

Budget 2023:

some observations (x 10)

NERI Post-Budget Seminar
October 5th 2022

Dr Micheál Collins
ml.collins@ucd.ie
@MLGCollins
@UCDSocialPWJ



UCD School of Social Policy, Social Work and Social Justice
Scoil an Pholasáí Shóisialta, na hOibre Sóisialta agus na Córa Sóisialta UCD

1



UCD School of Social Policy, Social Work and Social Justice
Scoil an Pholasáí Shóisialta, na hOibre Sóisialta agus na Córa Sóisialta UCD

1. Scale

- Biggest Budget in history of the state
- €6.9 billion
- plus one-off measures of €4.1 billion

2



UCD School of Social Policy, Social Work and Social Justice
Scoil an Phobair Shóisialta, na hOibre Sóisialta agus na Córa Sóisialta UCD

- 1. Scale**
 - Biggest Budget in history of the State
 - €6.9 billion
 - plus one-off measures of €4.1 billion
- 2. Finally a crisis we can afford!**
 - at least at first glance...
 - 2 crises: cost of living & energy price/supply
 - not going away quickly...implications
 - both still unfolding
 - Budget just took an 'until Easter' approach

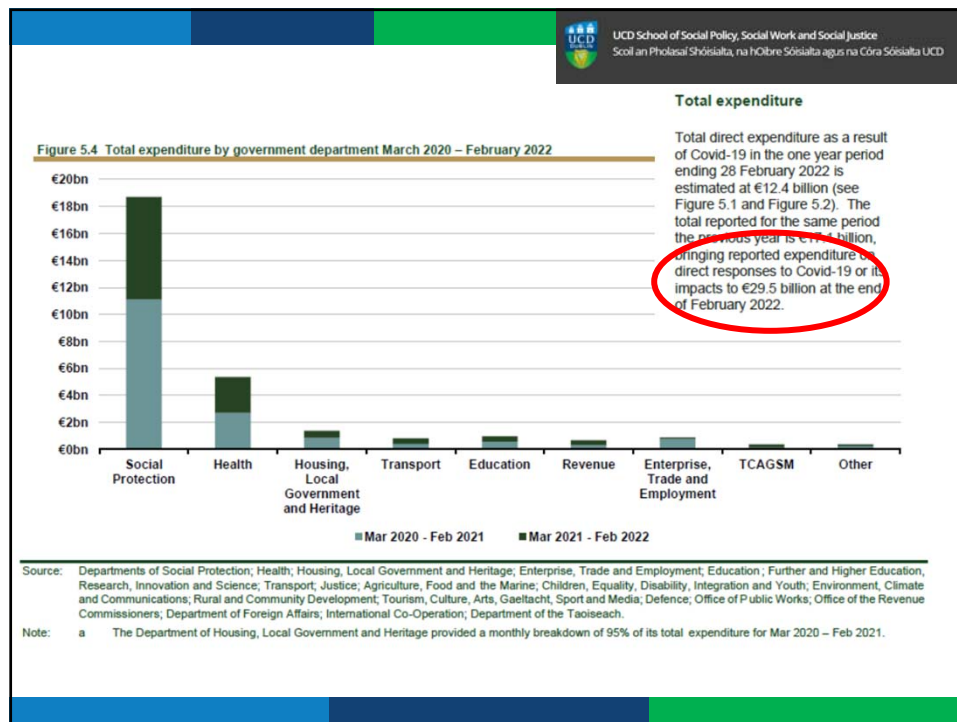
3



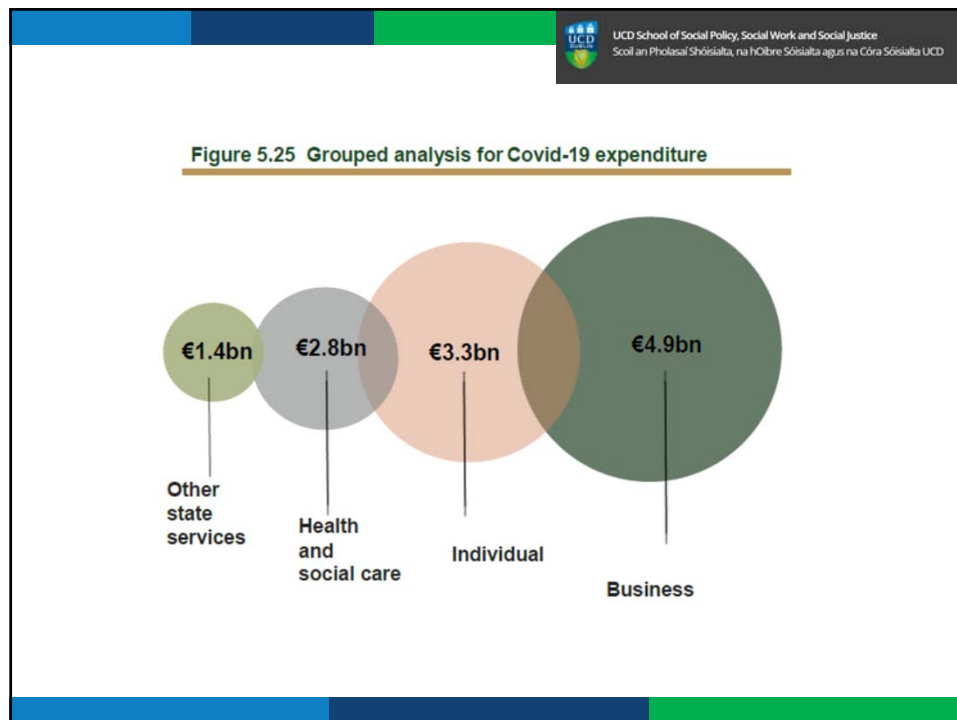
UCD School of Social Policy, Social Work and Social Justice
Scoil an Phobair Shóisialta, na hOibre Sóisialta agus na Córa Sóisialta UCD

- 3. Help should come with expectations**
 - help for households rich and poor
 - help for businesses rich and poor
 - merit, but it should come with future expectations...
 - social contract
 - higher future tax and social insurance contributions
 - not the first crisis – *C&AG report (2022)*
 - Covid – chapter 5
 - Bank Rescues – chapter 2

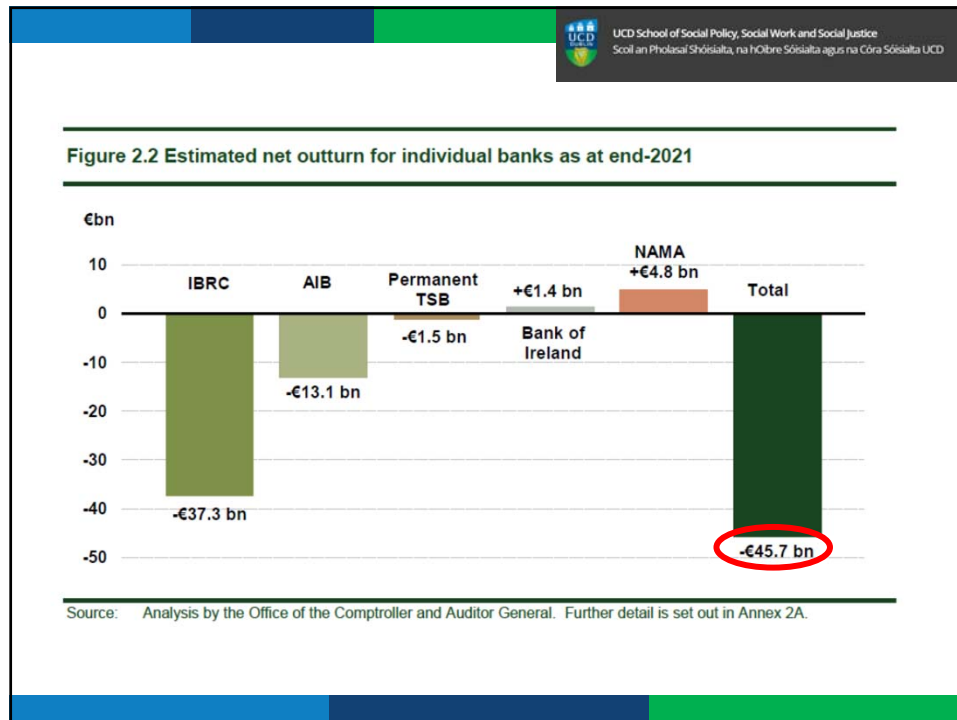
4



5



6



7

UCD School of Social Policy, Social Work and Social Justice
Scoil an Phobair Shóisialta, na hOibre Sóisialta agus na Córa Sóisialta UCD

4. Stability of Taxation Revenue




8



UCD School of Social Policy, Social Work and Social Justice
Scoil an Pholasaí Shóisialta, na hOibre Sóisialta agus na Córa Sóisialta UCD

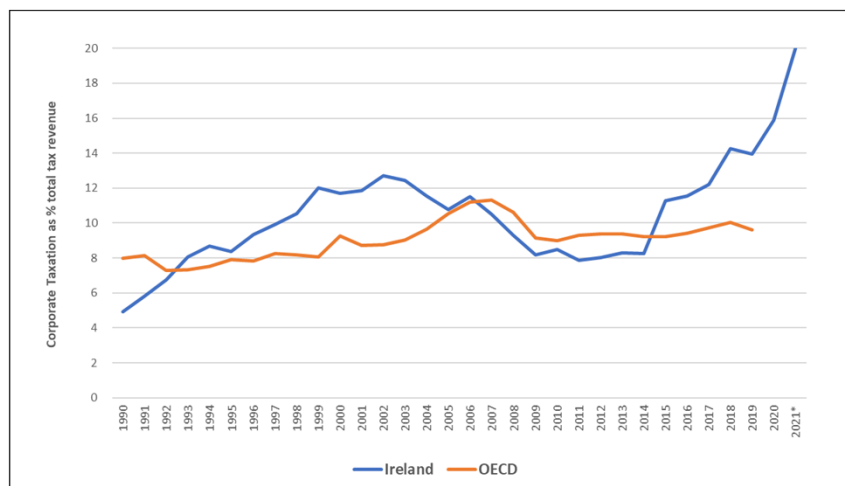
4. Stability of Taxation Revenue



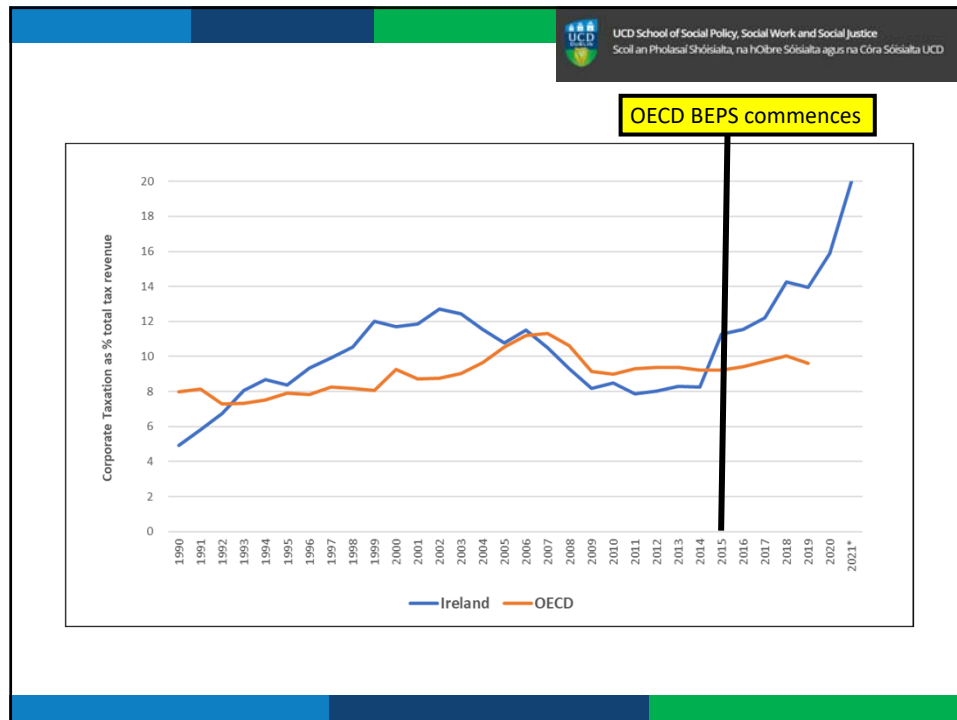
9



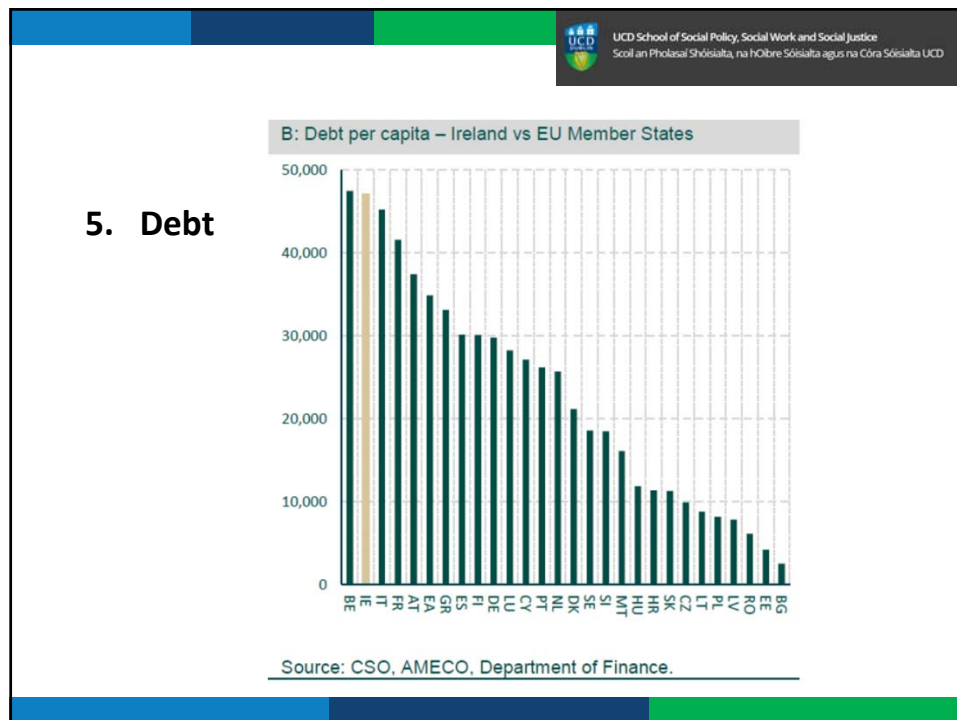
UCD School of Social Policy, Social Work and Social Justice
Scoil an Pholasaí Shóisialta, na hOibre Sóisialta agus na Córa Sóisialta UCD



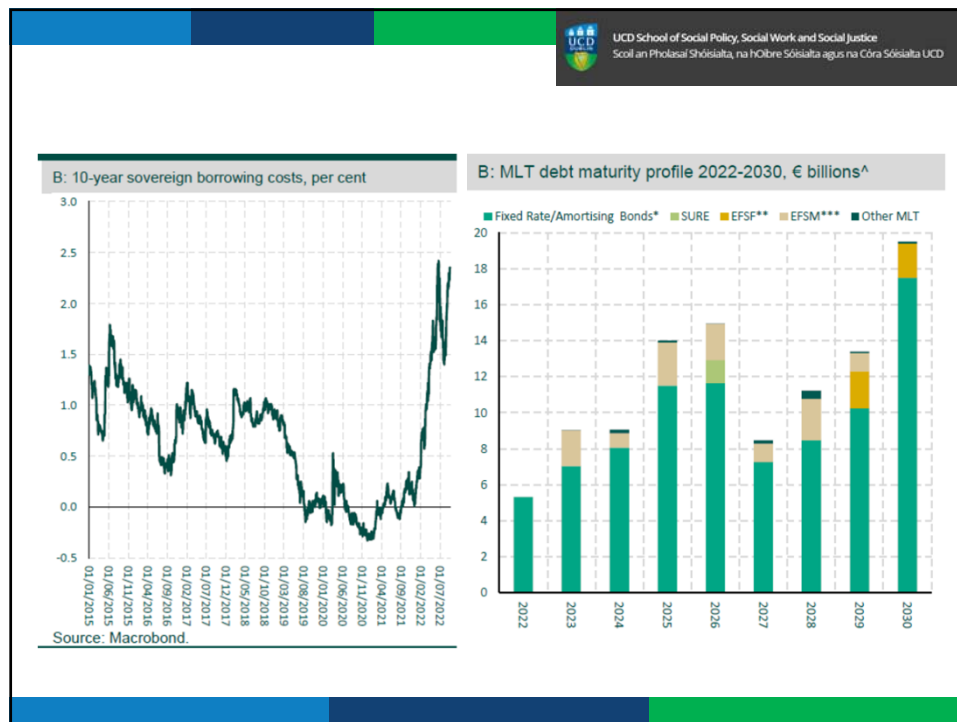
10



11



12



13

UCD School of Social Policy, Social Work and Social Justice
Scoil an Phobair Shóisialta, na hOibre Sóisialta agus na Córa Sóisialta UCD

6. Who was left out?

- the same people as last year and the year before
- low income earners:
 - above welfare supports
 - below most of the taxation reforms
 - SJ: earner on €30,000 = + €3.65 per week (tax changes)
earner on €50,000 plus = + €15.92 per week

7. Changing role of the Revenue Commissioners

- from tax collecting only
- to tax collecting plus (corporate) 'welfare'
- important redefinition, underscored in Budget 2023

14



UCD School of Social Policy, Social Work and Social Justice
Scoil an Pholasáí Shóisialta, na hOibre Sóisialta agus na Córa Sóisialta UCD

8. The danger of simple sums

- concrete block levy – per house estimates

9. Permanent and Temporary Measures

- worth noting...permanent changes skewed upwards
- different distributive picture without one-offs
- a lot less progressive, if at all...

10. Beware of gaps opening up

- like the late 1990s
- Earnings rise, welfare slower + income taxation reductions
- gaps open up

15

Budget 2023:

some observations (x 10)

**NERI Post-Budget Seminar
October 5th 2022**

Dr Micheál Collins
ml.collins@ucd.ie
@MLGCollins
@UCDSocialPWJ



UCD School of Social Policy, Social Work and Social Justice
Scoil an Pholasáí Shóisialta, na hOibre Sóisialta agus na Córa Sóisialta UCD

16