

General government deficit and gross debt according to EMU criteria

General government surplus contracted in 2008, debt decreased slightly

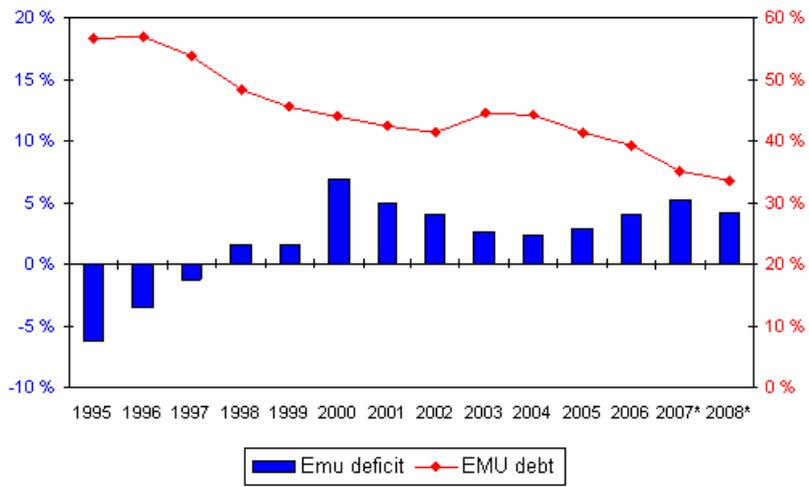
According to Statistics Finland's preliminary data, the EMU surplus of Finland's general government contracted in 2008 from the previous year's 5.2 per cent to 4.2 per cent of gross domestic product. The amount of general government EMU debt decreased in 2008 by EUR 0.9 billion to EUR 62.1 billion. At the same time the share of debt of GDP fell to 33.4 per cent from the previous year's 35.1 per cent.

General government surplus contracted by EUR 1.6 billion in 2008. The background for this development consists, among other things, of the significant slowing down of the growth of central government sector tax revenue which, in turn, followed from the declining economic situation of the latter half of 2008. Central government sector surplus contracted from EUR 3.8 billion to EUR 1.6 billion. By contrast, the local government sector continued to show a slight deficit, which in 2008 amounted to EUR 0.2 billion. The surplus of employment pension funds grew to EUR 6.0 billion, which means that among the EU countries Finland's general government as a whole showed a notably large surplus relative to GDP. Employment pension funds' EMU surplus differs significantly from the total result in pension corporations' profit and loss accounts, which are affected by e.g. changes in the value of pension investments. The surplus of other social security funds than employment pension funds amounted to EUR 0.4 billion.

In 2008 general government's unconsolidated gross debt fell by EUR 0.8 billion. Central government debt contracted by EUR 1.5 billion, whereas local government debt grew by EUR 0.7 billion. Internal general government debt increased by EUR 0.1 billion. The EMU debt describes general government's debt to other sectors of the economy and to the rest of the world, and its development is influenced by changes in unconsolidated gross debt and internal general government debts.

Statistics Finland will release the contents of the deficit and debt report compiled in March for the European Commission on the web pages of these statistics on 31 March.

Finland's general government EMU deficit (-) and debt, percentage of GDP



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Appendix tables

EMU deficit of Finnish government 1975-2008¹⁾

| | Million euro | | | | Per cent of GDP | | | |
|-------|--------------------|------------------|-----------------------|--------|--------------------|------------------|-----------------------|-------|
| | Central government | Local government | Social security funds | Total | Central government | Local government | Social security funds | Total |
| 1975 | 146 | 281 | 489 | 916 | 0,8 | 1,6 | 2,7 | 5,1 |
| 1976 | 734 | 327 | 533 | 1 594 | 3,6 | 1,6 | 2,6 | 7,8 |
| 1977 | 472 | 367 | 602 | 1 441 | 2,1 | 1,6 | 2,7 | 6,4 |
| 1978 | 221 | 325 | 436 | 982 | 0,9 | 1,3 | 1,8 | 3,9 |
| 1979 | -83 | 346 | 758 | 1 021 | -0,3 | 1,2 | 2,6 | 3,5 |
| 1980 | -26 | 192 | 1 113 | 1 279 | -0,1 | 0,6 | 3,3 | 3,8 |
| 1981 | 327 | 292 | 1 353 | 1 972 | 0,9 | 0,8 | 3,6 | 5,2 |
| 1982 | -126 | 316 | 1 144 | 1 334 | -0,3 | 0,7 | 2,7 | 3,1 |
| 1983 | -709 | 332 | 1 126 | 749 | -1,5 | 0,7 | 2,4 | 1,6 |
| 1984 | 41 | 481 | 1 234 | 1 756 | 0,1 | 0,9 | 2,3 | 3,3 |
| 1985 | 95 | 333 | 1 560 | 1 988 | 0,2 | 0,6 | 2,7 | 3,5 |
| 1986 | 587 | 346 | 1 485 | 2 418 | 0,9 | 0,6 | 2,4 | 3,9 |
| 1987 | -578 | 34 | 1 647 | 1 103 | -0,9 | 0,1 | 2,5 | 1,7 |
| 1988 | 1 436 | 440 | 2 101 | 3 977 | 1,9 | 0,6 | 2,8 | 5,3 |
| 1989 | 2 322 | 617 | 2 840 | 5 779 | 2,7 | 0,7 | 3,3 | 6,8 |
| 1990 | 922 | 337 | 3 548 | 4 807 | 1,0 | 0,4 | 4,0 | 5,4 |
| 1991 | -3 788 | -276 | 3 246 | -818 | -4,4 | -0,3 | 3,8 | -1,0 |
| 1992 | -6 639 | -10 | 2 105 | -4 544 | -8,0 | 0,0 | 2,5 | -5,5 |
| 1993 | -9 772 | 476 | 2 338 | -6 958 | -11,6 | 0,6 | 2,8 | -8,3 |
| 1994 | -10 434 | 1 184 | 3 310 | -5 940 | -11,8 | 1,3 | 3,8 | -6,7 |
| 1995 | -10 852 | 1 277 | 3 657 | -5 918 | -11,3 | 1,3 | 3,8 | -6,2 |
| 1996 | -7 680 | 934 | 3 242 | -3 504 | -7,7 | 0,9 | 3,3 | -3,5 |
| 1997 | -3 977 | -455 | 3 052 | -1 380 | -3,7 | -0,4 | 2,8 | -1,3 |
| 1998 | -1 656 | -212 | 3 720 | 1 852 | -1,4 | -0,1 | 3,2 | 1,6 |
| 1999 | -1 528 | -199 | 3 681 | 1 954 | -1,2 | -0,1 | 3,0 | 1,6 |
| 2000 | 4 401 | 283 | 4 438 | 9 122 | 3,3 | 0,2 | 3,4 | 6,9 |
| 2001 | 2 611 | -602 | 4 971 | 6 980 | 1,9 | -0,4 | 3,6 | 5,0 |
| 2002 | 2 011 | -443 | 4 284 | 5 852 | 1,4 | -0,3 | 3,0 | 4,1 |
| 2003 | 998 | -896 | 3 635 | 3 737 | 0,7 | -0,6 | 2,5 | 2,6 |
| 2004 | 913 | -1 146 | 3 869 | 3 636 | 0,6 | -0,8 | 2,5 | 2,4 |
| 2005 | 944 | -1 108 | 4 562 | 4 398 | 0,6 | -0,7 | 2,9 | 2,8 |
| 2006 | 1 611 | -544 | 5 622 | 6 689 | 1,0 | -0,3 | 3,4 | 4,0 |
| 2007* | 3 802 | -269 | 5 872 | 9 405 | 2,1 | -0,1 | 3,3 | 5,2 |
| 2008* | 1 599 | -152 | 6 339 | 7 786 | 0,9 | -0,1 | 3,4 | 4,2 |

1) * Preliminary

The table contains a time series since 1975 depicting the Finnish general government EMU deficit at the level of total general government and by sub-sector. The data are given both as absolute figures and as GDP ratios. The data corresponds to the data in the EDP report tables 1 and 2A-2D.

General government EMU debt 1975-2008¹⁾

| | Million euro | | | | Per cent of GDP | | | |
|-------|--------------------|------------------|-----------------------|--------|--------------------|------------------|-----------------------|-------|
| | Central government | Local government | Social security funds | Total | Central government | Local government | Social security funds | Total |
| 1975 | 555 | 560 | 65 | 1 180 | 3,1 | 3,1 | 0,4 | 6,5 |
| 1976 | 565 | 623 | 70 | 1 257 | 2,8 | 3,0 | 0,3 | 6,1 |
| 1977 | 973 | 713 | 70 | 1 756 | 4,3 | 3,2 | 0,3 | 7,8 |
| 1978 | 1 935 | 748 | 64 | 2 747 | 7,8 | 3,0 | 0,3 | 11,0 |
| 1979 | 2 294 | 882 | 56 | 3 232 | 7,9 | 3,1 | 0,2 | 11,2 |
| 1980 | 2 781 | 950 | 41 | 3 773 | 8,3 | 2,9 | 0,1 | 11,3 |
| 1981 | 3 349 | 989 | 38 | 4 377 | 8,9 | 2,6 | 0,1 | 11,6 |
| 1982 | 4 621 | 1 240 | 44 | 5 904 | 10,9 | 2,9 | 0,1 | 13,9 |
| 1983 | 5 852 | 1 399 | 51 | 7 302 | 12,4 | 3,0 | 0,1 | 15,5 |
| 1984 | 6 449 | 1 576 | 58 | 8 082 | 12,2 | 3,0 | 0,1 | 15,3 |
| 1985 | 7 330 | 1 759 | 98 | 9 188 | 12,7 | 3,1 | 0,2 | 16,0 |
| 1986 | 8 145 | 2 040 | 88 | 10 273 | 13,2 | 3,3 | 0,1 | 16,6 |
| 1987 | 9 395 | 2 424 | 101 | 11 919 | 14,1 | 3,6 | 0,2 | 17,8 |
| 1988 | 9 539 | 2 883 | 236 | 12 657 | 12,6 | 3,8 | 0,3 | 16,7 |
| 1989 | 8 712 | 3 220 | 292 | 12 224 | 10,3 | 3,8 | 0,3 | 14,4 |
| 1990 | 9 076 | 3 247 | 224 | 12 547 | 10,1 | 3,6 | 0,2 | 14,0 |
| 1991 | 14 307 | 4 167 | 522 | 18 996 | 16,7 | 4,9 | 0,6 | 22,2 |
| 1992 | 28 167 | 4 699 | 384 | 33 250 | 33,9 | 5,7 | 0,5 | 40,0 |
| 1993 | 41 346 | 4 429 | 629 | 46 404 | 49,3 | 5,3 | 0,7 | 55,3 |
| 1994 | 46 524 | 4 107 | 319 | 50 950 | 52,8 | 4,7 | 0,4 | 57,8 |
| 1995 | 50 511 | 3 774 | 67 | 54 351 | 52,7 | 3,9 | 0,1 | 56,7 |
| 1996 | 52 988 | 3 454 | 15 | 56 458 | 53,4 | 3,5 | 0,0 | 56,9 |
| 1997 | 54 633 | 3 216 | 9 | 57 858 | 50,8 | 3,0 | 0,0 | 53,8 |
| 1998 | 53 125 | 3 263 | 27 | 56 414 | 45,4 | 2,8 | 0,0 | 48,2 |
| 1999 | 52 740 | 3 073 | 43 | 55 856 | 43,0 | 2,5 | 0,0 | 45,5 |
| 2000 | 54 467 | 3 414 | 9 | 57 890 | 41,2 | 2,6 | 0,0 | 43,8 |
| 2001 | 55 556 | 3 556 | 10 | 59 122 | 39,7 | 2,5 | 0,0 | 42,3 |
| 2002 | 55 291 | 4 061 | 48 | 59 400 | 38,4 | 2,8 | 0,0 | 41,3 |
| 2003 | 59 654 | 5 017 | 48 | 64 719 | 40,9 | 3,4 | 0,0 | 44,4 |
| 2004 | 61 331 | 5 896 | 15 | 67 242 | 40,3 | 3,9 | 0,0 | 44,2 |
| 2005 | 57 966 | 7 086 | 1 | 65 053 | 36,9 | 4,5 | 0,0 | 41,4 |
| 2006 | 57 774 | 7 761 | 1 | 65 536 | 34,6 | 4,6 | 0,0 | 39,2 |
| 2007* | 54 856 | 8 176 | 1 | 63 033 | 30,5 | 4,6 | 0,0 | 35,1 |
| 2008* | 53 560 | 8 579 | 1 | 62 140 | 28,8 | 4,6 | 0,0 | 33,4 |

1) * Preliminary

The table contains a time series since 1975 depicting the Finnish general government EMU debt at the level of total general government and by sub-sector. The data are given both as absolute figures and as GDP ratios. The data corresponds to the data in the EDP report tables 1 and 3A-3E.

Finnish general government gross debt and EMU debt 1995-2008¹⁾

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007* | 2008* |
|--|------|------|------|------|------|------|------|------|------|------|------|------|-------|-------|
| A. Gross debt, EUR billion | 72,6 | 77,2 | 80,0 | 80,6 | 77,8 | 73,4 | 71,4 | 70,2 | 72,0 | 73,0 | 70,4 | 70,1 | 67,9 | 67,1 |
| - Change, EUR billion | 7,9 | 4,6 | 2,8 | 0,6 | -2,7 | -4,5 | -2,0 | -1,1 | 1,8 | 1,0 | -2,6 | -0,3 | -2,2 | -0,8 |
| - Per cent of GDP | 75,7 | 77,7 | 74,4 | 68,8 | 63,4 | 55,5 | 51,1 | 48,8 | 49,4 | 48,0 | 44,8 | 42,0 | 37,8 | 36,0 |
| B. General government internal debt, EUR billion | 18,2 | 20,7 | 22,1 | 24,1 | 22,0 | 15,5 | 12,2 | 10,8 | 7,3 | 5,7 | 5,3 | 4,6 | 4,9 | 5,0 |
| - Change, EUR billion | 4,5 | 2,5 | 1,4 | 2,0 | -2,2 | -6,5 | -3,2 | -1,4 | -3,6 | -1,6 | -0,4 | -0,7 | 0,3 | 0,1 |
| A-B. EMU DEBT, EUR billion | 54,4 | 56,5 | 57,9 | 56,4 | 55,9 | 57,9 | 59,1 | 59,4 | 64,7 | 67,2 | 65,1 | 65,5 | 63,0 | 62,1 |
| - Per cent of GDP | 56,7 | 56,9 | 53,8 | 48,2 | 45,5 | 43,8 | 42,3 | 41,3 | 44,4 | 44,2 | 41,4 | 39,2 | 35,1 | 33,4 |
| - Change, EUR billion | 3,4 | 2,1 | 1,4 | -1,4 | -0,6 | 2,0 | 1,2 | 0,3 | 5,3 | 2,5 | -2,2 | 0,5 | -2,5 | -0,9 |

1) * Preliminary

The table contains a time series since 1995 depicting the Finnish general government gross debt and EMU debt. The general government EMU debt, i.e. general government debt to other sectors of the economy and to rest of the world, can be calculated from the gross debt by deducting internal general government debt from the gross debt balance. The data corresponds to the data in the EDP report tables 1 and 3A.

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Finlands officiella statistik
Official Statistics of Finland

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Inquiries

Mika Sainio (09) 1734 2686
Matti Okko (09) 1734 3341
Director in charge:
Ari Tyrkkö

rahoitus.tilinpito@stat.fi

www.stat.fi