

8

Economy

- In 2010, GNP in constant prices increased slightly (by 0.3%) compared with 2009. This follows a decrease of 9.8% in GNP in 2009 compared with the previous year. However, prior to 2008 GNP increased steadily in constant terms for several years.
- The value added of the building and construction sector fell by 30% in 2010 compared to 2009. This follows a decline of 27.5% in 2009.
- The value added of manufacturing industry increased by 11% in 2010 compared to 2009 and increased by almost 5% per annum in the last five years.
- The value added of the services sector fell by 2% in 2010 compared to 2009. This follows a decline of 4% in the services sector in the previous year.
- Investment in fixed capital formation decreased by 49% compared to five years ago and by 25% in the last year after allowing for price changes.
- A surplus of €761 million was recorded in the current account of the balance of payments in 2010.

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Introduction

This chapter contains information on the performance of the overall economy and on Ireland's transactions with the rest of the world. The details are drawn from the reports on National Income and Expenditure (NIE), reports on Household Incomes at Regional and County Level and Regional GDP as well as the regular Balance of Payments statements.

Estimates from these reports are provided at current and at constant prices. The impact of inflation is eliminated from the tables at constant prices and they indicate the real or volume changes in the various aggregates over time. At present, the constant price tables are chain linked annually and referenced to year 2009.

The annual NIE report contains details of the main economic aggregates such as Gross Domestic Product (GDP) and of their components. Information is given on personal consumption, capital formation (investment) and on the transactions of the government sector classified according to national accounting conventions. These main aggregates are important for a number of EU administrative purposes. In particular, the level of GNP determines a major share of Ireland's contribution to the EU budget while the ratio of government debt and deficit to GDP are important Maastricht criteria.

Table 8.1 shows the long run development of GDP, GNP and their main components since 1970. It also contains the aggregates at current market prices. The corresponding index numbers at constant prices (base 2009 =100) are given in Table 8.2. An additional set of aggregates for the years 2005 to 2010 are given in Table 8.3 while the following Tables 8.4 to 8.7 provide various breakdowns of GDP over the same period.

The CSO's Balance of Payments collection and compilation system was completely overhauled in the late 1990s in order to meet the demands of the European Central Bank (ECB) and other international users. Results from 1998 were published in 2000 and updated regularly since then, those for 2008, 2009 and 2010 being presented in Tables 8.8 and 8.9. The current account details in table 8.8 provide detail on the exports and imports of services and on the components of income inflows (credits) and outflows (debits).

Table 8.10 shows the end of year stocks (or levels) of Ireland's foreign assets and liabilities, ie the International Investment Position. A breakdown by type of investment is included.

Table 8.11 gives geographical details for 2008 and 2009 of Ireland's foreign direct investment abroad (ie outward direct investment) showing both the flows (transactions) during the year and the end of year positions (stock levels). Table 8.12 shows the corresponding flows and stocks for inward direct investment in the two years.

Some information is also provided in this chapter on the economy at a regional level. Regional Accounts are produced annually by CSO and provide estimates of Gross Value Added (GVA) for the two overall NUTS-2 regions and the eight Regional Authority NUTS-3 regions while household income estimates are provided on a county basis. GVA per capita is one of the principal concepts used in determining eligibility for EU structural funds.

GVA differs from household income in that it includes the profits of companies operating in a region, a considerable amount of which may accrue to non-residents. In addition, the workforce contributing to the GVA in a region may live in and bring their

incomes home to a neighbouring region where they will be counted in the household income estimates. The Mid East region (Kildare, Meath and Wicklow) and the Dublin region are affected by a substantial proportion of their workforce living in one region and commuting to work in another. This increases the GVA of the Dublin region to which most of the commuting takes place. It is more meaningful to combine these two regions when analysing GVA. The main results on regional GVA are summarised in Table 8.13.

Personal income also includes items such as social welfare benefits which are not included in GVA. Details of personal income by county are available on the CSO website or in the CSO's annual release on County Incomes and Regional GDP.

Long term growth

Gross Domestic Product (GDP) is a measure of the value added generated in the production of goods and services in the economy. Over the years between 1970 and 2010, the value of GDP increased by a factor of over seventy. Increases in price levels played a major role in this increase but when the price effects are removed the increase was five fold.

Gross National Product (GNP) is a better measure than GDP of the value added accruing to residents of the country. In Ireland, GNP is now considerably lower than GDP because of income flows to non-residents, especially profits and dividends of foreign direct investment enterprises. GNP is now 82% of the value of GDP. In 1970, the reverse was the case with GNP higher, because of income flows to Irish residents from abroad. As a result of this turnaround, GNP growth has been somewhat slower than GDP growth. Since 1970, real GNP has increased about four times. In the most recent year 2010, GNP increased by 0.3% following a decrease of 9.8% in the previous year.

The growth in exports has been especially noticeable. Since 1970, the value of exports has increased twenty eight times in real terms. The other demand components making up GDP have increased to a lesser extent over the same period e.g. personal consumption and public expenditure about four times and investment about three times.

Some of the growth of recent years has resulted from increasing numbers at work. While GNP at constant prices was increasing steadily for example, between 2005 and 2007 (an increase of 10%), there was also a steady increase in the number of persons at work of 8%.

Sectors of economy – recent trends

The experience of the various sectors of the economy has been very different in recent years. Between 2008 and 2010, the output of Industry fell by 14.8% in constant prices. The output of the building industry decreased by 49% during these two years. The output of the sectors dominated by multi-national companies (*Reproduction of recorded media, Chemicals, Computers, and Electrical machinery and equipment*) increased by 32%. There was a decrease of 11.6% in the output of the Distribution, Transport and Communications sector during the same period. Agriculture, Forestry and Fishing output decreased by 2% in real terms between 2008 and 2010.

Consumption and investment

Personal expenditure between 2008 and 2010 decreased in nominal or current prices by 14% while in real terms it decreased by 7.6%.

Investment (Fixed capital formation) in construction, machinery and equipment and other fixed capital assets decreased by 54% in nominal or current prices and by 46% in real terms between 2008 and 2010. As a result, the total value of fixed capital investment has now been reduced to €18,074 in 2010.

Regions

Indices of GVA per person for the regions are shown in Table 8.13. Relative to an average of 100 for the State, output per head in the Dublin (NUTS-3) region, as measured by GVA at Basic Prices, was highest at 145.3. The corresponding figure for the Midlands NUTS-3 region was just 65.9 and was the lowest of all the NUTS-3 regions.

Technical Notes

GDP

Gross Domestic Product (GDP) at market prices 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, minus the value of all imported goods and services. It is therefore equivalent to the value added generated by the production of goods and services. See GVA below.

GNP

Gross National Product (GNP) is equal to GDP plus net factor income from the rest of the world and represents the total of all payments for productive services accruing to the permanent residents of the country.

GNI

Gross National Income (GNI) at market prices is equal to GNP at market prices plus EU subsidies less EU taxes. This is more commonly described as being equal to GDP plus net primary incomes from abroad.

GNDI

Gross National Disposable Income (GNDI) is equivalent to GNI plus net current transfers from the rest of the world. It represents the income of the nation from all sources.

GVA

Gross Value Added (GVA) at basic prices is a measure of the value added generated by the production of goods and services. In the valuation at basic prices output is priced at the value received by the producer less product taxes payable (e.g. VAT, excise duties, etc.) and plus subsidies receivable on products. Total GVA, when valued at market prices, is equivalent to GDP at market prices.

Balance of Payments Financial Account and International Investment Position – Sign Convention

For Balance of Payments purposes, financial account transactions are categorised under two headings 'Assets' and 'Liabilities' for Portfolio Investment, Other Investment and Reserve Assets. For Direct Investment, a 'directional' categorisation is used. 'Abroad' indicates direct investment by Irish investors in foreign companies; direct investment into Ireland is indicated by the heading 'In Ireland'. The sign convention used is: a minus sign in the 'Abroad' and 'Assets' columns means investments or acquisitions abroad (in enterprises, foreign securities, foreign deposits, etc) by Irish investors exceeded their disinvestments or disposals in the period, while an entry without sign (less usual) means disinvestment exceeded investment; an entry without sign in the 'In Ireland' and 'Liabilities' columns means that investment transactions into Ireland or incurrences of liabilities to foreign investors exceeded disinvestment or extinctions of liabilities in the period, while a minus sign (less usual) indicates that disinvestment exceeded investment and liability extinctions exceeded incurrences.

In presenting the International Investment Position statistics, stocks of both assets and liabilities are shown unsigned. The net position is calculated as assets minus liabilities; an unsigned (or positive) value means a net asset position of Ireland's residents to non-residents while a negative value indicates a net liability position. Under 'direct investment' a negative value for 'other capital' indicates the presence of off-setting disinvestment between affiliated enterprises.

Discontinuities

The aggregates in Table 8.1 from 1995 to 2010 are compiled on an ESA95 basis. They include FISIM (Financial Intermediation Services Indirectly Measured), which is the output of the banking sector from borrowing and lending, calculated according to EU guidelines. Data for 1970-1995 are compiled on an ESA95 basis but exclude FISIM.

The Balance of Payments data in Tables 8.8 and 8.9 is obtained from a revamped and strengthened compilation system introduced in 2000. Information on this new basis is available from 1998 onwards only and is not comparable with that available for earlier years largely because of the greatly extended financial enterprise coverage and the different presentation basis now used.

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Table 8.1 Gross Domestic Product (GDP) and components at current market prices

€m

Year	Personal consumption of goods and services	Public expenditure on goods and services	Capital formation	Exports	Imports	GDP	Net foreign income	GNP
1970	1,638	307	527	760	925	2,220	33	2,253
1971	1,838	365	593	851	1,022	2,538	30	2,568
1972	2,129	442	767	984	1,137	3,084	33	3,117
1973	2,531	545	993	1,307	1,541	3,724	9	3,733
1974	2,977	663	1,181	1,620	2,174	4,138	15	4,153
1975	3,583	909	1,173	2,062	2,359	5,203	-4	5,199
1976	4,488	1,083	1,548	2,742	3,219	6,409	-50	6,359
1977	5,314	1,256	2,100	3,588	4,260	7,801	-137	7,665
1978	6,170	1,506	2,605	4,298	5,167	9,220	-291	8,928
1979	7,588	1,873	3,440	5,015	6,687	10,922	-354	10,567
1980	9,119	2,437	3,456	5,907	7,541	12,961	-433	12,528
1981	10,976	2,961	4,344	7,008	9,113	15,727	-619	15,108
1982	12,229	3,464	4,912	8,192	9,499	18,657	-1,174	17,483
1983	13,301	3,751	4,707	9,869	10,501	20,564	-1,493	19,071
1984	14,553	4,047	4,941	12,436	12,633	22,774	-2,107	20,667
1985	15,812	4,377	4,742	13,668	13,378	24,739	-2,577	22,162
1986	16,878	4,725	4,796	13,177	12,734	26,352	-2,509	23,843
1987	17,787	4,806	4,646	15,053	13,707	28,163	-2,583	25,580
1988	18,999	4,743	4,758	17,349	15,442	30,085	-3,199	26,886
1989	20,536	4,926	6,127	20,562	18,661	33,373	-3,843	29,530
1990	21,813	5,469	7,671	20,689	19,011	36,184	-4,137	32,047
1991	22,907	6,020	7,251	21,812	19,936	37,649	-4,082	33,567
1992	24,285	6,544	6,547	24,353	21,299	40,100	-4,491	35,609
1993	25,446	6,980	6,561	28,537	23,948	43,189	-4,662	38,527
1994	27,293	7,427	7,536	32,916	28,316	46,421	-4,718	41,703
1995 ¹	29,321	7,853	9,657	40,259	34,270	52,541	-5,948	46,593
1995 ¹	29,822	8,279	9,674	40,508	34,315	53,692	-6,152	47,539
1996	32,741	8,713	11,573	45,436	38,521	59,370	-6,866	52,504
1997	36,146	9,678	14,568	54,037	45,269	68,624	-8,494	60,130
1998	40,365	10,639	18,334	68,283	59,141	79,333	-9,945	69,387
1999	45,374	11,886	21,488	80,756	68,196	91,391	-13,550	77,841
2000	52,670	13,855	25,270	103,044	88,933	105,854	-15,488	90,366
2001	57,703	16,306	26,721	117,112	98,908	118,122	-18,975	99,147
2002	63,280	18,572	28,951	122,630	100,173	131,336	-23,696	107,641
2003	67,925	20,057	32,804	117,172	94,701	140,981	-21,724	119,257
2004	71,762	21,672	37,072	125,199	102,882	150,560	-22,879	127,682
2005	78,123	23,357	44,345	132,526	113,457	163,462	-24,261	139,201
2006	85,495	25,719	49,983	140,707	123,574	178,297	-23,264	155,033
2007	93,872	28,530	49,500	152,389	135,328	189,933	-26,520	163,413
2008	95,671	29,955	38,834	150,181	133,877	179,990	-25,317	154,673
2009	85,214	28,503	23,029	145,902	121,037	160,596	-28,363	132,233
2010	82,592	26,222	17,222	157,673	127,901	155,992	-27,785	128,207

¹ Revised series – see technical notes
Source: CSO

Table 8.2 Index numbers of Gross Domestic Product and expenditure aggregates at constant market prices*(Base 2009=100)*

Year	GDP	Personal consumption of goods and services	Public expenditure on goods and services	Capital formation	Exports	Imports	GNP
1970	19.8	25.1	25.8	29.7	3.8	6.5	27.1
1971	20.7	26.0	28.0	27.5	4.0	6.8	28.7
1972	22.2	27.6	30.0	32.9	4.1	7.2	30.2
1973	23.4	29.7	32.1	36.1	4.5	8.7	31.7
1974	24.0	30.1	34.6	43.4	4.6	8.5	32.9
1975	24.3	29.7	36.8	34.1	4.9	7.6	32.8
1976	25.1	31.4	37.8	34.7	5.3	8.7	33.6
1977	26.7	32.8	38.5	42.6	6.0	9.9	35.4
1978	28.6	35.2	42.0	46.9	6.8	11.4	37.4
1979	29.8	37.9	44.1	59.6	7.2	13.0	38.9
1980	30.7	39.0	47.3	50.4	7.8	12.4	39.9
1981	31.5	39.2	47.4	52.2	7.9	12.6	40.6
1982	32.0	37.5	49.0	54.7	8.2	12.2	40.1
1983	31.7	36.8	48.9	48.2	9.1	12.8	39.4
1984	32.7	37.2	48.8	48.3	10.6	14.0	39.8
1985	33.4	38.2	50.0	44.8	11.3	14.5	39.9
1986	33.5	39.2	51.6	44.7	11.6	15.2	39.9
1987	34.7	40.0	49.5	44.2	13.2	16.3	41.4
1988	35.8	41.5	46.8	42.0	14.3	17.4	42.1
1989	37.8	42.9	46.3	51.4	15.9	19.8	44.1
1990	40.7	44.3	48.9	62.0	17.4	21.0	47.0
1991	41.4	44.7	50.2	57.3	18.3	21.5	47.9
1992	42.8	46.0	51.7	50.0	20.9	23.3	49.1
1993	43.8	47.2	51.5	47.9	22.9	25.0	50.6
1994	46.4	49.2	53.7	51.9	26.4	28.9	53.9
1995	50.9	51.4	55.3	63.7	31.6	33.6	58.2
1996	54.7	55.0	56.9	73.8	35.6	37.9	62.2
1997	60.7	59.2	60.2	87.9	41.8	44.1	68.1
1998	65.5	63.6	63.7	101.5	51.5	56.3	72.7
1999	71.9	69.3	67.4	109.9	59.5	63.4	78.2
2000	78.6	76.6	73.9	118.4	72.1	77.0	85.5
2001	82.4	80.4	81.4	116.3	78.0	82.6	87.7
2002	87.2	83.5	86.7	120.0	81.8	84.6	89.7
2003	90.9	86.1	88.2	130.6	82.4	83.6	94.4
2004	95.0	89.3	89.5	139.5	88.7	90.9	98.3
2005	100.0	95.5	93.1	161.6	92.7	98.5	103.4
2006	105.4	102.0	97.7	171.8	97.3	105.3	109.9
2007	110.8	108.6	104.2	173.1	105.5	113.6	114.1
2008	107.5	107.5	104.7	150.3	104.4	110.3	110.9
2009	100.0	100.0	100.0	100.0	100.0	100.0	100.0
2010	99.6	99.2	96.2	78.5	106.3	102.7	100.3

Source: CSO

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Table 8.3 Main economic aggregates

Aggregate	2005	2006	2007	2008	2009	2010
Current market prices (€m)						
Gross Domestic Product (GDP)	163,462	178,297	189,933	179,990	160,596	155,992
Gross National Product (GNP)	139,201	155,033	163,413	154,673	132,233	128,207
Gross National Income (GNI)	141,007	156,341	164,621	155,986	133,592	129,301
Gross National Disposable Income (GNDI)	139,466	154,529	162,423	153,519	131,026	126,985
Constant market prices (€m) Chain linked volume measures referenced to year 2009						
Gross Domestic Product Index (2009=100)	160,661 100.0	169,195 105.4	177,963 110.8	172,674 107.5	160,596 100.0	159,906 99.6
Gross National Product Index (2009=100)	136,660 103.3	145,260 109.9	150,856 114.1	146,661 110.9	132,233 100.0	132,584 100.3
Gross National Income Index (2009=100)	138,205 103.5	146,778 109.9	152,129 113.9	148,030 110.8	133,592 100.0	133,937 100.3
Gross National Disposable Income Index (2009=100)	140,350 107.1	147,647 112.7	150,472 114.8	142,951 109.1	131,026 100.0	129,816 99.1
Per head of population (€)						
GDP at current market prices	39,543	42,122	43,773	40,702	36,014	34,892
GNP at current market prices	33,674	36,626	37,661	34,977	29,653	28,677
GNI at current market prices	34,111	36,935	37,940	35,274	29,958	28,922
GNDI at current market prices	33,738	36,507	37,433	34,716	29,383	28,404
GDP at constant market prices	38,865	39,971	41,015	39,048	36,014	35,768
GNP at constant market prices	33,059	34,317	34,767	33,166	29,653	29,656
GNI at constant market prices	33,433	34,676	35,061	33,475	29,958	29,959
GNDI at constant market prices	33,952	34,881	34,679	32,326	29,383	29,037
Per person in employment (€)						
GDP at current market prices	84,059	87,620	89,850	85,190	82,845	83,907
GNP at current market prices	71,583	76,187	77,304	73,208	68,214	68,962
GNI at current market prices	72,512	76,830	77,876	73,829	68,915	69,550
GNDI at current market prices	71,719	75,939	76,835	72,661	67,591	68,305
GDP at constant market prices	82,619	83,146	84,187	81,727	82,845	86,013
GNP at constant market prices	70,277	71,384	71,364	69,416	68,214	71,316
GNI at constant market prices	71,071	72,131	71,966	70,063	68,915	72,044
GNDI at constant market prices	72,174	72,557	71,182	67,659	67,591	69,827

Source: CSO

Table 8.4 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 2009)

€m

Sector of origin	2005	2006	2007	2008	2009	2010
Agriculture, forestry and fishing	3,279	3,061	3,103	3,099	3,011	3,032
Industry (including building)	41,387	43,839	45,405	44,009	42,236	44,420
Industry	31,868	33,910	35,532	34,893	36,030	40,081
<i>of which</i>						
<i>Reproduction of recorded media</i>	572	874	1,355	1,739	2,466	3,101
<i>Chemicals (incl. man-made fibres)</i>	13,010	13,652	11,933	10,301	13,522	17,315
<i>Computers and Instrument engineering</i>	3,979	3,805	4,242	5,144	4,293	3,764
<i>Electrical machinery and equipment</i>	2,318	1,848	2,047	1,904	1,328	966
<i>Building and construction</i>	8,648	9,055	9,133	8,559	6,206	4,339
Distribution, transport and communication	22,136	23,331	25,108	24,072	21,710	21,268
Public administration and defence	5,550	5,661	5,939	6,199	5,954	5,793
Other services (including rent)	65,726	69,049	73,366	72,376	70,679	69,060
Statistical discrepancy	~	~	~	~	1,015	935
Gross value added at constant factor cost	140,804	147,301	155,619	152,870	144,605	144,508
Non product taxes	1,669	1,755	1,864	2,045	2,185	1,863
Non product subsidies	-1,860	-1,836	-1,852	-1,899	-1,805	-1,820
Gross value added at constant basic prices	140,638	147,235	155,639	153,021	144,986	144,551
Product taxes	21,135	23,131	23,420	20,651	16,417	16,144
Product subsidies	-884	-904	-834	-858	-807	-788
Gross domestic product at constant market prices	160,661	169,195	177,963	172,674	160,596	159,906
Net factor income from the rest of the world	-23,583	-23,508	-26,810	-25,696	-28,363	-27,323
Gross national product at constant market prices	136,660	145,260	150,856	146,661	132,233	132,584
EU subsidies	2,002	2,008	1,752	1,836	1,719	1,750
EU taxes	-435	-454	-500	-476	-359	-397
Gross national income at constant market prices	138,205	146,778	152,129	148,030	133,592	133,937

~ Chain linked series not additive except for 2009 and 2010

Source: CSO

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Table 8.5 Expenditure on Gross National Income at current market prices

€m

Expenditure components	2005	2006	2007	2008	2009	2010
Personal consumption of goods and services	78,123	85,495	93,872	95,671	85,214	82,592
<i>of which</i>						
<i>Final consumption expenditure of Households and NPISHs</i>	75,579	82,583	90,648	92,098	81,779	79,292
<i>Final consumption expenditure of government</i>	2,543	2,912	3,224	3,574	3,436	3,299
Net expenditure by central and local government on current goods and services	23,357	25,719	28,530	29,955	28,503	26,222
Gross domestic fixed capital formation	43,548	48,311	48,486	39,430	25,293	18,074
Value of physical changes in stocks	796	1,672	1,015	-596	-2,264	-852
<i>of which</i>						
<i>Net additions to the breeding stocks</i>	-25	-58	-28	2	-44	-55
Exports of goods and services	132,526	140,707	152,389	150,181	145,902	157,673
less Imports of goods and services	-113,457	-123,574	-135,328	-133,877	-121,037	-127,901
Statistical discrepancy	-1,432	-33	970	-774	-1,015	184
Gross domestic product at current market prices	163,462	178,297	189,933	179,990	160,596	155,992
Net factor income from the rest of the world	-24,261	-23,264	-26,520	-25,317	-28,363	-27,785
Gross national product at current market prices	139,201	155,033	163,413	154,673	132,233	128,207
EU subsidies	2,239	1,778	1,728	1,797	1,719	1,494
EU taxes	-432	-470	-519	-484	-359	-400
Gross national income at current market prices	141,007	156,341	164,621	155,986	133,592	129,301

Source: CSO



**Table 8.6 Expenditure on Gross National Income at constant market prices
(chain linked annually and referenced to year 2009)**

	€m					
Expenditure components	2005	2006	2007	2008	2009	2010
Personal consumption of goods and services	81,380	86,926	92,548	91,576	85,214	84,571
<i>of which</i>						
<i>Final consumption expenditure of Households and NPISHs</i>	78,847	84,071	89,379	88,156	81,779	81,036
<i>Final consumption expenditure of government</i>	2,490	2,801	3,104	3,350	3,436	3,535
Net expenditure by central and local government on current goods and services	26,527	27,839	29,690	29,831	28,503	27,407
Gross domestic fixed capital formation	36,972	38,634	39,514	35,483	25,293	18,988
Value of physical changes in stocks	891	1,835	1,059	-597	-2,264	-907
<i>of which</i>						
<i>Net additions to the breeding stocks</i>	-52	-108	-53	2	-44	-54
Exports of goods and services	135,221	142,028	153,981	152,293	145,902	155,102
<i>less Imports of goods and services</i>	-119,231	-127,412	-137,520	-133,447	-121,037	-124,320
Statistical discrepancy	~	~	~	~	-1,015	-935
Gross domestic product at constant market prices	160,661	169,195	177,963	172,674	160,596	159,906
Net factor income from the rest of the world	-23,583	-23,508	-26,810	-25,696	-28,363	-27,323
Gross national product at constant market prices	136,660	145,260	150,856	146,661	132,233	132,584
EU subsidies	2,002	2,008	1,752	1,836	1,719	1,750
EU taxes	-435	-454	-500	-476	-359	-397
Gross national income at constant market prices	138,205	146,778	152,129	148,030	133,592	133,937

~ Chain linked series not additive except for 2009 and 2010

Source: CSO

Economy

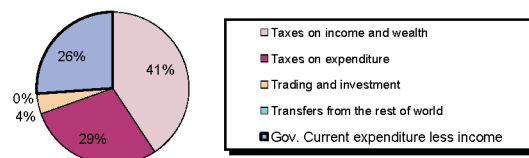
Table 8.7 Net current income and expenditure of central and local government

€m

Income and expenditure	2005	2006	2007	2008	2009	2010
Taxes on income and wealth (including social insurance contributions)	25,072	28,103	29,957	28,491	25,458	24,773
Taxes on expenditure (including rates)	21,812	24,655	25,193	22,223	18,243	17,546
Net trading and investment income	1,260	1,597	1,994	2,623	2,335	2,529
Current transfers from the rest of the world to central and local government	250	210	55	149	97	102
Total income	48,395	54,565	57,199	53,485	46,133	44,950
Subsidies (excluding EU subsidies)	881	775	870	939	893	845
Transfer payments (including transfers to the rest of the world) and national debt interest	20,809	23,082	26,061	29,568	32,486	33,797
Net current expenditure on goods and services	23,357	25,719	28,530	29,955	28,503	26,222
Total expenditure	45,047	49,576	55,460	60,462	61,881	60,864
Central and local government savings	3,348	4,989	1,739	-6,977	-15,748	-15,915

Source: CSO

Net current income in 2010



Net current expenditure in 2010

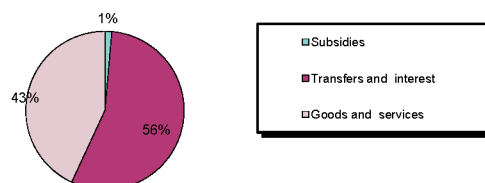
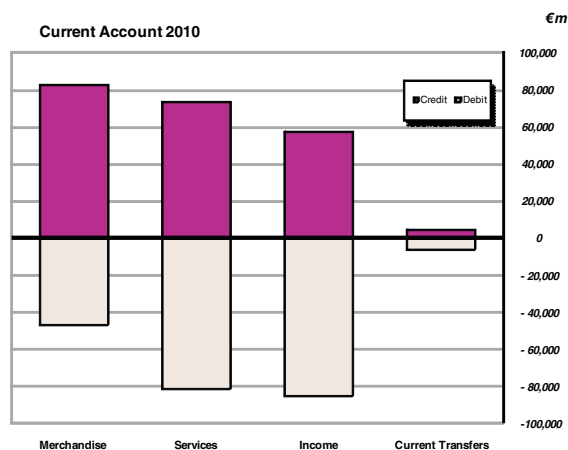


Table 8.8 Balance of International Payments: Current and Capital Accounts

€m

Item	2008		2009		2010	
	Credit	Debit	Credit	Debit	Credit	Debit
Current account						
Merchandise	81,037	57,227	77,645	45,178	82,944	46,448
Services	67,947	75,617	67,134	75,186	73,837	80,931
Transport	3,010	1,908	3,045	1,610	3,605	1,613
Tourism and travel	4,287	7,046	3,506	6,287	3,075	5,826
Communications	597	1,065	426	995	548	1,209
Insurance	8,155	6,295	7,300	6,196	7,777	6,119
Financial services	6,595	4,453	5,794	4,285	5,978	4,513
Computer services	23,876	707	24,352	625	28,186	648
Royalties/licences	1,017	24,275	1,216	25,148	1,695	28,533
Business services	20,047	29,700	20,901	29,876	22,334	32,279
Trade related	8,468	9,851	8,692	9,542	8,505	10,147
Operational leasing	5,764	1,474	5,729	1,488	6,260	1,452
Miscellaneous business services	5,816	18,375	6,480	18,846	7,568	20,679
Other services nes	362	166	590	165	640	192
Income	84,043	109,197	55,056	82,962	57,686	85,101
Compensation of employees	423	1,071	402	791	441	738
Investment income	83,620	108,126	54,652	82,171	57,245	84,363
Direct investment income	10,211	30,723	9,217	34,965	14,601	38,753
Income on equity	4,688	28,669	6,088	33,162	11,862	37,569
Dividends and distributed branch profits	940	13,550	1,413	15,862	1,289	16,323
Reinvested earnings	3,747	15,120	4,675	17,300	10,572	21,245
Income on debt	5,523	2,055	3,130	1,803	2,740	1,181
Portfolio investment income	40,773	42,898	25,588	28,223	24,898	30,033
Income on equity	5,994	18,589	4,035	10,968	5,408	14,182
Income on debt	34,778	24,308	21,552	17,257	19,488	15,852
Other investment income	32,636	34,504	19,847	18,983	17,746	15,578
Current Transfers	5,583	6,737	5,361	6,568	4,958	6,180
Current Account - Total	238,607	248,775	205,197	209,895	219,423	218,662
Current Account Balance		-10,169		-4,697		761
Capital Account Balance		47		-1,252		-673

Source: CSO



Economy

Table 8.9 Balance of International Payments: Financial Account

€m

Item	2008		2009		2010	
	Abroad	In Ireland	Abroad	In Ireland	Abroad	In Ireland
Direct investment	-12,936	-11,232	-19,159	18,687	-13,441	19,880
Equity	-6,014	-3,086	-10,325	5,987	2,291	-3,960
Reinvested Earnings	-3,747	15,120	-4,675	17,300	-10,572	21,245
Other Capital	-3,175	-23,268	-4,160	-4,600	-5,160	2,596
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Portfolio investment	-27,429	-18,322	298	22,328	18,708	75,279
Equity	22,745	-7,630	-8,509	20,245	-27,601	115,002
Debt instruments	-50,175	-10,690	8,808	2,083	46,309	-39,723
Bonds and notes	-46,878	-18,091	36,109	17,057	59,220	-7,935
Money market instruments	-3,297	7,399	-27,301	-14,973	-12,910	-31,787
Other investment	-67,665	153,792	63,403	-86,519	-21,777	-66,262
Loans, currency and deposits	-78,667	153,433	55,041	-74,506	-5,798	-81,982
Other	11,002	360	8,361	-12,012	-15,978	15,721
Reserve assets	-78	-	79	-	5	-
Monetary gold	1	-	-1	-	-1	-
Special drawing rights	15	-	12	-	41	-
Reserve position in the IMF	-39	-	-14	-	-19	-
Foreign exchange	-55	-	82	-	-16	-
Other	0	-	0	-	0	-
Balance on financial account	16,132	-	-885	-	12,390	-
<i>Net errors and omissions</i>	<i>-6,010</i>	<i>-</i>	<i>6,833</i>	<i>-</i>	<i>-12,479</i>	<i>-</i>
Memorandum item:	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
<i>Government financial transactions</i>	<i>-242</i>	<i>27,219</i>	<i>4,639</i>	<i>17,262</i>	<i>-47</i>	<i>5,026</i>

Source: CSO

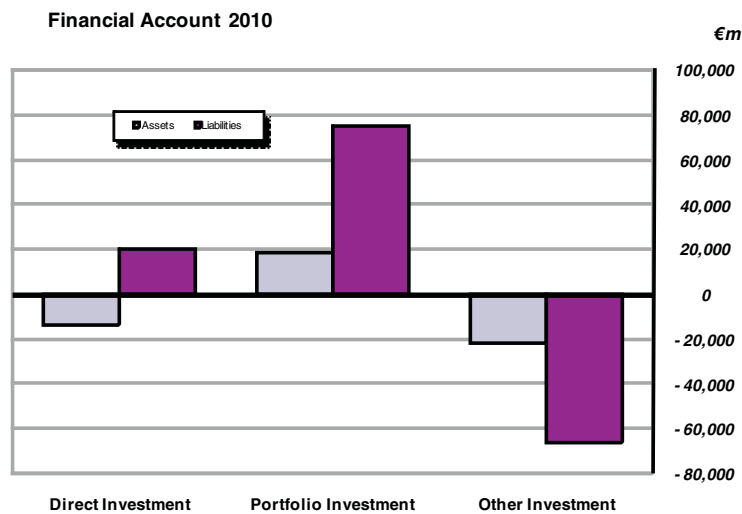


Table 8.10 International Investment Position — detailed data

€m

Item	2005	2006	2007	2008	2009	2010
Foreign assets						
Direct investment abroad	88,287	91,669	101,936	121,381	200,826	260,992
Equity capital and reinvested earnings	74,327	82,335	88,780	99,970	171,435	220,440
Other capital	13,960	9,334	13,156	21,411	29,391	40,552
Portfolio investment	1,002,129	1,230,234	1,338,542	1,264,428	1,352,597	1,438,462
Equity	324,790	435,231	440,984	307,394	374,723	453,716
Debt instruments	677,339	795,003	897,558	957,034	977,874	984,746
<i>Bonds and notes</i>	453,724	518,075	664,938	741,011	761,356	719,411
<i>Money market instruments</i>	223,615	276,928	232,620	216,023	216,518	265,335
Other investment	590,279	688,805	828,937	896,847	864,391	936,922
Loans, currency and deposits	510,653	596,866	715,313	785,424	736,199	777,813
Trade credits	27,870	32,796	33,938	25,612	29,354	32,147
Other assets	51,756	59,143	79,686	85,810	98,839	126,961
Reserve assets	745	640	639	746	1,496	1,587
Monetary gold	84	93	110	120	148	204
Special drawing rights	74	72	77	77	819	830
Reserve position in the IMF	150	100	51	111	170	178
Foreign exchange	437	375	401	438	359	375
Other	—	—	—	—	—	—
TOTAL FOREIGN ASSETS	1,681,440	2,011,348	2,270,054	2,283,402	2,419,310	2,637,963
Foreign liabilities						
Direct investment in Ireland	138,620	118,824	138,362	135,295	171,766	184,925
Equity capital and reinvested earnings	184,457	171,920	181,385	182,413	219,548	225,635
Other capital	-45,837	-53,096	-43,023	-47,118	-47,783	-40,710
Portfolio investment	1,025,902	1,223,683	1,329,908	1,280,707	1,464,610	1,673,377
Equity	603,823	721,940	784,656	638,891	817,945	1,060,128
Debt instruments	422,079	501,743	545,252	641,816	646,666	613,249
<i>Bonds and notes</i>	324,055	399,681	495,040	589,872	#	588,399
<i>Money market instruments</i>	98,024	102,062	50,212	51,944	#	24,850
Other investment	556,906	678,293	838,713	1,003,675	948,553	921,473
Loans, currency and deposits	476,859	571,591	697,743	843,952	774,891	710,833
Trade credits	16,955	21,864	22,199	26,162	15,252	26,257
Other liabilities	63,092	84,838	118,771	133,560	158,412	184,383
TOTAL FOREIGN LIABILITIES	1,721,428	2,020,800	2,306,983	2,419,677	2,584,929	2,779,775

Source: CSO

Economy

Table 8.11 Direct investment abroad by location of investment

€m

Region/Country	2008				2009			
Flows	Equity	Reinvested earnings	Other capital	Total	Equity	Reinvested earnings	Other capital	Total
Total	-6,014	-3,747	-3,175	-12,936	-8,258	-4,631	-4,333	-17,221
<i>of which</i>								
United Kingdom	-1,948	-1,507	-1,702	-5,157	7,513	-1,356	-201	5,957
France	#	-46	#	-1,102	#	-32	#	-25
Germany	71	-63	-83	-75	-8	91	75	157
Netherlands	#	-585	#	636	#	-273	#	-11,186
Belgium	-243	-18	-1	-262	-16	6	-23	-31
Luxembourg	-279	-158	671	234	#	-203	#	-586
Spain	#	-7	#	-37	#	-5	#	-203
Italy	0	-4	7	5	#	-9	#	-11
Switzerland	#	-35	#	1	#	-14	#	193
Canada	0	-99	2	-98	5	-21	-21	-37
United States	-2,528	-762	-27	-3,318	408	-1,395	-489	-1,476
China	0	-70	-2	-73	#	-17	#	6
Japan	0	#	13	#	0	#	16	#
Hong Kong	0	-16	-7	-23	0	#	#	-5
Positions	Equity capital and reinvested earnings	Other capital	Total	Equity capital and reinvested earnings	Other capital	Total		
Total	99,970	21,411	121,381	159,775	29,935	189,710		
<i>of which</i>								
United Kingdom	27,616	5,975	33,591	20,880	5,223	26,103		
France	2,752	213	2,966	#	160	#		
Germany	3,423	160	3,583	3,602	93	3,695		
Netherlands	7,524	-551	6,973	17,880	534	18,414		
Luxembourg	8,618	5,028	13,645	27,003	8,622	35,625		
Italy	238	131	368	160	124	284		
Switzerland	285	25	310	176	37	213		
Canada	544	25	569	#	#	249		
United States	16,399	2,283	18,682	13,838	2,500	16,338		

Source: CSO

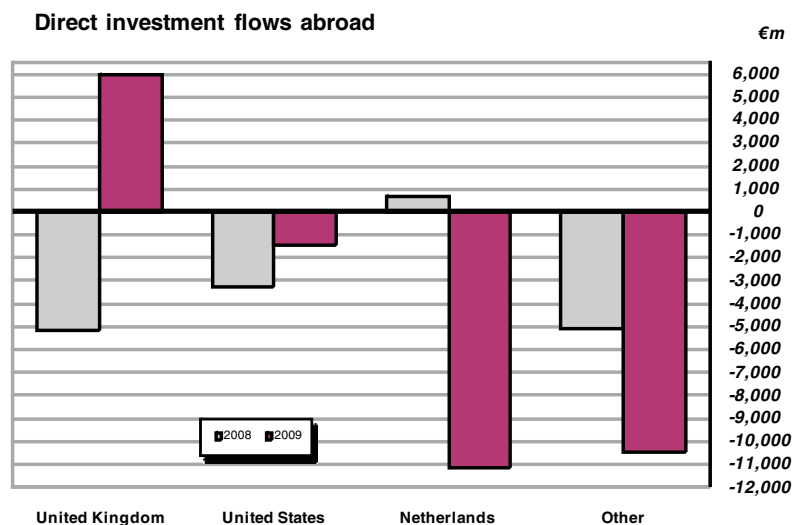


Table 8.12 Direct investment in Ireland by location of investor

€m

Region/Country	2008				2009			
Flows	Equity	Reinvested earnings	Other capital	Total	Equity	Reinvested earnings	Other capital	Total
Total	-3,086	15,123	-23,268	-11,232	3,773	17,195	-3,269	17,697
<i>of which</i>								
United Kingdom	944	1,100	2,073	4,116	2,485	978	2,040	5,503
Belgium	1,177	-17	155	1,316	867	662	473	2,003
Luxembourg	-3,898	1,127	-3,874	-6,645	-917	284	-3,580	-4,214
France	1,060	652	-1,815	-103	-917	239	4,310	3,634
Germany	-416	-310	1,793	1,066	-114	187	2,128	2,201
Italy	#	744	#	1,518	433	1,072	234	1,738
Netherlands	-3,988	6,191	-2,661	-459	1,128	6,157	-2,706	4,579
Canada	-3,138	81	338	-2,720	#	480	#	-280
United States	1,971	2,545	-21,378	-16,862	1,264	2,343	-16,197	-12,590
Bermuda	695	2,848	198	3,741	1,498	4,074	-367	5,205
Brazil	0	0	11	11	0	0	40	40
Japan	#	-87	#	-335	#	52	#	1,382
China	0	0	-115	-115	0	0	-288	-288
Positions	Equity capital and reinvested earnings	Other capital	Total	Equity capital and reinvested earnings	Other capital	Total		
Total	184,651	-45,792	138,859	210,772	-41,445	169,328		
<i>of which</i>								
United Kingdom	19,986	-4,737	15,248	21,875	-2,238	19,637		
Belgium	2,581	3,433	6,014	3,786	3,679	7,465		
Luxembourg	20,680	4,679	25,359	19,146	4,681	23,827		
France	9,242	-4,384	4,858	11,162	442	11,604		
Germany	7,475	-2,778	4,696	8,143	-810	7,334		
Italy	6,371	-207	6,164	7,876	794	8,670		
Netherlands	46,701	-11,434	35,267	51,594	-14,126	37,467		
Spain	3,013	-2,424	589	4,034	-275	3,759		
Switzerland	7,212	-1,427	5,785	7,966	206	8,172		
Canada	3,959	2,951	6,910	3,975	3,448	7,423		
United States	35,948	-23,039	12,910	44,566	-40,236	4,331		
Brazil	#	#	-161	#	#	-132		
Japan	-13	828	815	92	2,003	2,095		
Singapore	-32	408	376	-20	1,486	1,466		
China	0	162	162	0	-111	-111		

Source: CSO

Economy

Table 8.13 Indices of Gross Value Added per person in each region at basic prices

State = 100

Region	2003	2004	2005	2006	2007	2008
Border, Midland and Western	68.2	71.0	70.4	70.2	69.1	69.9
Border	70.0	71.0	70.2	70.9	69.6	70.4
Midland	65.1	66.4	67.6	67.9	65.7	65.9
West	68.0	73.7	72.4	70.7	70.5	72.0
Southern and Eastern	111.5	110.6	110.8	110.9	111.3	111.0
Dublin	135.2	138.5	142.2	142.5	142.2	145.3
Mid-East	76.4	76.8	79.4	79.3	78.9	76.8
<i>Dublin plus Mid-East</i>	119.1	121.4	124.5	124.4	123.8	125.0
Mid-West	88.1	91.1	89.9	87.8	86.2	83.8
South-East	84.5	80.1	73.9	72.8	74.7	74.6
South-West	124.7	115.6	113.8	116.3	119.6	116.8
State	100.0	100.0	100.0	100.0	100.0	100.0

Source: CSO

Indices of GVA per person at basic prices, 2008

