

**Table 4****Treasury expenditure by economic activity**

| Accruals basis, millions of krónur                               | Accounts <sup>1</sup><br>2009 | Accounts <sup>2</sup><br>2010 | Estimate <sup>3</sup><br>2011 | Proposal<br>2012 | Budget<br>2012 |
|--|-------------------------------|-------------------------------|-------------------------------|------------------|----------------|
| <b>Current expenditure</b>                                       | <b>210.791</b>                | <b>215.585</b>                | <b>203.427</b>                | <b>210.001</b>   | <b>214.582</b> |
| Wages.....   | 119.883                       | 119.323                       | 116.159                       | 119.956          | 122.080        |
| Government employee's pension fund liabilities.....              | 432                           | 8.178                         | 5.434                         | 5.434            | 5.434          |
| Capital gains tax.....   | 4.655                         | 4.805                         | 2.200                         | 2.610            | 2.610          |
| Other current expenditure .....                                  | 125.604                       | 122.349                       | 115.009                       | 118.229          | 120.643        |
| Service charges .....  | -39.782                       | -39.069                       | -35.375                       | -36.229          | -36.184        |
| <b>Interest .....</b>  | <b>84.342</b>                 | <b>68.102</b>                 | <b>66.799</b>                 | <b>78.400</b>    | <b>77.809</b>  |
| <b>Transfer payments</b>   | <b>236.830</b>                | <b>224.864</b>                | <b>234.057</b>                | <b>230.664</b>   | <b>230.623</b> |
| Old age and disability insurance .....                           | 46.297                        | 45.708                        | 56.424                        | 57.206           | 57.306         |
| Unemployment Insurance Fund .....                                | 25.538                        | 24.275                        | 25.975                        | 20.521           | 20.247         |
| Health insurance .....   | 25.990                        | 24.455                        | 23.756                        | 25.163           | 24.664         |
| Interest cost rebates .....                                      | 10.429                        | 11.721                        | 19.050                        | 17.325           | 17.325         |
| Municipal Equalisation Fund .....                                | 11.802                        | 14.700                        | 14.399                        | 15.132           | 14.851         |
| Agricultural support payments .....                              | 10.709                        | 10.809                        | 10.994                        | 11.540           | 11.540         |
| Tax write-offs .....   | 27.551                        | 15.075                        | 10.000                        | 10.000           | 10.000         |
| Parental Leave Fund .....  | 10.274                        | 9.230                         | 8.418                         | 8.455            | 8.455          |
| Welfare support payments .....                                   | 9.603                         | 8.932                         | 10.710                        | 11.195           | 11.315         |
| Child benefits .....   | 10.085                        | 10.342                        | 8.000                         | 8.262            | 8.262          |
| Student Loan Fund .....  | 6.820                         | 8.969                         | 7.636                         | 7.762            | 8.032          |
| Equalisation of disability burden in private pension funds ..... | 2.187                         | 2.644                         | 2.439                         | 2.620            | 2.620          |
| Parishes and churchyards .....                                   | 2.857                         | 2.631                         | 2.394                         | 2.301            | 2.391          |
| Other transfer payments .....                                    | 36.688                        | 35.374                        | 33.863                        | 33.182           | 33.616         |
| <b>Maintenance</b>   | <b>8.408</b>                  | <b>8.894</b>                  | <b>7.957</b>                  | <b>7.982</b>     | <b>8.007</b>   |
| Maintenance of roads .....                                       | 4.760                         | 4.721                         | 4.762                         | 4.679            | 4.629          |
| Other .....  | 3.647                         | 4.173                         | 3.196                         | 3.303            | 3.378          |
| <b>Capital expenditure</b>                                       | <b>31.355</b>                 | <b>19.986</b>                 | <b>11.509</b>                 | <b>8.667</b>     | <b>9.350</b>   |
| Road construction .....  | 15.405                        | 11.776                        | 6.326                         | 5.976            | 6.176          |
| Universities and higher education .....                          | 1.165                         | 1.159                         | 954                           | 991              | 974            |
| Hospitals and health centres .....                               | 1.568                         | 1.161                         | 569                           | 642              | 642            |
| Airfields .....  | 902                           | 327                           | 0                             | 0                | 0              |
| Treasury Loan Guarantees .....                                   | 3.505                         | 0                             | 0                             | 0                | 0              |
| Other capital expenditure .....                                  | 8.810                         | 5.562                         | 3.660                         | 1.059            | 1.558          |
| <b>Capital transfer payments</b>                                 | <b>7.057</b>                  | <b>64.552</b>                 | <b>3.499</b>                  | <b>3.452</b>     | <b>3.318</b>   |
| Harbour construction .....                                       | 744                           | 374                           | 549                           | 407              | 407            |
| Snow avalanche obstructions .....                                | 638                           | 590                           | 915                           | 1.180            | 1.180          |
| Subsidies for rental apartments .....                            | 1.100                         | 436                           | 80                            | 118              | 118            |
| Cultural institutions .....                                      | 415                           | 209                           | 859                           | 664              | 664            |
| Housing Financing Fund .....                                     | 0                             | 33.000                        | 0                             | 0                | 0              |
| Government guaranteed debt .....                                 | 0                             | 27.457                        | 0                             | 0                | 0              |
| Other capital transfer payments .....                            | 4.161                         | 2.486                         | 1.096                         | 1.083            | 949            |
| <b>Total expenditure .....</b>                                   | <b>578.782</b>                | <b>601.982</b>                | <b>527.248</b>                | <b>539.165</b>   | <b>543.689</b> |

<sup>1</sup> Figures have been adjusted for the reclassification of the National Broadcasting corp. and churchyards as current expenditure instead of transfers.

<sup>2</sup> Figures for 2009 and 2010 have not been adjusted for the transfer of the services for disabled people from the state to local governments.

<sup>3</sup> Budget plus supplementary budget.