



MINISTRY OF ECONOMY

GOVERNMENT'S QUARTERLY FISCAL PERFORMANCE 2016-2017

At the end of financial year 2016-2017, Government's total revenue collection stood at \$2,837.9 million while total expenditure amounted to \$3,066.6 million. As a result, Government achieved a net deficit position of \$228.7 million equivalent to 2.2 percent of GDP.

The overall lower fiscal deficit compared to the 2016-2017 Budget was largely attributed to lower spending for the financial year.

Table 1 below shows the quarterly fiscal positions of Government for the financial year 2016-2017.

Table 1: 2016-2017 Quarterly Fiscal Performance

Description (\$M)	Annual Budget 2016-2017	Quarter 1 2016-2017	Quarter 2 2016-2017 (Cumulative)	Quarter 3 2016-2017 (Cumulative)	Quarter 4 2016-2017 (Cumulative)
Total Revenue	3,175.3	715.1	1,437.2	2,044.6	2,837.9
Tax Revenue	2,625.7	638.1	1,314.3	1,885.5	2,578.9
Non-Tax Revenue	497.4	77.0	122.9	159.1	259.0
Total Expenditure	3,643.4	598.4	1,284.2	1,965.0	3,066.6
Operating Expenditure	2,138.5	462.9	924.3	1,401.8	1,998.8
Capital Expenditure	1,454.1	128.0	345.9	540.1	1,031.8
SEG 13 VAT	50.8	7.4	14.0	23.2	35.9
Net Deficit	-468.0	116.8	153.0	79.6	-228.7
% of GDP	-4.7%	1.1	1.5	0.8	-2.2
Nominal GDP	9,866.8	10,276.9	10,276.9	10,276.9	10,276.9

Source: Ministry of Economy

As at 31 July 2017, Government's total revenue collection amounted to \$2,837.9 million. The total revenue collection represents around 89.4 percent of the forecast revenue for the financial year 2016-2017. The tax revenue collection represents around 98 percent of the forecast tax revenues for the review period. Some of the non-tax revenues, in particular, sale of Government assets were rolled over to the 2017-2018 financial year.

The performance of the tax revenue collection up to its anticipated target is in line with the strong consumption and investment activities in the economy. The tax revenue collection performed up to its expected target despite being affected by Tropical Cyclone Winston in 2016.

Government's total spending by end of 2016-2017 financial year stood at \$3,066.4 million compared to a forecast of \$3,643.4 million. The actual spending for the review period represents around 84.2 percent of the total 2016-2017 Budget. The ratio of Government's operational outlays to the total operating Budget stood at 93.5 percent by end of July 2017. Total capital spending, on the other hand, amounted to 71 percent of the capital budget for the review period.

The capital works were affected by a number of tropical depressions. There were four tropical depressions that occurred from December 2016 to February 2017 which affected the mobilization of the contractors to undertake projects, in particular for the reconstruction of the schools.

Overall, the fiscal performance by end of July 2017 is satisfactory. The Government was able to achieve a net deficit position of 2.2 percent of GDP which was within the anticipated target for the financial year 2016-2017.

As at 31 July 2017, Government's total debt stood at \$4,716.5 million equivalent to 45.9 percent of GDP. Of this domestic debt comprised of \$3,275.1 million and external debt of \$1,441.4 million.

Fiscal Policy, Research and Analysis Section
Ministry of Economy

Annex 1: Government's Cashflow Statement 2016-2017 (excluding SEG 13 VAT)

<i>(\$million)</i>	Cumulative Quarter 1 2016-2017	Cumulative Quarter 2 2016-2017	Cumulative Quarter 3 2016-2017	Cumulative Quarter 4 2016-2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Direct Taxes	192.5	419.4	590.5	845.2
Indirect Taxes (excluding Government VAT)	438.2	880.9	1,271.7	1,697.8
Fees, Fines & Charges	30.1	60.9	77.6	128.6
Grants in aid	3.1	9.3	11.7	18.8
Dividends from Investments	21.6	21.7	23.2	25.3
Reimbursement & Recoveries	8.7	11.9	18.7	30.9
Other Revenue & Surpluses	10.2	15.6	24.1	44.2
Total operating receipts	704.5	1,419.8	2,017.6	2,790.8
Payments				
Personnel	224.1	417.6	620.3	854.4
Transfer payments	116.3	250.0	373.0	553.1
Supplies and consumables	39.2	94.4	162.4	246.8
Purchase of outputs	14.0	25.7	39.3	67.7
Interest paid	69.2	136.5	206.7	276.6
Other operating payments	0.0	0.1	0.1	0.1
Total operating payments	462.9	924.3	1,401.8	1,998.8
Net cash flows from operating activities	241.5	495.5	615.8	792.0
<i>As % of GDP</i>	2.4%	4.8%	6.0%	7.7%
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Sale of Government Assets	2.4	2.4	2.4	2.5
Interest from Bank Balance	0.0	0.0	0.0	1.2
Interest on Term Loans	0.4	0.4	0.4	1.4
Return of Surplus Capital from Investment	0.5	0.6	0.9	6.2
Total investing receipts	3.2	3.4	3.8	11.2
Payments				
Loans	17.6	30.5	39.7	84.0
Transfer Payments	91.2	280.2	431.9	816.2
Purchase of physical non-current assets	19.3	35.2	68.5	131.6
Total investing payments	128.0	345.9	540.1	1,031.8
Net cash flows from investing activities	-124.8	-342.5	-536.2	-1,020.7
<i>As a % of GDP</i>	-1.2%	-3.3%	-5.2%	-9.9%
Net (Deficit)/Surplus	116.8	153.0	79.6	-228.7
% of GDP	1.1%	1.5%	0.8%	-2.2%
GDP at Market Prices	10,276.9	10,276.9	10,276.9	10,276.9