

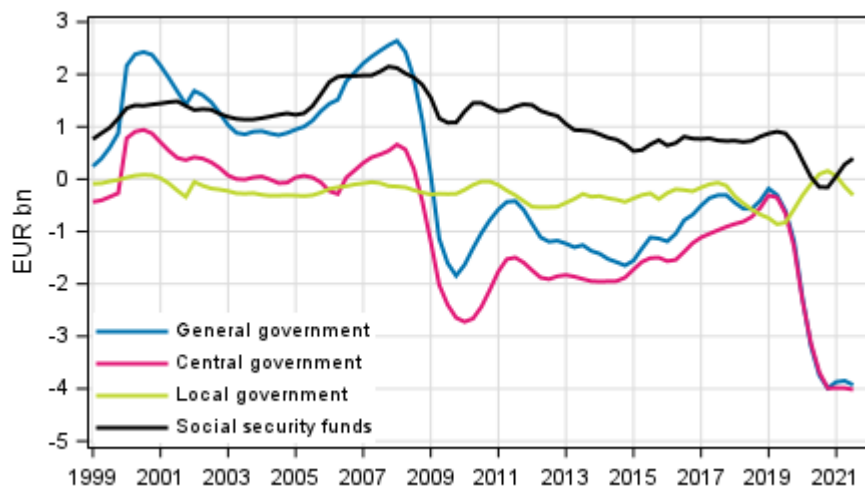
General government revenue and expenditure by quarter

2021, 3rd quarter

Financial position of general government improved by EUR 1.8 billion from the quarter one year ago

In the third quarter of 2021, consolidated total general government revenue grew by EUR 2.0 billion from the corresponding quarter of the previous year. Consolidated total expenditure grew by EUR 0.3 billion from the respective quarter of the previous year. The difference between revenue and expenditure, that is, the financial position of general government improved by EUR 1.8 billion from the respective quarter of the year before. Compared to the second quarter of 2021, seasonally adjusted revenue grew more than seasonally adjusted expenditure, that is, the financial position of general government improved in the third quarter of 2021 compared to the previous quarter. In the third quarter of 2021, general government deficit (net borrowing) stood at EUR 2.9 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 third quarter, central government's total revenue amounted to EUR 13.8 billion and total expenditure was EUR 15.4 billion. Central government's total revenue grew by EUR 0.9 billion from the respective quarter of the year before. The revenue items that grew most were income taxes and taxes on products. The accrual of both personal income tax and income tax paid by corporations increased, but the first mentioned was also affected by the annual adjustment of group allotments, this time for the benefit of central government. In taxes on products, the biggest growth in accruals measured in euros compared to last year occurred in value added taxes and profits from gambling activities. The most significant of those remaining lower than in the corresponding quarter of the year before were accruals of energy taxes and motor car and motorcycle tax. Total expenditure decreased by EUR 0.9 billion from the corresponding quarter of the previous year. The expenditure items that decreased most were subsidies paid and current transfers paid. The difference between revenue and expenditure, that is, the central government deficit was EUR 1.6 billion in the third quarter.

Local government's total revenue was EUR 11.7 billion in the third quarter. Compared to the corresponding quarter of the previous year it decreased by 3.9 per cent. The revenue item that decreased most was current transfers from central government. Tax revenues fell slightly due to municipal tax (adjustment of group allotments, higher tax rebates). In the third quarter, local government's total expenditure was EUR 13.7 billion. It went up by 2.4 per cent. In expenditure, the growth was biggest in compensation of employees. The difference between revenue and expenditure, that is, the deficit (net borrowing) of local government was EUR 2.1 billion, while it was EUR 1.3 billion in the corresponding quarter of the previous year.

Social security funds include employment pension schemes and other social security funds. In the third quarter, total revenue of employment pension schemes amounted to EUR 8.0 billion and total expenditure was EUR 7.3 billion. Total revenue increased by EUR 0.8 billion or by 11.0 per cent from the corresponding quarter in the year before and total expenditure grew by EUR 0.2 billion or by 2.3 per cent. The revenue items that grew most were social contributions received, and in expenditure, paid pensions. The difference between revenue and expenditure, that is, the surplus (net lending) of employment pension schemes was EUR 0.6 billion and grew by around EUR 0.6 billion from the corresponding quarter of the year before.

Other social security funds' revenue was EUR 5.0 billion in the third quarter. Revenue increased by 0.7 per cent from the corresponding quarter of one year ago. Of the largest revenue items, social contributions received by the sector grew by EUR 270 million, but current transfers from central government decreased by EUR 232 million. The expenditure of other social security funds amounted to EUR 4.9 billion and it decreased by 1.9 per cent from the quarter last year. Paid social benefits other than social transfers in kind lowered the expenditure most, they went down by EUR 165 million or 4.0 per cent from the previous year. The difference between revenue and expenditure, that is, the surplus (net lending) of other social security funds was EUR 107 million in the third quarter.

Changes from the previous quarter

Examinations of changes compared with the previous quarter are made with seasonally adjusted figures. Central government's total revenue went up by 1.6 per cent from the previous quarter. Central government's total expenditure decreased by 0.8 per cent from the previous quarter.

Local government's total revenue went down by 2.3 per cent from the previous quarter. Total expenditure decreased by 0.4 per cent.

Employment pension schemes' total revenue went up by 2.2 per cent and total expenditure grew by 0.4 per cent from the previous quarter. Other social security funds' total revenue went down by 0.1 per cent and total expenditure fell by 2.3 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. The data in the publication are based on the data sources available by 09 December 2021. Data for the fourth quarter of 2021 will be published on 15 March 2022. The responsibility for collecting the quarterly financial data of municipalities and joint municipal authorities was transferred from Statistics Finland to the State Treasury at the start of 2021: <http://www.stat.fi/uutinen/quarterly-local-government-finances-published-for-the-first-time-on-the-exploreadministrationfi-service> The aim of the new data collection has been advanced automation. In addition, the collected data content is wider than before. Changes may initially have an effect on the quality and comparability of data concerning general government.

Contents

Tables

Appendix tables

Appendix table 1. Change in general government revenue and expenditure 2021/3.....	5
--	---

Figures

Appendix figures

Appendix figure 1. Social benefits other than social transfers in kind.....	6
Appendix figure 2. Actual social contributions.....	6
Appendix figure 3. Current Taxes on Income, Wealth, etc., trend.....	6
Appendix figure 4. Taxes on Production and Imports.....	7
Appendix figure 5. Total revenue, trend.....	7
Appendix figure 6. Total expenditure, trend.....	7
Appendix figure 7. Final Consumption expenditure, trend.....	8
Appendix figure 8. Gross savings, trend.....	8

Revisions in these statistics.....	9
------------------------------------	---

Appendix tables

Appendix table 1. Change in general government revenue and expenditure 2021/3

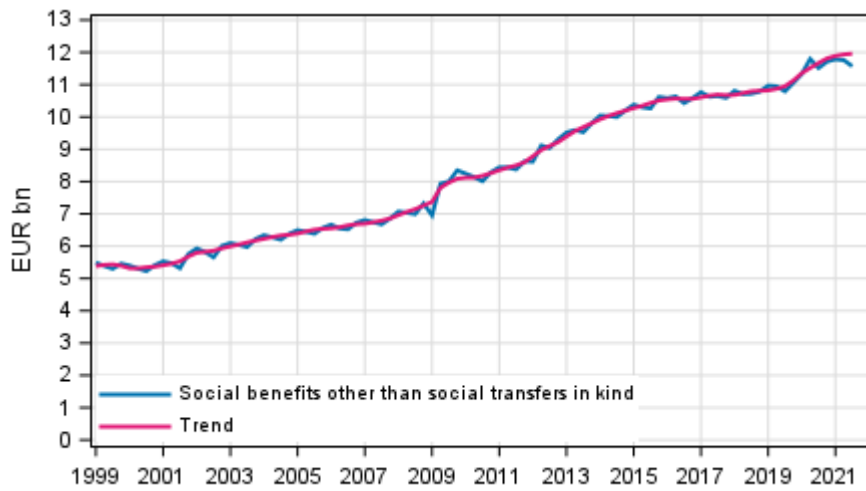
	2021/3–2020/3 Change, EUR million	2021/3–2020/3 %	2021/3–2021/2 % ¹⁾
Total revenue of General government	2021	7,2	1,2
Central government	945	7,4	1,6
Local government	-471	-3,9	-2,3
Employment Pension Schemes	791	11,0	2,2
Other social security funds	38	0,8	-0,1
Consolidation ²⁾	718
Total expenditure of General government	255	0,8	0,0
Central government	-858	-5,3	-0,8
Local government	325	2,4	-0,4
Employment Pension Schemes	168	2,3	0,4
Other social security funds	-93	-2,0	-2,3
Consolidation ²⁾	718

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

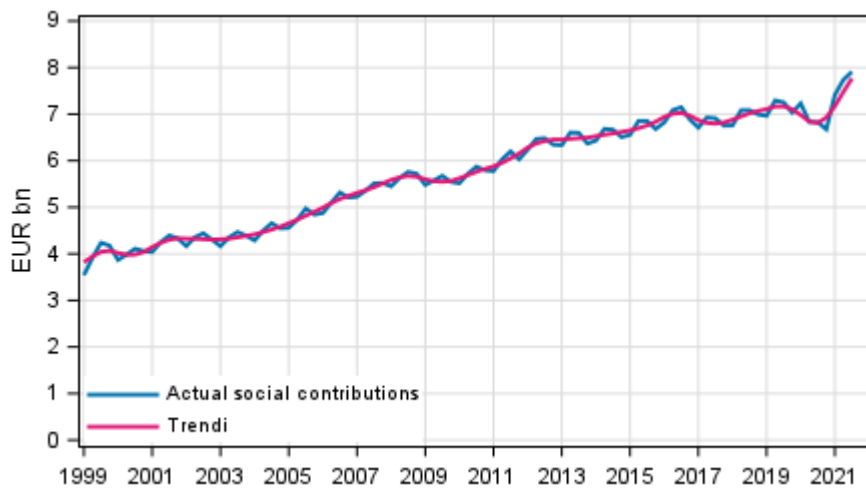
2) Transactions interest, other current transfers, investment grants and other capital transfers are consolidated within the general government sector. The other transactions are not consolidated

Appendix figures

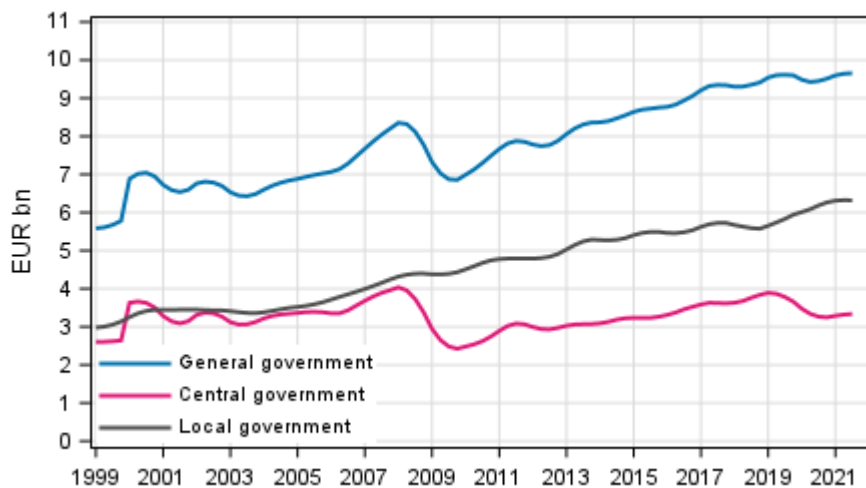
Appendix figure 1. Social benefits other than social transfers in kind



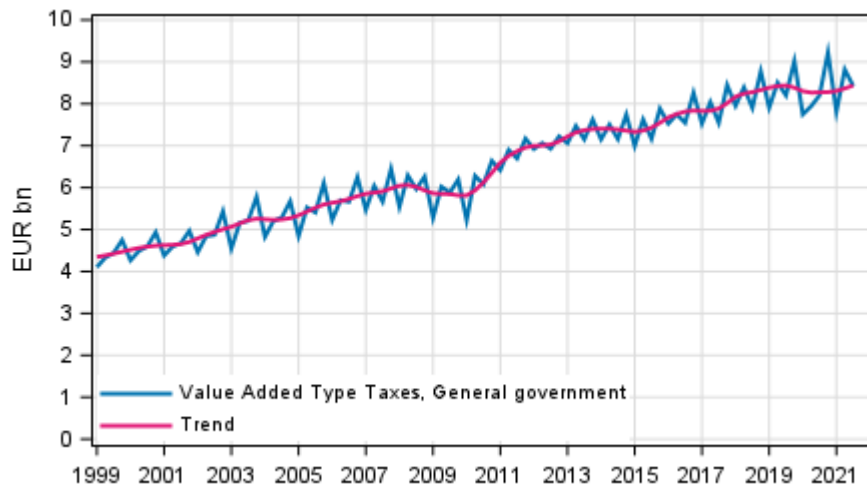
Appendix figure 2. Actual social contributions



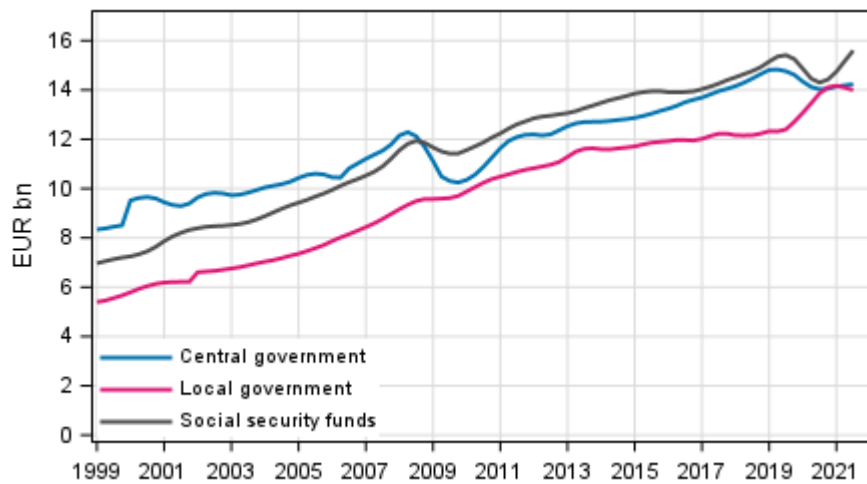
Appendix figure 3. Current Taxes on Income, Wealth, etc., trend



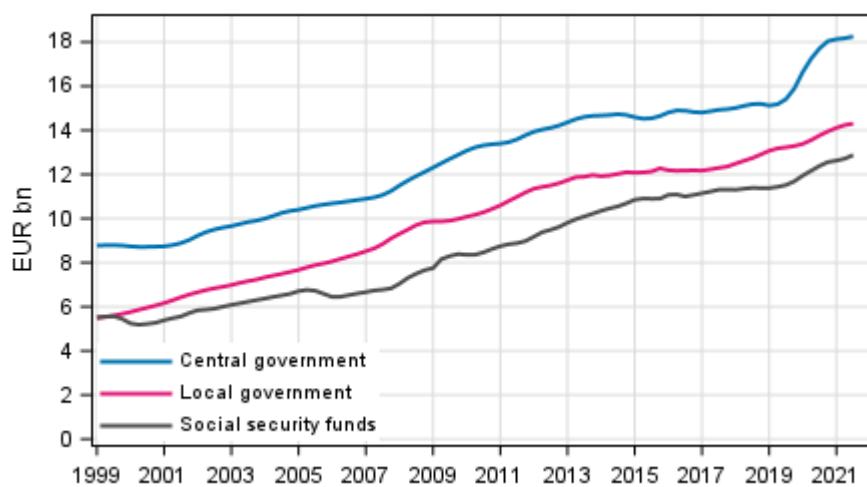
Appendix figure 4. Taxes on Production and Imports



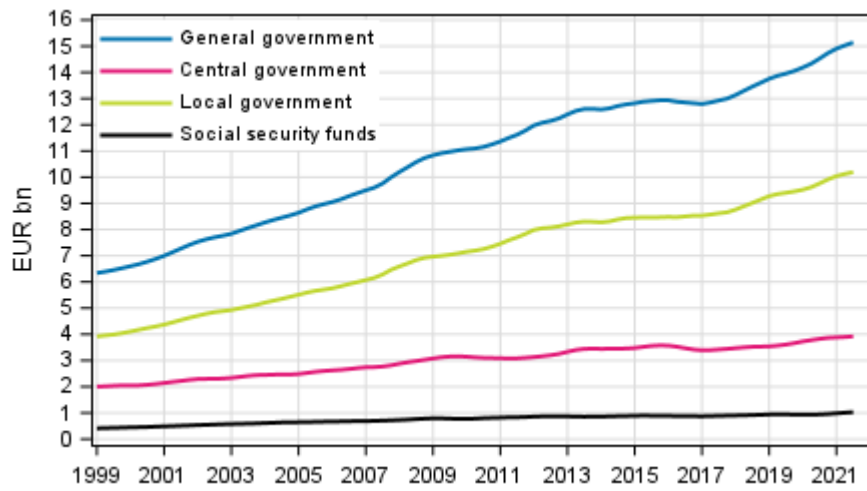
Appendix figure 5. Total revenue, trend



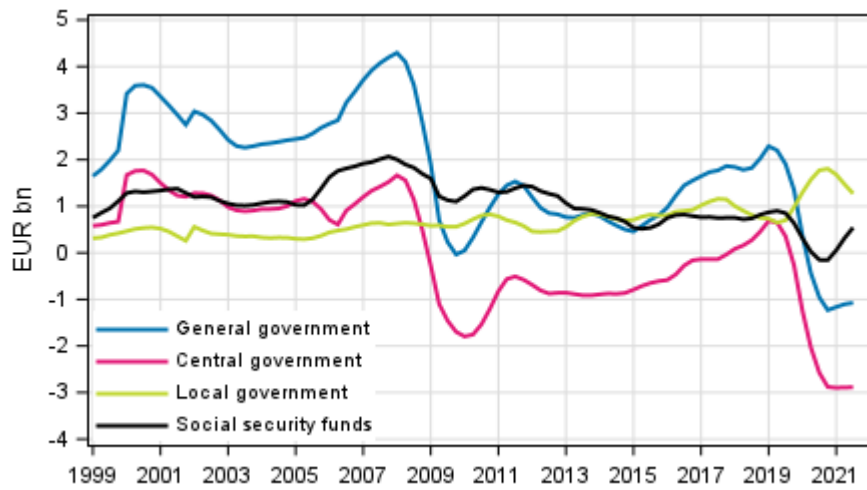
Appendix figure 6. Total expenditure, trend



Appendix figure 7. Final Consumption expenditure, trend



Appendix figure 8. Gross savings, trend



Revisions in these statistics

Seasonally adjusted quarter-on-quarter change, %

			1st release (%)	Latest release (%)	Revision, %-points
Sector	Transaction	Quarter			
General Government	Total Revenue	2020, 3rd Quarter	-0,5	3,2	3,7
		2020, 4th Quarter	3,9	3,7	-0,2
		2021, 1st Quarter	-1,5	-1,2	0,3
		2021, 2nd Quarter	0,9	1,0	0,1
	Total Expenditure	2020, 3rd Quarter	-1,6	0,0	1,6
		2020, 4th Quarter	1,3	2,0	0,7
		2021, 1st Quarter	-2,2	-2,1	0,1
		2021, 2nd Quarter	0,2	0,0	-0,2

Year-on-year change, %

			1st release (%)	Latest release (%)	Revision, %-points
Sector	Transaction	Quarter			
General Government	Total Revenue	2020, 3rd Quarter	1,4	2,8	1,4
		2020, 4th Quarter	3,0	4,1	1,1
		2021, 1st Quarter	3,5	3,4	-0,1
		2021, 2nd Quarter	7,7	8,0	0,3
	Total Expenditure	2020, 3rd Quarter	8,8	9,0	0,2
		2020, 4th Quarter	10,0	12,0	2,0
		2021, 1st Quarter	5,3	6,3	1,0
		2021, 2nd Quarter	-0,7	-0,4	0,3

Inquiries

Lauri Piirainen 029 551 3278

Jouni Pulkka 029 551 3532

Head of Department in
charge:

Katri Kaaja

rahoitus.tilinpito@stat.fi

www.stat.fi

Source: General government revenue and expenditure, 3rd quarter 2021. Statistics Finland