

KEY FIGURES FROM THE 2017 BUDGET

Press conference, 20 September 2016

Presented by

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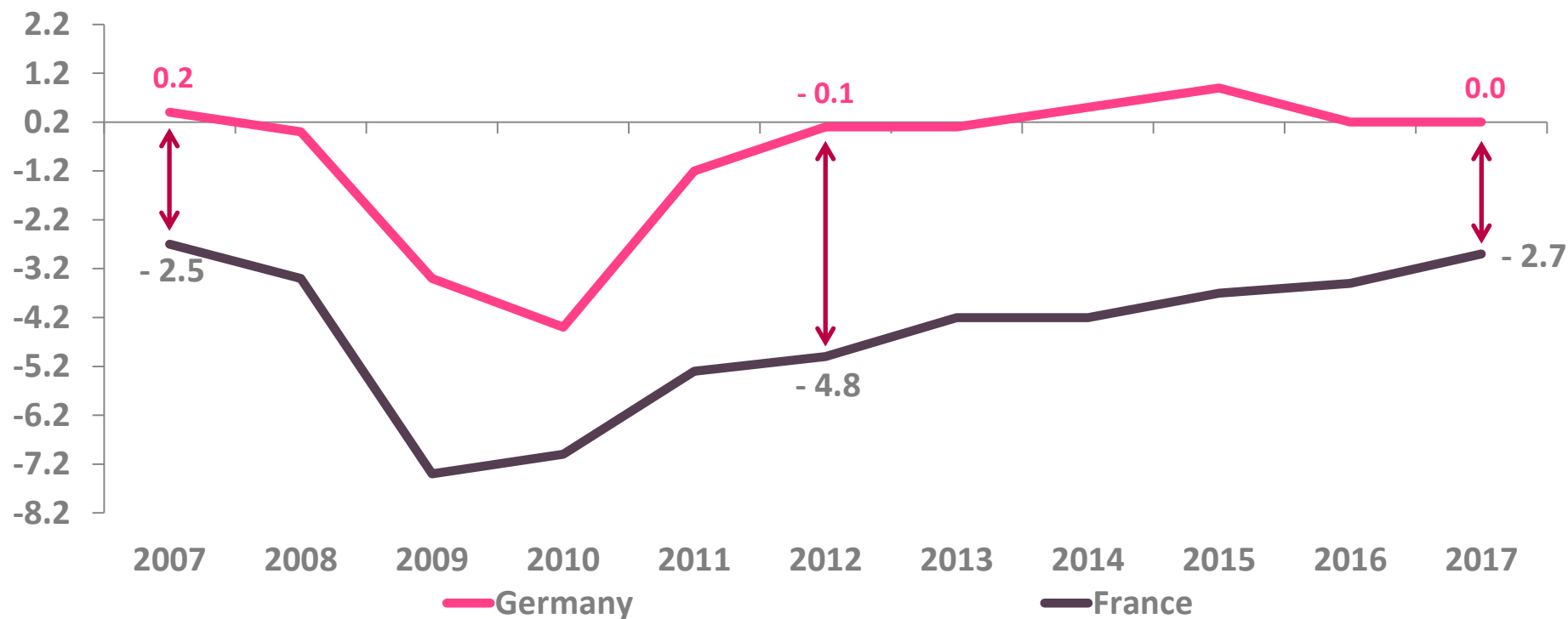
DBP FOR 2017



Three battles since 2012

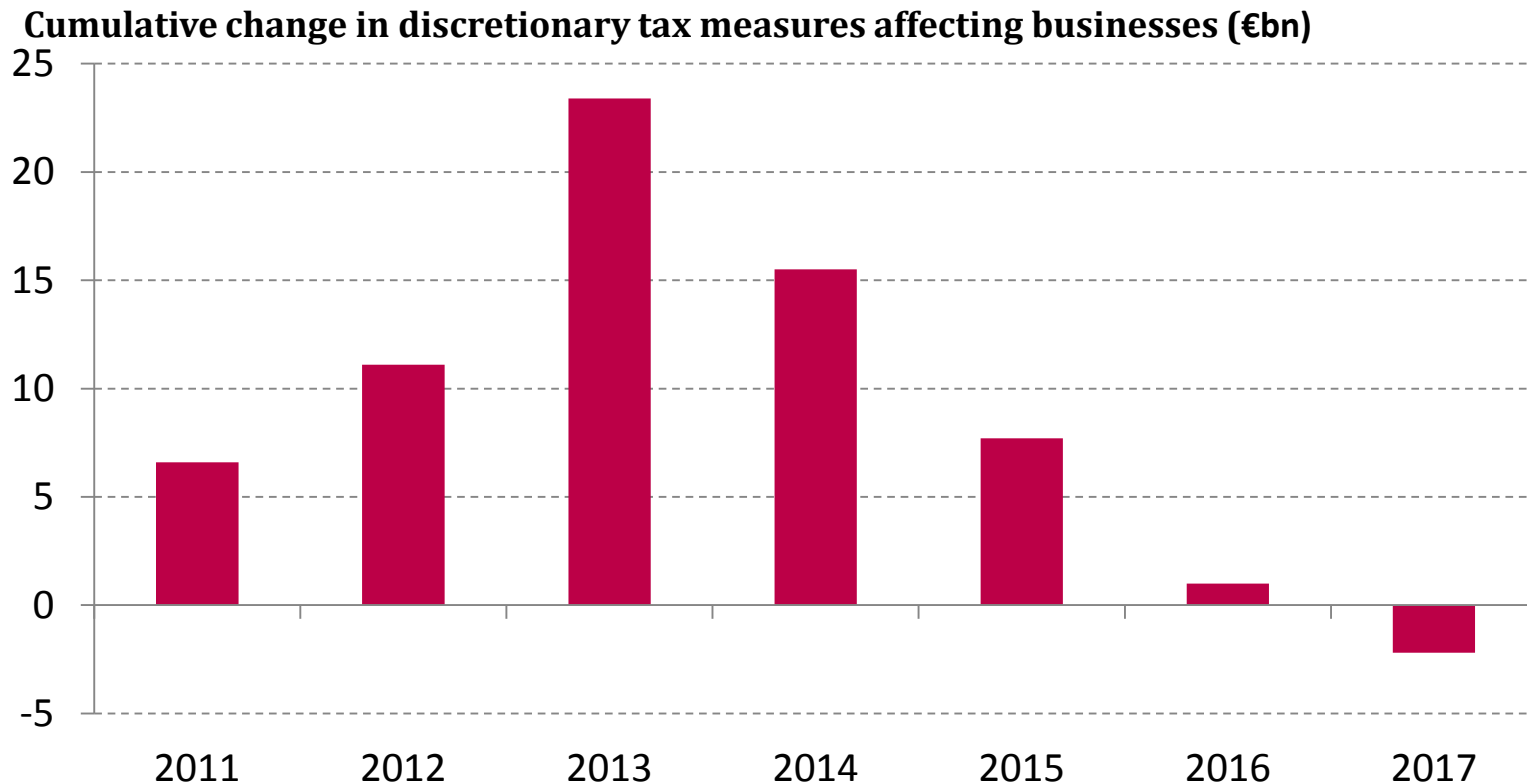
- **Fiscal consolidation**
- **Stimulating growth and jobs**
- **Social justice**

“A much greater fiscal consolidation effort since 2012 than in Germany”



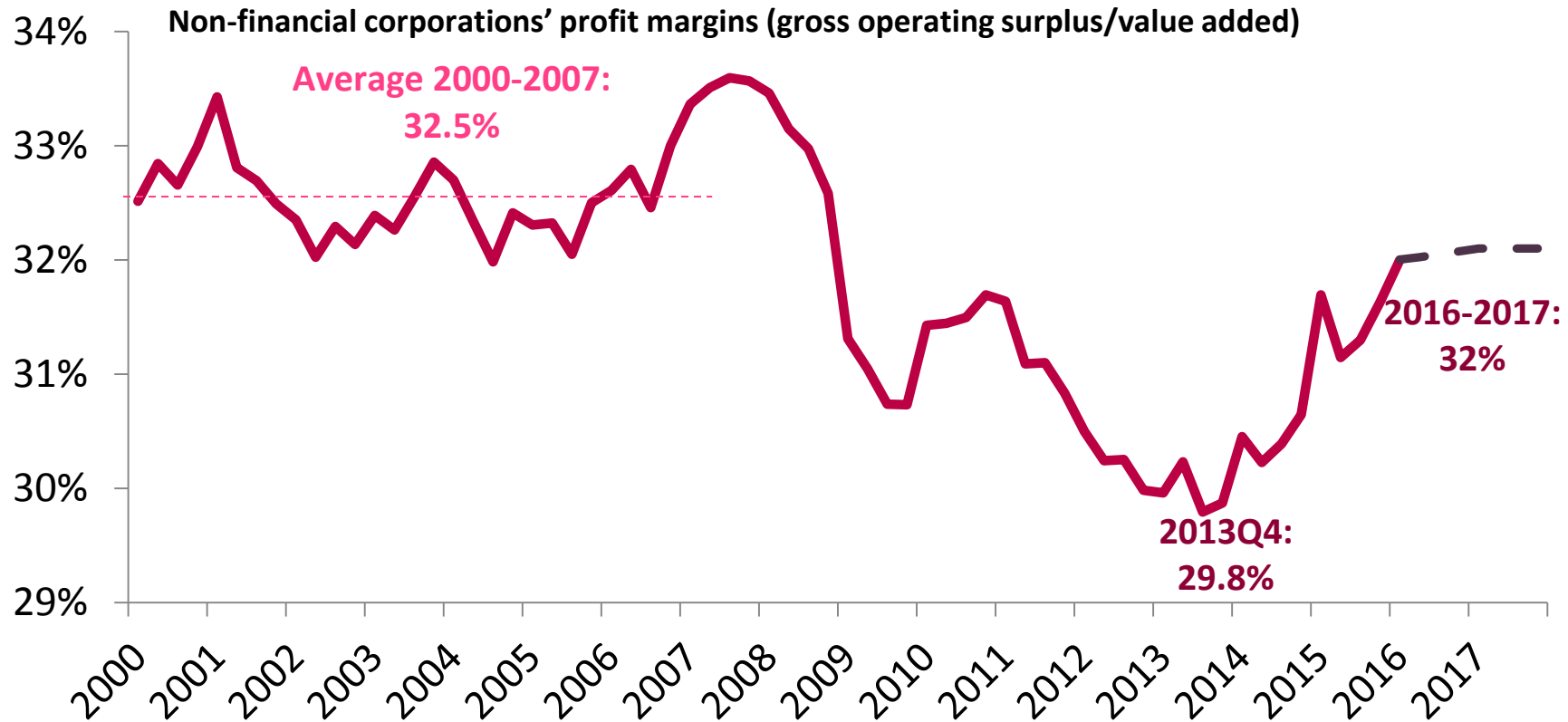
Key: The differential between the French and German fiscal deficits widened by 2 percentage points of GDP between 2007 and 2012. It will narrow by 2 percentage points of GDP between 2012 and 2017.

“All of the increases in businesses’ taxes and contributions since 2011 will be eliminated in 2017”

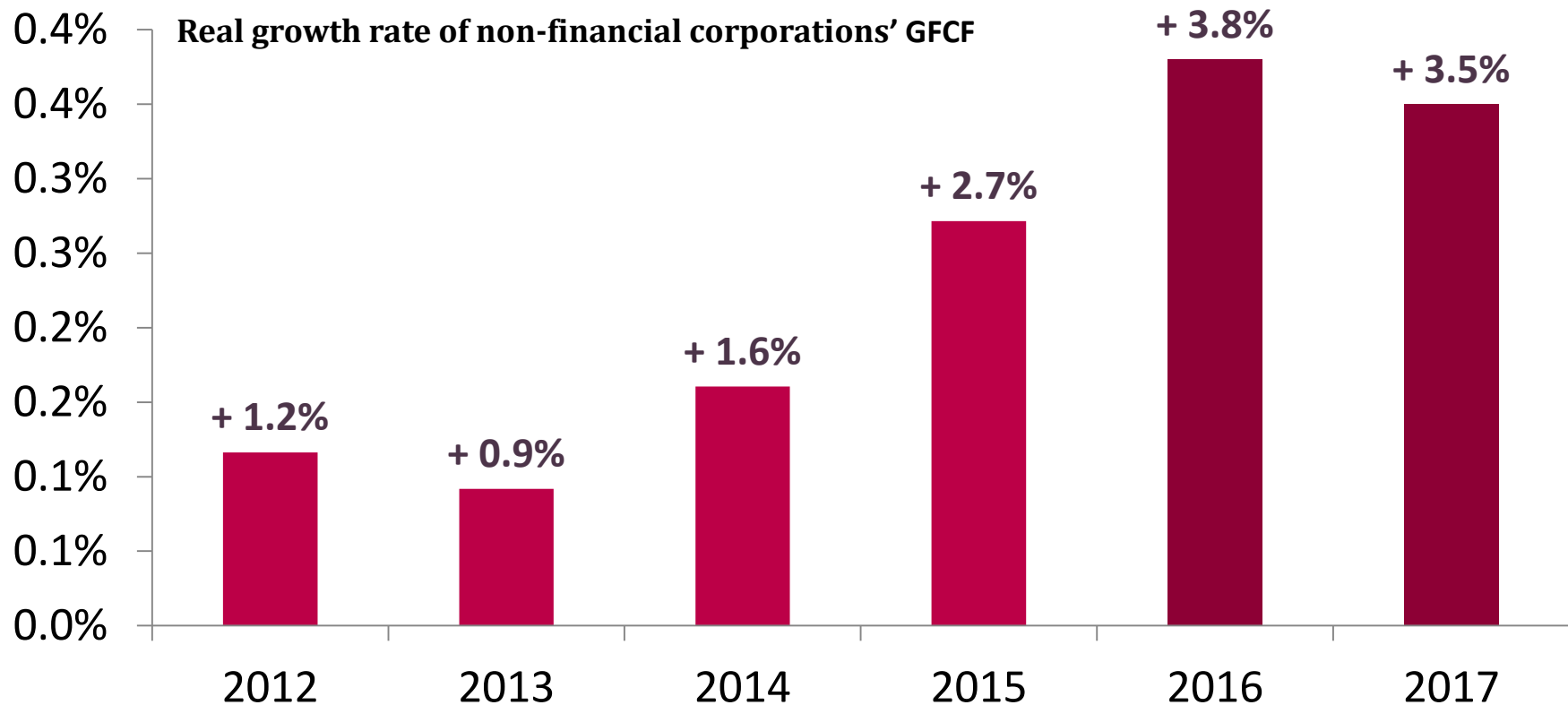


Sources: Calculations by the Ministry for the Economy and Finance. All of the taxes and contributions paid by businesses, except for indirect taxes and direct local taxes.

“Profit margins have virtually returned to their historical level”



“A very brisk recovery in investment since the end of 2014”

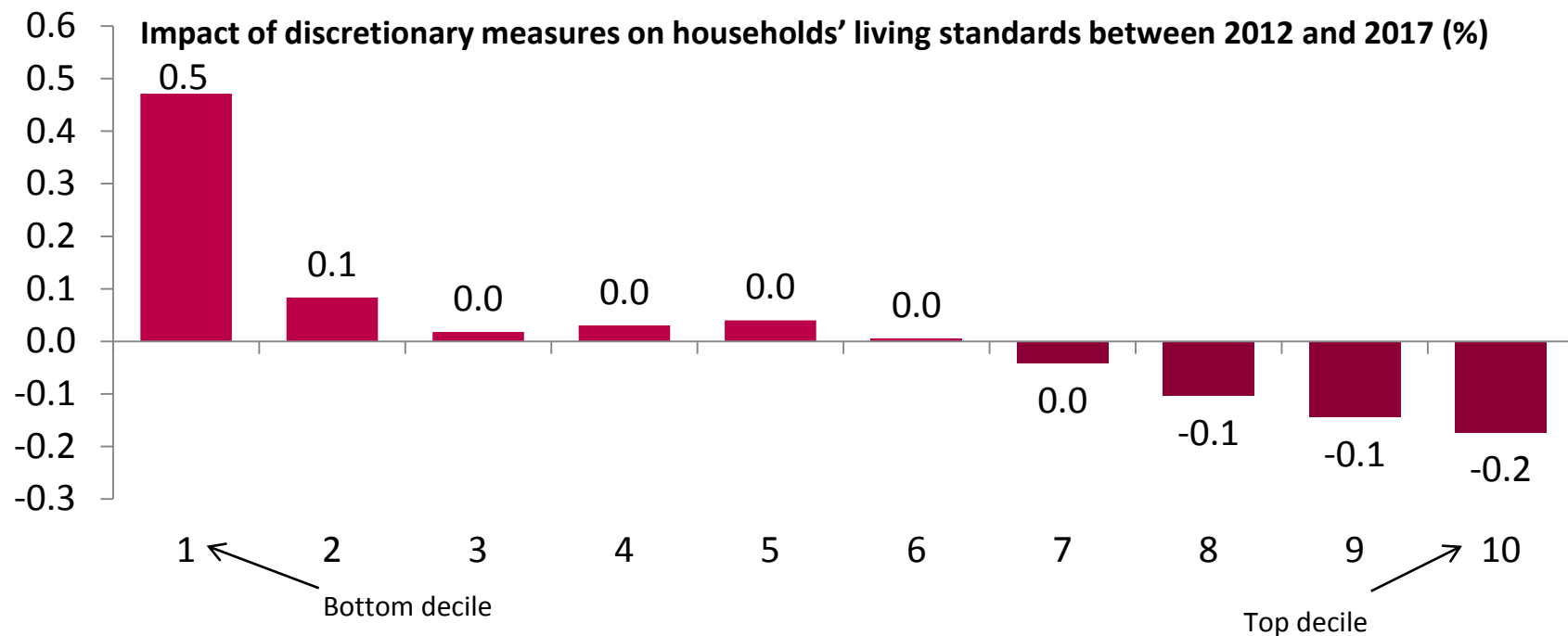


“The market sector is posting net job growth again”



Sources: Insee and DBP forecasts

“Measures taken since 2012 have protected living standards for the six lowest income deciles”



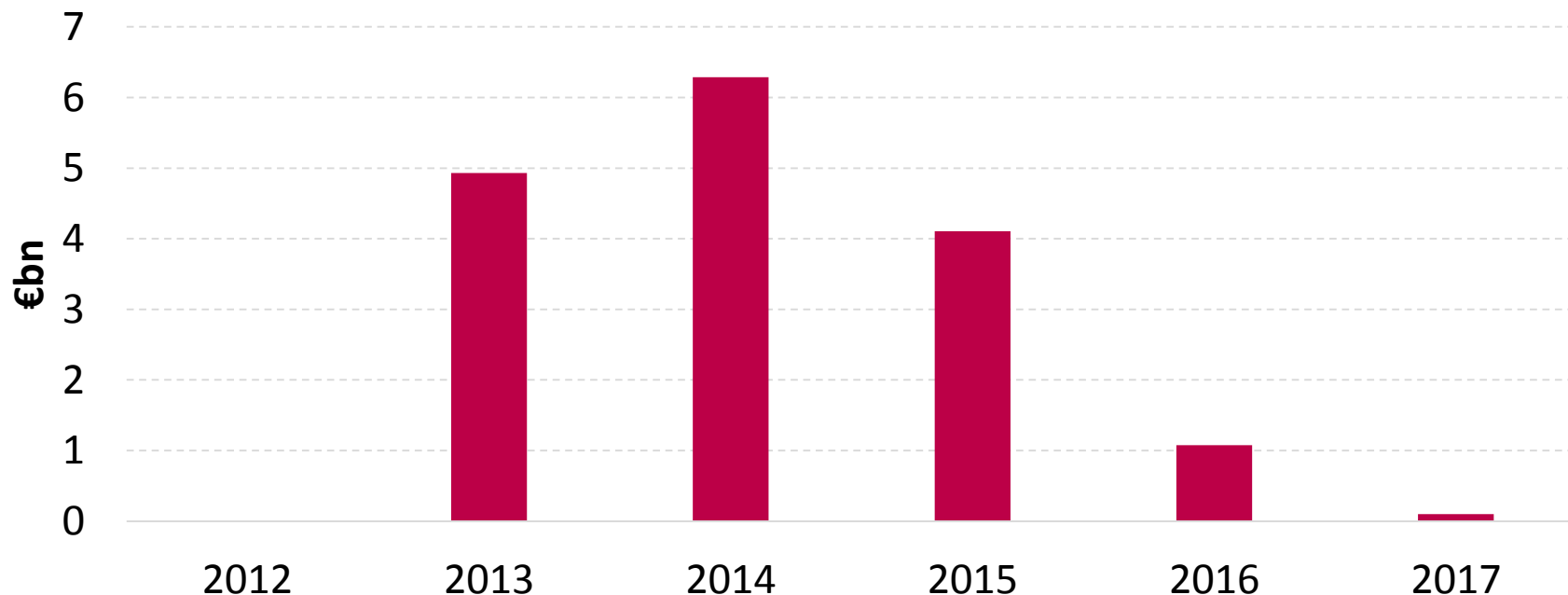
Sources: Calculations by the Ministry for the Economy and Finance

Key: Assessment of the impact by income decile on households' living standards from tax and benefit measures taken since May 2012

Between 2012 and 2017, households in the bottom income decile saw their living standard rise by an average of 4.7% as a result of the measures taken.

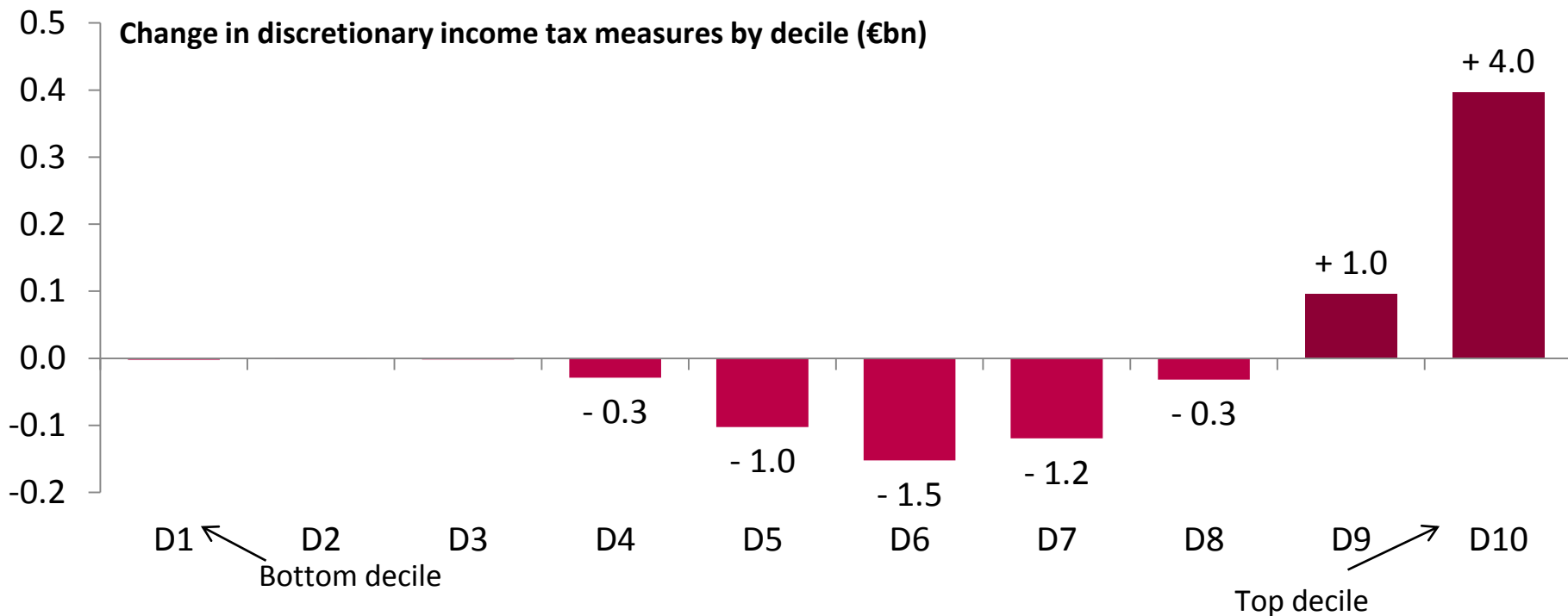
“In aggregate, the measures taken since 2012 did not lead to an increase in income tax revenue”

Cumulative change in discretionary income tax measures (€bn)



Sources: Calculations by the Ministry for the Economy and Finance. All of the income tax measures passed since May 2012 (excluding the reform of earned income tax credit (PPE)).

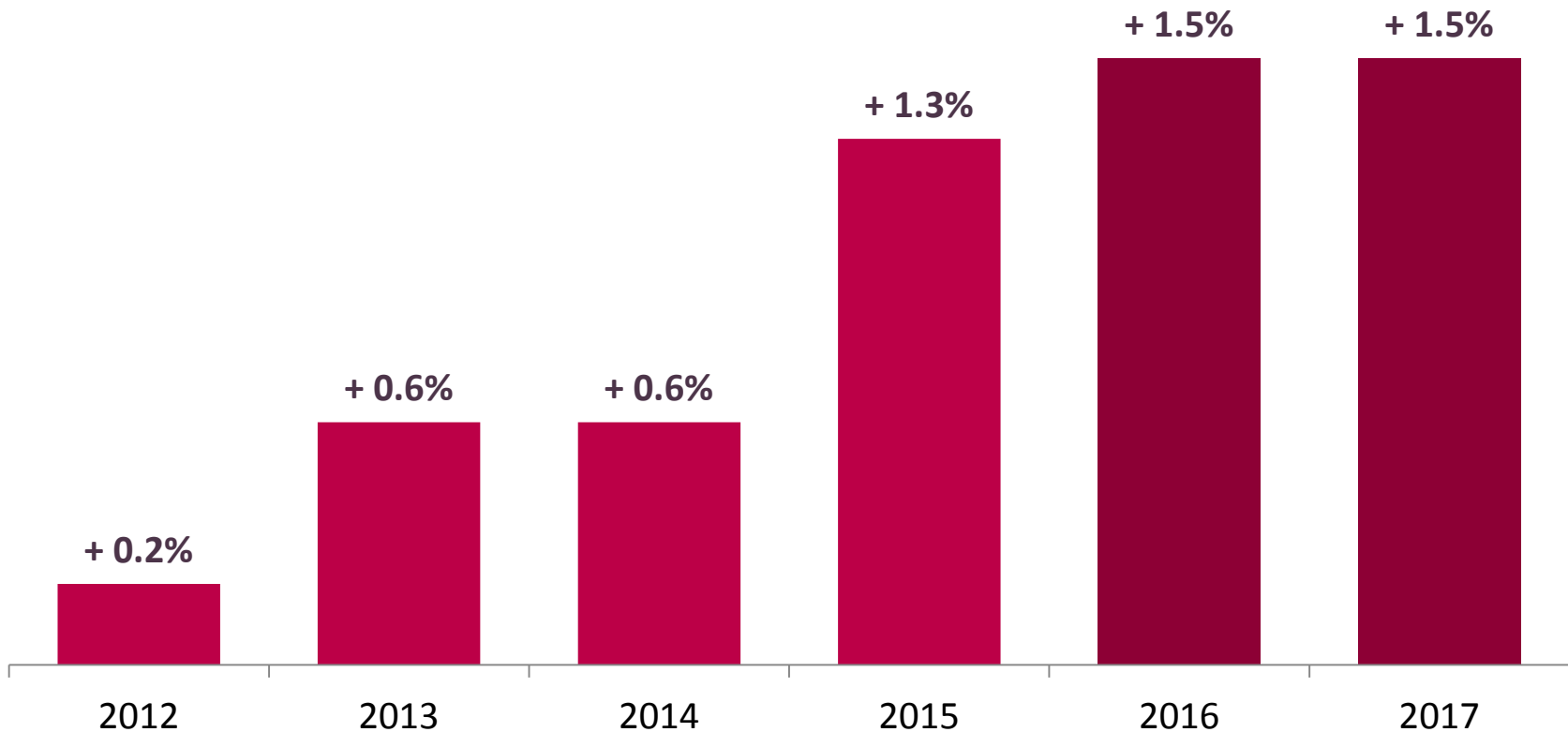
“Our measures have cut middle-class tax bills”



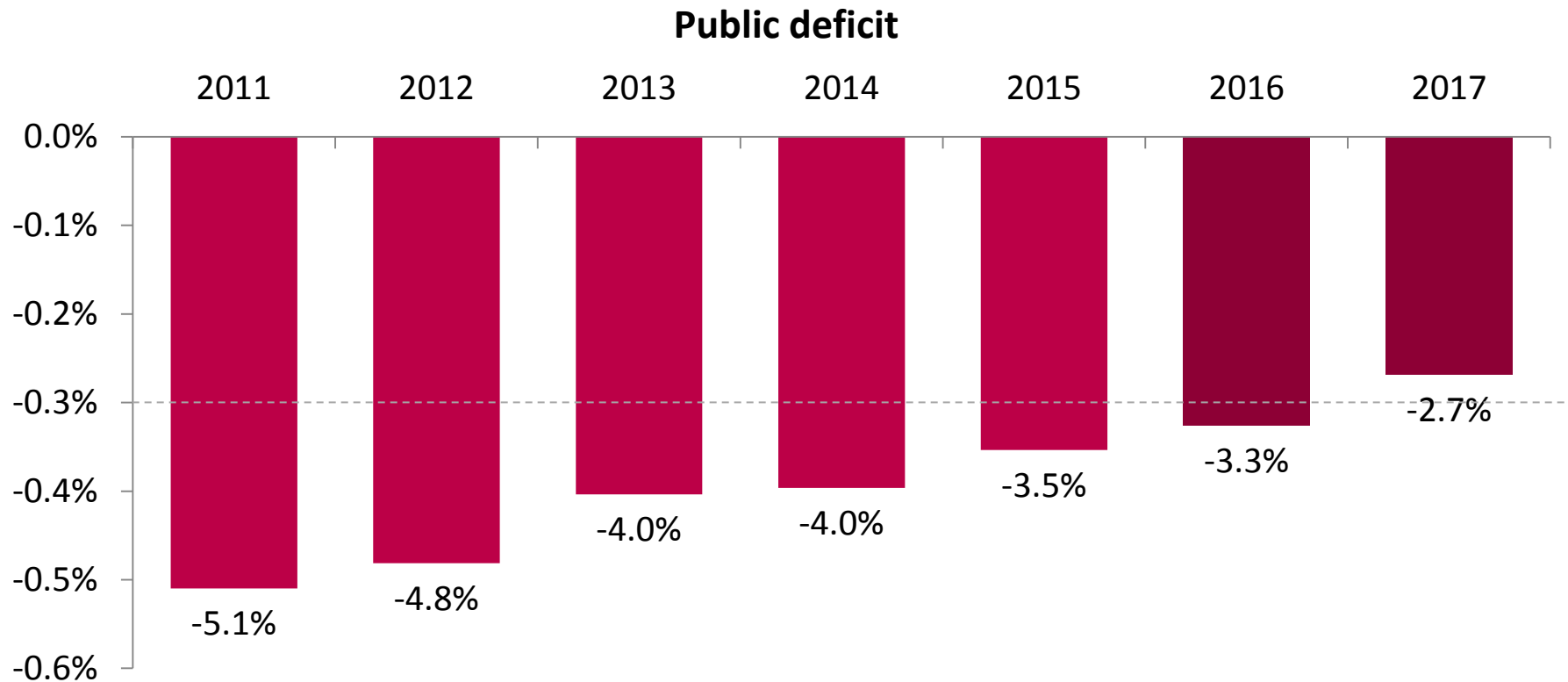
Sources: Calculations by the Ministry for the Economy and Finance.

Key: The chart shows the impact of income tax measures passed since 2012 on the total income tax bill for each income decile.

“We still expect annual growth of 1.5% in 2016 and 2017.”



“Our deficit targets have also been maintained”



“All additional expenditure measures are paid for”

Consolidation announced in the Stability Programme: €5bn

Additional expenditure: €9bn

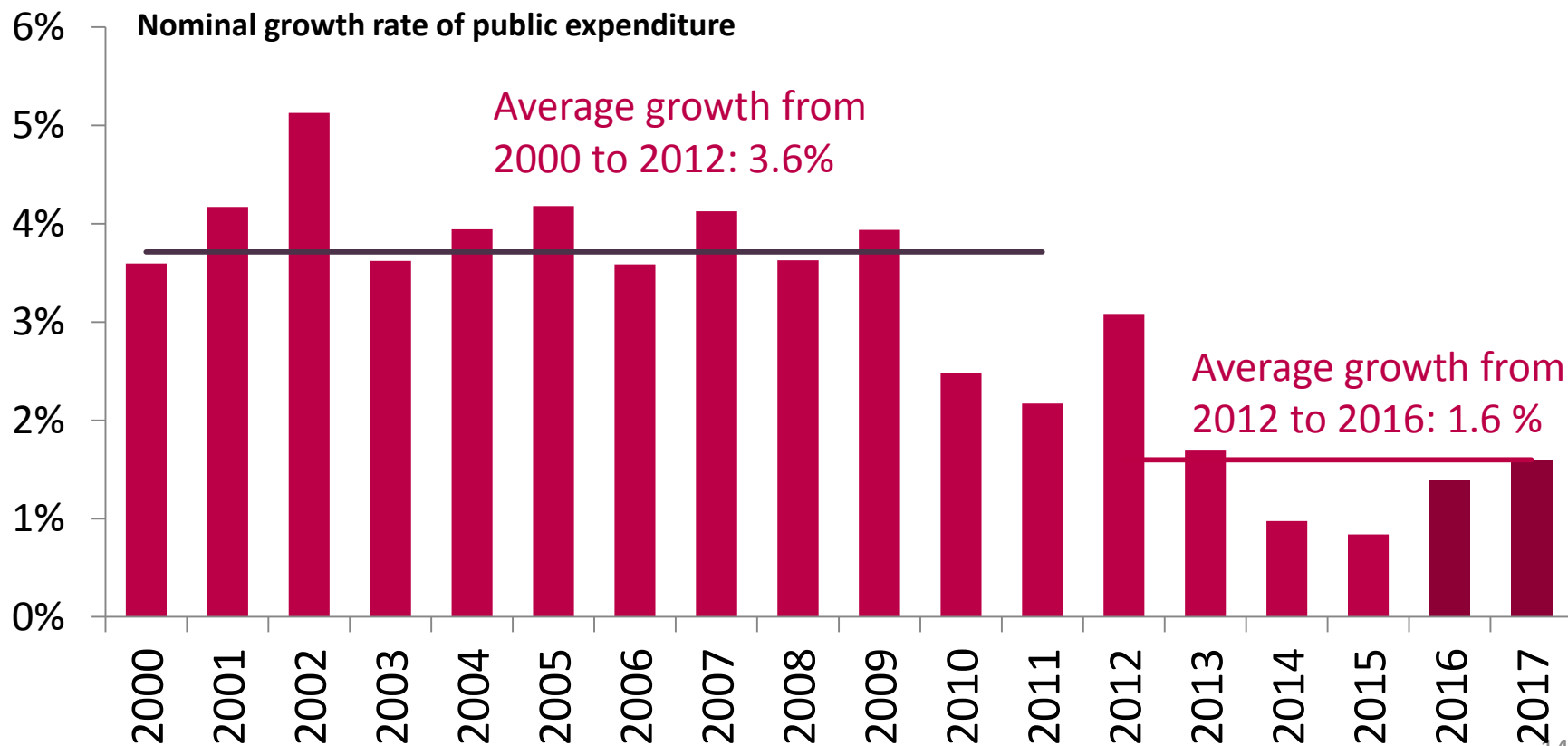
Central government expenditure*	5.7
Transfers to local authorities	1.2
Healthcare	0.7
Cut in contributions for self-employed craft workers	0.1
Cut in corporate income tax for SMEs	0.3
Cut in personal income tax	1.0

* Education and youth, jobs, security and culture.

Financing measures: €14bn

Adjustments to the Responsibility Pact	5.0
Social Security funds' savings	1.5
Local government savings	1.0
Interest expenditure	1.2
Fighting tax fraud	1.9
“Investment in the Future” programme disbursements	1.2
Tax disputes	0.7
Misc. tax measures	1.3

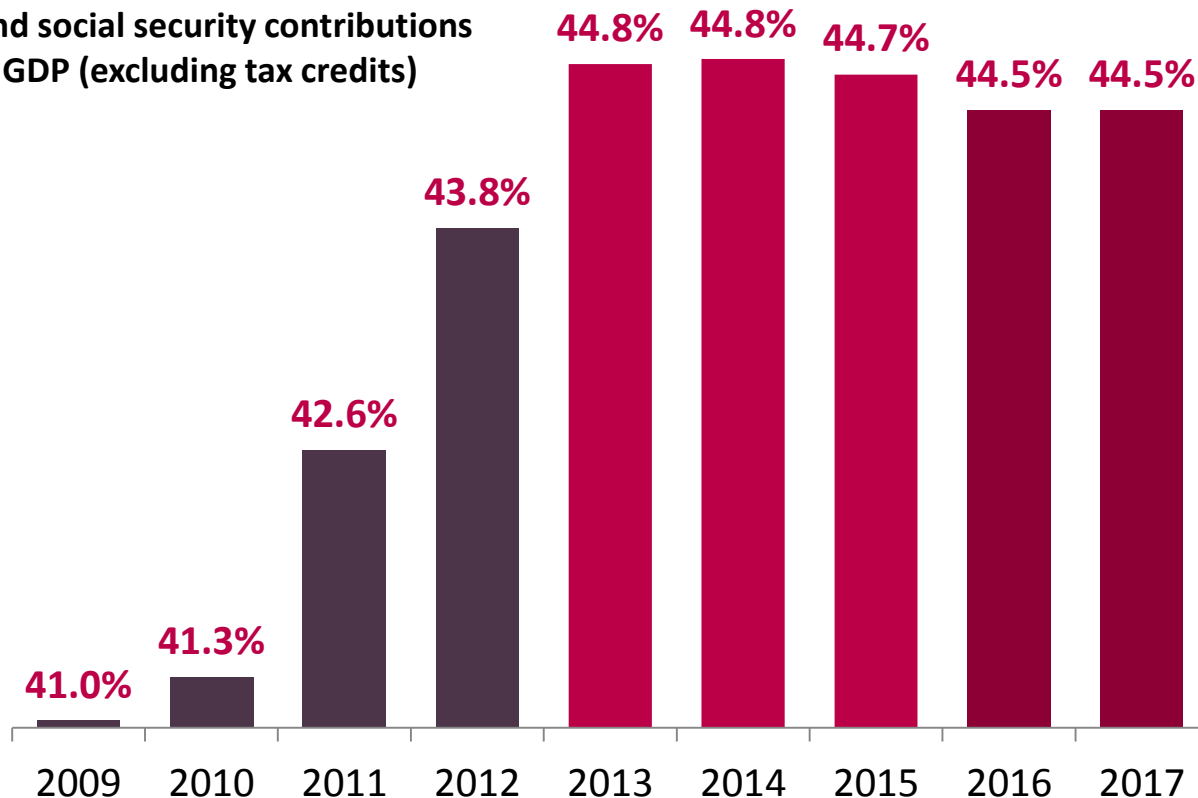
“All general government sectors have made considerable efforts”



Sources: Insee and DBP forecasts

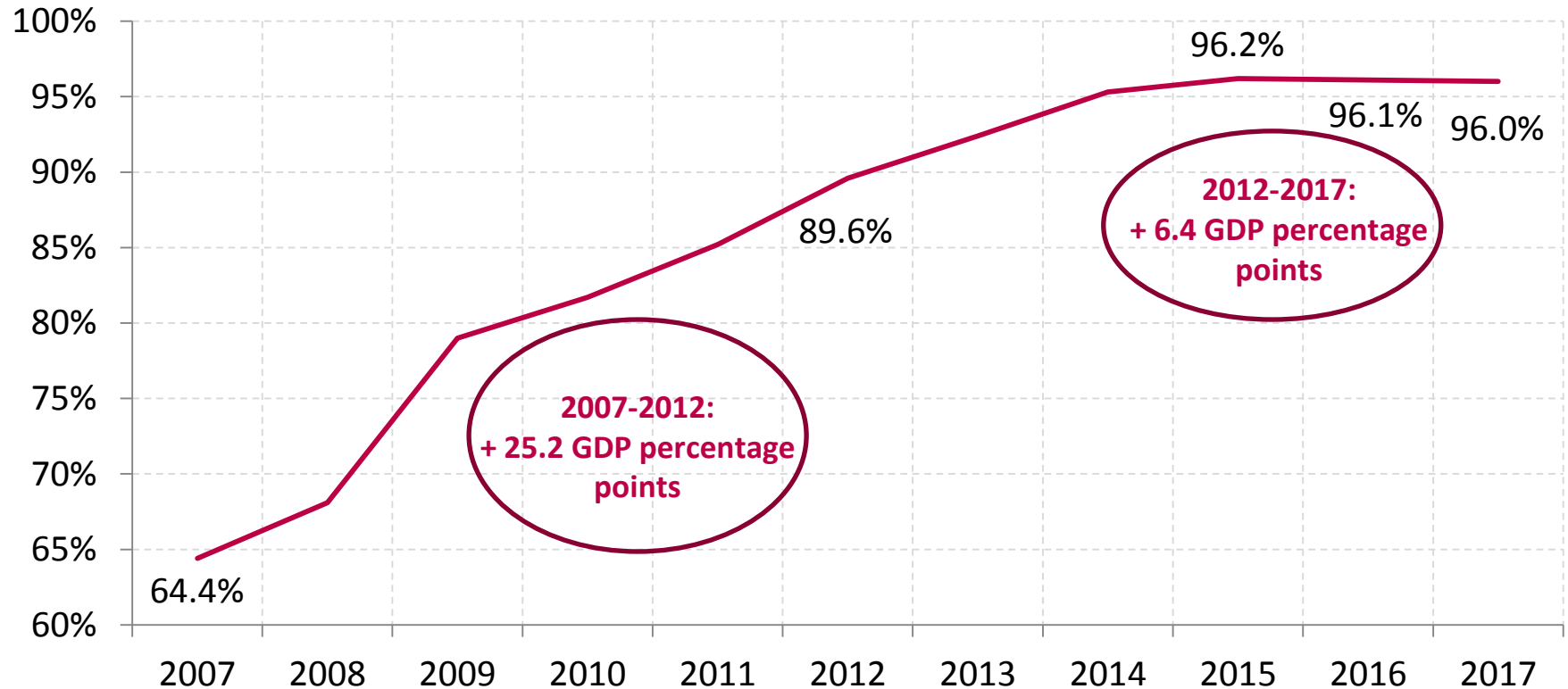
“Following sharp rises between 2010 and 2013, the tax burden has started to shrink”

Aggregate taxes and social security contributions
as a proportion of GDP (excluding tax credits)



Sources: Insee and DBP forecasts

“This consolidation has finally enabled us to curb the growth of public debt”



*Save the date:
Presentation of the
Draft Budgetary Plan
on Wednesday,
28 September*



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