

Ireland resists EU bailout

EU pressure for Ireland to accept a bailout will be accompanied by demands for more drastic fiscal measures if assistance is required

Deficit
(% of
GDP,
2009)

Irish deficit likely to rise to 32% for 2010 due to bank bailouts – €6bn cuts or tax rises required to reach 9.5% target

Greece

15.4

Ireland

14.4

EU average 6.8%

Spain

11.2

Portugal

9.4

AT RISK

Ireland

EU

Property tax

0%

2%

Corporation tax

12.5%

22.3%

Income tax (max)

41%

37.2%

VAT

21%

19.5%

Unemployment

15.3%

17.3%

benefits (% of GDP)

Infrastructure projects: Cuts in July save €1bn, more expected

Public sector pay: July pay cuts of 5-15% for 16-19% of total workforce, save €1bn to date