

ECONOMIC ACCOUNTS OF THE PUBLIC ADMINISTRATION 2007

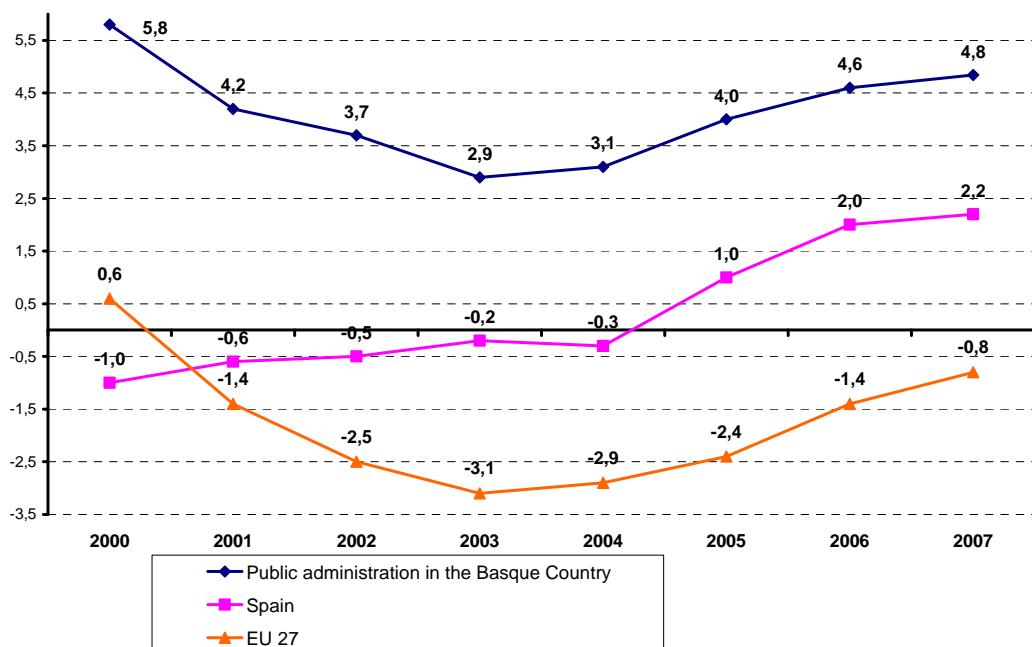
The surplus of the State Administration in the Basque Country came to 1,747 million euros and that of the Basque Administrations 1,445 million in 2007

The surplus for the Public Administration in the Basque Country as a whole accounted for 4.8% of GDP

The Public Administration in the Basque Country (Basque Administration and regional State Administration and Social Security) achieved a surplus of 3,192 million euros in 2007 in terms of funding capacity, accounting for 4.8% of GDP, according to Eustat data.

The Public Administration in the Basque Country improved on the 2006 result in terms of GDP by point two percentage points. The same improvement was seen in the State as a whole, where the Public Administration sector went from a 2.0% surplus in GDP terms in 2006 to one of 2.2% in 2007; in the European Union-27, the improvement was greater, with the deficit diminishing from 1.4% in 2006 to 0.8% of GDP in 2006.

Graph 1: Evolution of the funding Capacity (+) or Necessity (-) of the Public Administration (% of GDP)



Source: Eustat, Eurostat

The improvement in the funding capacity of the Public Administration in the Basque Country was as a result of the greater increase registered in non-financial resources in relation to that registered in non-financial uses: the former grew by 9.7% with regard to 2006, while uses did so by 9.2%.

All the institutional sectors that make up the Public Administration of the Basque Country achieved surpluses in 2007, although not to the same extent in all cases:

- The regional State Administration and regional Social Security improved their surplus in the Basque Country from 1,562 million euros in 2006 to 1,747 million euros in 2007. If broken down into its components, the regional State Administration continues to increase its surplus, reaching 1,561 million, compared to 1,505 obtained in 2006 and regional Social Security achieved a surplus of 186 million, meaning 128 million more than that obtained in 2006, when it came to 57 million.
- **The Basque Administration** improved its positive balance, going from 1,262 million in 2006 to 1,445 million in 2006. This result came from the sum of a positive balance of 709 million obtained in the institutional area of the Basque Government, 86 million corresponding to the Provincial and local authorities of Álava, 568 million to those of Bizkaia and 80 million to those of Gipuzkoa.

Table 1: Net Saving and funding Capacity (+) or Necessity (-) of the Public Administration in the Basque Country. 2007. (Thousands euros)

	1.- Non-finance resources	2.- Non-finance employment	3.- Net saving	4.- Cap.(+) Need.(-) for finance	Unit: thousand euros
Public Administration	24.903.770	21.711.365	5.427.817	3.192.406	
Regionalized State Administration + Social Security	10.246.133	8.499.058	2.091.471	1.747.075	
Regionalized State Administration	3.231.108	1.669.664	1.869.746	1.561.444	
Regionalized Social Security	7.213.896	7.028.265	221.725	185.631	0
Basque Administrations(*)	17.153.842	15.708.511	3.336.345	1.445.330	
Basque Government	8.668.851	8.721.547	1.573.752	709.103	
Alava	2.815.241	2.728.270	260.652	86.972	
Bizkaia	8.784.390	8.215.757	1.033.756	568.633	
Gipuzkoa	5.325.701	5.245.079	468.186	80.622	

(*) 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: Tesorería General de la Seguridad Social, Instituto Nacional de la Seguridad Social, Instituto Social de la Marina, INEM-Servicio Público de Empleo Estatal, Mutuas AT and EP, FOGASA

Source: Eustat

**Table 2: Participation of the Public Administration in Final Demand.
Basque Country (thousands euros). 2000-2007**

	unit: thous.														
	2000	%	2001	%	2002	%	2003	%	2004	%	2005	%	2006	%	2007
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	47.139.691	100,0	50.347.972
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	19,4	9.994.823
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	17.993.556	100,0	19.625.186
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	1.880.579
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	65.133.247	100,0	69.973.158
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	11.875.403

Source: Eustat

Participation of internal public demand in total internal demand increased with regard to 2006, standing at 17.0%.

Final consumption expenditure of the Public Administration came to 19.9% of final consumption expenditure of the Basque Country in 2007, point four per cent more than in 2006.

Public investment continued to increase; it did so by 13.5% with regard to 2006, meaning that the weight of the Public Administration in Gross Capital Formation in the economy of the Basque Country as a whole was 9.6%, point four percentage points more than in 2006. Of the total, 94.6% of investments made in 2007 corresponded to the Basque Administration and the remaining 5.39% to the regional central Administration as a whole. The Basque Administration went from an investment of 1,540 million in 2006 to 1,779 million in 2007, while the amount of the regional State Administration and regional Social Security as a whole diminished from 117 million in 2006 to 101 million in 2007.

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