

## Basque Administration current expenditure increased by 6.6% in 2005, one point less than in 2004

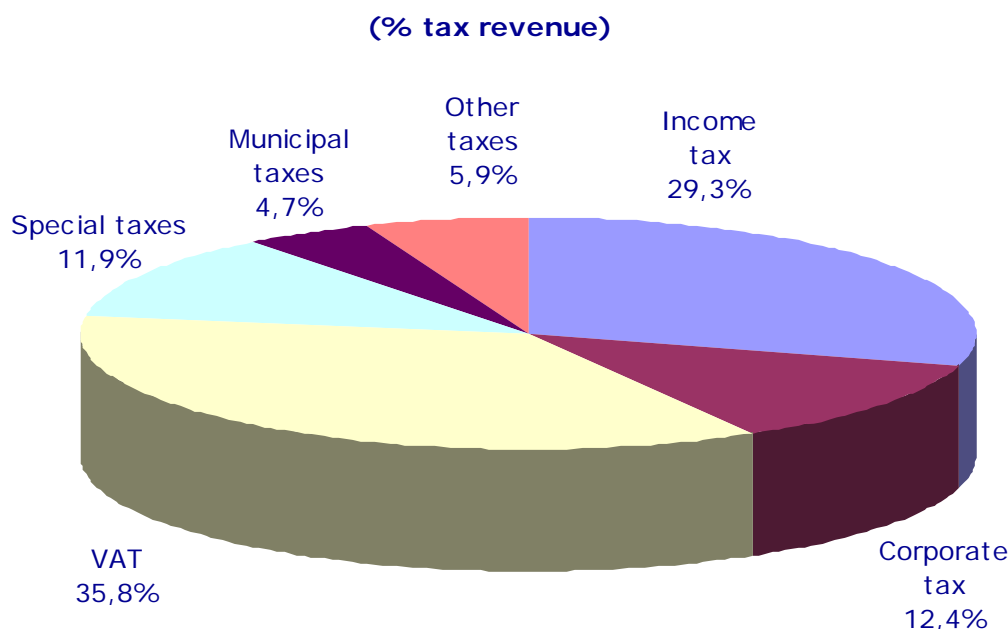
***Outstanding financial debt came to 6.2% of the GDP.***

Current expenditure of the Basque administration –made up of the Basque Government, Provincial Councils and Municipal Administrations, together with their corresponding Autonomous Bodies and supra-municipal Organizations- increased by 6.6% in 2005, according to EUSTAT data. Total expenditure came to 10,186.3 million euros, while current income amounted to 12,726 million, with an annual growth rate of 9.9%, on the same period in 2004

From the evolution of the above we can deduce that the balance of current operations (current income minus current expenditure) came to 2.539.8 million, 25.0% up on the position a year before, where the balance stood at 2.032.2 million.

Tax revenues, which represented almost 90% of total current income, had a positive variation of 13.0%. Among these, income from corporate tax registered the greatest interannual growth and came to 26.2%.

### Distribution of Basque Administration Tax Revenue. 2005.



Source: EUSTAT

Income from VAT increased by 14.2% and income tax grew by 11.4%. Both municipal taxes and special taxes recorded lower growth, with 6.7% and 4.3% respectively

In the area of current expenditure, Current Transfers (subsidies and sinking fund subsidies) registered the highest growth with 7.2%. Lowest growth was registered by Personnel Costs, with 5.8%. Other current expenditure -operating costs- registered an intermediate evolution with 6.6%. Overall, current costs increased by 6.6%, which given the greater growth of current income (9.9%), generated a current operating balance in 2005 of 25.0%.

To move from the balance of current operations to the non-financial budgetary balance, it is necessary to take into account income and expenditure from capital operations. In 2005, capital revenue registered 48.3% growth and capital expenditure (real investment plus capital transfers) grew more discretely by 3.1%, but was positive, compared to the fall in the previous year (-1.8%). Therefore, the non-financial budgetary balance stood at 937.1 million euros, 571.4 million more than in 2004.

### Consolidated Liquidation of the Basque Administration. 2005-2004

thousand euros	2.004	2.005	Δ%
<b>TOTAL INCOME</b>	<b>12.442.799</b>	<b>13.615.119</b>	<b>9,4%</b>
<b>Current transactions</b>	<b>11.584.487</b>	<b>12.726.379</b>	<b>9,9%</b>
<i>-Tax revenue</i>	<b>10.382.350</b>	<b>11.734.499</b>	<b>13,0%</b>
Income tax	3.091.369	3.443.850	11,4%
Corporate tax	1.148.605	1.449.546	26,2%
VAT	3.675.433	4.196.628	14,2%
Special taxes	1.344.756	1.402.078	4,3%
Municipal taxes	517.250	551.904	6,7%
Other taxes	604.937	690.493	14,1%
<i>-Other current income</i>	1.202.137	991.880	-17,5%
<b>Capital Transactions</b>	<b>256.323</b>	<b>380.252</b>	<b>48,3%</b>
<b>Total Non-financial Transactions</b>	<b>11.840.810</b>	<b>13.106.631</b>	<b>10,7%</b>
<b>Financial transactions</b>	<b>601.989</b>	<b>508.488</b>	<b>-15,5%</b>
<b>TOTAL EXPENDITURE</b>	<b>12.093.699</b>	<b>12.809.913</b>	<b>5,9%</b>
<b>Current Transactions</b>	<b>9.552.250</b>	<b>10.186.569</b>	<b>6,6%</b>
Expenditure on Personnel	2.518.879	2.664.596	5,8%
Current Transfers	3.638.877	3.901.873	7,2%
Other Current Expenditure	3.394.494	3.620.100	6,6%
<b>Capital Investment and Transactions</b>	<b>1.922.833</b>	<b>1.982.934</b>	<b>3,1%</b>
<b>Total Non-financial Transactions</b>	<b>11.475.083</b>	<b>12.169.503</b>	<b>6,1%</b>
<b>Financial transactions</b>	<b>618.616</b>	<b>640.410</b>	<b>3,5%</b>
<b>BALANCE OF CURRENT TRANSACTIONS</b>	<b>2.032.237</b>	<b>2.539.810</b>	<b>25,0%</b>
<b>NON-FINANCIAL BUDGETARY BALANCE</b>	<b>365.727</b>	<b>937.128</b>	<b>156,2%</b>

Source: EUSTAT

Basque administration outstanding debt came to 3,596.5 million euros in 2005, 3.3% more than in 2004. Over the last year, 371.6 million in outstanding debt was repaid but 520.6 million new debt was incurred. Therefore, the final outstanding debt increased, even though less than for the previous period, by 4.4%.

In addition, Basque administration financial debt in relation to GDP fell from 6.56% in 2004 to 6.25% in 2005.

### **Consolidated Data of the Basque Administration. 2005.**

	thousand euros				
	<b>CONSOLIDATED TOTAL</b>	<b>BASQUE GOVT</b>	<b>ALAVA</b>	<b>BIZKAIA</b>	<b>GIPUZKOA</b>
CURRENT INCOME	12.726.379	7.396.815	2.146.042	6.505.403	4.126.667
CURRENT EXPENDITURE	10.186.569	6.086.556	1.961.895	5.913.181	3.673.485
<b>BALANCE OF CURRENT TRANSACTIONS</b>	<b>2.539.810</b>	<b>1.310.259</b>	<b>184.147</b>	<b>592.222</b>	<b>453.182</b>
CAPITAL INCOME	380.252	71.789	67.708	206.461	180.132
CAPITAL EXPENDITURE	1.982.934	842.437	149.962	640.843	495.530
<b>NON-FINANCIAL BUDGETARY BALANCE</b>	<b>937.128</b>	<b>539.611</b>	<b>101.893</b>	<b>157.840</b>	<b>137.784</b>
<hr/>					
<b>OUTSTANDING DEBT</b>					
<b>(Pending repayment 31-12-05)</b>	3.596.556	2.033.467	135.732	1.041.832	385.525

### **Source: EUSTAT**

The Basque Administrations employed 95,288 people in 2005, 67.03% of whom worked for the public sector of the General Administration of the Autonomous Community, 9.95% for the public sector of the Provincial Administrations and the remaining 23.02% for the public sector of the Local Administrations. Out of the total, 81.3% were permanent employees.

#### **For further information:**

*Euskal Estatistika-Erakundea / IBasque Statistics Office*

*C/ Donostia-San Sebastián, 1 01010 Vitoria-Gasteiz*

*Tlf:+34-945-01 75 00 Fax:+34-945-01 75 01 E-mail: [eustat@eustat.es](mailto:eustat@eustat.es)*

*Contact: Jose M<sup>a</sup> Agirre Eskisabel*

*Tel:+34-945-01 75 06 Fax:+34-945-01 75 01*

*Online press releases: [www.eustat.es](http://www.eustat.es)*