

Contents

Foreword
European economy at a glance

1- Short-term indicators

Inflation rate
Unemployment
External trade
Money and finance
Industrial production

2- Dossier of the month

The banking sector in the EU
International trade in services
EU government debt

Foreword

EU *annual inflation* in March fell to 1.7% from 2% in February. In March last year the rate was 2.6%.

EU seasonally-adjusted *unemployment* was 10.9% in March. Following revisions, this is same as in the three previous months. An estimated 18.3 million people were unemployed in the EU in March.

The EU *trade surplus* with the rest-of-the-world was ECU 46.3 billion last year. This is the EU's best result ever. It compares with an ECU 24.2 billion surplus in 1995, 4.2 billion in 1994 and 1.2 billion in 1993. The intra-EU trade growth in 1996 clearly weakened with only 3.7%.

The Irish pound weakened within the EMS *exchange rate* mechanism (ERM), though it remained the strongest currency. Measured in terms of bilateral fluctuations, the gap between currencies in the ERM narrowed to 7.6% at the end of April from 9.3% a month earlier.

EU *bond markets* recovered somewhat in April 1997, following the sharp correction in March. In contrast to March, when all EU yields rose, they all fell in April, though the impact was not uniform.

For a majority of EU Member States, broad measures of *money supply* grew at a moderate 5-10% pace during 1996, on the basis of end-year data. This is somewhat higher than in the previous year, when growth for most countries was in the range of 0-5%.

In the year 1996, Spain saw a 76.2% rise in the level of its foreign *official reserves*. Denmark also recorded a big rise in its reserves in the year to December, of 34.7% (ECU 11.3 billion), despite having also declined slightly in December.

The EU *industrial production* trend rose by 0.5% in the three months to end-February compared with the three months before.

The "Dossier of the month" of this edition is devoted to *the banking sector in the EU, International trade in services and EU government debt*.

European economy at a glance



	Dates	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EUR 15
GDP, seasonally adjusted volume trends, T/T-1 %	IV/96	:	0.36	0.12	:	0.78	0.16	:	-0.23	:	0.49	:	:	1.35	1.12	1.14	0.37
GFCF, seasonally adjusted volume trends, T/T-1 %	IV/96	:	0.88	-0.09	:	-0.16	0.25	:	-0.3	:	1.54	:	:	-0.21	-1.51	2.29	0.31
Private final national consumption volume trends, T/T-1 %	IV/96	:	0.44	0.22	:	0.54	-0.5	:	0.35	:	0.18	:	:	1.38	-0.02	0.87	0.76
Production index 1990=100 total, seasonally adjusted (1)	2/97	<i>96.18</i>	<i>119.89</i>	<i>97.92</i>	<i>99.27</i>	<i>103.6</i>	<i>99.2</i>	:	<i>104.89</i>	<i>102.35</i>	<i>110.38</i>	:	:	121.4	123.5	108.6	104.01
Consumer price index T/T-12 %	03/97	1.3	1.5	1.3	5.9	2.2p	1.1	:	2.2	1.3	1.3	1.2p	2.3	0.8	1.0	1.8	1.7p
Conversion rate 1 ECU=... monthly average	04/97	40.4	7.46	1.96	309.7	165.3	6.60	0.74	1939	40.4	2.20	13.79	196.5	5.87	8.79	0.70	:
Exchange rate 1 USD=... monthly average	04/97	35.3	6.52	1.71	270.5	144.4	5.76	0.64	1694	35.3	1.92	12.04	171.7	5.13	7.68	0.61	:
Money supply, M1 T/T-12 %	01/97	4.3	:	10.7	19.7	10.0	0.8	17.9	7.1	:	13.1	6.5	10.9	16.8	:	:	:
Yield on public sector long-term bonds %	03/97	5.9	6.5	5.7	9.6	7.0	5.7	6.6	7.9	5.6	5.7	5.7	6.9	6.1	7.1	7.6	:
Unemployment rate seasonally adjusted %	03/97	9.6	6.3	9.7	:	21.4	12.5	11.7	:	3.6	5.7	4.4	7.2	15.4	10.9	7.3	10.9
Extra-EU trade balance BN ECU	1996(2)	-2.8(3)	2.7	32.6	-2.9(4)	-2.0	16.4	1.9	24.7	-2.8(3)	-2.8(3)	1.9	-2.8	6.1	12.4	-19.2	46.3(3)
Intra-EU trade balance BN ECU	1996(2)	12.9(3)	1.9	21.2	-8.5(4)	-6.9	-5.7	8.7	10.0	12.9(3)	3.2(3)	-10.4	-5.2	1.6	2.9	-8.2	:

Data in italics are not necessarily for the indicated period but are the latest available (usually the previous month or quarter)

(1) Excluding construction

(2) : January to December 1996

(3) : BLEU

(4) : Eurostat estimate



EU annual inflation falls to

1.7% in March

EU annual inflation in March fell to 1.7% from 2% in February. In March last year the rate was 2.6%.

This is according to the new European Index of Consumer Prices (EICP), calculated as an average of the Harmonized Indices of Consumer Prices (HICPs) of Member States.

Lowest March rates were in Finland

(0.8%), Sweden (1.0%) and France (1.1%). Nine Member States were below the EU average. The United Kingdom (1.8%) was just above. The rate in Spain and Italy was 2.2% and in Portugal 2.3%. Greece was the only country substantially above the average at 5.9%. The Irish figure was unavailable.

Annual % inflation measured by HICPs - in ascending order

Mar. 97 /Mar. 96		Mar. 97 /Mar. 96	
EUR 15 (EICP)	1.7p	The Netherlands	1.3
Finland	0.8	Denmark	1.5
Sweden	1.0	United Kingdom	1.8
France	1.1	Spain	2.2 p
Austria	1.2 p	Italy	2.2
Belgium	1.3	Portugal	2.3
Germany	1.3	Greece	5.9
Luxembourg	1.3	Ireland	:

p = provisional
: = not available.

Unemployment

EU unemployment

10.9% in March

EU seasonally-adjusted unemployment was 10.9% in March. Following revisions, this is same as in the three previous months.

In March last year it was 11.0% and in March 1995 10.7%.

Unemployment continues to rise in Sweden (10.2% last November to 10.9% this March) and Germany (9.3% to 9.7%).

It is falling in the United Kingdom (7.8% last November to 7.3% in March) and the Netherlands (6.2% to

5.7% [February]). Elsewhere it is fairly stable.

It's on the EU average in Sweden and above in Ireland (11.7%), Italy (12.2% [January]), France (12.5%), Finland (15.4%) and Spain (21.4%). Spain has by far the EU's highest rate.

Lowest rates are Luxembourg's 3.6% (February) and Austria's 4.4%.

An estimated 18.3 million people were unemployed in the EU in March. This is a seasonally-adjusted figure in line with ILO criteria.

ECU 46.3 billion surplus with the rest of the world

But only 3.7% rise in intra-EU trade

The EU trade surplus with the rest-of-the-world was ECU 46.3 billion last year. This is the EU's best result ever. It compares with an ECU 24.2 billion surplus in 1995, 4.2 billion in 1994

and 1.2 billion in 1993. After deficits of around ECU 50 billion in 1990 and 1992 and some 70 billion in 1991, this is fourth positive year in a row.

Strong growth in extra-EU exports

The difference in growth between exports and imports, 9% and 5.3% respectively compared with 1995, increased the EU trade surplus with the rest-of-the-world from ECU 24.2 billion in 1995 to ECU 46.3 billion in 1996. This was particularly evident in the second half of 1996 with export growth significantly above 10% and import growth falling to 4.6% in the fourth quarter. EU exports to the rest-of-the-world totalled ECU 620 billion last year; imports reached 573.7 billion.

Between 1995 and 1996, growth in extra-EU exports was particularly strong in Greece (40.6%), Ireland (23.1%), the United Kingdom (16.2%), Italy (16%) and Sweden (15%). But there were slight falls in the Netherlands (-0.7%) and Austria (-0.6%).

Only Greece (29.7%), the United Kingdom (11.8%), Finland (8.1%) and Austria (7.6%) had significant rises in imports last year. In most Member States, extra-EU imports growth was down compared to 1995. In 1996 it was 0.9% for Portugal, a little over 2% for Belgium-Luxembourg and Germany, and between 3% and 4% for Ireland, Italy, the Netherlands and Sweden.

Last year, the same 10 Member States as in 1995 recorded positive balances for total intra- and extra-EU trade. Most notable were Germany (53.9 billion), Italy (34.7 billion), the Netherlands (16.4 billion) and Sweden (15.3 billion). There were trade deficits in five countries: the United Kingdom (-27.4 billion), Greece (-11.4 billion), Spain (-8.9 billion), Austria (-8.5 billion) and Portugal (-8 billion).

Slower growth in intra-EU trade

Trade within the EU totalled some ECU 1050 billion last year. This represented 63% of Member States total trade (exports and imports). Countries with the highest proportions were Portugal (77%), Belgium-Luxembourg (75%), the Netherlands (73%) and Austria (71%). Lowest were the United Kingdom (56%), Germany and Italy (both 58%).

After two years of strong rises (13.1% in 1994 and 12.9% in 1995), intra-EU trade growth in 1996, at only 3.7%, clearly weakened. This slowdown, starting in the first half 1995, seems to have reached a low in the second

quarter of 1996 when dispatches grew by only 1.1% compared to same period the year before. Thereafter, it was 4% in the third quarter and 5.8% in the fourth quarter.

Last year, intra-EU dispatches fell in Greece (-7%), Germany (-2%) and Finland (-0.9%). All other countries saw growth, even if less than in 1995. The biggest was in Spain (10%) and the United Kingdom (9%).

There were falls in intra-EU arrivals in the Greece (-4.8%) and Germany (-3.4%) with growth low in Denmark (0.4%) and France (1.5%).

US dollar and sterling resume their upward trend

Little movement within the ERM in April

After a pause in March, the US dollar resumed its appreciation in early April, before again stabilising. Against the Deutschemark, it reached a peak of 1.733 on 15 April, compared with 1.680 at the end of March, its highest level since early 1994. In the two years since its historical low against the DEM in April 1995 of 1.363, the dollar has appreciated by around 27%. The currency also continued its upward trend against the Japanese yen during April, reaching a highpoint at the end of the month of 126.8. This represents a revaluation of 56% since the historical low of 81.1 two years earlier.

The trend in the pound sterling closely mirrored that of the dollar, the USD / GBP rate staying unchanged at around 1.63 at the end of April compared with the end of March. Against the DEM, sterling reached a new high for the year of 2.823. Since its record low of 2.18 in May 1995, sterling has climbed almost 30% in value. Unlike in recent months, the Irish pound did not follow a similar trend to the pound sterling in April, and fell below 2.60 against the DEM at the very end of the month,

down from 2.635 at the end of March.

As a result, the Irish pound weakened within the EMS exchange rate mechanism (ERM), though it remained the strongest currency. Measured in terms of bilateral fluctuations, the gap between currencies in the ERM narrowed to 7.6% at the end of April from 9.3% a month earlier. Of the relatively weak currencies, the French franc continued to trade within a very narrow range against the DEM (around FRF 3.37), while the Italian lira appreciated close to its DEM central rate of ITL 990. The Spanish peseta and Portuguese escudo remained relatively strong currencies in the ERM, showing little reaction to official interest rate cuts announced during the month. In both Spain and Portugal, interest rates are at historical lows.

Outside the EU, the Swiss franc moved up against the DEM, reaching a high for the year to date of CHF 0.849 in mid-April. Meanwhile, the Norwegian krone moved further away from its peak in February of NOK 3.916 to the DEM, reaching a low-point for 1997 of 4.152 in April.

Note: Exchange rates are as supplied to the European Commission by central banks on a daily basis.

EU yields converge again in April

As bond markets recover from March's downturn

EU bond markets recovered somewhat in April 1997, following the sharp correction in March. In contrast to March, when all EU yields rose, they all fell in April, though the impact was not uniform. The higher-yielding bonds performed relatively strongly: the yield on Italian bonds, for example, fell to 7.5% at the end of April, compared with 7.8% a month earlier, whereas the German yield edged 0.1 percentage point lower to 5.8%. EU yields therefore tended to converge, the gap between the highest yielding bonds (Italy,

the UK) and lowest yielding (Germany, the Netherlands, France, Austria) narrowing to 1.8%.

The US bond market followed the same pattern, rallying in April after the downturn in March, the Treasury yield falling to 6.7% at the end of April. However, contrary to most EU government bond yields, the US yield remained higher than at the beginning of the year. The Japanese yield showed little change in April, ending the month at 2.4%, close to its record low.

Note: The above-mentioned yields relate to government bonds of around 10 years to maturity. No data are available for Greece, as there are no comparable bonds.

Pace of EU money supply growth quickens in 1996

But rate of growth remains below 10% for most countries

For a majority of EU Member States, broad measures of money supply grew at a moderate 5-10% pace during 1996, on the basis of end-year data. This is somewhat higher than in the previous year, when growth for most countries was in the range of 0-5%. At one extreme were France and Finland, where the level of M3 fell slightly during the year. For France, which has a medium-term objective for annual growth in M3 of 5%, it fell 2.7% in 1996, compared with an increase of 4.9% in 1995. Finland's M3 fell 1.7% in 1996, having expanded by 0.4% in 1995. Ireland recorded easily the

fastest growth in broad money supply in 1996: M3 increased by 23.4%, following 14.1% growth in 1995. This rapid expansion is partly associated with strong growth in the Irish economy. The UK's M4 measure increased by 9.5% in 1996, slightly less than the previous year, but just above the official monitoring range of 3-9%.

EU narrow money supply grew more quickly than broad monetary measures in 1996, with annual growth in M1 exceeding 10% in several countries. In January 1997, the highest growth in M1 was recorded by Greece (provisionally,

*Generally, M1 = notes and coin in circulation + bank sight deposits;
M2 = M1 + savings deposits + other short-term claims on banks;
M3 = M2 + certain placements in a less liquid or longer-term form;
M4 for the UK is broader than M3, including all sterling deposits held with UK banks and building societies by the public.*

Surge in Spain's reserves during 1996

Large increases also for Italy, Denmark, and Greece

In the year to December 1996, Spain saw a 76.2% rise in the level of its foreign official reserves. At the end of 1996, reserves stood at 46.2 billion in ECU terms, the highest level since August 1992.

Meanwhile, Italy's reserves climbed 38.1% on the year, to ECU 36.7 billion, despite a fall of 1.5 billion during December. This is, however, well short of the record levels seen in 1990/91 when they were in excess of 50 billion.

Greece's reserves, which had reached a record level of ECU 15.3 billion in November, fell 1.3 billion in December, but nevertheless increased over the year by 24.2%. Denmark also recorded a big

rise in its reserves in the year to December, of 34.7% to ECU 11.3 billion, despite having also declined slightly in December. By contrast, Finland recorded a big fall during 1996, of 27.7% to ECU 5.5 billion. Those of the Netherlands were also down, by 16.7% to ECU 20.9 billion. Other Member States (Belgium-Luxembourg, Germany, France, and Ireland) saw increases during the year of less than 10%.

Measured in ECU terms, reserves of the USA fell by just over 10% in 1996, to 51.1 billion, while those of Japan reached a new world record in December of ECU 172.9 billion, a 24% rise on the year.

Note: The definition of foreign official reserves used here excludes gold. December data were not yet available for Portugal, the UK, Austria, and Sweden.

Industrial production

EU industrial production up 0.5%

1.1% rise Dec.-Feb. on a year earlier

The EU industrial production trend¹ rose by 0.5% in the three months to end-February compared with the three months before.

The EU trend has been relatively stable since last summer but with Germany and

the United Kingdom showing recovery. Above the EU average were Sweden (2.1%), Finland (1.3%), Germany (0.9%), Denmark and the UK (both 0.7%) and the Netherlands (0.6%). Output fell in Belgium and Italy by 0.8%.

Production trend index¹			
Changes (%) from Sep.-Nov.'96 to Dec. '96-Feb. '97 in Member States with available data.			
Sweden	2.1	EUR 15	0.5
Finland	1.3	Spain	0.4
Germany	0.9	France	0.2
Denmark	0.7	Greece	0.2
United Kingdom	0.7	Belgium	-0.8
The Netherlands	0.6	Italy	-0.8

¹Production volume of total industry (excluding construction) in EUR 15, adjusted for both seasonal factors and one-off fluctuations.

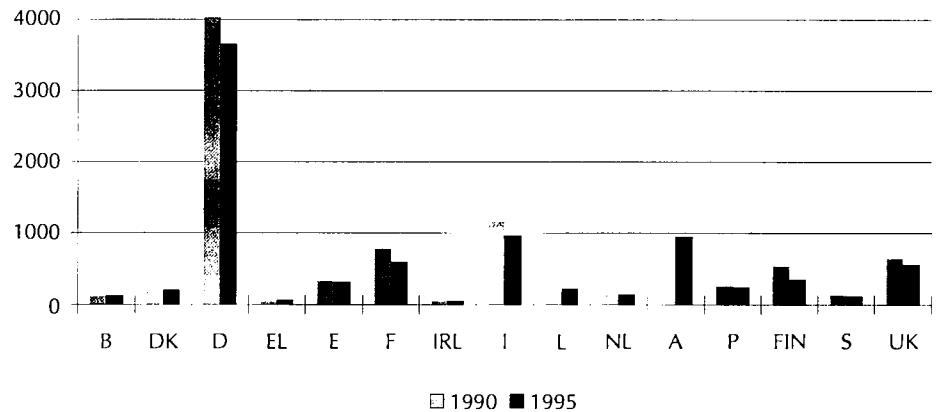
Dossier of the month

The banking sector in the EU An increasingly competitive environment

In 1995, there was a total of 8 543 credit institutions in the EU. This was fewer than in 1990, as competition had forced a number of them into mergers

Whilst Germany, Italy and Austria had the largest number of credit institutions, these countries also experienced this trend towards a reduction in their number, leading to greater market concentration.

Trend in the number of credit institutions, 1990-95



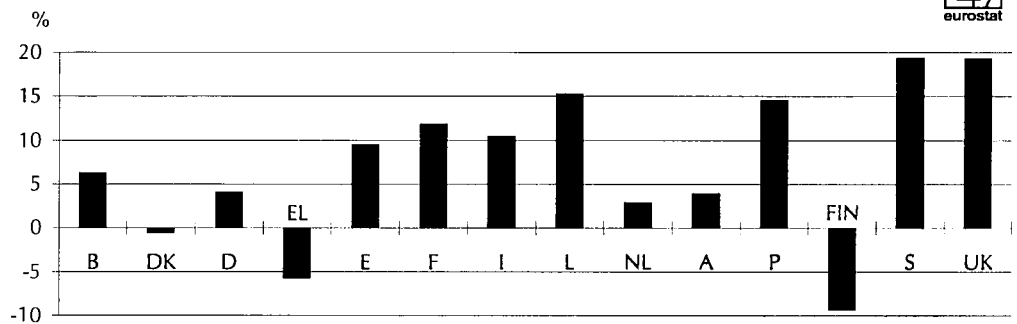
Number of credit institutions

	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EUR 15
1990	115	189	4039	41	327	787	47	1167	177	171	-	261	540	137	649	8647
1995	126	204	3651	56	318	594	48	971	220	143	944	240	348	119	561	8543

The slowdown in economic activity between 1992 and 1994 led to a fall in income from interest and commissions during this period in most of the Member States. Activity did, however, pick up again after 1994 in virtually all the EU countries

Between 1994 and 1995, the growth rates for interest and commissions (in national currency) exceeded 10% in France and Italy, and topped 15% in Luxembourg, Portugal, Sweden and the United Kingdom.

Interest and commissions received - Average annual growth rates (national currency) - 1994/95



Interest and commissions received -million Ecu

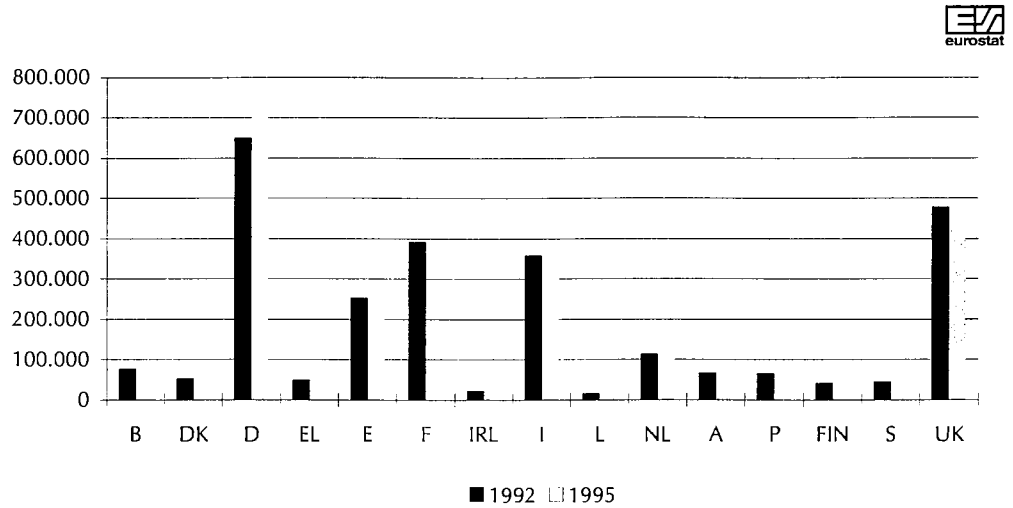
	B	DK	D	EL	E	F	I	L	NL	A	P	FIN	S	UK	EUR 15*
1994	55 271	10 605	265 615	7 802	59 208	292 856	104 102	29 346	37 280	23 120	11 390	2 973	13 551	153 370	1 066 489
1995	60 440	10 848	283 887	6 990	63 240	330 484	103 430	34 812	39 454	24 686	13 104	2 923	15 894	171 334	1 161 526

* EUR 15 except Ireland.

In 1995, the total number of persons employed by credit institutions in the EU (excluding France) amounted to 2 306 945. The trend in employment in the banking sector for the last five years is characterised by stagnation

The number of persons employed in this sector fell especially sharply in Denmark, Spain and the Netherlands. The banking sector's share of total employment in each Member State is much the same throughout the EU, with the exception of Luxembourg.

Number of persons employed in credit institutions



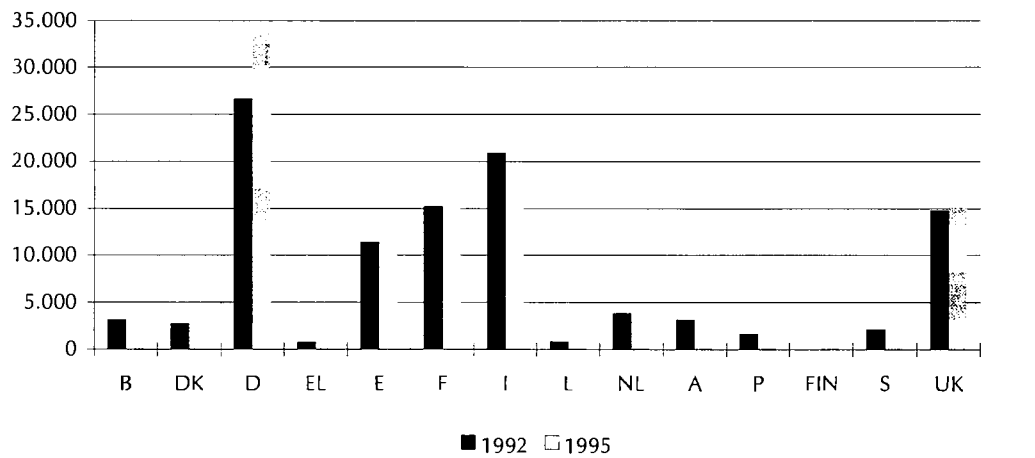
Number of persons employed in credit institutions (1 000)

	B	DK	D	EL	E	F	IRL	I	L	NL	A	P	FIN	S	UK	EUR 15
1992	76.0	52.2	648.9	49.7	253.2	391.0	21.5	357.5	16.2	113.1	66.0	65.1	41.3	44.2	477.8	2 674.0
1995	76.2	46.6	756.9	55.0	244.9	-	23.1	337.6	18.2	109.0	66.7	63.0	31.3	43.3	434.8	2 306.9
% of total employment	2.01	1.8	2.12	1.44	2.04	-	1.83	1.69	11.27	1.61	1.82	1.43	1.55	1.05	1.69	

The fall in the number of persons employed has not led to a reduction in staff costs (which generally include wages, salaries and social security contributions)

These costs are, on the contrary, rising steadily in all the Member States. One of the main reasons for the growth in average salary levels is the increase in the proportion of more highly-qualified employees.

Staff costs - Mio ECU



Staff costs - Mio ECU

	B	DK	D	EL	E	F	I	L	NL	A	P	FIN	S	UK	EUR 15*
1992	3 172	2 700	26 657	748	11 371	15 157	20 891	809	3 855	3 132	1 619	-	2 100	14 764	106 976
1995	4 630	2 744	34 754	1 004	10 142	16 900	17 420	1 186	4 450	3 873	1 683	1 137	1 940	15 082	116 947

* EUR 15 except Ireland.

EU records a surplus in trade in services of ECU 11.7 in 1994

The largest trader in the world

The EU¹ is the largest trader in services² in the world in value terms, representing 25.2% (ECU 349.2 billion) of total services transactions, followed by the USA with a 20.8% (287.3 billion) share and Japan with an 10.5% (145.4 billion) share. Total services transactions of the world amount to ECU 1 383.8 billion.

Total services transactions between EUR12 and extra-EUR12 grew by an average annual rate of 4.5% between 1985 and 1994 from 235 billion to ECU 345.2 billion.

The new Member States (Austria, Finland and Sweden) contributed 10% (75.4 billion) to the total EU transactions (777.3 billion). EU trade in services is concentrated in the USA, representing 39% (ECU 135.6 billion) of total extra EU trade (349.2 billion). Central and Eastern European countries (CEECs) trade with EU accounts for approximately 45% (15.3 billion) of total CEEC trade. Of all services, EU trade in financial services with the rest of the world had the highest surplus at ECU 5.3 billion.

The USA has performed extremely well

The balance of trade in services for EUR12 and EU and its main partner countries reveals that the USA has, since 1985, performed extremely well. The USA's balance has risen from ECU 1 billion in 1985 to 53.6 billion in 1994. The EU has maintained a surplus, despite the fact that it is decreasing. Over the period it has fallen

from 36.5 billion to 7.7 billion. Japan continues to be outperformed with a significant deficit in trade in services which has risen from -14.6 billion to ECU -42.3 billion. The newly-joined Member States have on average contributed an extra ECU 4 billion to the balance of services for the EU aggregate between 1992 and 1994.

Member States trade mostly with each other

Member States trade mostly within the EU followed by America, mainly the USA. In 1994, total trade in services between Member States reached ECU 428 billion (exports and imports). Trade with the USA equalled ECU 71.5 billion for the EU's exports and 64 billion for its imports. Trade between EU and its main economic partner zones shows that the OECD (excluding the EU) is the main trading partner, followed closely

by the North American Free Trade Area (NAFTA). These two zones account for 58% (ECU 202.4 billion) and 40% (138.5 billion) respectively of total extra-EU trade (exports and imports). The relative importance of OECD and NAFTA is due to the fact that the USA, a member of both, accounts for 39% (135.6 billion) of extra-EU trade. Total services transactions with CEECs account for 4% (ECU 15.3 billion) of extra-EU trade.

EU trade in services with the rest of the world in 1994

	Exports in billion ECU	Imports in billion ECU
World	394.5	382.8
Intra-EU	213.1	215.0
Extra-EU	181.3	167.8
EFTA	31.3	25.2
Other Europe	12.9	18.1
Africa	10.9	13.1
America	83.1	74.7
of which USA	71.5	64.0
Asia	37.7	32.5
of which Japan	10.7	6.8
Australia, Oceania etc.	4.3	3.1

Transport represents the largest single item

The current accounts show the relatively large importance of goods (56% for exports and imports, ECU 1 000 billion). Services represent approximately one fifth (349.2 billion) of current account transactions in value (1 793 billion). The services account is the

only one where exports are higher than imports. Within services, transport represents the largest single item (100.3 billion), possibly due to its close link with trade in goods. Travel is also an important item, representing nearly a quarter (83 billion) of total service flows.

1. EU = EUR15, unless EUR12 is specified.

2. International trade in services covers transportation, travel and other services. Transportation includes passenger, freight and other services on sea, by air, etc. Travel covers primarily the goods and services acquired from an economy by travellers during visits of less than one year. Other services cover communications, construction, insurance, financial, computer and information, royalties and licence fees, other business services, personal, cultural and recreational, and finally government services not included elsewhere.

Source: Eurostat News release, Memo N°1/97

New high for interest payments on government debt

11% of EU government spending in 1995...

Interest payments on government debt in the EU as a share of current and capital spending reached a new high of 11% in 1995. In 1980 the share was 7%. In 1994 it was 10.6%. As a share of EU GDP, interest payments were 5.4% in 1995 compared with 5.2% the year before and 3% in 1980.

Even later data indicate total interest payments by Member States of ECU 362 billion in 1996. Italy (28%) and Germany (19%) accounted together for 47% of this. France was next with 13%, then the United Kingdom (9%). Seven Member States accounted for just 8% of the EU total.

Highest payments per person in 1996 were in Belgium (ECU 1760), Italy (1710) and Denmark (1700). Lowest were Portugal (410), the United Kingdom (540) and Spain (620). The EU average was 970.

Growth in government debt has limited the room for manoeuvre in government

expenditure. In Belgium and Italy one fifth of government expenditure is used to service government debt, while in many other Member States the figure is about one-tenth. But some Member States have achieved significant reductions.

In 1995 the share of interest payments in government spending was up on 1994 in eight of the 10 Member States with available data. Italy (23.2%) and Belgium (18%) had the biggest shares in 1995. France, Germany and Finland had the lowest - all 8% or under. Italy saw the biggest rise 1994-95 - from 21.5% to 23.2%.

There were falls in two countries - Belgium (from 19.5% to 18%) and Denmark (11.9% to 11.5%). Over the longer term, the biggest falls were in Denmark (from 17.6% in 1985 to 11.5% in 1995) and Ireland (19.3% to 13.9% [1994]). The biggest rises 1985-95 were in Italy (16.9% to 23.2%) and Finland (4.3% to 7.6%)

Interest payments on government debt

	% govt 1995 spending	per person 1996 in ECU
EUR 15	11.0	970
Belgium	18.0	1760
Denmark	11.5	1700
Germany	7.8	850
Spain	11.1*	620
France	8.0	800
Ireland	13.9*	720
Italy	23.2	1710
The Netherlands	11.7	1140
Austria	8.9	970
Portugal	14.9**	410
Finland	7.6	1100
Sweden	11.0	1580
UK	8.7	540

* 1994

** 1993

Note: Data in the report were obtained using harmonized methodology of the European System of Integrated Economic Accounts. They exclude Greece and Luxembourg.

Source: Eurostat News release, N°32/97.

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