

# Researching the all-island economyI

Professor John Doyle  
Vice President for Research  
Dublin City University

# All-islandeconomy.com

- Joint Project with Ulster University
- Short-term data requirements
  - Labour Force Surveys
- North–South Policy Comparisons
  - Tourism, Regional balance, FDI
- Longer-term – Possible Constitutional Change



# All-Island Economic Intelligence

Latest data

2024 Q3

## Labour Market



Headline Indicators



Employment



ILO unemployment



Economic Inactivity



Employment type



Occupation



Hours worked



Qualifications



Metadata

# Policy Analysis – Tourism Industry

- All-island Tourism industry supporting over 300,000 jobs - almost €17 billion in GVA
- International visits (2013-2019)
  - grew by 33% in Northern Ireland and 46% in the Republic of Ireland.
- Republic of Ireland 4.3 times more international visitors than NI, but 7.6 times expenditure.
  - GVA in the Republic 4.8 times larger than NI (2019)
- 1.3 million cross border visits were made South to North in 2023, (400,000 in 2013).
- Policy Steps – all-island approach to marketing / connections / visa / investment

# The Constitutional Debate

- What would a united Ireland cost and for how long?



# The UK Subvention

- £14b published figure
  - Pensions = £5.7b
  - Debt = £3.5b
  - Defence = £1.5b
  - Tax adjustment / central exp= £2.1b
- Day one of a United Ireland = £1.5b



# The first 10 Years

- Start with subvention £1.5b / €1.75b
  - Boost expenditure year one by €1b pa to deal with Health / Ed / Infrastructure deficits
    - + €133m extra pa to equalize public sector wages over 15 years (+48%)
    - + €90m each year to gradually take over pensions
- €2.75b = borrowing requirement of 0.75% of GNI

# Economic Convergence

- If convergence in GNI took 30 years
  - NI Growth moves from 1.3% pa to 3.2% pa
  - No subvention after year 11
- If convergence took 22 years
  - NI Growth moves from 1.3% to 4%
    - No deficit (or extra investment) – after year 5
- Central European experience (2000 to 2015)
  - Individual states - 1% to 3% higher growth than Western Europe





# Fiscal Outlook

- €2.75b = Modest Subvention given scale of island economy
  - A different deal on pensions with UK does not change the fundamentals
- Will last 5 to 11 years – declining over time
  - All likely Growth models will at least cover cost of converging wages and pensions.
- Transition cost
  - could be borrowed or covered by “Future Fund”

