



Irish Fiscal Advisory Council

Fiscal Assessment Report, November 2017

1

Budget 2018

- stuck to outlined plans for 2018;
- funded faster spending growth through tax-raising measures.

2

€1.7 billion

Gross fiscal space allowed under rules for 2018 measures.

Budget 2018 plans used all of this estimated fiscal space.

3

+€0.83 billion

tax-raising measures for 2018 introduced in the budget. These measures enabled faster spending growth than initial limits set by the fiscal rules.

4

4th highest

net government debt ratio in the OECD (Ireland as % of GNI*).

5th highest as % government revenue.

5

6.1%

unemployment rate in November 2017.

Forecasts imply continued fall to 5.5% by end of 2018.

6

Risks!

Overheating - especially if faster growth from a welcome recovery in housing supply is not offset elsewhere.

Hard Brexit impacts could be more severe; corporation tax risks.

Government needs a Credible Plan for the medium term



Help avoid a repeat of
Excessive Expansions in good times.



Build buffers against future downturns.

