



GOBIERNO
DE ESPAÑA

MINISTERIO
DE HACIENDA
Y ADMINISTRACIONES PÚBLICAS

2013-2014 BUDGET PLAN



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FISCAL STRATEGY

Budget stability objectives

Financing Capacity (+) / Need (-) (%GDP)

	2011	2012	2013	2014
Central Administration and Social Security	-5.2	-4.5	-3.8	-2.7
Autonomous Regions	-3.3	-1.5	-0.7	-0.1
Local Authorities	-0.4	-0.3	0.0	0.0
TOTAL PUBLIC ADMINISTRATIONS	-8.9	-6.3	-4.5	-2.8



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FISCAL STRATEGY

Fiscal effort

(%GDP, unless otherwise indicated)

	2011	2012	2013	2014
Real GDP growth (% variation)	0.7	-1.5	-0.5	1.2
Government balance	-8.9	-6.3	-4.5	-2.8
Variation of the government balance	0.4	2.6	1.8	1.7
Potential GDP growth (% variation)	-0.3	-1.3	-1.4	0.0
Output gap	-4.6	-4.7	-3.8	-2.7
Cyclical balance	-2.0	-2.0	-1.6	-1.1
Cyclically adjusted balance	-7.0	-4.3	-2.9	-1.7
Fiscal stimulus	0.0	2.7	1.4	1.2
Primary fiscal stimulus	0.5	3.5	2.0	1.1

The reduction in the structural primary balance between 2011 and 2014 is 6.6 points. Most of the adjustment will be made in 2012, while the cumulative effort in 2013 and 2014 stands at 3.1 points.



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FISCAL ADJUSTMENT MEASURES Summary of measures

- In 2012, additional measures are planned of 13,100 million.
- This adjustment should be complemented by the previously planned or approved measures:
 - *PGE 2012*..... 27,300
 - *Autonomous Region rebalancing plans*.....18,425
 - *Local Entity adjustment plans*.....3,060
- The measures foreseen for 2013-2014 entail an adjustment of:
 - In annual cumulative terms: 39,000 million in 2013 and 50,100 million in 2014.
 - In annual net terms (fiscal effort): 25,900 million in 2013 and 11,100 million in 2014.



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FISCAL ADJUSTMENT MEASURES

Summary of measures

Accumulated annual amounts (millions of euros)

	2012	2013	2014
Tax Measures	4,975	15,069	15,425
Public Sector	5,425	3,723	5,372
Employment	1,888	5,746	5,989
Social Security	70	-1,040	-2,551
Dependency	160	1,391	1,473
Specific State measures*	600	3,700	6,000
Specific Autonomous Region adjustment measures		6,867	12,867
Reform of Local Administration and adjustment plans		3,500	5,500
TOTAL	13,118	38,956	50,075

**Includes activities in infrastructure and housing*



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TAX MEASURES

Accumulated annual amounts (millions of euros)

	2012	2013	2014
VAT	2,300	10,134	9,670
Corporate tax	2,585	2,921	2,921
Excise	-55	890	890
Income Tax	145	1,124	1,944
TOTAL	4,975	15,069	15,425



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REARRANGING AND STREAMLINING MEASURES OF THE PUBLIC ADMINISTRATIONS

Accumulated annual amounts (millions of euros)

	2012	2013	2014
Elimination of an extra payment (December 2012)	5,210		
Reduction of credits and union permits	27	62	61
Elimination of 3 freely available days (known as "moscosos")		534	519
Elimination of the additional freely available days and additional vacation days for seniority		856	832
Modification of the remuneration system for personnel working in the Public Administrations, Defence and Justice during the situation of temporary disability and economic benefit in IT	183	426	414
Suspension of collective bargaining agreements for staff			
Modification of the system of incompatibilities		5	5
Performance assessment program			
Facilitating the mobility of civil servants			
50% reduction of social action		27	27
Determination of the electoral units in the Central Government and creation of the record of bodies representing staff working for the Central Government	6	14	14
Freezing of public employment offers		1,800	3,500
TOTAL	5,425	3,723	5,372



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STREAMLINING MEASURES FOR THE DEPENDENCY SYSTEM

Accumulated annual amounts (millions of euros)

	2012	2013	2014
Suspension of the level agreed to in 2013 and 2014		283	283
Economic capacity and contribution of the beneficiary		339	403
Suspension of contributions of economic benefits for informal care		330	330
15% reduction of the economic benefit for family caregivers	120	289	289
New assessment process		54	72
Retroactive measures. New deadlines for resolution	40	96	96
TOTAL	160	1,391	1,473



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ESTIMATED EXPENDITURE CUTS FOR MINISTRIES

Accumulated annual amounts (millions of euros)

	2013
Personnel expenditure	600
Investments	170
Transfers	3,530
TOTAL CUTS**	4,300

**Excluding contributions to Social Security, State employment and prior periods' obligations.*

***Includes the impact of public service measures. Excluding this impact, additional cuts are estimated at 3,700 million.*



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ADDITIONAL MEASURES OF THE TERRITORIAL ADMINISTRATIONS

Accumulated annual amounts (millions of euros)

	2013	2014
Specific Autonomous Region adjustment measures	600	3,600
Autonomous Region health and education measures	6,267	9,267
Reform of Local Administration and adjustment plans	3,500	5,500
TOTAL	10,367	18,367