The general budget 2014: Fiscal stability at last?

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The 2014 general budget aims towards continued fiscal consolidation and budgetary stability with a deficit target of 5.8% of GDP for the entire public administration. Cutting the deficit has been harder than initially expected, but greater macroeconomic stabilization could help neutralize imbalances.

The 2014 budget attempts to achieve budgetary stability with an overall deficit target of 5.8% of GDP, a central government deficit target of 3.7% of GDP, the autonomous regions 1% of GDP, the social security fund 1.1% of GDP, and the local authorities at budgetary equilibrium. The government anticipates increased revenues due to improved economic conditions, the maintenance of the main fiscal consolidation measures approved in 2012, and a few additional tax measures specifically introduced into the 2014 budget. Consolidation will once again be the main objective on the expenditure side. However, given the lack of discretionary power to cut spending on items such as pensions, debt service, and unemployment benefits, balancing the budget will remain a difficult task, with this year´s reforms of the pension system and unemployment benefits being crucial to consolidation efforts.

Some initial considerations

As Table 1 shows, although the government has presented deficit reduction as one of the main pillars of its economic policy, in reality, since the onset of the crisis, cutting the deficit has proven to be harder than originally thought. However, in all fairness it has to be acknowledged that, unlike previous years' budgets, the 2014 General Budget has been drafted against the backdrop of a degree of macroeconomic stabilisation in the Spanish economy, which could help neutralise the imbalances in the public accounts. In particular, the aim is for the general government as a whole to achieve budgetary stability in 2014, with a deficit target of 5.8% of GDP, within which the central government's target is for a deficit of 3.7% of GDP, the Autonomous Regions 1%, and the Social Security fund 1.1%. Local authorities, for their part, have to aim for budgetary equilibrium.

The salient features of the State Budget for 2014, as far as income and expenses are concerned, are described below.

Public income: The main tax increases from previous years have been left in place

The government estimates that tax revenues in 2014 will come to 179,750 million euros, a figure that represents an increase of 2.4% on the estimates for 2013. This increase in revenues rests

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Table 1

Budgetary stability objectives (% GDP). Net lending (+) or net borrowing (-)

	2011	2012	2013	2014	2015	2016
Central government	-5.20	-4.24	-3.80	-3.70	-2.90	-2.10
Autonomous regions	-3.41	-1.84	-1.30	-1.00	-0.70	-0.20
Local authorities	-0.39	0.22	0.00	0.00	0.00	0.00
Social security	-0.07	-0.99	-1.40	-1.10	-0.60	-0.50
Total government	-9.07	-6.84	-6.5	-5.8	-4.2	-2.8

Excludes the impact of the deficit deriving from financial system restructuring.

Source: General Comptroller of the State Administration (IGAE).

on three different pillars. Firstly, as Table 2 shows, unlike previous years, the better macroeconomic forecast gives a glimpse of a nascent economic recovery. Secondly, the effects on revenues of

Table 2

Forecasts and macroeconomic context on which the State Budget for 2014 is based

	2012	2013	2014
Real GDP	-1.6	-1.3	0.7
Nominal GDP	-1.7	-0.3	2.1
Private final consumption	-2.8	-2.6	0.2
Government final consumption	-4.8	-2.3	-2.9
Gross capital formation	-6.9	-6.1	0.2
Domestic demand	-4.1	-3.2	-0.4
Exports of goods and services	2.1	5.7	5.5
Imports of goods and services	-5.7	-0.3	2.4
External sector	2.5	1.9	1.2
Employment	-4.8	-3.4	-0.2
Unemployment rate	25.0	26.6	25.9

Source: Presupuestos Generales del Estado 2014.

the main fiscal consolidation measures approved in 2012 and 2013, which contrary to the original announcement, will be continued into 2014. And thirdly, the scant tax measures, specifically included in the 2014 budget.

As summarised in Table 3, income tax revenue is projected to rise by 1.7% from the expected revenue in 2013. An increase of 5.4% is envisaged in the case of corporate income tax, basically due to the measures adopted to widen the tax base. VAT revenue will grow by 2.7% with the anticipated recovery in household consumption, despite the negative impact of new arrangements allowing VAT to be assessed on a cash basis. Income from excise duties will increase by 0.5% due to the effect of early measures, primarily the increased tax rate on alcoholic beverages and tobacco products, which came into effect in July 2013. Non-tax income, on the other hand, will remain practically unchanged, registering just a slight drop of 0.9%. In short, the income forecast in the State Budget for 2014, net of the tax administrations' share, comes to 128,159 million euros. This is 1,674 million euros more than expected revenue in 2013.

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Table 3

Forecasts and macroeconomic context on which the State Budget for 2014 is based

	2013 budget		2014 budget	Estimated revenue increase	
	Budgeted	Estimated	Budget		
	(1)	(2)	(3)	(3)/(1)	(3)/(2)
1. Tax revenues (before assignment to local and regional authorities)	177,860	175,520	179,750	1.1	2.4
Personal income tax	74,215	71,982	73,196	-1.4	1.7
Corporate income tax	19,012	21,181	22,326	17.4	5.4
VAT	54,657	53,397	54,849	0.4	2.7
Excise duties	21,096	20,344	20,453	-3.1	0.5
Other tax revenue	8,879	8,616	8,925	0.5	3.6
2. Tax revenue (after assignment to local and regional authorities)	107,994	105,543	107,412	-0.5	1.8
3. Non-tax revenues	19,031	20,943	20,747	9.0	-0.9
4. Total non-financial revenue (2+3) (after assignment to local and regional authorities)	127,025	126,486	128,159	0.9	1.3

Source: Presupuestos Generales del Estado 2014.

increases passed in 2012 and 2013 will have a positive impact on the tax take. In particular, the tax increases passed in 2012 (Royal Decree-Law 20/2011) and the tax increases approved in the General State Budget for 2012 and 2013 will remain in force in 2014. That is to say, the General State Budget for 2014 ratifies and consolidates the majority of the tax increases approved in the past two years.

The most significant tax increases due to remain in effect in 2014 are those passed in December 2011 (Royal Decree-Law 20/2011). This set of measures included: (i) a sharp rise in the marginal rates of personal income tax (IRPF, in its Spanish initials); (ii) a selective increase in municipal property tax (IBI), and (iii) an increase in telecommunications levies. Nevertheless, in 2014 the tax deduction for home purchases will be eliminated, given its demonstrated ineffectiveness, powerful distorting effect, and high cost in terms of revenues. The government estimates that eliminating this tax deduction will allow it to collect an additional 90 million euros. The differential treatment of short and long-term capital gains introduced by Law 16/2012 will remain in force. This rule penalises capital gains acquired over a period of less than a year by taxing them as ordinary income rather than income from savings, which benefit from a more favourable rate. In the case of corporate income tax (IS), the 2014 budget leaves unchanged both the way in which the basis of the tax assessment is calculated and the effective application of deductions and exemptions approved in the 2012 and 2013 State Budgets. These include: (i) elimination of freedom of amortisation for large companies; (ii) a reduction in the deductibility of goodwill; (iii) limitations on the deductibility of financial expenses; (iv) a reduction in the limit on deductions from the tax quota; and (iv) setting of a minimum part payment.

Measures to support entrepreneurs should also be mentioned, as should the stimulus to growth and job creation introduced in Royal Decree-Law 4/2013. The objective of this Royal Decree is to establish more favourable conditions under which new companies can start up. In the case of personal income tax, a new reduction of 20% of net earnings from business and professional activities by self-employed persons applicable for two years after the first tax period in which they obtain a profit. As regards corporate income tax, the tax rate on the first 300,000 euros has been set at 15%, rising to 20% for all amounts over this threshold. As in the case of the income tax measures for the self-employed, the reduced rate will be applicable for two years after the first tax period in which a profit is obtained. Law 14/2013, to support entrepreneurs and their internationalisation, creates a special system with the option for VAT to be assessed on a cash basis. This framework, established under Article 167 of Council Directive 2006/112/EC, will be applicable as of January 1st, 2013 and will therefore affect all 2014 tax revenues. This rule allows Member States to establish an optional system for firms with a turnover of less than 2 million euros under which they only become liable for the VAT charged to customers when they have actually collected payment for the invoice. It also introduces a new deduction from corporate income tax for invested earnings of small businesses. The deduction is 10% of the year's profits with the condition that they be invested in new tangible assets or property investments associated with economic activities. The deduction will require the creation of an investment reserve, however. This modification is accompanied by a similar change in the rules on income tax for the self-employed. Specifically, business angels will be entitled to a deduction from their state-level income tax when they invest in a new start-up or recently created firm. The profits from subsequent divestments will be exempt from capital gains tax if they are reinvested in another start-up or recently created firm. Clearly, these new measures to support entrepreneurs will have a negative impact on tax revenues, at least in the short term. The government estimates that the drop in revenues associated with the pro-entrepreneur measures in the 2014 Budget will be 1,157 million euros, mainly as a result of applying the cash basis to VAT collections.

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In the case of indirect taxes, the 2014 Budget will lock in all the tax increases passed between 2011 and 2013, such that they all remain in effect in 2014 (see Romero and Sanz, 2013). In the case of value added tax, Royal Decree-Law 20-2012 of June 13th, 2012, raised both the general and reduced rates of the tax. Specifically, the reduced rate went up from 8% to 10% and the general rate from 18% to 21% (for an analysis of its effects, see Sanz and Romero (2012)). As a result, following the 2010 and 2012 reforms, the reduced rate has risen by 3 points and the general rate by 5 points (for an international comparison, see Romero and Sanz, 2013). In the case of excise duties, the changes in the tax rate have mainly fallen on tobacco products. Thus, in the 2012 Budget the duty was restructured to increase the specific component and reduce the ad valorem rate. This means that–as happens in most other European Union countries–the excise duty on cigarettes is linked more closely to the number of units consumed rather than the retail price. Specifically, in the case of cigarettes the proportional duty fell from 57% to 55% (calculated on the basis of the retail price). At the same time, the specific excise duty (set per 1,000 cigarettes) rose from 12.7 euros to 19 euros. Tax on other tobacco products (cigars and fine-cut tobacco) also rose, but to a lesser extent than the tax on cigarettes.

Royal Decree-Law 7/2013, of June 28th, also introduced an increase in the rates on tobacco products and alcoholic beverages. The excise duty per litre of alcohol rose from 8.30 euros to 9.13 euros (a 10% increase). In line with the philosophy described above, the aforementioned rule introduced further increases in the tax on cigarettes. Namely the proportional duty was again reduced (to 51%) while the specific duty rose to 24.10 euros (the minimum duty being 128.65 euros). The total minimum tax per cigarette (the sum of these two duties) cannot be less than 0.128 euros (prior to the reform the minimum was 0.1191 euros). Additionally the specific excise duty on fine-cut tobacco also rose from 8 euros to 22 euros (the proportional rate remained unchanged at 41.5%). The Spanish tax authorities expect this measure to offset the shift in consumption from cigarettes to fine-cut tobacco observed during the crisis. The government hopes to raise 700 million euros a year (600 million euros from tobacco products and 100 euros from alcoholic beverages).

Public expenditure: The adjustment continues

The national budget contains expenditure forecasts for the following sectors: central government, social security, autonomous agencies, and state agencies. The consolidated expenditure on the three levels of government (central government, autonomous regions, and local authorities) will be 354,622 million euros in 2014, with annual growth of 2.7% (Chapters I to VIII). The forecast expenditure growth rate in the 2013 budget was 2.5%. As in the preceding year, the expenditure budget's priority objective is fiscal consolidation. Nevertheless, once again, this objective will be powerfully influenced by the expenditure committed to: (i) pensions (127,483 million euros), (ii) interest on debt (35,690 million euros) and (iii) unemployment benefits (29,727 million euros). These three items together absorb 54.4% of the resources managed by the Spanish public administration. For this reason, in 2013 a reform of both unemployment benefits and pensions is being pushed through. The information on the distribution of the budget by

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Table 4

Consolidated state expenditure budget (Chapters I to VIII)
Breakdown by spending policy (millions of euros)

Chapters	Initial budget 2013 (1)	(%)	Initial budget 2014 (2)	(%)	Δ (%) (2) /(1)
1. Basic public services					
Total (Justice, defence, citizen security, and foreign policy)	16,727.6	4.8	16,431.3	4.6	-1.0
2. Social spending, protection and social welfare					
Total	178,054.1	51.5	185,865.3	52.4	4.4
Pensions	121,556.5	35.2	127,483.8	35.9	4.9
Unemployment benefits	26,993.7	7.8	29,727.5	8.4	10.1
Employment promotion	3,776.1	1.1	4,073.5	1.1	7.9
Social services	2,844.9	0.8	1,809.8	0.5	-36.4
Health	3,855.7	1.1	3,839.8	1.1	-0.4
Education	1,944.8	0.6	2,150.1	0.6	10.6
Access to housing	765.8	0.2	799.6	0.2	4.4
Other	16,316.6	4.7	15,981.2	0.2	-2.1
3. Economic measures					
Total	27,099.41	7.8	28,802.97	8.1	6.3
Farming, fishing and food	7,661.87	2.2	7,720.53	2.2	0.8
Energy and industry	4,574.99	1.3	5,781.59	1.6	26.4
Tourism, trade and SMEs	889.56	0.3	934.20	0.3	5.0
Transport subsidies	1,180.03	0.3	1,614.16	0.5	36.8
Infrastructure	5,965.82	1.7	5,452.44	1.5	-8.6
Civil R&D	5,562.45	1.6	5,633.15	1.6	1.3
Military R&D	363.38	0.1	506.84	0.1	39.5
Other actions	901.30	0.3	1,160.07	0.3	28.7
4. General measures					
Total	122,847.1	35.6	122,806.0	34.6	0.0
Transfers to other public administrations	48,316.6	14.0	45,988.2	13	-4.8
General Government Debt	38,589.5	11.2	36,590.0	10.3	-5.2
Other actions	35,940.9	10.4	40,227.7	11.3	11.9
Total chapters I to VIII	345,450.32	100.0	354,622.09	100.0	2.7

Source: Presupuestos Generales del Estado 2014.

Table 5

State expenditure budget (Chapters I to VIII)
Breakdown by sections (millions of euros)

Chapters	Initial budget 2013 (1)	(%)	Initial budget 2014 (2)	(%)	Δ (%) (2) /(1)
Constitutional bodies					
Royal household, Parliament, National audit office, Constitutional court, etc.	367.31	0.2	361.6	0.2	-1.5
General Government Debt					
Debt interest	38,589.5	23.4	36,590.0	22.2	-5.2
Civil Service Pensions					
Civil service pensions	12,150.0	7.4	12,643.0	7.7	4.1
Ministries					
Foreign Affairs	1,092.88	0.7	996.49	0.6	-8.8
Justice	1,507.16	0.9	1,472.29	0.9	-2.3
Defence	5,934.17	3.6	5,742.94	3.5	-3.2
Treasury and other public administration bodies	2,176.09	1.3	2,112.67	1.3	-2.9
Interior	7,213.95	4.4	7,298.26	4.4	1.2
Public Works and Transport	5,790.70	3.5	5,805.07	3.5	0.2
Education, Culture and Sport	2,498.96	1.5	2,662.97	1.6	6.6
Employment and Social Security	23,798.22	14.4	26,544.24	16.1	11.5
Employment and Social Security, excluding transfers to the state employment service and the social security administration,	458.73	0.3	476.12	0.3	3.8
Industry, Energy and Tourism	3,919.04	2.4	5,158.00	3.1	31.6
Agriculture, Food and Environment	1,573.85	1.0	1,620.76	1.0	3.0
Prime minister’s office	434.40	0.3	423.15	0.3	-2.6
Health, Social Services and Equality	2,963.12	1.8	1,907.60	1.2	-35.6
Economy and Competitiveness	1,964.00	1.2	2,346.01	1.4	19.5
Spending by various ministries	1,946.02	1.2	2,245.31	1.4	15.4
Total for all Ministries	62,812.58	38.0	66,335.74	40.2	5.6
Total for all ministries excluding transfers to the state employment service and the social security administration	36,302.36	22.0	34,584.01	21.0	-4.7
Transfers to the autonomous regions and the European Union					
Other financial relationships with territorial bodies	686.01	0.4	997.92	0.6	45.5
Inter-territorial compensation fund	671.58	0.4	582.43	0.4	-13.3
Financial relationships with the EU	11,900.60	7.2	13,083.29	7.9	9.9
Contingency fund	2,595.46	1.6	2,665.18	1.6	2.7
System of financing for local and regional authorities	35,314.23	21.4	31,589.50	19.2	-10.5
Total for Chapters I to VIII	165,087.32	100	164,848.69	100.0	-0.1

Source: Presupuestos Generales del Estado 2014.

expenditure policies is summarised in Table 4. In particular, this table shows how spending on pensions and unemployment will increase by 5,927 euros and 2,733 million euros, respectively. The sharp growth in unemployment expenditure is at least partly explained by the government's overly optimistic forecasts for the unemployment rate in 2013: the initial estimate of 24.3% was subsequently revised upwards to 26.6%. As against spending of 8,661 million euros on these two items, the interest on debt is set to fall by 1,999 million euros. The government hopes that the increased level of debt will be offset by lower interest thanks to the expected drop in the risk premium: over the course of 2013 the risk premium has come down by approximately 200 basis points.

State budget

According to the government's estimates, central government spending in 2014 (Chapters I to VIII) will come to around 164,848.6 million euros, a reduction of 0.1% (see Table 5). 29.7% of this figure is accounted for by transfers to: (i) the social security administration (responsible for paying pensions) (12,981 million euros); (ii) the national employment service (responsible for paying unemployment benefits) (32,051 million euros); (iii) territorial administration (fundamentally to finance spending policies in the 17 autonomous regions) (31,589 million euros); and, lastly (iv) the European Union (13,083 million euros). After discounting these transfers, the most significant budget item is the total expenditure managed by the thirteen ministerial departments making up the current government structure. The budget envisages a sharp cut in aggregate ministerial spending, which will reduced by 1,720 million euros (4.7%) to a figure of 34,584 million euros in 2014. This cutback is on top of the 13,405 million euros envisaged for 2012 and the 3,883 million euros for 2013. Nevertheless, spending by the Ministry of Employment and Social Security (2,746 million euros) and the Ministry of Industry, Energy and Tourism (1,238.9 million euros) is set to rise sharply. From the perspective of the economic classification (Table 6), the biggest spending cut among ministries is in current transfers to sub-national government (1,261.8 million euros) and spending in real investments (647.6 million euros). Staff costs will be reduced by 46.2 million euros due to the freezing of public employees' salaries and the ban on replacing staff who leave or retire (with some exceptions). Indeed, central government trimmed its staff of public employees by 17,036 by natural wastage in 2013.

Interest on the debt consumes 22.2% of the resources managed by the central government. It is estimated that interest payments will drop by 5.2%, from 38,589 million euros to 36.90 million euros. It is worth noting that this level of expenditure is approximately 2 billion euros more than the resources managed by the thirteen ministerial departments. Indeed, as a share of GDP, interest payments come to 3.49% in 2014. General government debt will grow from 760 billion euros in 2013 to 826.5 billion euros in 2014, putting the debt-to-GDP ratio at a record level of 98.2% at the end of 2014. Nevertheless, interest payments are expected to diminish as the rates paid on the various types of instruments used (basically bills, notes and bonds) come down. In particular, the government is confident that the average cost of debt will continue its downward trend begun in 2011 (4.07% in 2011, 3.09% in 2012, and 3.77% up until August 2013) due to the marked improvement in conditions of access to the financial markets.

Social Security budget

Social security spending rose by 3,597 million euros in 2014 to reach 131,831 million euros, an increase of 2.8%. As Table 7 shows, in 2014 expenditure on contributory pensions will account for 89.5% of total social security spending. According to official estimates, spending on this item, which does not include public employees' pensions, will grow by 5.4%. This change is due to the increase in the number of pensioners and the change in the average pension (an appreciation of 0.25% in 2014). The social security budget estimates that the number of pensioners will rise

Table 6

State expenditure budget (millions of euros)
(Excluding contributions to the state employment service, the social security administration, and obligations from previous years)

Chapters	Initial budget 2013 (1)	(%)	Initial budget 2014 (2)	(%)	Δ (%) (2)/(1)
I. Staff costs	15,613.92	35.5	15,567.68	36.7	-0.3
II. Current expenditure on goods and services	2,756.71	6.3	2,869.08	6.8	4.1
III. Financial expenses	24.94	0.1	25.73	0.1	3.2
IV. Current transfers	10,320.07	23.5	9,058.24	21.3	-12.2
Current operations	28,715.65	65.3	27,520.72	64.8	-4.2
V. Contingency fund	0.00	0.0	30.0	0.1	-
VI. Real investments	3,896.66	8.9	3,249.01	7.7	-16.6
VII. Capital transfers	3,690.05	8.4	3,784.28	8.9	2.6
Capital operations	7,586.71	17.3	7,033.29	16.6	-7.3
Total non-financial transactions	36,302.36	82.6	34,584.01	81.5	-4.7
VIII. Financial assets	7,668.48	17.4	7,860.73	18.5	2.5
IX. Financial liabilities	0.37	0.0	0.37	0.0	0.0
Total financial transactions	7,668.85	17.4	7,861.10	18.5	2.5
Total budget	43,971.21	100.0	42,445.11	100.0	-3.5

Source: Presupuestos Generales del Estado 2014.

Table 7

Breakdown of the main social security expenditure items

Items	Initial budget 2013 (1)	(%)	Initial budget 2014 (2)	(%)	Δ (%) (2)/(1)
Sum total of revenues under Chapters I to VIII	128,239.7	100.0	131,831.4	100.0	2.8
Current transfers	121,697.2	100.0	125,318.8	100.0	3.0
Contributory pensions	106,350.1	87.4	112,102.6	89.5	5.4
Non-contributory pensions	2,475.5	2.0	2,166.1	1.7	-12.5
Temporary incapacity	5,830.5	4.8	4,878.3	3.9	-16.3
Maternity, pregnancy and breastfeeding	2,309.8	1.9	2,177.9	1.7	-5.7
Care for dependent adults	2,126.5	1.7	1,092.5	0.9	-48.6
Other transfers	2,604.5	2.1	2,901.2	2.3	11.3

Source: Presupuestos Generales del Estado 2014.

by 112,907 (those corresponding to retirement will increase by 104,767) to reach 9,250 million pensions. According to official estimates, the total number of retirement pensions will increase from 5,514 million to 5,618 million between 2013 and 2014. The remainder of the social security system's benefits will suffer significant cutbacks: non-contributory pensions (309 million euros), temporary disability (952 million euros), maternity, pregnancy and breastfeeding (131 million euros), and long-term care (1,034 million euros). Social-security contributions, which raised 102,839 million euros in 2014, provide 78% of the social security administration's income. This source of income will shrink by 2.9% in 2014 as a result of developments in employment and average wages. One of the measures to boost revenues from social security contributions is to raise the maximum contribution basis by 5 points in 2014. Together with social security contributions, the second pillar on which the social security system's financing rests is transfers from the central government (13 billion euros in 2014).

Budget for autonomous and state agencies

This heading includes entities providing a wide range of services, such as the tax collection agency, the traffic department, the national statistics institute, or the national car fleet. The aggregate spending by these 57 agencies will rise by 8.15% in 2014 (3,939 million euros). Total expenditure will increase from 48,327 million euros in 2013 to 52,266 million euros in 2014. One of the most important of these agencies in terms of the volume of resources it handles is the public state employment service (33,916 million euros). This agency basically handles payment of unemployment benefits, although it is also in charge of active policies to tackle unemployment. As Table 8 shows, unemployment insurance and welfare payments will account for 87.6% of the agency's expenditure in 2014. Unemployment insurance benefits will rise by 8.6% in 2014 to reach 21,041 million euros. These expenses remain on an upward trend due to the precarious situation of the Spanish labour market. Despite the cuts in unemployment benefit coverage introduced in 2012. In particular, Royal Decree-Law 20/2012, July 13th, 2012, cut the level of benefits after the seventh month from 60% to 50% of the reference value. Welfare payments will rise by 11.9% to total 6,562 million euros as a consequence of the rise in the number of unemployed persons exhausting their contributory benefits. It should be noted that the Royal Decree-Law eliminated the special benefit for people aged over 45 and also raised the age for eligibility for welfare for workers having

Table 8

Budget for State employment service programmes

Programmes	Initial budget 2013 (1)	(%)	Initial budget 2014 (2)	(%)	Δ (%) (2)/(1)
Benefits on cessation of activity (self-employed persons)	25.48	0.1	23.5	0.1	-7.6
Promoting labour market access and job stability	3,769.9	12.2	4,041.5	11.9	7.2
Unemployment benefits	26,933.7	87.3	29,727.5	87.6	10.1
Internal transfers	127.4	0.4	124.17	0.4	-2.5
Total	30,916.5	100.0	33,916.8	100.0	9.7

Source: Presupuestos Generales del Estado 2014.

exhausted their unemployment benefits from 52 to 55. Spending on active policies to tackle unemployment has risen by 11.9%, in contrast with the sharp cutback in the budget in 2013 (-34.6%).

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