

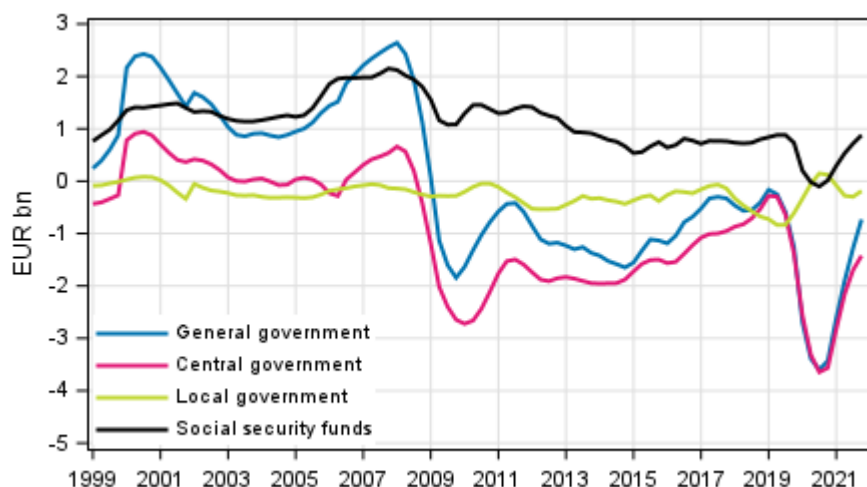
General government revenue and expenditure by quarter

2021, 4th quarter

Financial position of general government improved by EUR 4.5 billion from the quarter one year ago

In the fourth quarter of 2021, consolidated total general government revenue grew by EUR four billion from the corresponding quarter of the previous year. Consolidated total expenditure decreased by EUR 0.5 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 4.5 billion from the respective quarter of the year before. Compared to the third quarter of 2021, seasonally adjusted revenue grew and expenditure decreased, that is, the financial position of general government improved in the fourth quarter of 2021 from the previous quarter. In the fourth quarter of 2021, the general government deficit (net borrowing) stood at EUR 57 million. 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 fourth quarter, central government's total revenue amounted to EUR 17.4 billion and total expenditure was EUR 18.2 billion. Central government's total revenue grew by EUR 2.6 billion from the respective quarter of the year before. The revenue items that increased most were income taxes, taxes on products and property income. Of income taxes, both households' and corporations' income taxes grew and of taxes on products, especially value added tax. Of taxes on products, the most significant decreases in euros were recorded for motor vehicle and motorcycle tax, alcohol tax, profits from gambling activities, and lottery tax, where the tax rate was lowered at the beginning of 2021. Total expenditure decreased by EUR 1.1 billion from the corresponding quarter of the previous year. The expenditure items that decreased most were intermediate consumption and current transfers paid. The difference between revenue and expenditure, that is, the deficit (net borrowing) was EUR 0.8 billion in the fourth quarter.

Local government's total revenue was EUR 15.7 billion in the fourth quarter. Compared with the corresponding quarter of the previous year, the revenue remained unchanged. The revenue item that decreased most was current transfers from central government, but income taxes received by local government compensated for the drop in current transfers almost entirely. The income tax revenue of both households and corporations increased. In the last quarter, local government's total expenditure was EUR 15.4 billion. It increased by 3.3 per cent from the respective quarter of the previous year. In expenditure, the growth was biggest in intermediate consumption and compensation of employees. The difference between revenue and expenditure, that is, the surplus (net lending) was EUR 0.3 billion for local government, while it was EUR 0.8 billion in the corresponding quarter of the previous year.

Social security funds include employment pension schemes and other social security funds. In the fourth quarter, employment pension schemes' total revenue amounted to EUR 7.8 billion and total expenditure to EUR 7.4 billion. Total revenue increased by EUR 0.8 billion or by 12.1 per cent from the corresponding quarter in the year before and total expenditure grew by EUR 0.1 billion or by 1.9 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) was EUR 0.4 billion for employment pension schemes and it grew by around EUR 0.7 billion from the corresponding quarter of the year before.

Other social security funds' total revenue was EUR 4.8 billion in the fourth quarter. Total revenue decreased by 2.1 per cent from the corresponding quarter of one year ago. Of the largest revenue items, social contributions received by the sector grew by EUR 220 million, but current transfers from central government decreased by EUR 269 million. The expenditure of other social security funds amounted to EUR 4.6 billion and it decreased by 12.3 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 713 million or 17.6 per cent from the previous year. The difference between revenue and expenditure, that is, the surplus (net lending) was EUR 163 million for social security funds in the fourth 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 6.1 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 up by 5.4 per cent from the previous quarter. Total expenditure increased by 1.0 per cent from the previous quarter.

Employment pension schemes' total revenue went up by 3.3 per cent and total expenditure grew by 1.0 per cent from the previous quarter.

Other social security funds' total revenue went down by 3.1 per cent and total expenditure fell by 7.5 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. The data in the publication are based on the data sources available on 2 March 2022. Data for the first quarter of 2022 will be published on 23 June 2022. The responsibility for collecting the quarterly financial data of municipalities and joint municipal authorities was transferred from Statistics Finland to the State Treasury in the early part 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.

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Appendix tables

Appendix table 1. Change in general government revenue and expenditure 2021/4

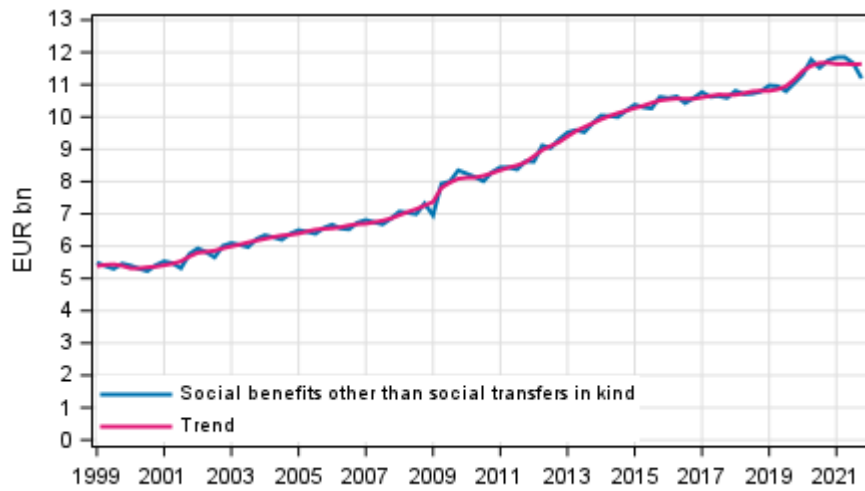
	2021/4–2020/4 Change, EUR million	2021/4–2020/4 %	2021/4–2021/3 % ¹⁾
Total revenue of General government	3992	12,4	4,9
Central government	2594	17,6	6,1
Local government	0	0	5,4
Employment Pension Schemes	839	12,1	3,3
Other social security funds	-103	-2,1	-2,5
Consolidation ²⁾	662
Total expenditure of General government	-502	-1,4	-1,5
Central government	-1143	-5,9	0,4
Local government	495	3,3	1
Employment Pension Schemes	136	1,9	0,7
Other social security funds	-652	-12,3	-10,5
Consolidation ²⁾	662

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

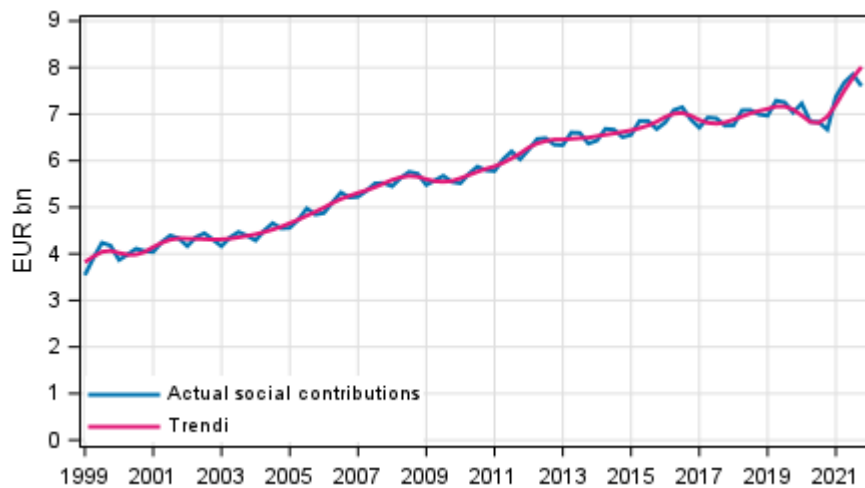
2) Transactions interest, other current transfers, investment grants and other capital transfers are consolidated within the general government sector. The other transactions are not consolidated

Appendix figures

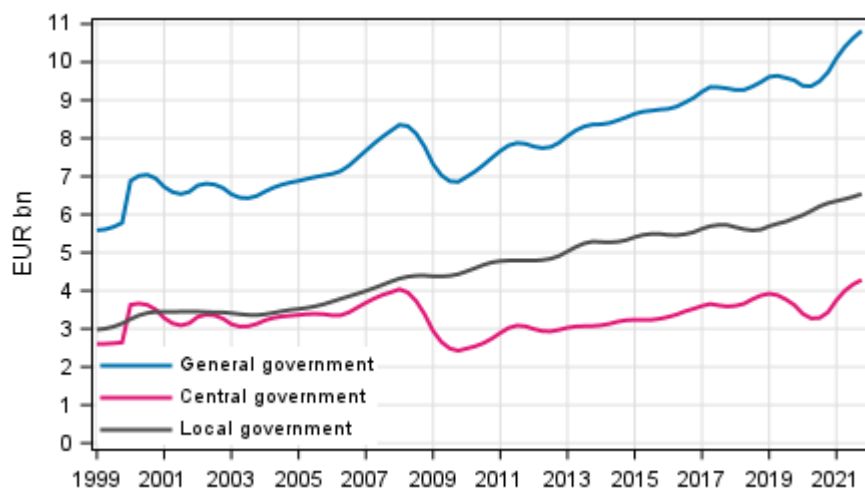
Appendix figure 1. Social benefits other than social transfers in kind



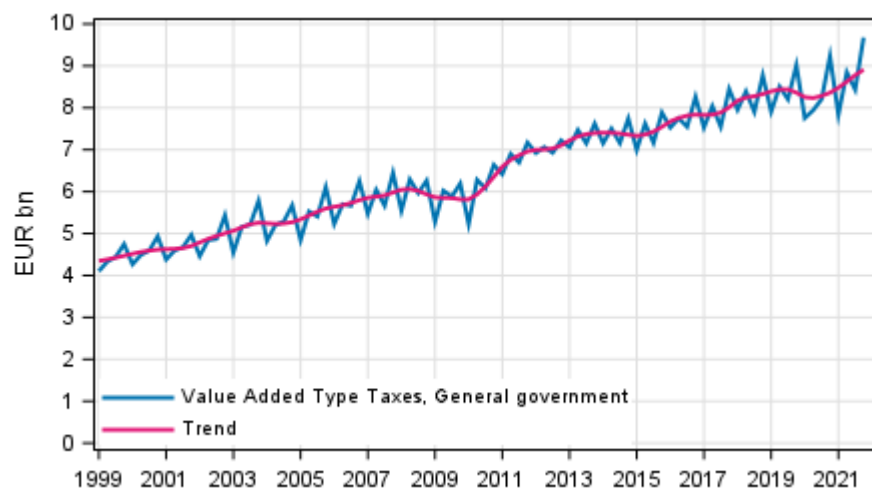
Appendix figure 2. Actual social contributions



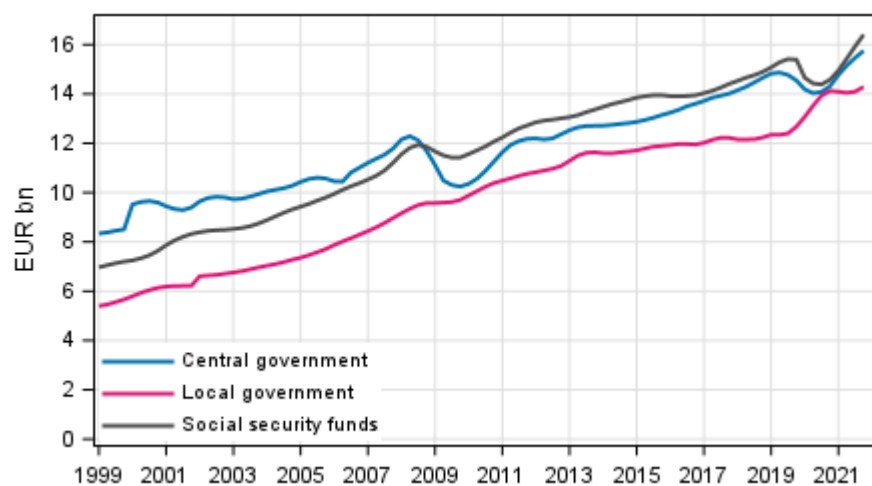
Appendix figure 3. Current Taxes on Income, Wealth, etc., trend



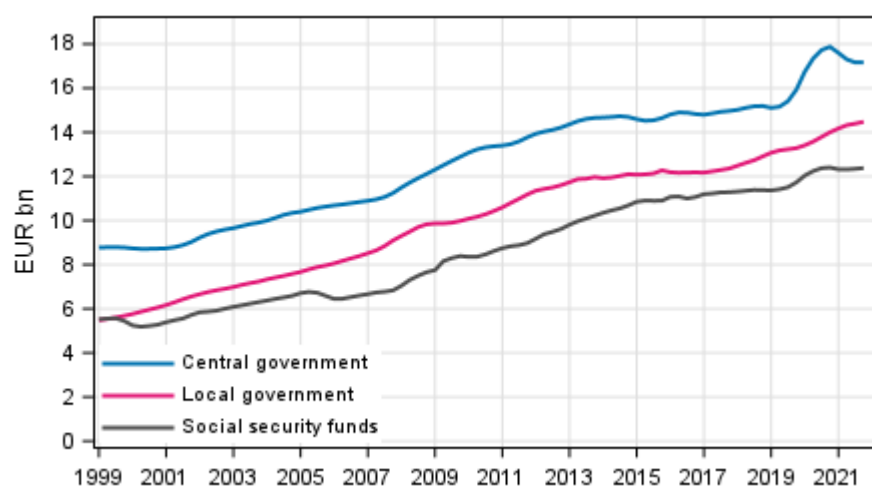
Appendix figure 4. Taxes on Production and Imports



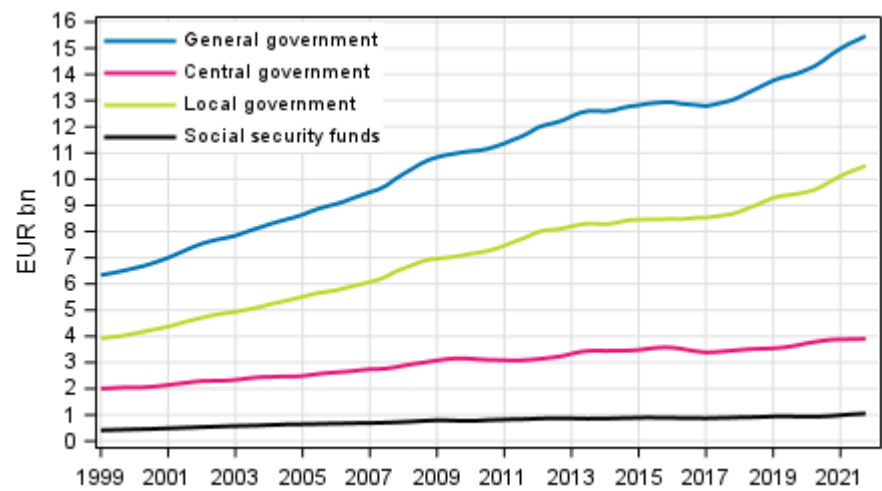
Appendix figure 5. Total revenue, trend



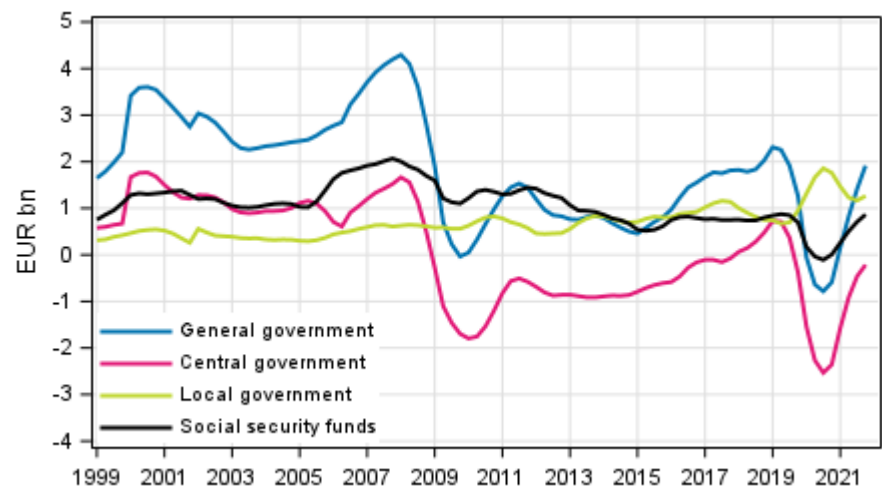
Appendix figure 6. Total expenditure, trend



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, 4th Quarter	3,9	1,9	-2,0
		2021, 1st Quarter	-1,5	0,2	1,7
		2021, 2nd Quarter	0,9	1,3	0,4
		2021, 3rd Quarter	0,2	1,1	0,9
	Total Expenditure	2020, 4th Quarter	1,3	1,6	0,3
		2021, 1st Quarter	-2,2	-0,6	1,6
		2021, 2nd Quarter	0,2	-0,8	-1,0
		2021, 3rd Quarter	-0,7	-0,4	0,3

Year-on-year change, %

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

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Source: General government revenue and expenditure, 4th quarter 2021. Statistics Finland