

**MAC Minutes Meeting 26<sup>th</sup> January 2015**

**Attendance:** Derek Moran (Chair), Ann Nolan, John Hogan, John McCarthy, Gary Tobin, Paul Ryan, Des Carville, Niall O'Ceallaigh, Aidan Carrigan, Neil Ryan, Greg Dempsey, Paul Bolger Derek Tierney (Secretary).

**Apologies:** Nicholas O'Brien, Brendan Loughnane.

**1. Minutes of previous meeting and matters arising**

The Communications diary was noted. The Minister is attending Eurogroup and Ecofin. The ICAV and Central Bank (Amendment) Bills are progressing through the Oireachtas. Minister Harris is expected to address a meeting of PwC partners. The Central Banks decision on the outcome of consultation on Macroprudential Tools is expected to be made public in the next days. Pre-legislative scrutiny on the Tax Appeals Commission Bill is expected to commence shortly. The Article IV review, as part of the normalisation of our relationship with the IMF, will come to a close on Tuesday that will be followed by a press conference. The Central Bank Bulletin is expected to be published later in the week.

Work is underway to amalgamate Departmental guidance on budget costings and general election manifesto costings that will be presented by the Tax Division to the Policy Committee in the next weeks.

The minutes of the previous MAC, 19<sup>th</sup> January were agreed.

**2. Dashboard Summary including discussion on:**

**1. Euro Area Developments**

The outcome of the Greek elections over the weekend was the subject of a detailed discussion. The Syriza party won 149 seats in the 300-seat Greek parliament in Sunday's election. Alexis Tsipras, the party's leader will now move to form a government, likely with the Independent Greeks (13 seats) as discussions commence to form a coalition. While the reports in advance of the elections suggested that Syriza would seek a write down on their official sector debt, recent commentary would suggest that the position will change to a focus on debt affordability. It was noted that Greece is required to complete a review of its progress with the Troika by the end of February. The situation in Greece and implications for other member states over the coming weeks will be monitored closely.

**Action Point**

- Circulate speaking points relating to outcome of Greek elections – Mr Bolger

## 2. Private Members motion

Officials and Advisors will work with colleagues in the D/ELCH to progress a counter Motion to the Private Members Motion on Housing which has been tabled for discussion in Dáil Éireann on the 27th and 28th January 2015

## 3. Fiscal Rules

The Economics Division is progressing discussions on an alternative potential output estimation approach at technical level. This follows on from the paper issued to German Finance Minister Schauble on the Structural Budget Balance and the technical paper shared with the German Finance Ministry, which was discussed bilaterally with the German EFC alternate member. This is in preparation for application of methodology in preparing the Spring Statement/SPU for discussion with the Commission.

The Minister's approval will be sought for a revised MoU to govern the forecast endorsement process with IFAC. This was discussed over the last number of weeks between the Economics Division and IFAC staff.

## 4. OCED Mission

The OECD biennial survey of the Irish economy to examine economic trends has commenced. The OECD secretariat will visit w/c 02<sup>nd</sup> February and meetings will involve discussions with various Divisions of this Department (as well as other Departments and agencies) with the Economic Division taking the lead on coordination. A draft report will subsequently be produced by the secretariat; this report and Ireland's economic performance will then be reviewed by the Economic Development and Review Committee of the OECD in July at which the Chief Economist will attend. It is expected that the report will be published before in September (the report is normally launched by the Minister or the Taoiseach).

## 5. IFS Strategy

Work in conjunction with Minister Harris, D/Taoiseach, CBI and the Clearing House Group is ongoing relating to the development of an IFS strategy. A conference will be hosted by D/Taois in January. It is expected that the strategy will be launched sometime around mid-March. An update on input from various stakeholders feeding into the process was discussed and a half-day consultation exercise is planned at D/Taoiseach later in the week.

### Action Point

- Circulate progress update on development of IFS Strategy for next meeting – Mr N Ryan

## 6. Banking Inquiry

The Department continues to progress the necessary work to meet both the Joint Committee of Inquiry into the Banking Crisis refined request for records and the end month deadline. Additional

internal and external resources have been allocated, additional accommodation secured and investment in IT hardware and software also sanctioned. It was agreed that reviewed material will be cleared by Principal Officers in the first instance.

### **3. AOB**

MAC were informed that Chief Finance and Operations Officer Mr Dempsey will be taking up a post in the D/Health as Chief Finance Officer. This is in keeping with mobility arrangements set out in the recently published civil service renewal plan. MAC extended their thanks to Mr Dempsey for his contribution in his current role and wished him continued success in the future.

### **4. Corporate Governance**

#### **1. Senior Management Group Review**

The agenda for the next Senior Management Review day is scheduled for 05<sup>th</sup>/06<sup>th</sup> March. It will take place in the Department's decentralised offices located in Tullamore. Contributors will meet over the coming weeks to finalise presentations.

#### **Action Point**

- Work with contributors over the coming weeks to finalise presentations for the Senior Management Review Day – Mr Tierney



Derek Moran  
Secretary General