

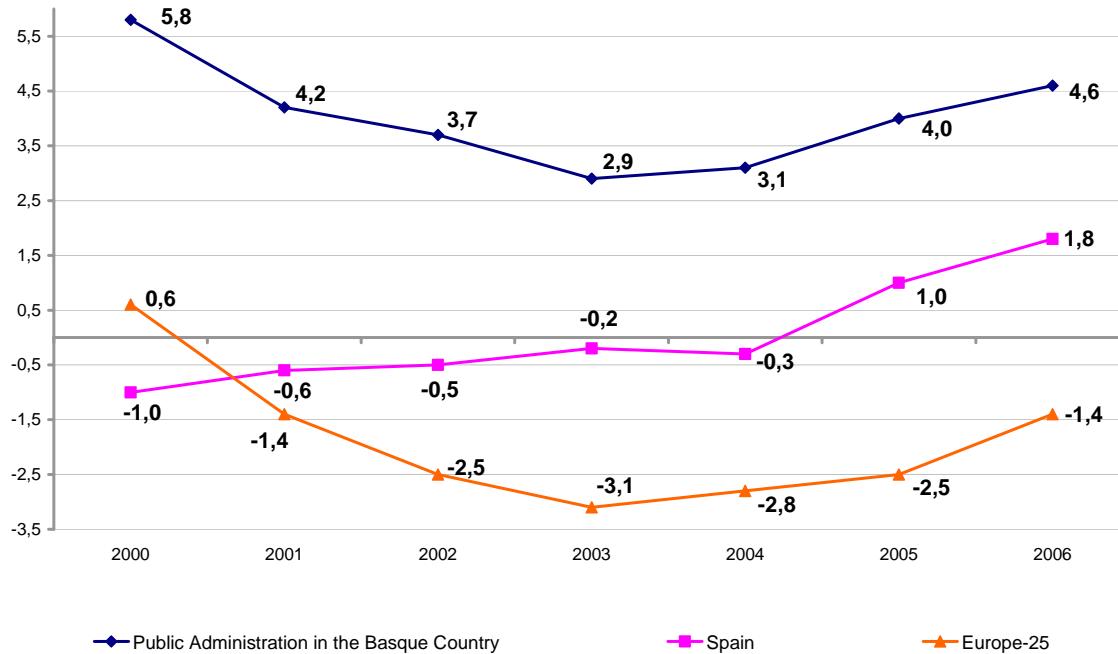
The central Spanish authorities in the A.C. of the Basque Country posted a surplus of 1562 million euros and the Basque Administration a surplus of 1262 million euros in 2006

The surplus posted by the public authorities as a whole in the A.C. of the Basque Country accounted for 4.6% of the GDP

The Public Authorities in the A. C. of the Basque Country (Basque Administration and Central Spanish Public Authorities and regionalised Social Security Institute) posted a surplus of 2,824 million euros in 2006 in terms of financing capacity, which accounted for 4.6%, according to Eustat data.

The Public Authorities in the A. C. of the Basque Country increased the GDP by 0.6 percentage points compared to 2005. At the same time, the surplus posted by the Central Spanish Public Authorities was up by 0.8 percentage points, from 1.0% in terms of the GDP in 2005 to a surplus of 1.8% in 2006. The deficit of the EU-27 continued to decrease and fell from 2.5% of the GDP in 2005 to 1.4% in 2006.

Graph 1: Evolution of the Financing Capacity (+) or Requirements (-) of the Public Authorities (% of the GDP)



Source: EUSTAT

The improvement in the financing capacity of the Public Authorities in the A.C. of the Basque Country was due to the greater increase in the non-financial resources with respect to that registered in the non-financial uses: the former was up by 9.2% with respect to 2005, while the uses increased by 7.4%.

All the institutions sectors that make up the Public Authorities of the A.C. of the Basque Country posted surpluses for 2006, although there were some differences in performances:

- **The Central Spanish Public Authorities and regionalised Social Security Institute, taken together, improved their surplus in the A.C. of the Basque Country, which increased from 1,496 million euros in 2005 to 1,562 million euros in 2006, in other words, the State fiscal balance in the A.C. of the Basque Country, in terms of monetary flows, meant a contribution to the central coffers of 2.53% of its GDP. If it is broken down into its components, the regionalised Central Spanish Public Authorities continued to increase its surplus, which stood at 1,505 million euros, compared to the 1,154 million obtained in 2005, and the regionalised Social Security Institute posted a surplus of 57 million, even though it was lower than the 2005 surplus, which stood at 342 million euros.**
- **The Basque Administration improved its positive balance, which increased from 781 million euros in 2005 to 1,262 million in 2006.** This result was obtained by adding a positive balance of 750 million posted in the institutional sphere of the Basque Government, to the 92 million by the Provincial and local authorities of Álava, 359 million by those in Bizkaia and 62 million by those in Gipuzkoa.

Table 1: Net Saving and Financing Capacity (+) or Requirements of the Public Authorities in the A. C. of the Basque Country. 2006. (Thousands of euros)

	Unit: thousand euros			
	1 Non-finance resources	2 Non-finance employment	3 Net saving	4 Cap.(+) Need.(-) for finance
Public Administration	22.711.228	19.887.464	4.590.247	2.823.764
Regionalized State Administration + Social Security	9.539.144	7.977.308	1.739.378	1.561.836
Regionalized State Administration	2.872.631	1.367.979	1.656.503	1.504.652
Regionalized Social Security (**)	6.846.664	6.789.480	82.875	57.184
Basque Administrations (*)	15.303.060	14.041.132	2.850.869	1.261.928
Basque Government	8.668.851	7.919.344	1.495.260	749.507
Alava	2.418.501	2.326.909	172.848	91.592
Bizkaia	7.853.256	7.494.352	745.136	358.905
Gipuzkoa	4.866.651	4.804.726	437.625	61.925

(*) Basque Government includes Autonomous Administrative Bodies, University of the Basque Country, Osakidetza-Basque Public Health Service and several Public Companies

Alava, Bizkaia and Gipuzkoa include the Provincial Councils and their Autonomous Administrative Bodies and several Public Companies; and Local Organizations

(**) Social Security includes: General Treasury for Social Security, National Social Security Institute, Social Marine Institute, INEM-State Public Employment Service, Mutual Funds for Occupational Accident and Illness (AT and EP), Wage Guarantee Fund (FOGASA)

Source: Eustat

During the 2000-2006 period, the Public Authorities in the A.C. of the Basque Country increased their non-financial resources by 43.8% and the non-financial uses by 48.5%. The financing capacity therefore improved by 17.4% over that period.

The net savings of the authorities in the A.C. of the Basque Country overall increased from 3,793 million euros in 2000 to 4,590 million euros in 2006, which meant an increase of 21.0%.

**Table 2: Stake of the Public Authorities in the Final Demand.
A. C. of the Basque Country (thousands of euros). 2000-2006**

	Unit: thousand euros													
	2000	%	2001	%	2002	%	2003	%	2004	%	2005	%	2006	%
Expenditure on Final Consumption	30.847.065	100,0	33.020.950	100,0	34.843.030	100,0	37.402.290	100,0	40.519.702	100,0	43.691.686	100,0	46.897.942	100,0
Expenditure on Final Consumption of Public Admin	5.866.817	19,0	6.574.732	19,9	6.963.085	20,0	7.551.277	20,2	8.016.736	19,8	8.471.692	19,4	9.131.828	19,5
Gross Formation of Capital	10.917.500	100,0	11.688.578	100,0	12.541.881	100,0	13.489.319	100,0	15.040.639	100,0	16.422.809	100,0	17.938.244	100,0
Gross Formation of Capital Pub Admin	1.227.090	11,2	1.327.166	11,4	1.437.383	11,5	1.508.409	11,2	1.493.468	9,9	1.506.473	9,2	1.656.706	9,2
Internal Demand	41.764.565	100,0	44.709.528	100,0	47.384.911	100,0	50.891.609	100,0	55.560.341	100,0	60.114.495	100,0	64.836.186	100,0
Public Internal Demand	7.093.907	17,0	7.901.898	17,7	8.400.468	17,7	9.059.686	17,8	9.510.204	17,1	9.978.165	16,6	10.788.534	16,6

Source: Eustat

The stake of the public internal demand in the total of the internal demand remained at the level of the previous year and stood at 16.6%.

The final consumption expenditure of the Public Authorities stood at 19.5% of the final consumption expenditure of the A.C. of the Basque Country in 2006, 0.1 percentage point up on 2005.

Public investment increased by 10% and the weight of the investments in 2006 by the Public Authorities in the Gross Fixed Capital Formation of the economy overall in the A.C. of the Basque Country was therefore 9.2%, half a percentage point higher than in 2005. By institutions, 93% of the 2006 investments were by the Basque Administration and only 7% by the regionalised Central Spanish Public Authorities and the regionalised Social Security Institute. These percentages remained at the same level as previous years.

For further information:

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