

9

Public Finance and Banking

- The General Government Balance was a deficit of €13,277m in 2008 compared with a surplus of €346m in 2007.
- National Debt as a percentage of GDP has fallen from 87.7% in 1990 to 27.7% in 2008.
- The General Government Debt as a percentage of GDP has fallen from 94.2% in 1990 to 44.2% in 2008.
- Lending by credit institutions to personal (private households) sector decreased from €148bn in 2007 to €138bn in 2008, the first such fall.

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Introduction

This chapter contains information on the Banking and Public Finance areas in the Irish economy. The source data on banking are principally drawn from the Central Bank and Financial Services Authority of Ireland Quarterly Bulletin with additional data provided by the Irish Stock Exchange. The statistics on public finance are obtained primarily from two administrative sources, namely the Department of Finance, (drawn from the Budget Book, Finance Accounts and Public Capital Programme publications) and the Revenue Commissioners' Annual Report. In addition, certain tables in the chapter contain data drawn from the CSO's National Income and Expenditure (NIE) publication.

Banking and finance

Statistics on banking and finance are given in the first four tables of this chapter. Tables 9.1 to 9.3 set out certain financial indicators such as details of domestic credit extended to Irish residents, the assets and liabilities of the Irish Monetary Sector and a breakdown of loans to and deposits held by the various sectors of the economy. Table 9.4 provides summary data relating to the Irish Stock Exchange (including the Government Securities Market).

Public finance

The public finance area is the subject of the remaining nine tables. Tables 9.5 and 9.6 examine the National and General Government Balances and Debt. Tables 9.7 and 9.8 detail the movements of all Exchequer receipts and issues. Table 9.9 provides a summary of National Debt while table 9.10 examines the Public Capital Programme. Tables 9.11 and 9.12 move to the areas of central and local government. Details are provided for receipts and expenditures, with expenditure being classified by purpose and economic category. Finally, table 9.13 details excise duty receipts.

Main trends to note in these tables include:

- Asset growth of the credit institution sector slowed in 2008 to €87bn; total assets were €1,424bn at the end of 2008. This is less than half the average annual increase for the years 2004 to 2007.
- Domestic private sector credit increased by €16bn to €392bn in 2008, compared to an average annual increase of €59bn each year from 2004 to 2007.
- The General Government Balance was a deficit of €13,277m in year 2008 compared with a surplus of €346m in 2007. In parallel, the Exchequer Balance in year 2008 was a deficit of €12,714m compared with a deficit of €1,619m in year 2007.
- National Debt as a percentage of GDP was an estimated 27.7% in 2008, compared with 87.7% in 1990; similarly the General Government Debt as a percentage of GDP was an estimated 44.2% in 2008 compared with 94.2% in 1990.

- Capitalisation of the Irish Stock Market (based on equities included in ISEQ only) fell dramatically to €31.4bn at end-2008 compared to a market high of €117bn at end-2006.
- Outstanding indebtedness on the 2.4 million credit cards in issue at the end of 2008 stood at €3.1bn, an annual increase of 4.5%, the slowest pace of growth over the past five years.

Technical Notes

Table 9.1

Other Monetary Financial Institutions (MFIs) comprise financial institutions whose business is to receive deposits or close substitutes for deposits.

In line with Eurosystem requirements, demand accounts are classified as overnight deposits.

Table 9.2

The figures for the number of credit cards in issue represent credit cards issued by credit institutions resident in Ireland. Debit cards or store cards are excluded.

Typical Annualised Percentage Rate (APR) charged on credit cards is calculated as a simple non-weighted average of the advertised APR charged by the issuers on standard credit cards.

Table 9.4

The ISEQ Overall Index reproduced in this table covers all Irish registered equities quoted on the Official List, ITEQ and Developing Companies Markets including Northern Ireland companies.

Turnover is the sum of purchases and sales by stockbrokers' personal and corporate clients.

Amount raised is the cash value of funds raised by new issues of securities.

Capitalised value is the market value of all issues on the last trading day of each period. The price used to value each individual issue is the last trading price at close of business on the last trading day of a trading period.

Table 9.5

Total exchequer balance is the sum of current and capital budget balance. It is the traditional domestic budgetary aggregate which measures Central Government's net surplus or borrowing position. It is the difference between total receipts into and total expenditure out of the Exchequer Account of the Central Fund.

The General Government Balance (GGB) measures the fiscal performance of all arms of Government ie Central Government, Local Authorities, Health Boards (these were dissolved on 31 December 2004 and replaced by the Health Service Executive), Vocational Education Committees and non-commercial semi-state bodies, as well as funds such as the Social Insurance Fund and the National Pensions Fund which are managed by Government agents. It thus provides an accurate assessment of the fiscal performance of a more complete government sector.

The figures for General Government Balance are on an ESA79 basis up to 1996 and on an ESA95 basis thereafter. The figures for Current budget balance, Capital budget balance and total Exchequer balance are on an ESA79 basis for all years. (ESA79 and ESA95 refer to the 1979 and 1995 editions respectively of the European System of Accounts, which sets down standards for National Accounts).

The transition from total Exchequer balance (Irish Government definition) to the General Government Balance (EU definition) is explained by a series of adjustments:

- The EU definition excludes all flows between the Exchequer and non-commercial State agencies and between the agencies themselves.
- It also excludes loan and share capital receipts and expenditure.

- Payments in respect of prefunding of future pension liabilities (ie payments made by Government into the National Pensions Reserve Fund), while treated as expenditure for the purpose of calculating the Exchequer Balance do not have an impact on the GGB.
- Exchequer balance is compiled on a cash basis, whereas the General Government Balance is compiled on an accruals basis.

Table 9.6

National Debt is calculated in accordance with domestic conventions. Details are published annually in the Department of Finance's Finance Accounts and the report and accounts of the National Treasury Management Agency (NTMA). In calculating the National Debt, certain liquid assets held by the State are offset.

The General Government Debt is the standardised measure of indebtedness of EU governments. It takes account of all liabilities included in the National Debt, without any offsetting of liquid assets, together with the liabilities of non-commercial State agencies and local authorities. In addition it includes the build-up of accrued interest on certain government borrowings, in particular on small savings schemes such as Saving Certificates, Savings Bonds and National Instalment Savings.

Tables 9.5 and 9.6

For the calculation of the Current Budget Balance, Capital Budget Balance, and Total Exchequer Balance as percentages of GNP and General Government Balance as a percentage of GDP in table 9.5 and National Debt and General Government Debt as percentages of GDP in table 9.6, the GNP and GDP data used has FISIM allocated. FISIM stands for Financial Intermediation Services Indirectly Measured.

For the calculation of GDP National Income and Expenditure annual results for 2004 and subsequent years, the method of estimating and allocating the output of non-invoiced services produced by financial intermediaries (mostly banks) has been changed. Formerly, the margin earned on lending and borrowing was treated as intermediate consumption of a notional producer sector and so made no net contribution to GDP. The negative value of this notional sector was shown in the National Accounts publication as Adjustment for Financial Services. The revenue from the margin on lending and borrowing is FISIM. Some changes have been made to the method of estimating this item. In addition, and more significantly, it is now being assigned to the different customer sectors and, as for other services, adds to GDP if consumed by government, non-residents or households as consumers. For customers who are resident market producers, and in respect of borrowing for house purchase by owner-occupiers, the service is part of their intermediate consumption and has a neutral effect on GDP.

Table 9.1 Credit institutions – aggregate balance sheet at end of year

€m

	2003	2004	2005	2006	2007	2008
Liabilities						
1 Capital and reserves	37,568	43,987	53,495	62,545	74,353	74,006
2 Deposits from credit institutions and other MFIs (excluding Central Bank)	234,350	293,131	380,218	463,860	516,874	639,459
3 Deposits from Central Bank	17,535	18,214	20,990	27,044	40,088	98,125
3.1 Short term	17,535	18,214	20,990	27,044	40,088	98,125
3.2 Other	–	–	–	0	0	0
4 Deposits from resident and non-resident general government (central, regional and local)	7,178	7,604	12,091	11,675	16,176	18,641
5 Deposits from other residents (non-MFIs, non-government entities)	153,014	174,605	216,412	270,816	300,031	290,028
5.1 Overnight: Current	23,858	27,988	35,403	53,222	55,517	54,054
Demand	30,156	31,743	37,016	49,164	61,345	56,561
5.2 Agreed maturity:						
Up to and including 1 year	66,575	71,849	84,250	101,661	121,852	124,806
1 to 2 years	2,142	3,314	3,612	5,652	4,700	8,992
Over 2 years	18,504	25,217	30,193	32,144	32,103	32,515
5.3 Notice:						
Up to and including 3 months	7,866	10,109	11,725	12,559	14,110	9,150
Over 3 months	49	35	26	36	33	30
5.4 Repurchase agreements	3,864	4,348	14,187	16,377	10,371	3,921
6 Debt securities issued	65,519	118,023	186,406	238,541	254,022	187,951
6.1 Up to and including 1 year	30,237	47,064	71,167	87,537	105,741	55,591
6.2 1 to 2 years	2,872	9,014	12,057	11,623	14,852	14,172
6.3 Over 2 years	32,411	61,946	103,182	139,381	133,429	118,188
7 Remaining liabilities	60,004	66,980	72,295	103,647	135,812	116,269
Total	575,168	722,545	941,907	1,178,128	1,337,356	1,424,479
Assets						
1 Holdings of notes and coin	1,132	1,156	1,168	1,271	1,650	1,586
2 Loans to credit institutions and other MFIs (excluding Central Bank)	141,931	178,996	257,506	344,767	335,743	400,704
3 Balances with Central Bank	4,303	4,760	8,883	13,617	22,752	21,181
3.1 Mandatory balances	4,303	4,749	8,710	13,468	11,409	9,303
3.2 Other	0	12	173	148	11,343	11,879
4 Loans to general government (central, regional and local)	17,074	21,875	24,444	25,596	22,996	20,574
5 Loans to other residents (non-MFI, non-government entities)	233,034	292,019	385,976	492,816	607,906	645,389
5.1 Overdrafts	6,245	6,703	7,639	9,027	10,165	8,584
5.2 Repurchase agreements	2,756	4,572	4,277	7,090	8,608	9,322
5.3 Loans up to and including 1 year	21,560	29,065	43,805	49,681	69,588	72,395
5.4 Term/revolving loans	88,503	105,943	136,307	170,533	209,363	221,539
5.5 Instalment credit/hire-purchases/leases	4,026	4,037	4,036	4,288	4,334	3,787
5.6 Residential mortgages	54,924	73,616	95,024	111,682	124,458	115,610
5.7 Other mortgages	9,632	12,799	12,577	18,103	18,812	18,627
5.8 Other loans and securities issued to other residents	45,388	55,285	82,312	122,412	162,578	195,524
6 Holdings of securities	114,315	155,441	191,571	213,046	220,901	237,597
6.1 Issued by MFIs	49,945	73,105	94,837	119,032	132,976	139,275
6.2 Issued by resident and non-resident general government	64,369	82,336	96,734	94,014	87,925	98,323
6.2.1 Exchequer notes	1,662	2,314	3,435	2,772	691	3,806
6.2.2 Securities	62,707	80,022	93,300	91,241	87,234	94,517
7 Holdings of shares and other equity	11,408	12,968	13,411	15,046	13,071	16,060
7.1 Issued by MFIs	4,715	5,316	5,339	5,867	4,597	5,668
7.2 Issued by other residents (non-MFIs, non-government entities)	6,693	7,653	8,072	9,179	8,475	10,393
8 Fixed assets	2,196	2,451	2,261	2,562	2,054	1,879
9 Remaining assets	49,775	52,878	56,686	69,408	110,281	79,509
Total	575,168	722,545	941,907	1,178,128	1,337,354	1,424,479

Source: Central Bank and Financial Services Authority of Ireland

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Table 9.2 Domestic credit (to Irish residents) at end of year

€m

	2003	2004	2005	2006	2007	2008
Credit institutions						
1 Loans to other residents (non-MFI, non-government entities)	153,105	192,092	250,506	306,611	363,741	358,481
1.1 Euro	132,115	170,149	218,918	269,793	314,486	315,783
1.2 Non-euro	20,991	21,943	31,588	36,819	49,255	42,698
2 Holding of securities, shares and other equity issued by other residents	6,855	6,937	7,549	10,054	11,792	32,559
2.1 Securities	1,808	1,882	2,489	4,980	7,012	26,632
2.1.1 Euro	1,477	1,477	1,649	3,865	5,864	25,495
2.1.2 Non-euro	331	404	841	1,115	1,148	1,136
2.2 Shares and other equity	5,047	5,055	5,060	5,074	4,780	5,928
2.2.1 Euro	4,808	4,807	4,770	4,785	4,462	5,478
2.2.2 Non-euro	238	248	290	288	318	450
3 General government credit (central, regional and local)	5,279	4,751	4,607	4,173	1,685	3,444
3.1 Loans	615	713	990	1,052	1,048	1,306
3.1.1 Euro	612	713	990	1,052	1,048	1,306
3.1.2 Non-euro	3	—	—	—	—	—
3.2 Securities	4,664	4,038	3,653	3,121	637	2,137
3.2.1 Euro	4,658	4,028	3,496	3,121	637	2,137
3.2.2 Non-euro	6	10	121	—	—	—
4 Accrued interest receivable on credit to other residents	469	567	754	1,111	1,263	1,432
4.1 Euro	365	450	553	862	977	1,216
4.2 Non-euro	104	116	200	249	287	216
Other						
5 Direct net external government borrowing from 1 Jan each year	-4,032	-2,193	-178	—	885	18,512
6 Non-Euro lending by credit institutions to non-MFI IFSC companies	12,918	11,123	14,567	15,194	25,231	22,895
7 Total lending by credit institutions to non-MFI IFSC companies	19,287	19,120	25,499	24,547	35,634	31,502
Selected measures of domestic credit (to Irish residents)						
Total euro credit (1.1, 2.1.1, 2.2.1, 3.1.1, 3.2.1, 4.1)	144,035	181,624	230,376	283,478	327,474	351,415
Private sector credit (1+2+4)	160,429	199,596	258,809	317,776	376,796	392,472
Residential mortgage lending	54,614	73,120	94,259	110,603	123,002	114,079
Credit card statistics						
Number of credit cards in issue (000)	1,993	2,002	2,028	2,163	2,303	2,381
Outstanding indebtedness on credit cards (€m)	1,723	1,997	2,305	2,738	2,992	3,129

Source: Central Bank and Financial Services Authority of Ireland

**Table 9.3(a) Credit institutions - sectoral distribution of advances and deposits, end of year
(vis-à-vis resident non-government)**

€m

	2001	2002	2003	2004	2005	2006	2007	2008
Advances								
Agriculture and forestry	3,086	3,153	3,155	3,379	3,690	4,401	4,761	5,418
Fishing	278	286	331	406	436	410	377	407
Mining and quarrying	337	241	175	238	310	371	453	517
Manufacturing	5,719	4,906	4,409	5,509	6,001	6,812	8,082	8,920
Electricity, gas and water supply	555	828	503	607	971	1,274	1,343	1,386
Construction	4,269	4,497	6,075	9,547	14,000	20,793	25,980	22,270
Wholesale/retail trade and repairs	4,497	5,277	6,385	7,724	10,092	11,118	13,483	14,091
Hotels and restaurants	4,516	5,170	5,767	7,002	9,043	10,897	11,745	11,462
Transport, storage and communications	2,285	1,984	1,832	2,224	2,446	2,497	3,522	3,574
Financial intermediation	41,744	40,129	36,624	36,136	46,630	49,959	64,502	80,588
Real estate and business activities	14,398	17,207	23,659	32,247	44,886	69,120	86,101	97,458
Education (schools and colleges)	248	367	385	408	508	646	663	765
Health and social work	465	555	620	834	1,311	1,861	2,645	2,726
Other community, social and personal services	1,087	1,194	1,502	1,798	2,371	2,457	3,235	2,952
Personal (private households)	45,594	56,403	68,539	90,970	115,361	134,051	148,639	138,507
Total	129,078	142,197	159,961	199,029	258,056	316,665	375,532	391,041
Deposits								
Agriculture and forestry	1,951	1,918	2,019	2,583	3,208	3,407	2,904	2,555
Fishing	99	96	83	74	107	99	116	138
Mining and quarrying	182	282	189	262	243	369	286	319
Manufacturing	4,712	4,771	5,095	5,284	5,787	5,538	6,210	6,541
Electricity, gas and water supply	237	214	633	264	291	372	995	534
Construction	1,720	2,269	2,409	3,130	4,032	4,550	4,079	3,659
Wholesale/retail trade and repairs	3,870	3,781	3,796	4,223	4,468	4,973	5,349	4,725
Hotels and restaurants	443	540	581	676	814	849	907	892
Transport, storage and communications	2,096	2,776	1,826	2,455	2,938	4,168	4,232	3,891
Financial intermediation	25,713	28,371	31,192	34,654	41,134	48,724	53,188	47,267
Real estate and business activities	6,940	7,442	9,130	10,260	12,884	16,081	15,822	16,737
Education (schools and colleges)	767	780	1,076	1,180	1,287	1,523	1,615	1,664
Health and social work	302	328	404	820	952	823	828	804
Other community, social and personal services	3,380	2,862	3,356	3,968	4,101	4,402	4,949	4,896
Personal (private households)	37,442	42,815	47,865	53,688	63,393	73,848	78,687	81,534
Total	89,855	99,244	109,654	123,522	145,619	169,726	180,166	176,156

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**Table 9.3(b) Credit institutions - sectoral distribution of advances and deposits, end of year
(vis-à-vis non-resident non-government)**

€m

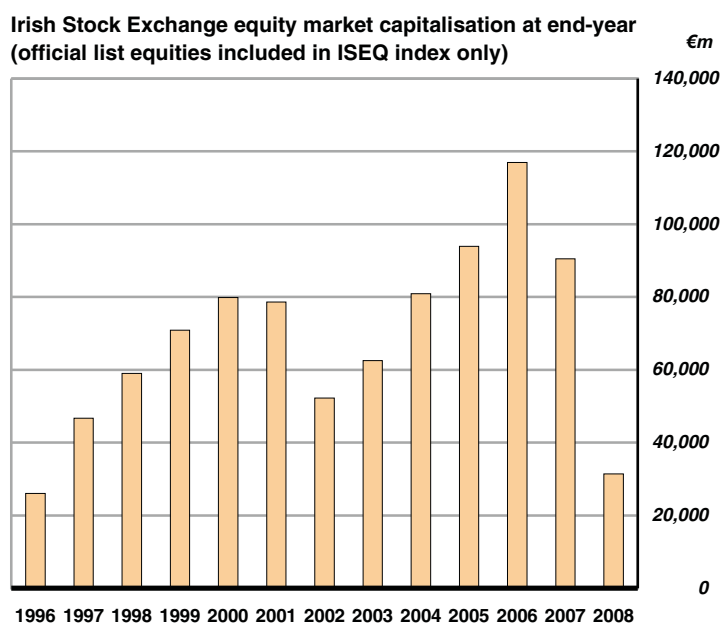
	2001	2002	2003	2004	2005	2006	2007	2008
Advances								
Agriculture and forestry	179	144	124	264	502	352	227	96
Fishing	–	8	8	9	11	14	30	7
Mining and quarrying	474	351	177	219	313	335	672	645
Manufacturing	8,195	6,363	4,320	4,597	5,005	6,312	7,417	8,647
Electricity, gas and water supply	3,947	4,060	2,784	2,453	3,838	6,728	9,797	10,051
Construction	767	889	863	2,884	4,244	5,077	3,746	3,993
Wholesale/retail trade and repairs	2,047	1,617	1,202	1,311	1,486	2,382	2,540	2,560
Hotels and restaurants	559	334	746	1,103	1,485	1,523	1,479	1,245
Transport, storage and communications	10,526	10,396	10,526	12,898	13,766	16,462	20,525	21,505
Financial intermediation	34,795	32,225	45,745	54,907	81,880	122,758	161,573	178,174
Real estate and business activities	6,279	5,564	7,873	13,201	15,580	13,503	22,070	25,860
Education (schools and colleges)	214	298	391	779	1,208	1,650	1,766	2,496
Health and social work	451	459	736	1,084	1,389	2,335	3,242	3,369
Other community, social and personal services	1,073	1,039	1,416	1,917	2,081	1,774	1,805	1,558
Personal (private households)	2,454	2,575	2,855	3,017	3,206	4,123	3,959	4,535
Total	71,960	66,322	79,766	100,643	135,992	185,328	240,849	264,741
Deposits								
Agriculture and forestry	41	164	160	160	226	88	61	91
Fishing	5	7	9	4	3	3	4	1
Mining and quarrying	26	27	57	1,142	686	502	187	497
Manufacturing	1,187	1,604	2,416	2,595	2,476	2,737	2,631	2,842
Electricity, gas and water supply	416	327	955	453	462	722	872	1,108
Construction	535	842	517	690	714	854	585	797
Wholesale/retail trade and repairs	300	288	268	1,200	1,138	1,730	2,354	1,640
Hotels and restaurants	56	30	52	117	64	562	398	82
Transport, storage and communications	1,967	1,869	1,718	2,225	2,532	2,843	3,515	2,139
Financial intermediation	21,624	23,665	28,003	33,008	50,182	79,076	97,003	90,925
Real estate and business activities	2,020	2,396	2,812	2,597	3,424	2,871	4,022	4,895
Education (schools and colleges)	84	85	106	384	919	534	1,414	312
Health and social work	46	40	21	16	48	207	441	300
Other community, social and personal services	1,282	645	1,814	2,128	2,694	2,059	1,720	1,177
Personal (private households)	5,347	5,484	4,450	4,365	5,226	6,302	4,658	3,913
Total	34,937	37,472	43,360	51,083	70,793	101,090	119,864	110,719

Source: Central Bank and Financial Services Authority of Ireland

Table 9.4 Irish Stock Exchange

	Unit	2001	2002	2003	2004	2005	2006	2007	2008
Government securities									
Turnover	€m	43,590	93,471	74,461	72,333	51,297	37,457	51,994	50,185
Amounts raised/redeemed (+/-)	€m	-2,106	6,600	6,570	2,837	1,440	—	5,959	10,929
Capitalised value at end of period	€m	18,812	21,869	29,557	33,031	33,062	32,413	31,190	42,552
Number of issues	No.	18	16	15	15	13	11	11	11
Irish equity market									
Official list									
Turnover	€m	50,031	69,490	77,196	72,298	108,094	127,706	196,021	111,055
Amounts raised	€m	4,239	1,635	721	2,543	1,435	2,761	5,376	401
Capitalised value at end of period (Equities included in ISEQ only)	€m	78,633	52,234	62,548	80,868	93,925	116,987	90,460	31,398
Number of issues	No.	79	70	67	61	61	53	49	61
Unlisted securities and other markets									
Turnover		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Amounts raised		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Capitalised value at end of period (Equities included in ISEQ only)		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Number of issues		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Developing Companies Market/ Explorations Securities Market/ITEQ									
Turnover	€m	1,011	765	319	211	418	1,256	3,152	1,036
Amounts raised	€m	255	1	28	47	69	941	1,241	154
Capitalised value at end of period	€m	2,116	899	1,014	1,182	850	2,464	3,083	964
Number of issues	No.	20	17	12	13	13	23	30	27
Price index of ordinary stocks and shares (ISEQ) at end-year									
(Base Jan 4th 1988, 9am=1000)		5,707	3,995	4,921	6,198	7,364	9,408	6,934	2,343

Source: Irish Stock Exchange



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Table 9.5 National and General Government balances

Year	Current budget balance		Capital budget balance		Total Exchequer balance		General government balance	
	€m	% of GNP with FISIM allocated	€m	% of GNP with FISIM allocated	€m	% of GNP with FISIM allocated	€m	% of GDP with FISIM allocated
1980	-695	-6.0	-851	-7.4	-1,545	-13.4	n/a	n/a
1981	-1,018	-7.3	-1,168	-8.4	-2,186	-15.7	n/a	n/a
1982	-1,255	-7.9	-1,215	-7.6	-2,470	-15.5	n/a	n/a
1983	-1,219	-7.0	-1,011	-5.8	-2,230	-12.8	n/a	n/a
1984	-1,319	-7.0	-998	-5.2	-2,317	-12.2	n/a	n/a
1985	-1,630	-8.0	-928	-4.6	-2,559	-12.6	n/a	n/a
1986	-1,771	-7.9	-952	-4.2	-2,724	-12.1	n/a	n/a
1987	-1,498	-6.2	-769	-3.2	-2,268	-9.4	-2,409	-9.0
1988	-403	-1.6	-383	-1.5	-786	-3.1	-1,416	-4.9
1989	-334	-1.2	-274	-1.0	-608	-2.2	-902	-2.8
1990	-193	-0.6	-427	-1.3	-620	-1.9	-1,019	-2.8
1991	-379	-1.1	-275	-0.8	-654	-1.9	-1,076	-2.9
1992	-566	-1.6	-349	-1.0	-915	-2.6	-1,184	-3.0
1993	-481	-1.2	-399	-1.0	-880	-2.3	-1,181	-2.7
1994	19	0.0	-873	-2.1	-854	-2.0	-932	-2.0
1995	-459	-1.0	-337	-0.7	-796	-1.7	-1,043	-2.0
1996	371	0.7	-925	-1.8	-554	-1.1	-62	-0.1
1997	767	1.3	-1,052	-1.8	-298	-0.5	765	1.1
1998	2,654	3.8	-1,694	-2.5	948	1.4	1,865	2.4
1999	4,367	5.7	-2,855	-3.7	1,512	2.0	2,461	2.7
2000	6,967	7.8	-3,794	-4.3	3,177	3.6	4,994	4.8
2001	4,725	4.8	-4,075	-4.2	650	0.7	1,029	0.9
2002	5,402	5.1	-5,307	-5.0	95	0.1	-462	-0.4
2003	4,410	3.7	-5,390	-4.6	-980	-0.8	555	0.4
2004	5,620	4.5	-5,587	-4.4	33	0.0	2,080	1.4
2005	6,353	4.6	-6,852	-5.0	-499	-0.4	2,752	1.7
2006	9,069	5.9	-6,886	-4.5	2,265	1.5	5,282	3.0
2007	6,992	4.3	-8,610	-5.3	-1,619	-1.0	346	0.2
2008	-3,069	-2.0	-9,645	-6.2	-12,714	-8.2	-13,277	-7.3

Source: Department of Finance

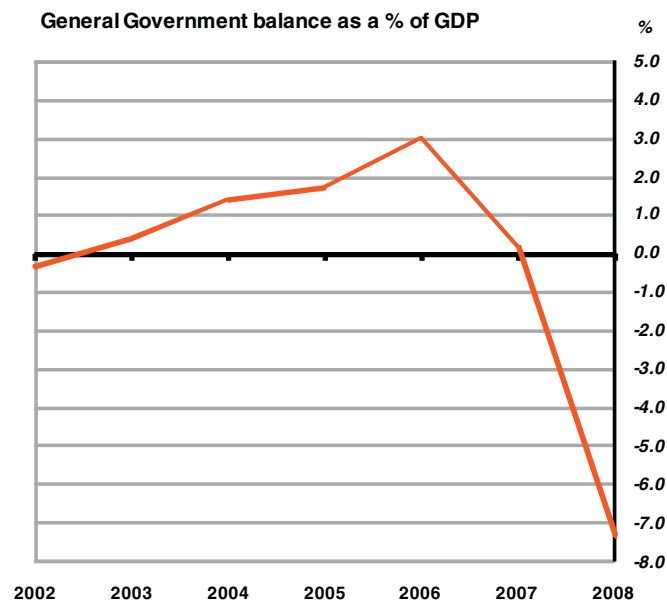
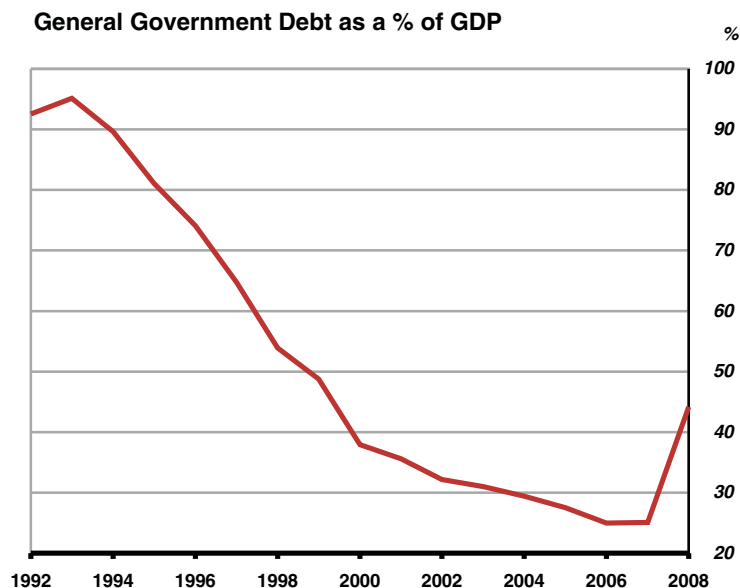


Table 9.6 National and General Government Debt

End of year	National Debt		General Government Debt	
	€m	% of GDP with FISIM allocated (ESA95 basis)	€m	% of GDP with FISIM allocated (ESA95 basis)
1990	31,849	87.7	34,194	94.2
1991	32,223	85.5	36,004	95.6
1992	33,450	83.6	37,041	92.5
1993	36,006	83.3	41,128	95.1
1994	37,111	79.8	41,673	89.6
1995	38,358	72.2	43,061	81.1
1996	37,980	65.2	43,162	74.1
1997	38,966	57.8	43,694	64.8
1998	37,510	48.1	42,081	53.9
1999	39,851	44.3	43,853	48.8
2000	36,511	34.9	39,658	37.9
2001	36,183	31.0	41,576	35.6
2002	36,361	27.9	41,912	32.2
2003	37,611	26.9	43,322	31.0
2004	37,846	25.4	43,857	29.4
2005	38,182	23.6	44,560	27.5
2006	35,917	20.3	44,160	25.0
2007	37,559	19.8	47,567	25.1
2008	50,398	27.7	80,295	44.2

Source: Department of Finance



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Table 9.7 Exchequer receipts

€000

	2002	2003	2004	2005	2006	2007
Tax revenue						
Agricultural levies	7,691	5,417	6,442	8,615	1,890	0
Capital Acquisitions Tax	150,206	214,167	190,064	248,912	352,696	392,349
Capital Gains Taxes	627,340	1,442,820	1,515,555	1,959,659	3,099,933	3,105,495
Corporation Tax	4,803,465	5,161,370	5,331,596	5,491,687	6,683,247	6,390,625
Customs	133,097	135,923	173,285	226,132	256,829	265,904
Excise	4,441,077	4,572,137	4,927,554	5,232,669	5,588,897	5,837,878
Income levy	11,695	0	0	0	0	0
Income Tax	9,062,906	9,161,767	10,650,541	11,266,298	12,389,939	13,572,410
Motor Vehicle Duties, etc	0	0	0	0	0	0
Residential Property Tax	827	404	382	360	-36	0
Stamps	1,166,531	1,688,382	2,088,454	2,725,210	3,716,501	3,185,602
Training and Employment Levy	0	0	3,658	5,361	1,017	2,501
Value-Added Tax	8,884,902	9,720,544	10,693,291	12,089,070	13,447,991	14,496,588
Youth Employment Levy	4,372	0	0	0	0	0
Total	29,294,109	32,102,931	35,580,822	39,253,973	45,538,904	47,249,352
Non-tax revenue	2,230,064	1,053,583	802,161	595,166	606,039	637,635
TOTAL REVENUE	31,524,173	33,156,514	36,382,983	39,849,139	46,144,943	47,886,987
Money raised by creation of debt						
Borrowings from ministerial funds	42,363,312	55,842,082	78,567,034	102,161,453	67,244,701	49,320,124
Commercial paper	78,863,430	71,501,885	104,530,160	139,526,360	120,836,608	85,398,071
European Investment Bank loans	0	0	0	0	0	0
Exchequer bills	0	0	0	0	0	0
Exchequer notes	0	0	0	0	0	0
Foreign borrowings	0	0	0	0	0	0
Increase in foreign liquid assets	0	0	0	0	0	0
Medium term notes	0	0	0	0	0	0
Miscellaneous debt	1,275,910	701,345	473,801	725,248	0	0
National Instalment Savings	63,379	64,070	72,351	106,122	96,161	103,720
National Loans Sinking Fund payments	0	0	0	0	0	0
National Loans/ Irish Govt Bonds-Title changed in 1997	22,272,168	26,978,866	31,515,344	41,321,405	25,326,031	19,822,280
Other Irish Government Public Bond Issues	0	0	0	0	0	0
Other domestic borrowings	0	0	0	0	0	0
Prize Bonds	86,072	132,735	126,778	134,448	134,592	144,836
Savings Bonds	263,050	460,221	505,060	518,399	671,847	573,069
Savings Certificates	224,054	317,951	422,604	751,422	462,011	460,378
Savings Stamps	0	0	0	0	0	0
Sinking Fund Transfer	0	0	0	0	0	0
Ways and Means Advances	0	0	0	0	0	0
Total raised by creation of debt	145,411,375	155,999,155	216,213,132	285,244,857	214,771,951	155,822,478

Table 9.7 Exchequer receipts (continued)

€000

	2002	2003	2004	2005	2006	2007
Other receipts						
Bord Iascaigh Mhara	1,049	1,175	403	297	216	214
Bord Na Móna	0	0	0	0	0	0
Cohesion Fund	172,549	143,956	25,849	15,634	39,513	0
Coillte Teoranta	0	0	0	0	0	0
European Regional Development Fund	387,872	220,519	318,737	234,436	133,010	95,572
Feoga Guarantee	140,210	341,849	207,570	175,649	650,289	730,146
Feoga Intervention	0	0	0	0	0	0
Local Loans Funds Acts, 1935-87	13,355	14,925	10,875	5,394	27,568	16,478
Miscellaneous Capital	315,887	82,736	89,560	75,593	539,216	97,563
National Building Agency Ltd Acts, 1963-74	0	0	0	0	0	0
Nitrigin Éireann Teo Acts, 1963-87	0	0	0	350	0	0
Shannon Free Airport Development Co Ltd Acts	296	302	156	0	0	0
Insurance Compensation Fund	40,632	0	0	0	0	0
EIB-EEA Financial Mechanism	7,201	0	0	11	5	0
Trans European Network	6,199	4,000	0	10,040	4,860	2,800
Turkish Aid Protocol	33	33	33	33	33	33
Total other receipts	1,085,283	809,495	653,183	517,437	1,394,710	942,806
TOTAL EXCHEQUER RECEIPTS	178,020,831	189,965,164	253,249,298	325,611,433	262,311,604	204,652,271

Source: Department of Finance

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Table 9.8 Exchequer issues

€000

	2002	2003	2004	2005	2006	2007
Current payments						
Voted Departmental expenditures	23,313,765	25,451,867	27,179,456	29,600,886	32,915,380	36,958,658
Servicing national debt	1,668,910	2,026,822	2,203,428	2,237,535	2,379,583	2,141,090
Payments to EU budget	1,045,363	1,190,386	1,185,539	1,496,811	1,529,743	1,570,041
Other non-voted expenditures	97,564	77,482	195,202	160,989	265,024	226,215
Total	26,125,602	28,746,557	30,763,625	33,496,221	37,089,730	40,896,004
Issues for redemption of debt						
Borrowings from ministerial funds	42,271,587	55,755,390	78,333,954	101,808,502	68,156,216	49,723,078
Commercial paper	79,891,166	74,495,264	107,173,283	139,731,244	120,830,381	82,218,296
European Investment Bank loans	168,705	77,719	59,862	4,260	0	0
Exchequer bills	0	0	0	0	0	0
Exchequer notes	0	0	0	0	0	0
Foreign borrowings	0	0	0	0	0	0
Medium term notes	95,191	192,848	111,508	307,062	0	0
Miscellaneous debt	1,291,602	1,073,155	473,891	341,976	713	893
National Instalment saving	87,531	86,197	92,319	106,207	87,164	89,580
National loans	19,413,717	21,198,433	28,640,311	41,108,387	25,448,099	20,110,939
Other Irish Government Public Bond issues	773,356	625,400	153,626	0	0	0
Private placements	920,107	563,560	23,004	35,835	0	0
Other domestic borrowings	0	0	0	0	0	0
Prize Bonds	42,670	53,340	74,554	79,400	106,660	102,131
Savings Bonds	271,841	297,078	283,208	361,865	547,746	606,932
Savings Certificates	363,614	407,079	488,449	739,936	455,148	452,649
Tax Reserve Certificates	0	0	0	0	0	0
Ways and Means Advances	0	0	0	0	0	0
Total	145,591,087	154,825,463	215,907,969	284,624,674	215,632,127	153,304,498
Capital payments						
Voted Departmental expenditures	5,509,251	5,289,755	5,368,493	5,866,602	6,475,790	7,650,077
Funding of superannuation liabilities	1,034,500	1,103,000	1,177,000	1,320,250	1,446,500	1,615,500
Loans issued	309,541	262,717	175,030	650,684	730,400	740,000
Share capital acquired in State Bodies	12,594	15,442	3,538	6,494	460	1,661
Other non-voted capital expenditures	1,702	7,332	5,158	6,230	9,117	11,298
Total	6,867,588	6,678,246	6,729,219	7,850,260	8,662,267	10,018,536
TOTAL EXCHEQUER ISSUES	178,584,277	190,250,266	253,400,813	325,971,155	261,384,124	204,219,038

Source: Department of Finance

Table 9.9 Summary National Debt statement at end of year

€m

	2002	2003	2004	2005	2006	2007
Medium/long term debt						
Borrowing from Central Bank	0	0	0	0	0	0
European Investment Bank loans	274	178	120	118	120	112
Irish Government Bonds listed on Irish Stock Exchange	22,323	28,130	31,260	31,311	31,189	30,946
Medium term notes	743	501	377	496	443	400
Miscellaneous debt	131	158	34	-26	26	69
Other Irish Govt Public Bond Issues	1,112	191	37	37	38	35
Private placements	705	59	36	0	0	0
Total	25,288	29,217	31,864	31,936	31,816	31,562
Short term debt						
Borrowings from funds under the control of the Minister for Finance	2,900	2,987	3,220	3,573	2,661	2,258
Commercial paper	5,753	2,801	307	115	118	3,286
Total	8,653	5,788	3,527	3,688	2,779	5,544
National Savings Schemes						
National Instalment Savings	427	405	385	385	394	409
Prize Bonds	375	454	506	561	590	632
Saving Certificates	2,351	2,262	2,196	2,208	2,215	2,223
Savings Stamps	2	2	2	2	2	2
Savings Bonds	1,045	1,207	1,429	1,585	1,709	1,675
Total	4,200	4,330	4,518	4,741	4,910	4,941
Less liquid assets	1,780	1,725	2,063	2,183	3,588	4,487
NATIONAL DEBT	36,361	37,610	37,846	38,182	35,917	37,560

Source: Department of Finance

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Table 9.10 Public Capital Programme

	€m						
	2002	2003	2004	2005	2006	2007	2008
Sources of funds							
Exchequer	5,593	5,378	5,212	5,674	6,423	8,034	8,915
Non-Exchequer	3,029	3,101	3,209	2,885	2,963	3,771	3,580
Total	8,622	8,479	8,421	8,559	9,386	11,805	12,495
Use of funds							
Sectoral economic investment							
Agriculture and Food	95	93	87	117	123	217	542
Industry	409	402	434	470	670	570	598
Tourism	35	40	30	43	57	77	90
Fisheries	63	49	36	44	54	42	71
Forestry	140	125	149	133	196	147	177
Total	742	709	736	807	1,100	1,053	1,478
Productive Infrastructure							
Energy	1,428	1,292	1,489	1,249	1,188	1,281	1,435
Transport (includes roads from 1997)	2,160	2,366	2,334	2,448	2,647	3,992	4,003
Environmental services	597	573	530	548	655	713	711
Telecommunications, RTÉ, postal service	106	75	45	39	70	68	147
Total	4,291	4,306	4,398	4,284	4,560	6,054	6,296
Social Infrastructure							
Housing	1,614	1,704	1,524	1,546	1,612	2,181	2,206
Education and Science	571	440	488	558	675	828	809
Health	529	515	504	516	502	659	673
Government Construction, Computerisation, etc	875	805	773	848	939	1,031	1,033
Total	3,589	3,464	3,289	3,468	3,728	4,699	4,721

Source: Department of Finance

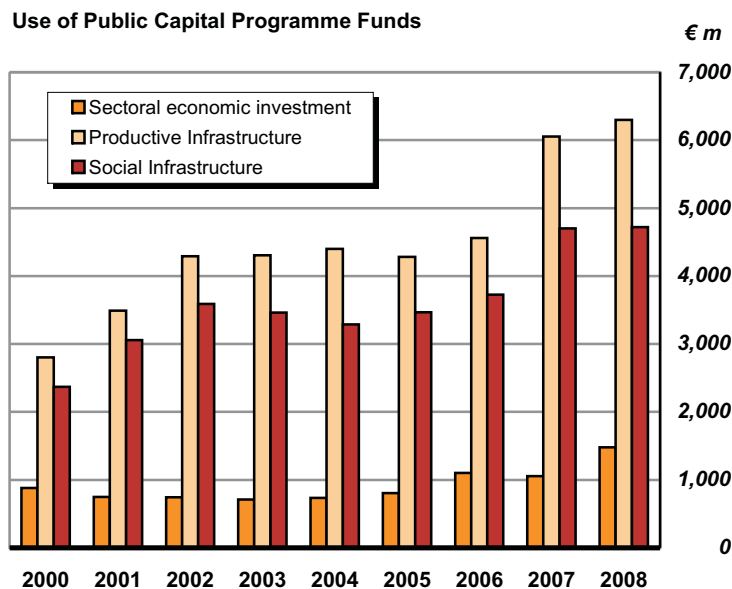


Table 9.11 Receipts and expenditure of central and local government

€m

	2002	2003	2004	2005	2006	2007
Current receipts						
Gross rental income	397	455	480	495	536	568
Gross trading income	0	0	0	-7	0	0
Investment income	951	773	769	857	1,065	1,409
Miscellaneous receipts	1,706	1,984	2,237	2,483	2,798	3,026
Taxes on expenditure (including rates)	15,828	17,245	19,360	21,812	24,667	25,340
Taxes on income and wealth (including social contributions)	19,898	20,959	23,425	25,072	28,103	29,957
Transfers from the rest of the world (not elsewhere included)	209	234	269	250	210	63
Total receipts - current	38,989	41,650	46,540	50,962	57,380	60,363
Capital receipts						
Borrowing	12,116	2,112	1,233	244	-3,951	6,827
Loan repayments and equity sales	1,197	901	523	323	771	861
Other receipts	870	1,085	977	1,300	1,766	2,079
Taxes on capital	770	1,649	1,718	2,231	3,442	3,488
Transfers from the rest of the world	600	409	478	230	193	167
Total receipts - capital	15,552	6,156	4,928	4,329	2,222	13,422
TOTAL RECEIPTS - CURRENT AND CAPITAL	54,541	47,805	51,469	55,291	59,603	73,785
Current expenditure						
Expenditure on goods and services	18,333	19,863	21,525	23,328	25,816	28,546
National debt interest (including land bond interest)	1,758	1,739	1,685	1,692	1,580	1,587
Subsidies	788	818	768	881	775	870
Transfer payments	14,107	15,367	17,050	18,970	21,119	23,935
Total expenditure - current	34,986	37,788	41,028	44,871	49,290	54,938
Capital expenditure						
Grants to enterprises	617	650	506	690	534	726
Gross physical capital formation	5,567	5,165	5,261	5,653	6,714	8,631
Loans and share capital	721	795	590	1,129	1,316	1,337
Other transfer payments	453	597	787	814	938	1,267
Payments to the rest of the world	11	14	22	24	105	35
Redemption of securities and loan repayments	12,186	2,796	3,274	2,110	706	6,850
Total expenditure - capital	19,555	10,018	10,440	10,419	10,313	18,847
TOTAL EXPENDITURE - CURRENT AND CAPITAL	54,541	47,805	51,469	55,291	59,603	73,785

Source: CSO

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Table 9.12 Expenditure of central and local government by purpose of expenditure and economic category

€m

	2000	2001	2002	2003	2004	2005	2006	2007
Defence	735	840	802	791	890	848	892	951
Other general government services	3,837	4,526	4,817	5,124	5,560	5,850	6,320	7,122
Education	4,284	4,993	5,455	5,977	6,466	7,089	7,790	8,815
Health	5,758	7,179	8,412	9,439	10,477	11,532	12,022	13,435
Social security and welfare	6,793	7,915	9,777	10,650	11,858	13,076	14,906	17,294
Housing	1,465	2,050	2,374	2,014	1,989	2,591	3,112	3,902
Other community and social services	1,350	1,592	1,858	1,902	1,992	2,259	2,614	3,023
Agriculture, forestry and fishing	1,183	1,599	1,660	1,675	1,681	2,224	2,327	2,619
Mining, manufacturing and construction	620	926	637	498	564	568	696	722
Transport and communication	2,044	2,398	2,966	3,322	3,149	3,292	4,141	4,608
Other economic services	1,547	1,908	1,839	1,876	1,884	2,158	2,496	2,856
Public debt	5,899	4,643	13,944	4,535	4,959	3,802	2,286	8,430
Total Expenditure	35,514	40,569	54,541	47,805	51,468	55,291	59,602	73,777

Source: CSO

Table 9.13 Net receipts from excise duties

€000

	2001	2002	2003	2004	2005	2006	2007
Beer	435,645	477,361	455,390	458,195	457,308	460,694	464,802
Betting	68,066	47,952	38,422	45,552	45,850	54,296	36,437
Bookmaking premises	343	344	369	329	401	387	530
Bookmakers licences	0	0	0	0	0	0	0
Cider and perry	36,119	62,147	60,387	64,196	66,058	69,176	68,297
Clubs	498	391	403	439	470	459	450
Excise duty on Public Dancing licences	7,537	9,159	9,495	9,773	9,955	11,190	10,241
Firearm certificates	4,272	4,030	5,700	4,392	5,079	2,160	6,949
Firearm dealers	28	21	26	28	24	16	32
Foreign travel	40	16	-45	-43	0	-17	0
Liquor licences	14,044	14,141	14,779	15,309	14,693	15,842	15,927
Motor vehicles	0	0	0	0	0	0	0
Oil							
Mineral hydrocarbon light	725,254	854,233	853,784	970,702	1,001,879	1,026,360	1,051,268
Other hydrocarbons	649,104	777,051	847,687	992,643	1,046,016	1,117,804	1,152,819
Other licences	0	0	2	0	-2	-1	0
Spirits	220,918	266,461	305,026	314,906	319,779	338,040	367,558
Tobacco	1,141,824	1,137,317	1,157,248	1,059,152	1,079,551	1,103,340	1,191,977
Vehicle Registration Tax (VRT)	788,029	792,571	819,450	945,973	1,148,783	1,287,408	1,406,056
Wine	120,883	152,154	167,822	184,795	195,129	209,239	230,200
Made wine	0	0	0	0	0	0	0
An Post	–	–	12	22	9	14	4
Total	4,212,603	4,595,350	4,735,957	5,066,363	5,390,982	5,696,407	6,003,547

Source: Office of the Revenue Commissioners

