

**Question for written answer E-014544/2015
to the Commission**
Rule 130
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Subject: Output gap and structural fiscal balance

Measuring the output gap constitutes a key input for calculating the structural fiscal balance.

However, some researchers argue that a structural balance is difficult to estimate using the output gap approach.

In particular, this methodology may result in underestimations or overestimations of the budget balance independently of the economic cycle.

According to this view, the best solution therefore lies in analysing the differences between various indicators and using them in combination when steering financial policy. These indicators include the expenditure benchmark and the bottom-up approach, by which GDP growth is assessed by means of the medium-term growth of potential output (considered less cycle-dependent).

Does the Commission agree with this analysis?

Does the Commission plan to improve the current methodology for the calculation of the structural balance?