



# IRELAND

## State of Play – Winter 2018



### MACROECONOMIC SITUATION

- Economy continues to grow at a solid pace supported by domestic activity
- Labour market remains strong but inactivity still high in certain sectors

#### Imbalances (in-depth review):

- High levels of private and public debt, but decreasing
- Despite a decrease, stock of non performing loans remains large
- Rapidly rising property prices on the back of housing shortages



### PROGRESS ON COUNTRY-SPECIFIC RECOMMENDATIONS

#### Some progress

- in reducing debt-to-GDP ratio
- in improving the quality of expenditure
- in enhancing social housing
- in delivering an integrated package of activation policies by presenting an action plan on jobless households
- in reducing non-performing loans

#### Limited progress

- in broadening the tax base



### FISCAL SITUATION

- No excessive deficit
- Public debt, at 69.9% in 2017, stands above the 60% reference value, but is on a downward path
- Draft Budgetary Plan 2018 broadly compliant with the rules of the Stability and Growth Pact



### SOCIAL SITUATION

- Social protection system does relatively well in reducing poverty and promoting social inclusion
- Access to affordable, full-time and quality childcare remains a challenge
- The at-risk-of-poverty rate has fallen, but remains high
- Homelessness continues to increase
- Work-life balance measures are improving



### POLICY HIGHLIGHT

Technology partnerships and Technology/Research Centres are a vital part of the system of public support for enhancing competitiveness. They act to deliver and spread innovation among domestic firms by fostering collaboration with research institutions. Every euro invested turns into a seven euro increase in the firms' turnover.