

S1. Endorsement process

Endorsement timeline

The key dates underpinning the Council's endorsement of the Department of Finance's macroeconomic projections for *Budget 2022* are set out in Table S1a.

Table S1a: Timeline for Endorsement of Budget 2022 Projections

2 September	The CSO released its Quarterly National Accounts estimates for Q2 2021.
6 September	The Council's Secretariat and Department staff met with the CSO to clarify technical details of latest Quarterly National Accounts estimates.
14 September	The Department sent its technical assumptions underpinning its forthcoming forecasts.
17 September	The Department sent the Council preliminary forecasts in line with Memorandum of Understanding requirements.
20 September	The Department presented its preliminary forecasts to the Council's Secretariat.
22 September	The Department sent a number of additional items in relation to its forecasts requested by the Council, including hours worked for labour market projections, quarterly profiles, and pension adjustment data.
24 September	The Department of Finance presented its latest forecasts to the Council and Secretariat and answered questions. It agreed to follow up on some queries from the Council. After the meeting the Council had a preliminary discussion on its endorsement decision.
29 September	The Department sent updated forecasts drawing on new Labour Force Survey data among other things.
30 September	After reviewing the updated forecasts, the Council finalised a decision on the endorsement. The Chairperson of the Council wrote a letter to the Secretary General of the Department of Finance endorsing the set of macroeconomic forecasts underlying <i>Budget 2022</i> .
12 October	The Department's forecasts were published in <i>Budget 2022</i> .

Council's Benchmark projections

Below is a summary of the Council's Benchmark projections, which were an input to its endorsement exercise. The Council finalised these projections on Monday 20th September before opening the Department of Finance's preliminary forecasts.

Table S1b: The Council's Benchmark projections

% change in volumes unless otherwise stated

	2019	2020	2021	2022	2023	2024	2025	2026
Demand								
GNI*	2.6	-3.5	4.3	6.7	2.4	2.1	3.0	2.8
...of which (p.p. contributions)								
Underlying domestic demand ^b (p.p.)	2.8	-4.1	4.2	6.4	3.4	2.9	2.8	2.5
Adjusted net exports ^b (p.p.)	-1.5	2.4	-0.8	0.3	-1.0	-0.8	0.2	0.3
Other, incl. stocks (p.p.)	1.3	-1.8	0.9	0.0	0.0	0.0	0.0	0.0
Underlying domestic demand ^a	3.4	-4.9	5.0	7.6	4.0	3.4	3.2	2.8
Consumption	3.3	-10.4	7.5	10.1	4.4	3.5	3.5	3.5
Government	7.1	10.9	2.3	-1.8	2.0	2.0	2.1	2.0
Underlying investment ^a	-0.3	-3.6	0.8	11.5	5.1	4.4	3.7	1.7
Adjusted net exports	30.6	-18.4	23.9	14.2	11.3	9.0	5.8	5.6
...of which (p.p. contributions)								
Adjusted exports	10.2	-4.8	8.5	6.3	3.5	2.9	2.7	2.8
Adjusted imports	20.4	-13.6	15.4	7.9	7.8	6.1	3.0	2.8
Supply								
Potential output	2.9	-3.5	4.8	2.4	3.5	2.6	2.6	2.4
Output gap (% potential output)	0.7	-5.0	-4.9	-1.5	-1.0	-0.2	0.4	0.6
Labour Market								
Labour force	2.0	-0.3	0.6	1.5	1.7	1.6	1.8	1.7
Employment	2.9	-10.7	2.2	8.9	2.7	2.4	2.4	2.0
Unemployment rate (% labour force)	5.1	15.0	13.6	7.2	6.3	5.6	5.1	4.8
Prices								
HICP	0.9	-0.4	2.0	1.7	1.2	1.7	1.8	2.1
Personal consumption deflator	2.0	0.7	3.2	1.9	1.7	2.0	2.0	2.3
GNI* deflator	6.2	0.0	3.2	3.3	2.4	2.0	2.3	2.5
Other								
Nominal GNI*	9.0	-3.4	7.7	10.2	4.8	4.1	5.4	5.3
Nominal GNI* (€ billion)	215.6	208.2	224.1	247.0	258.9	269.6	284.1	299.1
Modified current account (% GNI*)	9.4	11.5	10.3	10.1	9.1	7.8	7.5	7.3
Savings ratio	10.3	25.4	19.0	12.1	10.0	9.3	9.5	9.5

a Underlying (final) domestic demand, underlying investment, and underlying imports exclude "other transport equipment" (mainly aircraft) and intangibles.

b Underlying contributions to real GNI* growth rates in percentage points — here adjusted net exports is forecast based on adjusted exports and adjusted imports, whose levels in 2019 (in 2018 constant prices) are estimated as €93.2 billion and €74.8 billion, respectively.