

Minutes of the Irish Fiscal Advisory Council Meeting

5th Floor boardroom, ESRI building
9.30am-3.30pm, Friday 30th August 2019

Present

Mr Seamus Coffey
(Chairperson)
Mr Sebastian Barnes
Mr Michael G. Tutty
Dr Martina Lawless
Dr Michael McMahon

Attending

Dr Eddie Casey
Mr Niall Conroy
Ms Ainhoa Osés Arranz
Ms Friederike Vogler
Mr Killian Carroll
Ms Karen Bonner
Mr Eannán Monaghan (for item N^o 4)

Proceedings

1. Admin/Financial

- **Declarations of interest:**

There were no declarations of interest.

- The Council **approved the minutes** of the previous meeting 16th July 2019. Michael Tutty proposed and Sebastian Barnes seconded them.

- **Matters arising**

- **Strategic Plan:** A further draft of the Strategic Plan 2020-2022 will be available for the next meeting.
- Noted that, as agreed, the draft multi-party agreement between CEPS and the **EU IFI Network**, including the job description of a Brussels based Secretariat of the network was circulated.

- **Use of acronym "IFAC"**

Communication between the Fiscal Council and Mason, Hayes & Curran, on behalf of its client the Irish Farms Accounts Co-operative, regarding the use of the acronym IFAC was noted as was the response from the Council.

- **Peer Review**

Eddie met with Marlene Madsen, Head of Unit **Structural Reform Support** Service at EU Commission to discuss potential supports for a peer review. It was agreed to explore this option and submit a funding application.

- **Chairperson's Comprehensive Statement:**

The final draft copy of the **Chairpersons' Comprehensive Report to the Minister** was agreed and signed for submission. The finalised 2018 Annual Report and Financial Statements, agreed by Council on 30 July 2019 following OCAG final clearance, will also be submitted to the Minister who will arrange to lay a copy before both Houses of the Oireachtas. In addition, the Annual Report will be published on the Fiscal Council's website.

- **Standing items:**

- **Purchases and Receipts book** The Council reviewed the Purchases and Receipts book for July 2019.
- **Management Accounts:** The Q3 (July-September 2019) management accounts will be reviewed at the Council meeting in September.
- **Recruitment Update:**

It was noted that both summer interns have ceased employment as the projects have concluded. Eannán will present on pensions data during the long-term fiscal sustainability update.
- The Council received no **Parliamentary Question(s)** since the last meeting.
- **FOI Update:** The Council received no FOI request(s) since the last meeting.
- It was noted that the Council has reviewed all sections of the **Risk Register**, the overall risk policy will be reviewed at a future meeting.

- **Audit & Risk Committee Meetings:** The next meeting will take place on 19 September 2019.
- **Info Security/GDPR:** There were no matters to report. It was noted that the Office 365 migration project is ongoing.
- **Recent and Forthcoming Meetings:**

Recent:

- The Chairperson presented at the MacGill Summer School in Donegal on 25th July.

Forthcoming:

- A meeting with the Budgetary Oversight Committee will take place in September following the publication of the Fiscal Council's Pre-Budget Statement.
- The Chairperson will attend the Dublin Economic Workshop's Annual Economic Policy Conference in Wexford on 13 & 14 September 2019
- The Chairperson and Chief Economist/Head of Secretariat will attend the EUNIFI meeting in Brussels on 17 September
- The Chief Economist/Head of Secretariat will attend the IMF annual fiscal workshop in Brussels on 18 September 2019.
- The Chief Economist/Head of Secretariat will present at the EU Commission workshop on Fiscal Forecasting in Brussels on 19 September 2019.
- Forthcoming Council Meetings 2019: Two day Endorsement meeting - 26 September (12-3pm) & 27 September (10am-2pm), 29 October @ 09:30 and 2 December @ 09:30.

2. Pre-Budget Statement

The Council discussed the draft Pre-Budget Statement which will be published on 11 September.

3. DoF's Short-Term Models for Forecasting Inflation

The Council explored work by Kevin on the Department's models of inflation.

4. Long-Term Sustainability Report update

Eannán gave a presentation on his work on the modelling of state and public sector pension expenditure. This will form part of the projections for Long-Term Sustainability (LTS) Report.

In addition, Friederike and Ainhoa gave an update on the progress of the Report, which is scheduled to be completed by the end of the year. The first draft outlining the Macro Baseline & Scenarios was included with the papers for the meeting.

5. Forecasting Irish Revenue

Niall presented his draft working paper on Forecasting Irish Revenue which examines the role of tax elasticities in predicting tax revenue.

6. The "Flash Release" for Budget week

Kevin gave a presentation on an example of a "Flash Release", which gives a visual at-a-glance summary of *Budget 2020* forecasts, aiming to bring attention to issues which will be explored further by the Council in its subsequent Fiscal Assessment Report.

7. A Large Bayesian VAR for Ireland

Killian gave a presentation on the Bayesian vector auto regression tool.

8. Any Other Business

There was no other business.

- The endorsement meeting will take place over 2 days - 26 September 2019 (12-3pm) and 27 September 2019 (10am-2pm).

Signed:

Seamus Coffey (Chairperson)

Dated: _____