

One Ireland
jobs, reform, fairness

JOBS

Jobs

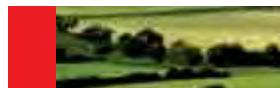
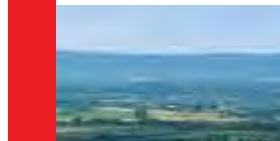
Finance and Banking: A Better Deal for Ireland

TIME FOR CHANGE

Ireland faces a profound economic crisis, but while we have serious problems, we also have major economic advantages. With the right policies the economy can create jobs and return our country to prosperity.

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01



THE FIRST STEPS

- Renegotiate the EU/IMF Deal to re-focus on growth and job creation
- Bank Bondholders should share in bank losses
- Renegotiate the interest rate on the EU loans
- Renegotiate the fiscal strategy to promote growth and fairness
- Ensure an adequate flow of credit to the Irish economy

Labour does not accept that the EU/IMF deal provides a workable basis for restoring the Irish economy. Labour in government will engage with the EU and the IMF to renegotiate the deal, so as to achieve fair and realistic terms for Ireland and for the Irish people.

RESTORE THE BANKING SYSTEM

The EU/IMF deal provides funding to support a process of downsizing and restructuring in the Irish banking system, so as to restore international confidence and ensure that the system can fund itself – i.e. that the banks will be able to function without support from the ECB. Labour will apply the following principles to the restructuring and down-sizing of the banks:

banks will have to provide detailed plans on how this will be achieved, including the number of SME lenders to be involved in achieving the targets, how many new SME clients will a bank achieve, and how much will be focused onto existing clients.

- Labour will seek to agree more effective alternatives to the transfer of further portfolios of smaller property loans to NAMA (NAMA2), given the difficulties this will create in the management of such loan-books.
- Labour is opposed to further fire-sales of bank assets which impose greater losses than necessary. We do not support the NAMA3 asset warehousing proposal as a solution that can be implemented in a timely manner. Labour will explore all options to minimise the cost of re-structuring, including asset insurance models, and to increase the availability of affordable funding to the banking system in the interim period to provide the real economy with credit.
- Labour will seek to dispose of the public stakes in the banks as soon as possible at the best possible return to the taxpayer. Labour believes that a restructured banking system should include a specialist state-owned, but strictly independent, investment bank, focused on funding investment to support the strategic needs of the Irish economy, including project finance for infrastructure and growth capital for firms. Such a bank would be capitalised from the funds remaining in the NPRF and should form an ongoing part of the financial system in Ireland's open and innovative economy.

Labour will insist that an adequate pool of credit is available to fund small and medium-sized businesses

- Labour believes that bank bondholders should share in bank losses. Depositors must be fully protected. Labour will seek to ensure that burden sharing with bondholders is part of a renegotiated deal.
- Labour will insist that an adequate pool of credit is available to fund small and medium-sized businesses in the real economy during the re-structuring and down-sizing programme.
- Labour will ensure that, at the end of the process, a strong and robust banking system exists that will serve the needs of the real Irish economy. The

- Labour will insist on restructuring of bank boards, to ensure replacement of directors who presided over failed lending practices. Labour will ensure that the regulator has sufficient powers of pre-approval of bank directors and senior executives.

STRONG, COHERENT DECISION-MAKING

Effective decision making in this process demands better decision-making structures, in contrast to the fragmented and sometimes contradictory approach that has been in evidence during the crisis to date. Labour will create a strong integrated decision-making structure, which while respecting the statutory roles of the different agencies, will incorporate all relevant agencies, with effective inclusion of appropriate advice, led by senior Ministers.

GETTING VALUE FOR THE TAXPAYER FROM NAMA

Labour has been consistently opposed to the NAMA project, because it presented an unacceptably high and irreversible risk to the taxpayer. Labour in government will seek to curtail any further transfers of assets to NAMA, and will seek alternative solutions to the transfer of large portfolios of smaller property loans.

Effective operations and decision making by NAMA are critical to the future of the Irish economy, in respect both of curtailing losses to the State, and in ensuring that the property market in Ireland functions normally. The prices at which assets are sold by NAMA is critical. Labour will also insist on the highest standards of transparency in the operation of NAMA, and will work to limit the costs associated with the agency

such as in respect of professional fees. Labour will insist on the fullest recovery of losses from the developers whose loans have been transferred to NAMA and who do not meet their obligations.

NEVER AGAIN

Ireland's banking crisis clearly demonstrates how Fianna Fáil's philosophy of free-for-all, light-touch regulation, without proper checks and balances risks social and economic catastrophe.

Labour will restore the soundness and credibility of the Irish banking sector so that it can again play its valuable social and economic role – a safe haven for savings, a facilitator of payments, a responsible lender for productive investment and important family purchases.

In the future, regulation must be based not only on sound principles, but on clear, enforceable rules backed up by stringent oversight and sanctions where necessary. The Central Bank should be charged with monitoring balance sheet growth at financial institutions under its jurisdiction, and in the financial system as a whole, and on the sustainability of the funding mix, reporting annually to the Minister for Finance and recommending remedial action if necessary.

Once the banks are put on a sound footing, efforts should be made to accelerate a move to the Basel III

regime with more onerous capital and reporting requirements.

Long before the most recent banking crisis, Irish banks established a track record on over-charging their customers. Irish consumers need a reinforced watchdog with real teeth and the will to take on the bankers. Fianna Fáil have hived off the consumer protection function of the Financial Regulator to the National Consumer Agency. It is essential that its quasi-judicial role in terms of investigating wrongdoings and imposing sanctions is not watered down.

Enhanced coordination is needed between the Financial Services Ombudsman, the Office of the Director of Corporate Enforcement, the National Consumer Agency, and the Head of Financial Regulation at the Central Bank. There should be a one-stop-shop portal for consumers with issues with financial service providers rather than having to navigate these myriad bodies.

PAYING FOR THE CRISIS

Over time, the banking sector must pay a fair contribution to cleaning up the mess for which it is responsible. When the Irish banking system has been put back on its feet, fully recapitalised, and able to access interbank markets, Labour will introduce a bank levy based on the size of a bank's liabilities (other than shareholders' capital).

Labour will insist on the fullest recovery of losses from the developers whose loans have been transferred to NAMA

SPECIAL RESOLUTION REGIME FOR FAILED BANKS

Because of the important role that banks play in the wider economy, they cannot just be wound up in the same way as other businesses when they are bankrupt. This should not mean, however, that taxpayers are on the hook for banks' debts. Ireland should work with our European Partners to develop a comprehensive new Special Resolution Regime that ensures protection of banks' depositors, but allows for appropriate burden sharing with other creditors.

AN END TO BONUS CULTURE

Bonuses in the financial sector have grown out of all proportion with their social and economic value and have encouraged risk-taking that is ultimately borne by the taxpayer. All remuneration schemes at banks subject to state support should undergo a fundamental review to ensure an alignment of interest between banks, their staff and the taxpayers who have borne such a heavy burden to keep them open.

REGIONAL ENTERPRISE FUNDS

Opportunities should be explored (for instance through JEREMIE, run by the EIF) for the launch of a Regional Investment Fund by re-focusing some of our remaining structural funds which have yet to be drawn down from Brussels. This would be a revolving fund where the money can be re-invested.

GETTING CREDIT FLOWING TO SMALL & FAMILY BUSINESSES

Across Ireland, viable, profitable, well-run businesses are going to the wall because they can't access credit. Labour will introduce an SME Working Capital Guarantee Scheme which would ensure that viable small and family businesses can get the loans they need.

Labour will insist on a full and proper investigation into the blanket bank guarantee

A STRONG MUTUAL AND CREDIT UNION SECTOR

Labour is committed to maintaining a mutual and community component in our financial system. Ireland's credit unions have a rich tradition and a track record of providing loans in communities and workplaces across the country. The credit union movement has an important role to play in Ireland's future financial architecture and the movement deserves support in its endeavours to increasingly modernise and professionalise the sector. This will involve a fair and impartial review of credit union regulation.

INQUIRY INTO THE BLANKET BANK GUARANTEE

The blanket bank guarantee was the most disastrous policy decision in the history of the state. Labour will insist that a full and proper investigation into this decision and the events leading up to it is completed and that there are public hearings by the relevant Oireachtas Committee.

ADDRESSING FINANCIAL EXCLUSION

Labour is committed to tackling the problem of financial exclusion through measures such as the introduction of basic bank accounts. We also believe that a new partnership should be sought to provide banking services through the Post Office Network.

THE FUTURE OF THE IFSC

Labour supports the future development of the IFSC as a source of future growth in high value employment, subject to appropriate regulation, including the development of Green financial services and Islamic banking.

Jobs

Fiscal Stability, Investment And Competitiveness

TIME FOR CHANGE

Labour believes that the growth forecasts in the Four-Year Plan are broadly achievable, provided that the right policies are put in place. Ireland can achieve high export growth, and see a return to growth in the more job-intensive domestic economy.

The Fiscal Strategy set out in the EU/IMF deal, however, involves excessive austerity, which will put growth and job creation at risk. Labour is proposing a strategy that will maximise investment and growth.

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THE FIRST STEPS

- Extend the deadline for achieving the 3% of GDP deficit target to 2016
- Implement a net adjustment of €7.1 billion in the period 2012-2014
- A fair and balanced approach to achieving savings
- A new strategic approach to achieve better public spending
- Establish a Strategic Investment Bank to invest in the Irish economy using resources in the National Pension Reserve Fund



ENSURING FISCAL STABILITY AND GROWTH

As a result of the mismanagement of the economy by Fianna Fáil, Ireland is dependent on the IMF/EU loan facility to fund the fiscal deficit. Labour has consistently supported the objective of restoring fiscal stability, in line with our obligations as a member of the Eurozone, and as a necessary requirement for economic stability and long-run growth. Labour does not accept, however, that the fiscal strategy devised by the discredited Fianna Fáil government and included in the EU/IMF deal provides a basis for economic recovery or for maximising long-term growth. In particular, the excessive austerity in the Fianna Fáil plan, endorsed by Fine Gael, poses an unacceptable risk to economic recovery.

therefore seek to renegotiate the fiscal strategy in the IMF/EU deal.

LABOUR'S PRIORITIES FOR THE FISCAL YEAR 2011

In respect of the fiscal year 2011, Labour will negotiate with the EU and the IMF to ensure that adequate resources are available in 2011 to fund key jobs strategies and reforms in the health sector. We believe these funds should be provided from cash balances, and not through further expenditure cuts.

It is clear that the Universal Social Charge was not properly thought through, and that it is having a dramatic impact on the incomes of many families. The charge has been introduced at a time when other taxes are increasing, as well as household bills like VHI fees. This is causing particular hardship to some families, including working widows and elderly people. Labour will conduct a detailed review of the impact of the USC to identify the families that have been hardest hit, and will reform the tax accordingly. We will fund these changes by extending the 10% rate of USC on incomes over €100,000 to include employees' incomes over €100,000, and by changes to capital taxes.

FISCAL STRATEGY FOR 2012 – 2014

Labour proposes a net fiscal adjustment in 2012-2014 of €7.1 billion, so as to allow adequate room for jobs and recovery. Labour will complete the reduction in the deficit to below 3% of GDP by no later than 2016.

Labour believes that the composition of the adjustment should be fairer and more balanced, including fairer taxation and on-going investment in education and other vital services, which are essential to social solidarity and to long-term economic growth.

Labour does not accept that the fiscal strategy devised by the discredited Fianna Fáil government provides a basis for economic recovery

Labour believes that the average GDP growth rate set out in the four-year plan is achievable, provided that pro-growth policies are adopted. These include action to enhance competitiveness, to ensure adequate flows of credit, to promote investment and an appropriate fiscal strategy. The Fianna Fáil/Fine Gael austerity programme does not allow sufficient room for economic growth and employment creation. The scale and nature of the cuts being proposed also pose risks to medium and long-term economic growth and to social cohesion. Labour will

NEW PRIORITIES IN CAPITAL EXPENDITURE

Ireland needs to take a new approach to public and private capital investment that reflects the new realities of the economy and the constraints on public resources, while also incorporating the new funding that will be available through Labour's Strategic Investment Bank.

Labour in government will commission a new study of Ireland's investment needs (similar to the 2006 ESRI study), and draw up a National Development Plan covering the seven-year period 2012-2019.

In the initial years, when resources will be most heavily constrained, Labour will prioritise investment in education, in health, in science and technology and in job-creation.

Labour will insist that major capital projects are subjected to proper cost-benefit analysis and evaluation, improving future productivity and growth prospects, and that the value-for-money obtained is significantly enhanced compared to the most recent period.

Labour's strategy is to support the development of an investment economy, while maximising the return to the public from major programmes of investment.

A COMPREHENSIVE SPENDING REVIEW AND WASTE AUDIT

Given the need for fiscal consolidation, it will be necessary to curtail current expenditure in the immediate future. While this will involve difficult decisions, it will also afford the opportunity to reform the public service to enhance efficiency and eliminate waste. Rather than adopting a piece-meal, cheese-paring approach Labour will insist on a properly planned multi-annual expenditure strategy.

To this end, Labour will conduct a Comprehensive Spending Review and Waste Audit that will examine all areas of public expenditure. This will be markedly different to the 'Bord Snip' exercise, in its purpose and in the way it is conducted.

The Comprehensive Spending Review and Waste Audit will be a major exercise in strategic budgeting and will involve a fundamental assessment of all spending programmes, examining their objectives and how those objectives are achieved. The purpose of strategic budgeting is to find the most cost effective ways to provide services to the public and to improve future growth and productivity. It will take account of the changing needs of modern Ireland, and will be conducted on a 'whole of government' basis.

Learning from the experience in other countries, the spending review will be led, not by external consultants, but by government Ministers and the Secretary General of each Department, co-ordinated from the centre of government. It will adopt a three-year time horizon, resulting in a plan for public expenditure for the period 2012-2014. This exercise should be an immediate priority for government and will be concluded in time to feed into Budget 2012.

As part of this exercise, Labour will include a 'surrender and re-grant' clause, whereby Departments that propose savings in one programme would be able to propose re-cycling of some of those savings into other priority areas, subject to a 'reducing ceiling' on aggregate budgets. The 'reducing ceiling' means that non-pay budgets will be required to be reduced by at least 2% per annum over three years on an aggregate basis – the percentage savings achieved will vary across departments in line with policy priorities. Labour will also seek to enhance the local flexibility

available to public service managers in how they deploy their budgets to achieve maximum efficiency and service quality.

CULLING QUANGOS

Non-Commercial Semi-State Bodies or quangos have mushroomed in recent years. Labour is concerned about the value-for-money being achieved by these bodies and by the lack of accountability associated with them. The Comprehensive Spending Review and Waste Audit will include a full evaluation of all quangos, with each body being required to justify its continued existence outside of its parent department. Remaining quangos will be required to be properly accountable to the Oireachtas. Labour is proposing a series of amalgamations of quangos relating to utilities regulation, equality, industrial development and broadcasting that will both save money and achieve greater policy coherence.

REFORMING SOCIAL PROTECTION

In order to close the fiscal deficit, it is vital that we reduce the cost of Fianna Fáil's failure to address the problem of unemployment. Labour is proposing a series of strategies to tackle the growing problem of long-term unemployment, and in doing so to reduce the associated expenditures on social welfare. We will also launch an all-out campaign to tackle the problem of welfare fraud.

LEADERSHIP FROM THE POLITICAL SYSTEM

At a time when savings are being sought across the public service, the political system must also show leadership. Labour is proposing a cap on all Ministerial and public sector salaries, corresponding reductions in the salaries of Ministers of State,

Labour will conduct a Comprehensive Spending Review and Waste Audit that will examine all areas of public expenditure

reductions in the number of paid chairs of Oireachtas Committees and abolition of the Oireachtas allowance paid to Ministers who have constituency offices staffed by civil servants. Labour is proposing reform in the transport arrangements for Ministers including a reduction in the number of Garda drivers.

The arrangements for Ministerial pensions and severance packages have rightly been the cause of public outrage. Labour will ensure that in future these arrangements are set by an independent person, such as the Comptroller and Auditor General.

REDUCING THE PUBLIC SERVICE PAY BILL

As part of the process of fiscal consolidation, it is necessary to reduce the public service pay bill. Our proposals are based on a reduction of 18,000 in public service numbers in the period 2011-2014. Public employment ceilings will be re-assessed during the Comprehensive Spending Review and Waste Audit to ensure that the maximum savings are being achieved and that frontline services are being protected.

Labour will work the Croke Park Agreement. It is essential that the agreement should result in savings to the Exchequer and that the pace of implementation of the Agreement be accelerated.

STRATEGIC EXPENDITURE PRIORITIES

In order to achieve recovery and reform, it will be necessary to re-allocate resources to areas of strategic priority. This means achieving more savings in order to re-invest in reform and development. Labour's adjustment proposals provide for resources to fund a €500 million annual jobs package. As part of Labour's health strategy, the cost of providing health care in Ireland will be driven down, with €489 million being provided to ensure a major shift towards primary care. Additional resources will be provided in key areas of education and criminal justice to drive reform.

FAIR TAXATION 2012-2014

Labour has long argued for a fair and balanced tax structure in Ireland and we will seek to renegotiate the EU/IMF deal to achieve this objective. It is an important principle of taxation that those who have the most, must contribute the most, and that revenue-raising must begin with reform, rather than constantly delaying it as Fianna Fáil have done.

Labour does not support further impositions of income tax on people on middle and modest incomes in the period 2012-2014. We propose no increases in income tax for people earning less than €100,000. We will extend the 10% USC rate to employee incomes over €100,000.

Labour will insert a new provision in the tax code to ensure that high earners (tax units with incomes over €250,000) must comply with a Minimum Effective Tax Rate to be set at 30%. This will impose a fair restriction on the capacity of high earners to reduce their tax bills through tax planning.

Labour in government introduced the 12.5% corporation profits tax rate, and we will insist that it remains in place. Reforms to the regime for off-setting corporate losses against Corporation Tax can be adopted to increase the yield from the tax without affecting Ireland's attractiveness as a location for inward investment.

Labour will prioritise the elimination of unnecessary tax expenditures, as we have been proposing for many years. These include the legacy property reliefs, and phasing down of the amount of interest that can be offset against rental income for tax purposes to 25%.

Labour believes that the total quantum of tax relief currently in place for pensions is no longer supportable, and that the distribution of relief at present is not fair or equitable. Labour will target a further reduction of €500 million in the total amount of relief, but rather than simply standardising the rate of relief, Labour favours an approach that retains strong incentives for people to invest in pensions while also making the system fairer. This will include capping the tax relief on pension contributions from both employers and employees, reducing the maximum tax-free lump sum, reducing the maximum pension fund and including pension tax relief in the minimum effective tax rate.

Labour favours the introduction of new progressive structures for Capital Taxes. In respect of Capital Gains Tax and Capital Acquisitions Tax, the first €50,000 over the

threshold will be taxed at 30% and the balance at 35%. These measures will raise €236 million in a full year. The change in Capital Acquisitions Tax will be introduced in 2011 to finance changes in the Universal Social Charge.

Labour believes that appropriate tax rules have a role to play in protecting our environment. Labour will increase the carbon tax to €25 per tonne, with an offset of €40 million to fund fuel poverty measures. Labour supports a broadly based tax on packaging as proposed by Comhar that will raise €60 million.

Labour is proposing a 1% increase in the standard rate of VAT that will raise €310 million in a full year. Labour's proposals include modest increases in excise on wine and cigarettes. Labour will prioritise action to reduce losses to the Exchequer from smuggling through stronger revenue enforcement.

Labour accepts that it will be necessary to introduce a site value charge, in order to prevent higher taxes on work. The Government has not, however, carried out sufficient work to allow such a charge to be introduced in the short-term. Further detailed study will be required to devise a fair basis for such a charge that takes account of the value of property in different regions, the need to exempt some categories of homeowners, and the need to take account of those who have recently paid large sums in stamp duty or who are in negative equity. Any charge of this sort, therefore, cannot be set in place before 2014. Accordingly, Labour will publish a Green Paper by the end of 2012 on how the charge can be structured in a fair and efficient manner. As an interim measure, Labour will increase the second homes levy by €300 to yield €95 million.

Labour will take action to deal with the scandal of tax exiles, and will further strengthen revenue action to reduce tax evasion

Labour will insist on action being taken to deal with the scandal of tax exiles, and we will further strengthen revenue action to reduce tax-evasion.

INVESTING IN JOB CREATION

Throughout the crisis, Labour has been clear that cuts alone will not solve the problem. Ireland needs a strategy for jobs and growth, and the lack of action on jobs has made the crisis in the public finances and in the banks even worse. While difficult decisions are needed, we also need a strategy to grow our way out of our predicament.

Despite the financial crisis at home and abroad, we are living in a period of opportunity for the Irish economy. In the advanced economies, economic growth is now increasingly driven by what is known as the 'knowledge economy', with new technologies driving economic growth both in knowledge-intensive sectors, and more widely across the whole economy. At the same time, the global trading system is expanding, and the emerging economies such as China and India present enormous opportunities for Irish companies. Export growth in Ireland is picking up, and competitiveness has improved. What we need now is a coherent strategy to take advantage of the opportunities that are available to us.

LABOUR'S JOBS FUND

Labour's fiscal strategy provides for a €500 million Jobs Fund to finance a series of pro-jobs initiatives that involve elements of current expenditure. The fund would be administered by a Cabinet sub-committee. Proposals from Departments, agencies and other bodies, including the private sector, would be considered on the basis of their contribution to an overall jobs strategy and would be funded accordingly. The agencies thus funded would not be immune from making efficiencies in their budgets – funding from the Jobs Fund would be dependent on demonstrated additionality to existing operations.

STRATEGIC INVESTMENT

To achieve growth, the Fianna Fáil casino economy must be replaced with by the investment economy. The Irish banking system has not provided the kind of investment finance that is required to meet Ireland's investment needs. To fill the gap, Labour is proposing the establishment of a Strategic Investment Bank.

The Strategic Investment Bank will be established in two phases. It will be set up initially as a vehicle to invest the remaining funds in the National Pension Reserve Fund in projects that will enhance infrastructure and boost growth in the Irish economy. It will be fully

independent and will invest on a commercial basis.

Over time, and when market conditions normalise, this vehicle will be developed into a functioning bank that takes deposits and raises long term financing. Labour believes that the Strategic Investment Bank should be an essential component of the re-structured banking system. The bank would be set up as an independent commercial operation, using €2 billion of the National Pension Reserve Fund as capital. It would operate on a strict arms-length basis from government. Irish citizens and the Irish Diaspora would be encouraged to make deposits in the bank, and to purchase Citizen's Bonds, which would be a way to invest in the recovery of the Irish economy, and would be of different maturities. The bank would attract funding from a number of sources, including consumer deposits and wholesale markets (once market conditions normalise).

The Strategic Investment Bank would be a key lender to SMEs and innovative firms. The Enterprise Agencies would develop relationships with the Strategic Investment Bank to facilitate introductions of high-potential firms. Investment decisions, however, would remain the exclusive preserve of the bank. The Strategic Investment Bank would also support investment in large infrastructure projects.

IMPROVING COMPETITIVENESS

Competitiveness has improved during the past three years, but we need to ensure that, as growth returns, these gains are not eroded. In particular, it is important that costs in the protected sectors of the economy do not undermine the capacity of the traded sector to compete. To maintain and enhance competitiveness, Labour is proposing the following measures:

Wage Policy

Labour believes that negotiated wage policies can potentially be an important tool of macroeconomic policy in a small open economy. We will explore options for developing such an agreement, which may include national and/or sectoral wage norms. Labour believes that investment and job creation can be enhanced through structured multiannual agreements that incorporate wage restraint.

Wage competitiveness should not be confused with a low wage agenda. Labour is opposed to the reduction in the minimum wage agreed by Fianna Fáil with the European Union and the IMF and we will reverse it. The national minimum wage affects fewer than 3% of the work force, who are on the lowest rung of the labour force ladder. Labour will reform the JLC system, but this cannot be used as the basis to undermine the rights and conditions of employment of vulnerable workers.

Competition Policy

Labour will support robust competition policy and enforcement. We support structural reform in the professions to drive down the cost base for the traded sector.

Utilities Regulation

Labour will enhance the quality and effectiveness of utilities regulation in Ireland. We favour a properly planned consolidation of the number of regulators, to make more effective use of regulatory skills. Labour will retain the Competition Authority as a separate entity.

Labour believes that the Strategic Investment Bank should be an essential component of the re-structured banking system

Jobs

Enterprise and Innovation

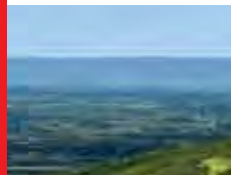
TIME FOR CHANGE

To achieve economic growth and job creation, the Irish economy must shift from a property-based economy to a knowledge economy. We need to carve out new markets, and develop new products to sell in them. Ireland has an open and entrepreneurial economy with multiple natural and developed competitive advantages.

We need a government that will help that economy to grow by driving trade, innovation and productivity growth.

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03



THE FIRST STEPS

- Use Labour's €500 million jobs fund to grow employment in sectors where Ireland already has a competitive advantage
- Make the strategic decision to target the development of new markets for Ireland in the emerging economies
- Appoint a trade czar to co-ordinate action across government in opening these fast growing markets
- Plug the gap in our national system of innovation by investing to turn new scientific advances into jobs
- Create innovation centres focused on commercialisation of research



A NEW APPROACH TO ENTERPRISE POLICY

Competitiveness and productivity gains which generated strong export-led growth formed the basis for the Celtic Tiger from 1994 to 2002. We need a renewal of this strategy in order to create the foundations for future economic and employment growth. However the previous blueprint will have to change.

New economic realities, the imperative to decarbonise our economy, and the need to develop a new generation of export champions will require a reset in our trade and enterprise policy. Labour will place a much stronger emphasis on the promotion of services exports, including software, engineering, financial services, education and culture.

Labour will establish a Trade Council to strengthen cooperation and coordination across key departments

To support the development of exporting SMEs, we will seek reform of EU procurement rules so that a greater portion of all public procurement goes to small and medium sized enterprises.

We will promptly implement all the recommendations in the Trading and Investing in the Smart Economy Report. In particular, we will establish a Trade Council to strengthen cooperation and coordination across all of the key departments and State agencies involved in the promotion and development of trade and exports. Membership of the Council

will be divided equally between government and private sector representatives who have experience in establishing and growing export-oriented business both in Ireland and abroad.

We will appoint a high profile Trade and Enterprise czar to work with in tandem with the Trade Council, who will be able to draw on full diplomatic and civil service resources and who will report directly to the Minister for Enterprise and the Taoiseach.

A key pillar of Labour's new enterprise strategy will be to position Ireland to develop better trade relationships with the rising economies of Brazil, Russia, India, and China.

Labour will establish a local trade and investment team reporting to the local Irish Ambassador or Head of Mission and the Minister for Enterprise in each of the target emerging countries and other priority markets. These teams will execute a detailed local market plan, with progress against targets reviewed annually.

At home, Labour in government will draw on the economic strengths and connections of Ireland's immigrant communities by appointing a representative from each of the BRICS and other strategic markets resident in Ireland as trade champions for their respective countries, reporting to both the Trade Council and the Minister for Enterprise. Trade champions will have a mission of promoting trade to and from Ireland and will be supported by the Department of Enterprise.

Labour will take initiatives to deepen educational cooperation with the emerging economies, financed from Labour's Jobs Fund.

AN INNOVATION STRATEGY AGENCY

Innovation is the single most important factor in the transition to a sustainable investment economy. While Ireland has a number of key strengths in this area, such as high quality scientific research institutions, scientists and engineers, our innovation system has a number of deficiencies. Labour's plan for innovation is directly aimed at addressing these weaknesses, while building on our existing strengths.

Labour will subsume the current activities and functions of Forfas, the Innovation Taskforce, the Advisory Council for Science, Technology and Innovation and the Sustainable Energy Authority into a newly-established Innovation Strategy Agency an independent agency within the IDA / Enterprise Ireland structure, whose role will be to stimulate technology-enabled innovation in the areas which offer the greatest scope for boosting growth and productivity.

Labour's Innovation Strategy Agency will promote and support investment in technology research, development and commercialisation beyond the basic research supported by Science Foundation Ireland, as well as advising government on how to remove barriers to innovation and accelerate the exploitation of new technologies.

The majority of the members of the board of the ISA will be drawn from industry and finance from both Ireland and abroad with experience of technology change and innovation.

The Innovation Strategy Agency will focus its work by targeting key technology areas and sectors where innovation can be applied including but not limited to high value manufacturing, advanced materials, nanotechnology, bioscience, electronics, photonics and electrical systems and information and communication technology.

The ISA will also focus on the application of technological innovation in established sectors of the economy like energy generation and supply, transport, creative industries, high-value services and architecture and construction by identifying challenges, establishing priorities and developing strategies which specify the necessary actions to transition to a more innovative approach.

The ISA will promote Ireland's full engagement with the 'Innovative Union' proposals issued by the European Commission in October 2010 as one of the seven flagship initiatives under the EU2020 Strategy, with the specific aim of refocusing R&D and innovation policy on major challenges and at turning inventions into products.

TURNING RESEARCH INTO JOBS

There is a critical gap between the basic research promoted and funded by Science Foundation Ireland and third level institutions, and its subsequent development into a commercial opportunity for investors. This gap can only be closed by making new technologies investment ready.

The Innovation Strategy Agency will be tasked with closing this gap through the establishment of a network of Technology Research Centres focused on applied technological research in specific areas, to be linked to appropriate higher-education institutions. The centres will accelerate the exploitation of new technologies by providing infrastructure that bridges the gap between research and technology commercialisation.

The establishment of these centres will build on the approach already adopted with the Tyndall Centre on ICT and the International Energy Research Centre (IERC) in UCC where

government, industry and academics partner to focus on applied research that will lead to concrete results and commercial applications.

In order to promote Ireland's strong historical tradition in science and technology for the next generation of scientists, each centre will be named after a renowned Irish scientist such as Robert Boyle, Ernest Walton, Jocelyn Bell Burnell or Kathleen Lonsdale.

Initially these centres will be funded in a three-way split between the ISA, competitive grants, and contracts with private companies. Over time, the centres will be expected to supplement their core funding by gaining further income from public and private sector contract research, and through the commercialisation of intellectual property.

The ISA will initially establish three additional centres building on Tyndall and the IERC focusing on biotechnology, nanotechnology and high value manufacturing. Further centres from a number of other areas will be selected subsequently.

The Innovation Research Centres will also be in a position to play a role as anchor tenants in more broadly-based Science and Technology Parks that will attract private firms in the specific research area.

SECTORAL JOBS STRATEGIES

As well as creating the conditions for innovation and export-led growth, Labour is proposing a number of sectoral strategies, which build on Ireland's existing strengths. Labour's proposals for growing employment in tourism, the green economy, the agri-food sector and in the education sector are outlined elsewhere in this manifesto. Other sectors with specific targets include:

Labour's Innovation Strategy Agency will promote & support investment in technology research, development & commercialisation

Labour's plan for Creative Industries

- Establish common IP agreements across the digital media sector and third level institutions.
- Support the development of an International Content Services Centre to make Ireland a world leader in the management of intellectual property.
- Merge the functions of Culture Ireland and Cultural Projects into the Arts Council, which will be given an expanded mandate to promote Irish arts abroad.
- Extend the R&D tax credit to the games industry in order to attract game developers and grow the game sector in Ireland.
- Ensure Ireland fully engages in the debate arising from the forthcoming (2011) European Commission Communication on Cultural and Creative Industries. This Communication should include proposals to promote creative studies, attract investment and provide funding for artists, and to establish networks with businesses and improve mobility.

Labour's plan for Internet Services & Cloud Computing

- Continue to market Ireland as an EMEA headquarters location for internet services companies.
- Pursue an aggressive policy of attracting international data centres to Ireland, leveraging the appropriateness of our climate and energy and communications infrastructure.
- Establish an expert group to address new security and privacy issues arising from the use of cloud computing and review the adequacy of current legislation and identify what steps need to be taken to ensure a supportive regulatory environment.
- Introduce a policy that all government departments and agencies will adopt cloud based services if they demonstrate value for money and are adequately secure.
- Actively encourage new businesses that are cloud-focused.
- Review broadband pricing and policies of commercial and other providers to ensure that any obstacles to the adoption of cloud computing are removed.

- Innovation Strategy Agency to create and fund a programme to actively encourage the use of cloud computing throughout all sectors.

Labour's plan to sustain the retail sector

- Enact the Labour Party's legislation to abolish upward-only rent reviews for all commercial leases, as a matter of urgent priority for the Dáil.
- In the interim, appoint a Commercial Rents Ombudsman with some powers currently only granted to an Examiner. This Ombudsman would have the power to adjudicate on rents that have the potential to cause a business to fail, without undertaking a costly court process.
- Reform the Joint Labour Committee structure, beginning with the appointment of independent chairpersons to the JLCs.
- Retain the existing Retail Planning Guidelines and maintain the retail planning cap.
- Encourage local authorities to introduce differentiated, time-limited rates to facilitate new business start-ups.

SUPPORT FOR SMES

There are approximately 230,000 SMEs operating in Ireland, representing the backbone of the Irish economy. SMEs are confronted by a series of obstacles, most notably working capital, but also access to venture capital, complicated bureaucracy, and insufficient resourcing of the patent process. Labour's banking policy is focused on ensuring an adequate supply of capital for SMEs, including a working capital guarantee scheme, and greater access to venture capital through Labour's Strategic Investment Bank. The Innovation Strategy Agency will work to up-grade the patent process, while the streamlining of bureaucracy will be addressed on a cross-departmental basis.

CO-OPERATIVES

Co-operatives, friendly societies and mutual companies are a legitimate and valued part of the Labour tradition. In Ireland the co-operative movement has played a hugely important role in key areas of economic, environmental and social development.

However, in comparison to other countries, the role of the co-operative and mutual company in Ireland is limited. In many other countries new co-operative models of enterprise have emerged and are meeting vital social, business and environmental needs and creating worthwhile jobs in important areas such as healthcare, transport, childcare, housing, energy and energy efficiency and environmental protection.

Labour in government will work to promote a greater appreciation of the co-operative model as a distinct form of organisation, ensure a level playing field between co-operatives and the other legal options for structuring enterprise activities, and provide a conducive framework for the full potential of the co-operative

Labour is committed to the concept of public enterprise, and is determined to ensure that semi-state companies play a full role in the recovery of the Irish economy

model to be realised, including in areas such as childcare, education, housing, energy retrofitting, environmental protection, transport and healthcare.

SEMI-STATE COMPANIES

Labour is committed to concept of public enterprise, and is determined to ensure that semi-state companies play a full role in the recovery of the Irish economy. Labour is opposed to short-termist privatisation of key state assets, such as Coillte or the energy networks.

Jobs

A New Deal for Jobseekers

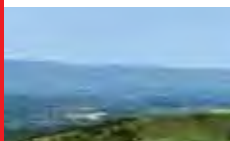
TIME FOR CHANGE

Ireland is facing a jobs crisis, that risks becoming a crisis of long-term unemployment. Labour sees forced emigration as a stark failure of government, not a solution. Business as usual will not be enough to cope with the unemployment challenge ahead.

We need to reform our social protection system so that it is the first step on a path back to work, education or training, not a poverty trap.

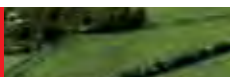
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THE FIRST STEPS

- A new National Employment Service to replace FÁS
- A major work experience scheme for 30,000 recent graduates and apprentices
- 30,000 new education and training places for people who are unemployed
- Reduced qualifying periods for Back to Education Allowance and Back to Work Enterprise Allowance for the period of this economic emergency
- An 18 month PRSI holiday for employers hiring new employees off the live register



LABOUR'S PLAN FOR AN INTEGRATED NATIONAL EMPLOYMENT SERVICE

Labour will replace FÁS with a new National Employment Service to meet the needs of a 21st century workforce.

All employment and benefit support services for people of working age will be integrated in a single delivery unit, a National Employment Service, managed by the Department of Social Protection.

This new employment and benefit support service would absorb:

This integrated service would provide a 'one stop shop' for people seeking to establish their benefit entitlements; looking for a job; and seeking advice about their training options. It also decentralises the administration of working-age benefits, which will in future be assessed and managed locally.

This service will offer users a higher level of personalised employment counselling, with more frequent face-to-face interviews. Training and deployment of staff will reflect this focus. Those on the live register who are identified as being most at risk of long-term unemployment will receive priority treatment for more intensive support.

As part of these reforms, Labour will also develop a flagship web-based adult career guidance portal, which will provide adults with free advice on how to develop their skills for work. This will be funded through efficiency savings arising from the reform process.

Helping people move into employment, or into training that leads to sustainable employment, will be the primary function of the National Employment Service. Its performance will be measured on this basis, and the results published annually.

Labour will replace FÁS with a new National Employment Service to meet the needs of a 21st century workforce

- The functions of the Department of Social Protection relating to assessment and delivery of benefits for people of working age.
- The functions of the Department of Social Protection relating to Community Employment participants.
- The administration of the Supplementary Welfare Allowance, currently carried out by the HSE.
- The Employment Services unit of FÁS, which provides support to jobseekers.
- The Local Employment Service Network.

This development of a flagship National Employment Service is a key part of Labour's wider reforms of the social protection system, which are grounded in the principle that a person's first day of unemployment should also be a first step on the way back to work, with appropriate training, education or work experience support and other incentives to make that happen. This will also apply to those in receipt of working age benefits who are capable of making a transition to work in the community, education, or training, or employment.

MEETING THE EDUCATION AND TRAINING NEEDS OF JOBSEEKERS

The majority of FÁS funds for direct training, and all of the FÁS training centres, will be transferred to the further education and Institute of Technology sectors, with an explicit mandate to deliver high-quality, flexible vocational education and training and a broader, modern apprenticeship programme that caters to a wider variety of trades, ages and genders. This will be accompanied by a redeployment of qualified training staff from FÁS to Colleges of Further Education and Institutes of Technology, as appropriate.

The transition will be strategically managed by government to ensure that available training and education opportunities meet the current and projected needs of the labour market, and the needs of jobseekers.

In order to retain the element of flexibility in the old FÁS system that allowed it to respond to emerging skills shortages, a proportion of the funding would go to create a fund that all providers (public and private) will be able to tender for in order to deliver training in designated skills shortages. Those skills shortages would be identified in annual labour market surveys.

Labour's Jobs Fund will fund 60,000 new training, education & internship places

60,000 NEW TRAINING, EDUCATION AND INTERNSHIP PLACES

Labour's Jobs Fund will fund 60,000 new training, education and internship places, to help people who are currently unemployed to develop their skills, and position themselves for new job opportunities. Labour's initiatives will include:

- 'Bridge the GAP' – a Graduate and Apprentice Work Placement Scheme. A web-based broker connects recent graduates and apprentices with employers offering six-month internships. Participating interns would be paid at the single person's rate of Jobseeker's Allowance for the duration of the placement, plus a modest cost-of-work allowance.
- An 'Earn and Learn' scheme that enables people on 'short time' to combine a shorter working week with training or education.
- A reduced qualifying period of three months for the Back to Education and Back to Work Enterprise Allowance to make it easier for people to come off the dole and into education, and greater access to postgraduate courses under the Back to Education Allowance, for the period of this economic emergency.
- A tax-back scheme to help people not eligible for other means-tested supports to

claim up to two years of their income tax back to fund full-time study in an authorised institution.

- Literacy and basic workplace skills to be a national priority, with literacy training incorporated into a wider variety of further education and training.
- 'Skills Exchanges' within further education colleges, libraries, Institutes of Technology or training centres, to enable those availing of training in one field to use their previous professional experience to help train other people.
- 30,000 additional training places across the entire education and training system, distributed in line with the recommendations of the Expert Group on Future Skills Needs on the skill requirements of the Irish labour force.

ENCOURAGING EMPLOYERS TO TAKE ON NEW EMPLOYEES

Labour will extend the Employer PRSI Incentive Scheme, and extend the exemption period to 18 months, to incentivise employers to employ people who have been on the live register for 6 months or more. We will ensure that employers are made aware of this and other job incentive schemes.

Jobs

Growing the Green Economy

TIME FOR CHANGE

In the 21st century, a sustainable environment is integral to a sustainable economy. Ireland has an obligation to reduce our greenhouse gases, and play our part in tackling climate change. However, this also provides us with an opportunity to create new jobs in sectors such as clean technology, renewable energy, and services that reduce our demand for energy in the first place. The same is true of managing our water supplies, reducing our waste, and enhancing our environment so that it is safe, clean, and a positive resource for tourism.

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05



- Pass Labour's Climate Change Bill to set legally binding carbon reduction targets in line with EU targets



- Introduce a National Retrofit Scheme to make our housing stock more energy efficient



- Clear obstacles to bringing Ireland's rich renewable energy sources on stream



- Position Ireland as a leading player in the global carbon market, and a centre of excellence in the management of carbon



- Reform how we regulate the waste sector to kick-start investment and innovation, and reduce costs for consumers

COMBATING GLOBAL WARMING

Labour's Climate Change Bill will provide certainty about government policy, and a clear pathway for emissions reduction, in line with negotiated EU targets. Labour will also work at EU level to set up a national programme for forest carbon offsets.

Ireland also needs a coordinated approach to the two-pronged challenge of reducing our carbon output and growing our energy independence, with responsibility at the highest level of government. The Department of the Taoiseach will coordinate both our domestic and international policy on climate change.

We also need to anticipate changes to Ireland's climate that are already inevitable, by urgently developing a national climate change adaptation plan.

additional indirect and induced jobs.

Labour will make it easier and affordable for homeowners to upgrade their home's insulation by introducing an Energy Efficiency Obligation on energy suppliers, who would in turn be required to offer 'whole house' energy efficiency upgrades. This would be paid for through a 'pay as you save' mechanism on the household energy bill.

Labour wants to end poor quality housing in Ireland. To address the problem of existing, inefficient building stock, all housing will have to meet a minimum standard of energy efficiency at the point of sale or rent.

Labour will also further improve energy efficiency for new buildings, with a view to moving towards zero carbon homes in the longer term. All new commercial buildings will also be required to significantly reduce their carbon footprint.

In tandem with the development of a smart public transport system, Labour will target having 350,000 electric cars on Irish roads by 2020.

Labour is also committed to an initial target of 50% green public procurement, and will progressively raise energy efficiency and carbon standards for future procurement commitments.

Labour will make it easier and affordable for homeowners to upgrade their home's insulation

CREATING A LOW CARBON SOCIETY

One of the easiest, fastest and cheapest ways to reduce our carbon emissions is to use less fossil fuels.

Labour will improve the energy efficiency of our existing housing stock by initiating a major National Retrofit Scheme. There are up to 1.2 million dwellings in Ireland in need of an energy efficiency retrofit, creating at least 30,000 direct construction sector jobs with

DELIVERING CLEAN, SECURE ENERGY

Ireland needs to maximise its rich wind and wave energy regime, and position itself to become a net exporter of clean energy. Renewable energy providers need certainty about policy direction to invest and expand their businesses. Labour will legislate to regulate the geothermal energy sector to provide certainty for investors, and to provide for an efficient Foreshore Licensing and Leasing process for marine energy.

To date, the transition to a low-carbon energy future in Ireland has been defined by a lack of policy and institutional coordination. This lack of clarity in the framework that supports the development and deployment of low-carbon technologies has delayed progress in the energy sector.

Labour will create a coordinating policy office, using existing resources, within the Department of Communications, Energy and Natural Resources. This would have the benefit of joined up thinking and be in a position to enhance sustainability measures in a coordinated way across a number of sectors.

As part of Labour's enterprise and innovation strategy, Labour will seek to establish Ireland as a renewable manufacturing hub to attract international and domestic investment. Labour will also position Ireland as a leading player in the global carbon market, and a centre of excellence in the management of carbon.

Labour will facilitate the development of energy co-operatives to make it easier for small-scale renewable energy providers to contribute to our renewables target.

Reducing demand for fossil fuels and growing renewable energy supplies are critical to our energy security. However, it is important that our gas and electricity networks are kept in public ownership, so that access to this vital infrastructure is not jeopardised. Labour will also ensure that Ireland's royalty regime extends to the Corrib gas field as part of a wider review of the tax regime and conditions of oil and gas exploration.

Labour will scrap the plan by the Energy Regulator to insist on the unnecessary cost of re-branding of Bord Gáis and ESB.

Labour will take immediate action to alleviate the risk of fuel poverty

Labour will not establish any nuclear facility in the state. We will continue to oppose the Sellafield plant and other installations in the UK which pose a risk to our people.

TACKLING FUEL AND ENERGY POVERTY

In the medium-term, our proposals will result in a cleaner, more secure, more affordable supply of heat and electricity to Irish homes. However, Labour will also take immediate action to alleviate the risk of fuel poverty in the short term by re-investing €40 million from the carbon tax to alleviate fuel poverty, and by developing a national fuel poverty strategy as set out in Labour's Fuel Poverty and Energy Conservation Bill.

Labour will also direct the Commission for Energy Regulation to implement a fairer disconnection policy through the use of pre-payment meters, and to develop a fair policy in relation to disconnection fees.

A SUSTAINABLE WASTE POLICY

Ireland needs a national waste management strategy that is environmentally sustainable, that reduces costs for businesses and consumers, and that creates jobs.

Labour's waste policy will adhere to the EU waste hierarchy. Labour favours a coherent approach to waste management that minimises the waste going to landfill, and that maximises the resources that can be recovered from it.

At national level, Labour will facilitate the coordination of Regional Waste Management Plans in order to ensure households and businesses have a minimum standard of waste services, and also to provide certainty to investors. Labour will also investigate the potential for a virtual waste 'clearing house', where companies involved in the recycling or reuse of waste can bid for material. This measure will also provide clarity for investors as to the potential for new waste-related businesses.

In order to address Ireland's obligations under the EU landfill directive, Labour will explore the introduction of a 'cap and trade' scheme that would phase in the auctioning of permits for landfill.

Labour will also drive a waste reduction programme through the extension of producer responsibility initiatives, and a levy on packaging. Labour will consider placing a product levy on hard-to-recycle objects.

Specific producer responsibility requirements will be introduced for construction and demolition projects over a certain threshold, with recycling and waste management requirements enforced through mandatory compliance bonds that can be refunded at the end of the project.

In order to improve the waste collection service available to householders and businesses nationwide, and to improve the amount and quality of materials available for recycling and re-use, Labour will make local authorities legally responsible for the collection of household waste. Instead of multiple operators competing within local authorities, operators will compete to deliver a service to every household in the local authority area, as recommended by the ESRI. Local authorities can also compete against private operators for this market, in which case the contract would be awarded by an independent assessor.

These contracts would stipulate a minimum service to be offered nationwide, and a public service obligation, including a fee waiver scheme for low-income households. However, licences would be flexible enough to allow for localised waste management needs and opportunities.

ENSURING ACCESS TO SAFE WATER

Security of access to clean drinking water is essential for public health. This has been undermined by recent scandals of polluted water supplies, and drought caused by extreme weather.

Labour does not favour water charges, which do not address the immediate needs of those who currently receive intermittent or poor water supplies. Labour will continue to invest in the water services programme as part of the capital budget, focusing on minimising treated water lost through leakage.

ENHANCING THE QUALITY OF OUR ENVIRONMENT

Everyone has the right to enjoy a clean, healthy, peaceful environment. Labour will clamp down on environmental crime, such as illegal dumping and graffiti, and strengthen laws against noise pollution to deal with noise from neighbouring residents, allow for on the spot fines, and provide for mediation between neighbours.

Labour will ensure relevant government departments integrate biodiversity into their plans, policy and actions, and legislate to better protect our coastal zones. Our countryside and coastlines are positive amenities for tourism, and Labour will work in partnership with local stakeholders to ensure reasonable and safe access to them.

Labour will continue the implementation of national and European legislation to enhance biodiversity and improve conservation. Labour will also complete the ratification of the Aarhus Convention on access to information, public participation in decision-making and access to justice in environmental matters.

Labour will make local authorities legally responsible for the collection of household waste

Jobs

Infrastructure for the 21st Century

TIME FOR CHANGE

Behind Fianna Fáil's rhetoric of the 'Smart Economy' is the reality of Ireland's poor performance in almost every international league table. Labour's broadband strategy will extend next generation broadband speeds across Ireland, allowing us to embrace cloud computing, e-health, e-transport, e-learning, improve on our energy efficiency and position Ireland as a world leader in communications innovation. Together with rebalancing transport policy to favour public transport, Labour will lay the foundations for a greener, more sustainable economy.

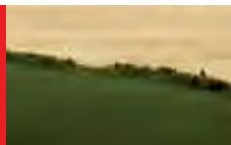
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THE FIRST STEPS

- Facilitate the establishment of a new company, NetCo, which would begin the roll-out of next generation broadband
- Empower the regulator, ComReg, to ensure all broadband suppliers provide regular data on speeds, and end inaccurate advertising of broadband speeds
- Address the growing problem of digital literacy
- Protect local postal services by legislating for a comprehensive Universal Service Obligation
- Revise the National Development Plan to prioritise public transport projects that deliver the best value for money, reduce road congestion, and reduce greenhouse gases



DELIVERING NEXT GENERATION BROADBAND

Ireland's biggest obstacle to delivering next generation broadband is the prohibitive cost of investing in a new, next generation network. To address that market failure, Labour will facilitate the establishment of a company, NetCo, which will allow investors to share the risk of investing in a new network.

This cooperative company would be a vehicle for the roll-out of next generation broadband, connecting the majority of users to fibre optic cables which will allow speeds 100 Mpb/s and greater. The vast majority of homes would be directly connected to the fibre network, with a wireless solution only being offered in remote areas. This network would replace the aging copper network that is currently in existence.

Labour will facilitate private companies to invest in a next generation network

NetCo would own the passive elements of the infrastructure, but would be barred from simultaneously providing broadband services, so as not to create a monopoly. Telecoms operators and retailers would be charged the same rate to access the network. However, initial investors in the network would be charged a preferential rate in order to incorporate the risk of their initial investment.

This cooperative approach to investing private funds in the fibre network has been successfully exploited in Switzerland, and through a public-private venture in the Netherlands.

BETTER VALUE FIRST GENERATION BROADBAND

ComReg will be mandated to continue to lower the price of Local-Loop Unbundling. To further drive value for consumers, ComReg will require all broadband providers to publish average speeds for each package. We will also introduce a new government rating system so that home owners and tenants can assess broadband facilities easily, and to restrict misleading advertisements relating to monthly caps.

DEVELOPING IRELAND AS AN IP HUB

Labour supports the development of an International Content Services Centre in Ireland, and its potential to make Ireland a European hub for the dissemination of Intellectual Property. We will work at European level to ensure that rights clearance is standardised, to provide for a transparent and competitive market in Intellectual Property across the EU.

Labour will also work towards the development of EU-wide standards for digitisation and archiving, in order to make the EU a world leader in digital content management.

MAINTAINING PUBLIC SERVICE BROADCASTING

Labour supports and values public service broadcasting, which has always been a fundamental cornerstone of the Irish broadcasting system. It promotes diversity, social and cultural values that are essential to a properly functioning democracy. Labour will uphold these values as Ireland makes the transition to digital television and radio, ensuring that access to, and the quality of public service broadcasting, are protected.

Labour will examine the role, and the collection of, the TV license fee

in light of existing and projected convergence of broadcasting technologies.

REGULATING FOR THE FUTURE OF BROADCASTING

Telecommunications regulatory and licensing matters are currently handled by ComReg, whereas broadcasting regulation and licenses will be the responsibility of the Broadcasting Authority of Ireland. Given the convergence of technology in this sector – i.e. video on demand, mobile broadband – we will merge the Broadcasting Authority of Ireland and ComReg to form one regulatory body.

This new pan-regulatory body will also have responsibility for protecting consumers from 'rip off' charges and for Quality Assurance.

ENSURING THE SURVIVAL OF PRINT MEDIA IN IRELAND

Given the intense pressures that newspaper and broadcast media currently face, a detailed and informed policy discussion is required to ensure the future survival of a strong indigenous media presence in Ireland.

The Department of Communications, Energy and Natural Resources will engage in a structured dialogue on the future challenges faced by the print and broadcast media in Ireland, with broad input from industry, politics, and consumer and civic groups.

SUSTAINING A UNIVERSAL POSTAL SERVICE

In light of the proposed liberalisation of the postal services, Labour believes that a universal postal service is essential, in particular for rural communities and those disadvantaged communities affected by the digital divide. A commercially viable, profitable and efficient An Post is key to the long-term viability

of the postal market. Labour will ensure that the Postal Services Bill provides for a clear commitment to the universal service obligation.

Labour will implement the recommendations of the all-party agreed Oireachtas Committee Postcodes Report.

MAKING TRANSPORT MORE SUSTAINABLE

Labour's vision for Ireland's travel and transport system is for one that is modern, reliable, integrated, accessible and safe.

All planned transport infrastructure projects, including Public-Private Partnerships, will be subject to a cost benefit analysis. Based on this analysis, investment in transport infrastructure that provides the best value for money, and that reduces carbon emissions from transport, will be prioritised.

In light of the damage caused to roads by recent extreme weather, Labour will allocate, on a once-off basis, a portion of the existing roads budget to prioritise repair of those secondary roads most affected.

Cycling and walking will be at the heart of any future sustainable transport network. Labour will provide for contiguous cycling routes for commuters, and safe school cycle routes. The safety

needs of cyclists will be taken into account in enhanced road junction design, improved signage and road maintenance. Labour will also introduce legislation to strengthen the needs of pedestrians, cyclists and public transport commuters in the planning process and the transport system.

In order to provide for a public transport infrastructure that grows with our population, we will introduce legislation to ensure that all large new residential and commercial developments will have integrated transport services as part of their planning permission.

The Dublin Transport Authority Act and the Public Transport Regulation Act will also be amended to require Development Plans, Local Area Plans and rezoning applications to make provision for public transport services if the population of the areas affected reaches or is planned to reach a specified threshold.

MORE EFFICIENT PUBLIC TRANSPORT

Bus services will continue to be the most cost effective and most flexible way of delivering public transport both in cities and in rural areas. Investment in public transport will focus on the further development of Quality Bus Networks, and Park and Ride facilities. Labour will also explore the development of the Bus

Labour's vision for Ireland's travel and transport system is for one that is modern, reliable, integrated, accessible and safe

Labour will explore the development of the Bus Rapid Transit model in our cities

Rapid Transit model in our cities, which can replicate the speed and comfort of light rail at a fraction of the cost.

Labour will complete the roll-out of the Integrated Ticketing System on all modes of transport. Labour will also complete the planned implementation of Real Time Passenger Information at bus stops in Dublin and Cork, with a view to extending this service to other regions as resources allow.

Rural transport is essential to prevent social exclusion, help rural business and reduce greenhouse gas emissions. Labour will seek to maintain the Rural Transport Programme and make integrated rural transport a key responsibility for the National Transport Authority.

Labour supports the development of a revised framework strategy for the taxi industry under the National Transport Authority. Labour will defer the introduction of the Nine Year Rule on compulsory replacement of taxis to 1 January 2012, and end the second-hand market in taxi licences.

KEEPING IRELAND CONNECTED

An island nation that exports 80% of all it produces must have secure shipping lines for international connectivity. Labour will review our seaport operations to ensure that Ireland has adequate shipping capacity in the medium to long-term and that our seaports have management structures and financial stability to carry out their mandate. This review will also take into account

the current and projected needs of ocean energy providers.

Air transport is of vital national strategic importance to Ireland. Maintaining strong competitiveness, and regional connectivity, in the airline market will be a priority.

MAKING OUR ROADS SAFER

Labour will support the Road Safety Authority in the implementation of the Road Safety Strategy 2007-2012. In particular, Labour supports the implementation of the Graduated Driver Licensing System for the training, testing and licensing of new drivers. Labour will introduce the legislation necessary to activate these proposals.

Labour will overhaul and consolidate the Road Traffic Acts to maximise their effectiveness, and carry out an audit of the national road network to ensure that all road surfaces, signage and traffic signals comply with the highest safety standards.

Jobs

Growing Jobs in Food, Agriculture and Fisheries

TIME FOR CHANGE

Ireland has an opportunity to make a quantum leap in food production through the export of food products. Irish agriculture needs to position itself to take advantage of new markets, a growing world population and a move towards more market-driven policies at EU level, which is pushing up demand for quality food products. The agri-food sector is one of Ireland's biggest employers, it is largely Irish-owned, and it is nationwide. Labour's plan is to transform one of our traditional strengths into a 21st century driver of economic growth.

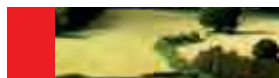
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THE FIRST STEPS

- Scale up Ireland's agricultural productivity through the development of the dairy and meat sectors
- Reduce the age profile of the agri-food sector and increase the size and productivity of farms through encouraging farm partnerships
- Implement the recommendations of the Food Harvest 2020 report
- Focus on developing new brands for Irish food, including an eco brand and local brands
- Develop Ireland as a European hub for seafood processing



PREPARING FOR CHANGE

This is a period of radical change in the agriculture sector. The reform of the Common Agricultural Policy (CAP) poses significant challenges for the Irish agriculture and agri-food sectors, which we must be ready to meet. The overall impact of the CAP proposals will result in a more market-driven industry, with an emphasis on the need for cost competitiveness for those sectors of the food industry focusing on commodity markets.

In government, Labour will work to retain our €1.3 billion CAP funding envelope. Our negotiating position at EU level is predicated on retaining this envelope.

Labour also accepts the need for an extensive bi-lateral exchange with other countries to ensure that any changes in policy at EU level and at the World Trade Organisation must not undermine the principle of direct payments to food producers.

take-up of new technologies and evidence-based practice that result in higher milk yields at lower cost.

Labour also favours more market-based pricing to reflect improved products and innovation in the meat and dairy sectors, and the development of more integrated supply chains.

IMPROVING FARM PRODUCTIVITY

Ireland's scale at producer level lags behind our major competitors, and with an ageing farm population the need for structural change will continue. Labour favours a model of Single Farm Payments that will reward innovation and see further inclusion of younger farmers.

The only way to create scale is to buy or lease, the potential for which is limited by the structure of Ireland's farm holdings. We can give farmers approaching retirement, those who no longer wish to farm, or beneficiaries of farms, the opportunity to retain an income from their land, while also maximising the overall potential productivity of Irish holdings.

Labour will develop mechanisms for farmers, non rural residents with inherited land and older single farmers to vest their holdings in a local co-operative farm partnership where they would retain ownership, share in the profits of such partnerships and are informed regularly of progress and plans.

They would be free at any stage, given adequate notice, to withdraw their holding from the co-op. These farm units could be a powerful source of local employment and could have the scale to develop and produce branded produce.

Such holdings should be supported and included for Direct Payments where possible and especially in cases where Community Supported Agriculture Models are developed.

Labour will focus on developing the full potential of Ireland's dairy sector

GROWING THE DAIRY AND MEAT SECTORS

The anticipated CAP reforms will mean economies of scale will become more important. Facilitating consolidation in the dairy and beef sector will be a high priority. Increasing our focus on scale and competitiveness will further emphasise the need for producers and processors to focus on commodity or mainstream markets.

Labour will focus on developing the full potential of Ireland's dairy sector, by working with the sector to increase

GROWING OUR AGRI-FOOD SECTOR

A growing and more affluent world population is an opportunity for Ireland to expand its food exports.

Labour supports the recommendations of the Harvest Food 2020 Report. In addition to implementing these recommendations, our agri-food policy will focus on the development of the premium artisan food market and of Ireland as a world class food tourism destination.

Branding of Irish food will be developed, such as eco-food labelling, enhanced organic branding, and the development of local brands. New Irish food businesses will be developed through a series of coordinated efforts across the food sector and state agencies. For example, the building of pilot plant kitchens to allow food producers to develop and manufacture products on a small scale; the further development of farmers' markets; and the development by Enterprise Ireland of scaleable manufacturing solutions for food businesses that have the capacity to expand.

Labour will also seek to implement the recommendations of the Eighth Report of the Joint Committee on Enterprise, Trade and Innovation relating to growing employment in the agri-food sector.

Labour will support evidence-based development of the agri-food sector through continued support for R&D, and modernised education and training options for those seeking to work, or to upgrade their skills, in the sector. Labour will also examine how related subjects at second level could be modernised to reflect new demands and opportunities in the agri-food sector.

A FAIR DEAL FOR PRODUCERS

Labour will adopt a joined-up approach to fostering a sustainable agri-food sector in Ireland by examining both the supply of, and demand for, Irish food products. We will work with local

authorities to develop farmers' markets, and favour a sustainable planning model that promotes diversity in the food retail sector. We will also put the current voluntary code providing for greater transparency in the food supply chain on a statutory footing.

OPEN TO NEW IDEAS

Labour will actively welcome constructive engagement by interested stakeholders in growing our indigenous farming, food and biofuel industries. Labour also supports the proposals by Irish Rural Link for the strategic regionalisation of Irish agriculture policy to maximise the development of the sector.

BIOFUELS

The EU Renewable Energy Directive sets out targets to ensure that Ireland's energy is provided from renewables by 2020. Labour wants to see indigenous Irish industry take up production of renewables to ensure those targets are met. We support a land use strategy which would swap a proportion of ruminant grazing to perennial energy crops, which will reduce Ireland's greenhouse gases. However, Ireland is and will continue to be a predominantly food producing and exporting country.

FORESTRY

Labour recognises the importance of forestry as a source of employment, as a source of renewable energy, as a public amenity, and as a means of reducing our national carbon footprint. Labour opposes the privatisation of Coillte and the sale of publicly owned forests.

Labour will set a planting target of 10,000 hectares per annum, and will work with stakeholders to agree a sustainable funding model to achieve this aim.

ANIMAL WELFARE

Labour will ensure that animal welfare is enhanced and protected, and will strengthen legislation on animal cruelty.

COASTAL COMMUNITIES, FISHERIES & MARINE ENVIRONMENT

The marine sector faces major challenges in the years ahead, but it is also an area of major economic potential.

Labour's priority will be to develop Ireland as a European hub for seafood processing, which will create sustainable, value-added jobs in coastal communities.

Labour will also develop an Irish seafood strategy to grow the market profile and demand for Irish seafood products. We will support the development of sustainable aquaculture and fish farms by streamlining the licensing process and reducing, as much as possible, the associated bureaucracy. To further assist the development of the sector, responsibility for maritime policy will, as far as is practicable, be concentrated in one department.

Labour will establish a Sea Fisheries Sustainability Impact Assessment based on consultation with all major stakeholders. This report will be brought before the Dáil on an annual basis before EU fisheries negotiations commence, and will ensure that there is a regular evaluation of Irish fish stocks and the effectiveness of current policy and quotas.

Labour is open to the experience and expertise of those whose livelihoods depend on maritime activity. The Department of Agriculture, Fisheries and Food will engage in an ongoing structured consultation with industry representatives, the marine scientific community and other stakeholders to enable them to contribute to national maritime policy.

Finally, safety at sea and decent working conditions must underpin the development of the fisheries sector. Labour in government will ensure that the Irish Coast Guard has access to an Emergency Towing Vessel.

Jobs

Growing Jobs in Tourism

TIME FOR CHANGE

Ireland has a strong tourism product, but we have lost our competitive edge in recent years. Tourism is a sustainable industry, capable of providing jobs at every skill level, in every corner of the country.

Labour's plan to grow jobs in tourism takes a fresh approach to providing tourist infrastructure, new ways of using technology to enhance visitors' stay here, and a joined-up approach to finding new markets.

One Ireland
jobs, reform, fairness



THE FIRST STEPS

- Grow new markets, including long-haul markets and niche markets, such as activity holidays, eco tourism, food tourism and cultural tourism
- Make regaining market share in Ireland's top overseas markets a priority
- Extend free off-peak travel to all over-66 visitors on all CIE services
- Use the web and smart phone apps to provide innovative products for tourists
- Deal with over-supply in the hotel sector to normalise the market



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FOCUS ON GROWING NEW MARKETS

Labour will maintain the Tourism Marketing Fund as an essential pillar of our tourism strategy, and will introduce a systematic auditing system to ensure the best return on Exchequer spending. Revitalising Ireland's brand identity abroad will be a priority for Labour in government.

Growth in global tourism in the 21st century will predominately come from non-traditional markets, especially Asia. Marketing campaigns will be developed in emerging long haul markets such as China, Russia, India, Japan and the Middle East, using the Tourism Marketing Fund. This will be complemented by a broader translation policy and a reformed tourist visa process.

As part of an initiative to encourage domestic event tourism, Labour will make the Culture Night Initiative a twice yearly event, and introduce a National Lottery Funding Anniversary Day, whereby all facilities which have received funding from the National Lottery will open their doors to the public free of charge.

REGAIN MARKET SHARE IN TRADITIONAL MARKETS

70% of Ireland's overseas visitors come from Britain, the US, Germany and France. Recovery of market share in Britain, and increasing penetration in the other three markets will be a key priority in a revamped tourism strategy.

IMPROVE TOURIST INFRASTRUCTURE

To encourage tourists to travel around Ireland, a free travel scheme for every visitor over 66 at off peak times will be introduced on all CIE services, from within CIE's existing budget. Coach tourism infrastructure will be further developed to encourage organised tourism. Improved ferry connectivity, with more frequency and additional routes, will be encouraged as an alternative to air travel.

The Department of Tourism, Culture and Sport will be mandated to conduct an assessment of the quality and effectiveness of existing signage, with a view to improving the tourist experience and increasing visits to attractions close to major sites.

USING TECHNOLOGY TO IMPROVE OUR TOURISM PRODUCT

Improving the e-capability of our tourism product will be a priority. This will begin with the upgrading of the Discover Ireland website, to improve online integration between attractions, accommodation,

Revitalising Ireland's brand identity abroad will be a priority for Labour in government

Niche markets will be developed, including activity holidays, such as golf and surf tourism; eco tourism; and food tourism. To exploit the potential of business tourism, Tourism Ireland will be mandated to develop a dedicated service organising and promoting sightseeing in and beyond conference locations for conference delegates.

'Event tourism' will also be prioritised, with strategic planning and prioritisation of funding to bring major international fairs and events to Ireland such as the Volvo Ocean Race or the Solheim Cup.

Improving the e-capability of our tourism product will be a priority

and transport providers, to allow potential customers all the information they require via one site.

Labour will also focus existing expenditure on tourism on other web-based tools which support the tourism industry, and will encourage innovation in this area by digital media companies. This includes developing information platforms on the internet for various niche audiences, such as a Surf Ireland or a Golf Ireland web portal, or new web-based tools such as an interactive Irish tourism application for smart phones.

NORMALISING THE HOTEL SECTOR

The disastrous impact of tax breaks for the hotel sector that served as a tax avoidance mechanism will need to be addressed. Labour will require NAMA to conduct an independent review of the hotel sector, and use this as a basis for decisions on which hotels it should continue to support. Labour will also consider allowing certain hotels that wish to change use to a community facility to exit the hotel capital tax relief scheme and be exempt from the claw-back of the tax relief foregone. The objective will be to achieve, in consultation with the industry, an orderly reduction in the number of hotel beds.

MAKING CHANGE AND JOBS HAPPEN

As part of our wider Comprehensive Spending Review, Labour will conduct a critical assessment of the functions, systems and efficiency of the semi state agencies in the tourism sector with a view to establishing the optimum support required by the tourism industry, which offers the best value for money for the taxpayer.

Labour also supports the establishment of an industry-led tourism recovery taskforce to drive growth in the tourism sector, as recommended by the Irish Tourism Industry Confederation.