Supporting items

This provides additional information in support of the Council's analysis for its Pre-Budget 2026 Statement.

Item 1 — Stand-still costs

Item 1

Stand-still costs

€ billion increases unless stated otherwise

	2027	2028	2029	2030	2031
Government's current spending increases	5.9	6.1	6.3	6.5	
Our estimates of stand-still costs	5.5	5.1	4.9	5.3	5.0
Difference	0.3	1.0	1.4	1.2	
Breakdown of our stand-still costs					
Total	5.5	5.1	4.9	5.3	5.0
Demographics	2.0	1.9	1.7	1.8	1.8
Prices (and wages)	3.6	3.2	3.2	3.5	3.2
Increases by key area					
Education incl. NTF	0.4	0.4	0.4	0.4	0.5
Health (incl. LTC)	1.7	1.7	1.7	1.8	1.8
State pensions	1.3	1.3	1.3	1.4	1.4
Public Sector pensions	0.9	0.6	0.3	0.5	0.4
Social welfare (excl. pensions incl. SIF	0.5	0.5	0.5	0.5	0.3
Rest of gross voted	0.8	0.6	0.7	0.7	0.7
Due to demographics					
Education	-0.1	0.0	0.0	-0.1	0.0
Health (incl LTC)	1.0	1.0	0.9	1.0	1.0
State pensions	0.5	0.5	0.6	0.6	0.6
Public Sector pensions	0.4	0.3	0.1	0.2	0.4
Social Welfare (excl. pensions)	0.2	0.1	0.1	0.1	-0.1
Due to prices					
Education wages	0.4	0.4	0.4	0.4	0.4
Education prices	0.1	0.1	0.1	0.1	0.1
Health wages	0.3	0.3	0.4	0.4	0.4
Health prices	0.4	0.4	0.4	0.4	0.3
State pension	0.8	0.7	0.8	0.8	0.9
Public Sector pension	0.5	0.3	0.2	0.3	0.0
Social Welfare (excl. pensions)	0.4	0.4	0.4	0.4	0.4
Rest of gross voted wages	0.3	0.3	0.3	0.3	0.3
Rest of gross voted prices	0.5	0.3	0.4	0.4	0.4

Sources: The Government's Summer Economic Statement 2026, and Fiscal Council workings.

Notes: Figures are based on gross voted current spending. Stand-Still costs are an estimate of how much it will cost the Government to maintain existing supports and services while allowing for demographic changes and price pressures. They assume welfare and public service pay rise in line with wages elsewhere in the economy. It is ultimately a policy choice whether governments do this. The approach assumes no efficiency gains in how public services are provided.