

The budgetary balance of the Basque Administrations improved by 32.8% although it remained negative in 2010

The financial debt with regards to GDP rose from 7.2% in 2009 to 10.4% in 2010

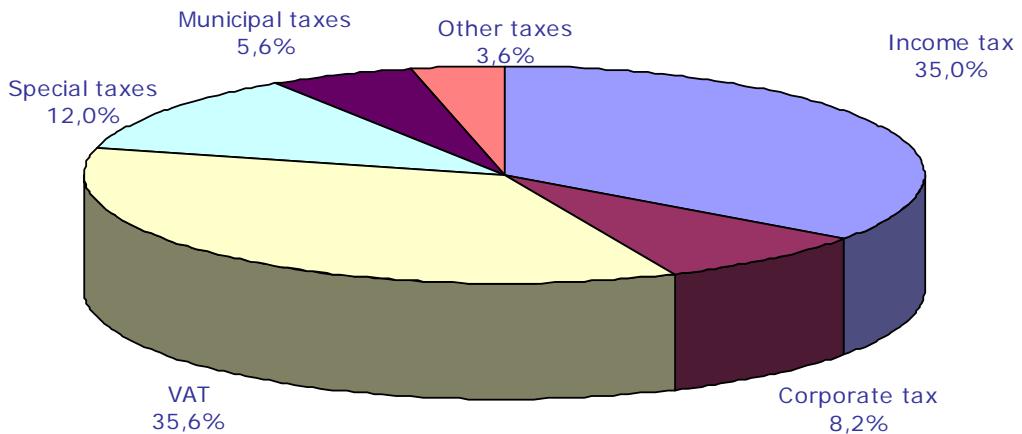
Income of the Basque Administrations (made up of the Basque Government, the Provincial Councils and Municipal Administrations, together with their corresponding Autonomous Bodies and supra and infra-municipal Entities) rose 7.4% in 2010 compared to 2009, whilst expenditure fell by 2.6%, according to EUSTAT data.

In the income section, that corresponding to current operations increased by 4.9%, capital operations 0.5% and financial operations, which had the biggest increases, grew by 25.1% with regards to 2009.

Expenditure was down by a total of 2.6%, the result of a 0.1% fall in expenditure deriving from current operations, 9.2% from capital operations, and 18.6% from financial operations.

This evolution of income and expenditure led to an improvement in budgetary balances in 2010. The balance of current operations went from negative to positive, standing at 433.2 million euros. The non-financial balance, although negative, also improved, going from -3020.7 million euros in 2009 to -2029.2 million in 2010, which was 3.1% of GDP in 2010.

Graph 1. Distribution of Basque Administration Tax Revenue. 2010 (%)



Source: EUSTAT. Public Sector Budgetary Statistics

The analysis of income in order of importance indicates that the recognised duties for VAT represented 35.6% of the total revenue areas, due to growth of 9% compared to 2009. Income from personal income tax (IRPF) increased by 4.5% and accounted for 35.0% of the total. In third place, in order of importance, were Special Taxes, up 2.2%. The taxes that experienced negative variation rates were Corporation tax, which was down 20.8%, and the group of the denominated Other taxes (Assets, Inheritance and Donations, Asset Transactions), down 4.6% as a whole. Both tax categories, Corporation tax and Other taxes, are the only ones that continued to reduce their contribution to combined income revenue from 2007.

On the expenditure side, all non-financial areas registered negative variation rates. Personnel expenditure fell by 0.3%; expenditure on Current Goods fell by 0.5%; Current Transfers were down 0.8% and Capital operations experienced the largest reduction, 9.2% compared to 2009. The areas that had positive variation rates were Financial Expenditure, which went from 87.3 million in 2009 to 141.0 million in 2010 and Financial Assets, which increased from 241.1 million in 2009 to 314.2 million in 2010.

Consolidated Liquidation of the Basque Administration. 2010-2009

thousand euros	2.009	2.010	Δ%
TOTAL INCOME	16.026.623	17.219.198	7,4%
Current transactions	13.360.037	14.020.472	4,9%
-Tax revenue	11.713.357	12.015.888	2,6%
Income tax	4.028.560	4.207.908	4,5%
Corporate tax	1.246.904	987.314	-20,8%
VAT	3.922.028	4.276.594	9,0%
Special taxes	1.414.394	1.445.072	2,2%
Municipal taxes	652.036	670.094	2,8%
Other taxes	449.435	428.906	-4,6%
-Other current income	1.646.680	2.004.584	21,7%
Capital Transactions	559.363	562.413	0,5%
Total Non-financial Transactions	13.919.400	14.582.885	4,8%
Financial transactions	2.107.223	2.636.313	25,1%
TOTAL EXPENDITURE	17.635.817	17.178.072	-2,6%
Current Transactions	13.607.574	13.587.302	-0,1%
Expenditure on Personnel	3.464.284	3.455.355	-0,3%
Current Transfers	4.822.929	4.785.883	-0,8%
Other Current Expenditure	5.320.361	5.346.064	0,5%
Capital Investment and Transactions	3.332.518	3.024.748	-9,2%
Total Non-financial Transactions	16.940.092	16.612.050	-1,9%
Financial transactions	695.726	566.022	-18,6%
BALANCE OF CURRENT TRANSACTIONS	-247.537	433.170	275,0%
NON-FINANCIAL BUDGETARY BALANCE	-3.020.691	-2.029.165	-32,8%

Source: EUSTAT. Public Sector Budgetary Statistics

The outstanding debt of the Basque Administrations stood at 6801.3 million euros on the 31st of December 2010, which was 48.0% more than in 2009, due to the fact that all of the administrations (Basque Government, Provincial Councils and the Municipal Administrations) acknowledged new loans.

This debt increase meant that, in relation to GDP, the percentage went from 7.2% in 2009 to 10.4% in 2010.

Consolidated Data of the Basque Administration. 2010

thousand euros

	CONSOLIDATED TOTAL	BASQUE GOVT	ALAVA	BIZKAIA	GIPUZKOA
CURRENT INCOME	14.020.472	8.382.558	2.190.217	7.408.751	4.589.421
CURRENT EXPENDITURE	13.587.302	8.570.863	2.344.393	6.929.108	4.293.413
BALANCE OF CURRENT TRANSACTIONS	433.170	-188.305	-154.176	479.643	296.008
CAPITAL INCOME	562.413	196.859	91.121	253.407	218.044
CAPITAL EXPENDITURE	3.024.748	1.538.013	242.814	879.074	561.865
NON-FINANCIAL BUDGETARY BALANCE	-2.029.165	-1.529.459	-305.869	-146.024	-47.813
OUTSTANDING DEBT (Pending repayment 31-12-08)	6.801.320	4.382.100	461.304	1.308.539	649.377

Source: EUSTAT. Public Sector Budgetary Statistics

In 2010, the 1145 bodies that comprise the Basque Administrations registered an average employment of 116,001 individuals, of which 70,211 were women and 45,790 were men. As regards the employment relationship, 68.2% were in permanent positions.

For further information:

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Further press releases on Public Sector Budgetary Statistics of the Basque Country.

Databank on Public Sector Budgetary Statistics of the Basque Country.