

Annex tables

Table B.1

Demand, income and production

	2018	2019	2020	2018	2019	2020	2018	2019	2020
	DKK bn.			Volume, per cent			Prices, per cent		
Private consumption	1,051	1,089	1,133	2.4	2.1	2.3	0.9	1.5	1.7
Public consumption ¹⁾	548	560	576	0.4	0.5	0.4	1.9	1.7	2.4
Public investments ²⁾	75	80	81	1.2	4.1	-0.4	1.9	1.8	1.9
Residential investment	110	118	124	6.0	4.5	3.5	1.4	1.8	1.9
Fixed business investment	309	320	340	7.9	1.8	4.7	0.5	1.5	1.6
Final domestic demand excl. stock building	2,096	2,168	2,257	2.7	1.8	2.2	1.1	1.6	1.9
Stock building ³⁾	10	8	8	0.1	0.0	0.0			
Total domestic demand	2,106	2,177	2,266	2.9	1.8	2.2	1.2	1.5	1.9
Exports of goods and services ⁵⁾	1,215	1,265	1,315	1.7	2.6	2.3	1.3	1.5	1.6
Total demand ⁵⁾	3,321	3,442	3,580	2.4	2.1	2.2	1.2	1.5	1.8
Import of goods and services	1,098	1,146	1,201	3.9	3.0	3.4	2.2	1.3	1.4
GDP ⁵⁾	2,223	2,297	2,379	1.7	1.7	1.6	0.8	1.6	2.0
Taxes on products, net	297	305	314						
Gross value added ⁵⁾	1,925	1,991	2,065	1.5	1.6	1.4	0.7	1.8	2.2
- Non-farm private sector ^{4) 5)}	1,302	1,355	1,413	2.6	2.1	2.0	-0.1	1.9	2.3
Gross national income	2,269	2,342	2,424						

Note: The division into volume and price components is made on the basis of a fixed price calculation in the previous year's prices. The figures state the annual percentage change.

1) The volume statement for public consumption is calculated by using the input method. In 2018-2020 growth in public consumption using the input method is assumed to equal growth using the output method.

2) Public investments are excluding general government net purchases of buildings, and therefore the figures will deviate from public investments in table B.6.

3) The volume figures reflect changes in inventories compared to GDP.

4) Non-farm private sector consists of manufacturing, construction and private services excl. sea transport.

5) The volume statement in 2018 is adjusted on a discretionary basis for a large one-off payment in the 1st quarter of 2017 for use of Danish-owned intellectual property rights. Thereby, growth projections are in line with the underlying growth.

Source: Statistics Denmark and own calculations.

Table B.2**Growth projections by country and Danish export market growth**

	2016	2017	2018	2019	2020
Real growth rate, per cent					
Export market growth ¹⁾	3.5	5.2	3.7	3.9	3.4
Trade-weighted GDP ²⁾	2.2	2.7	2.5	2.2	2.1
EU28	2.0	2.4	2.1	1.9	1.8
Euro Area	1.9	2.4	2.1	1.9	1.7
Germany	2.2	2.2	1.7	1.8	1.7
France	1.2	2.2	1.7	1.6	1.6
Italy	1.1	1.6	1.1	1.2	1.3
Spain	3.2	3.0	2.6	2.2	2.0
Netherlands	2.2	2.9	2.8	2.4	1.8
UK	1.8	1.7	1.3	1.2	1.2
Poland	3.1	4.8	4.8	3.7	3.3
Sweden	2.7	2.1	2.4	1.8	1.8
Norway	1.2	2.0	1.7	1.9	1.9
USA	1.6	2.2	2.9	2.6	1.9
Japan	1.0	1.7	1.1	1.0	0.5
India	7.9	6.2	7.4	7.5	7.5
China	6.7	6.9	6.6	6.2	5.9
Russia	-0.2	1.5	1.7	1.6	1.8
Brazil	-3.5	1.0	1.1	1.9	2.3

1) Calculated as the weighted average of the import growth of Denmark's 36 most important trade partners. The weights reflect the countries' share of Danish industry exports in 2017.

2) Calculated as the weighted average of the GDP-growth of Denmark's 36 most important trade partners. The weights reflect the countries share of Danish export of goods and services in 2017.

Source: Statistics Denmark, The European Commission, *Autumn 2018 Economic Forecast*, November 2018, IMF, *World Economic Outlook*, October 2018 and own calculations

Table B.3**Interest rate projections for USA, euro area and Denmark and projections on oil price and exchange rates**

Interest rate, per cent		2017	2018	2019	2020
USA	Federal Funds Target Rate	1.1	1.9	2.8	3.4
	3-month LIBOR	1.3	2.3	3.0	3.2
	10-year government bond	2.3	2.9	3.3	3.5
Euro area	Main Refinancing Operations Rate	0.0	0.0	0.0	0.3
	3-month EURIBOR	-0.3	-0.3	-0.3	0.2
	10-year government bond (Germany)	0.4	0.5	0.6	1.1
Denmark	Certificates of deposit rate	-0.7	-0.7	-0.6	0.0
	3-month CIBOR	-0.3	-0.3	-0.3	0.2
	1-year adjustable mortgage rate	-0.6	-0.5	-0.3	0.4
	10-year government bond	0.5	0.5	0.6	1.1
	30-year mortgage interest rate	2.3	2.1	2.3	2.7
	Average interest rate	0.7	0.7	0.8	1.2
Oil price and exchange rate					
	Dollar per barrel	54.3	71.4	64.6	67.9
	Kr. per barrel	358.1	449.2	424.2	445.8
	Kr. per 100 dollar	660.0	629.2	656.6	656.6
	Kr. per 100 euro	743.9	745.2	746.2	746.2
	Effective Krone Rate Index (1980=100)	102.1	103.7	103.3	103.3

Note: The projections are based on data through November 28 2018. Annual averages are own calculations. Projections for the exchange rates are calculated by assuming that the exchange rate in the remaining projection period is equal to the average exchange rates over the previous ten days before the cut-off date. Projections for the oil price are calculated by using The International Energy Agency's report *World Economic Outlook*, November 2018 and futures prices.

Source: Macrobond, Nordea Markets, The International Energy Agency and own calculations.

Table B.4**Population and labour market**

	2016	2017	2018	2019	2020
1,000 persons					
Total population	5,728	5,765	5,798	5,830	5,859
- Labour force	2,977	3,029	3,070	3,097	3,121
- Total employment	2,871	2,919	2,969	3,002	3,028
- Ordinary employment ¹⁾	2,794	2,839	2,882	2,912	2,936
- Subsidised employment ²⁾	78	80	87	90	93
- Gross unemployment (incl. activation) ³⁾	113	116	108	103	99
- Net unemployment	91	91	87	84	82
- Outside the labour force	2,751	2,736	2,728	2,732	2,738
- Recipients of unemployment benefits and cash benefits in activation outside the labour force	127	111	107	101	100
- Disability pensioners outside the labour force	186	181	178	181	185
- Voluntary early retirement	70	61	49	49	51
- Persons under 15 years	961	961	961	963	964
- Pensioners outside the labour force	959	976	993	983	972
- Others outside the labour force	449	448	440	456	465

Note: Recipients of education assistance benefit, the special education benefit and other temporary benefits (kon-tantydelse) are included as cash benefit recipients.

1) Calculated as the difference between employment as determined in the national accounts and subsidised employment, which is based on data from AMFORA. As a consequence of differences in the definition of employment in the two sources, the data is subject to a degree of uncertainty.

2) Includes persons in employment with wage subsidies (including flexi-jobs and sheltered jobs).

3) The number of unemployment benefit recipients in activation and labour-market-ready cash benefit recipients includes persons in subsidised employment.

Source: Statistics Denmark and own calculations.

Table B.5

Benefit recipients etc.

	2016	2017	2018	2019	2020
1,000 persons					
Unemployment benefits (excl. activation) ¹⁾	71	70	68	66	64
Cash benefits (excl. activation)	103	95	91	86	86
Recipients of unemployment benefits and cash benefits in activation ²⁾	39	35	33	30	30
Holiday benefit	4	5	4	3	2
Anticipatory pension ³⁾	208	203	199	203	208
Resource assessment benefit	28	33	36	39	41
Early retirement	70	61	49	49	51
Flexi-job scheme benefit	5	4	3	3	4
Revalidation benefit ⁴⁾	6	5	4	4	3
Sickness benefit ⁵⁾	58	57	57	57	58
Maternity leave	49	48	50	51	53
Benefit for unemployed	14	15	15	15	15
Integration benefit ⁶⁾	22	22	19	18	17
Total	678	653	629	625	630
Student grant (SU)	330	332	330	323	316
Total, incl. SU	1,008	984	959	948	947
Pensioners	1,108	1,128	1,149	1,138	1,127
Total, incl. SU and pensioners	2,116	2,112	2,108	2,087	2,074
Subsidised employment ⁷⁾	78	80	87	90	93
Total, incl. SU, pensioners and subsidised employment	2,194	2,192	2,194	2,176	2,167

Note: Recipients of education assistance benefit, the special education benefit and other temporary benefits (kon-tantydelse) are included as cash benefit recipients.

1) From 2018 and onwards, a new method of projections for recipients of unemployment benefits is applied. The new method causes a minor upward revision of the forecasts on its own.

2) The data do not cover persons in subsidized employment and thereby differs from other register-based data and table B.4. Furthermore, both labour market ready and non-labour market ready cash benefit recipients are included in the group of recipients of unemployment benefits and cash benefits in activation schemes.

3) Anticipatory pension and old age pension include pensioners living abroad as well as pensioners, who are employed.

4) Excl. persons on revalidation with wage support.

5) The number of sickness benefit recipients does not reflect the total absence due to illness. It includes the part of the sickness absence, which is not covered by the employer. Specifically, this covers sickness absences longer than 30 days as well as sickness among the unemployed.

6) Excl. recipients of integration benefits with wage subsidies.

7) Includes persons in employment with wage subsidies (including flexi-jobs and sheltered jobs).

Source: Statistics Denmark, DREAM and own calculations.

Table B.6**Gross investments**

	2017	2016	2017	2018	2019	2020
	DKK bn.	Real growth rate, per cent				
Gross fixed capital formation	462	7.6	4.6	6.1	2.8	3.8
<i>divided into type:</i>						
- Construction investment	217	6.6	6.1	5.2	4.8	2.9
- Tangible and intangible investments	245	8.4	3.4	6.8	1.0	4.5
<i>divided into group:</i>						
- Residential investments	103	6.8	12.9	6.0	4.5	3.5
- Public investments	74	6.5	-7.8	-1.0	4.1	0.4
- Total business investments	285	8.1	5.6	7.9	1.8	4.7
- Construction investment	71	7.6	2.8	10.3	4.8	3.7
- Tangible and intangible investments	214	8.4	6.5	7.1	0.8	5.1

Source: Statistics Denmark and own calculations.

Table B.7

Balance of payments

	2016	2017	2018	2019	2020
DKK bn.					
Goods exports	703	747	770	803	833
Goods imports	595	641	681	705	736
Goods balance, total	108	106	89	98	98
Service export	423	441	445	463	481
Service import	389	393	417	440	466
Service balance, total	33	48	27	22	15
Balance of goods and services	142	155	117	120	113
- Per cent of GDP	6.7	7.1	5.2	5.2	4.8
Investment income from abroad, net	61	57	54	53	52
Wage income from abroad, net	-11	-12	-11	-11	-11
EU payments, net	-10	-10	-14	-16	-16
Other current transfers from abroad, net	-15	-16	-16	-17	-16
Net transfers from abroad, total	25	19	13	9	9
Current account, total	166	173	129	128	122
- Per cent of GDP	7.9	8.0	5.8	5.6	5.1
Net assets against other countries	1,141	1,210	1,346	1,526	1,699
- Per cent of GDP	54.4	55.6	60.5	66.4	71.4

Source: Statistics Denmark and own calculations.

Table B.8

Exports and imports

	2017	2016	2017	2018	2019	2020
	DKK bn.	Real growth rate, per cent				
Export						
Goods, total	747	1.9	6.0	2.2	2.7	2.3
- Agricultural goods etc.	123	-1.6	2.7	-3.2	2.0	1.7
- Industrial goods (excl. ships etc.)	554	5.1	6.6	4.0	3.5	3.4
- Other goods ¹⁾	70	-13.2	6.5	-2.8	-2.2	-6.3
Services, total ²⁾	441	7.0	-0.4	0.7	2.5	2.2
- Sea transport	189	0.9	2.9	-1.5	1.9	1.4
- Other services ²⁾	198	12.6	-4.0	2.0	2.7	2.6
Total ²⁾	1,188	3.9	3.6	1.7	2.6	2.3
Import						
Goods, total	641	0.3	6.1	4.0	2.2	2.8
- Agricultural goods etc.	80	1.1	2.4	0.1	2.5	0.2
- Industrial goods (excl. ships etc.)	427	4.4	5.7	2.9	4.1	3.5
- Other goods ³⁾	134	-12.1	9.9	10.0	-3.3	2.2
Services, total	393	10.7	-0.3	3.8	4.2	4.4
Total	1,033	4.2	3.6	3.9	3.0	3.4
Memo		Nominal growth rate, per cent				
Export of basic goods ⁴⁾	708	3.3	5.6	2.9	4.8	4.6

1) Raw materials, energy and ships etc.

2) The real growth rate in 2018 is adjusted on a discretionary basis for a large one-off payment in the 1st quarter of 2017 for use of Danish-owned intellectual property rights. Thereby, growth projections are in line with the underlying growth.

3) Raw materials, energy, cars and ships etc.

4) Export of basic goods consists of export of goods excl. energy, ships and airplanes.

Source: Statistics Denmark and own calculations.

Table B.9

Export and import prices

	2017	2016	2017	2018	2019	2020
	DKK bn.	Growth rate, per cent				
Export prices						
Goods, total	747	-0.8	0.3	0.9	1.5	1.5
Services, total	441	-8.8	4.8	2.1	1.6	1.7
Total	1,188	-4.0	1.9	1.3	1.5	1.6
Import prices						
Goods, total	641	-3.4	1.5	2.2	1.3	1.5
Services, total	393	-6.5	1.2	2.3	1.3	1.3
Total	1,033	-4.7	1.4	2.2	1.3	1.4

Source: Statistics Denmark and own calculations.

Table B.10

Private consumption

	2017	2018	2019	2020	2018	2019	2020
	DKK bn.	Real growth rate, per cent			Contribution, percentage points		
Total consumption	1,017	2.4	2.1	2.3	2.4	2.1	2.3
Retail trade goods	322	3.0	1.9	2.6	1.0	0.6	0.8
- Food, drinks and tobacco	148	3.2	1.6	2.1	0.5	0.2	0.3
- Other goods	174	2.9	2.2	3.0	0.5	0.4	0.5
Purchase of vehicles	38	9.8	2.4	3.5	0.4	0.1	0.1
Electricity, fuels and gas	53	1.2	2.1	1.6	0.1	0.1	0.1
Gasoline and similar	25	-0.4	0.9	1.3	0.0	0.0	0.0
Housing	226	1.5	1.6	1.7	0.3	0.4	0.4
Other services	363	1.9	2.8	2.6	0.7	1.0	1.0
Tourist expenditures	44	5.0	2.9	2.7	0.2	0.1	0.1
Tourist revenues ¹⁾	54	3.2	3.8	3.5	-0.2	-0.2	-0.2

1) When an increase (decrease) in income from tourism is said to have a negative (positive) effect on the total private consumption, it is because the income from tourism is a part of retail sales, etc.

Source: Statistics Denmark and own calculations.

Table B.11**Net lending by sectors**

	2016	2017	2018	2019	2020
DKK bn.					
Private sector, total	168	149	126	131	126
- Households	29	37	61	60	58
- Corporations	139	112	66	71	68
- Non-financial corporations	113	79	65	72	73
- Financial corporations	27	34	1	-1	-5
General government	-2	26	4	-2	-3
Total	166	174	130	129	123

Note: Net lending of general government corresponds to the general government budget balance. The total (except for typically small net capital transfers from abroad) corresponds to the current account balance, cf. table B.7.

Source: Statistics Denmark and own calculations.

Table B.12**Gross value added (GVA)**

	2017	Avg. 1995- 2017	2017	2018	2019	2020
	Share, per cent		Real growth rate, per cent			
Total GVA ¹⁾	100	1.6	2.1	1.5	1.6	1.4
Public sector	22	1.0	0.2	0.6	0.2	0.1
Private sector ¹⁾	78	1.7	2.6	1.8	1.9	1.7
Private sector excl. raw materials ¹⁾	77	1.9	2.7	2.0	2.0	2.0
Non-farm private sector ^{1) 2)}	67	1.9	2.6	2.6	2.1	2.0

1) The real growth rate in 2018 is adjusted on a discretionary basis for a large one-off payment in the 1st quarter of 2017 for use of Danish-owned intellectual property rights. Thereby, growth projections are in line with the underlying growth.

2) Non-farm private sector consists of manufacturing, construction and private services excl. shipping.

Source: Statistics Denmark and own calculations.

Table B.13**Hourly productivity in selected industries**

	Avg. 1995-2017	2017	2018	2019	2020
Real growth rate, per cent					
Total ¹⁾	1.1	1.0	0.0	0.5	0.5
Public sector	0.7	0.0	0.0	0.1	0.1
Private sector ¹⁾	1.1	1.2	-0.1	0.5	0.5
Private sector excl. raw materials ¹⁾	1.1	1.2	0.1	0.6	0.8
Non-farm private sector ^{1) 2)}	1.1	1.0	0.6	0.6	0.7

Note: Hourly productivity is defined as gross value added in constant prices relative to the total number of hours.
 1) The real growth rate in 2018 is adjusted on a discretionary basis for a large one-off payment in the 1st quarter of 2017 for use of Danish-owned intellectual property rights. Thereby, growth projections are in line with the underlying growth.
 2) Non-farm private sector consists of manufacturing, construction and private services excl. shipping.
 Source: Statistics Denmark and own calculations.

Table B.14**Contributions to growth in households' real disposable income¹⁾**

	2016	2017	2018	2019	2020
Real growth rate, per cent					
Disposable income	4.5	2.1	3.4	2.2	1.7
Contribution, percentage points					
Compensation of employees ²⁾	2.8	2.3	3.2	2.2	2.2
Social benefits	0.1	0.0	0.0	0.3	0.1
Income taxes	1.3	-0.9	-1.4	-0.7	-0.3
Net interest income	0.1	0.2	1.0	0.0	0.0
Dividend etc. ³⁾	0.5	-0.2	-0.1	0.1	-0.4
Pension contribution ⁴⁾	-0.7	-0.2	1.0	-0.1	-0.1
Payment from pension schemes ⁴⁾	-0.5	-0.2	0.1	0.0	0.1
Others ⁵⁾	0.8	1.0	-0.4	0.3	0.1

1) The households in the Economic Survey include the NPISH-sector.
 2) Covering only employees residing in Denmark.
 3) Incl. dividends from investment funds.
 4) Occupational pensions etc. (but not individual pension schemes in banks, etc.)
 5) Including self-employed.
 Source: Statistics Denmark and own calculations.

Table B.15**Households' net lending¹⁾**

	2016	2017	2018	2019	2020
DKK bn.					
Disposable gross income	1,039	1,074	1,120	1,162	1,202
Private consumption	984	1,017	1,051	1,089	1,133
Gross investment ²⁾	91	103	110	117	123
Net capital transfers ³⁾	4	3	7	3	8
Direct net lending	-32	-44	-34	-42	-46
Adjustment for the change in pension entitlements ⁴⁾	60	80	95	102	104
Net lending⁵⁾	29	37	61	60	58
Per cent of disposable gross income					
Direct net lending	-3.1	-4.1	-3.0	-3.6	-3.9
Net lending	2.8	3.4	5.4	5.2	4.8

1) The households in the Economic Survey include the NPISH-sector.

2) Households' gross investment includes investment in owner-occupied housing and investment in buildings and materials by sole proprietors.

3) Net capital transfers in 2018 include repayment of contributions to early retirement.

4) Net payment to and return (excl. tax on pension yield) of household capital in life insurance companies and pension funds.

5) Household acquisition (net) of financial assets (incl. shares) in others sectors.

Source: Statistics Denmark and own calculations.

Table B.16**Household wealth¹⁾**

	Level end of 2017	Avg. 1995- 2017	2016	2017	2018	2019	2020
	DKK bn.		Real growth rate, per cent				
Housing ²⁾	3,482	4.1	3.3	1.2	2.1	0.8	0.0
Cars	291	1.7	4.5	1.4	4.9	3.7	3.4
Financial wealth directly owned	69						
- Mortgage debt etc. ³⁾	-1,933	4.2	1.5	1.1	3.2	2.5	2.1
- Equity etc. ⁴⁾ and bonds	2,001	5.3	-1.1	9.3	5.5	4.7	4.3
Total directly owned ⁵⁾ net wealth	3,841	4.5	2.2	6.6	3.4	1.9	1.0
Pension wealth ⁶⁾	2,323	5.5	6.0	1.7	0.9	0.4	0.2
Total net wealth ⁵⁾	6,164	4.8	3.7	4.7	2.4	1.4	0.7
- Financial net wealth	2,391						

Note: The data are based on the financial accounts in the national accounts and presented at market value. In the constant price calculations, the private consumption deflator from the national accounts is used.

1) Households in the Economic Survey include the NPISH-sector.

2) Housing wealth includes land value and comprises all residences owned by households including rental property. The percentage increases include (as for other items) the growth of the housing wealth.

3) Household net position vis-a-vis banks.

4) Includes mutual fund shares and unlisted shares.

5) Not a complete account. Among other things, the household share of firms' capital (in single-person companies, excl. privately owned rental property, which is part of the housing wealth) is not included.

6) Collective as well as individual pension wealth (e.g. in banks). Adjusted for estimated deferred taxes.

Source: Statistics Denmark, Nationalbanken, and own calculations.

Table B.17**Consumption and gross saving ratios**

	2016	2017	2018	2019	2020
Per cent					
Households¹⁾					
Consumption ratio (national account) ²⁾	94.7	94.7	93.8	93.8	94.3
Savings ratio (national accounts) ²⁾	10.5	11.8	13.4	13.7	13.1
- Savings ratio adjusted for return on pension assets ³⁾	9.2	9.4	9.8	9.8	9.2
Total private sector (national accounts)					
Consumption ratio	64.9	65.2	65.9	65.6	65.8
Savings ratio	35.1	34.8	34.1	34.4	34.2

1) Households in the Economic Survey include the NPISH-sector.

2) According to the national accounts, the household consumption ratio is consumption expenditure relative to disposable income, while the savings ratio is gross savings relative to disposable income. As household gross savings include the return on pension assets, which is not included in disposable income, the sum of the consumption ratio and the savings ratio exceeds 100 per cent.

3) Savings adjusted for the return on pension assets (net of pension yield taxes), which is included in the national accounts definition of household savings (but not income), *cf. note 2*. Pension contributions, net of pension payments, are included in savings as well as in income. In 2018 the repayment of contributions to early retirement are included in income.

Source: Statistics Denmark and own calculations.

Table B.18**Real estate market and construction**

	2016	2017	2018	2019	2020
Increase (per cent) in the price of traded single-family houses ¹⁾	4.0	4.0	4.2	3.3	2.5
Housing gross investment (real growth, per cent)	6.8	12.9	6.0	4.5	3.5

1) The increase is adjusted for developments in the volume of housing sales.

Source: Statistics Denmark and own calculations.

Table B.19

Labour wage ratio, wage increases and computational preconditions

	2016	2017	2018	2019	2020
Labour wage ratio, per cent					
Private sector ¹⁾	57.5	57.6	58.9	59.2	59.4
The entire economy ¹⁾	63.5	63.5	64.4	64.6	64.6
Wage increase, per cent					
Private sector					
- Hourly earnings (excl. nuisance bonus)	2.3	2.2	2.5	2.8	3.0
Public sector					
- Hourly earnings (excl. nuisance bonus)	1.9	2.1	-	-	-
- Budgetary impact	1.3	1.7	1.6	1.8	2.8
Wage adjustment rate, per cent ²⁾	1.4	2.0	2.0	2.0	2.2

Note: The labour income ratio is calculated as aggregated labour income relative to the GVA (gross value added) and adjusted for the number of self-employed. The hourly wage increases in the private sector are published by The Confederation of Danish Employers. The hourly wage increases in the public sector are a weighted average of wage indices for the state, the municipalities and the counties, all reported by Statistics Denmark. No estimates are being reported on the development in public sector hourly earnings. The budgetary impact is based on the contractually agreed wage increases including contributions from the adjustment scheme (reguleringsordningen) and the regulation mechanism between the private and public sectors (privatlønsvænet), but excluding any residual increases. The hourly wage increases for the private and public sectors are not comparable.

- 1) The labour wage ratio is in 2017 adjusted on a discretionary basis for a large one-off payment in the 1st quarter of 2017 for use of Danish-owned intellectual property rights. Thereby, growth projections are in line with the underlying growth.
- 2) In 2020 the estimate is based on the expected development in wages in 2018 and the effects from the agreement *Aftale om ny regulering af folkepensionen og indførelse af obligatorisk opsparing for over førselsmodtagere*. For the remaining years the known wage adjustment rate is stated.

Source: The Confederation of Danish Employers, Statistics Denmark, and own calculations.

Table B.20

Price trends and explanatory factors

	2016	2017	2018	2019	2020
Change, per cent					
Net price index	0.4	1.3	0.9	1.5	1.8
Tariffs and housing benefits, contribution	-0.2	-0.1	0.0	0.0	0.0
Consumer price index	0.3	1.1	0.9	1.5	1.8
HICP	0.0	1.0	0.8	1.4	1.8

Note: The contribution from tariffs and housing benefits is computed as the difference between the consumer price inflation and the net price inflation (to one decimal place). Changes in the prices of taxed goods such as energy can therefore influence the contribution from taxes, even though the tax level remains unchanged.

Source: Statistics Denmark and own calculations.

Table B.21

Public finances

	2016	2017	2018	2019	2020
DKK bn.					
Public consumption	524.2	535.6	547.8	560.0	575.8
Income transfers	354.7	359.6	362.7	371.6	379.2
Investments	77.1	73.0	75.3	79.9	81.0
Interest expenditures	28.1	23.3	22.4	21.1	20.6
Subsidies	38.2	38.7	38.9	38.9	39.0
Other expenditures ¹⁾	60.9	61.9	71.1	69.1	73.7
Total expenditure²⁾	1,083.2	1,092.2	1,118.2	1,140.6	1,169.4
Personal income taxes, etc. ³⁾	440.3	454.2	468.8	481.3	493.8
Labour market contributions	90.3	94.1	99.4	102.9	106.6
Pension yield taxation	34.0	32.3	6.6	4.3	6.3
Corporate taxes	60.4	66.0	61.5	59.7	58.2
VAT	199.0	207.8	217.9	227.0	235.7
Other duties	144.2	143.4	146.7	148.0	150.5
Other taxes ⁴⁾	5.6	5.5	5.8	4.3	3.3
Interest revenues	17.3	19.3	21.7	18.1	17.8
Other revenues ⁵⁾	93.6	98.5	96.8	96.4	98.1
Tariffs etc. to the EU	-3.1	-3.2	-3.2	-3.4	-3.5
Total revenue⁶⁾	1,081.7	1,117.8	1,122.1	1,138.7	1,166.8
General government budget balance	-1.5	25.6	3.9	-2.0	-3.0
Net interest expenditure	10.8	4.0	0.7	3.1	2.8
General government primary balance⁷⁾	9.3	29.6	4.6	1.2	0.2

- 1) Other expenditures include capital transfers, transfers to the Faroe Islands and Greenland and the Danish EU-contributions.
- 2) Total expenditure differs from Statistics Denmark's equivalent. Total expenditure is calculated from a definition of the total expenditure, where all sub-elements of public consumption – e.g. imputed expenditure from depreciation and revenue from sales of goods and services – are defined as expenditures.
- 3) Personal income taxes include withholding taxes, tax on imputed income from owner-occupied dwellings, specific taxes from households, tax on estates of deceased persons and other personal taxes.
- 4) Other taxes include media license and mandatory pension payments for civil servants.
- 5) Other revenues include profits from public enterprises, current and capital transfers from other domestic sectors and the EU, and imputed (calculated) revenues such as contributions to civil servants' earned pension. Moreover, revenues from oil and gas explorations in the North Sea, duty on pipelines, and the hydro-carbon tax are included in other revenues.
- 6) Total revenue differs from Statistics Denmark's equivalent, where the sales of public goods and services are counted as revenue and not – like here – counted as a part of the total expenditures. Furthermore, total revenue here includes a revenue-counterpart to the imputed depreciation expenditures included in public consumption.
- 7) The general government primary balance states the balance of the general government finances before net interest expenditures.

Source: Statistics Denmark and own calculations.

Table B.22

Taxes and tax burden

	2016	2017	2018	2019	2020
DKK bn.					
Indirect taxes	340.2	348.0	361.4	371.6	382.8
- VAT	199.0	207.8	217.9	227.0	235.7
- Registration tax	19.4	20.0	21.0	21.8	22.5
- Excise duties	74.2	72.5	72.0	70.3	70.2
- Energy (incl. PSO)	45.3	43.1	42.4	40.7	40.0
- Environmental	4.0	3.7	3.7	3.7	3.7
- Tobacco and spirits etc.	11.1	11.5	11.0	10.9	11.1
- Others	13.8	14.1	14.8	15.0	15.3
- Property taxes	28.4	28.5	29.6	31.0	31.8
- Motor vehicle tax paid by businesses	3.6	3.8	4.1	4.3	4.7
- Other indirect taxes	15.5	15.6	16.9	17.3	17.8
Direct taxes	625.2	646.6	636.3	648.2	663.7
- Withholding taxes ¹⁾	419.8	433.5	447.3	460.7	472.7
- State tax	144.5	150.4	158.1	165.7	171.8
- Bottom-bracket tax	97.2	111.3	127.9	144.7	150.5
- Top-bracket tax	17.0	17.3	17.8	18.3	18.5
- Health contributions	27.9	19.2	9.8	0.0	0.0
- Limited tax liability	2.4	2.5	2.6	2.8	2.8
- Total municipal tax	229.1	236.8	240.9	249.4	257.4
- Property value tax	13.9	14.2	14.2	14.4	14.5
- Other withholding taxes ²⁾	32.4	32.2	34.0	31.2	29.0
- Pension yield tax	34.0	32.3	6.6	4.3	6.3
- Corporate tax	60.4	66.0	61.5	59.7	58.2
- Other personal taxes	8.4	8.2	8.4	8.8	8.8
- Media license	4.4	4.4	4.5	3.5	2.4
- Motor vehicle tax paid by households	7.9	8.2	8.6	8.4	8.7
- Labour market contributions	90.3	94.1	99.4	102.9	106.6
Social security contributions ³⁾	1.2	1.1	1.3	0.9	0.9
Capital taxes	4.2	4.4	4.6	3.5	3.6
Customs and import duties (collected by the EU)	3.1	3.2	3.2	3.4	3.5
Total taxes	973.9	1,003.2	1,006.9	1,027.6	1,054.4
GDP	2,100.2	2,178.1	2,222.6	2,296.6	2,379.1
Total taxes, share of GDP	46.4	46.1	45.3	44.7	44.3

1) In 2016 and 2017, the distribution of withholding taxes to the state and municipalities is from Statistics Denmark. For 2018-2020 an estimate is used based on the Ministry of Finance's tax base forecast.

2) Includes equity income tax, tax on estates of deceased persons and revenue from the Danish business scheme etc.

3) Includes mandatory pension payments for civil servants in public enterprises etc.

Source: Statistics Denmark and own calculations.

Table B.23**Development in the tax base for municipalities**

	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
	DKK bn.					Per cent				
December 2015	928.0	953.3	-	-	-	4.4	2.7	-	-	-
May 2016	927.7	951.2	-	-	-	3.9	2.5	-	-	-
August 2016	934.3	958.4	-	-	-	4.4	2.6	-	-	-
December 2016	930.2	957.1	989.3	-	-	4.0	2.9	3.4	-	-
May 2017	928.7	954.3	988.0	-	-	3.8	2.8	3.5	-	-
August 2017	927.2	955.4	982.8	-	-	3.6	3.0	2.9	-	-
December 2017	926.9	961.4	990.9	1,010.5	-	3.6	3.7	3.1	2.0	-
May 2018	926.8	955.3	981.2	1,005.3	-	3.6	3.1	2.7	2.5	-
August 2018	926.8	959.2	979.9	1,008.0	-	3.6	3.5	2.2	2.9	-
December 2018	926.8	960.5	979.2	1013.2	1045.9	3.6	3.6	1.9	3.5	3.2

Note: Rows show the time of the budgeting of the municipal tax base in billion kroner and growth rates. The columns show the tax base in the year concerned.

Source: Statistics Denmark and own calculations.

Table B.24

Income transfers

	2016	2017	2018	2019	2020
DKK bn.					
Unemployment benefits (excl. activation)	14.1	14.6	13.3	13.0	12.9
Cash benefits ¹⁾ (excl. activation)	23.3	23.5	26.3	26.7	27.8
Vacation allowance	0.8	0.8	0.8	0.7	0.3
Anticipatory pensions ²⁾	40.5	40.2	39.7	41.1	42.6
Resource rehabilitation allowance	4.9	5.9	6.3	6.9	7.3
Early retirement benefit	12.8	11.6	9.2	9.3	9.9
Rehabilitation benefit	1.3	1.1	0.9	0.8	0.8
Sickness benefit	11.1	11.3	11.7	11.9	12.2
Maternity pay	10.5	10.7	11.1	11.5	12.1
Rent benefit	14.3	14.6	15.0	15.2	15.5
Child and youth benefit	14.6	14.7	14.7	14.9	15.0
Other transfers ³⁾	30.7	29.7	27.0	27.1	28.0
Student grants (SU)	20.3	20.6	20.8	21.2	21.0
Public pension scheme ⁴⁾	127.7	132.0	136.8	141.1	142.9
Other pension schemes ⁵⁾	27.9	28.5	29.2	30.2	30.9
Total	354.7	359.6	362.7	371.6	379.2
Total, excl. public and other pensions	199.2	199.1	196.7	200.3	205.4
Total, excl. education grants, public pensions and other pensions	178.8	178.6	175.9	179.1	184.4

1) Taxable and non-taxable benefits incl. the integration benefit.

2) Incl. early retirement benefits to retired citizens in foreign countries.

3) Activation benefits, dependent child allowance, subsidy for childcare, unemployment benefits, special education benefit, green check and pay scheme for holders of flexi-jobs etc.

4) Incl. differentiated allowances and heating allowance for pensioners. Incl. pension schemes for citizens in foreign countries.

5) Civil servants in public enterprises and part-time early retirement scheme etc.

Source: Statistics Denmark and own calculations.

Table B.25

Key figures estimated at different times

	Dec. 2016	May 2017	Aug. 2017	Dec. 2017	May 2018	Aug. 2018	Dec. 2018
2017							
GDP (Real growth rate, per cent)	1.5	1.7	2.0	2.0	2.2	2.3	2.3
Unemployment (1,000 persons)	87	85	87	92	91	91	91
Gross unemployment (1,000 persons)	117	117	116	116	116	116	116
Consumer prices (Change, per cent)	1.2	1.3	1.1	1.2	1.1	1.1	1.1
Balance of payments (DKK bn.)	158	172	174	175	167	168	173
Actual budget balance (DKK bn.)	-33	-33	-30	-1	21	24	26
GDP in EU28 (Real growth rate, per cent)	1.6	1.9	1.9	2.3	2.4	2.4	2.4
2018							
GDP (Real growth rate, per cent) ¹⁾	1.7	1.7	1.8	1.9	1.9	1.8	1.7
Unemployment (1,000 persons)	86	84	86	88	89	87	87
Gross unemployment (1,000 persons)	106	114	113	112	109	108	108
Consumer prices (Change, per cent)	1.5	1.6	1.5	1.5	1.0	1.1	0.9
Balance of payments (DKK bn.)	162	175	175	170	162	137	129
Actual budget balance (DKK bn.)	-21	-15	-27	-18	-12	0	4
GDP in EU28 (Real growth rate, per cent)	1.8	1.9	1.9	2.1	2.3	2.3	2.1
2019							
GDP (Real growth rate, per cent)	-	-	-	1.7	1.7	1.8	1.7
Unemployment (1,000 persons)	-	-	-	87	89	84	84
Gross unemployment (1,000 persons)	-	-	-	107	106	103	103
Consumer prices (Change, per cent)	-	-	-	1.7	1.6	1.6	1.5
Balance of payments (DKK bn.)	-	-	-	164	160	139	128
Actual budget balance (DKK bn.)	-	-	-	-15	-14	-8	-2
GDP in EU28 (Real growth rate, per cent)	-	-	-	1.9	2.0	2.0	1.9
2020							
GDP (Real growth rate, per cent)	-	-	-	-	-	-	1.6
Unemployment (1,000 persons)	-	-	-	-	-	-	82
Gross unemployment (1,000 persons)	-	-	-	-	-	-	99
Consumer prices (Change, per cent)	-	-	-	-	-	-	1.8
Balance of payments (DKK bn.)	-	-	-	-	-	-	122
Actual budget balance (DKK bn.)	-	-	-	-	-	-	-3
GDP in EU28 (Real growth rate, per cent)	-	-	-	-	-	-	1.8

1) The GDP forecast in 2018 is in May 2018, August 2018 and December 2018 adjusted on a discretionary basis for a large one-off payment in the 1st quarter of 2017 for use of Danish-owned intellectual property rights. Thereby, growth projections are in line with the underlying growth

Source: Statistics Denmark, The European Commission, AMECO database and own calculations.