



**An Phríomh-Oifig Staidrimh**  
Central Statistics Office

# National Income and Expenditure

## 2013

12th December 2014

### Errata

#### Tables 1 – 12 and 30 of National Income and Expenditure 2013

The data in tables 1-12 and 30 in the previously published “National Income and Expenditure 2013” has been revised. The principal items affected are Net Factor Income from the rest of the world, Gross and Net National Product, Gross National Income, Gross National Disposable Income, Gross and Net National Savings and Undistributed Profits of Companies. The revisions have no effect on Gross Domestic Product and affect growth in Gross National Product prior to 2013 by a maximum of -0.9%. The data inconsistencies relate to the incorrect classification of the newly termed Primary and Secondary Income from the rest of the world. These inconsistencies were discovered in the follow-up analysis of the NIE data for the compilation of the Institutional Sector Accounts. There were substantial methodological changes arising from the implementation of the European System of Accounts 2010 and the Balance of Payments 6th Manual in the accounts for 2013. CSO regrets any inconvenience caused to our users.

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# National Income and Expenditure 2013

## INTRODUCTION

This report includes preliminary estimates of the national accounts for the year 2013 together with revised estimates for the years 2008 to 2012. The tables relate to national income and expenditure, capital formation and savings together with details of transactions of the government sector classified in accordance with national accounting definitions.

Particular attention is drawn to the detailed definitions and notes given in the Appendices which must be borne in mind in interpreting the various items. Thus, in considering the figures for trading profits, it should be noted that domestic trading profits as compiled for GDP purposes refer to profits arising from productive activity *within* the State; items such as receipts of national debt and other interest and income arising *outside* the State are excluded. Furthermore, all losses are taken fully into account for the year in which they were incurred. For these reasons, trading profits as computed for national income purposes differ in principle both from the aggregate of profits shown by individual concerns in their own accounts and from total profits liable for taxation purposes by the Revenue authorities.

As will be apparent from detailed information in the Appendices, most of the elements in the compilation of the national accounts are estimates subject to margins of error. Generally, more reliance can be placed on the changes between years than on the absolute level of any single figure.

The estimates for 2013 are based upon indicators for the different aggregates and must be regarded as tentative. The provisional nature of the estimates for 2011 and 2012 must also be borne in mind. In particular, the estimates for the year 2012 in the present report must be regarded as preliminary. Many of the inquiries upon which the basic compilations rest are incomplete and to the extent that figures given for 2010 and 2011 are still partly subject to revision, projections for the year 2012 are also affected. While no guarantee can be given that published figures will remain unaltered as inquiries proceed and as sources and methods are reviewed, it is expected that any changes made in future in relation to years earlier than 2008 will have a relatively insignificant effect on the year-to-year trend in these data.

Except where otherwise indicated the tables in this report relate to current money values, and therefore, the year-to-year changes include an element due to monetary inflation. Certain tables are shown in chain linked values and these indicate the *real* (or *volume* or *quantum*) changes in the various entities from year to year.

The tables have all been generated from approximately 500 base headings. As a result, in the tables, the totals may differ from the sum of components due to rounding.

### Chain Linking

The volume measures are produced using annual chain linked indices. On the output side, for each pair of successive years, the volume growth measures at a detailed level are weighted together using value added weights of the first year. Similarly, on the expenditure side, annual growth estimates are weighted by previous year expenditure weights. The average of the two measures is the official level of GDP to base the previous year. The change over a period of years is then calculated by linking together the annual volume changes. The estimates in this report are referenced to 2012 values.

It should be noted that under the system of chain linking individual components are chain linked independently of their aggregates. Thus, the expenditure estimate of GDP, in constant prices on a chain linked basis, is not derived by adding the chain linked values of personal consumption, government expenditure, capital expenditure, stock changes and exports minus imports. Rather it is estimated by linking the year to year volume changes in GDP (which have been calculated to base the previous year) to the GDP value in 2012. This results in the loss of additivity by which is meant that the sum of the chain linked components do not add to the chain linked aggregate.

In addition there is the extra complication that the official volume estimate of GDP is the average of the expenditure estimates of GDP (to base the previous year) and the output estimate of GDP (to base the previous year). Thus, before the chain linking process even begins, the GDP volume estimate can not be derived as the sum of its components.

## Financial Intermediary Services Indirectly Measured (FISIM) in the National Accounts and Balance of Payments (BOP)

The introduction of FISIM in the National Income and Expenditure 2004 publication caused a discrepancy between national accounts figures for some external transactions and BOP figures. In particular, FISIM generated through lending and borrowing between this country and abroad was included with the import and export of services in the national accounts but was included indistinguishably with income in the BOP statistics. With the implementation of the IMF Balance of Payment Manual 6 (BPM6) standards, the discrepancy between the treatment of FISIM in the national accounts and the BOP has been removed and FISIM generated through lending and borrowing between this country and abroad is now included with the import and export of services in the BOP statistics.

### ESA 2010 terminology

The terminology used in the book is in line with the conventions of the ESA 2010.

National accounts are compiled in the EU according to the European System of National and Regional Accounts (ESA) framework. In 2014, the new ESA 2010 framework replaces the current ESA 95 version and all EU member states are required to adopt ESA 2010 by September 2014. ESA 2010 is the European version of the current UN mandated international standards for national accounts statistics, the System of National Accounts (SNA) 2008. The results for all years in this report are published on an ESA 2010 basis. For Ireland, the ESA 2010 change with the greatest impact on gross domestic product (GDP) is the new treatment of research and development (R&D) expenditure. Under ESA 95, R&D expenditure was treated as an ancillary cost to the main production of an enterprise while under ESA 2010, R&D expenditure is recognised as capital investment.

In addition to the ESA 2010 changes, the results include additional estimates for illegal economic activities in line with the requirement from the European statistical agency, Eurostat, to include such estimates in the National Accounts before September 2014.

The term *GDP* is reserved for valuation at market prices while *Value Added* is used for other valuations of the aggregate previously known as GDP. There are now three valuations being shown i.e. Market Prices, Factor Cost and Basic Prices. The first two were always provided in the publications which preceded the adoption of the ESA 95 methodology. The third one (GVA at basic prices) equals GDP (at market prices) minus product taxes plus product subsidies. This is also equal to GVA at factor cost plus other (non product) taxes minus other (non product) subsidies – see item 29 onwards in Table 2. The terms *Gross National Income* (GNI) and *Net National Income* (NNI) are also being used. GNI is equivalent to GNP plus EU subsidies minus EU taxes. Alternatively it may be described as GDP minus primary income payable by resident units to non resident units plus primary income receivable by resident units from the rest of the world. NNI is equal to GNI minus depreciation.

### Methodology

The National Accounts form a comprehensive framework within which economic data can be presented in a coherent, consistent manner. There are three approaches to measuring National Income, each of which theoretically gives the same answer, i.e.

- output (value added by each producer);
- income (all income generated);
- expenditure (all spending on final demand)

In Ireland, the income and expenditure approaches are used in this publication. An output estimate is available on an experimental basis on the CSO website. For the income estimate, the main components are:

- profits of companies and of the self-employed
- remuneration of employees (wages, salaries and employers' contributions to social insurance and pension funds including imputed contributions in respect of public service employees)
- rent of dwellings (imputed in the case of owner-occupied).

Adjustments are made in respect of stock appreciation i.e. to eliminate the effect of price changes on the level of stocks. Another feature of the national accounts is that interest is not regarded as part of income or expenditure in calculating GDP but a hidden margin is attributed to banks on interest accrued in the course of lending and borrowing and this hidden margin is charged or apportioned to customers. (See the paragraph on "profits of businesses" on page 38 in Appendix 1).

On the expenditure side, estimates are made of:

- personal expenditure on consumers' goods and services
- expenditure by central and local government on current goods and services
- gross domestic fixed capital formation
- value of physical changes in stocks.

The value of exports is then added and imports are deducted. The two approaches (income and expenditure) should theoretically give the same answer. However, they will always diverge to some extent as they arise from different data sources. The components of the two original estimates are shown unadjusted. The official level of GDP is taken to be an average of the expenditure and income estimates and a balancing item (statistical discrepancy) is displayed, which is half of the difference between the two estimates. This is the amount by which both estimates have to be adjusted to agree with the official level of GDP.

### **Volumes or Constant price estimates**

Two measures of GDP (output and expenditure) are compiled annually to base the previous year and chain linked to a reference year. The output measure is obtained by using various output indicators to project forward the previous year's value added. On the expenditure side, the current price estimates are deflated to the previous year's prices using appropriate price indices. The average of the two provides the official GDP to base the previous year and is used to produce the annual volume change in GDP. The annual volume changes are then chain linked. The chain linked values for the components of both methods are shown in Tables 4 and 6.

### **Definitions**

Appendices 1 and 2 contain detailed definitions and explanatory notes relating to all the variables contained in the various tables in this report. The following are the main features of the principal economic aggregates.

**Gross Value Added at factor cost** (previously called Gross Domestic Product at factor cost in ESA 79) is equal to the sum of the values of the goods and services (or part thereof) produced in the country without deducting an amount in respect of capital consumption (i.e. depreciation). It excludes taxes on production and includes subsidies on production.

**Net Value Added at factor cost** is equal to Gross Value Added at factor cost minus depreciation.

**Gross Value Added at basic prices** is equal to Gross Value Added at factor cost plus other (i.e. non product) taxes on production minus other (i.e. non product) subsidies on production.

**Gross Domestic Product at market prices** is equal to Gross Value Added at basic prices plus taxes on products less subsidies on products. It represents total expenditure on the output of final goods and services produced in the country ("final" means not for further processing within the country) and valued at the prices at which the expenditure is incurred.

**Gross National Income at market prices** is equal to Gross Domestic Product minus primary income payable by resident institutional units to non resident units plus primary income receivable by resident units from the rest of the world. It therefore represents total primary income available to resident institutional units of the country.

### **Retrospective historical series; availability of data in spreadsheet format**

An historical series of data along the lines of the main tables in this report covering the period from 1970 to 1995 is available in Excel format on the web and in the CSO's database (StatBank). There is however a discontinuity in this series compared to the series post 1995 due to (a) the introduction of ESA 2010 in the post 1995 data and (b) the introduction of FISIM which is incorporated in the accounts from 1995 onwards but not for earlier years. Two sets of figures are available for the year 1995 ie the historical series on an ESA 95 basis without FISIM and the ESA 2010 1995 to 2013 series with FISIM included. The latter series contains some revisions to the accounts stretching back to 1995.

The detailed tables in this publication are available in spreadsheet format on the CSO website <http://www.cso.ie>. They are also available in the CSO's database (StatBank).





## **Summary of Results**

### **Summary Tables**

### **Graphs of Selected Series**

## **SUMMARY OF RESULTS 2013**

### **Growth Rates**

In constant prices, Gross Domestic Product grew by 0.2% between 2012 and 2013. The Gross National Product was higher by 3.3%.

### **Disposable Income**

In nominal terms, Net National Product at factor cost grew by 4.5% in 2013 to €107,541m, equivalent to €23,414 per head of population. Agricultural incomes increased by 0.2% and non-agricultural incomes increased by 0.3%. Net factor income outflows to the rest of the world decreased by 13.4 %.

Gross National Disposable Income increased by 4.3%.

### **National Consumption**

In current money values, Personal Expenditure increased by 1.1% and Government Expenditure increased by 0.1%. When price rises are discounted, Personal Expenditure declined by 0.8%. Government net current expenditure rose by 1.4%, the first increase in five years.

### **Capital Formation**

The value of investment in construction and capital equipment decreased by 1.4%. This represents a decrease of 2.4% in volume terms. The value of Stocks increased by €861m in constant price terms.

### **External Trade**

The value of Exports of goods and services exceeded Imports in real terms by €36,534m in 2013 as compared with €35,427m in 2012.

### **Balance of Payments**

The current account balance in 2013 was €7,638m.

### **General Government Balance**

The "Net lending/net borrowing" as reported for the excessive deficit procedure (EDP) showed a negative balance of -€10,006m in 2013 (item 253 in Table 21).

## SUMMARY TABLES A, B and C

Table A which follows gives historical time series of Gross Domestic Product and its expenditure components presented in both current and constant prices for the period 1970 to 2013. The rules and definitions of the European System of Accounts (ESA 2010) apply. The official level of GDP is derived as an average of the independently estimated Income and Expenditure estimates.

There is a discontinuity indicated by the dotted line at 1995 in Table A. Figures above the line for GDP include the treatment of FISIM (see page vii) and are based on ESA 2010 methodology while figures below the line exclude FISIM and are based on ESA 95 methodology.

Data at constant prices in Table A are expressed in the form of index numbers with reference year 2012 = 100. The index numbers are derived by annually chain linking indices which are calculated to base the previous year.

Summary Table B shows the main aggregates e.g. Gross Domestic Product, Gross National Product at current and constant (i.e. annually chain linked and referenced to the year 2012) market prices.

Gross National Income at current market prices decreased each year from 2008 to 2010 but increased each year from 2011 to 2013. The changes are due to both price and volume changes. The effect of price changes over the period is eliminated by re-valuing Gross National Income at constant market prices, thus indicating the *real* or *volume* changes which occurred.

Table B also contains particulars per head of population and per person at work of Gross National Income in current and constant terms. In addition, the corresponding details of Gross Domestic Product are also shown.

The annual percentage changes in the main aggregates at current and constant prices are shown in Table C. Changes in the consumer price index and in the implied GNP deflator are also shown. The GNP deflator is obtained by dividing the figures for Gross National Product at current prices by the corresponding figures at constant prices. This deflator is a measure of overall price changes in the economy while the consumer price index measures the average price change of goods and services bought by households.

**Table A Time series of Gross Domestic Product and components at Current Market Prices (€ million)**

Year	Gross domestic product	Personal consumption of goods and services	Net expenditure by central and local government on current goods and services	Gross domestic physical capital formation	Exports of goods and services	Imports of goods and services
2013	174,791	83,334	25,956	27,378	184,056	147,694
2012	172,755	82,467	25,922	27,211	182,506	147,079
2011	171,042	82,969	26,111	25,621	167,086	132,398
2010	164,928	82,447	26,437	25,538	157,811	129,023
2009	168,114	83,565	29,650	31,592	146,363	121,555
2008	186,870	94,712	30,775	44,891	150,180	133,876
2007	196,749	93,131	29,264	55,353	152,415	135,000
2006	183,759	84,686	26,451	55,194	140,708	123,576
2005	169,153	77,374	24,049	49,727	132,530	113,435
2004	155,470	71,060	22,339	41,708	125,049	102,693
2003	144,840	67,237	20,755	36,512	117,171	94,977
2002	135,179	62,837	19,139	32,701	122,631	100,170
2001	121,199	57,483	16,855	29,597	117,063	98,978
2000	107,799	52,503	14,309	26,674	103,043	88,934
1999	92,491	45,289	12,538	22,859	80,227	68,118
1998	80,084	40,216	11,246	19,382	67,823	59,075
1997	69,232	35,910	10,231	15,427	53,525	45,211
1996	60,072	32,783	9,176	12,326	45,055	38,471
1995*	54,704	29,621	8,720	10,349	40,259	34,270
1995**	53,074	28,916	8,754	9,674	40,259	34,270
1994	46,864	26,885	8,270	7,550	32,916	28,316
1993	43,605	25,066	7,770	6,573	28,537	23,948
1992	40,489	23,952	7,260	6,559	24,353	21,299
1991	38,018	22,603	6,687	7,264	21,812	19,936
1990	36,541	21,528	6,105	7,683	20,689	19,011
1989	33,706	20,259	5,531	6,137	20,562	18,661
1988	30,389	18,736	5,306	4,767	17,349	15,442
1987	28,451	17,535	5,341	4,654	15,053	13,707
1986	26,625	16,659	5,212	4,804	13,177	12,734
1985	24,998	15,612	4,832	4,749	13,668	13,378
1984	23,013	14,358	4,477	4,948	12,436	12,633
1983	20,780	13,120	4,144	4,714	9,869	10,501
1982	18,853	12,064	3,821	4,919	8,192	9,499
1981	15,892	10,836	3,264	4,350	7,008	9,113
1980	13,097	9,012	2,678	3,461	5,907	7,541
1979	11,036	7,498	2,076	3,444	5,015	6,687
1978	9,316	6,102	1,668	2,609	4,298	5,167
1977	7,883	5,257	1,393	2,103	3,588	4,260
1976	6,476	4,437	1,200	1,550	2,742	3,219
1975	5,257	3,543	1,003	1,175	2,062	2,359
1974	4,181	2,951	732	1,182	1,620	2,174
1973	3,763	2,507	607	994	1,307	1,541
1972	3,116	2,109	494	768	984	1,137
1971	2,564	1,821	408	594	851	1,022
1970	2,243	1,622	345	528	760	925

\* 1995 to 2013 based on ESA2010 methodology including FISIM

\*\* 1970 to 1995 based on ESA95 methodology excluding FISIM

Table A (contd.) Index Numbers of Gross Domestic Product and Expenditure Aggregates at Constant Market Prices (Base 2012=100)

Year	Gross domestic product	Personal consumption of goods and services	Net expenditure by central and local government on current goods and services	Gross domestic physical capital formation	Exports of goods and services	Imports of goods and services
2013	100.2	99.2	101.4	99.7	101.1	100.6
2012	100.0	100.0	100.0	100.0	100.0	100.0
2011	100.3	101.2	102.2	97.2	95.5	93.5
2010	97.6	102.4	104.4	95.0	90.6	94.1
2009	97.9	101.4	112.5	113.1	85.3	91.4
2008	104.5	107.2	116.6	147.3	88.8	100.6
2007	107.3	107.2	115.9	166.9	89.6	103.2
2006	102.3	100.3	109.0	164.5	82.4	95.6
2005	97.0	94.0	104.0	155.8	78.3	89.3
2004	91.8	87.6	100.2	135.1	74.8	82.3
2003	87.8	84.4	99.2	125.1	69.6	75.9
2002	85.2	82.1	96.4	117.2	69.1	76.7
2001	80.5	79.1	91.0	110.6	65.9	74.9
2000	76.5	75.5	82.6	107.0	60.3	69.6
1999	69.9	68.3	76.6	100.0	50.2	57.4
1998	63.4	62.5	72.6	91.7	43.5	51.0
1997	58.4	58.0	68.5	79.4	35.3	40.0
1996	52.7	54.3	64.6	66.9	30.1	34.3
1995	48.3	50.5	62.8	58.0	26.7	30.4
1994	44.1	48.4	61.0	47.2	22.3	26.1
1993	41.6	46.5	58.5	43.6	19.4	22.6
1992	40.7	45.3	58.8	45.5	17.6	21.1
1991	39.3	44.0	57.1	52.1	15.5	19.5
1990	38.7	43.5	55.6	56.4	14.7	19.0
1989	35.9	42.2	52.6	46.8	13.4	17.9
1988	34.0	40.8	53.2	38.2	12.1	15.7
1987	33.0	39.4	56.2	40.2	11.1	14.8
1986	31.8	38.6	58.6	40.7	9.8	13.8
1985	31.7	37.6	56.7	40.7	9.5	13.1
1984	31.1	36.6	55.5	43.9	8.9	12.7
1983	30.1	36.2	55.6	43.9	7.7	11.6
1982	30.3	36.9	55.6	49.7	7.0	11.0
1981	29.9	38.6	53.9	47.5	6.7	11.5
1980	29.2	38.3	53.7	45.9	6.5	11.3
1979	28.3	37.3	50.1	54.2	6.1	11.8
1978	27.2	34.7	47.7	42.7	5.7	10.3
1977	25.4	32.2	43.8	38.8	5.1	9.0
1976	23.9	30.9	42.9	31.6	4.5	7.9
1975	23.1	29.2	41.8	31.0	4.1	6.9
1974	22.8	29.6	39.3	39.5	3.9	7.7
1973	22.2	29.2	36.4	32.9	3.8	7.8
1972	21.0	27.2	34.1	29.9	3.5	6.5
1971	19.7	25.6	31.8	25.0	3.4	6.1
1970	18.8	24.7	29.3	27.0	3.2	5.9

**Table B Main Aggregates, 2008-2013**

Description	2008	2009	2010	2011	2012	2013†
	€ million					
Gross Domestic Product (GDP) at current market prices	186,870	168,114	164,928	171,042	172,755	174,791
plus Net factor income from the rest of the world	-25,837	-28,517	-26,425	-32,127	-31,526	-27,286
Gross National Product (GNP) at current market prices	161,033	139,597	138,503	138,915	141,229	147,505
EU subsidies	1,797	1,719	1,494	1,700	1,632	1,450
EU taxes	-247	-209	-229	-240	-242	-247
Gross National Income (GNI) at current market prices	162,583	141,107	139,768	140,376	142,619	148,709
less provision for depreciation	-23,894	-22,247	-21,835	-21,830	-23,048	-23,657
less Non EU taxes	-22,115	-18,132	-17,960	-17,598	-18,187	-19,019
plus Non EU subsidies	1,922	1,889	1,789	1,584	1,548	1,508
Net National Product at factor cost	118,496	102,618	101,763	102,532	102,932	107,541
Gross national disposable income (GNDI) at current market prices	159,879	138,174	137,089	137,732	140,027	146,067
<b>Chain linked volume measures referenced to year 2012</b>						
Gross Domestic Product at constant market prices	180,593	169,088	168,622	173,297	172,755	173,055
Index of GDP at constant market prices	104.5	97.9	97.6	100.3	100.0	100.2
Gross National Product at constant market prices	152,149	138,784	140,781	139,717	141,229	145,929
Index of GNP at constant market prices	107.7	98.3	99.7	98.9	100.0	103.3
Gross National Income at constant market prices	153,709	140,291	142,016	141,207	142,619	147,127
Index of GNI at constant market prices	107.8	98.4	99.6	99.0	100.0	103.2
Gross national disposable income at constant market prices	154,641	143,040	143,002	137,572	140,027	144,590
Index of gross national disposable income at constant market prices	110.4	102.2	102.1	98.2	100.0	103.3
Per head of population (€)						
GDP at current market prices	41,665	37,083	36,210	37,387	37,675	38,055
GNP at current market prices	35,904	30,793	30,408	30,365	30,800	32,115
GNI at current market prices	36,250	31,126	30,686	30,684	31,103	32,377
GNDI at current market prices	35,647	30,479	30,098	30,106	30,538	31,801
Net national product at factor cost	26,420	22,636	22,342	22,412	22,448	23,414
GDP at constant market prices	40,265	37,298	37,021	37,880	37,675	37,677
GNP at constant market prices	33,923	30,614	30,908	30,540	30,800	31,771
GNI at constant market prices	34,271	30,946	31,179	30,866	31,103	32,032
GNDI at constant market prices	34,479	31,552	31,396	30,071	30,538	31,480
Per person in employment (€)						
GDP at current market prices #	87,026	85,164	87,098	91,894	94,083	93,476
GNP at current market prices #	74,993	70,718	73,143	74,634	76,914	78,884
GNI at current market prices #	75,715	71,483	73,811	75,418	77,671	79,528
GNDI at current market prices #	74,456	69,997	72,396	73,998	76,259	78,115
Net national product at factor cost #	55,184	51,985	53,740	55,086	56,057	57,512
GDP at constant market prices #	84,102	85,657	89,048	93,106	94,083	92,548
GNP at constant market prices #	70,856	70,306	74,346	75,064	76,914	78,041
GNI at constant market prices #	71,583	71,069	74,998	75,865	77,671	78,682
GNDI at constant market prices #	72,017	72,462	75,518	73,912	76,259	77,325

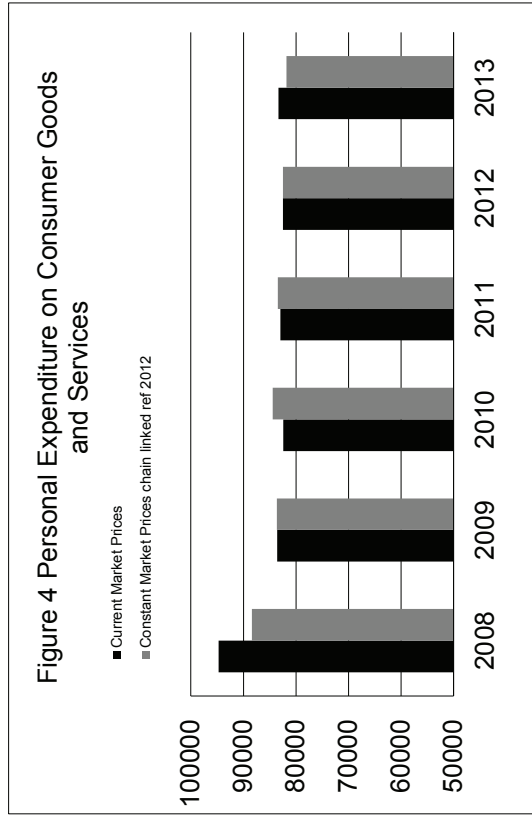
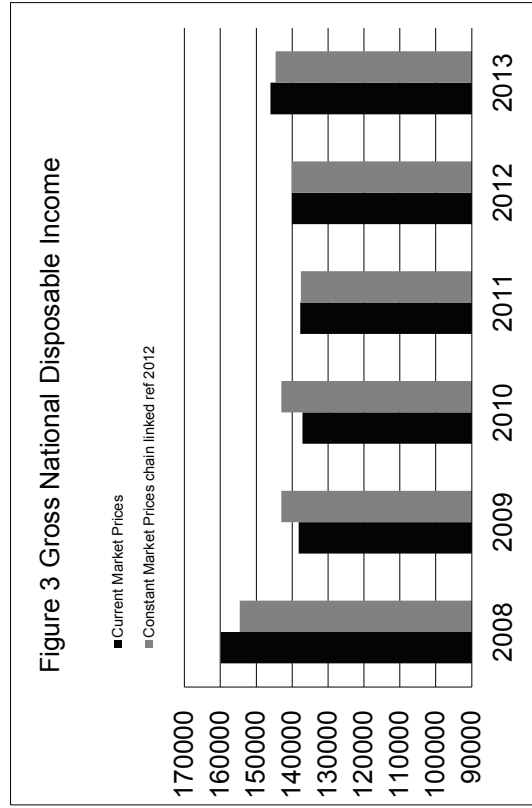
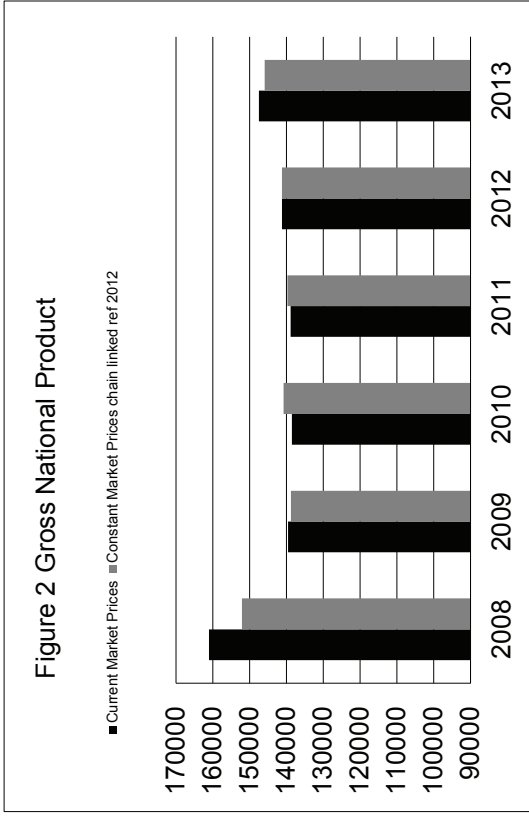
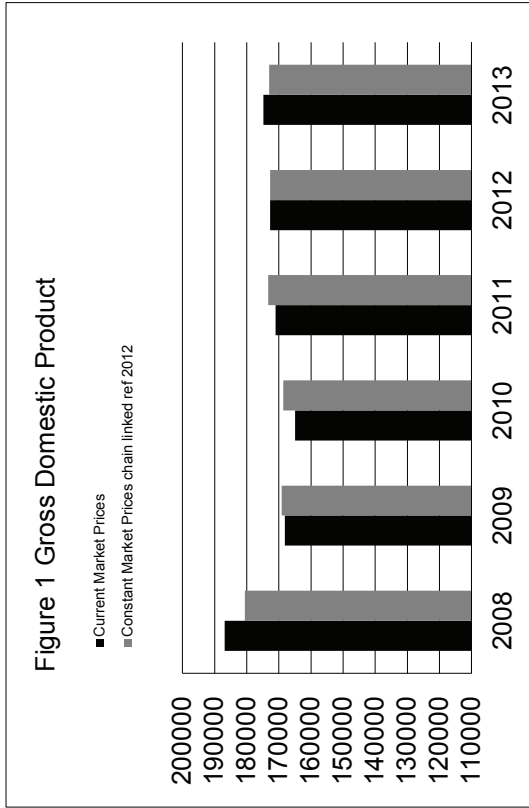
† Preliminary

# Persons in employment on an ILO basis as in the QNHS (April-June) for 2008 to 2013

**Table C Annual Percentage Changes in the Main Aggregates, GDP, GNP and GNI Deflators and the Consumer Price Index**

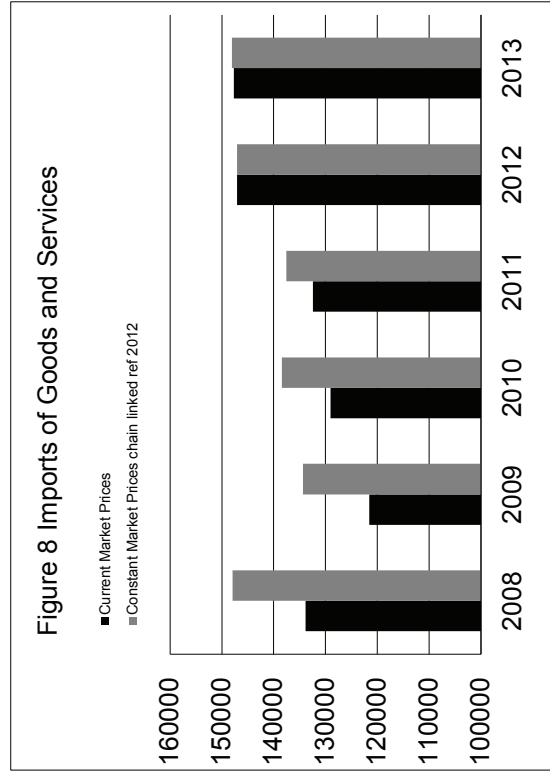
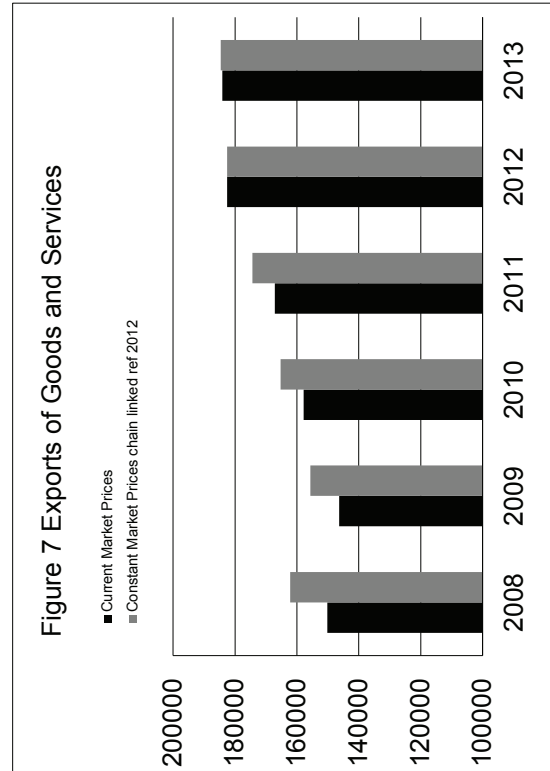
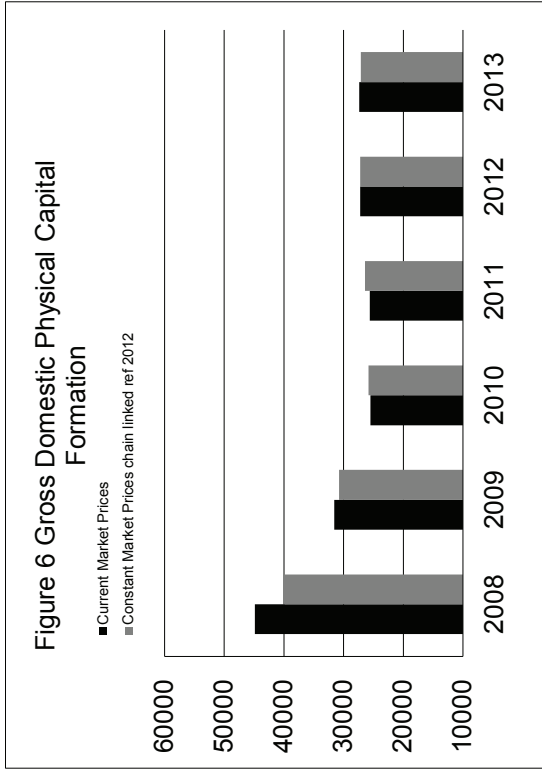
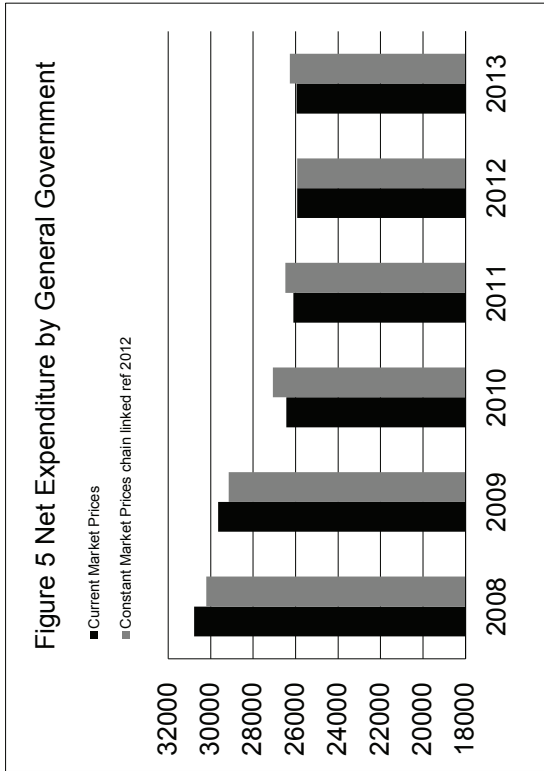
<b>Description</b>	<b>2008-2013</b>	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Gross Domestic Product (GDP) at current market prices	<b>-1.3</b>	-10.0	-1.9	3.7	1.0	1.2
Gross National Product (GNP) at current market prices	<b>-1.7</b>	-13.3	-0.8	0.3	1.7	4.4
Gross National Income (GNI) at current market prices	<b>-1.8</b>	-13.2	-0.9	0.4	1.6	4.3
Gross National Disposable Income (GNDI) at current market prices	<b>-1.8</b>	-13.6	-0.8	0.5	1.7	4.3
Net national product at factor cost	<b>-1.9</b>	-13.4	-0.8	0.8	0.4	4.5
<b>Chain linked volume measures referenced to year 2012</b>						
Gross Domestic Product at constant market prices	<b>-0.8</b>	-6.4	-0.3	2.8	-0.3	0.2
Gross National Product at constant market prices	<b>-0.8</b>	-8.8	1.4	-0.8	1.1	3.3
Gross National Income at constant market prices	<b>-0.9</b>	-8.7	1.2	-0.6	1.0	3.2
Gross National Disposable Income at constant market prices	<b>-1.3</b>	-7.5	-0.0	-3.8	1.8	3.3
GDP deflator	<b>-0.5</b>	-3.9	-1.6	0.9	1.3	1.0
GNP deflator	<b>-0.9</b>	-5.0	-2.2	1.1	0.6	1.1
GNI deflator	<b>-0.9</b>	-4.9	-2.2	1.0	0.6	1.1
GNDI deflator	<b>-0.5</b>	-6.6	-0.8	4.4	-0.1	1.0
Consumer price index	<b>-0.2</b>	-4.5	-1.0	2.6	1.7	0.5

# Graphs of Selected Series





## Graphs of Selected Series



## DESCRIPTION OF DETAILED TABLES

*Except where otherwise indicated the tables in this report relate to current money values and, therefore, the year-to-year changes include an element due to monetary inflation. Certain tables are shown at constant money values and these indicate the “real” (or “volume” or “quantum”) changes in the various entities from year to year.*

*The tables have all been computer generated from approximately 500 base headings. As a result, in the tables, the totals may differ from the sum of components due to rounding.*

### **Net National Product at Factor Cost classified by Type of Income (Table 1)**

The estimated earnings of the different factors of production are given in Table 1 distinguishing (i) income from agriculture, forestry and fishing, (ii) all other domestic income and (iii) income from the rest of the world.

Table 1.1 shows the annual percentage changes in the main items of Table 1.

### **National and Domestic Product classified by Sector of Origin at Current Prices (Tables 2 & 3)**

Table 2 shows net domestic product originating in each sector, distinguishing agriculture, forestry and fishing, industry, building and construction, distribution, transport, software and communication, public administration and defence and other services sectors. The contribution of each domestic sector is divided into *remuneration of employees* and other (i.e. net profits and self employed income). Figures for adjustment for stock appreciation and for depreciation of assets are shown separately for the relevant sectors. When these figures are added to those for net value added in each sector, the gross value added at factor cost in each sector, after adjustment for stock appreciation, is derived. These figures are shown in Table 3. By adding taxes on expenditure net of subsidies to the gross value added at factor cost the gross domestic product at market prices is derived. Net factor income from the rest of the world is then added to arrive at gross national product at market prices.

### **Gross National Product classified by Sector of Origin at Constant Prices (Table 4)**

Table 4 contains estimates of the gross national product at constant prices sub-divided by branch of activity. It contains estimates of the contribution of certain industrial sectors which are more than 90% foreign owned. The estimates have been made by adding together the contributions to the gross value added at factor cost, valued at previous year's prices, of the different branches, adjusting from factor cost to market prices by adding taxes on expenditure and subtracting subsidies - both valued at previous year's rates - and then adding net factor income from the rest of the world. The purpose of valuation at constant prices is to derive a series of figures which reflect volume or *real* changes only as distinct from current prices figures which reflect both volume and price changes. A number of conceptual problems occur in attempting to measure the contribution, at constant prices, of each sector to the gross national product and some of these difficulties are referred to in Appendix 1.

The difference between the annual percentage changes in gross domestic product and gross national product at constant market prices are due to the changes in the rate of growth of net factor income from the rest of the world.

Table 4.1 shows the annual percentage changes in gross national product at constant prices by sector of origin.

The results obtained by using the sector output method for compiling constant price estimates of gross national product are somewhat different from those derived by using the expenditure method. The average of the two sets of figures is the official level of gross national product and this gives rise to a *Statistical discrepancy* item which is displayed in Tables 4 and 6 for the years 2012 and 2013. This is the adjustment required to achieve convergence of the two estimates. For both the expenditure and output methods, it should be borne in mind that, GDP and other aggregates can not be derived as the sum of the components in years prior to 2012. One of the reasons for this is because GDP and the components are based to the previous year in each of those years and the components and the aggregates (such as GDP) are independently chain linked (to 2012) in accordance with international practise. Additivity (i.e. the sum of the chain linked components being equal to the chain linked aggregate) is lost in this process. Thus there is a difference between the sum of the chain linked components and the chain linked aggregates in those years. The other factor which prevents additivity is that GDP is the average of the expenditure and output method and not just the sum of a set of components from one method.

### **Expenditure on Gross National Product - Current Market Prices (Table 5)**

Table 5 shows the expenditure on the gross national product analysed by categories of expenditure. Table 5.1

shows the percentage changes over the period shown.

### **Expenditure on Gross Domestic Product - Constant Market Prices (Table 6)**

In order to compile figures for the gross domestic product at constant market prices the estimates of the expenditure on the gross domestic product can be revalued at the prices of the previous year and chain linked to a reference year. This is done by revaluing constituents of expenditure at previous year's prices or by deflating current price expenditures by a suitable price index. The resulting total for gross domestic product at previous year's market prices is, therefore, a measure of the volume of output of goods and services originating in the national economy which can be compared with the output of the economy in the previous year without being affected by price change. However, the official GDP volume measure as shown in all tables is derived, not just as the sum of the expenditure components, but as an average of the income measure and expenditure measure (see notes on Table 4). The resulting volume changes are then linked to a reference year which in this publication is 2012.

Table 6 shows gross domestic product, valued in this way, and linked to 2012. The annual percentage changes in the different categories of expenditure are shown in Table 6.1. Table 6.2 shows corresponding index numbers referenced to 2012 = 100. The index numbers of gross domestic product at constant market prices arrived at in this way provide a measure of year-to-year changes in the total output of goods and services of the national economy. They do not, however, give a reliable indication of changes from year to year in the volume of goods and services available to the community arising from current production as they do not take into account the effect of changing terms of trade on this volume of goods and services. To allow for changes in the terms of trade, a further adjustment must be made and the second last row of Table 6.2 shows index numbers of the volume of gross national product referenced to 2012 and adjusted to take account of changes in the terms of trade.

### **Gross National Disposable Income at Current Prices (Table 7)**

In Table 7 the relationship between gross national product and gross national disposable income is shown and also the use of gross national disposable income for consumption expenditure and savings. Gross national disposable income represents the income available for consumption expenditure and savings by adding net receipts of current international transfers to national product. Table 7.1 shows the annual percentage changes in gross national disposable income and its use.

### **Gross National Disposable Income at Constant Market Prices, adjusted for Terms of Trade (Table 8)**

Table 8 shows the derivation of real Gross National Disposable Income adjusted for terms of trade.

In order to trace the development of real income (or income at constant prices) available for consumption or saving it is useful to express national disposable income at constant prices by deflating net receipts of current international transfers. To take full account of the changes in the volume of goods and services available to the community the adjustment for terms of trade previously outlined in relation to Table 6.2 should also be incorporated.

Following the convention used for deflation of net factor income from abroad (Appendix 1) the implied price index of the imports of goods and services is used to deflate net current international transfers if they are positive while the corresponding export index is used if they are negative.

### **Personal Income and Expenditure (Table 9)**

Table 9 shows the relationships between Personal Income, Private Income and Net National Product. Personal Income is the income accruing to households and private non-profit institutions. Personal savings is estimated residually by subtracting from personal income, total personal expenditure including taxes on personal income and wealth.

The method used to derive Private Income from Net National Product can be summarised as follows:

1. Reverse the adjustment for stock appreciation made in Table 1, as changes in stock values, including those arising from holding gains, are included in the total income available. They will largely be subtracted again in the transition from private income to personal income in item 124.
2. Subtract the income which the Government earns, e.g.

- (a) Surplus of National Lottery (included in trading profits of companies - item 4 of Table 1)
- (b) Imputed net rental income of Local Government (included in item 7 of Table 1)
- (c) Interest element in land annuities (item 8 of Table 1)
- (d) Interest earned by the Government on holdings of foreign securities (included in net factor income from the rest of the world - item 14 of Table 1)
- (e) Interest/dividends which the Government earns from its investment in State or semi-State companies, advances to the ESB Group, shares in Bord Gáis Éireann, and the Irish Aviation Authority etc. (included in the profits of these companies – item 4 of Table 1).

Also subtracted at this stage are

- (f) Interest which Local Government receive on loans under the Housing Acts which are subtracted to comply with the international definitions of Private and Personal Income which define them as being net of interest
  - (g) The gross trading income of the Post Office Savings Bank Fund which is excluded to take account of the fact that in adding on the interest paid out by the Government to the private sector (in item 121) an allowance has to be made for the part which is absorbed by the Post Office Savings Bank.
3. Add on National Debt Interest paid out by the Government (including interest paid abroad which has been subtracted in the adjustment for net factor incomes from abroad - item 14 in Table 1).
  4. Add transfer income (including net transfers from abroad).

The four steps above yield Private Income. The transition from Private Income to Personal Income is achieved by subtracting from private income the undistributed income (including interest/dividend and investment income) of companies and corporate bodies. The main components of Personal Income are shown below. These are also listed in Table 12. Personal income is actually derived directly from Table 12 and the undistributed profits of companies are in fact obtained as the residual of private income and personal income. In former years (prior to NIE06) the undistributed profits of companies were firstly obtained and were subtracted from private income to produce personal income. The method now employed to derive personal income is considered to yield a better estimate than the former method.

Components of personal income:

- (a) Income from self-employment
- (b) Income from the imputed rent assigned to owner-occupiers in respect of their dwellings
- (c) The difference between the lower rent paid by the tenants of Local Government dwellings and the economic rents of these dwellings (treated as a state transfer to households)
- (d) Wages, salaries and employer contributions to pension funds or imputed contributions where applicable
- (e) Employers' contributions to Social Insurance of its employees
- (f) Net Interest (i.e. interest and dividends earned less interest paid out on loans, mortgages, etc.)
- (g) State benefits in cash (e.g. state pensions, unemployment benefit and assistance, child benefit, etc.)
- (h) Some State benefits in kind considered to be transfers and included in item 122. Principal among these are:
  - State assistance towards student fees for 3rd level education
  - State scholarships and prizes
  - Free travel, electricity and telephone rental

- Drugs and medicines received free of charge or subsidised
- Transport services for school children.

(See Table 24 for a more comprehensive list.)

### **Net Current Income and Expenditure of Central and Local Government (Table 10)**

The detailed tables of the central and local government accounts are described below. Table 10 presents a summary of the income and expenditure of central and local government and gives the derivation of central and local government savings.

### **Capital Formation and Savings (Table 11)**

The savings of persons, central and local government and companies (i.e. net national savings as also shown in Table 7), together with provisions for depreciation, net foreign capital transfers and net foreign disinvestment are, by definition, equal to gross domestic capital formation. This equality is shown in Table 11. Figures for domestic capital formation are also obtained by adding figures for expenditure on imported and home produced capital goods to the value of the physical changes in stocks, including the value of changes in numbers of livestock on farms. Gross physical capital formation includes expenditure on renewal, replacement and major reconstruction work but does not include repair and maintenance of existing physical assets. In Table 11 personal savings are not directly assessed. They are taken from Table 9 where the figures are obtained as a residual, i.e. the difference between Personal Income (item 125 of Table 9), and the sum of personal consumption and taxes on personal income and wealth.

An alternative arrangement of the capital account to that presented in Table 11 is given in Table 11.1. This shows the trend in the additions to national wealth or gross national investment. Gross national savings plus capital transfers from abroad (which do not create external liabilities) represent the funds available for investment which take the form of gross domestic physical capital formation plus net foreign investment.

### **Distribution of Personal Income (Table 12)**

The components of personal income are shown here, as already described earlier in the notes to Table 9.

### **Details of Personal Consumption (Tables 13 & 14)**

The consumption of personal income on different items of goods and services is shown in Table 13 at current prices and in Table 14 at constant prices. For more information on the item called "FISIM" refer to the paragraph on "Profits of businesses" in Appendix 1 page 38.

Table 13.1 shows the annual percentage changes for the main items of consumption at current prices.

The current price figures are, of course, affected by changes in prices as well as in volume. The figures in Table 14 provide a series of *real* or *quantum* expenditures in constant (i.e. chain linked) prices for each of the years shown. The corresponding annual percentage changes are shown in Table 14.1.

### **Details of Capital Formation (Tables 15 to 18)**

A detailed breakdown of gross domestic physical capital formation by type is given in Table 15 at current prices and in Table 17 at constant prices.

Tables 16 and 18 give a breakdown of gross domestic fixed capital formation by sector of use at current and constant prices.

### **Central and Local Government Accounts (Tables 19 to 28)**

The central and local government accounts represent a consolidation of central government accounts (including extra-budgetary funds) with those of local government. The details are shown in Tables 19 to 28. The classification of certain constituents in the tables into current and capital expenditure is not the same as that used in tables issued in connection with the Budget and in the Local Taxation Returns. Further slight adjustments are made to some of the figures in Table 21 for inclusion in the national accounts. The adjusted figures are shown in Table 10. The main differences between the central government accounts as incorporated in the national income accounts and those shown in the Finance Accounts were fully described on pages 21-22 of National Income and Expenditure 1963.

Tables 26, 27 and 28 show central and local government expenditure classified by purpose of expenditure and economic category. Table 28 shows the consolidated transactions for all central and local government while the separate details for central government and for local government are contained in Tables 26 and 27, respectively. The data are presented in Tables 26, 27 and 28 for the years 2008 to 2013. (The tables are consistent with the rest of the national accounts and the expenditure totals correspond with those in Tables 19, 20 and 21).

Data for central government expenditure are derived from the Finance and Appropriation Accounts published by the Department of Finance, supplemented by the Estimates for the Public Services and information on the various extra-budgetary accounts. The data for the local government are derived from the Local Taxation Returns published by the Department of the Environment, Community and Local Government together with additional details provided by the Department. Data for the Health Service Executive (formerly the health boards) are provided by the Department of Health. The accounts of some subsidiary bodies are also used. Certain practical and conceptual difficulties arise in the allocation of these expenditures to rigidly defined categories and, therefore, this classification must to some extent be regarded as estimated. This qualification applies in particular to the local government tables since the form of local government and Health Service Executive or health board accounts does not allow as much analysis of expenditure as do the central government accounts.

Twelve purpose categories have been distinguished for central government and the combined central and local government' expenditure, while for local government ten such categories are shown (*Defence* is omitted and expenditures on *Mining, manufacturing and construction* which are relatively small are included with *Other economic services*). It is not feasible to allocate expenditure on the public debt (interest and repayments) between the various types of services so Public debt is featured as a special purpose category. Three main groups covering general government services, social services and economic services, with subdivisions in each group, have been identified.

While it would be impossible to specify the detailed content of each purpose category a broad description of the types of expenditure included under each heading is given in Appendix 2. It may be noted that the total expenditure on *Agriculture, Forestry and Fishing* by central government is shown to be considerably higher than by the combined central and local government. This is due to the inclusion in the former of the payments to local government in relief of rates on agricultural land, which are consolidated out of the combined tables.

Tables 26.1, 27.1 and 28.1 show the percentage distribution of total expenditure allocated to each purpose category.

### **Balance of International Payments (Table 30)**

Tables 30(a) and 30(b) give the main results of the annual balance of international payments on current, capital and financial accounts. The figures agree with the most recent BOP release (i.e. that of Q1 2014) in respect of the years 2012 and 2013 but contain revisions to certain earlier years which have not been incorporated in the BOP release.

### **Gross Value Added at Current Basic Prices NACE Rev 2 (Table 31)**

This table provides gross value added at basic prices in current terms for 37 sectors of the economy according to the NACE Rev2 classification system. A much more detailed sectoral breakdown of GVA for the economy is displayed here than in Table 3 where data for the six main sectors are shown. It should be noted that Table 31 provides valuations of GVA for the sectors at "basic prices" in contrast to Table 3 which uses the "factor cost" valuation. "Basic prices" is the valuation used in EU publications and differs from "factor cost" in that overhead taxes (such as rates) are included in the basic prices valuations while overhead subsidies are excluded.

### **Gross Value Added at Constant Basic Prices NACE Rev 2 (Table 32)**

This table provides gross value added at constant prices (chain linked and referenced to 2012) for 37 sectors of the economy. The same sectors are used as in Table 31 which is in current prices. The table provides a detailed breakdown of real growth in the constituent sectors of the economy. It is similar to Table 4 but provides a greater level of detail. The valuation used in Table 32 (as in Table 31) is "basic prices". The valuation is at "factor cost" in Table 4.

## **National Income and Expenditure**

### **Detailed Tables**



**Table 1 Net Value Added at Factor Cost and Net National Income at Market Prices**

		€ million					
Description	ESA Code	2008	2009	2010	2011	2012	2013†
<b>Value added from agriculture, forestry and fishing (B.1n-D.29+D.39) Pt</b>		<b>2,754</b>	<b>2,064</b>	<b>2,586</b>	<b>3,202</b>	<b>3,019</b>	<b>3,027</b>
1. Income from self-employment and other trading income	B.3 (Pt)	2,188	1,494	1,987	2,591	2,402	2,398
Remuneration of employees:	D.1 (Pt)						
2. Wages and salaries	(D.11+D.12) Pt	518	523	549	560	566	576
3. Employers' contribution to social insurance	D.12 (Pt)	47	48	50	51	52	53
<b>Non-agricultural value added (B.1n-D.29+D.39) Pt</b>		<b>141,768</b>	<b>127,569</b>	<b>127,321</b>	<b>133,110</b>	<b>133,166</b>	<b>133,561</b>
Profits and self employed earnings:							
4. Domestic trading profits of companies (including corporate bodies) before tax	B.2 (Pt)	40,259	36,701	43,962	49,023	49,896	46,925
5. Self employed earnings	B.3 (Pt)	11,026	9,325	8,410	7,921	7,477	7,319
of which:							
5(a) Withdrawals from quasi-corporations ^	D.422	1,173	724	891	748	792	776
6. Adjustment for stock appreciation	B.2 (Pt)	-179	1,086	-318	-98	-82	561
7. Rent of dwellings (actual and imputed)	B.2 (Pt)	8,578	5,774	5,827	6,799	6,356	6,901
of which imputed rent		6,587	4,301	4,291	4,972	4,584	4,978
8. Rent element in land annuities		1	1	1	0	1	0
Remuneration of employees:	D.1 (Pt)						
9. Wages and salaries	(D.11+D.12) Pt	76,235	69,433	64,427	64,151	64,562	66,581
10. Employers' contribution to social insurance	D.12 (Pt)	5,849	5,250	5,013	5,314	4,957	5,273
<b>Adjustments:</b>							
12. Statistical discrepancy		-189	1,501	-1,719	-1,654	-1,728	-1,761
<b>13. Net value added at factor cost (B.1n-D.29+D.39)</b>		<b>144,333</b>	<b>131,135</b>	<b>128,188</b>	<b>134,659</b>	<b>134,458</b>	<b>134,827</b>
14. Net factor income from the rest of the world	D.1 & D.4 (net to abroad)	-25,837	-28,517	-26,425	-32,127	-31,526	-27,286
<b>15. Net national product at factor cost</b>		<b>118,496</b>	<b>102,618</b>	<b>101,763</b>	<b>102,532</b>	<b>102,932</b>	<b>107,541</b>
16. National (i.e. non EU) taxes	D.2 (Pt)	22,115	18,132	17,960	17,598	18,187	19,019
17. National (i.e. non EU) subsidies	D.3 (Pt)	-1,922	-1,889	-1,789	-1,584	-1,548	-1,508
<b>18. Net national income at market prices B.5*n</b>		<b>138,689</b>	<b>118,860</b>	<b>117,933</b>	<b>118,546</b>	<b>119,571</b>	<b>125,051</b>

† Preliminary

^ This represents the earnings of the owners of large non incorporated businesses (e.g. large partnerships) which are similar in their economic and financial behaviour to companies of an equivalent size.

**Table 1.1 Annual Percentage Changes in the Main Constituents of Table 1**

Description	ESA Code	2008-2013	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
<b>Value added from agriculture, forestry and fishing (B.1n-D.29+D.39) Pt</b>		<b>1.9</b>	<b>-25.0</b>	<b>25.3</b>	<b>23.8</b>	<b>-5.7</b>	<b>0.2</b>
Income from self-employment and other trading income	B.3 (Pt)	<b>1.9</b>	<b>-31.7</b>	<b>33.0</b>	<b>30.4</b>	<b>-7.3</b>	<b>-0.1</b>
Remuneration of employees	D.1 (Pt)	<b>2.1</b>	<b>0.9</b>	<b>5.0</b>	<b>2.0</b>	<b>1.1</b>	<b>1.8</b>
<b>Non-agricultural value added (B.1n-D.29+D.39) Pt</b>		<b>-1.2</b>	<b>-10.0</b>	<b>-0.2</b>	<b>4.5</b>	<b>0.0</b>	<b>0.3</b>
Profits etc. #	B.2 (Pt) & B.3 (Pt)	<b>0.5</b>	<b>-11.4</b>	<b>9.4</b>	<b>10.0</b>	<b>0.0</b>	<b>-3.1</b>
Remuneration of employees	D.1 (Pt)	<b>-2.6</b>	<b>-9.0</b>	<b>-7.0</b>	<b>0.0</b>	<b>0.1</b>	<b>3.4</b>
Net national product at factor cost		<b>-1.9</b>	<b>-13.4</b>	<b>-0.8</b>	<b>0.8</b>	<b>0.4</b>	<b>4.5</b>
Net national income at market prices	<b>B.5*n</b>	<b>-2.0</b>	<b>-14.3</b>	<b>-0.8</b>	<b>0.5</b>	<b>0.9</b>	<b>4.6</b>

# i.e. Items 4 to 8 in Table 1



**Table 2 Net Value Added at Factor Cost by Sector of Origin and Gross National Income at Current Market Prices**

(Note the sectors here are based on NACE Rev. 2. For further details see the methodology notes at the back)

€ million

Description	ESA Code	2008	2009	2010	2011	2012	2013†
<b>19. Agriculture, forestry and fishing</b>							
<b>Net value added</b>	<b>(B.1n-D.29+D.39) Pt</b>	<b>2,754</b>	<b>2,065</b>	<b>2,587</b>	<b>3,202</b>	<b>3,020</b>	<b>3,027</b>
Remuneration of employees	D.1 (Pt)	566	571	599	611	618	629
Other	(B.2 & B.3) Pt	2,189	1,494	1,988	2,591	2,403	2,399
<b>20. Industry (including building)</b>							
<b>Net value added</b>	<b>(B.1n-D.29+D.39) Pt</b>	<b>40,966</b>	<b>35,424</b>	<b>32,837</b>	<b>36,504</b>	<b>36,003</b>	<b>32,040</b>
Remuneration of employees	D.1 (Pt)	20,986	16,306	14,191	13,643	13,283	13,403
Other	(B.2 & B.3) Pt	20,082	18,445	19,021	23,265	22,795	18,264
Adjustment for stock appreciation	(B.2 & B.3) Pt	-101	673	-375	-403	-75	373
<b>20a. Industry</b>							
<b>Net value added</b>	<b>(B.1n-D.29+D.39) Pt</b>	<b>30,150</b>	<b>31,764</b>	<b>30,683</b>	<b>34,518</b>	<b>33,604</b>	<b>29,541</b>
Remuneration of employees	D.1 (Pt)	11,869	10,612	10,025	9,943	9,845	10,014
Other	(B.2 & B.3) Pt	18,382	20,479	21,032	24,978	23,834	19,153
Adjustment for stock appreciation	(B.2 & B.3) Pt	-101	673	-375	-403	-75	373
<b>20b. Building and construction</b>							
<b>Net value added</b>	<b>(B.1n-D.29+D.39) Pt</b>	<b>10,817</b>	<b>3,660</b>	<b>2,154</b>	<b>1,986</b>	<b>2,400</b>	<b>2,499</b>
Remuneration of employees	D.1 (Pt)	9,118	5,693	4,166	3,700	3,438	3,388
Other	(B.2 & B.3) Pt	1,699	-2,034	-2,012	-1,713	-1,039	-889
<b>21. Distribution, transport, software and communication</b>							
<b>Net value added</b>	<b>(B.1n-D.29+D.39) Pt</b>	<b>33,605</b>	<b>31,306</b>	<b>33,151</b>	<b>33,343</b>	<b>34,163</b>	<b>36,661</b>
Remuneration of employees	D.1 (Pt)	20,501	18,922	18,432	18,683	19,156	19,935
Other	(B.2 & B.3) Pt	13,182	11,970	14,662	14,356	15,014	16,538
Adjustment for stock appreciation	(B.2 & B.3) Pt	-78	413	57	305	-7	188
<b>22. Public administration and defence</b>							
Remuneration of employees	D.1 (Pt)	6,242	5,855	5,407	5,222	4,969	4,893
<b>23. Other services (including rent)</b>							
<b>Net value added</b>	<b>(B.1n-D.29+D.39) Pt</b>	<b>60,954</b>	<b>54,985</b>	<b>55,926</b>	<b>58,041</b>	<b>58,030</b>	<b>59,967</b>
Remuneration of employees	D.1 (Pt)	34,354	33,600	31,410	31,918	32,110	33,624
Other	(B.2 & B.3) Pt	26,600	21,384	24,516	26,123	25,919	26,343
26. Statistical discrepancy (= Item 12)		-189	1,501	-1,719	-1,654	-1,728	-1,761
<b>27. Net value added at factor cost</b>	<b>B.1n-D.29+D.39</b>	<b>144,333</b>	<b>131,135</b>	<b>128,188</b>	<b>134,659</b>	<b>134,458</b>	<b>134,827</b>
<b>28. plus Provision for depreciation</b>	<b>P.51c</b>	<b>23,894</b>	<b>22,247</b>	<b>21,835</b>	<b>21,830</b>	<b>23,048</b>	<b>23,657</b>
Agriculture, forestry and fishing		864	852	795	769	778	788
Industry (including building)		6,579	6,528	6,433	6,227	6,303	5,947
Industry		6,024	6,010	5,986	5,847	5,963	5,682
Building and construction		555	518	447	380	340	265
Distribution, transport, software & communication		6,040	5,870	5,946	6,109	6,795	7,256
Other services		10,412	8,996	8,662	8,724	9,172	9,666
<b>29. Gross value added at factor cost</b>	<b>B.1g-D.29+D.39</b>	<b>168,227</b>	<b>153,382</b>	<b>150,023</b>	<b>156,489</b>	<b>157,506</b>	<b>158,484</b>
30. Non product taxes	D.29	1,778	1,844	1,884	1,900	2,095	2,298
31. Non product subsidies	D.39	-2,442	-2,359	-2,172	-2,196	-2,120	-1,990
<b>32. Gross value added at basic prices</b>	<b>B.1g</b>	<b>167,563</b>	<b>152,866</b>	<b>149,735</b>	<b>156,192</b>	<b>157,481</b>	<b>158,792</b>
33. Product taxes	D.21	20,583	16,497	16,304	15,939	16,334	16,968
34. Product subsidies	D.31	-1,276	-1,249	-1,111	-1,088	-1,061	-968
<b>35. Gross domestic product at current market prices B.1*g</b>		<b>186,870</b>	<b>168,114</b>	<b>164,928</b>	<b>171,042</b>	<b>172,755</b>	<b>174,791</b>
36. Net factor income from the rest of the world (net to abroad)	D.1 & D.4	-25,837	-28,517	-26,425	-32,127	-31,526	-27,286
<b>37. Gross national product at current market prices</b>		<b>161,033</b>	<b>139,597</b>	<b>138,503</b>	<b>138,915</b>	<b>141,229</b>	<b>147,505</b>
38. EU subsidies	D.3 (Pt)	1,797	1,719	1,494	1,700	1,632	1,450
39. EU taxes	D.2 (Pt)	-247	-209	-229	-240	-242	-247
<b>40. Gross national income at current market prices</b>	<b>B.5*g</b>	<b>162,583</b>	<b>141,107</b>	<b>139,768</b>	<b>140,376</b>	<b>142,619</b>	<b>148,709</b>

† Preliminary

**Table 3 Gross Value Added at Factor Cost by Sector of Origin and Gross National Income at Current Market Prices**

(Note the sectors here are based on NACE Rev. 2. For further details see the methodology notes at the back)

€ million

Description	ESA Code	2008	2009	2010	2011	2012	2013†
41. Agriculture, forestry and fishing	(B.1g-D.29+D.39) Pt	3,618	2,917	3,381	3,972	3,798	3,815
42. Industry (including building)	(B.1g-D.29+D.39) Pt	47,545	41,952	39,270	42,731	42,306	37,987
42a. <i>Industry</i>	(B.1g-D.29+D.39) Pt	36,173	37,774	36,669	40,365	39,566	35,223
42b. <i>Building and construction</i>	(B.1g-D.29+D.39) Pt	11,372	4,177	2,601	2,366	2,740	2,764
43. Distribution, transport, software & communication	(B.1g-D.29+D.39) Pt	39,646	37,176	39,097	39,452	40,958	43,917
44. Public administration and defence	(B.1g-D.29+D.39) Pt	7,784	7,375	6,871	6,683	6,462	6,303
45. Other services (including rent)	(B.1g-D.29+D.39) Pt	69,824	62,461	63,123	65,304	65,709	68,223
47. Statistical discrepancy (= Item 12)		-189	1,501	-1,719	-1,654	-1,728	-1,761
<b>48. Gross value added at factor cost</b>	<b>B.1g-D.29+D.39</b>	<b>168,227</b>	<b>153,382</b>	<b>150,023</b>	<b>156,489</b>	<b>157,506</b>	<b>158,484</b>
49. Non product taxes	D.29	1,778	1,844	1,884	1,900	2,095	2,298
50. Non product subsidies	D.39	-2,442	-2,359	-2,172	-2,196	-2,120	-1,990
<b>51. Gross value added at basic prices</b>	<b>B.1g</b>	<b>167,563</b>	<b>152,866</b>	<b>149,735</b>	<b>156,192</b>	<b>157,481</b>	<b>158,792</b>
52. Product taxes	D.21	20,583	16,497	16,304	15,939	16,334	16,968
53. Product subsidies	D.31	-1,276	-1,249	-1,111	-1,088	-1,061	-968
<b>54. Gross domestic product at current market prices</b>	<b>B.1*g</b>	<b>186,870</b>	<b>168,114</b>	<b>164,928</b>	<b>171,042</b>	<b>172,755</b>	<b>174,791</b>
55. Net factor income from the rest of the world	D.1 & D.4 (net to abroad)	-25,837	-28,517	-26,425	-32,127	-31,526	-27,286
<b>56. Gross national product at current market prices</b>		<b>161,033</b>	<b>139,597</b>	<b>138,503</b>	<b>138,915</b>	<b>141,229</b>	<b>147,505</b>
57. EU subsidies	D.3 (Pt)	1,797	1,719	1,494	1,700	1,632	1,450
58. EU taxes	D.2 (Pt)	-247	-209	-229	-240	-242	-247
<b>59. Gross national income at current market prices</b>	<b>B.5*g</b>	<b>162,583</b>	<b>141,107</b>	<b>139,768</b>	<b>140,376</b>	<b>142,619</b>	<b>148,709</b>

† Preliminary

**Table 3.1 Annual Percentage Change in the Main Constituents of Table**

Description	ESA Code	2008-2013	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Agriculture, forestry and fishing	(B.1g-D.29+D.39) Pt	1.1	-19.4	15.9	17.5	-4.4	0.5
Industry (including building)	(B.1g-D.29+D.39) Pt	-4.4	-11.8	-6.4	8.8	-1.0	-10.2
<i>Industry</i>	(B.1g-D.29+D.39) Pt	-0.5	4.4	-2.9	10.1	-2.0	-11.0
<i>Building and construction</i>	(B.1g-D.29+D.39) Pt	-24.6	-63.3	-37.7	-9.0	15.8	0.9
Distribution, transport, software & communication	(B.1g-D.29+D.39) Pt	2.1	-6.2	5.2	0.9	3.8	7.2
Public administration and defence	(B.1g-D.29+D.39) Pt	-4.1	-5.2	-6.8	-2.7	-3.3	-2.5
Other services (including rent)	(B.1g-D.29+D.39) Pt	-0.5	-10.5	1.1	3.5	0.6	3.8
Gross value added at factor cost	B.1g-D.29+D.39	-1.2	-8.8	-2.2	4.3	0.7	0.6
Gross value added at basic prices	B.1g	-1.1	-8.8	-2.0	4.3	0.8	0.8
Gross domestic product at current market prices	B.1*g	-1.3	-10.0	-1.9	3.7	1.0	1.2
Gross national product at current market prices		-1.7	-13.3	-0.8	0.3	1.7	4.4
Gross national income at current market prices	B.5*g	-1.8	-13.2	-0.9	0.4	1.6	4.3

**Table 4 Gross Value Added at Constant Factor Cost by Sector of Origin and Gross National Income at Constant Market Prices (chain linked annually and referenced to year 2012)**

(Note the sectors here are based on NACE Rev. 2. For further details see the methodology notes at the back)

€ million

Description	ESA Code	2008	2009	2010	2011	2012	2013†
60. Agriculture, forestry and fishing		4,323	4,067	3,977	3,954	3,798	4,008
61. Industry (including building)	(B.1g-D.29+D.39) Pt	46,858	41,845	42,285	43,328	42,306	41,706
Industry	(B.1g-D.29+D.39) Pt	39,654	37,481	39,007	40,433	39,566	38,641
of which #							
<i>Chemicals and pharmaceuticals</i>		10,225	12,577	15,777	17,558	17,497	17,549
<i>Computers and Instrument engineering</i>		5,625	3,888	2,752	2,697	2,815	2,143
<i>Medical and dental instruments &amp; supplies</i>		2,295	2,220	2,303	2,350	2,221	2,179
Building and construction	(B.1g-D.29+D.39) Pt	6,345	4,613	3,402	2,916	2,740	3,065
62. Distribution, transport, software & communication	(B.1g-D.29+D.39) Pt	43,379	40,773	40,692	40,535	40,958	38,839
of which							
<i>Software and communication</i>		15,764	16,080	16,513	16,932	17,796	15,694
63. Public administration and defence	(B.1g-D.29+D.39) Pt	7,859	7,435	6,985	6,632	6,462	6,319
64. Other services (including rent)	(B.1g-D.29+D.39) Pt	64,429	63,030	63,377	64,007	65,709	67,274
66. Statistical discrepancy		~	~	~	~	-1,728	-1,314
<b>67. Gross value added at constant factor cost</b>	<b>B.1g-D.29+D.39</b>	<b>160,649</b>	<b>153,286</b>	<b>153,138</b>	<b>158,259</b>	<b>157,506</b>	<b>156,831</b>
68. Non product taxes	D.29	1,937	1,976	1,880	1,844	2,095	2,267
69. Non product subsidies	D.39	-2,100	-2,280	-2,284	-2,274	-2,120	-1,963
<b>70. Gross value added at constant basic prices</b>	<b>B.1g</b>	<b>160,525</b>	<b>152,974</b>	<b>152,732</b>	<b>157,822</b>	<b>157,481</b>	<b>157,135</b>
71. Product taxes	D.21	21,510	17,292	16,999	16,559	16,334	16,883
72. Product subsidies	D.31	-1,149	-1,137	-1,084	-1,078	-1,061	-963
<b>73. Gross domestic product at constant market prices</b>	<b>B.1*g</b>	<b>180,593</b>	<b>169,088</b>	<b>168,622</b>	<b>173,297</b>	<b>172,755</b>	<b>173,055</b>
74. Net factor income from the rest of the world	D.1 & D.4 (net to abroad)	-27,968	-30,394	-27,759	-33,662	-31,526	-27,125
<b>75. Gross national product at constant market prices</b>		<b>152,149</b>	<b>138,784</b>	<b>140,781</b>	<b>139,717</b>	<b>141,229</b>	<b>145,929</b>
76. EU subsidies	D.3 (Pt)	1,783	1,736	1,500	1,734	1,632	1,443
77. EU taxes	D.2 (Pt)	-219	-220	-262	-242	-242	-246
<b>78. Gross national income at constant market prices</b>	<b>B.5*g</b>	<b>153,709</b>	<b>140,291</b>	<b>142,016</b>	<b>141,207</b>	<b>142,619</b>	<b>147,127</b>

† Preliminary

~ Chain linked series not additive except for 2012 and 2013

**Table 4.1 Annual Percentage Changes in the Main Constituents of Table 4**

Description	ESA Code	2008-2013	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Agriculture, forestry and fishing	(B.1g-D.29+D.39) Pt	-1.5	-5.9	-2.2	-0.6	-3.9	5.5
Industry (including building)	(B.1g-D.29+D.39) Pt	-2.3	-10.7	1.1	2.5	-2.4	-1.4
Industry	(B.1g-D.29+D.39) Pt	-0.5	-5.5	4.1	3.7	-2.1	-2.3
of which #							
<i>Chemicals and pharmaceuticals</i>		11.4	23.0	25.4	11.3	-0.3	0.3
<i>Computers and Instrument engineering</i>		-17.6	-30.9	-29.2	-2.0	4.4	-23.9
<i>Medical and dental instruments &amp; supplies</i>		-1.0	-3.3	3.8	2.0	-5.5	-1.9
Building and construction	(B.1g-D.29+D.39) Pt	-13.5	-27.3	-26.2	-14.3	-6.0	11.9
Distribution, transport, software & communication	(B.1g-D.29+D.39) Pt	-2.2	-6.0	-0.2	-0.4	1.0	-5.2
of which							
<i>Software and communication</i>		-0.1	2.0	2.7	2.5	5.1	-11.8
Public administration and defence	(B.1g-D.29+D.39) Pt	-4.3	-5.4	-6.0	-5.1	-2.6	-2.2
Other services (including rent)	(B.1g-D.29+D.39) Pt	0.9	-2.2	0.6	1.0	2.7	2.4
Gross value added at constant factor cost	B.1g-D.29+D.39	-0.5	-4.6	-0.1	3.3	-0.5	-0.4
Gross value added at constant basic prices	B.1g	-0.4	-4.7	-0.2	3.3	-0.2	-0.2
Gross domestic product at constant market prices	B.1*g	-0.8	-6.4	-0.3	2.8	-0.3	0.2
Gross national product at constant market prices		-0.8	-8.8	1.4	-0.8	1.1	3.3
Gross national income at constant market prices	B.5*g	-0.9	-8.7	1.2	-0.6	1.0	3.2

# The three sectors distinguished correspond to NACE Rev 2 classes 20 &amp; 21; 26; 32.5.

**Table 5 Expenditure on Gross National Income at Current Market Prices**

€ million

Description	ESA Code	2008	2009	2010	2011	2012	2013†
79. Personal consumption of goods and services	P.3 (Pt)	94,712	83,565	82,447	82,969	82,467	83,334
<i>of which:</i>							
79(a) Final consumption expenditure of Households and NPISHs		90,655	79,439	77,987	78,499	77,730	78,740
79(b) Final consumption expenditure of government		4,057	4,126	4,460	4,470	4,737	4,594
80. Net expenditure by central and local government on current goods and services	P.3 (Pt)	30,775	29,650	26,437	26,111	25,922	25,956
81. Gross domestic fixed capital formation	P.51 (Pt) & P.53	45,221	33,082	26,106	24,841	26,923	26,541
82. Value of physical changes in stocks	P.51 (Pt) & P.52	-330	-1,490	-569	780	288	837
<i>of which</i>							
82(a) Net additions to the breeding stocks		2	-44	-55	19	83	-20
83. Exports of goods and services #	P.6	150,180	146,363	157,811	167,086	182,506	184,056
84. less Imports of goods and services #	P.7	-133,876	-121,555	-129,023	-132,398	-147,079	-147,694
85. Statistical discrepancy (= - Item 12)		189	-1,501	1,719	1,654	1,728	1,761
<b>86. Gross domestic product at current market prices</b>	<b>B.1*g</b>	<b>186,870</b>	<b>168,114</b>	<b>164,928</b>	<b>171,042</b>	<b>172,755</b>	<b>174,791</b>
87. Net factor income from the rest of the world	D.1 & D.4 (net to abroad)	-25,837	-28,517	-26,425	-32,127	-31,526	-27,286
<b>88. Gross national product at current market prices</b>		<b>161,033</b>	<b>139,597</b>	<b>138,503</b>	<b>138,915</b>	<b>141,229</b>	<b>147,505</b>
89. EU subsidies	D.3 (Pt)	1,797	1,719	1,494	1,700	1,632	1,450
90. EU taxes	D.2 (Pt)	-247	-209	-229	-240	-242	-247
<b>91. Gross national income at current market prices</b>	<b>B.5*g</b>	<b>162,583</b>	<b>141,107</b>	<b>139,768</b>	<b>140,376</b>	<b>142,619</b>	<b>148,709</b>

† Preliminary

# Excluding factor income flows

**Table 5.1 Annual Percentage Changes in the Main Constituents of Table 5**

Description	ESA Code	2008-2013	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Personal consumption of goods and services	P.3 (Pt)	-2.5	-11.8	-1.3	0.6	-0.6	1.1
Net expenditure by central and local government on current goods and services	P.3 (Pt)	-3.3	-3.7	-10.8	-1.2	-0.7	0.1
Gross domestic physical capital formation	P.5	-9.4	-29.6	-19.2	0.3	6.2	0.6
<i>of which</i>							
Gross domestic fixed capital formation	P.51 (Pt) & P.53	-10.1	-26.8	-21.1	-4.8	8.4	-1.4
Exports of goods and services	P.6	4.2	-2.5	7.8	5.9	9.2	0.8
Imports of goods and services	P.7	2.0	-9.2	6.1	2.6	11.1	0.4
Gross domestic product at current market prices	B.1*g	-1.3	-10.0	-1.9	3.7	1.0	1.2
Gross national product at current market prices		-1.7	-13.3	-0.8	0.3	1.7	4.4
Gross national income at current market prices	B.5*g	-1.8	-13.2	-0.9	0.4	1.6	4.3

**Table 6 Expenditure on Gross National Income at Constant Market Prices  
(chain linked annually and referenced to year 2012)**

€ million

Description	ESA Code	2008	2009	2010	2011	2012	2013†
92. Personal consumption of goods and services	P.3 (Pt)	88,404	83,646	84,413	83,434	82,467	81,797
<i>of which:</i>							
92(a) Final consumption expenditure of Households and NPISHs		84,341	79,426	79,718	78,869	77,730	77,422
92(b) Final consumption expenditure of government		4,025	4,210	4,695	4,561	4,737	4,375
93. Net expenditure by central and local government on current goods and services	P.3 (Pt)	30,215	29,151	27,069	26,490	25,922	26,273
94. Gross domestic fixed capital formation	P.51 (Pt) & P.53	40,535	32,225	26,418	25,650	26,923	26,275
95. Value of physical changes in stocks	P.51 (Pt) & P.52	-328	-1,471	-577	782	288	861
<i>of which:</i>							
95(a) Net additions to the breeding stocks		3	-57	-70	21	83	-21
96. Exports of goods and services #	P.6	162,128	155,661	165,266	174,329	182,506	184,565
97. less Imports of goods and services #	P.7	-147,917	-134,360	-138,414	-137,572	-147,079	-148,031
98. Statistical discrepancy (= - item 66)		~	~	~	~	1,728	1,314
<b>99. Gross domestic product at constant market prices</b>	<b>B.1*g</b>	<b>180,593</b>	<b>169,088</b>	<b>168,622</b>	<b>173,297</b>	<b>172,755</b>	<b>173,055</b>
100. Net factor income from the rest of the world	D.1 & D.4 (net to abroad)	-27,968	-30,394	-27,759	-33,662	-31,526	-27,125
<b>101. Gross national product at constant market prices</b>		<b>152,149</b>	<b>138,784</b>	<b>140,781</b>	<b>139,717</b>	<b>141,229</b>	<b>145,929</b>
102. EU subsidies	D.3 (Pt)	1,783	1,736	1,500	1,734	1,632	1,443
103. EU Taxes	D.2 (Pt)	-219	-220	-262	-242	-242	-246
<b>104. Gross national income at constant market prices</b>	<b>B.5*g</b>	<b>153,709</b>	<b>140,291</b>	<b>142,016</b>	<b>141,207</b>	<b>142,619</b>	<b>147,127</b>

† Preliminary

# Excluding factor income flows

~ Chain linked series not additive except for 2012 and 2013

**Table 6.1 Annual Percentage Changes in the Main Constituents of Table 6**

Description	ESA Code	2008-2013	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Personal consumption of goods and services	P.3 (Pt)	-1.5	-5.4	0.9	-1.2	-1.2	-0.8
Net expenditure by central and local government on current goods and services	P.3 (Pt)	-2.8	-3.5	-7.1	-2.1	-2.1	1.4
Gross domestic physical capital formation	P.5	-7.5	-23.2	-16.0	2.3	2.9	-0.3
<i>of which</i>							
Gross domestic fixed capital formation	P.51 (Pt) & P.53	-8.3	-20.5	-18.0	-2.9	5.0	-2.4
Exports of goods and services	P.6	2.6	-4.0	6.2	5.5	4.7	1.1
Imports of goods and services	P.7	0.0	-9.2	3.0	-0.6	6.9	0.6
Gross domestic product at constant market prices	B.1*g	-0.8	-6.4	-0.3	2.8	-0.3	0.2
Gross national product at constant market prices		-0.8	-8.8	1.4	-0.8	1.1	3.3
Gross national income at constant market prices	B.5*g	-0.9	-8.7	1.2	-0.6	1.0	3.2

**Table 6.2 Volume Index Numbers of Gross National Income and its Expenditure Constituents**  
**(Chain linked and referenced to year 2012=100)**

Description	2008	2009	2010	2011	2012	2013†
Personal consumption of goods and services	107.2	101.4	102.4	101.2	100.0	99.2
Net expenditure by central and local government on current goods and services	116.6	112.5	104.4	102.2	100.0	101.4
Gross domestic physical capital formation	147.3	113.1	95.0	97.2	100.0	99.7
Exports of goods and services	88.8	85.3	90.6	95.5	100.0	101.1
Imports of goods and services	100.6	91.4	94.1	93.5	100.0	100.6
Gross domestic product at constant market prices	104.5	97.9	97.6	100.3	100.0	100.2
Gross national product at constant market prices	107.7	98.3	99.7	98.9	100.0	103.3
Gross national income at constant market prices	107.8	98.4	99.6	99.0	100.0	103.2
Value of gross national product at constant market prices, allowing for changes in terms of trade #	111.0	102.8	102.6	98.4	100.0	103.3
Value of gross national income at constant market prices, allowing for changes in terms of trade #	111.0	102.9	102.5	98.5	100.0	103.1

† Preliminary

# The adjustment for terms of trade is explained in the notes to Table 8 in Appendix 2.

**Table 7 Gross National Disposable Income and its Use**

€ million

Description	ESA Code	2008	2009	2010	2011	2012	2013†
105. Gross domestic product at current market prices	<b>B.1*g</b>	186,870	168,114	164,928	171,042	172,755	174,791
106. Net factor income from the rest of the world	D.1 & D.4 (net to abroad)	-25,837	-28,517	-26,425	-32,127	-31,526	-27,286
<b>107. Gross national product at current market prices</b>		<b>161,033</b>	<b>139,597</b>	<b>138,503</b>	<b>138,915</b>	<b>141,229</b>	<b>147,505</b>
108. EU subsidies	D.3 (Pt)	1,797	1,719	1,494	1,700	1,632	1,450
109. EU taxes	D.2 (Pt)	-247	-209	-229	-240	-242	-247
<b>110. Gross national income at current market prices</b>	<b>B.5*g</b>	<b>162,583</b>	<b>141,107</b>	<b>139,768</b>	<b>140,376</b>	<b>142,619</b>	<b>148,709</b>
111. Current transfers from the rest of the world less current transfers to the rest of the world (excluding EU subsidies and taxes)	D.7 Pt	-2,704	-2,933	-2,679	-2,643	-2,592	-2,641
<b>112. Gross national disposable income</b>	<b>B.6g</b>	<b>159,879</b>	<b>138,174</b>	<b>137,089</b>	<b>137,732</b>	<b>140,027</b>	<b>146,067</b>
113. Personal consumption of goods and services	P.3 (Pt)	94,712	83,565	82,447	82,969	82,467	83,334
114. Net expenditure by central and local government on current goods and services	P.3 (Pt)	30,775	29,650	26,437	26,111	25,922	25,956
<b>115. Total consumption expenditure</b>	<b>P.3</b>	<b>125,486</b>	<b>113,215</b>	<b>108,884</b>	<b>109,080</b>	<b>108,389</b>	<b>109,290</b>
<b>116. Gross national savings</b>	<b>B.8g</b>	<b>34,393</b>	<b>24,959</b>	<b>28,206</b>	<b>28,652</b>	<b>31,638</b>	<b>36,777</b>
<b>117. Provision for depreciation</b>	<b>P.51c</b>	<b>23,894</b>	<b>22,247</b>	<b>21,835</b>	<b>21,830</b>	<b>23,048</b>	<b>23,657</b>
<b>118. Net national savings</b>	<b>B.8n</b>	<b>10,499</b>	<b>2,712</b>	<b>6,371</b>	<b>6,822</b>	<b>8,590</b>	<b>13,120</b>

† Preliminary

**Table 7.1 Annual Percentage Changes in the Main Constituents of Table 7**

Description	ESA Code	2008-2013	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Gross domestic product at current market prices	B.1*g	-1.3	-10.0	-1.9	3.7	1.0	1.2
Gross national product at current market prices		-1.7	-13.3	-0.8	0.3	1.7	4.4
Gross national disposable income	B.6g	-1.8	-13.6	-0.8	0.5	1.7	4.3
Personal consumption of goods and services	P.3 (Pt)	-2.5	-11.8	-1.3	0.6	-0.6	1.1
Net expenditure by central and local government on current goods and services	P.3 (Pt)	-3.3	-3.7	-10.8	-1.2	-0.7	0.1
Total consumption expenditure	P.3	-2.7	-9.8	-3.8	0.2	-0.6	0.8
Gross national savings	B.8g	1.3	-27.4	13.0	1.6	10.4	16.2
Provision for depreciation	K.1	-0.2	-6.9	-1.9	0.0	5.6	2.6
Net national savings	B.8n	4.6	-74.2	134.9	7.1	25.9	52.7

**Table 8 Gross National Disposable Income at Constant Market Prices (chain linked annually and referenced to year 2012)  
Adjusted for Terms of Trade (i.e. Real Gross National Disposable Income)** € million

Description	2008	2009	2010	2011	2012	2013†
Gross national income (adjusted for terms of trade) (chain linked and referenced to 2012)	158,329	146,684	146,168	140,495	142,619	147,038
Net current transfers from abroad (chain linked and referenced to 2012) excluding EU subsidies and Taxes	-3,784	-3,835	-3,234	-2,969	-2,592	-2,447
Gross national disposable income (adjusted for terms of trade) (chain linked and referenced to 2012)	154,641	143,040	143,002	137,572	140,027	144,590
Index of Real gross national disposable income (chain linked and referenced to 2012)	110.4	102.2	102.1	98.2	100.0	103.3

† Preliminary

~ Chain linked series not additive except for 2012 and 2013



**Table 9 Personal Income and Personal Expenditure**

€ million

Description	2008	2009	2010	2011	2012	2013†
119. Net national product at factor cost before adjustment for stock appreciation	118,675	101,532	102,081	102,630	103,014	106,980
120. less Government trading and investment income	-2,707	-2,439	-2,547	-2,897	-3,528	-3,688
121. plus National debt interest	2,398	3,412	4,921	5,888	7,157	7,657
122. plus Transfer income (including net transfers from the rest of the world)	23,797	25,368	25,644	25,753	26,287	25,538
<b>123. Private income</b>	<b>142,162</b>	<b>127,872</b>	<b>130,098</b>	<b>131,375</b>	<b>132,931</b>	<b>136,488</b>
124. less Undistributed profits of companies before tax	-15,259	-8,485	-18,547	-19,204	-19,785	-21,870
<b>125. Personal income</b>	<b>126,904</b>	<b>119,387</b>	<b>111,551</b>	<b>112,171</b>	<b>113,146</b>	<b>114,618</b>
126. Personal consumption of goods and services	94,712	83,565	82,447	82,969	82,467	83,334
127. Taxes on personal income and wealth	26,237	23,756	22,650	24,676	25,430	26,218
<b>128. Total personal expenditure</b>	<b>120,949</b>	<b>107,322</b>	<b>105,097</b>	<b>107,645</b>	<b>107,898</b>	<b>109,552</b>
<b>129. Personal savings°</b>	<b>5,955</b>	<b>12,066</b>	<b>6,454</b>	<b>4,526</b>	<b>5,248</b>	<b>5,066</b>

° Personal Savings are compiled on a different basis to those in the Institutional Sector Accounts published by CSO. The differences in the methodologies used in the two sets of estimates are outlined in the notes to the Annual releases on Institutional Sector Accounts.

† Preliminary

**Table 10 Net Current Income and Expenditure of Central and Local Government #**

€ million

Description	2008	2009	2010	2011	2012	2013†
130. Taxes on income and wealth (including social insurance contributions)	31,309	27,646	26,595	28,428	29,395	30,491
131. Taxes on expenditure (including rates)	22,115	18,132	17,960	17,598	18,187	19,019
132. Net trading and investment income	2,707	2,439	2,547	2,897	3,528	3,688
133. Current transfers from the rest of the world to central and local government	132	82	99	41	42	57
<b>134. Total income</b>	<b>56,263</b>	<b>48,299</b>	<b>47,201</b>	<b>48,964</b>	<b>51,152</b>	<b>53,254</b>
135. Subsidies (excluding EU subsidies) #	1,922	1,890	1,789	1,584	1,548	1,508
136. Transfer payments (including transfers to the rest of the world) and national debt interest	29,031	31,795	33,343	34,326	36,080	35,894
137. Net current expenditure on goods and services	30,775	29,650	26,437	26,111	25,922	25,956
<b>138. Total expenditure</b>	<b>61,728</b>	<b>63,334</b>	<b>61,569</b>	<b>62,021</b>	<b>63,550</b>	<b>63,358</b>
<b>139. Central and local government savings</b>	<b>-5,465</b>	<b>-15,035</b>	<b>-14,368</b>	<b>-13,057</b>	<b>-12,398</b>	<b>-10,105</b>

# See explanatory note to Table 10 in Appendix 2

† Preliminary

**Table 11 Savings and Capital Formation**

€ million

Description	2008	2009	2010	2011	2012	2013†
Savings before adjustment for stock appreciation						
140. Personal	5,955	12,066	6,454	4,526	5,248	5,066
141. Companies	10,187	4,595	14,603	15,451	15,820	17,596
142. Central and local government #	-5,464	-15,034	-14,368	-13,056	-12,398	-10,104
143. Net national savings before adjustment for stock appreciation	10,678	1,626	6,689	6,921	8,671	12,559
144. Adjustment for stock appreciation	-179	1,086	-318	-98	-82	561
<b>145. Net national savings</b>	<b>10,499</b>	<b>2,712</b>	<b>6,371</b>	<b>6,822</b>	<b>8,589</b>	<b>13,119</b>
146. Provision for depreciation	23,894	22,247	21,835	21,830	23,048	23,657
147. Net foreign capital transfers	119	14	91	234	86	100
148. Net foreign disinvestment	10,568	5,118	-1,040	-1,612	-2,785	-7,738
149. Statistical discrepancy (= Item 12)	-189	1,501	-1,719	-1,654	-1,728	-1,761
<b>150. Gross total available for investment in domestic physical capital formation</b>	<b>44,891</b>	<b>31,592</b>	<b>25,538</b>	<b>25,621</b>	<b>27,210</b>	<b>27,377</b>
Capital formation						
151. Building and construction	29,185	17,075	11,220	9,359	9,366	10,996
152. Other home produced capital goods and services	4,176	3,687	3,919	4,390	4,365	4,284
153. Imported capital goods and services	11,860	12,320	10,967	11,092	13,193	11,261
154. Value of physical changes in agric. stocks	15	-13	-162	-52	198	122
155. Increase in value of non-agricultural stocks and work in progress (incl. EU intervention stocks)	-166	-2,564	-88	930	171	154
156. Adjustment for stock appreciation	-179	1,086	-318	-98	-82	561
<b>157. Gross domestic physical capital formation</b>	<b>44,891</b>	<b>31,592</b>	<b>25,538</b>	<b>25,621</b>	<b>27,211</b>	<b>27,378</b>

† Preliminary

# See explanatory note to Table 10 in Appendix 2

In this table the total amount available for investment, (i.e. current savings, the provision for depreciation, net foreign capital transfers and net foreign disinvestment) is equated to gross domestic physical capital formation. The figures for capital formation are obtained by adding figures for imported and home produced capital goods ready for use to the value of the physical changes in stocks, including the value of the changes in agricultural stocks. Since personal savings (item 129) is a residual figure it includes the effect of the changes in agricultural and certain other stocks. Personal savings accordingly includes a substantial non-monetary element.

**Table 11.1 Gross National Investment**

€ million

Description	2008	2009	2010	2011	2012	2013†
Gross national savings	34,393	24,959	28,206	28,652	31,637	36,776
Net foreign capital transfers	119	14	91	234	86	100
Statistical discrepancy (= Item 12)	-189	1,501	-1,719	-1,654	-1,728	-1,761
<b>Total available for gross national investment</b>	<b>34,323</b>	<b>26,474</b>	<b>26,578</b>	<b>27,233</b>	<b>29,995</b>	<b>35,115</b>
Gross domestic physical capital formation	44,891	31,592	25,538	25,621	27,211	27,378
Net foreign investment	-11,742	-6,479	-55	329	1,569	6,714
<b>Gross national investment</b>	<b>33,149</b>	<b>25,113</b>	<b>25,483</b>	<b>25,950</b>	<b>28,780</b>	<b>34,092</b>

† Preliminary

**Table 12 Distribution of Personal Income and its relationship to Net National Product at Factor Cost**

€ million

Description	2008	2009	2010	2011	2012	2013†
Remuneration of employees	82,001	74,864	69,787	69,930	69,934	72,322
Agriculture, etc.	518	523	549	560	566	576
Domestic non-agriculture	76,235	69,433	64,427	64,151	64,562	66,581
Foreign	-648	-389	-252	-146	-202	-162
Employers' contribution to social insurance	5,896	5,297	5,063	5,365	5,008	5,326
Income of independent traders etc.	13,214	10,819	10,397	10,512	9,879	9,718
Agriculture, etc.	2,188	1,494	1,987	2,591	2,402	2,398
Non-agriculture	11,026	9,325	8,410	7,921	7,477	7,319
Interest earned (prior to adjustment for FISIM) and dividends received	7,322	4,971	4,902	4,822	5,850	4,578
Adjustment for FISIM on interest earned	1,772	-1,043	-929	-412	-1,310	-1,029
Rent of private dwellings	8,023	5,320	5,391	6,347	5,851	6,354
less						
Interest paid (prior to adjustment for FISIM)	10,658	6,723	6,154	6,855	6,124	5,824
Adjustment for FISIM on interest paid	-1,622	-4,311	-4,232	-3,727	-4,506	-4,722
Current transfers to households (including net transfers from the rest of the world)	23,797	25,368	25,644	25,753	26,287	25,538
Statistical discrepancy (= Item 12)	-189	1,501	-1,719	-1,654	-1,728	-1,761
<b>Personal income of households and private non-profit institutions</b>	<b>126,904</b>	<b>119,387</b>	<b>111,551</b>	<b>112,171</b>	<b>113,146</b>	<b>114,618</b>
Undistributed profits of companies	15,259	8,485	18,547	19,204	19,785	21,870
<b>Private income</b>	<b>142,162</b>	<b>127,872</b>	<b>130,098</b>	<b>131,375</b>	<b>132,931</b>	<b>136,488</b>
less National debt interest	-2,398	-3,412	-4,921	-5,888	-7,157	-7,657
less Current transfers to households (including net transfers from the rest of the world)	-23,797	-25,368	-25,644	-25,753	-26,287	-25,538
plus Government trading and investment income	2,707	2,439	2,547	2,897	3,528	3,688
Adjustment for stock appreciation	-179	1,086	-318	-98	-82	561
<b>Net national product at factor cost</b>	<b>118,496</b>	<b>102,618</b>	<b>101,763</b>	<b>102,532</b>	<b>102,932</b>	<b>107,541</b>

† Preliminary

**Table 12.1 Annual Percentage Changes in the Main Constituents of Personal Income**

Description	2008-2013	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Remuneration of employees	-2.5	-8.7	-6.8	0.2	0.0	3.4
Income of independent traders	-6.0	-18.1	-3.9	1.1	-6.0	-1.6
Current transfers to households (including net transfers from the rest of the world)	1.4	6.6	1.1	0.4	2.1	-2.8
Personal income of households and private non-profit institutions	-2.0	-5.9	-6.6	0.6	0.9	1.3

Table 13 Consumption of Personal Income at Current Market Prices

€ million

Description	2008	2009	2010	2011	2012	2013†
<b>Food, beverages and tobacco</b>	<b>17,562</b>	<b>16,357</b>	<b>15,768</b>	<b>16,264</b>	<b>16,349</b>	<b>16,225</b>
Food (excl. meals out)	7,946	7,326	7,008	7,332	7,530	7,722
Non-alcoholic beverages	549	529	498	606	656	645
Alcoholic beverages (total incl pubs)	6,966	6,327	6,253	6,277	6,190	6,120
Tobacco	2,100	2,175	2,009	2,048	1,973	1,738
<b>Clothing and footwear</b>	<b>3,854</b>	<b>3,627</b>	<b>3,293</b>	<b>3,106</b>	<b>2,984</b>	<b>2,906</b>
<b>Housing (rent, local government charges, repairs and decorations)</b>	<b>16,886</b>	<b>14,568</b>	<b>14,179</b>	<b>14,657</b>	<b>15,040</b>	<b>15,905</b>
<i>of which imputed rent</i>	<i>12,486</i>	<i>10,502</i>	<i>9,982</i>	<i>10,172</i>	<i>10,409</i>	<i>11,025</i>
<b>Fuel and power (excluding motor fuels)</b>	<b>3,465</b>	<b>3,051</b>	<b>3,081</b>	<b>3,161</b>	<b>3,387</b>	<b>3,471</b>
<b>Household equipment and operation</b>	<b>5,426</b>	<b>4,032</b>	<b>3,662</b>	<b>3,405</b>	<b>3,316</b>	<b>3,187</b>
Durable household goods	3,519	2,489	2,159	1,824	1,690	1,697
Non-durable goods and services	1,906	1,543	1,503	1,581	1,626	1,490
<b>Transport and communication</b>	<b>14,222</b>	<b>11,782</b>	<b>12,263</b>	<b>12,746</b>	<b>12,629</b>	<b>12,280</b>
Personal transport equipment	3,742	1,988	2,414	2,377	2,161	2,157
Operation of personal transport equipment (incl. motor fuels)	4,836	4,466	4,859	5,322	5,455	5,092
Public transport	2,726	2,612	2,511	2,643	2,744	2,872
Communication	2,918	2,715	2,479	2,404	2,268	2,158
<b>Recreation, entertainment and education</b>	<b>8,046</b>	<b>7,789</b>	<b>8,178</b>	<b>7,740</b>	<b>7,597</b>	<b>7,516</b>
Equipment and accessories	2,841	2,459	2,567	2,355	2,187	2,208
Services (incl. education)	5,205	5,330	5,611	5,385	5,409	5,308
<b>Miscellaneous goods and services</b>	<b>22,592</b>	<b>20,102</b>	<b>19,694</b>	<b>19,945</b>	<b>19,412</b>	<b>20,339</b>
Professional services (incl. medical goods and services)	8,655	9,288	9,201	8,683	8,885	8,684
Goods (n.e.s.)	3,916	3,110	2,941	3,172	3,186	3,068
Services (n.e.s.)	7,831	7,311	7,111	7,120	7,240	8,195
FISIM (financial services indirectly measured)	2,190	394	441	971	100	392
<b>Expenditure outside the State</b>	<b>6,353</b>	<b>5,285</b>	<b>4,975</b>	<b>4,478</b>	<b>4,247</b>	<b>4,294</b>
<b>less Expenditure by non-residents</b>	<b>-3,693</b>	<b>-3,027</b>	<b>-2,646</b>	<b>-2,532</b>	<b>-2,493</b>	<b>-2,790</b>
<b>158. Personal consumption of goods and services at current market prices</b>	<b>94,712</b>	<b>83,565</b>	<b>82,447</b>	<b>82,969</b>	<b>82,467</b>	<b>83,334</b>
159. Taxes on personal income and wealth	24,813	23,211	22,305	23,800	24,534	25,313
<b>160. Total personal expenditure</b>	<b>119,525</b>	<b>106,777</b>	<b>104,752</b>	<b>106,769</b>	<b>107,002</b>	<b>108,647</b>

† Preliminary

Table 13.1 Annual Percentage Changes in the Main Constituents of Table 13

Description	2008-2013	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Food	-0.6	-7.8	-4.3	4.6	2.7	2.6
Non-alcoholic Beverages	3.3	-3.6	-5.9	21.8	8.2	-1.8
Alcoholic beverages	-2.6	-9.2	-1.2	0.4	-1.4	-1.1
Tobacco	-3.7	3.6	-7.6	2.0	-3.7	-11.9
Clothing and footwear	-5.5	-5.9	-9.2	-5.7	-3.9	-2.6
Housing	-1.2	-13.7	-2.7	3.4	2.6	5.8
Fuel and Power	0.0	-11.9	1.0	2.6	7.2	2.5
Household equipment and operation	-10.1	-25.7	-9.2	-7.0	-2.6	-3.9
Transport and communication	-2.9	-17.2	4.1	3.9	-0.9	-2.8
Recreation, entertainment and education	-1.4	-3.2	5.0	-5.4	-1.8	-1.1
Miscellaneous goods and services	-2.1	-11.0	-2.0	1.3	-2.7	4.8
Expenditure outside the State	-7.5	-16.8	-5.9	-10.0	-5.2	1.1
Expenditure by non-residents	-5.5	-18.0	-12.6	-4.3	-1.5	11.9
<b>Personal consumption of goods and services</b>	<b>-2.5</b>	<b>-11.8</b>	<b>-1.3</b>	<b>0.6</b>	<b>-0.6</b>	<b>1.1</b>

**Table 14 Consumption of Personal Income (except Taxes on Personal Income and Wealth) at Constant Market Prices (chain linked annually and referenced to year 2012)**

	€ million					
Description	2008	2009	2010	2011	2012	2013†
<b>Food, beverages and tobacco</b>	<b>17,348</b>	<b>16,055</b>	<b>16,046</b>	<b>16,486</b>	<b>16,349</b>	<b>15,841</b>
Food (excl. meals out)	7,500	7,132	7,115	7,372	7,530	7,671
Non-alcoholic beverages	569	555	530	623	656	637
Alcoholic beverages (total incl pubs)	6,771	6,011	6,237	6,316	6,190	5,844
Tobacco	2,548	2,398	2,172	2,186	1,973	1,690
<b>Clothing and footwear</b>	<b>3,019</b>	<b>3,222</b>	<b>3,232</b>	<b>3,097</b>	<b>2,984</b>	<b>2,993</b>
<b>Housing (rent, local government charges, repairs and decorations)</b>	<b>13,743</b>	<b>14,204</b>	<b>14,648</b>	<b>15,006</b>	<b>15,040</b>	<b>15,026</b>
<i>of which imputed rent</i>	<i>10,010</i>	<i>10,195</i>	<i>10,302</i>	<i>10,422</i>	<i>10,409</i>	<i>10,396</i>
<b>Fuel and power (excluding motor fuels)</b>	<b>3,724</b>	<b>3,611</b>	<b>3,619</b>	<b>3,441</b>	<b>3,387</b>	<b>3,425</b>
<b>Household equipment and operation</b>	<b>4,681</b>	<b>3,640</b>	<b>3,524</b>	<b>3,344</b>	<b>3,316</b>	<b>3,291</b>
Durable household goods	2,846	2,159	2,004	1,761	1,690	1,790
Non-durable goods and services	1,795	1,458	1,506	1,582	1,626	1,501
<b>Transport and communication</b>	<b>15,510</b>	<b>13,128</b>	<b>13,158</b>	<b>13,160</b>	<b>12,629</b>	<b>12,451</b>
Personal transport equipment	3,147	1,758	2,264	2,334	2,161	2,220
Operation of personal transport equipment (incl. motor fuels)	5,876	5,810	5,661	5,677	5,455	5,220
Public transport	3,219	2,910	2,731	2,780	2,744	2,775
Communication	2,994	2,771	2,496	2,363	2,268	2,236
<b>Recreation, entertainment and education</b>	<b>8,056</b>	<b>7,854</b>	<b>8,222</b>	<b>7,847</b>	<b>7,597</b>	<b>7,387</b>
Equipment and accessories	2,265	2,120	2,362	2,239	2,187	2,301
Services (incl. education)	5,791	5,769	5,860	5,610	5,409	5,086
<b>Miscellaneous goods and services</b>	<b>19,757</b>	<b>19,508</b>	<b>19,520</b>	<b>19,075</b>	<b>19,412</b>	<b>19,957</b>
Professional services (incl. medical goods and services)	9,004	9,410	9,449	8,651	8,885	8,623
Goods (n.e.s.)	3,305	2,740	2,782	3,057	3,186	3,142
Services (n.e.s.)	7,667	7,222	7,154	7,222	7,240	8,095
FISIM (financial services indirectly measured)	94	113	112	104	100	97
<b>Expenditure outside the State</b>	<b>7,108</b>	<b>5,670</b>	<b>5,259</b>	<b>4,631</b>	<b>4,247</b>	<b>4,189</b>
<b>less Expenditure by non-residents</b>	<b>-3,893</b>	<b>-3,204</b>	<b>-2,773</b>	<b>-2,608</b>	<b>-2,493</b>	<b>-2,763</b>
<b>161. Personal consumption of goods and services at constant market prices</b>	<b>88,404</b>	<b>83,646</b>	<b>84,413</b>	<b>83,434</b>	<b>82,467</b>	<b>81,797</b>

† Preliminary

Chain linked series not additive except for 2012 and 2013

**Table 14.1 Annual Percentage Changes in the Main Constituents of Table 14**

Description	2008-2013	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Food	0.5	-4.9	-0.2	3.6	2.1	1.9
Non-alcoholic Beverages	2.3	-2.5	-4.5	17.4	5.4	-3.0
Alcoholic beverages	-2.9	-11.2	3.8	1.3	-2.0	-5.6
Tobacco	-7.9	-5.9	-9.5	0.6	-9.7	-14.4
Clothing and footwear	-0.2	6.7	0.3	-4.2	-3.7	0.3
Housing	1.8	3.4	3.1	2.4	0.2	-0.1
Fuel and Power	-1.7	-3.0	0.2	-4.9	-1.6	1.1
Household equipment and operation	-6.8	-22.2	-3.2	-5.1	-0.9	-0.8
Transport and communication	-4.3	-15.4	0.2	0.0	-4.0	-1.4
Recreation, entertainment and education	-1.7	-2.5	4.7	-4.6	-3.2	-2.8
Miscellaneous goods and services	0.2	-1.3	0.1	-2.3	1.8	2.8
Expenditure outside the State	-10.0	-20.2	-7.3	-12.0	-8.3	-1.3
Expenditure by non-residents	-6.6	-17.7	-13.5	-5.9	-4.4	10.8
<b>Personal consumption of goods and services</b>	<b>-1.5</b>	<b>-5.4</b>	<b>0.9</b>	<b>-1.2</b>	<b>-1.2</b>	<b>-0.8</b>

Table 15 Gross Domestic Physical Capital Formation at Current Market Prices

€ million

Description	2008	2009	2010	2011	2012	2013†
<b>Fixed capital</b>						
Dwellings	14,507	7,596	4,806	3,849	3,042	3,240
Roads	2,800	2,371	1,649	1,075	1,039	651
Other building and construction (including land rehabilitation etc.)	10,042	6,471	4,321	4,078	4,933	6,618
Costs associated with transfer of land & buildings	1,836	637	444	356	352	487
Transport equipment	4,750	4,621	3,874	3,205	3,549	2,223
Agricultural machinery	352	179	156	203	310	327
Other machinery and equipment	3,951	2,827	2,592	3,275	2,897	4,243
Software	921	910	1,038	1,114	1,353	1,284
Exploration	379	424	301	273	397	206
Artistic originals	193	149	163	180	122	114
Research and development	5,490	6,897	6,762	7,232	8,930	7,149
<b>Gross domestic fixed capital formation</b>	<b>45,221</b>	<b>33,082</b>	<b>26,106</b>	<b>24,841</b>	<b>26,923</b>	<b>26,541</b>
<b>Changes in stocks</b>						
Value of physical changes in stocks on farms	15	-13	-162	-52	198	122
Value of physical changes in EU intervention stocks	0	79	-32	-44	-16	0
Value of physical changes in other stocks	-345	-1,556	-374	876	106	715
<b>Total value of physical changes in stocks</b>	<b>-330</b>	<b>-1,490</b>	<b>-569</b>	<b>780</b>	<b>288</b>	<b>837</b>
<b>162. Gross domestic physical capital formation at current market prices</b>	<b>44,891</b>	<b>31,592</b>	<b>25,538</b>	<b>25,621</b>	<b>27,211</b>	<b>27,378</b>

† Preliminary

Table 16 Gross Domestic Fixed Capital Formation by Sector of Use at Current Market Prices

€ million

Description	2008	2009	2010	2011	2012	2013†
Agriculture, forestry and fishing	1,999	681	559	644	714	784
Fuel and power products	1,990	2,021	1,698	1,271	1,378	1,783
Manufacturing products	5,546	5,677	4,474	4,191	4,622	6,367
Building and construction	367	106	15	18	-13	13
Market services	31,538	21,826	17,027	16,430	17,853	15,040
Dwellings (incl. transfer costs)	15,455	7,926	5,037	4,035	3,226	3,496
Roads	2,800	2,371	1,649	1,075	1,039	651
Other market services	13,284	11,529	10,341	11,320	13,588	10,893
Non-market services	3,780	2,771	2,334	2,288	2,369	2,554
<b>163. Gross domestic fixed capital formation at current market prices</b>	<b>45,221</b>	<b>33,082</b>	<b>26,106</b>	<b>24,841</b>	<b>26,923</b>	<b>26,541</b>

† Preliminary

**Table 17 Gross Domestic Physical Capital Formation at Constant Market Prices  
(chain linked annually and referenced to year 2012)**

	€ million					
Description	2008	2009	2010	2011	2012	2013†
<b>Fixed capital</b>						
Dwellings	11,611	7,418	4,944	3,928	3,042	3,147
Roads	2,515	2,242	1,695	1,106	1,039	632
Other building and construction (including land rehabilitation etc.)	8,237	6,119	4,441	4,195	4,933	6,432
Costs assoc. with transfer of land & buildings	671	292	224	279	352	479
Transport equipment	4,737	4,551	3,882	3,252	3,549	2,198
Agricultural machinery	387	192	164	212	310	342
Other machinery and equipment	4,249	2,941	2,731	3,449	2,897	4,336
Software	974	1,005	1,094	1,160	1,353	1,274
Exploration	333	401	309	281	397	200
Artistic originals	169	138	160	180	122	107
Research and development	5,460	6,851	6,825	7,610	8,930	7,127
<b>Gross domestic fixed capital formation</b>	<b>40,535</b>	<b>32,225</b>	<b>26,418</b>	<b>25,650</b>	<b>26,923</b>	<b>26,275</b>
<b>Changes in stocks</b>						
Value of physical changes in stocks on farms	21	-16	-190	-56	198	111
Value of physical changes in EU intervention stocks	0	63	-30	-43	-16	0
Value of physical changes in other stocks	-291	-1,320	-333	769	106	750
<b>Total value of physical changes in stocks</b>	<b>-328</b>	<b>-1,471</b>	<b>-577</b>	<b>782</b>	<b>288</b>	<b>861</b>
<b>164. Gross domestic physical capital formation at constant market prices</b>	<b>40,095</b>	<b>30,785</b>	<b>25,859</b>	<b>26,447</b>	<b>27,211</b>	<b>27,137</b>

† Preliminary

Chain linked series not additive except for 2012 and 2013

**Table 18 Gross Domestic Fixed Capital Formation by Sector of Use at Constant Market Prices  
(chain linked annually and referenced to year 2012)**

	€ million					
Description	2008	2009	2010	2011	2012	2013†
Agriculture, forestry and fishing	1,872	669	572	662	714	790
Fuel and power products	1,803	1,955	1,750	1,310	1,378	1,757
Manufacturing products	5,414	5,652	4,540	4,356	4,622	6,366
Building and construction	402	113	17	20	-13	12
Market services	27,682	21,155	17,169	16,933	17,853	14,820
Dwellings (incl. transfer costs)	11,822	7,408	4,968	4,049	3,226	3,399
Roads	2,515	2,242	1,695	1,106	1,039	632
Other market services	12,667	11,369	10,458	11,744	13,588	10,789
Non-market services	3,313	2,701	2,378	2,371	2,369	2,531
<b>165. Gross domestic fixed capital formation at constant market prices</b>	<b>40,535</b>	<b>32,225</b>	<b>26,418</b>	<b>25,650</b>	<b>26,923</b>	<b>26,275</b>

† Preliminary

Chain linked series not additive except for 2012 and 2013

Table 19 Receipts and Expenditure of Central Government (including extra-budgetary funds)

€ million

Description	2008	2009	2010	2011	2012	2013†
<b>Current receipts</b>						
166. Taxes on income and wealth	23,377	20,479	19,892	21,160	22,596	23,192
167. Taxes on expenditure	20,762	16,661	16,456	16,072	16,486	17,454
168. PRSI	7,932	7,168	6,702	7,268	6,799	7,299
169. Gross trading income	0	0	0	0	0	0
170. Investment income:						
Local government	195	103	80	118	97	99
Land annuities - interest	1	1	1	0	1	0
Other Irish sources	2,015	1,856	1,979	2,325	2,926	3,043
171. Transfers from local government	3	3	3	3	3	3
172. Transfers from the rest of the world (not elsewhere included)	132	82	99	41	42	57
173. Miscellaneous receipts	2,191	2,825	3,642	3,515	3,298	2,724
<b>174. Total receipts - current</b>	<b>56,607</b>	<b>49,178</b>	<b>48,853</b>	<b>50,503</b>	<b>52,248</b>	<b>53,872</b>
<b>Capital receipts</b>						
175. Taxes on capital	349	258	235	242	282	278
177. Transfers from the rest of the world	76	175	48	379	166	148
<b>179. Total receipts - capital</b>	<b>424</b>	<b>432</b>	<b>283</b>	<b>621</b>	<b>448</b>	<b>427</b>
<b>180. Total receipts - current and capital</b>	<b>57,032</b>	<b>49,610</b>	<b>49,136</b>	<b>51,124</b>	<b>52,696</b>	<b>54,299</b>
<b>Current expenditure</b>						
181. Subsidies	1,922	1,889	1,789	1,584	1,548	1,508
182. National debt interest:						
Paid to residents	639	390	1,490	1,517	2,514	3,000
Paid to rest of the world	1,741	2,999	3,408	4,349	4,621	4,635
183. Land bond interest	0	0	0	0	0	0
184. Transfer payments:						
To residents	22,898	24,832	25,155	25,306	25,685	24,763
To rest of the world	2,590	2,369	2,170	2,099	2,103	2,340
185. Expenditure on goods and services:						
Wages, salaries and pensions	18,442	18,159	16,967	16,834	16,629	16,532
Other	7,645	7,943	7,092	6,558	6,364	6,352
186. Grants to local government	2,841	2,846	2,604	2,520	2,458	2,340
<b>187. Total expenditure - current</b>	<b>58,718</b>	<b>61,428</b>	<b>60,676</b>	<b>60,767</b>	<b>61,922</b>	<b>61,470</b>
<b>Capital expenditure</b>						
188. Grants to enterprises	2,287	5,384	36,542	7,702	1,025	543
189. Other transfer payments	511	437	341	326	417	206
192. Gross physical capital formation	4,195	2,423	2,396	2,054	1,917	1,096
193. Grants to local government	3,815	3,282	2,733	1,821	1,235	1,033
194. Payments to the rest of the world	0	0	0	0	0	0
<b>195. Total expenditure - capital</b>	<b>10,808</b>	<b>11,525</b>	<b>42,012</b>	<b>11,902</b>	<b>4,593</b>	<b>2,878</b>
<b>196. Total expenditure - current and capital</b>	<b>69,525</b>	<b>72,953</b>	<b>102,688</b>	<b>72,670</b>	<b>66,516</b>	<b>64,348</b>

† Preliminary



Table 20 Receipts and Expenditure of Local Government

€ milion

Description	2008	2009	2010	2011	2012	2013†
<b>Current receipts</b>						
197. Rates & Household & NPPR taxes	1,353	1,471	1,504	1,527	1,701	1,564
198. Gross rental income (GVA)	834	682	654	679	756	820
199. Grants from central government	2,841	2,846	2,604	2,520	2,458	2,340
200. Interest, incl repayments of loans under the Housing Acts	136	128	132	119	97	98
201. Miscellaneous receipts	909	780	707	685	622	672
<b>202. Total receipts - current</b>	<b>6,073</b>	<b>5,907</b>	<b>5,601</b>	<b>5,529</b>	<b>5,634</b>	<b>5,493</b>
<b>Capital receipts</b>						
203. Grants from central government	3,815	3,282	2,733	1,821	1,235	1,033
205. Miscellaneous receipts	1,893	631	282	234	124	119
<b>208. Total receipts - capital</b>	<b>5,708</b>	<b>3,913</b>	<b>3,016</b>	<b>2,055</b>	<b>1,359</b>	<b>1,152</b>
<b>209. Total receipts - current and capital</b>	<b>11,781</b>	<b>9,820</b>	<b>8,617</b>	<b>7,584</b>	<b>6,993</b>	<b>6,645</b>
<b>Current expenditure</b>						
210. Subsidies:						
Housing	0	0	0	0	0	0
Other	0	0	0	0	0	0
211. National debt interest:						
Central government	195	103	80	118	97	99
Other	18	23	22	22	22	22
212. Transfer payments	1,145	1,183	1,097	1,032	1,133	1,133
213. Transfers to central government	3	3	3	3	3	3
214. Expenditure on goods and services:						
Wages, salaries and pensions	2,703	2,489	2,268	2,283	2,240	2,087
Other	2,213	1,880	1,766	1,916	1,848	1,708
<b>215. Total expenditure - current</b>	<b>6,277</b>	<b>5,681</b>	<b>5,236</b>	<b>5,375</b>	<b>5,342</b>	<b>5,052</b>
<b>Capital expenditure</b>						
216. Grants to enterprises	0	0	0	0	0	0
217. Other transfer payments	359	323	246	174	224	251
220. Gross physical capital formation	5,795	3,830	3,050	2,078	1,519	1,298
<b>221. Total expenditure - capital</b>	<b>6,154</b>	<b>4,153</b>	<b>3,297</b>	<b>2,252</b>	<b>1,744</b>	<b>1,549</b>
<b>222. Total expenditure - current and capital</b>	<b>12,431</b>	<b>9,833</b>	<b>8,533</b>	<b>7,627</b>	<b>7,086</b>	<b>6,601</b>

† Preliminary

Table 21 Receipts and Expenditure of Central and Local Government

€ million

Description	ESA Code	2008	2009	2010	2011	2012	2013†
<b>Current receipts</b>							
223. Taxes on income and wealth	D5 rec	23,377	20,479	19,892	21,160	22,596	23,192
224. PRSI	D61rec (Pt)	7,932	7,168	6,702	7,268	6,799	7,299
225. Taxes on expenditure (including rates)	D2rec	22,115	18,132	17,960	17,598	18,187	19,019
226. Gross trading income		0	0	0	0	0	0
227. Gross rental income (GVA)	P11-P2 (Pt)	834	682	654	679	756	820
228. Investment income	D4rec (Pt)	2,151	1,984	2,112	2,445	3,023	3,142
229. Transfers from the rest of the world (not elsewhere included)	D7rec (Pt)	132	82	99	41	42	57
230. Miscellaneous receipts	P131	3,100	3,605	4,349	4,200	3,920	3,396
<b>231. Total receipts - current</b>		<b>59,642</b>	<b>52,132</b>	<b>51,767</b>	<b>53,391</b>	<b>55,324</b>	<b>56,924</b>
<b>Capital receipts</b>							
232. Taxes on capital	D91rec	349	258	235	242	282	278
234. Transfers from the rest of the world	D9rec	76	175	48	379	166	148
235. Other receipts	D92rec (Pt)	1,893	631	282	234	124	119
<b>237. Total receipts - capital</b>		<b>2,317</b>	<b>1,064</b>	<b>566</b>	<b>856</b>	<b>572</b>	<b>546</b>
<b>238. Total receipts - current and capital</b>		<b>61,958</b>	<b>53,196</b>	<b>52,333</b>	<b>54,246</b>	<b>55,896</b>	<b>57,469</b>
<b>Current expenditure</b>							
239. Subsidies	D3pay	1,922	1,889	1,789	1,584	1,548	1,508
240. National debt interest (including land bond interest)	D41pay	2,398	3,412	4,921	5,888	7,157	7,657
241. Transfer payments	D62pay (Pt)+D63pay+D7pay	26,634	28,383	28,422	28,437	28,922	28,237
242. Expenditure on goods and services: 242(a) Wages, salaries and pensions 242(b) Other	D1pay-P12 P2	31,003 9,858	30,472 9,823	28,093 8,858	27,591 8,474	27,080 8,211	26,679 8,060
<b>243. Total expenditure - current</b>		<b>61,956</b>	<b>64,156</b>	<b>63,225</b>	<b>63,501</b>	<b>64,708</b>	<b>64,081</b>
<b>Capital expenditure</b>							
244. Grants to enterprises	D9pay (Pt)+NP	2,287	5,384	36,542	7,702	1,025	543
245. Other transfer payments	D9pay (Pt)	870	760	588	500	641	457
249. Gross physical capital formation	P5	9,990	6,253	5,446	4,132	3,436	2,394
250. Payments to the rest of the world	D9pay (Pt)	0	0	0	0	0	0
<b>251. Total expenditure - capital</b>		<b>13,147</b>	<b>12,396</b>	<b>42,576</b>	<b>12,334</b>	<b>5,102</b>	<b>3,394</b>
<b>252. Total expenditure - current and capital</b>		<b>75,103</b>	<b>76,552</b>	<b>105,800</b>	<b>75,834</b>	<b>69,810</b>	<b>67,476</b>
<b>253. Net lending / net borrowing (231+232+234+235) - (243+244+245+249+250)</b>	<b>B9</b>	<b>-13,144</b>	<b>-23,356</b>	<b>-53,467</b>	<b>-21,588</b>	<b>-13,914</b>	<b>-10,006</b>
256. Net expenditure by central & local govt on current goods & services excl. depreciation (242 - 230)		27,902	26,866	23,744	23,391	23,160	23,283
257. Depreciation	P.51c	2,872	2,783	2,693	2,720	2,762	2,673
<b>258. Net expenditure by central &amp; local govt on current goods &amp; services</b>	<b>P3 (Pt)</b>	<b>30,775</b>	<b>29,650</b>	<b>26,437</b>	<b>26,111</b>	<b>25,922</b>	<b>25,956</b>

† Preliminary

Table 22 Details of Taxation

€ million

Description	2008	2009	2010	2011	2012	2013†
<b>Central and Local Government</b>						
<b>Taxes on income and wealth</b>	<b>31,309</b>	<b>27,647</b>	<b>26,594</b>	<b>28,429</b>	<b>29,395</b>	<b>30,491</b>
Income tax (incl. Universal Social Charge & Health & Income Levies)	15,668	14,681	14,326	15,271	16,464	16,661
Corporation tax	5,071	3,889	3,944	3,751	3,964	4,272
Capital gains tax	1,424	545	345	416	413	369
Motor tax -						
Estimated portion paid by households etc.	800	793	768	758	796	859
Other taxes	0	201	199	185	180	180
Fees under the Petroleum and Minerals Development Acts	0	0	0	0	0	0
Training and Employment Levy	414	368	310	318	295	314
Income Levy	0	0	0	0	0	0
Levies under Sections 93 & 94 of Finance Act, 1986	0	1	1	1	1	1
Pension fund levy	0	0	0	460	483	536
PRSI	7,932	7,168	6,702	7,268	6,799	7,299
<b>Taxes on capital</b>	<b>349</b>	<b>258</b>	<b>235</b>	<b>242</b>	<b>282</b>	<b>278</b>
Estate, etc. duties	0	0	0	0	0	0
Capital acquisitions tax	349	258	235	242	282	278
<b>Taxes on expenditure</b>	<b>22,115</b>	<b>18,132</b>	<b>17,960</b>	<b>17,598</b>	<b>18,187</b>	<b>19,019</b>
Customs duties	0	0	0	0	0	0
Excise duties including VRT	5,402	4,877	4,872	4,866	4,786	5,024
Value added tax	13,084	10,324	10,067	9,755	10,219	10,371
Local property tax & RPT rates	0	0	0	0	0	318
Rates & Household & NPPR taxes	1,353	1,471	1,504	1,527	1,701	1,564
Motor tax - Estimated						
portion paid by businesses	265	264	256	253	264	284
Stamps (excluding fee stamps)	1,768	972	989	933	959	776
Fee stamps/Risk Eq levy	0	0	0	0	0	412
Agricultural & NORA levies	83	94	140	125	118	118
Broadcasting licence fee	23	29	31	31	31	31
Other fees & other production	136	101	102	108	110	120
<b>EU Taxes</b>	<b>247</b>	<b>209</b>	<b>229</b>	<b>240</b>	<b>242</b>	<b>247</b>
<b>Total taxation</b>	<b>54,019</b>	<b>46,245</b>	<b>45,018</b>	<b>46,509</b>	<b>48,106</b>	<b>50,035</b>

† Preliminary

Table 23 Details of Subsidies and Capital Grants to Enterprises

€ million

Description	2008	2009	2010	2011	2012	2013†
<b>Subsidies</b>						
<b>Central and local government</b>	<b>1,922</b>	<b>1,889</b>	<b>1,789</b>	<b>1,584</b>	<b>1,548</b>	<b>1,508</b>
Bovine Tuberculosis and Brucellosis eradication	62	52	40	40	53	53
Grants from hardship fund	0	0	0	0	0	0
Beef, mutton, etc. export schemes	0	0	0	0	0	0
Beef cattle incentive scheme	0	0	0	0	0	0
Dairy produce	0	0	0	0	0	0
Aids to farmers	285	278	255	174	234	234
Other agricultural subsidies	72	59	46	42	56	56
Current grant by BIM	-10	-7	-10	-11	-15	-15
Bread subsidy	0	0	0	0	0	0
Grants by the IDA, Forbairt & Forfas	143	148	227	118	158	158
Current grants to S.F.A.D. Co. Ltd.	0	1	1	0	0	0
Current payments to CIE *	130	139	123	108	144	144
Land Acts, 1923-53 - interest	0	0	0	0	0	0
Local government housing subsidy	0	0	0	0	0	0
Other housing subsidies	0	0	0	0	0	0
Interest subsidy for building societies	0	0	0	0	0	0
Education subsidies	662	623	520	530	492	452
Expenses of market intervention less recoupment from EU #	7	8	7	7	9	9
Employment subsidies	37	12	3	1	1	1
Other subsidies	534	576	578	576	415	415
<b>EU subsidies</b>	<b>1,797</b>	<b>1,719</b>	<b>1,494</b>	<b>1,700</b>	<b>1,632</b>	<b>1,450</b>
<b>Capital grants to enterprises -</b>						
<b>Central and local government</b>	<b>2,287</b>	<b>5,384</b>	<b>36,542</b>	<b>7,702</b>	<b>1,025</b>	<b>543</b>
Housing grants	0	0	0	0	0	0
Farm modernisation grants	1,066	46	56	8	13	10
Western drainage	0	0	0	0	0	0
Grants by BIM	13	4	0	1	1	1
Grants by the IDA, Forbairt, Forfas	60	62	87	64	102	75
Grants by Udaras na Gaeltachta	6	8	5	-4	-7	-5
Grants by Bord Failte Eireann	-1	0	-1	-1	-2	-1
Grants to S.F.A.D. Co. Ltd.	1	1	6	6	10	7
Grants by Institute for Industrial Research and Standards	0	0	0	0	0	0
Grants to CIE	143	102	-59	-146	-83	-61
Insurance Compensation Fund	0	0	0	0	0	0
Other grants	999	766	621	653	710	517
Recapitalisation of banks, pension fund transfers & debt assumption	0	4,396	35,828	7,121	280	0

# See explanatory note to Table 10 in Appendix 2

† Preliminary

**Table 24 Central and Local Government - Details of Transfer Payments, National Debt Interest and Capital Grants to Households and Private Non-Profit Institutions**

	€ million					
Description	2008	2009	2010	2011	2012	2013†
<b>Current transfer payments and national debt interest</b>	<b>29,031</b>	<b>31,795</b>	<b>33,343</b>	<b>34,326</b>	<b>36,080</b>	<b>35,894</b>
National debt interest:						
paid to residents	657	413	1,513	1,539	2,536	3,022
paid to the rest of the world	1,741	2,999	3,408	4,349	4,621	4,635
Land bond interest	0	0	0	0	0	0
Higher education	238	230	274	274	254	223
Secondary education	0	0	0	0	0	0
Other education	55	55	56	57	55	53
Scholarships and prizes	160	155	204	197	189	182
Old age n.c. pensions	989	1,017	993	999	979	942
Child benefit	2,934	2,726	2,224	2,077	2,047	1,970
Unemployment assistance	1,159	2,005	2,809	2,985	3,054	2,938
Widows' and orphans' n.c. pensions	28	27	24	24	23	22
Redundancy payments	202	350	490	326	317	305
Occupational injuries benefit	112	112	105	102	100	96
Free travel, electricity, telephone rental, television and radio licences for old age pensioners etc.	409	433	442	445	534	514
Disability benefit	852	920	943	876	773	744
Unemployment benefit	929	1,734	1,285	927	737	709
Retirement pensions	92	105	108	132	146	141
Old age (contributory) pensions	3,118	3,368	3,452	3,623	3,800	3,656
Widows'(contributory) pensions	1,338	1,389	1,368	1,369	1,373	1,321
Invalidity pensions	686	682	640	607	604	581
Treatment benefit	97	100	51	23	19	18
Pay-related benefit	0	0	0	0	0	0
Other social insurance etc.	435	443	429	406	397	382
less Social insurance payments to the rest of the world	-276	-341	-327	-337	-337	-324
Rehabilitation etc. of disabled persons	1,054	1,146	1,110	1,089	1,086	1,045
Residential care for children	0	0	0	0	0	0
Payments for medical goods supplied to households by pharmacists	1,233	1,292	1,304	1,249	1,256	1,208
Domiciliary care for handicapped children	469	528	247	223	226	217
Supplementary welfare allowance	980	1,173	1,180	1,178	1,082	1,041
Subsidies for drug purchases	817	769	716	686	690	664
Transport services for school children	186	178	181	171	168	162
Local government housing rental deficit	806	656	657	704	784	870
Other social payments	859	914	1,395	1,639	1,585	1,525
Transfers to the rest of the world	2,590	2,369	2,170	2,099	2,103	2,340
Social assistance allowance	-3	-10	-6	-8	-8	-7
Social employment scheme	378	374	368	349	337	325
Family income supplement	170	167	186	204	223	215
Enterprise allowance scheme	0	0	0	0	0	0
FÁS allowances	236	227	214	177	169	162
Early retirement payments	23	19	15	10	10	9
Lone Parents Allowance	1,239	1,286	1,233	1,216	1,119	1,076
Pre-retirement Allowance	118	97	78	60	46	44
Employment Support Services	161	194	278	394	381	367
Other transfer payments	2,045	1,431	1,283	1,477	2,167	2,085
Less imputed pensions received from employees	-283	61	240	409	432	416
Repayment of nursing home charges (accrued)	0	0	0	0	0	0
<b>Capital grants to households, etc.</b>	<b>870</b>	<b>760</b>	<b>588</b>	<b>500</b>	<b>641</b>	<b>457</b>
Grants under the Housing Acts	0	0	0	0	0	0
Other housing grants	361	356	332	265	282	309
Supplementary grants for housing and disabled persons grants	132	102	93	99	99	41
Grants for higher education	0	0	0	0	0	0
Grants to training colleges	2	1	0	0	0	0
Grants to secondary schools	0	0	0	0	0	0
Building, equipping and furnishing of hospitals and other health facilities	15	4	9	4	4	2
Other capital transfer payments	359	297	154	133	257	106
Pension Funds	0	0	0	0	0	0

† Preliminary

Table 25 Central and Local Government - Details of Gross Physical Capital Formation

€ million

Description	2008	2009	2010	2011	2012	2013†
<b>Central government</b>	<b>4,195</b>	<b>2,423</b>	<b>2,396</b>	<b>2,054</b>	<b>1,917</b>	<b>1,096</b>
New works, alterations and additions by Office of Public Works (including furniture for new buildings)	341	188	130	113	91	86
Building, equipment and furnishing of national schools	489	329	312	289	233	220
Arterial drainage	25	36	39	31	25	23
Forest development (including acquisition of land)	23	8	10	0	0	0
Constructional work at airports (including acquisition of land and building)	0	0	0	0	0	0
Capital expenditure by the IDA, Forfas & Forbairt	4	10	6	35	28	26
Comprehensive schools	214	202	235	207	183	166
Other construction	423	378	540	431	548	523
Vehicles, machinery and equip. (less sales)	763	336	238	349	281	265
Roads	726	56	57	89	72	68
Rail	656	465	406	262	211	199
Health	532	416	422	248	246	252
Sale of mobile telephony licences	0	0	0	0	0	-732
<b>Local government</b>	<b>5,795</b>	<b>3,830</b>	<b>3,050</b>	<b>2,078</b>	<b>1,519</b>	<b>1,298</b>
Local government housing	1,574	1,076	753	510	365	312
Roads	1,964	1,604	1,192	937	695	594
Health	0	0	0	0	0	0
Water supply and sewerage	973	711	519	464	344	294
Vocational education committees	87	101	97	54	45	38
Other	1,197	338	489	114	71	60

† Preliminary

**Table 26 Expenditure of Central Government (including extra-budgetary funds) classified by Purpose of Expenditure and Economic Category**

€ million

Description	2008	2009	2010	2011	2012	2013†
<b>Defence</b>	<b>1,079</b>	<b>1,057</b>	<b>963</b>	<b>941</b>	<b>888</b>	<b>877</b>
Current transfer payments	87	159	162	187	185	180
Current expenditure on goods and services	889	860	782	752	701	695
Current grants to local government	6	6	6	6	5	5
Gross physical capital formation	97	32	13	-4	-3	-3
<b>Other central government services</b>	<b>6,497</b>	<b>5,846</b>	<b>4,327</b>	<b>4,942</b>	<b>4,835</b>	<b>4,815</b>
Subsidies	24	21	28	49	65	65
Current transfer payments	2,218	1,913	1,288	2,028	2,002	1,953
Current expenditure on goods and services	3,435	2,863	2,066	2,354	2,235	2,215
Current grants to local government	0	22	-4	-6	-6	-6
Capital grants to enterprises	13	406	444	54	126	206
Capital transfer payments	-3	15	-11	1	1	0
Gross physical capital formation	792	578	507	460	408	379
Capital grants to local government	17	28	10	3	3	3
Capital payments to the rest of the world	0	0	0	0	0	0
<b>Education</b>	<b>9,421</b>	<b>9,372</b>	<b>8,970</b>	<b>8,842</b>	<b>8,291</b>	<b>7,980</b>
Subsidies	662	623	520	530	492	452
Current transfer payments	583	592	570	592	585	571
Current expenditure on goods and services	5,747	5,804	5,565	5,512	5,185	5,138
Current grants to local government	1,445	1,539	1,538	1,495	1,389	1,322
Capital transfer payments	282	283	229	217	224	111
Gross physical capital formation	702	530	547	496	416	386
Capital grants to local government	0	0	0	0	0	0
<b>Health</b>	<b>14,469</b>	<b>14,881</b>	<b>14,158</b>	<b>13,574</b>	<b>13,937</b>	<b>13,871</b>
Current transfer payments	2,037	2,276	2,691	2,721	2,800	2,731
Current expenditure on goods and services	11,884	12,185	11,037	10,603	10,887	10,887
Current grants to local government	0	0	0	0	0	0
Capital transfer payments	15	4	9	4	4	2
Gross physical capital formation	532	416	422	248	246	252
Capital grants to local government	0	0	0	0	0	0
<b>Social security and welfare</b>	<b>19,761</b>	<b>21,734</b>	<b>22,509</b>	<b>21,364</b>	<b>21,590</b>	<b>21,065</b>
Current transfer payments	18,661	20,633	21,206	20,386	20,687	20,177
Current expenditure on goods and services	967	1,015	1,260	895	833	826
Current grants to local government	0	1	1	0	0	0
Capital transfer payments	82	56	27	3	4	2
Gross physical capital formation	44	26	13	80	64	59
Capital grants to local government	6	2	2	1	1	1
<b>Housing</b>	<b>2,280</b>	<b>1,706</b>	<b>1,284</b>	<b>992</b>	<b>964</b>	<b>853</b>
Subsidies	0	0	0	0	0	0
Current transfer payments	708	489	377	359	413	403
Current expenditure on goods and services	133	123	106	93	87	86
Current grants to local government	61	63	61	56	53	50
Capital transfer payments	5	9	12	91	89	44
Gross physical capital formation	5	1	0	0	0	0
Capital grants to enterprises	0	0	0	0	0	0
Capital grants to local government	1,367	1,021	728	393	323	270
<b>Other community and social services</b>	<b>1,424</b>	<b>1,492</b>	<b>1,410</b>	<b>1,203</b>	<b>1,188</b>	<b>1,132</b>
Subsidies	17	15	9	3	5	5
Current transfer payments	340	285	272	207	205	200
Current expenditure on goods and services	392	745	706	657	612	607
Current grants to local government	55	85	102	117	111	106
Capital grants to enterprises	137	41	64	14	33	54
Capital transfer payments	86	30	24	2	81	40
Gross physical capital formation	89	68	59	43	35	32
Capital grants to local government	308	223	173	159	107	89

† Preliminary

**Table 26 (contd.) Expenditure of Central Government (including extra-budgetary funds) classified by Purpose of Expenditure and Economic Category**

€ million

Description	2008	2009	2010	2011	2012	2013†
<b>Agriculture, forestry and fishing</b>	<b>2,977</b>	<b>1,891</b>	<b>1,639</b>	<b>1,463</b>	<b>1,322</b>	<b>1,391</b>
Subsidies *	523	489	416	321	431	430
Current transfer payments	108	113	127	124	122	119
Current expenditure on goods and services	793	788	707	643	599	594
Current grants to local government	2	2	2	3	3	2
Capital grants to enterprises	1,455	420	329	323	128	209
Capital transfer payments	0	0	0	0	0	0
Gross physical capital formation	95	78	59	48	39	36
<b>Mining, manufacturing and construction</b>	<b>1,043</b>	<b>717</b>	<b>653</b>	<b>793</b>	<b>780</b>	<b>811</b>
Subsidies	147	138	147	99	133	133
Current transfer payments	376	374	369	350	346	337
Current expenditure on goods and services	170	125	115	120	112	111
Capital grants to enterprises	67	71	97	86	79	128
Gross physical capital formation	283	9	-75	138	111	103
Capital transfer payments	0	0	0	0	0	0
<b>Transport and communication</b>	<b>4,563</b>	<b>3,629</b>	<b>3,668</b>	<b>2,634</b>	<b>2,203</b>	<b>1,349</b>
Subsidies	175	180	164	134	180	180
Current transfer payments	17	13	15	11	11	10
Current expenditure on goods and services	595	582	628	676	630	624
Current grants to local government	208	201	189	169	223	212
Capital grants to enterprises	413	351	147	-70	-42	-69
Capital transfer payments	44	39	51	10	15	7
Gross physical capital formation	1,492	617	856	591	475	-211
Capital grants to local government	1,619	1,645	1,619	1,114	712	596
<b>Other economic services</b>	<b>2,570</b>	<b>6,312</b>	<b>37,529</b>	<b>9,373</b>	<b>2,703</b>	<b>1,921</b>
Subsidies	374	423	506	447	243	243
Current transfer payments	353	352	248	440	434	423
Current expenditure on goods and services	1,083	1,012	1,087	1,086	1,111	1,101
Current grants to local government	1	1	30	0	0	0
Capital grants to enterprises	202	4,094	35,461	7,294	700	15
Capital transfer payments	0	0	0	0	0	0
Gross physical capital formation	61	67	-5	-45	126	63
Capital grants to local government	496	362	202	150	89	74
<b>Public debt</b>	<b>2,380</b>	<b>3,389</b>	<b>4,898</b>	<b>5,866</b>	<b>7,135</b>	<b>7,635</b>
National debt interest	2,380	3,389	4,898	5,866	7,135	7,635
<b>Unallocated by function</b>						
Current Grants to local government	1,062	926	680	681	680	647
<b>Total Expenditure</b>	<b>69,525</b>	<b>72,953</b>	<b>102,688</b>	<b>72,670</b>	<b>66,516</b>	<b>64,348</b>

\* See explanatory note to Table 10 in Appendix 2

† Preliminary



Table 27 Expenditure of Local Government classified by Purpose of Expenditure and Economic Category

€ million

Description	2007	2008	2009	2010	2011	2012	2013†
<b>General government services</b>	<b>1,063</b>	<b>1,223</b>	<b>1,261</b>	<b>936</b>	<b>829</b>	<b>747</b>	<b>677</b>
Current transfer payments	170	331	536	285	176	90	72
Transfers to central government	23	3	3	3	3	3	3
Current expenditure on goods and services	585	611	552	531	525	578	537
Gross physical capital formation	285	278	170	117	126	76	65
<b>Education</b>	<b>1,406</b>	<b>1,490</b>	<b>1,474</b>	<b>1,472</b>	<b>1,353</b>	<b>1,369</b>	<b>1,216</b>
Current transfer payments	66	-5	21	201	197	332	257
Current expenditure on goods and services	1,243	1,407	1,352	1,173	1,102	992	921
Gross physical capital formation	98	87	101	97	54	45	38
<b>Health</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Current transfer payments	0	0	0	0	0	0	0
Current expenditure on goods and services	0	0	0	0	0	0	0
Gross physical capital formation	0	0	0	0	0	0	0
<b>Social security and welfare</b>	<b>74</b>	<b>65</b>	<b>24</b>	<b>2</b>	<b>2</b>	<b>-27</b>	<b>-25</b>
Current transfer payments	74	65	24	2	2	-27	-25
Transfers to central government	0	0	0	0	0	0	0
Current expenditure on goods and services	0	0	0	0	0	0	0
Gross physical capital formation	0	0	0	0	0	0	0
<b>Housing</b>	<b>3,332</b>	<b>2,904</b>	<b>2,205</b>	<b>1,804</b>	<b>1,527</b>	<b>1,587</b>	<b>1,631</b>
Subsidies	0	0	0	0	0	0	0
Current transfer payments	690	806	656	657	704	784	870
Current expenditure on goods and services	228	166	150	147	139	214	199
Capital transfer payments	308	359	323	246	174	224	251
Gross physical capital formation	2,106	1,574	1,076	753	510	365	312
Capital grants to enterprises	0	0	0	0	0	0	0
<b>Other community and social services</b>	<b>2,038</b>	<b>2,387</b>	<b>1,489</b>	<b>1,651</b>	<b>1,483</b>	<b>1,361</b>	<b>1,250</b>
Current transfer payments	0	0	0	0	0	0	0
Current expenditure on goods and services	1,101	1,236	1,115	1,061	1,247	1,174	1,090
Gross physical capital formation	936	1,150	375	590	235	187	160
<b>Agriculture, forestry and fishing</b>	<b>44</b>	<b>35</b>	<b>23</b>	<b>23</b>	<b>22</b>	<b>22</b>	<b>20</b>
Subsidies	0	0	0	0	0	0	0
Current transfer payments	0	0	0	0	0	0	0
Transfers to central government	0	0	0	0	0	0	0
Current expenditure on goods and services	16	12	10	12	12	11	10
Capital grants to enterprises	0	0	0	0	0	0	0
Gross physical capital formation	27	23	13	11	10	11	9
<b>Transport and communication</b>	<b>2,968</b>	<b>2,673</b>	<b>2,043</b>	<b>1,586</b>	<b>1,403</b>	<b>1,131</b>	<b>1,000</b>
Current transfer payments	-49	-52	-54	-48	-46	-46	-41
Current expenditure on goods and services	1,038	760	493	442	513	482	448
Capital grants to enterprises	0	0	0	0	0	0	0
Gross physical capital formation	1,980	1,964	1,604	1,192	937	695	594
<b>Other economic services (incl. Mining etc.)</b>	<b>1,211</b>	<b>1,441</b>	<b>1,188</b>	<b>957</b>	<b>867</b>	<b>777</b>	<b>711</b>
Transfers to central government	0	0	0	0	0	0	0
Current expenditure on goods and services	518	723	697	667	660	637	591
Gross physical capital formation	693	718	491	290	207	140	120
<b>Public debt</b>	<b>175</b>	<b>213</b>	<b>126</b>	<b>102</b>	<b>141</b>	<b>120</b>	<b>122</b>
National debt interest	175	213	126	102	141	120	122
<b>Total Expenditure</b>	<b>12,310</b>	<b>12,431</b>	<b>9,833</b>	<b>8,533</b>	<b>7,627</b>	<b>7,086</b>	<b>6,601</b>

† Preliminary

**Table 26.1 Percentage Distribution of Central Government (including extra-budgetary funds) Expenditure classified by Purpose of Expenditure**

Description	2008	2009	2010	2011	2012	2013†
Defence	1.6	1.4	0.9	1.3	1.3	1.4
Other central government services	9.3	8.0	4.2	6.8	7.3	7.5
Education	13.5	12.8	8.7	12.2	12.5	12.4
Health	20.8	20.4	13.8	18.7	21.0	21.6
Social security and welfare	28.4	29.8	21.9	29.4	32.5	32.7
Housing	3.3	2.3	1.3	1.4	1.4	1.3
Other community and social services	2.0	2.0	1.4	1.7	1.8	1.8
Agriculture, forestry and fishing	4.3	2.6	1.6	2.0	2.0	2.2
Mining, manufacturing and construction	1.5	1.0	0.6	1.1	1.2	1.3
Transport and communication	6.6	5.0	3.6	3.6	3.3	2.1
Other economic services	3.7	8.7	36.5	12.9	4.1	3.0
Public Debt	3.4	4.6	4.8	8.1	10.7	11.9
Unallocated by function	1.5	1.3	0.7	0.9	1.0	1.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

† Preliminary

**Table 27.1 Percentage Distribution of Local Government Expenditure classified by Purpose of Expenditure**

Description	2008	2009	2010	2011	2012	2013†
General government services	9.8	12.8	11.0	10.9	10.5	10.3
Education	12.0	15.0	17.2	17.7	19.3	18.4
Health	0.0	0.0	0.0	0.0	0.0	0.0
Social security and welfare	0.5	0.2	0.0	0.0	-0.4	-0.4
Housing	23.4	22.4	21.1	20.0	22.4	24.7
Other community and social services	19.2	15.1	19.3	19.4	19.2	18.9
Agriculture, forestry and fishing	0.3	0.2	0.3	0.3	0.3	0.3
Transport and communication	21.5	20.8	18.6	18.4	16.0	15.2
Other economic services (incl. Mining etc.)	11.6	12.1	11.2	11.4	11.0	10.8
Public Debt	1.7	1.3	1.2	1.8	1.7	1.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

† Preliminary

**Table 28 Expenditure of Central and Local Government classified by Purpose of Expenditure and Economic Category**

€ million

Description	2008	2009	2010	2011	2012	2013†
<b>Defence</b>	<b>1,073</b>	<b>1,051</b>	<b>957</b>	<b>936</b>	<b>883</b>	<b>872</b>
Current transfer payments	87	159	162	187	185	180
Current expenditure on goods and services	889	860	782	752	701	695
Gross physical capital formation	97	32	13	-4	-3	-3
<b>Other general government services</b>	<b>7,700</b>	<b>7,055</b>	<b>5,254</b>	<b>5,772</b>	<b>5,583</b>	<b>5,492</b>
Subsidies	24	21	28	49	65	65
Current transfer payments	2,550	2,449	1,572	2,204	2,092	2,025
Current expenditure on goods and services	4,046	3,415	2,597	2,880	2,813	2,752
Capital grants to enterprises	13	406	444	54	126	206
Capital transfer payments	-3	15	-11	1	1	0
Gross physical capital formation	1,070	748	624	585	485	444
Capital payments to the rest of the world	0	0	0	0	0	0
<b>Education</b>	<b>9,466</b>	<b>9,308</b>	<b>8,904</b>	<b>8,700</b>	<b>8,270</b>	<b>7,874</b>
Subsidies	662	623	520	530	492	452
Current transfer payments	578	613	771	789	917	827
Current expenditure on goods and services	7,155	7,156	6,738	6,614	6,176	6,059
Capital transfer payments	282	283	229	217	224	111
Gross physical capital formation	790	632	645	551	461	424
<b>Health</b>	<b>14,469</b>	<b>14,881</b>	<b>14,158</b>	<b>13,574</b>	<b>13,937</b>	<b>13,871</b>
Current transfer payments	2,037	2,276	2,691	2,721	2,800	2,731
Current expenditure on goods and services	11,884	12,185	11,037	10,603	10,887	10,887
Capital transfer payments	15	4	9	4	4	2
Gross physical capital formation	532	416	422	248	246	252
<b>Social security and welfare</b>	<b>19,820</b>	<b>21,756</b>	<b>22,509</b>	<b>21,365</b>	<b>21,561</b>	<b>21,039</b>
Current transfer payments	18,726	20,657	21,208	20,388	20,660	20,152
Current expenditure on goods and services	967	1,016	1,261	895	834	826
Capital transfer payments	82	56	27	3	4	2
Gross physical capital formation	44	26	13	80	64	59
<b>Housing</b>	<b>3,756</b>	<b>2,826</b>	<b>2,299</b>	<b>2,070</b>	<b>2,176</b>	<b>2,164</b>
Subsidies	0	0	0	0	0	0
Current transfer payments	1,514	1,145	1,034	1,063	1,197	1,272
Current expenditure on goods and services	298	273	253	232	300	284
Capital grants to enterprises	0	0	0	0	0	0
Capital transfer payments	365	331	259	265	313	295
Gross physical capital formation	1,579	1,077	754	510	365	312
<b>Other community and social services</b>	<b>3,448</b>	<b>2,673</b>	<b>2,786</b>	<b>2,409</b>	<b>2,331</b>	<b>2,187</b>
Subsidies	17	15	9	3	5	5
Current transfer payments	340	285	272	207	205	200
Current expenditure on goods and services	1,628	1,860	1,767	1,905	1,786	1,696
Capital grants to enterprises	137	41	64	14	33	54
Capital transfer payments	86	30	24	2	81	40
Gross physical capital formation	1,240	442	649	278	222	192
<b>Agriculture, forestry and fishing</b>	<b>3,010</b>	<b>1,912</b>	<b>1,659</b>	<b>1,482</b>	<b>1,341</b>	<b>1,408</b>
Subsidies #	523	489	416	321	431	430
Current transfer payments	108	113	127	124	122	119
Current expenditure on goods and services	804	798	719	655	610	604
Capital grants to enterprises	1,455	420	329	323	128	209
Capital transfer payments	0	0	0	0	0	0
Gross physical capital formation	119	91	69	58	50	45

# See explanatory note to Table 10 in Appendix 2

† Preliminary

**Table 28 (contd.) Expenditure of Central and Local Government classified by Purpose of Expenditure and Economic Category**

€ million

Description	2008	2009	2010	2011	2012	2013†
<b>Mining, manufacturing and construction</b>	<b>1,043</b>	<b>717</b>	<b>653</b>	<b>793</b>	<b>780</b>	<b>811</b>
Subsidies	147	138	147	99	133	133
Current transfer payments	376	374	369	350	346	337
Current expenditure on goods and services	170	125	115	120	112	111
Capital grants to enterprises	67	71	97	86	79	128
Gross physical capital formation	283	9	-75	138	111	103
Capital transfer payments	0	0	0	0	0	0
<b>Transport and communication</b>	<b>5,408</b>	<b>3,826</b>	<b>3,446</b>	<b>2,755</b>	<b>2,399</b>	<b>1,542</b>
Subsidies	175	180	164	134	180	180
Current transfer payments	-35	-41	-33	-35	-36	-31
Current expenditure on goods and services	1,355	1,075	1,070	1,189	1,112	1,072
Capital grants to enterprises	413	351	147	-70	-42	-69
Capital transfer payments	44	39	51	10	15	7
Gross physical capital formation	3,457	2,222	2,047	1,528	1,170	382
<b>Other economic services</b>	<b>3,513</b>	<b>7,136</b>	<b>38,254</b>	<b>10,089</b>	<b>3,391</b>	<b>2,557</b>
Subsidies	374	423	506	447	243	243
Current transfer payments	353	352	248	440	434	423
Current expenditure on goods and services	1,806	1,709	1,754	1,747	1,748	1,692
Capital grants to enterprises	202	4,094	35,461	7,294	700	15
Capital transfer payments	0	0	0	0	0	0
Gross physical capital formation	779	558	285	161	266	183
<b>Public debt</b>	<b>2,398</b>	<b>3,412</b>	<b>4,921</b>	<b>5,888</b>	<b>7,157</b>	<b>7,657</b>
National debt interest	2,398	3,412	4,921	5,888	7,157	7,657
<b>Total Expenditure</b>	<b>75,103</b>	<b>76,552</b>	<b>105,800</b>	<b>75,834</b>	<b>69,809</b>	<b>67,475</b>

† Preliminary

**Table 28.1 Percentage Distribution of Central and Local Government Expenditure classified by Purpose of Expenditure**

Description	2008	2009	2010	2011	2012	2013†
Defence	1.4	1.4	0.9	1.2	1.3	1.3
Other general government services	10.3	9.2	5.0	7.6	8.0	8.1
Education	12.6	12.2	8.4	11.5	11.8	11.7
Health	19.3	19.4	13.4	17.9	20.0	20.6
Social security and welfare	26.4	28.4	21.3	28.2	30.9	31.2
Housing	5.0	3.7	2.2	2.7	3.1	3.2
Other community and social services	4.6	3.5	2.6	3.2	3.3	3.2
Agriculture, forestry and fishing	4.0	2.5	1.6	2.0	1.9	2.1
Mining, manufacturing and construction	1.4	0.9	0.6	1.0	1.1	1.2
Transport and communication	7.2	5.0	3.3	3.6	3.4	2.3
Other economic services	4.7	9.3	36.2	13.3	4.9	3.8
Public Debt	3.2	4.5	4.7	7.8	10.3	11.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

† Preliminary

**Table 30a Balance of International Payments: Current account**

€ million

Item		2008	2009	2010	2011	2012	2013†
1. Merchandise and services <sup>1</sup>	Cr	150,180	146,363	157,811	167,086	182,506	184,056
	Db	-133,876	-121,555	-129,023	-132,398	-147,079	-147,694
2. Net factor income		-25,837	-28,517	-26,425	-32,127	-31,526	-27,286
3. EU Subsidies less EU taxes		1,550	1,510	1,265	1,460	1,390	1,203
4. Net transfers		-2,704	-2,933	-2,679	-2,643	-2,592	-2,641
<b>5. Net balance on current account</b>		<b>-10,687</b>	<b>-5,132</b>	<b>949</b>	<b>1,378</b>	<b>2,699</b>	<b>7,638</b>

**Table 30b Balance of International Payments: Capital and Financial Account and net errors and omissions**

€ million

Item		2008	2009	2010	2011	2012	2013†
<b>6. Balance on Capital Account</b>		<b>119</b>	<b>14</b>	<b>91</b>	<b>234</b>	<b>86</b>	<b>100</b>
<b>Financial Account</b>							
7	Direct Investment	24,167	649	-15,446	-17,775	-23,288	-9,835
8	Portfolio Investment	45,749	-22,626	-85,965	-26,908	4,080	46,301
9	Other Investment <sup>2</sup>	-86,128	23,116	94,140	34,937	19,101	-25,374
10	Reserve Assets	78	-79	-5	-329	-12	10
<b>11. Balance on Financial account</b>		<b>-16,134</b>	<b>1,060</b>	<b>-7,276</b>	<b>-10,075</b>	<b>-120</b>	<b>11,103</b>
12.	<i>Net errors and omissions</i>	26,702	4,058	6,236	8,464	-2,665	-18,841

1 Adjusted for balance of payments purposes

2 Including financial derivatives and trade credits

† Preliminary

Table 31 Gross Value Added at Current Basic Prices

€ million

NACE REV. 2 section	NACE REV. 2 division	Description	2008	2009	2010	2011	2012	2013†
A	01-03	Agriculture, forestry and fishing	1,918	1,299	1,917	2,453	2,388	2,501
B	05-09	Mining and quarrying	721	561	543	377	510	513
C	10-33	Manufacturing	32,521	34,087	33,227	36,658	35,445	31,204
		of which						
CA	10-12	food products, beverages and tobacco products	5,904	5,860	6,392	6,717	7,045	7,670
CB	13-15	textiles, wearing apparel and leather products	202	170	142	167	161	172
CC	16-18	wood and paper products, and printing	924	811	738	712	707	707
CD-CE	19-20	coke and refined petroleum products, chemicals and chemical products	2,732	2,891	2,697	3,027	2,822	3,050
CF	21	basic pharmaceutical products and pharmaceutical preparations	10,952	13,419	13,572	15,466	14,777	10,258
CG	22-23	rubber and plastic products, and other non-metallic mineral products	1,340	989	778	728	704	730
CH	24-25	basic metals and fabricated metal products, except machinery and equipment	1,145	857	698	674	727	742
CI	26	computer, electronic and optical products	3,674	3,644	2,913	2,966	2,850	2,544
CJ	27	electrical equipment	355	326	178	218	247	256
CK	28	machinery and equipment n.e.c.	1,035	867	705	826	880	907
CL	29-30	transport equipment	414	239	223	251	236	242
CM	31-33	furniture; other manufacturing; repair and installation of machinery and equipment	3,845	4,015	4,190	4,907	4,290	3,926
D	35	Electricity, gas, steam and air-conditioning supply	2,574	2,779	2,594	3,045	3,318	3,220
E	36-39	Water Supply; sewerage, waste management and remediation activities	1,044	964	951	947	982	963
F	41-43	Construction	11,400	4,204	2,626	2,391	2,766	2,791
G	45-47	Wholesale and retail trade, repair of motor vehicles and motorcycles	17,790	15,658	15,947	15,518	15,759	15,862
H	49-53	Transportation and storage	5,767	5,976	5,751	5,548	5,858	5,887
I	55-56	Accommodation and food services activities	3,454	3,264	3,018	2,908	2,881	3,084
JA	58-60	Publishing, audiovisual and broadcasting activities	5,222	5,959	7,106	8,116	8,167	9,400
JB	61	Telecommunications	2,865	2,726	2,655	2,743	2,569	2,692
JC	62-63	Computer programming, consultancy and related activities; information service activities	5,103	4,183	5,215	5,217	6,345	7,614
K	64-66	Financial and insurance activities	16,405	15,184	15,584	14,870	15,253	15,617
L	68	Real estate activities	13,180	8,307	8,845	10,554	10,211	11,068
MA	69-71	Legal and accounting activities; activities of head offices; management consultancy activities; architecture and engineering activities; technical testing and analysis	4,879	4,245	5,097	5,957	5,901	5,880
MB	72	Scientific research and development	665	477	531	435	229	201
MC	73-75	Advertising and market research; other professional, scientific and technical activities; veterinary activities	2,197	2,056	1,961	2,030	1,929	2,281
N	77-82	Administrative and support service activities	6,878	6,502	6,878	7,001	7,744	8,179
O	84	Public administration and defence; compulsory social security	7,790	7,381	6,876	6,688	6,468	6,310
P	85	Education	9,099	9,488	9,102	9,051	9,055	9,268
QA	86	Human health activities	9,978	9,869	8,918	8,960	9,086	9,655
QB	87-88	Social work activities	2,876	2,928	2,881	2,867	2,885	2,901
R	90-93	Arts, entertainment and recreation	2,443	2,268	2,357	2,604	2,568	2,530
S	94-96	Other service activities	745	797	729	725	718	789
T	97-98	Activities of households as employers of domestic personnel and undifferentiated goods and services production for households for own use	237	203	143	180	172	145
U	99	Activities of extra-territorial organisations and bodies	0	1	1	2	0	0
		Statistical Discrepancy	-189	1,501	-1,719	-1,654	-1,728	-1,761
<b>Gross value added at current basic prices</b>			<b>167,563</b>	<b>152,866</b>	<b>149,735</b>	<b>156,192</b>	<b>157,481</b>	<b>158,792</b>

† Preliminary

**Table 32 Gross Value Added at Constant Basic Prices**  
(chain linked annually and referenced to year 2012)

€ million

NACE REV. 2 section	NACE REV. 2 division	Description	2008	2009	2010	2011	2012	2013†
A	01-03	Agriculture, forestry and fishing	2,665	2,274	2,306	2,327	2,388	2,915
B	05-09	Mining and quarrying	859	749	696	573	510	709
C	10-33	Manufacturing	33,732	32,739	34,294	35,684	35,445	34,137
		of which						
CA	10-12	food products, beverages and tobacco products	6,993	6,660	6,883	7,444	7,045	7,473
CB	13-15	textiles, wearing apparel and leather products	320	263	243	197	161	173
CC	16-18	wood and paper products, and printing	987	804	760	745	707	707
CD-CE	19-20	coke and refined petroleum products, chemicals and chemical products	2,385	2,079	2,486	2,606	2,822	2,512
CF	21	basic pharmaceutical products and pharmaceutical preparations	8,065	10,762	13,673	14,882	14,777	14,237
CG	22-23	rubber and plastic products, and other non-metallic mineral products	1,131	790	787	723	704	726
CH	24-25	basic metals and fabricated metal products, except machinery and equipment	1,224	773	812	820	727	793
CI	26	computer, electronic and optical products	5,660	3,924	2,785	2,730	2,850	2,177
CJ	27	electrical equipment	176	126	212	133	247	271
CK	28	machinery and equipment n.e.c.	957	880	813	869	880	906
CL	29-30	transport equipment	338	219	231	255	236	230
CM	31-33	furniture; other manufacturing; repair and installation of machinery and equipment	4,434	4,392	4,379	4,447	4,290	3,933
D	35	Electricity, gas, steam and air-conditioning supply	3,547	3,351	3,458	3,384	3,318	3,117
E	36-39	Water Supply; sewerage, waste management and remediation activities	1,169	1,008	1,004	984	982	936
F	41-43	Construction	6,376	4,638	3,425	2,939	2,766	3,092
G	45-47	Wholesale and retail trade, repair of motor vehicles and motorcycles	17,475	16,004	16,174	15,915	15,759	15,815
H	49-53	Transportation and storage	6,859	6,048	5,799	5,765	5,858	5,958
I	55-56	Accommodation and food services activities	3,443	3,138	3,015	2,994	2,881	2,965
JA	58-60	Publishing, audiovisual and broadcasting activities	5,492	6,951	8,047	8,805	8,167	9,782
JB	61	Telecommunications	4,012	3,669	3,335	2,876	2,569	2,527
JC	62-63	Computer programming, consultancy and related activities; information service activities	5,941	5,048	4,641	4,752	6,345	2,705
K	64-66	Financial and insurance activities	15,999	15,378	14,597	14,375	15,253	15,224
L	68	Real estate activities	9,595	9,415	9,286	9,636	10,211	10,885
MA	69-71	Legal and accounting activities; activities of head offices; management consultancy activities; architecture and engineering activities; technical testing and analysis	4,757	4,533	4,775	5,840	5,901	5,914
MB	72	Scientific research and development	234	243	246	234	229	224
MC	73-75	Advertising and market research; other professional, scientific and technical activities; veterinary activities	2,116	2,016	1,960	1,978	1,929	2,004
N	77-82	Administrative and support service activities	4,895	5,236	6,125	6,256	7,744	9,250
O	84	Public administration and defence; compulsory social security	7,282	7,199	6,992	6,637	6,468	6,325
P	85	Education	9,821	9,627	9,413	9,258	9,055	8,962
QA	86	Human health activities	10,286	9,887	9,871	9,637	9,086	9,118
QB	87-88	Social work activities	2,909	2,877	2,953	2,969	2,885	2,986
R	90-93	Arts, entertainment and recreation	2,873	2,889	2,814	2,649	2,568	2,494
S	94-96	Other service activities	721	721	653	658	718	815
T	97-98	Activities of households as employers of domestic personnel and undifferentiated goods and services production for households for own use	280	234	168	211	172	135
U	99	Activities of extra-territorial organisations and bodies	0	0	0	0	0	1
		Statistical Discrepancy	~	~	~	~	-1,728	-1,314
<b>Gross value added at Constant Basic Prices*</b>			<b>157,352</b>	<b>151,080</b>	<b>151,070</b>	<b>156,567</b>	<b>157,481</b>	<b>157,680</b>

† Preliminary

~ Chain linked series not additive except for 2012 and 2013

\* The total GVA at constant basic prices differs in this table from that in Table 4. The chain linking here is done at a different level (37 sectors) to the level used in Table 4 (5 sectors). The methodology employed in the two tables differs also. Table 4 firstly calculates GVA at factor cost and then adjusts for taxes and subsidies to derive GVA at basic prices whereas in this table GVA at basic prices for each sector is compiled directly.





## **Appendix 1**

### **Definitions and Concepts**



## Appendix 1

### Definitions and Concepts

The series of official estimates of national income and expenditure was inaugurated in the White Paper on National Income and Expenditure, 1938-44 (Pr.No. 7356) and continued in a second White Paper "Tables of National Income and Expenditure, 1938 and 1944-50" (Pr.No. 350), in the annual issues of the "Irish Statistical Survey" from 1950-51 to 1958 and in the publication "National Income and Expenditure", 1959 to 2012. The latest estimates are contained in this issue of "National Income and Expenditure" (NIE 2013). These estimates are based, not on exact information but on incomplete data collected from many sources. The estimates of different items are therefore of varying accuracy, but where exact statistics were not available it was possible in some cases to compare independent estimates from alternative sources and thus obtain a check on the accuracy of the methods used.

#### Definitions

**Net national product at factor cost** can be defined as the total of all payments for productive services provided in this country or abroad accruing to the permanent residents of this country. The exact content of this definition is best shown by reference to the Explanatory Notes to Tables which appear in Appendix 2. Some income accrues to Irish residents as a result of economic activity abroad or property held abroad while some income arising in the State is paid to non-residents. **Domestic income** is the total income arising from productive activity within the State. **Domestic income plus net factor income from the rest of the world equals net national product at factor cost.**

**Gross domestic product at factor cost** is equal to net domestic product (domestic income) plus total provision for depreciation. **Gross national product at factor cost** is equal to net national product plus total provision for depreciation.

**Gross national product at current market prices** is equal to gross national product at factor cost plus taxes on expenditure less subsidies. It represents total expenditure on the output of goods and services of the national economy valued at the prices at which the expenditure is incurred plus net factor income from the rest of the world. This expenditure is made up of personal expenditure on consumers' goods and services, net expenditure by central and local government on current goods and services, gross domestic physical capital formation (comprising fixed capital and stocks) and net expenditure by the rest of the world on goods and services originating in Ireland plus net factor income from the rest of the world.

The concept of gross national product at factor cost, together with the closely related concept of gross national product at current market prices, suggests that there are three different methods of summarising the total economic activity of the country. These three different presentations are given in Tables 1, 2 and 5. Table 1 shows net national product broken down by type of income. Table 2 shows net national product at factor cost broken down by sector of origin. Table 5 shows expenditure on gross national product at market prices broken down by category of expenditure.

The following are some points regarding the constituents of net national product:

**Wages and salaries** include all such elements of earnings as overtime payments, bonuses, piece-work payments, commission earnings of distribution employees, directors' fees, etc. as well as income in kind (food, clothing, fuel and light). These are computed without deduction of employees' contributions to social insurance and to contributory pension funds. Where pension funds exist, the employers' contributions to pension funds are included in this item. Where pension funds do not exist, the value to the current employees of their future pension entitlements is estimated. The amount of actual pensions currently being paid directly to former employees is sometimes taken as an estimate but in the case of the Public Service an actuarial assessment is available. The value of unpaid domestic services performed by spouses is excluded, whereas the remuneration in cash and kind of domestic servants is included.

**Remuneration of employees** includes, in addition to the above elements, employers' contributions to social insurance.

**Transfer income** such as emigrants' remittances and old age pensions, blind pensions, widows' and orphans' pensions, unemployment benefit or assistance and all other social welfare payments whether contributory or not, are excluded from net national product. Employees' and employers' contributions to the state social insurance funds are regarded as taxes on income. Gross national disposable income is the sum of gross national product and net current transfer payments from the rest of the world.

**Profits of businesses** are taken before deduction of taxes on income but are net of taxes on expenditure (including rates). For 1990 and later years, royalty payments made or received by businesses are regarded as purchases or sales respectively of services, rather than as a form of investment income.

In measuring profits, receipts of investment income (interest and dividends) are in general not included in the output of businesses, and expenditures on investment income are in general excluded from their intermediate consumption. However, in the case of banks and similar businesses, output includes, in addition to invoiced fees and charges, an estimated service charge (called FISIM - financial intermediation services indirectly measured) in respect of their non-invoiced services, represented by the margin between the interest they pay on deposits and the interest they receive on loans. The estimation methodology makes use of a reference rate, approximating a pure interest rate, and calculated as the effective interest rate on inter-bank positions. In the case of loans (for which customers usually pay a higher rate than the inter-bank rate) the FISIM amount is calculated as the difference between the reference rate and the actual loan rate charged to customers, multiplied by the stock of loans of customers, and is subtracted from the original interest amount to yield the pure (FISIM-exclusive) interest amount. In the case of deposits (for which customers usually earn less than the inter-bank rate) it is the difference between the reference rate and the actual deposit rate paid by the bank to customers, multiplied by the stock of deposits from customers, and this is added to the original amount.

Of the total domestic production of FISIM, some is attributable to consumption in the form of final demand by depositing and borrowing customers (by households in their capacity as consumers, in the form of personal expenditure, by government in the form of government consumption, and by non-residents, in the form of exports). These components therefore add directly to GDP. The remainder of domestic production of FISIM is consumed as intermediate consumption by businesses or by households in their capacity as self-employed businesses and as borrowers for owner-occupation of dwellings, and has no net effect on aggregate GDP (although it does of course reduce the value added of the activity branches concerned, offsetting to some extent the increase in the value added of the financial services branch that produces the FISIM). FISIM, as a service, can also be imported by borrowing from and lending to banks abroad. Imported FISIM is attributed to users in the same way as domestically produced FISIM.

The provisions for depreciation deducted to arrive at *net profits* have been based up to NIE 2009 on those allowed for tax purposes adjusted, as appropriate, for *free depreciation*, etc. rather than the provisions made by the enterprises themselves in their business accounts. Now the depreciation estimates are based on the CSO's official estimates of the stock of fixed capital assets. The stock is calculated using a standard perpetual inventory method (PIM). The methodology used is described in the notes to the annual release on Capital Stock of Fixed Assets.

**Companies** include all public and private companies incorporated either in or outside the State, as well as certain corporate bodies, such as, the Electricity Supply Board, the Central Bank, etc. **Companies' Savings** comprise the undistributed income net of tax of all bodies counted as companies. In the case of subsidiaries or branches of foreign companies operating in the State the foreign direct investors' share of the total trading income (less corporation tax payable in the State) is regarded as distributed to these investors. Correspondingly, the Irish direct investors' share of trading profits of subsidiaries or branches operating abroad of Irish companies is regarded as having been distributed to these investors. [Direct investment here refers to a category of international investment that is **based on an equity ownership of at least 10%** and thus reflects a lasting interest by a resident in one economy in an enterprise resident in another economy.]

**Income from dwellings** is included in net national product. An imputed rent is included in respect of owner-occupied dwellings but no such element is imputed to other classes of durable goods.

**Income of agriculturists** is based on estimates of the value of gross output of agriculture after the deduction of estimates of various elements of costs, viz., the cost of marketing, feed-stuffs, fertilisers and seeds, petrol and oil, veterinary fees and medicines, depreciation, etc., as well as the interest element in land annuities paid. Farm

produce consumed in farm households without process of sale is valued at the prices which farmers receive for similar goods sold. The value of changes in the numbers of livestock on farms and the value of the change in the stock of crops held on farms are included in agricultural income. **Income originating in the agricultural sector** includes, in addition to the above, the total interest element in land annuities, including both the interest element in annuities actually paid by farmers and that met by way of subsidy under the land acts.

**Profits, interest, dividends and remuneration of employees from the rest of the world** are included in national product and similar items arising in Ireland and paid to foreign residents are excluded. In the case of subsidiaries or branches of foreign companies operating in the State the foreign direct investors' share of the total trading income (less corporation tax payable in the State) is regarded as distributed to these investors in the heading "Net Factor Income" and hence excluded from National Income. Correspondingly, the Irish direct investors' share of trading profits of subsidiaries or branches operating abroad of Irish companies is regarded as having been distributed to these investors and hence included in National Income. [See the section headed "companies" for a definition of "direct investors"]

**Government trading and investment** income which represents the income of central and local government in their entrepreneurial capacity can be accumulated from the components of net national product. The constituents of this item are (i) the trading income of the Post Office Savings Bank, (ii) interest receipts in respect of land annuities, (iii) interest on advances by the government to various concerns, such as the ESB Group (iv) net dividend payments from state sponsored bodies and payments to the Exchequer out of the profits of the Central Bank, (v) income from foreign securities, (vi) proceeds of the National Lottery surplus, (vii) interest payments under the Housing Acts and (viii) rental income of local government, consisting of actual rents received plus the amounts of "subsidies" involved (really benefits in kind to households which are also imputed as income to the Local Authorities) less expenses. Depreciation is deducted in respect of item (viii).

An **adjustment for stock appreciation is deducted** in the estimation of national product for years in which changes in commodity prices have been such that non-agriculture stocks held at the beginning of the year would have increased in value if no physical change had occurred. A similar provision is **added** for years in which price changes were such as to cause a fall in value of non-agricultural stocks held at the beginning of the year. The effect of this is to include in the various aggregates only the value of the change in volume of stocks between the beginning and end of the year, as distinct from the change in the value of stocks which, in general, is brought to account as part of income according to normal accounting definitions and would thus have been included in items 4 and 5. (The value of the physical change in agricultural stocks is computed directly so no similar adjustment is required in this case.)

**Personal income** is the aggregate income from all sources in cash or kind, whether from productive services or not, at the disposal of individuals permanently resident in the State. It is equal to net national product plus provision for stock appreciation, less government trading and investment income, plus national debt interest and other current transfer payments, less undistributed profits before tax of companies and other corporate bodies. See the explanatory notes on Table 9 on pages xix-xx.

**Private income** is the aggregate income from all sources in cash or kind, whether from productive services or not, of all individuals, companies, charities, etc. which are permanent residents of the State. It is equal to personal income plus the undistributed profits before tax of companies and other corporate bodies. See the explanatory notes on Table 9 on pages xix-xx.

### Changes in Concepts and Methods

To take account of developments in international standards, and as part of the ongoing process of improvement, many editions of the accounts over the years have introduced methodological or data changes. Changes since the late 1970s are summarised below. In addition to these systematic changes, routine revisions in the source data usually also result in revisions for a number of years in each edition.

In the **1978** report it was possible to produce an improved classification of local government expenditure by purpose for the years from 1976 onwards. This was due to changes in the local government accounting system which took effect in 1976.

In the **1979** report a fundamental revision of methodology produced changes in the figures for gross fixed capital formation. These are described in that report. Also a more complete survey of trading profits of unincorporated

enterprises, professional earnings, etc. resulted in revisions to these data.

In the **1980** report following a review of methodology, changes were made to balance of international payments data. Changes were also made to the method of recording housing subsidies. These changes are described in that report.

The **1982** report included revisions to the estimates for a number of items in the accounts arising from an ongoing review of sources and methods. These changes principally affected the Balance of International Payments estimate, company profits and the residual items personal consumers' expenditure and savings.

The **1983/1984** report incorporated the new series of estimates for agricultural output and income released in July 1985. The classification used in the analysis of personal consumers' expenditure was also changed in that report and aligned with that of the European System of Accounts. The headings are more functional in concept and some additional detail is involved. The detail of the relationship between the new and the old classification can be supplied on request.

The **1985** report introduced the concept of real gross national disposable income.

The **1988** report introduced a change in the treatment of non-commercial bodies, which were principally funded by grants from the State. Prior to this, these bodies were excluded from the scope of *Central and local government* and transactions between them and government were shown explicitly. In the 1988 report they were classified within the *Central and local government* sector and their receipts and expenditure consolidated with those of government. The net current expenditure of central and local government now includes the intermediate consumption of these grant aided bodies.

Arising from the Local Loans Fund (Amendment) Act, 1987, certain circular flows involving transfers and loan transactions between central government and local government decreased significantly. From 1988 this affects the comparability of data, for some headings, in Tables 19, 20, 26 and 27 but has no effect on the consolidated tables for *central and local government*.

A number of methodological improvements were introduced in the **1992** report. These changes principally involved the estimates of Wages and Salaries (mainly through the use of new surveys), Profits (using improved estimation procedures), Rent of dwellings (use of 1987 Household budget data) and Imports and Exports (new Balance of Payments surveys of International Trade in Services). These revisions significantly increased the levels of some of the key national accounting aggregates including Personal Consumption which was derived as a residual. Revisions have been made retrospectively.

The **1993** report incorporated a revised treatment of the deficit on the Local Government housing account, which was described in detail in the November 1993 issue of the Economic Series. Traditionally, in the Irish National Accounts, this deficit was treated as a subsidy. Following a legal decision published by the EU on the scope of subsidies in National Accounts (OJ L 224, 3.9.93, page 27), this deficit had to be reclassified as a current transfer payment from Local Government to households.

The **1994** report introduced the base 1990 for the constant price volume series.

The **1995** report revised the concept of Domestic Product and National Product by introducing two new points of methodology. They can be summarised as follows:

1. Royalty payments made by businesses are now excluded from profits as in normal company accounts. They are considered part of intermediate consumption and when the royalty payments are made abroad they are therefore considered as an import of services. Previously, royalty payments were included as part of profits (i.e. as a distribution out of profits). They were, however, considered part of *Factor Incomes* in the transition from GDP to GNP so while the level of GDP is affected by this change the level of GNP is unaffected.
2. In the transition from GDP to GNP the foreign direct investors' share of the profits (including net investment income) of subsidiaries or branches operating in Ireland of foreign companies are considered to have been distributed to these investors. Correspondingly, the Irish direct investors' share of the profits (including net investment income) of subsidiaries or branches operating abroad of Irish companies are considered to have

been distributed to these investors. Previously only the profits actually remitted to/from abroad were taken into account in the transition from GDP to GNP.

A number of other changes were made in the 1995 Balance of Payments Statement, some of which also affected items in the main national accounts tables. The main ones were:

- Improved estimates were made of remuneration of employees working outside their country of residence
- There was improved coverage of transfers vis-à-vis the rest of the world
- A change was made to an accruals based timing for EU transfers (previously on a cash basis).

Much detailed work was done on improving the estimates of wages and salaries for the 1995 report. This led to significant revisions in several sectors. The most notable changes were as follows:

- the overall comprehensiveness of the estimates was improved by changing control totals for employment from the PES (Principal Economic Status) basis of the Labour Force Survey data to the ILO (International Labour Office) basis;
- new information from the annual CSO services inquiries was incorporated, notably in the distribution sector, leading to increases from 1992 onwards;
- revised calculations have reduced the estimate for wages in small enterprises not covered by the Census of Industrial Production.

A major revision was also made in the 1995 report to the estimates of imputed rent of owner-occupied dwellings following methodology laid down in 1994 in a Decision of the EU Commission based on the results of the 1991 Census of Population.

The full ESA95 methodology was brought into effect in the **1998** report. This widened the scope of capital formation. Computer software, original literary and musical works, unsuccessful mineral exploration, military equipment similar to that used by civilian producers e.g. hospitals, are now included as capital investment.

The output of the insurance sector was increased by regarding the income from the investment of the technical reserves as additional imputed premium contributions.

Some payments to Government which were previously regarded as transfers e.g. passport fees, are now classified as payments for services while others (e.g. stamp taxes on banking transactions) are now regarded as taxes on products.

Rent of dwellings was revised downwards in the **2003** report based on the results of the 2002 Census of Population. The Census of Population provides details of the rent paid by all tenants in respect of their dwellings as well as details of the size of and facilities in the dwellings. This allows the imputed rent of owner occupiers to be revised in line with current rates in similar rented dwellings.

The **2004** report introduced two significant methodological changes. Firstly, the volume (constant price) measures were calculated to base the previous year rather than to a fixed base as in previous publications. The annual volume changes were then chain linked to a reference year to produce indices and values of the main aggregates in "constant" prices. This system was introduced throughout the EU to comply with EU Decision 98/715. The output and expenditure measures of GDP are calculated to base the previous year and the average of the two measures provides the official volume measure of GDP. A practical consequence of the chain linking system is that the chain linked aggregates are not equal to the sum of their chain linked components.

Secondly, a new method was introduced for estimating and allocating the interest margin that banks and similar entities earn by taking deposits at a relatively low nominal interest rate and making loans at a relatively high nominal rate (the so-called FISIM – Financial Intermediation Services Indirectly Measured). Under the previous methodology, this margin was presented in the accounts as though it were produced by the financial services branch, and entirely consumed, as intermediate consumption, by a notional branch which produced no output. The resulting notional loss (the item *Adjustment for financial services* in the editions before the 2004 report) completely offset the apparent profit earned by the financial services branch, and the net effect on GDP was therefore nil.



The new FISIM methodology introduced in the 2004 report follows new guidelines set down in EU legislation. It involves some relatively minor changes in the method of calculating the total amount of FISIM. More importantly, the allocation to the consuming sectors was changed. Instead of being allocated to a notional sector, it is now allocated to the sectors of the depositors and borrowers, in proportion to the quantity of their deposits and loans, and to the margin between the de facto rate earned by or charged to the sector and a pure or FISIM-free reference rate, calculated as the de facto effective rate for inter-bank business. The effect on GDP depends therefore on which sectors consume the FISIM: consumption that constitutes final demand (such as by households in their capacity as consumers, by government, or by non-residents) adds to GDP, but intermediate consumption (such as by companies, or by households in their capacity as self-employed businesses or as owner-occupiers of dwellings) has no net effect. There is also some relatively small reduction in GDP arising from imports of FISIM, but the net effect for Ireland, as for most countries, is that the new methodology results in a net increase in GDP levels.

The 2004 report also introduced a new retrospective series from the year 1970 estimated according to the ESA95 rules and conventions. The main aggregates from this series are shown in Table A. Most of the standard tables in the NIE report are available from this retrospective series from 1970 onwards on the CSO's website in Excel format and are also available in the CSO's database (StatBank).

In the **2005** report some changes were made to the estimation methods for the profits of companies and self-employed. The main changes were:

- The methodology and data sources for financial enterprises were overhauled: the coverage of the branch was more accurately delimited by improvements in the activity classification codes on the register, and more explicit and detailed use was made of survey data on financial enterprises collected in the CSO balance of payments and financial sector surveys
- Other improvements in the activity coding in the register also resulted in some reclassifications between branches
- Technical improvements were made to cater for situations where companies change their accounting periods, resulting in two or more accounting periods ending in a given calendar year
- Improvements have been made in aligning the profits of both companies and self-employed persons more closely to the calendar year.

These changes were implemented for the years 2000 to 2005. For the earliest years, the effect at the overall level was quite small, and it has not been possible to carry them through to years before 2000. Furthermore, while the effects on the branch results at the level published in this report (Tables 2 and 3) are also not very large (and in any event cannot readily be distinguished from routine revisions arising from more up-to-date source data), the effect on more detailed branch results may have been more significant.

Changes were also made to the estimation of the constant price output estimates (i.e. Table 4). New methodologies were developed for the calculation of the value added of the education and health services provided by government. The revised methodology for education uses pupil numbers, stratified by level of education in primary and second level, and by level of education and subject at third level to derive an overall volume index. This index is applied to base year unit costs. A quality adjustment is included in the calculation to take account of the number of teachers working in the education system.

The output of the health service is now being measured using a weighted index comprising measures of in-patient services, out-patient services and medical card services, applied to the base year contributions of these components to GVA. The value added for both education and health are captured as part of the total "Other Services" figure in Table 4.

Changes were also made in the estimation of company and personal savings. In previous editions, item 124 (Undistributed profits of companies before tax) was estimated independently, and personal savings (item 129) was calculated as a residual. In the 2005 edition, additional independent information on households' investment income and savings was used, based on initial work on setting up a series of non-financial sector accounts. This allowed personal income to be derived independently in Table 12. This practice continues up to the present. Personal savings (being personal income minus personal expenditure) can now also be derived independently. Item 124 (the undistributed profits of companies) is derived as a residual.



A new table of final balance sheets for the institutional sectors of the economy was given (Table 31). This table has not been repeated in later editions as it was combined with new tables of financial flows and of non financial sector accounts in a separate publication in April 2007. Updates of these series, non financial and financial accounts on an institutional sector basis are issued in a release annually.

The **2006** report contained reclassifications due to the abolition of the Health Boards at the beginning of 2005 and their replacement by the Health Service Executive (HSE). The main tables affected were the Government Accounts tables, especially Tables 19 and 20. The old Health Boards were considered to be part of the Local Government Sector but the new HSE belongs to Central Government. The Incomes and Expenditures of Health Boards are therefore recorded in Table 20 'Local Government' for all years up to and including 2004, with transactions between the Exchequer and the Health Boards explicitly shown. From 2005 onwards the corresponding transactions of the HSE are recorded as part of Table 19 'Central Government', with transactions between the Exchequer and the HSE consolidated out and no longer identifiable. Table 21, which includes the consolidated account for Central and Local Government is unaffected by the reclassification.

In the **2007** report the ESA codes for each item were introduced in Tables 1 to 7. An annex explaining the codes and their background is provided in Appendix 3.

In the **2008** report, the National Oil Reserves Agency (NORA), Irish Rail and the Irish-language television station TG4 were reclassified within Government, having previously been included in the commercial public sector.

- NORA is a State body under the control of the Minister for Communications, Energy and Natural Resources, whose function is to arrange for the holding of national strategic oil stocks. It is financed by a levy imposed on certain oil products; this levy is now classified as a tax on expenditure, and accordingly NORA is reclassified within Government from 2001, the year in which it ceased to be a subsidiary of the commercial National Petroleum Corporation.
- From 2006 onwards, the commercial revenues of Irish Rail have covered less than 50% of the company's operating costs (including depreciation), and this trend is expected to continue. As Irish Rail is publically owned, this means that in the National Accounts, the company must be reclassified within Government from that year.
- TG4 became an independent statutory entity (Teilifís na Gaeilge) on 1 April 2007, having previously been part of RTÉ. It is controlled and mainly funded by the Minister for Communications, Energy and Natural Resources, and has accordingly been classified within Government from the date of separation from RTÉ.

This reclassification means that subsidies and capital grants to Irish Rail and TG4 are now recorded in the National Accounts as intra-Government flows, which are consolidated out. As a result, a reduction in expenditure in these categories totalling some €400 million may be seen in 2006, with corresponding increases in other expenditure categories.

In the **2009** report, improved data processing methodology has enabled detailed data on Government transactions for the immediately preceding year (in this case 2009) to be given for the first time in Tables 19 to 29.

Meanwhile, the presentation of Table 21 (presenting receipts and expenditure of General Government) has been enhanced:

- a) with the addition of ESA codes for all appropriate items;
- b) by bringing the presentation of the table into line with that of Tables 19 and 20, through splitting the item 'Taxes on income and wealth (including social contributions)' into 'Taxes on income and wealth' and 'Social contributions', and through giving a breakdown of 'Expenditure on goods and services' between 'Wages, salaries and pensions' and 'Other'; and
- c) by the inclusion and derivation of two key aggregates: General Government net lending/net borrowing (given in two versions, the second of which is the General Government Balance or deficit as defined under the EU regulation governing reporting of deficit and debt levels for the Excessive Deficit Procedure), and 'Net expenditure by central and local government on current goods and services' (already included as item 80 in Table 5 but now shown in Table 21 derived from its components).

Finally, the Voluntary Hospitals have been reclassified from the Non-Profit Institutions Serving Households (NPISH) sector to the Central Government sub-sector of the General Government sector from 2005 onwards: this reclassification reflects the greater degree of control of these bodies exerted by Government following the creation of the Health Service Executive (HSE) on 1 January 2005.

This reclassification has the effect of increasing the levels of both receipts and expenditure for Government. Previously, only payments to the hospitals from Health Boards (to end-2004) or HSE were recorded as Government expenditure. Now, however, those payments are recorded from 2005 as intra-Government flows, but all the own-resource income of the voluntary hospitals is recorded as Government revenue, and all the expenditures of the hospitals - however funded - are recorded as Government expenditure.

The reclassification has also caused a change in the composition of Government expenditure: before, payments from HSE (including those to fund pay of hospital staff) were recorded as expenditure on goods and services, whereas now the expenditures of the hospitals are recorded directly, with wages and salaries as the largest component.

In the **2010** report estimates of depreciation (more properly called “consumption of fixed capital”) have been taken from the CSO’s estimates of the Capital Stock of Fixed Assets. A “perpetual inventory method” (PIM) is used to compile these estimates. Details of the methodology are provided in the background notes to the CSO’s annual release on the stock of fixed assets. A significant difference between the new estimates of depreciation and the former series is that property transfer costs (e.g. auctioneers’ and solicitors’ fees and stamp duties), being part of fixed capital investment, are depreciated in the year in which the charges are incurred. In the former series transfer costs on dwellings were not included at all in depreciation while transfer costs on other transactions were depreciated in line with individual company/business procedures.

The **2011** report introduced the NACE Rev. 2, classification of businesses in Tables 2 to 4. This replaces the national classification system for business activity which was used heretofore.

The results for the economy in these tables continue to be shown for five sectors whose titles remain the same as in previous releases and publications. However, the contents of the sectors have changed and conform to the NACE Rev. 2 system.

One of the main changes to the classification is that the “Publishing” industry has been reclassified from “Industry” to the sector “Distribution, transport, software and communication”. In addition, enterprises in the “Hotels and catering” sector and the “Software” industry have been reclassified from the “Other Service” sector in the former system to the “Distribution, transport, software and communications” sector. The overall effect on the tables has been that the “Distribution, transport, software and communication” sector accounts now for a much larger share of the total GVA of the economy than heretofore while the sectors classified as “Industry” and “Other Services” account for a lower share.

In Tables 2 to 4 the following is the correspondence with the relevant sections of NACE Rev. 2:

Agriculture, forestry and fishing	Section A
Industry	Sections B to F
Distribution, transport, software and communication	Sections G to J
Public Administration and Defence	Section O
Other Services	Sections K to N and P to U

For further information on the NACE Rev. 2 classification of industrial activity, visit the CSO website: <http://www.cso.ie/en/surveysandmethodology/classifications/classificationofindustrialactivity>.

Another new feature of this report is that the non fee paying Voluntary Secondary Schools are reclassified from the sector “non profit institutions serving households” to the Government sector. This treatment has been applied retrospectively to all years from 1995 onwards. The expenditure by such schools in providing education is now included with Net Government Expenditure e.g. items 80 and 93 whereas previously this expenditure was included in Personal Consumption Expenditure. (Items 79, 79(a), 92 and 92 (a).

Estimates were provided for the most recent year i.e. 2011 in Tables 9 and 12 unlike previous publications where

figures for the latest year were not available. These tables now provide, in particular, estimates of personal income and personal savings for the most recent year.

Two new tables on Government accounts were introduced in this report (Tables 21(a) and (b)). These were intended to complement the existing government finance statistics tables (Tables 19 to 28) by detailing:

- In Table 21(a): the relationship between the audited Exchequer balance and the net lending / net borrowing of general government ( 'GGDeficit' or 'GGB'); and
- In Table 21(b): the relationship between the audited national debt and the General Government Debt ('GGDebt' or 'Maastricht debt').

An annual release relating solely to Government Financial Statistics was introduced in April 2013 and Tables 21(a) and 21(b) are now included as Tables 8 and 9 of this release. Consequently they will not form part of the NIE publication in future.

A new Table 31 was also added. This provides gross value added at basic prices in current terms for 37 sectors of the economy according to the NACE Rev. 2 classification system. A much more detailed sectoral breakdown of GVA for the economy is displayed here than the six sectors shown in Table 3. It should be noted that Table 31 provides valuations of GVA for the sectors at "basic prices" in contrast to Table 3 which uses the "factor cost" valuation. "Basic prices" is the valuation used in EU publications and differs from "factor cost" in that overhead taxes (such as rates) are included in the basic prices valuations while overhead subsidies are excluded.

In the **2012** report a new Table 32 was added. This table provides gross value added at constant prices (chain linked and referenced to 2012) for 37 sectors of the economy. The same sectors are used as in Table 31 which is in current prices. The table provides a detailed breakdown of real growth in the constituent sectors of the economy. It is similar to Table 4 but provides a greater level of detail. The valuation used in Table 32 (as in Table 31) is "basic prices". The valuation is at "factor cost" in Table 4.

Estimates of rent of dwellings was also revised in the 2012 NIE report on foot of the results of the rents data collected in the 2011 Census of Population. Revisions to rents were made for each year back to 2007.

The seven public universities were reclassified from the Non-profit institutions serving households (NPISH) economic sector to the Non-financial corporations economic sector in NIE12. This change has been made following an analysis by the CSO that resulted in these entities being classified as 'market producers' – that is, they cover a majority of their costs through their own sales of education and research services. This has resulted in a number of changes to the national accounts aggregates. The principal changes are as follows:-

1. Personal Consumption expenditure (items 79 and 92) has been reduced. This item previously included the full costs of running the universities. It now only includes the student fees. The fees include actual fees paid plus the tuition fees paid by Government on behalf of students qualifying for a student grant. The latter are regarded as a benefit in kind paid by the Government to the student and paid onwards by the student to the Universities.
2. Government expenditure (items 80 and 93) now includes an element of the costs of research and development carried out by the universities. It is considered that the Government purchases these services as intermediate consumption.
3. Subsidies (items 31 and 34) have been increased to cover subventions by the Government (apart from the grants for fees) to the cost of providing education and to cover some of the cost of research and development activities undertaken by the Universities.

In this edition (i.e. the **2013** report), the ESA 2010 standards are introduced. National accounts are compiled in the EU according to the European System of National and Regional Accounts (ESA) framework. In 2014, the new ESA 2010 framework replaces the ESA 95 version and all EU member states are required to adopt ESA 2010 by September 2014. ESA 2010 is the European version of the current UN mandated international standards for national accostatistics, the System of National Accounts (SNA) 2008. The results for all years in this publication are published on an ESA 2010 basis. For Ireland, the ESA 2010 change with the greatest impact on gross

domestic product (GDP) is the new treatment of research and development (R&D) expenditure. Under ESA 95, R&D expenditure was treated as an ancillary cost to the main production of an enterprise, while under ESA 2010, R&D expenditure is recognised as capital investment.

In addition to the ESA 2010 changes, the results include additional estimates for illegal economic activities in line with the requirement from the European statistical agency, Eurostat to include such estimates in the National Accounts before September 2014.

The main ESA 2010 changes affecting the Government tables presented in this publication are: sector classification changes, the treatment of the transfer of pension obligations to government, the recording of payable tax credits and changes in the treatment of interest on swaps and forward rate agreements. A detailed description of these can be seen in the background notes to the July 2014 Quarterly Government Finance Statistics release and will also be shown in the October 2014 Annual Government Finance Statistics release <http://www.cso.ie/en/releasesandpublications/nationalaccounts/governmentfinancestatistics/>.

In addition to these changes to the 2010 deficit has been revised in the amount of €3,818 million. This change has come about from a re-examination of the treatment of an injection of €3,700 million made by the Irish Government, through the NPRF in 2010. At the time this injection was recorded as a financial transaction, namely the acquisition of equity in AIB, with no impact on the GG Deficit. Subsequently, during 2011, this shareholding was revalued to zero, again with no impact on the deficit, as revaluations do not impact the deficit. As part of the ESA 2010 transition a review of Government transactions related to the financial crisis has been undertaken. The CSO has determined, in consultation with Eurostat, that due to the timing of the devaluation of the AIB shareholding, it would be correct to re-classify this injection (along with the reinvestment of a further €118 million of fees and other income related to this shareholding which had also been treated initially as a financial transaction) as a capital transfer, impacting the deficit in 2010. The total change to the 2010 deficit, therefore is to worsen it by €3,818 million or 2.3% of GDP.

### **External Transactions at Constant Prices**

In the external account imports and exports of merchandise are expressed at constant prices by using import and export unit value indices. Invisible (i.e. non-merchandise) non-factor items are deflated separately by the most appropriate price index on consideration of the nature of the flow in question. The aggregate value of the imports of goods and non-factor services at constant prices is then determined and a general price index for the aggregate is deduced. Similarly, a general price index for the aggregate value of the exports of goods and non-factor services is calculated.

This implied price index for exports of goods and non-factor services is then used to deflate net factor income from abroad in years when this item is negative. In years when it is positive it is deflated by the implied price index for imports of goods and non-factor services. Net current international transfers are similarly deflated. The rationale for this approach is that a positive net factor income flow can be used to finance imports while a negative net factor income flow must be met with increased exports. From the year 1999 onwards exceptional income payments have had to be deflated separately.

### **Gross National Product by Sector of Origin at constant prices**

In the 1965 report estimates of the gross national product at constant prices subdivided by industrial sector were included for the first time. These estimates were compiled by aggregating the contributions, to the gross national product at factor cost, valued at constant prices, of the different industries, and of net factor income from the rest of the world, and adjusting to market prices by adding taxes on expenditure and deducting subsidies, both valued at constant prices.

Two principal methods have been used to derive gross value added at factor cost at constant prices as given in the tables.

The first method, which may be called the *double deflation* method, consists of valuing both the output and the input (expenses) of the sector at base year prices (now previous year prices). The difference between output and input is the gross product, *gross* signifying that depreciation has not been deducted as an expense. This is the basic approach used for the agricultural sector and for rent of dwellings.

The second method consists of estimating an index of volume of output for the sector for a series of years and

then multiplying the base year (now previous year) gross value added by these index numbers to derive the gross value added figures for other years. This method is widely used since, for most sectors, there is considerable difficulty in expressing the inputs at constant prices. Clearly, if at constant prices the ratio of input to output remains unchanged, both methods would give identical results.

The estimates for agriculture incorporate the official indices for agricultural output. In the case of industry, this report contains estimates of the contribution from three industrial sectors which are more than 90% foreign owned. These estimates, as well as those for the remainder of industry, are based on the official industrial production indices adjusted for the impact of royalties on intermediate consumption. The choice of suitable volume indicators on which to base volume index numbers in certain other sectors, however, raises conceptual problems which have not yet been solved satisfactorily. The service type industries include distribution, transport and communication, insurance, banking and finance, education, health, professional and miscellaneous services and public administration and defence. In certain industries, e.g. transport, suitable volume indicators such as passenger-miles and freight tonne-miles are available; in other industries it is more difficult to obtain volume indicators.

Particular difficulty is experienced in estimating the output of public administration and defence and other services provided by central and local government. In most of these cases no reasonable measure of output is available and the practice adopted is to apply an index of employment, where available, to the base year remuneration. Where reliable data are not available the implied index of rates of remuneration is used to deflate current values. The effect of using this method is to assume no increase in productivity. However, since NIE 2005, special methodologies have been developed for the calculation of the value added of the education and health services provided by government. The revised methodology for education uses pupil numbers, stratified by level of education in primary and second level, and by level of education and subject at third level to derive an overall volume index. This index is applied to base year unit costs. A quality adjustment is included in the calculation to take account of the number of teachers working in the education system.

The output of the health service is measured using a weighted index comprising measures of in-patient services, out-patient services and medical card services, applied to the base year remuneration. The value added for both education and health are captured as part of the total "Other Services" figure in Table 4.

In order to derive gross national product at constant market prices, net factor income from the rest of the world, taxes on expenditure and subsidies are also valued at constant prices. The method of expressing net factor income from abroad at constant prices has already been explained in the section *External transactions at constant prices*. Where taxes on expenditure and subsidies relate to particular goods, the rate of tax or subsidy per unit quantity of the item taxed or subsidised, if available, is used to derive an index to deflate current values. In the case of *ad valorem* duties both the rate of duty and an appropriate price index are used to compile constant price data. If neither of these methods of deflation can be used the estimation of a constant price series is made by using volume indicators appertaining to the relevant industry or by deflating by a suitable price index. In a few cases, where the taxes on expenditure or subsidies were not in operation in the base year, they are by definition, omitted from the constant price series.



## **Appendix 2**

### **Explanatory Notes to Tables**





## Appendix 2 - Explanatory Notes to Tables

The numbering of the notes refers to the numbering of the items in the foregoing tables.

**Table 1 Net Value Added at Factor Cost and Net National Income at Market Prices**

- Value added from agriculture, forestry and fishing.** Gross receipts from the sale of agricultural produce, timber and turf (excluding inter-farm transactions) together with the value of farmers' own produce consumed in farm households without process of sale and the value of the changes in the numbers of livestock on farms and on-farm stocks of the principal crops, all valued at current agricultural prices, less expenses incurred in production, including purchased materials, maintenance of machinery, depreciation, rent (Item 8) and other expenses. The income originating from agricultural activity is measured prior to any distribution to the various factors of production, which in combination produced it. Therefore, no deduction is made for interest on capital whether borrowed or not. The total represents income from agricultural activity only and does not, for example, include investment income of agriculturists, which is contained in items 4, 5 and 14. The item also includes income from sea and inland fisheries.

In comparing the average value of national income per head in this and in other countries, the part which subsistence farming plays in some economies should be borne in mind. It may be considered desirable in making such comparisons to value farm household consumption at full retail prices in order to arrive at comparable concepts. The requisite figures are shown below and the adjustment may be made by increasing agricultural income by the difference between the entries in columns (a) and (b) for each year.

**Farm Produce and Fuel Consumed on farms without Process of Sale 2010 – 2013 €million**

<i>Year</i>	<i>Farm gate at Current Prices (a)</i>	<i>Retail at Current Prices (b)</i>	<i>At 2012 Agricultural Prices (c)</i>
2010	64.3	148.8	71.0
2011	64.8	146.1	71.7
2012	65.9	153.5	65.9
2013	74.6	171.6	74.2

If it is desired to make comparisons between agricultural income figures when the value of the changes in the numbers of livestock on farms is excluded, the value of these changes for the years 2010-2013 at average annual prices (shown in item 154) should be subtracted from agricultural income figures in item 1.

- Agricultural wages and salaries.** Payments in cash and kind to farm employees and to employees in forestry.
- Employers' contribution to social insurance.** This item consists of the contributions of employers to the State social insurance funds. These contributions are classified as part of employee remuneration and also as part of direct taxation on households.
- 4 to 5. Domestic trading profits, self employed earnings, etc.** Domestic here means arising from economic activity within the State. Hence these items include the profits of subsidiaries or branches of foreign companies in respect of operations within the State (these are included also, net of corporation tax, as a negative entry in item 14), and exclude the profits of Irish concerns in respect of their operations abroad as well as investment income, etc., originating outside the State (included as a positive entry in item 14).

Trading profits are taken after payment of indirect (but not direct) taxes. For years after 1990, they are taken after net payments of royalties. In computing profits all interest payments are treated as an allocation of profit; they are not deducted as operating expenses before the trading profit is struck. For this reason, interest received as well as dividends received are excluded from trading profits. In the case of banks and similar businesses a charge is calculated on interest earned on loans and interest paid on deposits of customers. The charge, in the case of deposits, is the difference between the reference rate of interest and the actual rate paid by the bank and applied to the stock of deposits of customers. In the case of loans the charge is the difference between the reference rate and the actual loan rate charged by the banks and

applied to the stock of loans of customers. This charge is also treated as intermediate consumption by business and owner occupiers of dwellings with loans. It also forms part of the final expenditure aggregates Personal Expenditure, Government Expenditure and Exports and also forms part of Imports. However the interest itself is not treated as a receipt or a cost in the calculation of domestic profits. The effect of this is that net payments (i.e. receipts minus payments) of interest (i.e. pure interest) by households and central and local government are excluded from the calculation of GDP. The provision for depreciation deducted to arrive at net profits were, up until NIE09, those allowed for tax purposes adjusted, as appropriate, for *free depreciation* etc. as distinct from either the depreciation provisions of the enterprises themselves or depreciation estimates at replacement costs. Now depreciation (or more properly "consumption of fixed capital") is taken for the CSO's estimates of the capital stock of fixed assets. The methodology is described in the background notes to the annual release on this topic. Item 4 includes, in addition to trading profits of public and private companies, the operating profits of certain corporate bodies such as the ESB Group, the Central Bank, National Lottery, etc. These bodies are also regarded as companies in items 124 and 141.

6. **Adjustment for stock appreciation.** The adjustment has the effect of replacing the total of items 154 and 155 by item 82. Identical with item 156. It is included to ensure that only the value of physical change in stocks is counted as part of national product by eliminating the effects of price changes on the level of stocks.
7. **Rent of dwellings.** This represents net income from ownership of dwellings, i.e. gross receipts of rent for rented dwellings plus imputed rent of owner - occupied dwellings less depreciation, repairs and maintenance and other costs (which include bank charges, principally FISIM, on housing loans). In the case of dwellings owned by local government the amount included represents the full economic rent less depreciation, repair costs and other current expenses. In the national accounts, the difference between the economic rent and the lower rent actually paid by tenants is treated as an income transfer from Local Government to households.
8. **Rent element in land annuities.** This item represents the interest element in land annuities (forming the major part thereof) and includes both the interest element in actual payments by farmers and that met by way of subsidy under the Land Acts. This item forms part of Government trading and investment income (item 120). Letting of lands, e.g. on conacre, is considered as an inter-farm transaction and hence the corresponding rent is not included either as an expense or as a source of income for the agricultural sector.
9. **Domestic wages and salaries.** Wages and salaries include, in addition to basic wages and salaries, all items of earnings such as overtime payments, bonuses, piecework payments, commission earnings of distribution employees, directors' fees, income in kind, etc., arising from economic activity within the State. They exclude transfer payments such as old-age pensions, unemployment benefit, etc. Earnings are measured gross, i.e. before deduction of employees' contributions to social insurance and to contributory pension funds. The value of unpaid domestic service performed by household members is excluded, although the remuneration in cash and in kind of domestic servants is included. The earnings of Irish diplomatic and consular personnel abroad are included, while those of representatives of other states in this country are excluded.

Since the item measures remuneration for current work, pensions currently paid to former employees are in principle excluded. However, current employees benefit by the provision being made by their employers for their future pensions in the form of contributions to funded pension schemes. These contributions are viewed as an implicit part of the remuneration of the employee (known as voluntary social insurance contributions) and are therefore included in the wages/salaries/pensions item. Where funded pension schemes do not exist, the value to the current employees of their future pension entitlements is estimated. The amount of actual pensions currently being paid directly to former employees is sometimes taken as an estimate but in the case of the Public Service an actuarial assessment is available.

10. **Employers' contribution to social insurance.** This item consists of the contributions of employers to the state social insurance funds. These contributions are classified as part of employee remuneration and also as part of direct taxation on households.
12. **Statistical discrepancy.** This arises from the fact that Gross Domestic Product is calculated in two independent ways (viz. income and expenditure methods) as already explained on pages v-vii. The two methods produce different estimates as can be seen from summing the income components in Table 1 (plus depreciation from Table 2) and the expenditure components in Table 5. The official level of GDP is taken to

be the average of the two independent estimates and the statistical discrepancy is the amount by which each estimate has to be adjusted to bring it in line with the official estimate. In other words, it is calculated as the average less the sum of the relevant components from either method or one half of the difference between the two independent estimates. If the income-based estimate is higher than the expenditure-based estimate, the discrepancy will have a negative sign in the income tables (Tables 1, 2 and 3, and also item 149 in Table 11, and items in Tables 11.1 and 12) and a positive sign in the expenditure table (Table 5), and vice versa.

13. **Net value added at factor cost.** This item is the total of items 1 to 12.
14. **Net factor income from the rest of the world.** This is taken from the current account of the Balance of Payments
15. **Net national product at factor cost.** Total of items 13 and 14.
16. **National (i.e. non EU) taxes.** This covers all taxes on production except EU taxes on production as defined in item 39.
17. **National (i.e. non EU) subsidies.** This covers all subsidies on production except EU subsidies on production as defined in item 38.
18. **Net national income at market prices.** Total of items 15, 16 and 17.

**Table 2 - Net Value Added at Factor Cost by Sector of Origin and  
Gross National Income at Current Market Prices**

19. **Agriculture, forestry and fishing.** The total contribution of the agricultural sector to the national income equals the total of items 1, 2, 3 and 8. As indicated in the note to item 1, this total does not include the income of agriculturists from sources other than their agricultural activities and in the estimation of the value of the change in livestock numbers together with the on-farm stocks of the principal crops is taken into account.
20. **Industry (including building).** This total represents remuneration of employees (including all elements of earnings, see items 9 and 10) and profits in the case of all concerns engaged in industrial production, and building and construction. Remuneration of construction workers employed by central and local government and communication and transport companies as well as the value added of activities of these concerns covered by the Census of Industrial Production are included here and not in items 21 and 22. The contribution to national income is divided into *remuneration of employees* and *other*. *Remuneration of employees* in this item and in items 21, 22 and 23 includes, in addition to all elements of earnings, employees' contribution to social insurance.
21. **Distribution, transport, software and communication.** This total represents earnings and profits arising in distribution firms, hotels, restaurants and public houses, transport, software and communication businesses, including subsidies paid to such concerns. Earnings of workers covered by the Census of Industrial Production, or engaged in building and construction are excluded here and included in item 20. Remuneration of employees is shown separately.
22. **Public administration and defence.** This item includes payments in cash and kind to employees of the central government and local government who are engaged in administrative or regulatory activities, including those in the administrative departments and offices of government, the army and Gardai and diplomatic and consular officials abroad. It does not include payments to employees of concerns covered by the Census of Industrial Production (included in item 20), and to employees engaged in activities, other than administrative, such as building and construction (included in item 20), forestry (included in item 19), and educational and health services (included in item 23).
23. **Other services (including rent).** The total of estimated earnings (cash and kind) and profits in the case of all professions, financial and insurance concerns, health services, personal services (private domestic

service, hairdressing, undertaking, etc.), entertainment and sport etc. as well as net rent (actual and imputed). Remuneration of employees is shown separately.

26. Identical with item 12.
27. Identical with item 13.
28. **Provision for depreciation.** Separate estimates are shown for the main sectors. For the agricultural sector the figure is based on the perpetual inventory method, carried forward using data on capital formation, and covers machinery, vehicles and equipment and farm buildings. In the case of business concerns included in the other sectors, depreciation up until NIE09 was generally taken as being the amount allowed for tax purposes (adjusted appropriately for *free depreciation*, etc.). Now it is based on the estimates derived from the CSO's Capital stock of fixed assets. For central and local government an estimate of the depreciation on government buildings is included. An estimate of the depreciation on dwellings is also included.
29. Item 27 plus item 28.
30. **Non product taxes.** These are taxes on production excluding taxes on products as defined in item 33. Rates on commercial property and motor vehicle duties paid by businesses are examples of non product taxes.
31. **Non product subsidies.** These are subsidies on production excluding subsidies on products as defined in item 34. Grants for employment creation are examples of non product subsidies.
32. Item 29 plus item 30 plus item 31.
33. **Product taxes.** These are taxes that are payable per unit of some good or service produced or transacted. Excise duties on drink and tobacco are examples of product taxes.
34. **Product subsidies.** These are subsidies that are payable per unit of good or service produced or imported. They mostly relate to agricultural subsidies such as aid to farmers in less favoured areas.
35. Item 32 plus item 33 less item 34.
36. Identical with item 14.
37. Item 35 plus item 36.
38. **EU subsidies.** These consist principally of all payments made under the Guarantee section of the European Guidance and Guarantee fund (E.A.G.G.F. or F.E.O.G.A.) and are gross of levies paid to the EU such as the Co-responsibility levy on milk, the Co-responsibility levy on cereals and the Super levy in the dairy sector. These tax elements form part of EU taxes.
39. **EU taxes.** This mainly consists of the annual Exchequer contribution to the EU Budget, but excludes the GNI based Fourth Own Resource contribution and EU VAT, which in ESA 2010 are treated as a VAT and GNI based EU Own Resource (D.76)
40. Item 37 plus item 38 plus item 39.

**Table 3 - Gross Value Added at Factor Cost by Sector of Origin and  
Gross National Income at Current Market Prices**

41. Item 19 plus item 28 (a).
42. Item 20 plus item 28 (b).

- 43. Item 21 plus item 28 (c).
- 44. Identical with item 22.
- 45. Item 23 plus item 28 (d).
- 47. Identical with item 12.
- 48. The total of items 41 to 47.
- 54. Item 51 plus item 52 less item 53. Identical with item 35.
- 55. Identical with item 14.
- 56. Item 54 plus item 55. Identical with item 37.
- 57. Identical with item 38.
- 58. Identical with item 39.
- 59. Identical with item 40.

**Table 4 - Gross Domestic Product at Constant Factor Cost by Sector of Origin and Gross National Income at Constant Market Prices (chain linked to 2012)**

The entries in this table have been obtained by expressing the items in Table 3 in prices of the previous year and then chain linking them. The methods used are referred to in Appendix 1. The Statistical discrepancy item 66 (a) arises from the fact that estimates of gross domestic product at constant market prices are calculated in two independent ways (viz. the output method and the expenditure method see pages v-vii). The two methods produce different estimates as can be seen from summing the output components in Table 4 and the expenditure components in Table 6 for the year 2012. The official level of GDP at constant prices is taken to be the average of the two independent estimates when calculated to base the previous year and the statistical discrepancy in item 66 (a) is the amount by which either estimate has to be adjusted to bring it in line with the official estimate. The statistical discrepancy is only shown for the years 2012 and 2013 as these are the only years when the sums of the components (including the discrepancy) of either the output or expenditure methods are equal to the output or expenditure estimate of GDP. Irrespective of the official GDP being the average of two independent estimates additivity is lost for the individual estimates due to the chain linking process (see page xviii of the introductory text). Also the two independent estimates of GDP are not chain linked. The average of the two is calculated to base the previous year and it is this average which is chain linked to give the official level of GDP, referenced to year 2012.

**Table 5 - Expenditure on Gross National Income at Current Market Prices**

79. **Personal consumption of goods and services at current market prices.** The consumption of personal goods and services by Irish residents. Excludes the purchase of dwellings but includes the purchase of all durable (e.g. private motor cars, furniture, etc.) and non-durable (e.g. food, etc.) goods as well as gross rent (including the gross rental value of Local Government and owner-occupied dwellings) and services. In particular this item includes the consumption of a number of goods and services, which are paid for by the state. These form part of state transfer payments. For national accounts purposes it is considered that the state provides the money to the households and the household pays the concern providing the good or service. They thus form part of personal income and personal expenditure. Principal among these are:
- Higher Education Grants, Scholarships, etc.
  - Fees for University Education
  - Free travel, electricity, telephone rental
  - Medical goods supplied to households by pharmacists
  - Transport Services for school children

- The difference between the lower rent paid by local government tenants and the economic rent of these dwellings
- Medical Insurance Relief paid to Insurance Companies.

Also included is an imputed rent for owner-occupied dwellings, which never actually takes place as a real transaction. Here an estimated rent is assigned to households, which own their dwellings. This is done to avoid changes in the level of owner-occupied versus rented dwellings affecting the level of GDP in national or international comparisons.

The allocation of the total between different categories of expenditure, given in Table 13 at current prices and in Table 14 at constant prices, is based on a direct estimate of the expenditure in these categories. These figures include expenditure in the State by tourists and other visitors and this is deducted in aggregate at the foot of the tables to obtain the total expenditure by Irish residents. Expenditure on consumption goods by business concerns and their representatives is excluded. Taxes on income and wealth (including total contribution to social insurance) are also excluded.

In principle the life funds of assurance companies are regarded as part of the personal sector and the payments of life assurance premiums and the receipt of accrued benefits are treated as transfers within that sector. The effect of this is that the increase in the life funds of assurance companies forms part of personal savings and not part of personal expenditure. However management charges deducted by pension and life assurance managers for the management of the funds are included in personal expenditure.

80. Current Government expenditure on goods and services less miscellaneous Government receipts, plus an estimated provision for depreciation of central and local government fixed assets. The derivation of this item is shown at item 258 in Table 21, and it is also identical with item 137.
81. **Gross domestic fixed capital formation.** The total of items 151, 152 and 153.
82. **Value of physical changes in stocks.**
83. **Exports of goods and services.** Total current credit item with this heading in Table 30 (a).
84. **Imports of goods and services.** Total current debit item with this heading in Table 30 (a).
85. **Statistical discrepancy.** Equals items 12, but with sign reversed. See the notes for item 12.
86. **Gross domestic product at current market prices.** The total of items 79 to 85. Identical with item 54.
87. **Net factor income from the rest of the world.** Identical with item 14.
88. **Gross national product at current market prices.** Item 86 plus item 87. Identical with item 37.

#### **Table 6 - Expenditure on Gross National Income at Constant Market Prices (chain linked to 2012)**

92. **Personal consumption of goods and services at constant market prices.** The constituents of personal expenditure on consumers' goods and services were separately valued at previous year's prices and chain linked to reference year 2012.
93. **Net expenditure by central and local government on current goods and services at constant market prices.** In most cases, employees' remuneration was expressed at constant prices by applying an index of employment to the base year remuneration. Where reliable employment data were not available the implied index of rates of remuneration was used to deflate current values. Other expenditure was deflated partly by the consumer price index and partly by the wholesale price index.
94. **Gross domestic fixed capital formation at constant market prices.** The construction elements of item



81 were deflated using price indicators supplied by the Department of the Environment, Community and Local Government. The remaining constituents of item 81 were separately deflated by the most appropriate wholesale and import price index numbers.

95. **Changes in stocks at constant market prices.** Agricultural and intervention stocks were re-valued at individual commodity level to 2012 prices. Other non-agricultural stocks were deflated by the most appropriate price index numbers.
96. **Exports of goods and services at constant market prices.** Merchandise exports were deflated by the export price index (after taking account of the Balance of Payments adjustment) and receipts from services were deflated by the most appropriate price index in each case.
97. **Imports of goods and services at constant market prices.** Merchandise imports were deflated by the import price index and expenditures on services were deflated by the most appropriate price index in each case.
98. **Statistical Discrepancy.** Equals item 66, but with sign reversed. See the notes for Table 4.
99. **Gross domestic product at constant market prices.** The total of items 92 to 98.
100. **Net factor income from the rest of the world.** Identical with item 74. Item 87 when negative, is generally deflated by the implied price index for exports of goods and non-factor services. The rationale is that the deficit net-factor income flow must be financed by increased exports. See Appendix 1. Since 1999 exceptional adjustments for Balance of Payments purposes have been separately deflated.
101. **Gross national product at constant market prices.** Item 99 plus item 100.

#### Table 7 - Gross National Disposable Income and its use

105. Identical with item 35.
106. Identical with item 14.
107. Identical with item 37.
108. Identical with item 38.
109. Identical with item 39.
110. Identical with item 40.
111. **Net current transfers from the rest of the world.** Receipts less payments to the rest of the world which are not in exchange for a specified amount of goods or services. Includes, in particular, emigrants' remittances, social welfare transactions, contributions by the central and local government to international organisations and net current transfers from the European Union. In Table 30 (a) the net amount is shown as item 4.
112. Item 110 plus item 111, represents the income of the nation from all sources after allowance for transfers received and paid.
113. Identical with item 79.
114. Identical with item 80.
115. Item 113 plus item 114.
116. Item 112 less item 115.

117. Identical with item 28.

118. Item 116 less item 117. Identical with item 145.

**Table 8 - Gross National Disposable Income at Constant Market Prices (chain linked to 2012)  
Adjusted for Terms of Trade (i.e. Real Gross National Disposable Income)**

This table provides a measurement of real income available for consumption or saving incorporating the conventional adjustment for terms of trade. This adjustment was obtained as the difference between the figure obtained by deflating to prices of the previous year, the current value of exports of goods and services by an index of import prices and the value of exports of goods and services as normally deflated to previous year's prices. In years in which there is an improvement in the terms of trade (i.e. where export prices rise faster than or fall more slowly than import prices), the adjustment is positive so that the increase in the availability of goods and services to the community is larger than the change in gross national product at previous year's prices without taking account of the terms of trade

Following the convention used for deflation of net factor income from abroad the implied price index of the exports of goods and services is used to deflate net current international transfers when they are negative and the import index is used when they are positive.

**Table 9 - Personal Income and Personal Expenditure**

119. Item 15 less item 6.

120. **Government trading and investment income.** Consists of the profit income accruing to the central government and local government in their entrepreneurial capacity. The constituents are (a) the interest element in land annuities received (b) interest and dividends on State investments (such as holdings of foreign securities, loans and equity investments in state owned companies etc.) (c) Central Bank payments to the Exchequer (d) gross trading income of the Post Office Savings Bank (e) interest on loans under the Housing Acts (f) surplus of National Lottery and (g) imputed net rental income of local government. The item is derived as the total of item 169, the second and the third parts of item 170, items 198 and 200 less provision for depreciation in respect of local government housing.

121. The total of items 182 plus 183 and the second part of item 211.

122. The total of items 184, 212 and 111 less item 172.

123. **Private income.** This represents the total available to all except the central and local government sector for current expenditure, savings and taxation.

124. **Undistributed profits of companies.** Conceptually, that portion of company income (profits plus investment income) before tax which is not distributed in the form of dividends or interest. In the case of enterprises owned by non residents the entire income after tax is regarded as having been distributed and this item reduces to the tax element. In the case of foreign investments owned by Irish residents the entire income after foreign tax (which has been included in item 119) is included in item 124. *Companies* include certain corporate bodies other than public and private companies. Operationally this is a residual item computed indirectly as the difference between large aggregates. As such, it can be disproportionately affected by small errors in the underlying items and should therefore be treated with caution. It is estimated simultaneously with the estimates of personal savings (item 129) and in recent years this latter item is the main determining factor in its value.

125. **Personal income.** Differs from item 123 by the exclusion of the undistributed profits of companies. It is derived in Table 12.

126. Identical with item 79.



127. **Taxes on personal income and wealth.** This item is the difference between the total taxes on income and wealth (including contributions to social insurance) and the payments of direct tax on undistributed profits of domestic companies and on profits of foreign concerns arising from their activity within the State. Since 1987 this item includes Deposit Interest Retention Tax (DIRT). Some relatively small proportion of this tax is in fact paid by Companies and is not therefore appropriate to this heading. No adjustment has been made for this as firm information is not available on the proportion involved.

128. The total of items 126 and 127.

129. **Personal savings.** That portion of personal income that is not expended on current goods and services or on payment of taxes on income and wealth. Hence it equals item 125 less item 128.

### Table 10 - Net Current Income and Expenditure of Central and Local Government

(See also notes on Tables 19 to 28).

Item 135 (and thus items 138 and 139) of this table had previously been affected by the timing of EU Intervention Agency subsidies. Mismatches in timing between the incurring of losses by the Intervention Agency and the recoupment of these losses from the EU was overcome by the inclusion in item 135 of an imputed (positive or negative as appropriate) subsidy by the Irish Government to cover these losses. This was previously included as a component of the item *Expenses of market intervention less recoupment from EU* in Table 23. The change to an accruals basis for the recording of EU transfers (reflected in the change to the level of *EU subsidies* item in Table 23) has eliminated the need for this imputation.

130. The total of items 166 and 168. Further detail is provided in Table 22.

131. The total of items 167 and 197. Details of individual taxes given in Table 22.

132. Identical with item 120. The total of item 169, the second and third parts of item 170, items 198 and 200 less provision for depreciation in respect of local government housing.

133. Identical with item 172.

134. The total of items 130 to 133.

135. The total of items 181 and 210. Further detail given in Table 23.

136. The total of items 121, 184 and 212.

137. The total of items 185 and 214 less items 173 and 201, plus estimated central and local government' depreciation (excluding depreciation of local government dwellings).

138. The total of items 135 to 137.

139. Item 134 less item 138.

### Table 11 - Savings and Capital Formation

140. **Personal.** Identical with item 129.

141. **Companies.** Equals item 124 less corporation tax, fees under the Petroleum and Minerals Development Acts and levies under the Finance Acts (i.e. company profits taxes in Table 22). These taxes are included on a cash receipts basis. To the extent that cash receipts in the year overstate/understate the tax liability of the companies, the balance remains attributed to company savings.

142. **Central and local government.** Identical with item 139. The year to year change in this aggregate can be distorted by delays in payment of EU FEOGA subsidies (see note to Table 10).
143. **Net national savings before adjustment for stock appreciation.** The total of items 140, 141 and 142.
144. Identical with item 156.
145. **Net national savings.** The total amount available from domestic sources for net investment. Equals item 143 adjusted for item 144. Identical with item 118.
146. Identical with item 28.
147. **Net foreign receipts of transfers for capital purposes.** These include capital receipts from the EU as well as the net sale of non produced intangible assets. In Table 30 (b) this item is shown as "Balance on Capital Account".
148. **Net foreign disinvestment.** Net debit balance on current account of the Balance of International Payments Statement, item 5 in Table 30(a) plus capital transfers (i.e. Balance on Capital Account Table 30(b)). It includes some revisions for years prior to 2012, which have not been, included in the Balance of payments publications themselves. It equals the total of items 83, 84, 87, 108, 109, 111 and 147 with the signs changed.
149. **Statistical discrepancy.** Identical with item 12.
150. **Gross total available for investment in domestic physical capital formation.** The total of items 145-149.
151. **Building and Construction.** Includes all new building and major reconstruction of existing buildings as well as all construction work such as roads, harbours, airports, electricity generating stations, drainage and reclamation of agricultural land, bog development, forestry development, etc.
152. **Other home produced capital goods and services.** Includes transport equipment (aircraft, ships, rail vehicles and road vehicles other than those bought for personal use), agricultural machinery and other machinery and equipment including tools, containers and other durable goods for industrial, agricultural, commercial and professional use. Durable goods for personal and household use are excluded. Data are largely estimated from the CSO's PRODCOM enquiry after deductions are made in respect of exports (including re-exports) and distribution margins are added.
153. **Imported capital goods and services.** Covers the same goods as item 152, data being obtained from detailed import returns and additions made in respect of distribution margins.
154. **Value of changes in agricultural stocks and work in progress.** Includes the increase in the value of (i) stocks of raw materials and finished goods held by industry, (ii) distribution stocks including intervention stocks and (iii) work in progress in industry. The total change in the value of stocks during any year can be considered in two parts; (a) that due to price changes and (b) that due to volume changes. Item 155 includes both elements of change.
156. **Adjustment for stock appreciation.** This item represents that portion of the change in the value of non-agricultural stocks during each year attributable to price changes alone. This is deducted from the sum of items 154 and 155 to give the value of physical changes in stocks shown as item 82.
157. **Gross domestic physical capital formation.** The total of items 151 to 156 and equals the gross total savings available for investment in capital formation (item 150).

#### **Table 12 - Distribution of Personal Income and its relationship to Net National Product at Factor Cost**

This Table is a re-allocation of items comprising personal income and private income as given in Table 9. In

publications prior to NIE 2006 there was a single item for “Net interest, dividends and rents”. This item has now been disaggregated to show interest and dividends received, interest paid and rent of dwellings. All interest payments used in national accounts estimates must be adjusted for FISIM. FISIM is a notional payment regarded as having been charged by the banks on interest paid and interest received. (More information on FISIM is given in the section on *Profits of businesses* in Appendix 1 – page 36). Table 12 shows the interest earned by the household sector and the interest paid by the sector prior to the FISIM adjustments and shows the FISIM adjustments separately. Users then have the “normal” interest and the national accounts adjusted version of interest at their disposal.

The interest and dividends shown in this table include interest and dividends from life assurance and pension funds which are regarded as accruing to the household sector. In the administration of these funds such interest and dividends may be automatically reinvested in the funds.

### **Table 13 - Consumption of Personal Income at Current Market Prices**

(See the special note on item 79 in Table 5 for background information on the scope of personal consumption.)

[Note that in NIE publications prior to NIE 2002, all food, including the food element of meals out was included under the category “Food”. From NIE 2002 onwards the entire value of meals out (excluding the drinks element) is included with services under “miscellaneous goods and services”].

This Table provides a breakdown of personal consumption of different categories of goods and services.

A variety of methods are used to compile the estimates. Administrative sources provide information for some commodities, but consumption estimates for the majority of goods are estimated using a commodity flow approach. The total supply of individual commodities is derived by adding home production to imports and subtracting off any exports. Personal consumption is estimated by deducting the purchases of businesses and central and local government from the available supply.

For some well-defined products including certain foodstuffs the commodity flow exercise provides reliable estimates of the quantities of produce consumed. Personal consumption of these items is calculated by valuing the quantities at national average retail prices. For other goods the commodity flow calculations are done directly in value terms. The resulting estimates valued at producer and import prices are marked up to incorporate trade margins and taxes.

A variety of methods are used for estimating personal consumption of services, the most important sources being household budget surveys and direct inquiries.

In NIE 2004 the methods of estimating and allocating FISIM (financial intermediation services indirectly measured) were changed. FISIM represents the margin which banks withhold for themselves in paying interest on deposits or charging interest on loans. In the case of deposits it is calculated as the difference between a reference rate (calculated as the effective FISIM-free interest rate on inter-bank business) and the average interest rate, multiplied by the stock of deposits held by households. In the case of loans it is calculated as the difference between the reference rate and the average loan rate, multiplied by the stock of loans held by households. The FISIM in this table does not include FISIM charged on mortgage lending. This latter FISIM is regarded as being incurred by householders in their business capacity as landlords. Households which own their own dwellings are regarded in the national accounts as being landlords to themselves and an imputed rent is entered in respect of owner occupied dwellings under the housing heading in this table. For further details on FISIM see the section on *Profits of businesses* in Appendix 1.

Consumption of all items is valued at retail prices, except for own consumption of home grown produce, which is valued at farm gate prices.

In NIE2008 an estimate of the consumption of smuggled tobacco products has been included in the “tobacco” item.

In NIE 2013 estimates for illegal activities were revisited and now include prostitution and a revised methodology for estimation of consumption of illegal narcotics. These figures are included under the heading Miscellaneous goods and services.

158. Identical with item 79.

159. Identical with item 127.

160. **Total personal consumption.** Equals the total of items 158 and 159.

#### **Table 14 - Consumption of Personal Income at Constant Market Prices (chain linked to 2012)**

(See the special note on item 79 in Table 5 for background information on the scope of personal consumption.)

The entries in this table have been obtained by valuing, at previous year's prices, each of the constituents of personal consumption in Table 13 to obtain an annual volume change. The volume changes are chain linked to 2012. When consumption quantities are not directly available expenditures at previous year's prices are estimated by deflating current value amounts by appropriate price indices.

161. **Total personal consumption (except taxes on income and wealth) at constant market prices.** Identical with item 92. This represents the total consumption, included in item 79, valued in constant prices and thus gives a measure of the changes in the volume of consumption.

#### **Table 15 - Gross Domestic Physical Capital Formation at Current Market Prices**

In this table the main constituents of item 151 and of the total of items 152 and 153 are shown separately. The figure for **dwelling**s includes the total value of new building (excluding site costs), reconstruction and conversion, and is based mainly on data relating to numbers of dwellings built, estimates of capital repairs and extensions to dwellings, together with information on work done by local government. For **roads** the expenditure included relates to improvement and new construction only, ongoing repair and maintenance work being excluded. The **other building and construction** category includes the full cost of work done on land reclamation. **Transport equipment** covers aircraft, ships and boats, rail vehicles and road vehicles for business use (including the proportion of private cars estimated to be purchased for business use). **Other machinery and equipment** includes tools and durable containers as well as all industrial machinery.

162. Identical with item 157.

#### **Table 17 - Gross Domestic Physical Capital Formation at Constant Market Prices (chain linked to 2012)**

164. **Total gross domestic physical capital formation at constant prices.** With the exception of construction works, the constituents of Table 15 are separately deflated to previous year's prices using the appropriate wholesale and import price index number in each case. Annual volume changes are derived in this way and these volume changes are chain linked to the 2012 figures. Construction works are valued at previous year's prices using price deflators provided by the Department of Environment, Community and Local Government and tender price indices produced by the Irish Society of Chartered Surveyors.

**Tables 16 and 18 - Gross Fixed Capital Formation by Sector of Use at  
Current and Constant Market Prices (chain linked to 2012)**

In these tables, Gross Fixed Capital Formation is broken down over the various sectors of use. The majority of the sectoral headings are self-explanatory and are as defined in the European System of Accounts. Market services include all recovery, repair and trade services, the services of transport and communication, credit and insurance institutions and all business, recreational, cultural and other personal services. Non-market services on the other hand covers general government and local government services and other services which are predominantly non market such as health, education and other public services.

Deflation to constant prices is consistent with the estimates in Table 17 and is done within the various sectors at product level.

163. Identical with item 81.

165. Identical with item 94.

**Table 19 - Receipts and Expenditure of Central Government  
(including extra-budgetary funds)**

Table 19 - From 2005 onwards this table includes the transactions of the Health Service Executive and the Voluntary Hospitals. Prior to 2005, the health system was organised via the regional Health Boards: these were considered part of the Local Government Sector, and their incomes and expenditures were in Table 20 'Local Government'. Meanwhile, the Voluntary Hospitals were classified prior to 2005 within the Non-Profit Institutions Serving Households (NPISH) sector.

The National Oil Reserves Agency (NORA), Irish Rail and the Irish-language television station TG4 were reclassified within Central Government from the non-financial corporations sector from 2001, 2006 and 2007 respectively, and their transactions are included in this table in respect of those years for which they are part of the Government institutional sector.

The Institutes of Technology were reclassified within Central Government from Local Government from 2007. They had previously been considered part of the Local Government Sector and their incomes and expenditure are now included in Table 19.

166. Income tax (including sur-tax), corporation profits tax, capital gains tax, corporation tax, portion of motor vehicles duties, etc. paid by households, wealth tax and fees under the Petroleum and other Mineral Development Acts and the pension fund levy.

167. Excise duties, value added taxes, stamp duties (including fee stamps), portion of motor vehicle duties paid by businesses, agricultural levies, etc., broadcasting licence fees, fees and licences paid to the government under various acts, levies and tolls paid into extra-budgetary funds. Details are given in Table 22. Under ESA accounting conventions, fees and licences paid by businesses are now treated as payments for services. In the past these were treated as taxes on production.

Receipts during 1993 and 1994 under the 1993 tax amnesties amounted to €309 million. About €15 million of this amount was collected in 1993 and the remainder in 1994. As these receipts comprised mainly income tax and, thus, did not directly affect the level of GNP, no retrospective adjustments have been made to the data for 1993 or earlier years in respect of these amnesties.

168. The contributions under the Social Insurance Acts.

169. The excess of interest received over interest credited to depositors in the Post Office Savings Bank Fund less management expenses.

170. The amount shown under land annuities is the total of interest receipts including that part paid by the Exchequer under the Land Acts. Receipts of interest from other Irish sources comprise mainly interest receipts from investment in public corporations and payments by the Central Bank to the Exchequer.
171. Transfers from local government comprise mainly contributions under the Unemployment Assistance Act, 1933 and recoupments to central government departments in respect of services rendered.
172. That part of item 111 received by central government (not elsewhere included). Includes mainly receipts under the European Social Fund.
173. Appropriations-in-aid and extra receipts payable to the Exchequer which have not been included elsewhere together with certain miscellaneous receipts in extra-budgetary funds.
174. Total of items 166 to 173.
175. Estate, etc., duties, capital acquisition taxes.
176. Loan Repayments and Equity Sales. This line item is discontinued due to the lack of reliable data on loan payment and repayment flows.
177. Includes mainly payments under the European Regional Development Fund and receipts from the Guidance Section of the European Agricultural Guidance and Guarantee Fund (FEOGA).
178. This line item is discontinued due to the lack of reliable data on loan payment and repayment flows.
179. Total of items 175 and 177 ie Total capital receipts from non-financial transactions.
180. Total of items 174 and 179.
181. Unrequited payments which can be regarded as paid into the current account of enterprises for the purpose of reducing prices and/or ensuring that factors of production receive an adequate income. The separate items are shown in Table 23.
182. Interest paid on government borrowing. In line with ESA 2010 accounting conventions, all interest is recorded on an accruals basis. All internal payments between extra-budgetary funds have been eliminated and the total also excludes the liability under the Land Acts and the liability under the Housing Acts (which are treated as national debt interest in the Finance Accounts). The amount of interest payments to non-residents is included in item 2 of the Balance of International Payments Table 30a.
183. Interest paid on land bonds.
184. Unrequited payments into the current account of households and private non-profit making institutions. The separate items are shown in Table 24. This item includes the GNP related contribution to the EU budget & EU VAT. Includes also, as a negative expenditure, the receipts of imputed pension contributions from Government employees (see Item 185 below).
- In 2005 the total includes an amount of €400m in respect of the repayment of the fees wrongly charged to certain residents of nursing homes. Even though the repayments have to be claimed individually, and these claims have been taking a number of years to process, the accounting rules dictate that the value of the overall amount to be paid should be accrued and recorded in the year when the liability to pay was established with certainty. In 2004, an amount of €40m has been included for these repayments. This represents the value of the ex-gratia payments that Government agreed to pay at the end of 2004.
185. Expenditure on wages, salaries, pensions, goods, services, materials. Most public sector workers benefit from unfunded pension schemes. In line with international accounting conventions, the wages of these workers are increased by an estimate of the amount that the employer would have to contribute if these pensions were actually being funded. This is calculated as the actuarial value of the pension entitlements accrued by employees in respect of their year's work less any pension contributions actually paid by these



employees.

The public sector in Ireland is relatively young and the value of pension contributions thus calculated exceeds the value of pensions actually paid, by the Government, to retired employees. To balance the accounts, this excess is routed back to Government and treated as pension contributions paid by employees towards their future pension entitlements.

186. Transfers to local government which will be used for current expenditure.

187. Total of items 181 to 186.

188. Unrequited payments regarded as being paid into the capital accounts of enterprises which will result in expenditure on capital formation together with other capital transfers to financial institutions. Details are given in Table 23.

189. Unrequited payments regarded as being paid into the capital accounts of persons and private non-profit making institutions. Details are given in Table 24.

190. This line item is discontinued due to the lack of reliable data on loan payment and repayment flows.

191. This line item is discontinued due to the lack of reliable data on loan payment and repayment flows.

192. Direct expenditure on capital formation by the central government. Under ESA 2010 accounting rules, expenditures on military structures and equipment that can be used for civilian purposes are treated as capital formation along with R&D capitalised expenditure. These were previously treated as current expenditures and included in Item 185 "Expenditure on goods and services". Details are given in Table 25.

193. Transfers to local government, which will be used for capital expenditure.

194. Payments under Bretton Woods Agreement Acts, International Development Association Act, 1960 and European Communities Act, 1972.

195. Total of items 188 to 194.

196. Total of items 187 and 195.

**Table 20 - Receipts and Expenditure of Local Government  
(includes Vocational Education Committees)**

Table 20 - The Incomes and Expenditures of Health Boards are recorded in Table 20 'Local Government' for all years up to and including 2004. In 2005 the Health Boards were replaced by the Health Service Executive (HSE), which is considered part of Central Government. From 2005 onwards, these transactions appear in Table 19 'Central Government'. The Institutes of Technology were reclassified within Central Government from Local Government from 2007. They had previously been considered part of the Local Government Sector and their incomes and expenditure are now included in Table 19.

197. Receipts from rates as shown in the Local Taxation Returns together with rates in respect of government property. Both Non Principal Private Residence and Household Taxes are also included here. This is because their collection is the responsibility of the Local Government sector.

198. Total rents received, including the imputed transfer to local authority households on low rents, less expenditure on maintenance and repair and other expenditure in the housing accounts in the Local Taxation Returns.

199. Identical with item 186.

200. Interest on loans under the Housing Acts.

201. Trading receipts and miscellaneous receipts for services rendered by local government and other current grants and pension contributions.
202. Total of items 197 to 201.
203. See item 193.
204. This line item is discontinued due to the lack of reliable data on loan payment and repayment flows.
205. Miscellaneous receipts of a capital nature eg Development Levies.
206. See item 191.
207. This line item is discontinued due to the lack of reliable data on loan payment and repayment flows.
208. Total of items 203 to 205.
209. Total of items 202 and 208. ie Total current and capital receipts from non-financial transactions.
210. Subsidies refer to repayments to the agricultural sector by the County Committees of Agriculture.
211. Interest on monies borrowed by local government.
212. Unrequited payments to persons, including payments in kind. Details are given in Table 24. In the case of Local Government housing the difference between the economic rent and the lower rent actually paid by tenants is treated as an income transfer from Local Government to households. Includes also, as a negative expenditure, imputed pension contributions by workers towards their future pension entitlements.
213. Identical with item 171.
214. Expenditure on wages, salaries, goods, services and materials. As explained in the note to item 185, the wages of workers benefiting from unfunded pension schemes are increased by an estimate of the amount that the employer would have to contribute if these pensions were actually being funded. This is calculated as the actuarial value of the pension entitlements accrued by employees in respect of their year's work less any pension contributions actually paid by these employees. To balance the accounts, when the pension contributions thus imputed exceed the pensions actually paid to retired employees, the balance must be routed back to Government and treated as pension contributions paid by employees towards their future pension entitlements. In Table 20, this amount is actually shown as a negative expenditure in item 212 –“Transfer payments”.
215. Total of items 210 to 214.
216. Unrequited payments regarded as being paid into the capital accounts of enterprises which will result in expenditure on capital formation
217. Supplementary grants to persons under the Housing Acts.
218. This line item is discontinued due to the lack of reliable data on loan payment and repayment flows.
219. This line item is discontinued due to the lack of reliable data on loan payment and repayment flows.
220. Direct expenditure on capital formation by local government on houses, hospitals, roads, harbours, water supplies, etc. Details are given in Table 25.
221. Total of items 216,217 and 220.
222. Total of items 215 and 221.



### Table 21 - Receipts and Expenditure of Central and Local Government

This table summarises the consolidated accounts of the General Government sector, i.e. central government (including the Social Insurance Fund) and local government.

Items 223 to 252 are obtained by adding the corresponding entries in Tables 19 and 20, excluding transactions between central and local government (items 170(a), 186 and 193 in Table 19, and items 203, 211(a), 213 and in Table 20), which are consolidated out.

253. **Net lending / net borrowing** is the difference between receipts and expenditures of General Government for a particular year, excluding financial transactions – that is, transactions where one financial asset is exchanged for another without a change in net worth. Under ESA 2010 this measure is now identical to the General Government Balance (previously reported in item 255).

254. The **Adjustment for interest swaps**. This adjustment is no longer required under ESA 2010 and therefore is no longer shown in this table.

255. The **General Government Balance** (GGB), This item is now identical to item 253 and is no longer shown in this table.

257. **Depreciation** of Government is an estimate of the amount of fixed assets used up in a given year as a result of normal wear and tear and foreseeable obsolescence.

258. Identical with item 80 in Table 5, and with item 137 in Table 10.

The items in Table 10 are related to those in Table 21 as follows: Items 130, 131, 133 and 135 correspond with individual entries in Table 21.

Item 132 is equal to the sum of gross trading income, gross rental income and investment income as given in Table 21 less provision for depreciation in relation to the rental income of local government.

Item 136 is equal to the sum of National debt interest and transfer payments in Table 21.

Item 137 is equal to current expenditure on goods and services less miscellaneous receipts (both as in Table 21) plus an estimated provision for depreciation of central and local government' fixed assets, other than local government dwellings.

### Tables 22 to 28

Tables 22 to 25 give details of the constituents of certain items in Tables 19 to 21.

Tables 26 to 28 show the expenditure included in Tables 19 to 21 classified by purpose of expenditure and by economic category. These tables continue the series originally published in the June, 1969 and March, 1970 issues of the "**Irish Statistical Bulletin**".

The Health Service Executive was established in 2005 and is considered as part of Central Government in the national accounts. It replaces the former Health Boards which were treated as part of Local Government. In year 2005, this has resulted in current grants to local government under the "Health" category being zero in Table 26 and in current transfers by local government under the "Health" category being zero in Table 27. The Institutes of Technology were reclassified within Central Government from Local Government from 2007 and their incomes and expenditure are now shown in tables relating to Central Government.

Definitions of the various purpose categories of the expenditure are as follows:

1. **Defence**: Administration and upkeep of the defence forces including expenditure on barracks, military equipment and on civil defence. All such expenditure is treated as current.

2. **Other general government services:** General services of government relating to finance, the legislature, the judiciary, public order and safety and foreign affairs. Includes other general services not specifically allocated to one purpose.
3. **Education:** Administration of education departments. Provision, management, inspection and support of primary, secondary and vocational schools, university type institutions and schools for the handicapped, including reformatory and industrial schools. Included are scholarships, loans and grants to persons and institutions for educational purposes; subsidiary services such as school meals and transportation. School medical and dental services are included under Health.
4. **Health:** Administration of health departments, national health schemes and medical insurance schemes, together with expenditure on these schemes. Expenditure on hospitals, clinics and similar institutions including homes for the aged, blind, disabled, etc. Individual services such as medical, dental and maternity care, provision of drugs and medical appliances, immunisation and vaccination programmes and similar field programmes. School health and dental services are included.
5. **Social security and welfare:** Administration of funds for unemployment assistance and benefit, old age, blind and widows' and orphans' pensions, children's allowances, accident, injury, sickness, redundancy and other benefits to compensate for loss of income, together with payments from the relevant funds or other sources. Included are such items as allowances to disabled person (Department of Health vote) and special allowances under the Army Pension Acts (Army Pensions vote).
6. **Housing:** Expenditure in relation to provision of housing, including subsidies and grants in connection with construction or reconstruction of houses. Includes estimate of administration expenses in relation to the above.
7. **Other community and social services:** Administration, provision and upkeep of all other community services. Grants and support to bodies providing these services. Included are town and country planning, sanitary services, recreational and cultural facilities such as parks, libraries, museums, etc. Expenditure on support of the arts, theatres, religious groups, youth and civic organisations as well as on the promotion of the Irish language is classified here.
8. **Agriculture, forestry and fishing:** Administration of departments and other bodies dealing with agriculture, forestry and fishing. This includes outlays on advisory services, veterinary services, land reclamation, arterial drainage, reforestation, grants, subsidies and agricultural price support schemes. Central government expenditure includes also payment to local government in relief of rates on agricultural land.
9. **Mining, manufacturing and construction:** Administration of regulations, research, grants, subsidies and other assistance in relation to the development of industry, together with the corresponding outlays on these services.
10. **Transport and communication:** Administration of regulations, research, grants, subsidies and other assistance in relation to transport and communication, together with the corresponding outlays on these services.
11. **Other economic services:** Provision, administration and upkeep of all other economic services, such as those relating to labour, commerce, electricity, gas and water, meteorology, ordnance survey, etc., together with the central administration of the relevant Departments.
12. **Public debt:** Includes payment of public debt interest and principal both to residents and non-residents. Local government' loan repayments to central government are included here in the local government tables.
13. **Unallocated by function:** Certain grants payable by Central Government to Local Governments are multi-purpose grants and cannot be assigned to specific functions. These include road vehicle taxes. Since 1997, Local Governments are allowed to retain the amounts of motor tax collected to finance their activities. However, in the national accounts these taxes are still treated as accruing to Central Government and are then assigned to Local Governments as grants in aid. This category also includes block grants payable to Local Governments via the Local Government Fund.

## Table 29 - Social Protection Accounts

This table is discontinued. Data on social protection accounts will be published by CSO in the first half of 2015 following a review of social projection data sources and methods to more closely align national reporting with that of the current *European system of integrated social protection statistics* (ESSPROS). The ESSPROS database can be accessed at [http://epp.eurostat.ec.europa.eu/portal/page/portal/social\\_protection/data/main\\_tables](http://epp.eurostat.ec.europa.eu/portal/page/portal/social_protection/data/main_tables). It should be noted that data for Ireland contained in this database is likely to be revised following the completion of the current review.

## Tables 30 (a) and (b) - Balance of International Payments

Tables 30(a) and 30(b) give the Balance of International Payments (BOP) estimates. Retrospective estimates of the main balance of payments flows for the current account for the years 2008-2013 are included in Table 30(a) and are consistent with the results in the Balance of Payments release, published on a BPM6 (sixth edition of the IMF Balance of Payments Manual) basis in July 2014.

It is not possible to give comparable estimates for the components of the financial account (i.e. Table 30(b)) for years earlier than 1998 as a new series was introduced in respect of that year onwards incorporating the activities of the IFSC.

Full definitions of the component items of the Balance of Payments can be obtained on the CSO Website at [www.cso.ie](http://www.cso.ie). Summary descriptions are provided hereunder.

### Table 30(a) – Current Account

**Item 1. Merchandise** exports and imports are valued f.o.b. (*free on board*) for BOP purposes (imports are valued c.i.f. [*cost, insurance and freight*] in the official external trade statistics and this valuation was formerly used in the BOP). Some adjustments are also made to the official merchandise trade statistics to conform to the BOP change of ownership and market valuation principles. In addition, certain exports sales of software licences, which were formerly included in merchandise exports, are now recorded as service exports.

**Services** covers transport, tourism and travel, communications, insurance services, financial services, computer services, royalties and licences, business services and other services not elsewhere specified. Because of the presentation of merchandise imports on a f.o.b. basis (rather than c.i.f. as before), the freight element of the c.i.f. to f.o.b. adjustment is included in transport services.

**Item 2. Income** covers (a) compensation of employees, which relates to the earnings of persons working outside their country of residence for less than one year and earnings of local staff working in embassies and consulates, and (b) investment income, which covers earnings arising from foreign investors' investments in Ireland and Irish investors' investments abroad. Investment income excludes realised and unrealised capital and exchange gains or losses.

**Item 3. Subsidies less Taxes.** These relate to EU subsidies and taxes.

**Item 4. Current transfers** cover unrequited receipts and payments such as payments under Third World aid programmes operated by non-governmental organisations.

**Item 5. Current account balance** is the total of all current account credits less the total of all current account debits.

### Table 30(b) – Capital and Financial Account

**Item 6. Balance on Capital account.** The capital account largely covers capital transfers, in particular amounts receivable under the EU Regional Development Fund and the Cohesion Fund and all other transfers intended for capital purposes. Estimates of migrants' transfers (i.e. the transfer of the net worth of immigrants and emigrants)

are included but they are not well based. In addition, acquisitions and disposals of non-produced, non-financial assets (patents, copyrights, etc.) are also covered here. These transactions tend to occur infrequently but the amounts can vary substantially. Because of certain data limitations only the net flows are shown.

**Financial account.** The financial account covers transactions in foreign financial assets (i.e. claims on non-residents) and foreign liabilities (i.e. obligations to non-residents). The four categories of functional investment, which are distinguished (i.e. direct investment, portfolio investment, other investment and reserve assets), are based primarily on the relationship between the parties and secondly on the nature of the instrument involved.

**Item 7. Direct investment** is a category of international investment that, based on an equity ownership of at least 10%, reflects a lasting interest by a resident in one economy (the direct investor) in an enterprise resident in another economy (the direct investment enterprise). Using this criterion, a direct investment relationship can exist between a number of affiliated enterprises whether the linkage involves a single chain or a number of chains. It can extend to a direct investment enterprise's subsidiaries, sub-subsidiaries and associates. Once the direct investment relationship is established, all subsequent financial flows between the related entities are recorded as direct investment transactions, regardless of the type of financial instrument used in the financing arrangement (except for financial intermediary affiliates among which direct investment transactions are limited to those involving equity and permanent debt).

**Item 8. Portfolio investment** covers the acquisition and disposal of equity and debt securities, which cannot be classified under direct investment or reserve assets transactions. The securities involved are traded (or tradable) in organised and other financial markets. *Debt securities* cover *bonds and notes*, which have an original maturity term of more than one year and *money market instruments* with original maturity of one year or less. Transactions are valued at market value inclusive of accrued income.

**Item 9. Other investment** covers assets and liabilities other than those classifiable to direct investment, portfolio investment or reserve assets. It comprises loans, currency and deposits, short and long-term trade credits, financial derivatives and other accounts receivable and payable. Derivatives cover over-the-counter (OTC) and exchange-traded contracts and include options, futures, swaps, forwards, etc. For BOP purposes, all receipts and payments connected to financial derivative contracts (other than the values of transactions in the underlying commodities or financial instruments) are recorded in the financial account i.e. there are no entries in the current account other than related fees and service charges (not always identifiable). In principle, other investment transactions are valued at market valuation inclusive of accrued income. For loans, book values are accepted as a proxy for market values.

**Item 10. Reserve assets** at national level in the context of EMU have been defined by the European Central Bank from 1 January 1999, the date of introduction of the euro currency, as: (a) qualifying assets which are under the effective control of the national monetary authority (i.e. the Central Bank of Ireland), and (b) consisting of highly liquid, marketable and credit-worthy foreign (non-euro) currency denominated claims on non euro-area residents together with gold, special drawing rights (SDRs) and the reserve position in the IMF. Up to 31 December 1998, together with gold, SDRs and the reserve position in the IMF, the definition covered all foreign currency (non Irish Pound) denominated claims on non-residents of Ireland. Therefore, all claims on euro-area residents as well as euro-denominated claims on non euro-area residents, which prior to 1999 would have been classified as reserve assets, are from 1999 onwards classified to *portfolio investment* or *other investment* as appropriate.

**Item 11. Balance on Financial Accounts** is the total of all financial account credits less the total of all financial account debits.

**Item 12. Net errors and omissions.** The sum of the credit entries should, in principle, equal the sum of the debit entries over all three accounts. In practice, because of differences in coverage, valuation and timing this does not occur and a balancing item, *net errors* and *omissions* is inserted to balance the overall account.

### Table 31 Gross Value Added at Current Basic Prices

This table provides gross value added at basic prices in current terms for 37 sectors of the economy according to the NACE Rev. 2 classification system. A much more detailed sectoral breakdown of GVA for the economy is displayed here than the six sectors shown in Table 3. It should be noted that Table 31 provides valuations of GVA

for the sectors at “basic prices” in contrast to Table 3 which uses the “factor cost” valuation. “Basic prices” is the valuation used in EU publications and differs from “factor cost” in that overhead taxes (such as rates) are included in the basic prices valuations while overhead subsidies are excluded.

### **Table 32 Gross Value Added at Constant Basic Prices**

This table provides gross value added at constant prices (chain linked and referenced to 2012) for 37 sectors of the economy. The same sectors are used as in Table 31 which is in current prices. The table provides a detailed breakdown of real growth in the constituent sectors of the economy. It is similar to Table 4 but provides a greater level of detail. The valuation used in Table 32 (as in Table 31) is “basic prices”. The valuation is at “factor cost” in Table 4.



## **Appendix 3**

### **ESA Codes**





## Appendix 3

### ESA Codes

The item codes in the European System of Accounts are displayed in the second column of Tables 1 to 7 and 21. The ESA 2010 presentation is being used in the CSO releases on institutional sector accounts and is also used by Eurostat in their releases and publications on national accounts. The inclusion of the ESA 2010 codes in Tables 1 to 7 and 21 here makes comparisons with these publications more explicit. A full list of all the codes in the ESA 2010 system can be found in Chapter 23 of the ESA 2010 manual<sup>1</sup>. A list of the ESA 2010 codes for the variables reported in this report is given at the end of this annex.

Some important aspects of the coding system are described in the following paragraphs.

#### Value Added and Domestic Product

The ESA 2010 recognises two valuations of the aggregate 'value added': *at basic prices* (Code B.1) and *at market prices* (Code B.1\*). A previous edition of the system of accounts (ESA79) also used a third measure of value added, namely *valuation at factor cost*. It has been retained in this release for reasons of continuity of the series. Since it does not have a formal code in the ESA 2010 system it is shown as a combination of the codes of its constituents.

A further variant is the recording of the aggregates gross or net of depreciation (labelled *Consumption of Fixed Capital* in the ESA system). The two versions are distinguished by appending the letter "g" or "n" to the code. For example, Gross Value Added at Market Prices is coded B.1\*g, and Net Value Added at Basic Prices is B.1n.

In the general sense, value added is defined as the value of the goods and services produced (output) less the cost of goods and services (not including labour costs) used in the production process (intermediate consumption). The concept of value added can relate to a specific sector or branch of the economy, or to the whole economy. When used of the whole economy at the market price valuation, the term *domestic product* is more often used.

The differences between the three valuation approaches (factor cost, basic prices and market prices) relate to the treatment of taxes and subsidies on production (not to be confused with taxes on income or wealth, which are not relevant in this context).

To understand the links it is necessary to note that production taxes and subsidies are divided into two categories in the ESA 2010, namely *product taxes/subsidies* and *other taxes/subsidies on production*. The term *product* is used when the tax or subsidy is proportional to the quantity or value of product on which it is levied or granted (such as VAT or excise duties) and the term *other* is used otherwise.

In the valuation at factor cost product taxes (e.g. VAT, excise duties etc.) are not included in the value of output while *other production* taxes (e.g. rates on business premises) are deducted from output in the same way as intermediate consumption. On the other hand the value of all production subsidies (*product* and *other*) is added to output.

In the valuation at basic prices *product* taxes (e.g. VAT, excise duties) are not included in output and *other production* taxes (e.g. rates on business premises) are not deducted from output in deriving value added as is done at factor cost. *Product* subsidies are added to the value of output but *other production* subsidies are not added to output.

In the valuation at market prices (which is technically referred to as GDP) *product* taxes (e.g. VAT, excise duties) are included in output while *other production* taxes (e.g. rates) are not deducted. None of the production subsidies (neither *product* nor *other production* subsidies) are added to output.

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<sup>1</sup> The ESA 2010 manual is Regulation (EU) No 549/2013 in the European system of national and regional accounts in the EU Community. Chapter 23 (Classifications) of the manual begins at page 511.

The link between the three versions of value added (VA) can be seen most clearly in Table 3 of this report. It can be summarised as follows:

Adding *other taxes on production* to and subtracting *other subsidies on production* from the aggregate of the (sectoral) *value added at factor cost* gives the (economy-wide) *value added at basic prices*.

Adding *product taxes* to and subtracting *product subsidies* from value added at basic prices gives *domestic product*.

In Table 3, the valuations are Gross (i.e. inclusive of depreciation). In Table 1, and in the first part of Table 2, all valuations (of profits and rents, for example) are Net.

### Final Expenditure

In the national presentation, (Tables 5 and 6 of this report, for example) three categories of final expenditure have traditionally been distinguished: Personal consumption of goods and services; *Net expenditure by central and local government on current goods and services*; and *Gross domestic fixed capital formation*. The ESA 2010 system uses three related but slightly different categories: *Final consumption expenditure of households and non-profit institutions serving households*; *Final consumption expenditure of government*; and *Gross capital formation*. The detail in Table 5 (at current prices) and Table 6 (at constant prices) in this report has been expanded to clarify the relationship between the two systems.

The national concept of *personal consumption of goods and services* includes a certain amount of consumption for which the expense is borne by the government and not directly by the household. Examples are electricity and other fuels that the government provides free of charge to some households, free travel availed of by senior citizens and others, and free medicines provided to holders of medical cards. These items are treated in the national system as if the government provided the money to households to purchase them. The expenditure therefore appears as household expenditure (Items 79(b) and 92(b) in Tables 5 and 6 respectively), rather than as government expenditure. The ESA 2010 system is more straightforward. Expenditure on the items provided free to households is included in Government final expenditure. Thus, Table 5 shows that 'Personal consumption of goods and services' (i.e. the national concept) in current prices in 2013 is €83,334m. The ESA 2010 concept 'Final consumption of households and non profit institutions serving households', at €78,740m, is lower, by the amount (€4,594m) of the value of these goods and services provided by government to households. The national and ESA versions of government expenditure are of course also different, for the same reason: 'Net expenditure by central and local government on current goods and services' (the national concept), at €25,956m in 2013, is lower than the ESA 2010 category of 'Final expenditure of government', by the same €4,594m amount.

There is also a minor difference between the national and ESA definitions of gross capital formation. The ESA definition includes net additions to the breeding stocks of farm animals whereas in the national system these are included in the value of physical changes in stocks (items 82 and 95 in Tables 5 and 6). The value of the net additions to the breeding stocks has been shown as item 82(a)/95(a) to allow the transition to be made from one definition to the other.

### Treatment of Government pensions and imputed pension contributions

Most public sector workers in Ireland benefit from unfunded 'pay as you go' pension schemes. In line with international accounting conventions, the wages of these workers are increased by an estimate of the amount that the employer would have to contribute if these pensions were actually being funded. This is calculated as the actuarial value of the pension entitlements accrued by employees in respect of their year's work less any pension contributions actually paid by these employees.

In ESA 2010, employers' imputed social contributions are included in D122pay, while pensions to current pensioners are included in D62pay, and imputed pension contributions are included in D611rec and D612rec respectively.

However, in the NIE presentation, only social insurance (ie PRSI) are included under the heading 'social insurance contributions' (item 224). Health levy contributions are included under taxes on income and wealth (item 223). Imputed pension contributions are instead included as a deduction from 'transfer payments' (item 241). This means that total non-financial NIE receipts and expenditures of General Government are lower than the corresponding ESA 2010 totals, although net lending / net borrowing is the same in both cases.

## ESA codes and descriptions of variables reported in this publication

Code	Description
B.1	Value added
B.1*	Domestic product (B.1*g =gross domestic product; B.1*n = net domestic product)
B.2	Operating surplus
B.3	Mixed income (i.e. income of self employed)
B.5*	National income
B.6	Disposable income
B.8	Saving
B.9	Net lending / net borrowing
D.1	Compensation of employees
D.11	Wages and salaries
D.12	Employers' social contributions
D.2	Taxes (on production and imports) excluding customs duty
D.21	Taxes on products
D.29	Other taxes on production
D.3	Subsidies (on production and imports)
D.31	Subsidies on products
D.39	Other subsidies on production
D.4	Property income (which includes distributed income of corporations and reinvested earnings)
D.41	Interest
EDP D.41	Interest including flows on swap interest
D.422	Withdrawals from income of quasi-corporations
D.5	Taxes on income and wealth
D.61	Actual social contributions (ie PRSI)
D.62	Social benefits other than social transfers in kind
D.63	Social transfers in kind
D.7	Current transfers
D.9	Capital transfers
D.91	Capital taxes
D.92	Investment grants
D.99	Other capital transfers
EDP B.9	Net lending / net borrowing adjusted for flows on interest rate swaps
P11.	Market Output
P.12	Output for own final use
P.131	Payments for other non-market output
P.2	Intermediate consumption
P.3	Final consumption expenditure
P.5	Gross capital formation
P.51	Gross fixed capital formation
P.51c	Consumption of fixed capita
P.52	Changes in inventories
NP	Acquisitions less disposals of non produced assets
P.6	Exports of goods and services
P.7	Imports of goods and services
AF.2	Currency and deposits
AF.33	Securities other than shares, exc. financial derivatives
AF.331	Short-term
AF.332	Long-term
AF.4	Loans
AF.41	Short-term
AF.42	Long-term





