Schemes	Total Revenue	2017, 2nd Quarter	2,8	1,3	-1,5
		2017, 3rd Quarter	2,8	1,4	-1,4
		2017, 4th Quarter	3,0	3,5	0,5
		2018, 1st Quarter	3,4	3,4	0,0
	Total Expenditure	2017, 2nd Quarter	1,7	1,3	-0,4
		2017, 3rd Quarter	6,6	5,3	-1,3
		2017, 4th Quarter	2,4	3,3	0,9
		2018, 1st Quarter	2,7	3,0	0,3
Other social security funds	Total Revenue	2017, 2nd Quarter	-0,1	0,6	0,7
		2017, 3rd Quarter	3,4	4,4	1,0
		2017, 4th Quarter	-1,8	-1,9	-0,1
		2018, 1st Quarter	-2,5	-2,6	-0,1
	Total Expenditure	2017, 2nd Quarter	0,5	0,0	-0,5
		2017, 3rd Quarter	1,1	0,6	-0,5
		2017, 4th Quarter	-0,8	-0,7	0,1
		2018, 1st Quarter	-2,8	-2,8	0,0

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Source: General government revenue and expenditure, 2nd quarter 2018. Statistics Finland