

Ireland's Public Spending Explained 2024

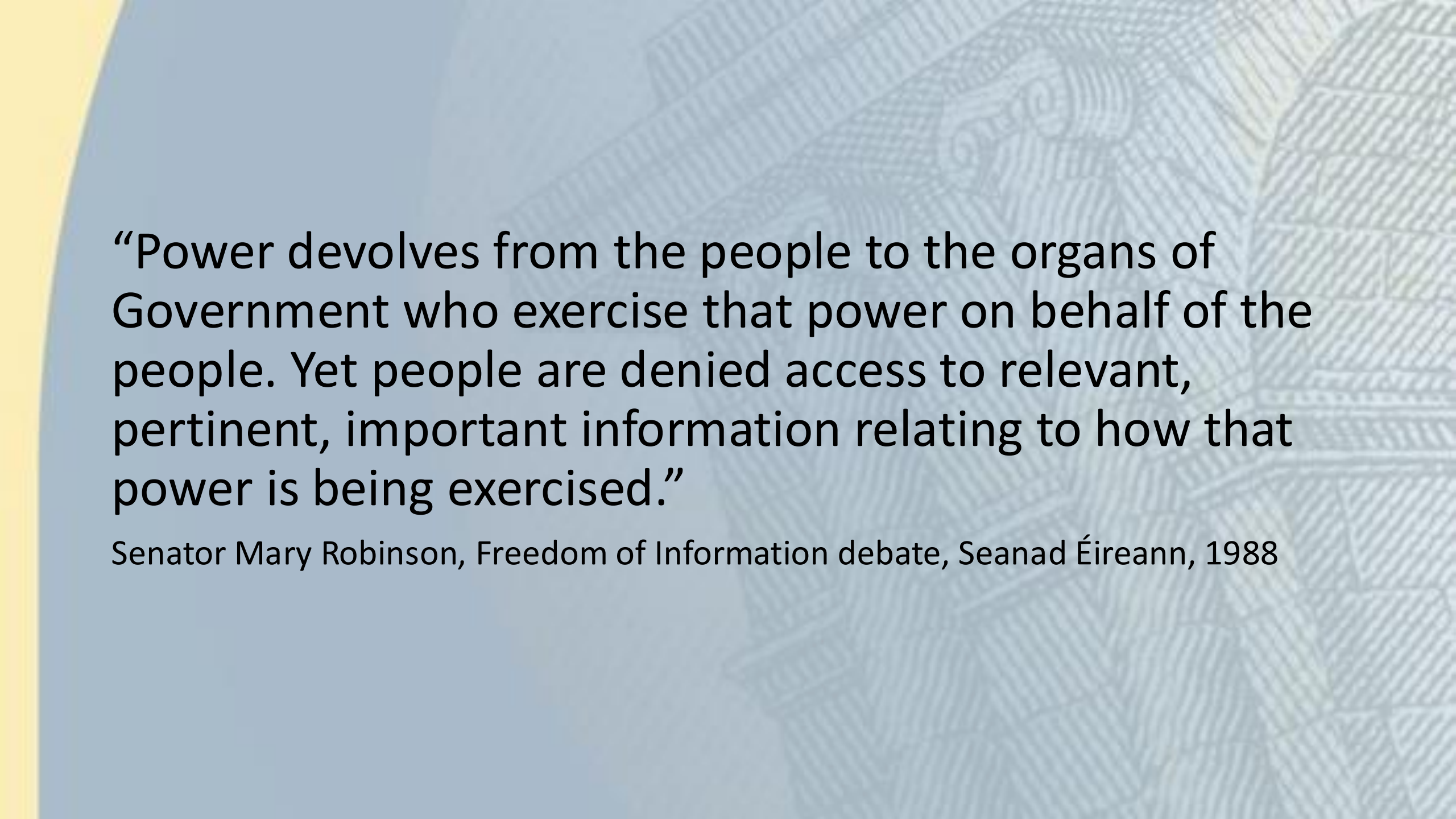
Nevin Economic Research Institute (NERI)
seminar, 4th September 2024

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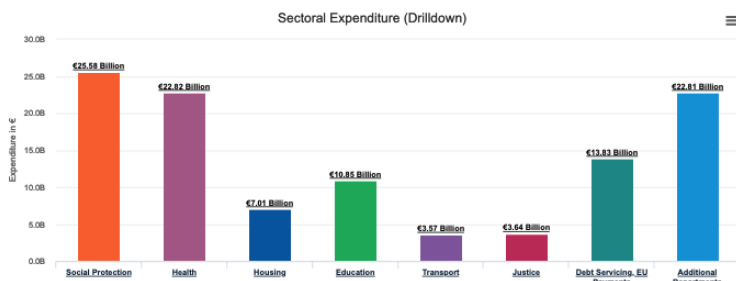
“Power devolves from the people to the organs of Government who exercise that power on behalf of the people. Yet people are denied access to relevant, pertinent, important information relating to how that power is being exercised.”

Senator Mary Robinson, Freedom of Information debate, Seanad Éireann, 1988

1. A uniform total
2. 'Spending Programmes'

2024 Total Expenditure:
€110.1 billion

Sector	Expenditure (€ billion)
Social Protection	€25.6 billion
Health	€22.8 billion
Housing	€7.0 billion
Education	€10.9 billion
Transport	€3.6 billion
Justice	€3.6 billion
Debt Servicing, EU Payments	€13.8 billion
Additional Departments	€22.8 billion



Databank.per.gov.ie

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The Revised Estimates for Public Services (REV)

Method

- Most 'spending programmes' are Tier 1 or Tier 2 spending items from the DPER Databank/Revised Estimates for Public Services 2024 (REV).
 - Kept as many Votes as possible (including small agencies).
- Significant modifications made for social protection, education, non-voted spending and (especially) health.
- Estimate of local government fundraising.
- Inclusion of regional government.

€114.4 billion

- Budget 2024/REV € 96.3 billion
- Non-voted spending € 13.8 billion
- Local government (own sources) € 4.32 billion (estimated)

€ 114.4 billion

Not included:

- Fully commercial state enterprises
- Private transactions (e.g. fees for GP services)
- Charities' fundraising
- Tax expenditures (€7.1 billion+)

GDP €490bn in 2023
Est. €500bn in 2024

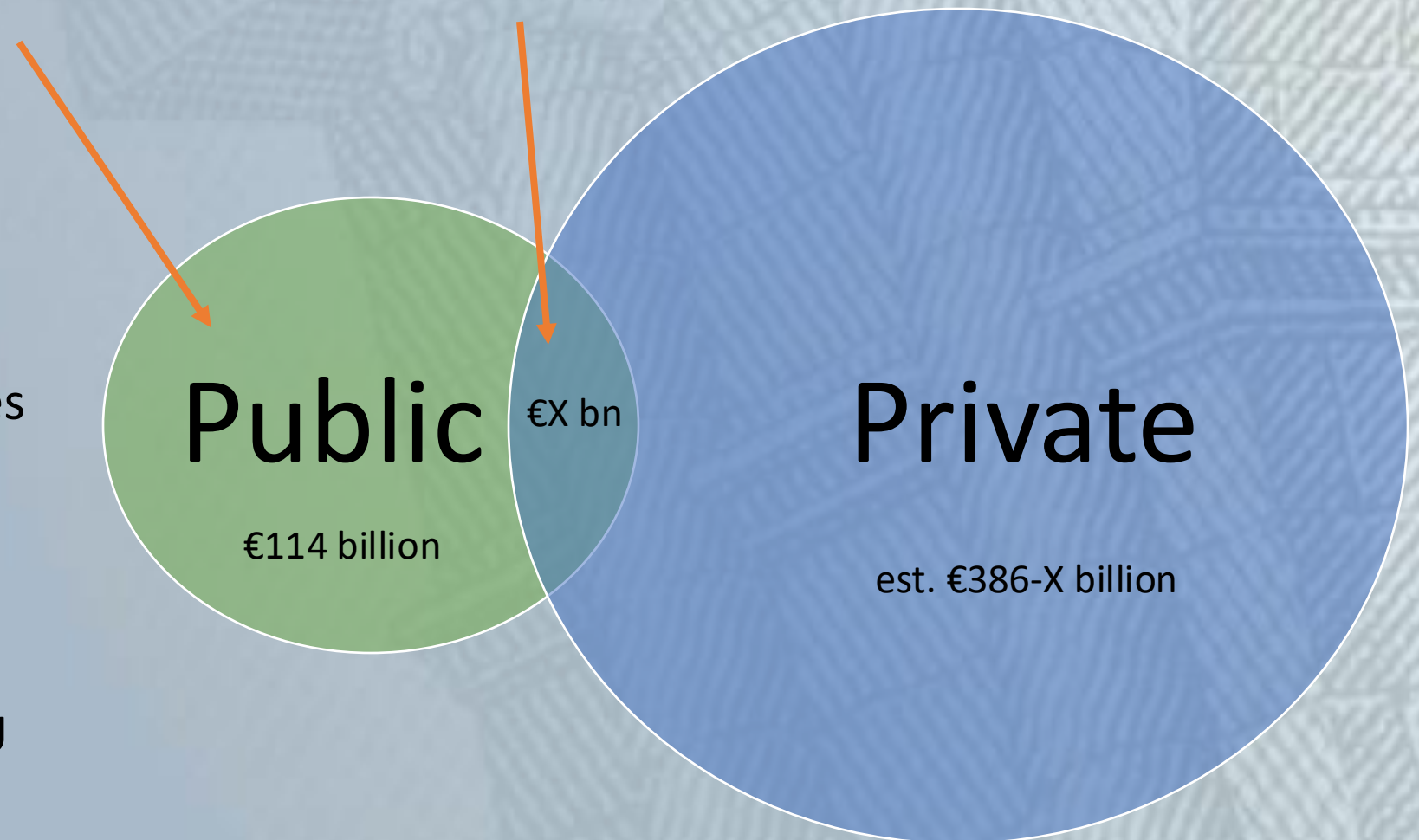
This includes 'appropriations-in-aid' such as university student fees, hospital charges, application fees, etc. PRSI is technically treated as A-in-A. **€4.1 billion plus PRSI €12.7bn**

Spending by government departments and agencies (voted spending)

Certain non-voted spending (e.g. national debt, capital transfers, EU membership)

Fully commercial state enterprises (e.g. ESB €8.9bn in 2023)
Private transactions (e.g. fees for GP services)
Charities' fundraising (€6 billion+)
Tax expenditures (€7.1 billion+)

X is at least €22 billion

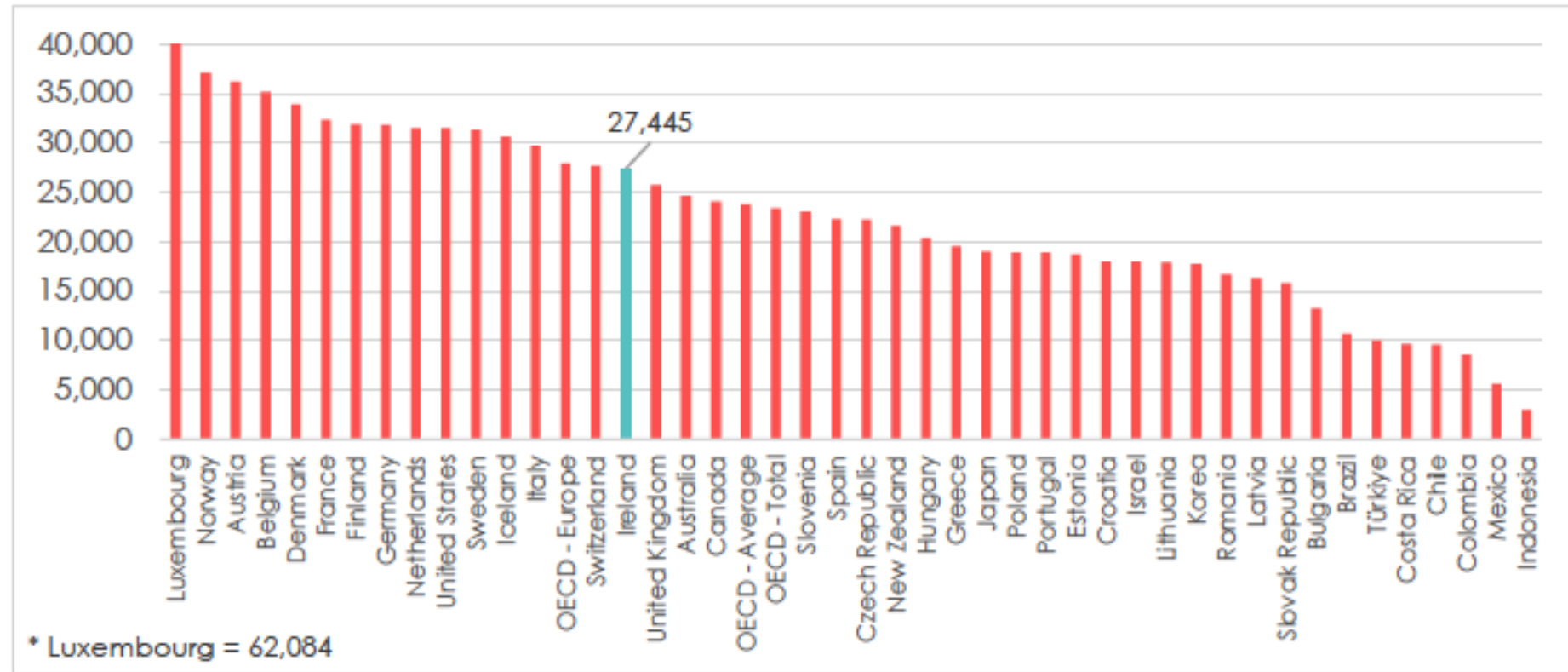


Where Does the Money Come From?

- Taxation
 - Other sources (National Lottery, National Training Fund, Dormant Accounts Fund, ESB dividend, etc.)
 - Appropriations-in-Aid
 - Social insurance
-
- Note the role of charities and the private sector
 - Note €7.1 billion in tax expenditure

Analysing Public Spending

Figure 1. Public Spending in 2022 or latest data, US dollars per capita (OECD).²⁸⁸



105 Spending Programmes

€114.4 billion

- 30 'top' spending programmes (1% or more)
 - €1.14 billion+ each
 - Total €93.1 billion
- 44 'major' spending programmes (0.1%-0.99%)
 - €114 million+ each
 - Total €20.1 billion
- 31 'smaller' spending programmes (Less than 0.1%)
 - Less than €114 million each
 - Total €1.2 billion

For example:

- State Pensions
- Acute Hospital Services
- Primary Teachers
- Water
- Etc.

Examples

Primary Care Reimbursement Service HEALTH	€3,974,193	3.5%	€3.47
	This allocation is for payments to GPs, pharmacists, dentists and other medical professionals by the HSE to cover the Medical Cards, GP Visit Cards, the Drug Payments Scheme (which caps monthly prescription costs), and related schemes. ⁴¹		
Water HOUSING, LOCAL GOVERNMENT AND HERITAGE	€1,823,512	1.6%	€1.59
	This funding covers the production of clean drinking water and the maintenance of the water network, including waste water treatment, representing nearly €1.60 for every €100 of public spending. Most of this programme funds Uisce Éireann/Irish Water. Nearly 60% of its budget is for capital investment. Ireland has relatively high water usage per capita and a high level of leakage on private land, and it is likely that the overall cost of water could be reduced significantly if water charges were introduced. ⁶⁴		
National Debt Servicing NON-VOTED PUBLIC SPENDING	€3,840,000	3.4%	€3.36
	As of Q3 2023, Ireland's national debt was €236.7 billion (more than double annual public spending). Debt servicing payments in the annual budget are a mixture of paying interest on loans and paying off or rolling over loans. The national debt is managed by the National Treasury Management Agency (NTMA). ⁴⁴ The debt servicing cost of €3.8 billion in 2024 is equivalent to just 1.6% of the total national debt.		

Top Spending Programmes

- State Pensions
- Acute Hospital Services
- Illness, Disability and Carers' Income Supports
- Local Government (Self-Funded Activity)
- Investment in the Future Ireland Fund
- Civil and Public Service Pensions (Major Schemes)
- Working Age Income Supports
- Housing
- Primary Care Reimbursement Service
- EU Budget Contribution
- National Debt Servicing
- Primary Teachers
- Specialist Disability Services
- Child-Related Income Supports
- HSE Other Operations and Services
- School Infrastructure and Other Grants
- Higher Education
- International Protection (including Ukrainians)
- Garda Síochána
- Water
- Secondary Teachers
- Primary Care
- Public Transport
- Health Capital Spending
- Older Persons' Services
- Other Non-Voted Expenditure
- Road Networks and Road Safety
- Mental Health
- Childcare and Related Programmes
- Long Term Residential Care

Top Programmes (81% of all public spending)

Capital (Non-Voted)

- Investment in the Future Ireland Fund **€4.3bn**
- EU Budget Contribution **€3.9bn**
- National Debt Servicing **€3.8bn**
- Other Non-Voted Expenditure **€1.4bn**

Social Transfers

- State Pensions **€10.7bn**
- Illness, Disability and Carers' Income Supports **€5.6bn**
- Civil and Public Service Pensions (Major Schemes) **€4.2bn**
- Working Age Income Supports **€4.1bn**
- Child-Related Income Supports **€2.8bn**

Healthcare

- Acute Hospital Services **€8.0bn**
- Primary Care Reimbursement Service **€4.0bn**
- Specialist Disability Services **€3.0bn**
- HSE Other Operations and Services **€bn**
- Primary Care **€1.7bn**
- Health Capital Spending **€1.5bn**
- Older Persons' Services **€1.4bn**
- Mental Health **€1.3bn**
- Long Term Residential Care **€1.2bn**

Infrastructure

- Water **€1.8bn**
- Public Transport **€1.6bn**
- Road Networks and Road Safety **€1.4bn**

Education

- Primary Teachers **€3.3bn**
- School Infrastructure and Other Grants **€2.2bn**
- Higher Education **€2.2bn**
- Secondary Teachers **€1.7bn**

Other

- Local Government (Self-Funded Activity) **€4.3bn**
- Housing **€4.0bn**
- International Protection (including Ukrainians) **€1.9bn**
- Garda Síochána **€1.9bn**
- Childcare and Related Programmes **€1.2bn**

Major Spending Programmes

- Child and Family Support—Tusla
- Farm Supports and Controls
- Defence
- Supplementary Welfare Payments and Agencies
- National Training Fund
- Jobs and Enterprise Development
- Special Needs Assistants
- ETB Teachers
- Overseas Development Assistance
- Welfare Administration
- Working Age Employment Supports
- The Revenue Commissioners
- Skills Development
- Department of Health
- Local Government Fund
- Energy Transformation
- OPW Estate Management
- Prisons
- Agri-Food Policy and Strategy
- Connectivity and Communications
- Criminal Justice
- School Transport Services
- Food Safety, Animal Health and Welfare
- Arts and Culture
- Active Travel and Greenways
- Protected Non-Government Public Spending (Oireachtas, Judiciary)
- Broadcasting
- Foreign Policy Goals
- Research, Innovation and Science
- CEDIY Policy and Legislation
- Enterprise Innovation
- Planning
- Civil Justice
- Heritage
- Community Development
- Tourism Services
- Sports and Recreation Services
- Rural Development, Regional Affairs and Islands
- Courts Service
- Seafood Sector
- OPW Flood Risk Management
- Climate Action and Environment Leadership
- Consumer and Employment Regulation
- Maritime Transport and Safety

Major Programmes (18% of public spending)

Social Transfers (continued)

- Supplementary Welfare Payments and Agencies **€927m**
- Welfare Administration **€753m**
- Working Age Employment Supports **€655m**

Healthcare (continued)

- Department of Health **€546m**

Education (continued)

- Special Needs Assistants **€871m**
- ETB Teachers **€978m**
- School Transport Services **€381m**
- Research, Innovation and Science **€283m**

Other Social Policy

- Child and Family Support—Tusla **€1.1bn**
- CEDiy Policy and Legislation **€277m**
- Community Development **€221m**
- Rural Development, Regional Affairs and Islands **€205m**

Enterprise/Sector Supports

- Farm Supports and Controls **€979m**
- National Training Fund **€920m**
- Jobs and Enterprise Development **€890m**
- Skills Development **€570m**
- Agri-Food Policy and Strategy **€425m**
- Connectivity and Communications **€409m**
- Food Safety, Animal Health and Welfare **€379m**
- Enterprise Innovation **€245m**
- Tourism Services **€219m**
- Seafood Sector **€171m**
- Consumer and Employment Regulation **€133m**
- Maritime Transport and Safety **€129m**

Other (Economic)

- Energy Transformation **€544m**
- Local Government Fund **€540m**
- OPW Estate Management **€505m**
- Arts and Culture **€369m**
- Active Travel and Greenways **€359m**

- Broadcasting **€304m**
- Planning **€234m**
- Heritage **€225m**
- Sports and Recreation Services **€209m**
- OPW Flood Risk Management **€140m**
- Climate Action and Environment Leadership **€138m**

Other (Non-Economic)

- Defence **€933m**
- Overseas Development Assistance **€775m**
- The Revenue Commissioners **€573m**
- Prisons **€446m**
- Criminal Justice **€390m**
- Protected Non-Government Public Spending (Oireachtas, Judiciary) **€312m**
- Foreign Policy Goals **€285m**
- Civil Justice **€226m**
- Courts Service **€185m**

Smaller Spending Programmes

- Circular Economy Development
- Gaeltacht
- Tailte Éireann—Registration, Valuation, Surveying
- Central Statistics Office
- National Shared Services Office
- Director of Public Prosecutions
- Met Éireann
- Government Chief Information Officer
- Passport Service
- Public Expenditure Management and Reform
- Chief State Solicitor's Office
- Transport IT, Engagement and Research Delivery
- Department of Finance
- Department of the Taoiseach
- Civil Aviation
- Data Protection Commission
- Attorney General
- Public Appointments Service
- Office of Government Procurement
- The Comptroller and Auditor General
- Office of the Ombudsman
- State Laboratory
- Electoral Commission
- Irish Human Rights and Equality Commission
- Charities Regulatory Authority
- Policing Authority
- Tax Appeals Commission
- Regional Assemblies
- President's Establishment
- Secret Service
- Centenarians' Bounty

Smaller Programmes (1% of public spending)

Other (Economic)

- Circular Economy Development **€108m**
- Gaeltacht **€101m**
- Tailte Éireann—Registration, Valuation, Surveying **€93m**
- Met Éireann **€59m**
- Transport IT, Engagement and Research Delivery **€50m**
- Civil Aviation **€36m**
- Data Protection Commission **€28m**
- Regional Assemblies **€9.0m**

Other (Non-Economic)

- Central Statistics Office **€83m**
- National Shared Services Office **€80m**
- Director of Public Prosecutions **€62m**
- Public Expenditure Management and Reform **€56m**
- Government Chief Information Officer **€53m**
- Passport Service **€53m**
- Chief State Solicitor's Office **€50m**
- Department of Finance **€49m**
- Department of the Taoiseach **€39m**
- Attorney General **€25m**
- Public Appointments Service **€24m**
- Office of Government Procurement **€22m**

- The Comptroller and Auditor General **€18m**
- Office of the Ombudsman **€15m**
- State Laboratory **€15m**
- Electoral Commission **€12m**
- Irish Human Rights and Equality Commission **€8.7m**
- Charities Regulatory Authority **€5.4m**
- Policing Authority **€4.4m**
- Tax Appeals Commission **€3.9m**
- President's Establishment **€3.6m**
- Secret Service **€2.0m**
- Centenarians' Bounty **€1.8m**

Recommendation

Ireland needs to establish clear information on an agreed set of **spending programmes**, as a step towards a more nuanced national conversation on public spending.

- For example, it makes more sense to talk about the cost of acute hospitals or primary care rather than 'health spending'.



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MARCH 2024

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And 17 pages of Endnotes...

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Section 9
Background Notes and Method

Endnotes and References

All links tested as of January 2024

- ¹ WhereYourMoneyGoes.gov.ie, website <https://whereyourmoneygoes.gov.ie/en/06b47202d4>
- ² Parliamentary Budget Office (2023) Measuring the Cost of Public Service Provision: Gross & Net Spending in Ireland https://data.oireachtas.ie/oi/research/parliamentarybudgetoffice/2023/2023-06-13_measuring-the-cost-of-public-service-provision-gross-and-net-spending-in-ireland_en.pdf
- ³ Government of Ireland (2023) Revised Estimates for Public Services 2024, summary table on page 13 <https://www.gov.ie/pdf/?file=https://assets.gov.ie/281010/11c7936c-5e54-40af-9468-70d47b45e50.pdf#page=13>
- ⁴ Modified and expanded based on Tables 1 and 2 from Parliamentary Budget Office (2023) Measuring the Cost of Public Service Provision (above link)
See also Figure 1 in Parliamentary Budget Office (2019) General Government Expenditure https://data.oireachtas.ie/oi/research/parliamentarybudgetoffice/2019/2019-05-22_general-government-expenditure-shows-how-it-composes-itself-on-constraints-decisions-about-government-spending_en.pdf
- ⁵ Government of Ireland (2023) Revised Estimates for Public Services 2024, Table 1 <https://www.gov.ie/pdf/?file=https://assets.gov.ie/281010/11c7936c-5e54-40af-9468-70d47b45e50.pdf#page=22>
- ⁶ Government of Ireland (2023) Revised Estimates for Public Services 2024, Table 2 <https://www.gov.ie/pdf/?file=https://assets.gov.ie/281010/11c7936c-5e54-40af-9468-70d47b45e50.pdf#page=23>
- ⁷ Government of Ireland (2023) Revised Estimates for Public Services 2024, page 228 <https://www.gov.ie/pdf/?file=https://assets.gov.ie/281010/11c7936c-5e54-40af-9468-70d47b45e50.pdf#page=235>
- ⁸ Government of Ireland website, "The Budget Cycle" <https://www.gov.ie/en/policy-information/4c0920-budget-cycle/>
- ⁹ See also Government of Ireland (2022) The Budget in Brief: Your Guide to Budget 2023 <https://assets.gov.ie/235688/93372e0d-ec40-448e-b09e-6d565ff8385b.pdf>
- ¹⁰ European Commission website, "Stability and convergence programmes" https://economy.finance.ec.europa.eu/economic-and-fiscal-governance/stability-and-growth-compact/stability-and-convergence-programmes_en#documents
- ¹¹ Government of Ireland website, "Previous budgets" <https://www.gov.ie/en/collection/34556-previous-budgets/>
- ¹² Department of Finance (2023) Stability Programme Update 2023 <https://www.gov.ie/en/publication/65a19e-stability-programme-update-2023/>
- ¹³ Department of Finance and Department of Public Expenditure NDP Delivery and Reform, website, "National Economic Dialogue 2023" <https://www.gov.ie/en/publication/53a7a-national-economic-dialogue-2023/>
- ¹⁴ Department of Finance and Department of Public Expenditure NDP Delivery and Reform, website, "Summer Economic Statements" <https://www.gov.ie/en/collection/787988-summer-economic-statements/>
- ¹⁵ Department of Public Expenditure NDP Delivery and Reform, website, "Mid-Year Expenditure Report" <https://www.gov.ie/en/publication/60a19e-mid-year-expenditure-report-2023/>
- ¹⁶ Department of Finance and Department of Public Expenditure NDP Delivery and Reform, website, "Budget 2024: Ministers' Speeches" <https://www.gov.ie/en/publication/6592b-budget-2024-ministers-speeches/>