Tithe an Oireachtais
An Coiste um Fhormhaoirsiú Buiséid
An Dréacht - Chlár Oibre

Houses of the Oireachtas
Committee on Budgetary Oversight
Work Programme

October 2019 – April 2020
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Notes

1. Committee established by order of the Dáil of 21 July 2016
3. Deputy Marc Mac Sharry was discharged from the Committee and Deputy John Lahart was appointed to Committee in replacement for him by order of the Dáil on 31 January 2017.
4. Deputy Kate O’Connell was discharged from the Committee and Deputy Pat Deering was appointed to Committee in replacement for her by order of the Dáil on 9 February 2017.
5. Deputy John Paul Phelan was discharged from the Committee and Deputy Josepha Madigan was appointed to the Committee in replacement for him by order of the Dáil on 11 July 2017.
6. Deputy Pat Deering was discharged from the Committee and Deputy Martin Heydon was appointed to the Committee in replacement for him by order of the Dáil on 13 July 2017.
7. Deputy David Cullinane was discharged from the Committee and Deputy Jonathan O’Brien was appointed to the Committee in replacement for him by order of the Dáil on 3 October 2017.
8. Deputy Josepha Madigan was discharged from the Committee and Deputy Colm Brophy was appointed as Chairman of the Committee by order of the Dáil on 12 December 2017.
9. Deputy Dara Calleary was discharged from the Committee and Deputy Barry Cowen was appointed to the Committee in replacement for him by order of the Dáil on 17 April 2018.
10. Deputies Seán Barrett and Stephen Donnelly were discharged from the Committee and Deputies Maria Bailey and Declan Breathnach were appointed to the Committee in replacement of them by order of the Dáil on 1 May 2018.
Standing Orders

The Select Committee on Budgetary Oversight was established on 21 July 2016 following the adoption of Dáil Standing Order 186A. Standing Orders 89(4) of Dáil Éireann require that “as soon as may be following its appointment and thereafter at annual intervals, each Select Committee shall prepare a work programme and shall lay such programme before Dáil Éireann and Seanad Éireann”.

Role of the Committee on Budgetary Oversight (CBO)

The Budget is key to decisions on how national resources are allocated. The Committee on Budgetary Oversight (CBO) was established on the 21st July 2016 as a Standing Committee designed to enhance the level of engagement by the Oireachtas in the Budget process.

The Committee can achieve this by:

- Engaging with a range of stakeholders and carrying out “ex-ante” (before the event) scrutiny of Revenue and Expenditure options before the Budget;
- Carrying out “ex-post” (after the event) scrutiny to evaluate Budget measures or to assess how budgeted spend or revenue projections compare with out-turns;
- Bringing a strategic focus to monitor macro-economic developments and fiscal risks;
- Engaging with the Fiscal Advisory Council (FAC) to receive its regular assessments of compliance with fiscal rules;
- Holding budget scrutiny meetings with the Minister for Finance and Public Expenditure and Reform at key budget milestones;
- Making recommendations to Dáil Éireann on measures to enhance and strengthen the budget scrutiny framework.
The Committee’s work programme is informed by evidence-based research, including analysis provided by the Committee Secretariat, and by the independent Parliamentary Budget Office (PBO).

As part of the Dáil reform process, Ireland’s Parliamentary Budget Office (PBO) was established on 15th August 2017. The Committee engages with the PBO and with on a regular basis. As the PBO develops specialist economic expertise, the Committee will endeavour to make use of its advice and expertise to develop the Oireachtas budget framework, in line with international best practice.

The Fiscal Advisory Council was established as an independent fiscal institution in July 2011, and put on a statutory footing in December 2012 by the Fiscal Responsibility Act.

The Committee also engages with the Fiscal Advisory Council (FAC) on a quarterly basis to consider its Fiscal Assessment Reports.

Ex-Post Scrutiny of Budget 2020

As part of its work on ex-post scrutiny of Budget 2020, the Committee will prepare a post-Budget report in December. This will consider a number of issues, including the quality and timeliness of budget information provided to the Oireachtas, and how this informs decision-making in relation to the Budget.

The Committee will engage with key stakeholders on this including the Minister for Finance and Public Expenditure and Reform, the Parliamentary Budget Office, and the Fiscal Advisory Council to discuss post-budget issues.
Between October 2019 and March 2020, the Committee agreed to prepare a report on the issue of demographic cost pressures and the budget process.

The Committee has agreed to issue information requests to Government Departments to examine budget information on demographic need. Based on evidence provided to the Committee, it will engage with a range of stakeholders, to include:

- The Central Statistics Office
- The Fiscal Advisory Council
- The Parliamentary Budget Office
- The Department of Public Expenditure and Reform
- The Department of Health
- The Department of Education and Skills
- The Department of Social Protection
Corporation Tax – BEPS 2.0 process

On October 9th 2019, the OECD Secretariat published its initial proposals to reform international corporate tax, in order to devise new tax models to target Multi-National Corporations. The proposals aim to create a new international consensus on the international corporate tax system.

The Committee notes that the OECD proposals were issued for public consultation and include proposals to reform taxes in relation to consumer / digital sales.

The Parliamentary Budget Office noted the potential implications of the proposed reforms:

“The actions underpinning BEPS 2.0 could pose a risk to the sustainability of CT revenues in a small and open economy such as Ireland. Specifically, the allocation of CT receipts based on the location of a company’s sales or users would benefit larger markets that are net-importers. On the other hand, small export intensive economies such as Ireland would lose a portion of its tax base as a larger proportion of profits would be allocated to larger countries.”¹

The Committee agreed to monitor developments in relation to the OECD BEPS 2.0 process, given its potential long-term budgetary and fiscal impact.

The Committee also agreed to engage with the Minister for Finance and Public Expenditure and Reform and his officials, on the Department of Finance review of corporation tax, due for publication in March 2019.

The Committee agreed to continue to monitor and, if appropriate, to hold a meeting with representatives from the European Commission to consider the Multi-Annual Financial Framework.

**Agreement of Work Programme**

The Committee agreed to review its work programme on a regular basis. Issues not considered by the end of 2019 can form part of the Work Programme for 2020.

The Work Programme for October 2019 – March 2020 of the Select Committee on Budgetary Oversight was agreed by the Committee at its meeting on 23 October 2019. In accordance with Standing Orders of Dáil Éireann, it was agreed that the Work Programme be laid before Houses of Oireachtas and published on the Oireachtas website.

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Colm Brophy, TD.

Chairman

October 21 2019
Appendix – Terms of Reference

Go ndéanfar, de réir mholadh an Fhochoiste ar Athleasú na Dála faoi Bhuan Ordú 107(1)(a), Buan-Orduithe Dháil Éireann i dtaoibh Gnó Phoiblí a leasú tríd an mBuan-Ordú seo a leasas ag ghlacadh:

That, in accordance with the recommendation of the sub-Committee on Dáil Reform under Standing Order 107(1)(a), the Standing Orders of Dáil Éireann relative to Public Business be amended by the adoption of the following Standing Order:

‘186A. (1) Beidh arna bhunú, a luaithe is féidir i ndiaidh ationól na Dála tar éis Olltoghcháin, Buanchoiste, dá ngairfear an Coiste um Fhormhaoirsiú Buiséid, chun scrúdú a dhéanamh agus, más cuí leis é, chun tuarascáil a thabhairt don Dáil—

‘186A. (1) There shall stand established as soon as may be, following the reassembly of the Dáil subsequent to a General Election, a Standing Committee, to be known as the Committee on Budgetary Oversight, to examine and, where it considers it appropriate, report to the Dáil on—

(a) ar an staid fhioscach fhioriomlán, lena n-áirítear—

(i) ar an staid chomhiomlánaithe maidir le hioncam agus caiteachas agus larmhéid Ginearálta an Rialtais, lena n-áirítear spriocanna struchtúracha;

(ii) réamh-mheastacháin mheántéarma don airgeadas poiblí;

(iii) réamhaisnéisi agus forbairtí maicreacnamaíochta; agus

(iv) rialachas fioscach ginearálta, lena n-áirítear rialacha agus priacail fhioscacha a theidhmí maidir leis an staid fhioscach;

(b) ar an mbeartas maidir le caiteachas poiblí, lena n-áirítear—

(i) an staid chaiteachais ag féachaint don Uasteorainn Caiteachais Rialtais agus don tslat tomhais chaiteachais faoiin gComhaontú Coblhasiochta agus Fáis; agus

(ii) na hUasteorainneacha Caiteachais Aireachta a bhfuil feidhm acu maidir le

(a) the overall fiscal position, including—

(i) the aggregated position on revenue and expenditure and the General Government Balance, including structural targets;

(ii) medium-term projections for the public finances;

(iii) macro-economic forecasts and developments; and

(iv) general fiscal governance including the application of fiscal rules and risks to the fiscal position;

(b) public expenditure policy, including—

(i) the expenditure position having regard to the Government Expenditure Ceiling and the expenditure benchmark under the Stability and Growth Pact; and

(ii) Ministerial Expenditure Ceilings applying to individual Estimates or groups of Estimates for the
Meastachán ar leith nó grúpaí
Meastachán i gcomhair
Seirbhísí Poiblí i gcás go bhféadfaidh athruithe
suntasacha ar an bróifíl chaiteachais tionchar a bheith acu ar an staid fhioscach
fhoríomlán;
Public Services where significant variations from the expenditure profile could potentially impact on the overall fiscal position;

(c) ar an mbeartas maidir le fáltais an Stáitchiste.
(c) Exchequer receipts policy.

(2) Féadfaidh an Coiste breithníú a dhéanamh ar ní a bhaineann le beartas poiblí agus a bhfuil tionchar suntasach aige ar an staid bhuíseíd nó ar an staid fhioscach fhoríomlán: Ar choinníoll go rachaidh Cathaoirleach an Choiste, roimh thosach an bhreithnithe sin, i gcomhairle leis an gCoiste earnála iomchuí arna bhunú de bhun Bhuan-Ordú 84A.
(2) The Committee may consider a matter of public policy with significant impact on the budgetary position or on the overall fiscal position: Provided that prior to the commencement of such consideration, the Chairman of the Committee shall consult with the relevant sectoral Committee established pursuant to Standing Order 84A.

(3) Féadfaidh an Coiste freisin breithníú a dhéanamh ar an gcreat foriomlán do rannpháirtíocht pharlaiminte le linn an timthrialla buíseíd agus féadfaidh sé moltaí i ndáil leis an gcéanna a dhéanamh don Fhochoiste ar Athleasú na Dála, is moltaí a bheidh le breithniú ag an gCoiste sin faoi Bhuan-Ordú 107(1)(b): Ar choinníoll, le linn dó é sin a dhéanamh, go rachaidh an Coiste i gcomhairle—
(3) The Committee may also consider the overall framework for parliamentary engagement throughout the course of the budgetary cycle and may make recommendations thereon to the sub Committee on Dáil Reform for that Committee’s consideration under Standing Order 107(1)(b): Provided that, in so doing, the Committee shall consult with—

(a) leis na Coístí arna mbunú de bhun Bhuan-Ordú 84A maidir le haon mholtáí a bhfuil tionchar acu, i dtuairim an Choiste, ar ról nó ar chúram na gCoistí sin; agus
(a) the Committees established pursuant to Standing Order 84A on any recommendations which, in the opinion of the Committee, impact on their role or remit; and

(b) leis an Aire nó leis na hAirí iomchuí maidir le haon mholtáí a bhfuil tionchar acu, i dtuairim an Choiste, ar ról nó ar chúram Roinne nó Ranna, agus tabharfaidh sé fógra i dtaoibh thorthaí na gcomhairíúchán sin don Fhochoiste ar Athleasú na Dála.
(b) the relevant Minister or Ministers on any recommendations which, in the opinion of the Committee, impact on the role or remit of a Department or Departments, and shall notify the results of such consultations to the sub-Committee on Dáil Reform.

(4) Beidh na cumhachtaí seo a leanas ag an gCoiste:
(4) The Committee shall have the following powers:

...
(a) power to send for persons, papers and records as defined in Standing Orders 85(2A) and 88;

(b) power to take oral and written evidence and submissions as defined in Standing Order 85(1) and (2);

(c) power to appoint sub-Committees as defined in Standing Order 85(3);

(d) power to engage consultants as defined in Standing Order 85(8);

(e) power to travel as defined in Standing Order 85(9).

(5) Every report which the Committee proposes to make shall, on adoption by the Committee, be laid before the Dáil forthwith, whereupon the Committee shall be empowered to print and publish such report, together with such related documents it thinks fit.

(6) The Committee shall consist of fifteen Members, none of whom shall be a member of the Government or a Minister of State, and four of whom shall constitute a quorum: Provided that—

(a) the Committee and any sub-Committees which it may appoint shall be constituted so as to be impartially representative of the Dáil; and

(b) the provisions of Standing Order 95 shall apply to the Committee.
agus clár oibre an Roghchoiste leis an mBuancoiste.’ programme of the Select Committee shall be those of the Standing Committee.’.

—Ríona Úi Dhochartaigh, Aire Stáit ag Roinn an Taoisigh.