

10

Public Finance and Banking

- The General Government Balance was a surplus of €5,031m in 2006 compared with a surplus of €1,627m in 2005.
- National Debt as a percentage of GDP has fallen from 87.7% in 1990 to 20.4% in 2006.
- The General Government Debt as a percentage of GDP has fallen from 94.2% in 1990 to 24.9% in 2006.
- Lending by credit institutions to the personal (private households) sector has more than trebled from €39bn in 2000 to €134bn in 2006.

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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 10.1 and 10.3 set out certain financial indicators such 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 10.4 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 10.5 and 10.6 examine the National and General Government Debt and Balance. Tables 10.7 and 10.8 detail the movements of all Exchequer receipts and issues. Tables 10.9 provides a summary of National Debt while table 10.10 examines the Public Capital Programme. Tables 10.11 and 10.12 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 10.13 details Excise duty receipts.

Main trends to note in these tables include

- The importance of the credit institution sector continues to grow, with assets reaching almost €1.2bn in 2006.
- Advances by credit institutions to the resident non-Government sectors increased from €129bn to €317bn between 2001 and 2006; in the same period, deposits by these sectors have risen from €90bn to €170bn.
- The General Government Balance was a surplus of €5,031m in year 2006 compared with a surplus of €1,627m in 2005. In parallel, the Exchequer Balance in year 2006 was a surplus of €2,265m compared with a deficit of €499m in year 2005.
- National Debt as a percentage of GDP was an estimated 20.4% in 2006, compared with 87.7% in 1990; similarly the General

Government Debt as a percentage of GDP was an estimated 24.9% in 2006 compared with 94.2% in 1990.

- Capitalisation of the Irish Stock market (based on equities included in ISEQ only) was €117bn at end-2006 compared with €95bn at end-2005.
- Credit card usage increased, with the number of cards in issue rising to almost 2.2 million in 2006. Outstanding indebtedness on credit cards stood at €2.7bn at end of 2006.

Technical Notes

Table 10.1

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 10.2

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 10.4

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 10.5

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 10.6

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 (GGD) 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.

Table 10.5 and 10.6

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 10.5 and National Debt and General Government Debt as percentages of GDP in table 10.6, the GNP and GDP data used has FISIM allocated. FISIM stands for Financial Intermediation Services Indirectly Measured.

For the calculation of GDP in the 2004 National Income and Expenditure annual results, 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. The overall effect of the allocation of FISIM has been to add 1.7% to GDP in 2006 and slightly lower percentages in earlier years.

Table 10.1 Credit institutions – aggregate balance sheet at end of year

€m

	2001	2002	2003	2004	2005	2006
Liabilities						
1 Capital and reserves	32,163	35,036	37,568	43,987	53,495	62,545
2 Deposits from credit institutions and other MFIs (excluding Central Bank)	165,930	181,441	234,350	293,131	380,218	463,860
3 Deposits from Central Bank	13,201	11,158	17,535	18,214	20,990	27,044
3.1 Short term	13,201	11,158	17,535	18,214	20,990	27,044
3.2 Other	–	–	–	–	–	–
4 Deposits from resident and non-resident general government (central, regional and local)	6,274	6,240	7,178	7,604	12,091	11,675
5 Deposits from other residents (non-MFIs, non-government entities)	124,792	136,716	153,014	174,605	216,412	270,816
5.1 Overnight: Current	19,144	20,105	23,858	27,988	35,403	53,222
Demand	26,494	28,244	30,156	31,743	37,016	49,164
5.2 Agreed maturity:						
Up to and including 1 year	52,707	61,076	66,575	71,849	84,250	101,661
1 to 2 years	1,394	2,283	2,142	3,314	3,612	5,652
Over 2 years	13,169	15,068	18,504	25,217	30,193	32,144
5.3 Notice:						
Up to and including 3 months	8,820	7,542	7,866	10,109	11,725	12,559
Over 3 months	192	115	49	35	26	36
5.4 Repurchase agreements	2,873	2,284	3,864	4,348	14,187	16,377
6 Debt securities issued	41,322	43,636	65,519	118,023	186,406	238,541
6.1 Up to and including 1 year	27,961	26,050	30,237	47,064	71,167	87,537
6.2 1 to 2 years	797	3,209	2,872	9,014	12,057	11,623
6.3 Over 2 years	12,563	14,377	32,411	61,946	103,182	139,381
7 Remaining liabilities	38,423	60,401	60,004	66,980	72,295	103,647
Total	422,105	474,628	575,168	722,545	941,907	1,178,128
Assets						
1 Holdings of notes and coin	1,029	1,118	1,132	1,156	1,168	1,271
2 Loans to credit institutions and other MFIs (excluding Central Bank)	88,465	105,042	141,931	178,996	257,506	344,767
3 Balances with Central Bank	4,460	5,086	4,303	4,760	8,883	13,617
3.1 Mandatory balances	3,857	4,909	4,303	4,749	8,710	13,468
3.2 Other	603	177	0	12	173	148
4 Loans to general government (central, regional and local)	23,060	25,785	17,074	21,875	24,444	25,596
5 Loans to other residents (non-MFI, non-government entities)	194,101	200,410	233,034	292,019	385,976	492,816
5.1 Overdrafts	6,955	6,440	6,245	6,703	7,639	9,027
5.2 Repurchase agreements	1,557	1,816	2,756	4,572	4,277	7,090
5.3 Loans up to and including 1 year	30,008	23,364	21,560	29,065	43,805	49,681
5.4 Term/revolving loans	80,359	82,987	88,503	105,943	136,307	170,533
5.5 Instalment credit/hire-purchases/leases	5,466	4,343	4,026	4,037	4,036	4,288
5.6 Residential mortgages	34,269	43,704	54,924	73,616	95,024	111,682
5.7 Other mortgages	6,978	8,485	9,632	12,799	12,577	18,103
5.8 Other loans and securities issued to other residents	28,509	29,270	45,388	55,285	82,312	122,412
6 Holdings of securities	66,430	69,159	114,315	155,441	191,571	213,046
6.1 Issued by MFIs	35,441	38,677	49,945	73,105	94,837	119,032
6.2 Issued by resident and non-resident general government	30,989	30,482	64,369	82,336	96,734	94,014
6.2.1 Exchequer notes	1,532	1,382	1,662	2,314	3,435	2,772
6.2.2 Securities	29,457	29,100	62,707	80,022	93,300	91,241
7 Holdings of shares and other equity	9,611	13,750	11,408	12,968	13,411	15,046
7.1 Issued by MFIs	2,674	5,647	4,715	5,316	5,339	5,867
7.2 Issued by other residents (non-MFIs, non-government entities)	6,937	8,103	6,693	7,653	8,072	9,179
8 Fixed assets	1,868	1,902	2,196	2,451	2,261	2,562
9 Remaining assets	33,081	52,376	49,775	52,878	56,686	69,408
Total	422,105	474,628	575,168	722,545	941,907	1,178,128

Source: Central Bank and Financial Services Authority of Ireland

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Table 10.2 Domestic credit (to Irish residents) at end of year

€m

	2001	2002	2003	2004	2005	2006
Credit institutions						
1 Loans to other residents (non-MFI, non-government entities)	123,020	135,275	153,105	192,092	250,506	306,611
1.1 Euro	96,943	111,681	132,115	170,149	218,918	269,793
1.2 Non-euro	26,077	23,593	20,991	21,943	31,588	36,819
2 Holding of securities, shares and other equity issued by other residents	6,058	6,922	6,855	6,937	7,549	10,054
2.1 Securities	1,317	1,492	1,808	1,882	2,489	4,980
2.1.1 Euro	1,052	1,122	1,477	1,477	1,649	3,865
2.1.2 Non-euro	265	370	331	404	841	1,115
2.2 Shares and other equity	4,741	5,431	5,047	5,055	5,060	5,074
2.2.1 Euro	4,308	5,019	4,808	4,807	4,770	4,785
2.2.2 Non-euro	433	411	238	248	290	288
3 General government credit (central, regional and local)	5,356	5,017	5,279	4,751	4,607	4,173
3.1 Loans	493	582	615	713	990	1,052
3.1.1 Euro	470	582	612	713	990	1,052
3.1.2 Non-euro	23	—	3	—	—	—
3.2 Securities	4,863	4,436	4,664	4,038	3,653	3,121
3.2.1 Euro	4,798	4,418	4,658	4,028	3,496	3,121
3.2.2 Non-euro	65	18	6	10	121	—
4 Accrued interest receivable on credit to other residents	493	494	469	567	754	1,111
4.1 Euro	349	361	365	450	553	862
4.2 Non-euro	144	133	104	116	200	249
Other						
5 Direct net external government borrowing from 1 Jan each year	3,871	-3,251	-4,032	-2,193	-178	—
6 Non-Euro lending by credit institutions to non-MFI IFSC companies	15,535	13,530	12,918	11,123	14,567	15,194
7 Total lending by credit institutions to non-MFI IFSC companies	23,249	21,849	19,287	19,120	25,499	24,547
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)	107,920	123,183	144,035	181,624	230,376	283,478
Private sector credit (1+2+4)	129,571	142,691	160,429	199,596	258,809	317,776
Residential mortgage lending	34,025	43,416	54,614	73,120	94,259	110,603
Credit card statistics						
Number of credit cards in issue (000)	n/a	1,870	1,993	2,002	2,028	2,163
Outstanding indebtedness on credit cards (€m)	n/a	1,512	1,723	1,997	2,305	2,738
Advertised APR (Annualised Percentage Rate) on a standard credit card (%)	n/a	17.44	17.44	17.29	—	—

Source: Central Bank and Financial Services Authority of Ireland

Table 10.3 Credit institutions – sectoral distribution of advances and deposits (vis-à-vis resident non-government), end of year

€m

	1999	2000	2001	2002	2003	2004	2005	2006
Advances								
Agriculture and forestry	3,045	3,118	3,086	3,153	3,155	3,379	3,690	4,401
Fishing	154	243	278	286	331	406	436	410
Mining and quarrying	258	349	337	241	175	238	310	371
Manufacturing	4,824	5,744	5,719	4,906	4,409	5,509	6,001	6,812
Electricity, gas and water supply	381	562	555	828	503	607	971	1,274
Construction	2,394	3,630	4,269	4,497	6,075	9,547	14,000	20,793
Wholesale/retail trade and repairs	3,692	4,349	4,497	5,277	6,385	7,724	10,092	11,118
Hotels and restaurants	3,567	4,105	4,516	5,170	5,767	7,002	9,043	10,897
Transport, storage and communications	1,582	1,802	2,285	1,984	1,832	2,224	2,446	2,497
Financial intermediation	30,418	35,367	41,744	40,129	36,624	36,136	46,630	49,959
Real estate and business activities	7,193	10,552	14,398	17,207	23,659	32,247	44,886	69,120
Education (schools and colleges)	109	186	248	367	385	408	508	646
Health and social work	277	349	465	555	620	834	1,311	1,861
Other community, social and personal services	963	1,063	1,087	1,194	1,502	1,798	2,371	2,457
Personal (private households)	32,935	39,231	45,594	56,403	68,539	90,970	115,361	134,051
Total	91,792	110,650	129,078	142,197	159,961	199,029	258,056	316,665
Deposits								
Agriculture and forestry	1,364	1,835	1,951	1,918	2,019	2,583	3,208	3,407
Fishing	48	64	99	96	83	74	107	99
Mining and quarrying	130	180	182	282	189	262	243	369
Manufacturing	3,987	4,082	4,712	4,771	5,095	5,284	5,787	5,538
Electricity, gas and water supply	134	295	237	214	633	264	291	372
Construction	1,014	1,355	1,720	2,269	2,409	3,130	4,032	4,550
Wholesale/retail trade and repairs	2,471	2,895	3,870	3,781	3,796	4,223	4,468	4,973
Hotels and restaurants	332	385	443	540	581	676	814	849
Transport, storage and communications	1,579	1,595	2,096	2,776	1,826	2,455	2,938	4,168
Financial intermediation	24,924	27,663	25,713	28,371	31,192	34,654	41,134	48,724
Real estate and business activities	4,977	6,147	6,940	7,442	9,130	10,260	12,884	16,081
Education (schools and colleges)	421	681	767	780	1,076	1,180	1,287	1,523
Health and social work	275	268	302	328	404	820	952	823
Other community, social and personal services	2,106	2,648	3,380	2,862	3,356	3,968	4,101	4,402
Personal (private households)	27,531	31,303	37,442	42,815	47,865	53,688	63,393	73,848
Total	71,293	81,396	89,855	99,244	109,654	123,522	145,619	169,726

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Table 10.3 Credit institutions – sectoral distribution of advances and deposits (vis-à-vis non-resident non-government), end of year (continued)

€m

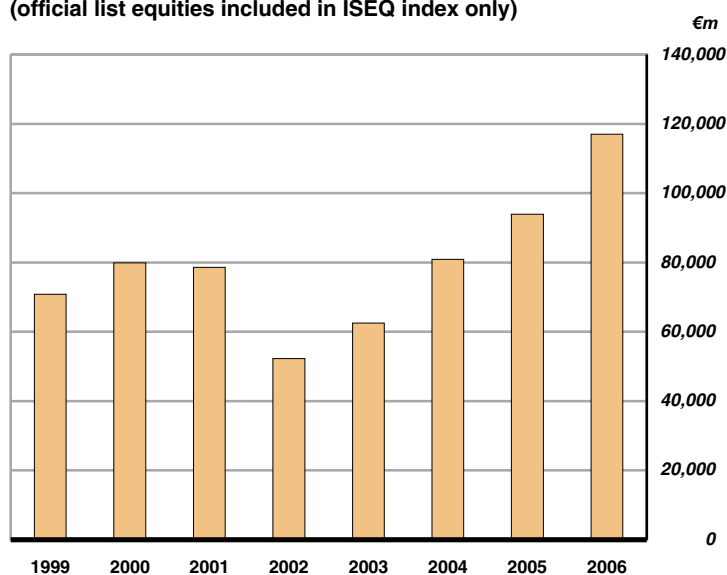
	1999	2000	2001	2002	2003	2004	2005	2006
Advances								
Agriculture and forestry	126	79	179	144	124	264	502	352
Fishing	–	–	–	8	8	9	11	14
Mining and quarrying	428	378	474	351	177	219	313	335
Manufacturing	7,151	7,390	8,195	6,363	4,320	4,597	5,005	6,312
Electricity, gas and water supply	2,807	3,191	3,947	4,060	2,784	2,453	3,838	6,728
Construction	556	788	767	889	863	2,884	4,244	5,077
Wholesale/retail trade and repairs	1,347	1,545	2,047	1,617	1,202	1,311	1,486	2,382
Hotels and restaurants	451	493	559	334	746	1,103	1,485	1,523
Transport, storage and communications	4,957	7,740	10,526	10,396	10,526	12,898	13,766	16,462
Financial intermediation	22,685	26,366	34,795	32,225	45,745	54,907	81,880	122,758
Real estate and business activities	3,487	5,304	6,279	5,564	7,873	13,201	15,580	13,503
Education (schools and colleges)	3	82	214	298	391	779	1,208	1,650
Health and social work	128	464	451	459	736	1,084	1,389	2,335
Other community, social and personal services	843	918	1,073	1,039	1,416	1,917	2,081	1,774
Personal (private households)	1,153	1,836	2,454	2,575	2,855	3,017	3,206	4,123
Total	46,122	56,574	71,960	66,322	79,766	100,643	135,992	185,328
Deposits								
Agriculture and forestry	38	77	41	164	160	160	226	88
Fishing	1	4	5	7	9	4	3	3
Mining and quarrying	107	160	26	27	57	1,142	686	502
Manufacturing	948	1,179	1,187	1,604	2,416	2,595	2,476	2,737
Electricity, gas and water supply	83	115	416	327	955	453	462	722
Construction	105	278	535	842	517	690	714	854
Wholesale/retail trade and repairs	327	290	300	288	268	1,200	1,138	1,730
Hotels and restaurants	31	32	56	30	52	117	64	562
Transport, storage and communications	1,249	1,429	1,967	1,869	1,718	2,225	2,532	2,843
Financial intermediation	11,835	15,602	21,624	23,665	28,003	33,008	50,182	79,076
Real estate and business activities	1,460	1,153	2,020	2,396	2,812	2,597	3,424	2,871
Education (schools and colleges)	53	108	84	85	106	384	919	534
Health and social work	93	76	46	40	21	16	48	207
Other community, social and personal services	420	599	1,282	645	1,814	2,128	2,694	2,059
Personal (private households)	5,387	5,478	5,347	5,484	4,450	4,365	5,226	6,302
Total	22,137	26,580	34,937	37,472	43,360	51,083	70,793	101,090

Source: Central Bank and Financial Services Authority of Ireland

Table 10.4 Irish Stock Exchange

	Unit	1999	2000	2001	2002	2003	2004	2005	2006
Government securities									
Turnover	€m	110,917	44,903	43,590	93,471	74,461	72,333	51,297	37,457
Amounts raised/redeemed (+/-)	€m	-422	-1,983	-2,106	6,600	6,570	2,837	1,440	—
Capitalised value at end of period	€m	16,797	20,750	18,812	21,869	29,557	33,031	33,062	32,413
Number of issues	No.	24	19	18	16	15	15	13	11
Irish equity market									
Official list									
Turnover	€m	91,174	31,031	50,031	69,490	77,196	72,298	108,094	127,706
Amounts raised	€m	4,957	5,192	4,239	1,635	721	2,543	1,435	2,761
Capitalised value at end of period (Equities included in ISEQ only)	€m	70,853	79,851	78,633	52,234	62,548	80,868	93,925	116,987
Number of issues	No.	82	88	79	70	67	61	61	53
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	2,288	430	1,011	765	319	211	418	1,256
Amounts raised	€m	69	687	255	1	28	47	69	987
Capitalised value at end of period	€m	611	4,257	2,116	899	1,014	1,182	850	2,464
Number of issues	No.	20	25	20	17	12	13	13	23
Price index of ordinary stocks and shares (ISEQ) at end-year									
(Base Jan 4th 1988, 9am=1000)		5,018	5,723	5,707	3,995	4,921	6,198	7,364	9,408

Source: Irish Stock Exchange

Irish Stock Exchange equity market capitalisation at end-year
(official list equities included in ISEQ index only)

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Table 10.5 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	-13	0.0
1997	767	1.3	-1,065	-1.8	-298	-0.5	873	1.3
1998	2,654	3.9	-1,706	-2.5	948	1.4	1,843	2.4
1999	4,367	5.7	-2,853	-3.7	1,512	2.0	2,415	2.7
2000	6,967	7.8	-3,921	-4.4	3,177	3.6	4,787	4.6
2001	4,727	4.8	-4,076	-4.2	653	0.7	917	0.8
2002	5,399	5.1	-5,307	-5.0	93	0.1	-534	-0.4
2003	4,410	3.8	-5,388	-4.6	-978	-0.8	556	0.4
2004	4,410	4.5	-4,377	-3.5	33	0.0	2,063	1.4
2005	5,619	4.7	-6,118	-4.5	-499	-0.4	1,627	1.0
2006	8,891	6.0	-6,626	-4.4	2,265	1.5	5,031	2.9

Source: Department of Finance

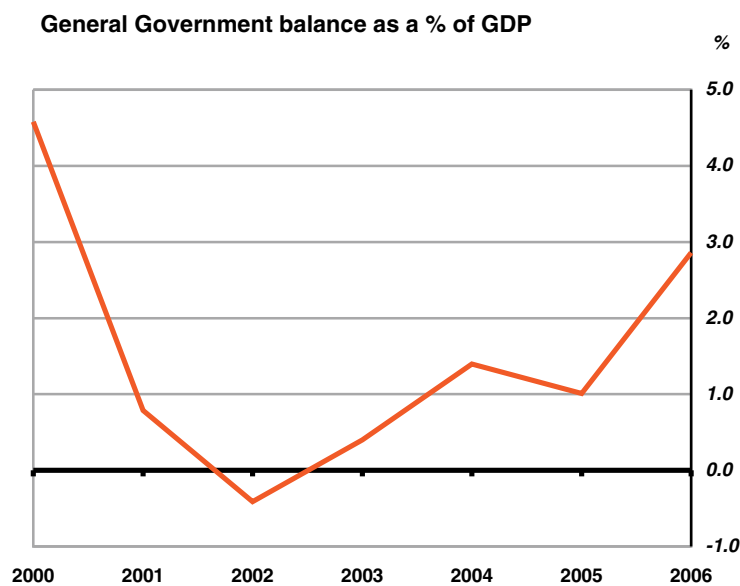
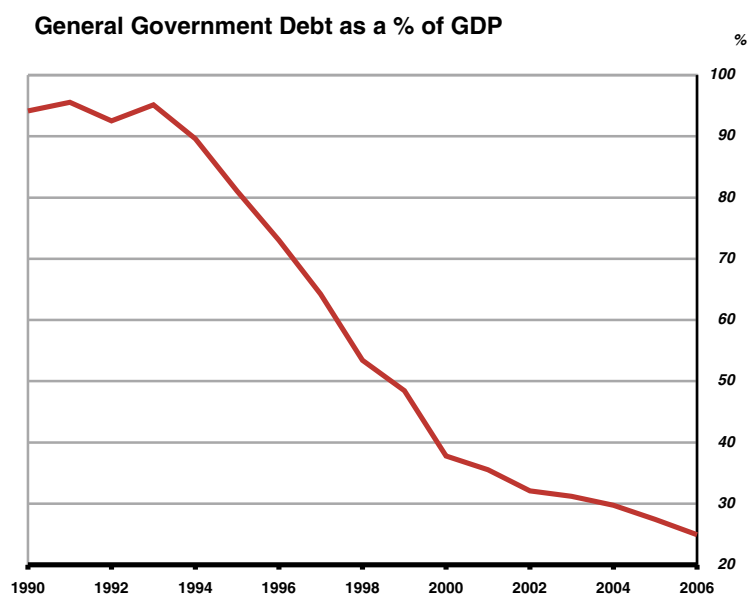


Table 10.6 National and General Government Debt

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	42,554	73.0
1997	38,966	57.8	43,311	64.2
1998	37,510	48.1	41,690	53.4
1999	39,851	44.3	43,543	48.4
2000	36,511	34.9	39,490	37.8
2001	36,183	31.0	41,473	35.5
2002	36,361	28.0	41,711	32.1
2003	37,611	27.1	43,322	31.2
2004	37,846	25.6	43,846	29.7
2005	38,182	23.7	44,229	27.4
2006	35,917	20.4	43,765	24.9

Source: Department of Finance



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Table 10.7 Exchequer receipts

€000

	2000	2001	2002	2003	2004	2005
Tax revenue						
Agricultural levies	13,191	9,744	7,691	5,417	6,442	8,615
Capital Acquisitions Tax	222,165	168,767	150,206	214,167	190,064	248,912
Capital Gains Taxes	773,498	880,339	627,340	1,442,820	1,515,555	1,959,659
Corporation Tax	3,887,269	4,156,050	4,803,465	5,161,370	5,331,596	5,491,687
Customs	206,523	164,365	133,097	135,923	173,285	226,132
Excise	4,263,003	4,050,006	4,441,077	4,572,137	4,927,554	5,232,669
Income levy	—	—	11,695	—	—	—
Income Tax	9,112,685	9,346,872	9,062,906	9,161,767	10,650,541	11,266,298
Motor Vehicle Duties, etc.	—	—	—	—	—	—
Residential Property Tax	2,025	1,652	827	404	382	360
Stamps	1,106,927	1,226,902	1,166,531	1,688,382	2,088,454	2,725,210
Training and Employment Levy	—	—	—	—	3,658	5,361
Value-Added Tax	7,470,211	7,920,461	8,884,902	9,720,544	10,693,291	12,089,070
Youth Employment Levy	14,536	206	4,372	—	—	—
Total	27,072,034	27,925,364	29,294,109	32,102,931	35,580,822	39,253,973
Non-tax revenue	533,559	812,443	2,230,064	1,053,583	802,161	595,166
TOTAL REVENUE	27,605,593	28,737,807	31,524,173	33,156,514	36,382,983	39,849,139
Money raised by creation of debt						
Borrowings from ministerial funds	24,121,848	26,520,053	42,363,312	55,842,082	78,567,034	102,161,453
Commercial paper	51,591,356	56,359,104	78,863,430	71,501,885	104,530,160	139,526,360
European Investment Bank loans	—	—	—	—	—	—
Exchequer bills	—	—	—	—	—	—
Exchequer notes	—	—	—	—	—	—
Foreign borrowings	—	—	—	—	—	—
Increase in foreign liquid assets	—	—	—	—	—	—
Medium term notes	—	—	—	—	—	—
Miscellaneous debt	7,122,351	1,022,477	1,275,910	701,345	473,801	725,248
National Instalment Savings	60,407	72,035	63,379	64,070	72,351	106,122
National Loans Sinking Fund payments	—	—	—	—	—	—
National Loans/ Irish Govt. Bonds-Title changed in 1997	1,907,559	5,389,053	22,272,168	26,978,866	31,515,344	41,321,405
Other Irish Government Public Bond Issues	—	1,540	—	—	—	—
Other domestic borrowings	—	—	—	—	—	—
Prize Bonds	69,347	72,795	86,072	132,735	126,778	134,448
Savings Bonds	247,320	233,693	263,050	460,221	505,060	518,399
Savings Certificates	215,629	227,802	224,054	317,951	422,604	751,422
Savings Stamps	—	—	—	—	—	—
Sinking Fund Transfer	—	—	—	—	—	—
Ways and Means Advances	—	—	—	—	—	—
Total raised by creation of debt	85,335,817	89,898,552	145,411,375	155,999,155	216,213,132	285,244,857

Table 10.7 Exchequer receipts (continued)

€000

	2000	2001	2002	2003	2004	2005
Other receipts						
Bord Iascaigh Mhara	1,522	965	1,049	1,175	403	297
Bord Na Móna	—	—	—	—	—	—
Cohesion Fund	139,355	294,579	172,549	143,956	25,849	15,634
Coillte Teoranta	—	—	—	—	—	—
European Regional Development Fund	238,689	256,307	387,872	220,519	318,737	234,436
Feoga Guarantee	107,411	66,735	140,210	341,849	207,570	175,649
Feoga Intervention	—	—	—	—	—	—
Local Loans Funds Acts, 1935-87	22,237	13,341	13,355	14,925	10,875	5,394
Miscellaneous Capital	1,616,474	831,234	315,887	82,736	89,560	75,593
National Building Agency Ltd Acts, 1963-74	—	—	—	—	—	—
Nitrigin Éireann Teo Acts, 1963-87	—	—	—	—	—	350
Shannon Free Airport Development Co Ltd Acts,	298	309	296	302	156	—
Insurance Compensation Fund	126,974	—	40,632	—	—	—
EIB-EEA Financial Mechanism	—	2,298	7,201	—	—	11
Trans European Network	—	—	6,199	4,000	—	10,040
Turkish Aid Protocol	33	33	33	33	33	33
Total other receipts	2,252,994	1,465,801	1,085,283	809,495	653,183	517,437
TOTAL EXCHEQUER RECEIPTS	115,194,403	120,102,159	178,020,831	189,965,164	253,249,298	325,611,433

Source: Department of Finance

Public Finance and Banking

Table 10.8 Exchequer issues

€000

	2000	2001	2002	2003	2004	2005
Current payments						
Voted Departmental expenditures	16,709,842	20,403,652	23,313,765	25,451,867	27,179,456	29,600,886
Servicing national debt	2,799,351	2,323,719	1,668,910	2,026,822	2,203,428	2,237,535
Payments to EU budget	1,074,964	1,219,992	1,045,363	1,190,386	1,185,539	1,496,811
Other non-voted expenditures	49,982	61,646	97,564	77,482	195,202	160,989
Total	20,634,139	24,009,009	26,125,602	28,746,557	30,763,625	33,496,221
Issues for redemption of debt						
Borrowings from ministerial funds	23,426,114	27,494,508	42,271,587	55,755,390	78,333,954	101,808,502
Commercial paper	51,499,336	52,423,153	79,891,166	74,495,264	107,173,283	139,731,244
European Investment Bank loans	132,465	99,461	168,705	77,719	59,862	4,260
Exchequer bills	—	—	—	—	—	—
Exchequer notes	—	—	—	—	—	—
Foreign borrowings	—	—	—	—	—	—
Medium term notes	26,360	26,240	95,191	192,848	111,508	307,062
Miscellaneous debt	7,035,842	912,007	1,291,602	1,073,155	473,891	341,976
National Instalment saving	66,431	76,533	87,531	86,197	92,319	106,207
National loans	3,887,224	7,543,502	19,413,717	21,198,433	28,640,311	41,108,387
Other Irish Government Public Bond issues	914,983	746,888	773,356	625,400	153,626	—
Private placements	465,028	471,157	920,107	563,560	23,004	35,835
Other domestic borrowings	—	—	—	—	—	—
Prize Bonds	42,159	38,446	42,670	53,340	74,554	79,400
Savings Bonds	371,649	344,554	271,841	297,078	283,208	361,865
Savings Certificates	388,191	442,798	363,614	407,079	488,449	739,936
Tax Reserve Certificates	—	—	—	—	—	—
Ways and Means Advances	—	—	—	—	—	—
Total	88,422,998	90,619,249	145,591,087	154,825,463	215,907,969	284,624,674
Capital payments						
Voted Departmental expenditures	3,873,666	4,903,829	5,509,251	5,289,755	5,368,493	5,866,602
Funding of superannuation liabilities	2,533,127	971,984	1,034,500	1,103,000	1,177,000	1,320,250
Loans issued	106,460	134,044	309,541	262,717	175,030	650,684
Share capital acquired in State Bodies	11,718	8,990	12,594	15,442	3,538	6,494
Other non-voted capital expenditures	2,457	1,618	1,702	7,332	5,158	6,230
Total	6,527,429	6,020,465	6,867,588	6,678,246	6,729,219	7,850,260
TOTAL EXCHEQUER ISSUES	115,584,566	120,648,723	178,584,277	190,250,266	253,400,813	325,971,155

Source: Department of Finance

Table 10.9 Summary National Debt statement at end of year

€m

	2000	2001	2002	2003	2004	2005
Medium/long term debt						
Borrowing from Central Bank	0	0	0	0	0	0
European Investment Bank loans	541	454	274	178	120	118
Irish Government Bonds listed on Irish Stock Exchange	21,784	19,632	22,323	28,130	31,260	31,311
Medium term notes	1,053	943	743	501	377	496
Miscellaneous debt	-345	-312	131	158	34	-26
Other Irish Gov. Public Bond Issues	2,759	2,056	1,112	191	37	37
Private placements	2,126	1,639	705	59	36	—
Total	27,916	24,412	25,288	29,217	31,864	31,936
Short term debt						
Borrowings from funds under the control of the Minister for Finance	3,776	2,807	2,900	2,987	3,220	3,573
Commercial paper	2,684	7,002	5,753	2,801	307	115
Total	6,460	9,809	8,653	5,788	3,527	3,688
National Savings Schemes						
National Instalment Savings	456	451	427	405	385	385
Prize Bonds	297	332	375	454	506	561
Saving Certificates	2,706	2,491	2,351	2,262	2,196	2,208
Savings Stamps	3	2	2	2	2	2
Savings Bonds	1,163	1,053	1,045	1,207	1,429	1,585
Total	4,624	4,329	4,200	4,330	4,518	4,741
Less liquid assets	2,490	2,367	1,780	1,725	2,063	2,183
NATIONAL DEBT	36,511	36,183	36,361	37,610	37,846	38,182

Source: Department of Finance

Public Finance and Banking

Table 10.10 Public Capital Programme

€m

	1999	2000	2001	2002	2003	2004	2005
Sources of funds							
Exchequer	3,936	4,980	5,593	5,378	5,212	5,674	6,423
Non-Exchequer	2,123	2,316	3,029	3,101	3,209	2,885	2,963
Total	6,059	7,296	8,622	8,479	8,421	8,559	9,386
Use of funds							
Sectoral economic investment							
Agriculture and Food	154	121	95	93	87	117	123
Industry	477	405	409	402	434	470	670
Tourism	67	57	35	40	30	43	57
Fisheries	55	44	63	49	36	44	54
Forestry	130	122	140	125	149	133	196
Total	882	748	742	709	736	807	1,100
Productive Infrastructure							
Energy	703	924	1,428	1,292	1,489	1,249	1,188
Transport (includes roads from 1997)	1,499	1,877	2,160	2,366	2,334	2,448	2,647
Environmental services	526	593	597	573	530	548	655
Telecommunications, RTÉ, postal service	76	97	106	75	45	39	70
Total	2,804	3,491	4,291	4,306	4,398	4,284	4,560
Social Infrastructure							
Housing	874	1,297	1,614	1,704	1,524	1,546	1,612
Education and Science	516	561	571	440	488	558	675
Health	316	400	529	515	504	516	502
Government Construction, Computerisation, etc	664	799	875	805	773	848	939
Total	2,369	3,057	3,589	3,464	3,289	3,468	3,728

Source: Department of Finance

Use of Public Capital Programme funds

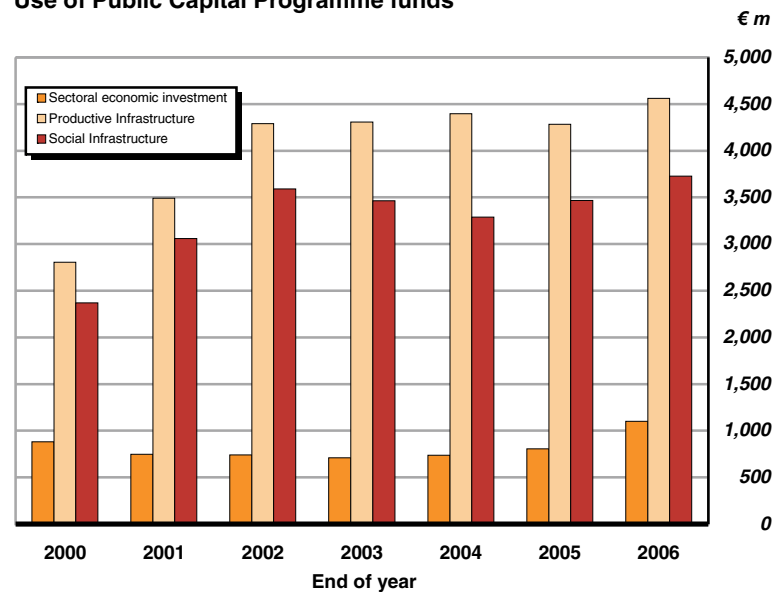


Table 10.11 Receipts and expenditure of central and local government

€m

	2000	2001	2002	2003	2004	2005
Current receipts						
Gross rental income	437	498	574	643	730	916
Gross trading income	-6	-2	0	0	0	-7
Investment income	756	1,044	943	770	774	813
Miscellaneous receipts	1,350	1,421	1,686	1,973	2,092	2,113
Taxes on expenditure (including rates)	13,646	13,829	15,684	17,086	19,325	21,772
Taxes on income and wealth (including social contributions)	17,596	18,963	19,898	20,959	23,425	25,072
Transfers from the rest of the world (not elsewhere included)	360	208	207	204	225	103
Total receipts - current	34,139	35,961	38,992	41,635	46,571	50,782
Capital receipts						
Borrowing	-2,584	1,435	12,316	2,191	1,049	1,215
Loan repayments and equity sales	1,880	966	1,197	901	523	323
Other receipts	712	607	849	1,165	1,340	1,259
Taxes on capital	997	1,043	770	1,649	1,718	2,231
Transfers from the rest of the world	536	689	566	431	434	121
Total receipts - capital	1,541	4,740	15,698	6,337	5,064	5,149
TOTAL RECEIPTS - CURRENT AND CAPITAL	35,680	40,701	54,690	47,972	51,635	55,931
Current expenditure						
Expenditure on goods and services	13,697	15,973	18,318	19,837	21,706	23,556
National debt interest (including land bond interest)	2,029	1,651	1,661	1,642	1,583	1,586
Subsidies	760	1,039	788	818	768	881
Transfer payments	10,253	12,308	14,400	15,684	17,159	19,770
Total expenditure - current	26,739	30,971	35,167	37,981	41,216	45,793
Capital expenditure						
Grants to enterprises	538	563	611	644	499	693
Gross physical capital formation	3,678	5,016	5,552	5,153	5,260	5,447
Loans and share capital	389	532	721	795	590	1,104
Other transfer payments	515	701	443	587	773	800
Payments to the rest of the world	11	11	11	14	22	24
Redemption of securities and loan repayments	3,810	2,908	12,186	2,796	3,275	2,072
Total expenditure - capital	8,941	9,731	19,524	9,989	10,419	10,140
TOTAL EXPENDITURE - CURRENT AND CAPITAL	35,680	40,702	54,691	47,970	51,635	55,933

Source: CSO

Public Finance and Banking

Table 10.12 Expenditure of central and local government classified by purpose of expenditure and economic category

	€m						
	1999	2000	2001	2002	2003	2004	2005
Defence	670	732	843	805	798	894	859
Other general government services	3,358	3,756	4,408	4,734	4,914	5,439	5,914
Education	3,665	4,195	4,890	5,348	5,863	6,327	6,944
Health	4,965	5,750	7,182	8,391	9,423	10,577	12,475
Social security and welfare	8,054	6,965	8,134	9,966	10,864	11,811	12,708
Housing	1,192	1,613	2,216	2,550	2,360	2,390	2,764
Other community and social services	1,058	1,357	1,601	1,867	1,915	2,079	2,290
Agriculture, forestry and fishing	1,107	1,222	1,642	1,706	1,748	1,728	2,252
Mining, manufacturing and construction	620	620	874	599	464	536	543
Transport and communication	1,654	2,043	2,393	2,961	3,268	3,093	3,283
Other economic services	1,259	1,587	1,961	1,915	1,916	1,903	2,245
Public debt	20,848	5,838	4,559	13,847	4,439	4,858	3,657
Total Expenditure	48,450	35,678	40,703	54,689	47,972	51,635	55,934

Source: CSO

Table 10.13 Net receipts from excise duties

€000

	1999	2000	2001	2002	2003	2004	2005
Beer	477,091	475,915	435,645	477,361	455,390	458,195	457,308
Betting	67,804	58,869	68,066	47,952	38,422	45,552	45,850
Bookmaking premises	282	310	343	344	369	329	401
Bookmakers licences	—	—	—	—	—	—	—
Cider and perry	28,659	33,350	36,119	62,147	60,387	64,196	66,058
Clubs	762	695	498	391	403	439	470
Excise duty on Public Dancing licences	7,884	8,739	7,537	9,159	9,495	9,773	9,955
Firearm certificates	5,225	3,211	4,272	4,030	5,700	4,392	5,079
Firearm dealers	21	11	28	21	26	28	24
Foreign travel	20,549	1,928	40	16	-45	-43	—
Liquor licences	10,988	9,408	14,044	14,141	14,779	15,309	14,693
Motor vehicles	—	—	—	—	—	—	—
Oil							
Mineral hydrocarbon light	720,423	754,836	725,254	854,233	853,784	970,702	1,001,879
Other hydrocarbons	714,547	746,096	649,104	777,051	847,687	992,643	1,046,016
Other licences	—	—	—	—	2	—	2
Spirits	217,951	247,086	220,918	266,461	305,026	314,906	319,779
Tobacco	861,512	958,652	1,141,824	1,137,317	1,157,248	1,059,152	1,079,551
Vehicle Registration Tax (VRT)	771,115	1,001,252	788,029	792,571	819,450	945,973	1,148,783
Wine	111,282	123,807	120,883	152,154	167,822	184,795	195,129
Made wine	—	—	—	—	—	—	—
An Post					12	22	9
Total	4,016,095	4,424,165	4,212,603	4,595,350	4,735,957	5,066,363	5,390,986

Source: Office of the Revenue Commissioners

